

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:976
ANSWERED ON:29.11.2012
DOMESTIC TARIFF IN LAKSHADWEEP
Sayeed Muhammed Hamdulla A. B.

Will the Minister of POWER be pleased to state:

- (a) whether there is any proposal to hike domestic tariff in Lakshadweep by 33 per cent to almost 100 per cent for some units;
- (b) if so, the reasons therefor;
- (c) whether the proposed hike is likely to increase the financial burden on the islanders who have limited means to augment their incomes;
- (d) if so, the details thereof; and
- (e) the other alternatives being considered by the Government to reduce revenue loss of the electricity department of Lakshadweep?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d) : As per information made available by Joint Electricity Regulatory Commission (JERC) (for State of Goa & Union Territories), the Electricity Department, Union Territory of Lakshadweep had filed its Aggregate Revenue Requirement & Tariff Petition for Financial Year (FY)2012-13 on August 1st, 2012 vide petition No. 85/2012 for about 40% hike in electricity tariff during FY 2012-13. Public comments were invited and public hearing was held by the Commission in Kavaratti, Lakshadweep on 15.10.2012. The Tariff Order has been issued by the Commission on 31.10.2012.

According to the Regulatory Commission there was no tariff increase since 2001. The Commission has approved only 14.53% annual increase w.e.f 1.10.2012, as input prices like diesel cost, manpower cost have more than doubled. Domestic consumers are paying only 8.44% of the Average Cost of Supply (ACOS) which is Rs. 24.20/kWh for FY 2012-13 whereas remaining cost is being borne by the Government.

(e) : Regarding the alternatives considered by the Government, the Commission has already directed the Electricity Department Lakshadweep to explore the alternative sources of cheaper electrical energy. Further, it has been informed by the Electricity Department of Union Territory of Lakshadweep that they are in the process of preparing road map for promoting Renewable source of Energy and the works for augmentation and renovation of existing solar power plants entrusted with M/s BHEL are in progress. Replacing the electro mechanical meters with electronic meters is also proposed to be carried out for energy auditing. Efforts are being made by the Department to bring down the Transmission and Distribution Loss.