

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3355
ANSWERED ON:31.08.2012
POWER SHARING
Singh Dr. Raghuvansh Prasad

Will the Minister of POWER be pleased to state:

- (a) whether Bihar is allocated power as per Gadgil formula on power sharing for States;
- (b) if so, the details of this formula and the reasons for which Bihar is not allocated power at par with other States;
- (c) whether Government proposes to enhance power supply to the States which are facing power crisis in the country particularly Bihar; and
- (d) if so, the details thereof State/UTwise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) & (b) : At present Bihar has an allocation upto 1835 MW from the Central Generating Stations which is highest among the Eastern States. Further, Ministry of Power has allocated 50% of power from Barh STPS-II (1320 MW) to Bihar at the request of Government of Bihar.

Power from Central Generating Stations to beneficiary States/Union Territories is allocated in accordance with formula for allocation of power which is being treated as guidelines from April, 2000. As per these guidelines, allocation of power is made to the States/UTs in two parts, namely firm allocation of 85% and 15% unallocated power for allocation by the Government for meeting the urgent/overall requirement. The firm allocation includes allocation of 12% free power to the affected States and 1% for local area development in case of Hydro Power Stations and 10% (not free) power to the home State in case of Thermal and Nuclear Power Stations. The balance 72%/ 75% power is distributed amongst the States / UTs of the region in accordance with the pattern of central plan assistance and energy consumption during the previous five years, both factors having equal weightage.

Central plan assistance is determined in accordance with the Gadgil formula, in which population of the states is also taken into consideration. In case of joint venture projects, the equity contributing state gets benefit in firm allocation in accordance with their equity contribution.

The aforementioned guidelines for allocation of power from Central Generating Stations are applicable to the generating stations, for which PPAs have been signed upto 5th January, 2011. After 5th January, 2011, power is to be procured by the Distribution Companies/Utilities through tariff based competitive bidding. In 13 new projects of NTPC, Central Government has in January, 2011 approved allocation of 50% of power to `Home` State, 15% unallocated power at the disposal of Government of India and 35% to other constituents (except `Home` State) of that region on the basis of extant guidelines on allocation of power giving equal weightage to central plan assistance and energy consumption by each State of the Region for preceding 5 years. Similar dispensation has also been provided by the Government in January, 2011 in respect of new projects of Nuclear Power Corporation.

(c) & (d) : The demand/requirement of power in a State is to be met from their own generation, its share in the Central Generating Stations (CGSs) and import of power. Supply of power to the States against their allocation of power from CGSs, therefore, caters to part of their requirement. Generally approximately 95% of the power available in the State of Bihar is supplied from CGSs. Steps have been taken by the Government to improve the overall power supply position in the country including Bihar. These steps include acceleration in generating capacity addition, rigorous monitoring of on-going power generation projects, coordinated operation and maintenance of hydro, thermal and nuclear and gas based stations to optimally utilize the existing generation capacity, strengthening of inter-state and inter-regional transmission network for optimum utilization of available power in the country and import of coal to meet the shortfall in domestic coal supply, strengthening of sub-transmission and distribution system under R-APDRP, providing access of electricity to rural household under RGGVY. Projects aggregating 3690 MW in Central Sector are under construction for likely benefits during the 12th Plan with share of Bihar being of the order of 1447 MW.