

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:611

ANSWERED ON:23.07.2015

Amendment in Electricity Act, 2003

Adsul Shri Anandrao ;Patil Shri Shivaji Adhalrao;Shrirang Shri Chandu Barne;Yadav Shri Dharmendra

**Will the Minister of POWER be pleased to state:**

(a) whether the Government proposes to amend the Electricity Act, 2003 to separate content and Carriage in distribution sector if so, the details and the salient features including the major objectives of the proposed amendments;

(b) whether the proposed amendment in the said Act also envisage a concept of multiple licenses to supply electricity through common network and if so, the details thereof including the benefits likely to accrue the consumers;

(c) whether the National Co-ordination Committee of Electricity Employees and Engineers has opposed the proposed amendment in the Act; and

(d) if so, the details thereof and the reasons therefor including the stand taken by the Government on the issue?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,  
COAL AND NEW & RENEWABLE ENERGY

( SHRI PIYUSH GOYAL )

(a) : Yes, Madam. Government of India has proposed amendments to the Electricity Act 2003, which, inter-alia, include separation of carriage and content in the distribution sector. The other proposed amendments cover strengthening of grid safety and security, Renewable Generation Obligation (RGO) for new coal and lignite based thermal generating plants, rationalization of tariff determination process, performance oversight of Regulatory Commissions and strict enforcement of Renewable Purchase Obligations (RPO) etc.

(b) : Yes, Madam. The concept of introduction of multiple supply licensees in the distribution sector supplying electricity through common network by way of separation of carriage and content has been proposed to be introduced with the objective of bringing further competition and efficiency in the distribution sector by giving choice to the consumers.

(c) : The National Coordination Committee of Electricity Employees & Engineers by way of its representation has raised some concerns in respect of the proposed amendments in Electricity Act, 2003, mostly relating to the proposal of separation of carriage and content in the distribution sector.

(d) : The proposed amendments for separation of carriage and content provide enabling provisions to bring the regime of competition in distribution sector and the actual transfer scheme is to be formulated and implemented by the respective State Governments looking into their specific requirements. Enough flexibility has been provided in the framework to implement the scheme in a phased manner. Further, based on the recommendations of the Standing Committee on Energy, many provisions have been proposed to be amended to take care of the concerns raised in the aforesaid representation.

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