

Title: Consideration and passing of the Energy Conservation Bill, 2000 moved by SPi Suresh P. Prabhu on the 16th Aug, 2001. (Continued- Concluded)

MR. CHAIRMAN: The House will now take up Item No.10.

SPI BASU DEB ACHARIA (BANKURA): Mr. Chairman, Sir, this is an important Bill. The main purpose of this Bill is to conserve the scarce energy. This Bill was referred to the Standing Committee on Energy. It scrutinised this Bill and gave a number of suggestions. I am glad that the Minister has accepted almost all the suggestions made by the Standing Committee on Energy. He may move amendments to incorporate all those suggestions in the Bill.

Now, we are facing energy crisis. The Bill is overdue. A number of countries have enacted similar type of legislation to conserve energy. Energy does not mean only electric power, energy includes fuel, fossil, petroleum, and non-conventional energy. The need of the hour is to conserve whatever energy we have. Almost 60 per cent of the energy is consumed by industrial and commercial sectors.

In the industrial sector, we have age-old industries and machinery and appliances, which are being used in these industries, are energy consuming. So, there is a need to replace them and there is a need for modernisation. Take the example of textile industry. The machinery used in most of the textile mills, particularly in the National Textile Corporation, are very old. They consume more energy and there is a need to replace all these machinery by energy-efficient ones.

* Published in the Gazette of India, Extraordinary, Part-II, Section-2, dt. 17.8.2001

Sir, in the original Bill, the Railways were not included, but the Standing Committee made a suggestion to include the Railways because the Railways consume both electric power as well as diesel. The Railways have their own research and development organisation. Though they have developed a fuel-efficient diesel engine, the Railways use 60 per cent of diesel that is imported by us, because only 20 per cent of our tracks have been electrified so far. But the Railways have to conserve diesel.

Sir, when this Bill is passed, a Bureau of Energy Efficiency will be created to supervise energy conservation in the country. The problem in our country is that we spend very less on research and development. The norm is to spend five per cent of the turnover on research and development, but we spend much less. As a result of this, we are not energy efficient in many areas.

We are producing about 1,00,000 MW of electric power. But a large number of power plants, which have been started in the 1960s and 1970s, need renovation and modernisation. If we strictly go by the standards, we will see that majority of these power plants are not fuel-efficient. We need large investment for renovating and modernising these power plants. By renovating and modernising them, we will not only be able to make the power plants fuel-efficient, but we will also be able to increase our power generation. We need more power. There is a gap both in peaking and non-peaking period.

In order to bridge the gap, as new power plants are required as well as the old power plants are required to be renovated and modernised, investment is required. Investment is required for replacement of machinery.

Now, we will create a bureau to supervise all that and for those who will violate the guidelines, the provision of penalty also is there and the Standing Committee made suggestions to reduce the penalty. That has been accepted by the hon. Minister. But the problem is to make the people aware of energy conservation.

Our energy loss, what is called T&D (Transmission and Distribution) loss, is about 27 per cent. In some States, it is more than 40 per cent. If we can reduce this T&D loss, say, by 10 per cent, we will be able to save the energy to a great extent and for that also there is a need for renovation and modernisation of our transmission system. There is a mismatch in the investment for power generation and for transmission and distribution.

Sir, the ideal norm is if you spend one rupee for thermal generation, you are required to spend one rupee for transmission and distribution. That is not being done. As a result of that the transmission and distribution loss is 27 per cent in our country. So, the question is how we can save this, how we will be able to make people aware of conservation of energy.

We have abundant reserves for fossil fuel, but we are not using it properly. We had coal based fertilizer plants. Coal was used for manufacture of urea. But all the coal based fertilizer plants, which we had, have now been closed down. Now, again there is a move to start coal based fertilizer plants to manufacture

fertilizer and coal as feedstock.

Then education of the people is also required. I do not find anything in the Bill with regard to any provision relating to educating the people. There is only a provision of penalty and that there will be a bureau. There will be an inspector and we will have to see that the Inspector Raj, which was there in the earlier times, again should not come.

Then comes energy audit. If that is made mandatory, then we will be able to achieve our target to a great extent.

Now, there is a plan to have a cent per cent metering system. There also, defect is there. How much have we been able to achieve it?

Agriculture has not been included here. Agriculture also consumes a substantial percentage of energy. Agriculture should also be included here as the fertiliser factory has been included, and the Railways, which was not there in the original Bill, has been included. Then, textiles is there. We have to motivate the people to use fuel-efficient machinery. How can that problem be tackled? That also has to be taken into consideration.

There is a need to conserve energy and if we can conserve, we will be able to increase our thermal generation. We have enough potentiality of hydel that is not being harnessed. We have the potentiality of more than 70,000 MW. Our target is to produce additional one lakh MW by 2012. We will be able to achieve this target if proper steps are taken. Not only by creating a Bureau we will be able to achieve this target but we will also have to make the people aware to spend for Research and Development. There are old industries like textiles, jute, engineering, and mini steel plants. Previously, there was arc steel. Arc steel plant used to consume much power. So, we will have to develop the new technology, and for that, investment is required. We are not spending much for Research and Development. For Research and Development, sufficient funds should be made available. We will also have to switch over or to replace old machinery, which consume more power. How will they be able to replace it? That also should be thought of.

It is a well-intentioned Bill. I support this Bill but certain other measures have to be taken so that we can conserve our scarce energy and the energy, which is required, is properly utilised.

With these words, I conclude.

SPI T.M. SELVAGANPATHI (SALEM): Hon. Chairman, Sir, at the outset I thank you very much for permitting me to speak on this subject which is very vital at the present juncture.

Though the Bill is laudable to some extent as far as conservation of energy is concerned, the Department needs a holistic approach with regard to many other problems. Sir, in a country where there is a great deal of demand for energy, growing demand for energy keeps on increasing, ever increasing demand, we need a policy for conserving energy as well. That alone is not the only way to meet the shortfall.

In the Ninth Plan, the target of capacity addition was 40,000 MW. But has that been achieved? It was estimated that a capacity of 6500 MW should be added every year to meet the shortfall. So, generation is also important in the same way we conserve energy. So, the Ministry rather has a holistic approach with regard to generation of energy and loss accruing due to transmission and distribution. What policy do you have when, especially, the loss due to transmission and distribution in some States is almost 30 per cent? In some States, it is over and above 30 per cent. It is nearly 40 per cent. Unless there is a comprehensive approach to this effect, I do not think we will be able to match the growing demand. With regard to theft, what policy has the Government got? It is another area of concern in the Ministry of Power and that is also missing.

There are certain clauses which need a thorough scrutiny. As far as clause 15(d) is concerned, it designates any agency or a designated agency to co-ordinate, regulate and enforce the provisions of this Act. Why not this be delegated to the State Government? Power being in the Concurrent List of the Constitution of India, were those particular provisions really given to the State Governments and their opinions sought with regard to this Bill? I doubt there is any such consultation made except the Joint Parliamentary Committee which went into the details. All the recommendations of the Committee have been accepted. Therefore, our demand is with regard to the enforcement. The subject may be left to the State Government.

With regard to penalty, the provision is that the authority can levy from one rupee to Rs.1 lakh. People can get away by paying Rs.1 lakh as penalty. So, regarding recovery policy, the Minister may have a re-

look into it. As far as revenue recovery is concerned, we all know how it is done. If there is a misuse of crores of rupees and if you will levy a penalty of Rs.1 lakh, people can easily get away with that. Unless you have a separate forum for revenue recovery, I do not think it is possible. It is going to delay and protract for ever.

There is another area, that is, with regard to generation of energy where the Ministry can concentrate more. I would like to take up two issues of the State of Tamil Nadu, which would go to show how we are callous in generating power. One very important issue is that the Government of Tamil Nadu has proposed to set up an LNG based power project at Ennore near Chennai.

The total project cost is estimated to be Rs.6,500 crore. In this project, basically, LNG is imported.
...(Interruptions)

MR. CHAIRMAN : Please conclude now.

SPI T.M. SELVAGANAPATHI : I think, I have taken only two minutes.

MR. CHAIRMAN: Today, we have got Private Members' Business also.

SPI T.M. SELVAGANAPATHI : But that starts only at tPee o'clock. If you want me to sit down, I will sit down though I have just made only one point.

THE MINISTER OF POWER (SPI SURESH PRABHU): This point does not pertain to the Energy Conservation Bill. If the hon. Member wants, he can come to me and discuss this.

SPI T.M. SELVAGANAPATHI : It is indirectly concerned with this Bill for the simple fact that this is not going to be the ultimate step. You will have to concentrate on generation also.

SPI SURESH PRABHU: That way, we need a massive discussion on the entire energy policy. Here, we are discussing only conservation of energy.

SPI T.M. SELVAGANAPATHI : Let me complete this point on this very important aspect.

The hon. Prime Minister, during his visit to the United States of America had entered into an agreement. The Government of India has not signed the termination guarantee clause and given the liquidity guarantee. ...(Interruptions)

SPI SURESH PRABHU: Are you referring to the Bill?

SPI T.M. SELVAGANAPATHI : It concerns the Bill.

You want to conserve energy but you do not want to generate energy. This is my point. In the LNG-based project, the cost per unit is only Rs.2 and this has been delayed by the Government for almost six months. We were supposed to implement this agreement in March, 2001 whereas we have been entering into agreements with Enron where the cost per unit is Rs.6. Why is this double standard practised? Why is this step-motherly attitude adopted?

Unless you have a holistic approach, this problem cannot be solved by mere passing of this Energy Conservation Bill alone. Therefore, I request the hon. Minister to look into this aspect and see that it is also cleared.

SPI PAWAN KUMAR BANSAL (CHANDIGARH): Sir, the fact that there is a yawning gap between the quantum of energy available and the energy required in the country cannot be challenged. The quantity of energy available certainly is the barometer of the nation's progress.

The other day, there was a Question here, which brought to our notice the fact that the target fixed by the Government for generation of energy was reduced from 48,000 MW to 28,000 MW and further reduced to 20,000 MW. Perhaps, that is also not the target that we could meet. Given this situation, it is certainly the need of the hour to devise means to conserve energy. I feel that this Bill makes an effort in that direction. It is certainly necessary that we make maximum use of energy that is available to us.

Despite all our efforts in the past, the plant load factor continues to be low. As it was pointed out earlier, the transmission and distribution losses continue to rise. There is wastage of energy on every score. There is a need to devise means to cut on wastage. We have mostly seen that a good section of industry in this country has machinery that is obsolete and worn out and when used consumes much more energy than a good machine would if put in its place. For these reasons, we do hope that the Bureau of

Energy Efficiency stipulated by the hon. Minister in this Act will serve a useful purpose. Already, steps have been taken to set up corporations for generation, transmission and distribution of energy. All these efforts put together should help us in meeting the insurmountable difficulties we have on the energy front.

I find, from the Bill, that there are provisions to designate a person as a designated consumer in view of the intensity or the quantity of electricity to be used by him and certain responsibilities and obligations are cast on him. It is all right to do that but I think there are not enough guidelines. I do wish that such guidelines are provided though the rules and regulations later to specify people whom you can designate as a particular class of consumers and against whom you can impose certain conditions.

Sir, I welcome the step to provide for energy audit. But once you have elaborate provisions for that purpose, you still are sticking to your old colonial legacy, you still want some inspectors to visit those premises and again trouble those people repeatedly. If you issue a direction to the concerned person for the energy audit and you have heavy penalty for violation of those provisions, then why do you again have that provision of inspection? It is our experience in any given field of the nation's activity that wherever you provide for an inspector to have some say in the matter, it is only lawlessness that rules the day. I wish that when we move forward with new enactments in this liberalised economy, we must make a conscious effort to ensure that this 'Inspector raj' which has often been lamented by all the people is done away with.

When I saw this Bill, what really impelled me to speak on this was that while the Government does want to make a concerted effort to conserve energy, we do not really find the Government taking steps to save energy even in the smallest places which, put together, would really work out to a very huge amount. For instance, despite the fact that you have exhortations by the Government to the people to save electricity, one policy of the Government which I pointedly want to draw the attention of the hon. Minister to, is the provision relating to the levy of minimum charges. This is the point which I want to make.

सभापति महोदय : सजैश्चन दे दीजिए। उसके अनुसार मंत्री जी देख लेंगे।

SPI PAWAN KUMAR BANSAL : Sir, I will not take more time. I am just concluding.

You have a provision for levy of minimum charges irrespective of the fact whether the consumer consumes electricity or not. I can understand when you had a provision like this in the case of the industry. But then you are extending it to the commercial establishments. You have extended it to the domestic consumers. All right, even if you have extended it to them. You incur certain expenditure on building up the infrastructure and for that you want to levy some minimum charges. It is okay. But what are you really doing? Every time we find the Government enhancing that amount, I think, perhaps they just want to earn all the revenue from the levy of minimum charges alone.

I know of cases where people, when they go out of a room they switch off the lights and when they come in they switch on the lights. They want to save every unit of electricity. But if, at the end of two months, you slap a heavy bill on them, what for are the savings of energy by them? Are we not encouraging waste of energy that way? I would like the hon. Minister to call a meeting of the representatives of people despite the fact that you are setting in place the regulatory authorities. The State Governments are there. I come from a Union Territory where there is no semblance of democracy and whenever anything comes to their mind – to cover up their inefficiency and their failure – they would only increase the dose of these minimum charges and this is what the people are made to pay.

I would like the hon. Minister to take initiative in that aspect because if you really wish to save energy, that is one point from where you can begin with. You should rather give incentives to the people for saving energy and not penalise them for saving energy as it has been done in the case of frequent enhancements in the consumption charges of energy.

With these words I certainly wish to support this Bill as a good effort. But, at the same time, you kindly make some provision on the lines that I have suggested.

सभापति महोदय : अब मंत्री महोदय, जवाब देंगे।

श्रीमती मार्ग्रेट आल्वा (कनारा) : सर, मेरा नाम बोलने वालों की लिस्ट में है। कृपया मुझे एक-दो मिनट का समय दे दीजिए।

सभापति महोदय : लेकिन, समय तो समाप्त हो गया है।

श्रीमती मार्ग्रेट आल्वा : इसके लिए दो घंटे हैं और अभी डेढ़ घंटा ही हुआ है।

समापति महोदय : आपकी पार्टी के श्री पवन कुमार बंसल बोल चुके हैं।

श्रीमती मार्ग्रेट आल्वा : वह श्री राजो सिंह के बदले में बोले हैं।

SPIMATI MARGARET ALVA (CANARA): Sir, I rise to speak on this Bill because I have a real interest in this matter which, I think, is being looked at very superficially. The energy crisis in the country calls for much more than bureaucratic regulatory bodies. The question of transmission losses, the question of old equipment, the question of meters being tampered with, the question of illegal connections and various other problems – they tell us – lead to almost 30 per cent of the energy being wasted.

I want to ask the hon. Minister whether he believes that just by these kind of superficial bodies being created – here again, the issue was raised yesterday not of technocrats but of bureaucrats – this problem can be sorted out.

Sir, when we talk about energy, we are not talking only about electricity. There are experiments all round the world to find alternate sources of energy. I want to ask the hon. Minister, with the kind of facilities that are available today, whether any investment or any effort is being made to take on things like wind energy and solar energy. Solar energy in most parts of the world today is becoming a replacement for electricity. There is no effort at finding alternate sources of energy in a way it should be done by investment.

The second thing I am asking him is on the question of utilising biogas. In fact, whole of Patna city roads used to be lit with the city waste at one time. I do not know whether anything works or not now - SPi Sinha should know – but the entire city waste used to light the streets of Patna city at one time with the utilisation of city waste. No effort is made in other directions.

I do want to point out that there has to be much more attention paid to the wastages in their public utilities, their Government offices. On roads, we often see lights on during day time. We see all sorts of wastage which goes on from the Government itself. They want to tax the citizen, the ordinary consumer, but what are they doing to conserve energy within their own establishment? At several places, Electricity Boards are giving free electricity to their employees just as one of their Ministers is giving free telephones to the entire telecom system employees. We have got many Boards which are giving totally free electricity unlimited to their employees. What are they doing to control such malpractices within the system itself? Then, I would say, impose a ban on wasteful utilisation of electricity, like on weddings.

MR. CHAIRMAN : Please conclude.

SPIMATI MARGARET ALVA : Sir, I have not spoken even for five minutes. Why are you saying conclude? I am always sitting in the Chair in the afternoon and I never get a chance to speak.

I want to know what he is doing to stop wasteful utilisation of electricity at weddings, at festivals, and the useless wastage which goes on all over the country. I am asking the Minister whether he would consider introducing a slab system so that those who consume less should be charged at a lower rate and for those who consume more, let the rate go up so that there is an incentive to consume less. In the slab system, if they want to consume beyond that point, they will pay higher rates. We have it in many States and I think, that should be taken up as an alternative.

Sir, public awareness campaign to make people realise, particularly the school children, that they have to support their initiative is very important. When he forms these committees, he may please include women in them. If he can have the women help and support them, he will be able to do something. He has all sorts of people on these regulatory boards, with no representation for sections who can really help him in this cause. Then, I would say do not have bureaucratic bodies; think of the technocrats and think of those who can make some kind of contribution.

As we said yesterday, decongest Delhi of more and more offices and shift regulatory authorities outside Delhi. Many years ago, the Cabinet had taken a decision that all Governments Offices should be decentralised. Please consider moving this regulatory body to the South, preferably to Bangalore or somewhere else like that.

Sir, I think that the most important point is the reforms in their Electricity Boards. I know that it will create a real problem, but with all that he is doing, until distribution of electricity is privatised and given in the hands of those who will bring in more discipline, he will not be able to control the consumption of electricity.

I know, Sir, that you are very much in haste. But the point is, we should also have an opportunity to make a contribution. The Ministers are always talking. We do not get a chance to put forward some of the important issues.

I would say that this Bill is not going to solve the problem. It is going to add to the overheads of the Government. Government is creating another body. The Government says that it is making some staff reduction but it is actually adding it somewhere else. The Government's overheads are going to go up and the consumption is not going to come down by this kind of a measure. That is all I wanted to say.

THE MINISTER OF POWER (SPI SURESH PRABHU): Sir, I will very quickly go over the points raised by the hon. Members. First of all, I would thank all the hon. Members for supporting this Bill.

Every unit of energy saved is equal to the units of energy generated. That is why there is need for energy conservation. That in no way takes us away from our priority of generating power. But, if we keep on generating power without working for its conservation, all our efforts would result in wastage of our scarce resources. Every new megawatt of capacity addition of power requires a minimum expenditure of Rs. 4 crore. If we save one megawatt of power, we have saved Rs.4 crore. The potential for saving energy in the country is as high as 25 per cent. If we try and save about 25,000 megawatt, we would be saving as high an amount as one lakh crore rupees. That amount of one lakh crore rupees could be invested in several projects.

Many Members have said that the nature of the set-up should be of less bureaucratic; and that *inspector raj* should be avoided. I am very happy to announce that I have already decided that we will be resorting to a self-regulatory mechanism. We are not going to resort to organisations which will actually be visiting the premises to read the meters. We are going to resort to self-regulatory mechanisms which will obviate the need and the rigours of inspectors going around tapping on the doors of the citizens and the industry.

It was mentioned by some hon. Members that the Director-General should not be an IAS officer. We have already accepted the recommendation of the Standing Committee in Clause 9(1) wherein we have already said that the Director-General will not necessarily be an IAS officer. He would be conforming to certain qualifications. A person who actually has those qualifications would be selected. Therefore, we have already accepted this very important recommendation made by the Standing Committee. In fact I am very happy to say that the Government has accepted all the recommendations of the Standing Committee without exception. We have already included energy generating stations also. It is not that we are not targeting them, they have also been targeted. They will have to reduce their energy insensitivity. Railways have also been included.

Since it is already there in the Schedule, - again on the recommendation of the Standing Committee - it was suggested that more fiscal concessions should be given. On that point, since the hon. Finance Minister has deliberately come here to listen to this, I am sure he will definitely take care of it by providing certain concessions for energy conservation devices.

It was pointed out that the headquarters need not necessarily be located in New Delhi. I agree with this. I can assure the House that the headquarters will definitely not be located in Delhi. Because SPi Mohale wanted to speak but was not allowed to do so, perhaps the headquarters could be located somewhere in Maharashtra the State where he comes from.

SPIMATI MARGARET ALVA : That is because you come from Maharashtra.

SPI SURESH PRABHU: Since he could not speak, we must make allowance for him.

PROF. A.K. PREMAJAM (BADAGARA): There are many other Members who have not been able to speak. Why not in their States?

SPI SURESH PRABHU: SPi Mohale is the only Member from Janata Dal (Secular). Because we really respect secularism, Janata Dal (Secular)'s wishes should be taken into consideration.

Different dates have been prescribed for implementation of different provisions of the Bill. One of the Members asked as to why it was so. There is a specific reason for it. Different industries at different points of time will be brought into the control of various provisions of the law. Therefore, it is prescribed like this. In any case, the different provisions will be notified from time to time. It is also stated that we must include scientists and technocrats in this Bureau. The composition of the Bureau would be - six

members would be from technical Departments and research organisations; five members would be technical personnel; and four members would come from industry, appliances manufacturers, and consumers. All these people are going to be included.

In fact, these people, the technocrats, the scientists and the professionals, outnumber the official members who are going to be nominated to this Committee.

Sir, I respect SPimati Margret Alva. She knows the problems of the Government. She had said that we know how all the Government offices always keep the light burning. She had remained in charge of the DoPT. She knows better than anybody else about it. So, we will take care of this point.

In addition, I can also assure her that we will include more women in this Committee than men.

DR. V. SAROJA (RASIPURAM): Sir, the year 2001 is the Year of Empowerment of Women. May I request the hon. Minister to have one-third persons as ladies in that Committee?

SPI SURESH PRABHU: In fact, I was thinking of including more than that. But she wishes to reduce the number. All right. ...*(Interruptions)*

SPI T.M. SELVAGANPATHI (SALEM): Sir, he can make it 50:50! *(Interruptions)*

SPI SURESH PRABHU: Sir, it is already stated that we should encourage Research and Development. I am very happy to announce that about six months back, for the first time, we appointed a Research and Development Committee for the power sector. This Committee includes very eminent scientists who are doing commendable work in the power sector's Research and Development.

Many of the processes that we have developed so far are only covering other parts. But the basic research in the power sector has not been done as much as it should have been. So, Research and Development will be taken care of.

We will also cover the area of conservation which SPI Basu Deb Acharia really wanted us to do.

Sir, we are already taking a number of covers for the Research and Modernisation of existing power plants. The potential there is as high as 15,000 MW. In fact, in this regard, a programme has been launched by the Government known as the Accelerated Power Development Programme (APDP) under which an earmarked amount will be spent for the purpose of Research and Modernisation of the existing power plants. We will take care of this.

SPIMATI MARGARET ALVA : Have you considered captive power plants for industries? Let the industries invest in the captive power plants.

SPI SURESH PRABHU: Madam, may I tell you that all these issues have already been covered. But they are not the part of this Bill. This Bill is meant for something else. In fact, we cannot include all the issues pertaining to power sector in this Bill. There is a separate Bill which we are going to introduce in Parliament which will cover all these areas including what you wanted to know, viz., why we are not covering renewable energy. This Bill is not really meant for that. Renewable energy, captive power generation, hydro power generation, etc, are all issues relating to generation of power. The Bill is targeting on conservation of energy on the demand side. Therefore, this issue cannot be dealt with by this legislation...*(Interruptions)*

SPIMATI MARGARET ALVA : You may consider it.

SPI SURESH PRABHU: Obviously, we will consider them. But they cannot be considered here as they do not come under the ambit of this Bill.

SPI PAWAN KUMAR BANSAL : But we hope that when you refer to the matters relating to energy, you will consider them.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION TECHNOLOGY (SPI PRAMOD MAHAJAN): He has already said it.

SPIMATI MARGARET ALVA : He should consider all these issues. Industries should be allowed to invest in the captive power plants.â€¦! *(Interruptions)*

MR. CHAIRMAN : Mr. Minister, you please continue.

SPI SURESH PRABHU: Sir, I, therefore, think that this Bill merits unanimous adoption by this House and I

can say that this Bill has been supported by all the Members as all the recommendations of the Standing Committee have been adopted. Of course, I look forward to its being approved unanimously by this House.

SPI T.M. SELVAGANPATHI : Mr. Chairman, Sir, the hon. Minister has forgotten to mention an important point regarding agriculture. During the intervention yesterday, the Minister had pointed out that agriculture sector is also included in this Bill.

MR. CHAIRMAN: Spi T. M. Selvaganpathi, you have already spoken.

SPI T.M. SELVAGANPATHI : Sir, it is a very important point. There are some States which give free electricity to farmers...*(Interruptions)*

If this is implemented in the agricultural sector, agrarian's entire economy will be put to troubles. They cannot change the pump-sets overnight. What is the time limit? What is the policy being adopted?

SPI SURESH PRABHU: Sir, in fact, we are now prescribing the minimum energy efficiency standards for each and every type of industry. The pump-sets are manufactured for agriculture. They are used in only agriculture. But the pumps are manufactured by the manufacturing sector. When they are manufactured, we are trying to prescribe the new energy conservation standards for them. Those standards once prescribed will be used by them. Agriculture is going to benefit here. The powers used in agriculture with the help of agricultural pumps is targeted at the manufacturing level. Therefore, there is no need to prescribe it.

Sir, one hon. Member wanted to know about the tariff. All these tariff issues are now settled by the Regulatory Commission.

So, the Regulatory Commissions will have to really address these issues. Therefore, we need the support of the House to pass this Bill. ...*(Interruptions)*

SPI J.S. BRAR (FARIDKOT): Sir, I want to have a small clarification. ...*(Interruptions)*

MR. CHAIRMAN : No. From 3 o'clock, we have to start the Private Members' Business....*(Interruptions)*

SPI J.S. BRAR : Mr. Chairman, Sir, we all know that there are certain States in the country, which are giving free power. It used to be a popular slogan during election campaigning. So, I want to know what is the policy of the Central Government. Does he encourage this or does he really discourage this? It is a very simple question. ...*(Interruptions)*

SPI SURESH PRABHU: This, of course, is not a part of this Bill. ...*(Interruptions)* I will definitely answer this question at an appropriate time. ...*(Interruptions)*.

MR. CHAIRMAN: The question is:

"That the Bill to provide for efficient use of energy and its conservation and for matters connected therewith or incidental thereto, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: The House shall now take up clause by clause consideration of the Bill.

Clause 2 - Definitions

Amendments made:

Page 2, after line 3, insertâ€”

'(aa) "Appellate Tribunal" means the Appellate Tribunal for Energy conservation established under section 30;

(ab) "building" means any structure or erection or part of a structure or erection, after the rules relating to energy conservation building codes have been notified under clause (a) of section 15 or clause (l) of sub-section (2) of section 41, which is having a connected load of 500 kW or contract demand of 600 kVA and above and is intended to be used for commercial purposes;'. (3)

Page 2, line 11, for "hydro-electricity", substituteâ€”

"nuclear substances or materials, hydro-electricity". (4)

Page 2, for lines 14-15, substituteâ€”

'(g) "energy audit" means the verification, monitoring and analysis of use of energy including submission of technical report containing recommendations for improving energy efficiency with cost benefit analysis and an action plan to reduce energy consumption;'. (5)

Page 2,–

Omit lines 28 to 34 (6)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 2, as amended, stand part of the Bill."

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Clause 3 was added to the Bill.

Clause 4 - Management of Bureau

Amendments made:

Page 3, line 17, for "ten", substitute "twenty". (7)

Page 3, line 18, for "fourteen", substitute "twenty-six". (8)

Page 3, for lines 20 to 22, substituteâ€”

"(a) the Minister in charge of the Ministry or ex officio Department of the Central Government dealing Chairperson; the Power

(aa) the Secretary to the Government of India, ex officio in charge of the Ministry or Department of the member; Central Government dealing with the Power (9)

Page 3, line 46, for "clause (f)", substitute "clauses (n), (o) and (p)". (11)

Page 3, line 48, for "clause (f)", substitute "clauses (n), (o) and (p)". (12)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

Clauses 5 and 6 were added to the Bill.

Clause 7- Removal of member from office

Amendment made:

Page 4, line 19, for "clause (f)", substitute "clauses (n), (o) and (p)". (13)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 7, as amended, stand part of the Bill."

The motion was adopted.

Clause 7, as amended, was added to the Bill.

Clause 8 - Constitution of Advisory Committees and other

Committees

Amendment made:

"Page 4, lines 29 and 30, for "the Bureau may, from time to time and as and when it is considered necessary," substituteâ€”

"the Bureau shall, within six months from the date of commencement of this Act,". (14)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Clause 9 – Director General of Bureau

Amendments made:

Page 4, for lines 38 to 45, substitute—

"9. (1) The Central Government shall, by notification, appoint a Director-General from amongst persons of ability and standing, having adequate knowledge and experience in dealing with the matters relating to energy production, supply and energy management, standardisation and efficient use of energy and its conservation.

(2) The Central Government shall, by notification, appoint any person not below the rank of Deputy Secretary to the Government of India as Secretary of the Bureau." (15)

Page 4, for lines 48 and 49, substitute—

"(4) The salary and allowances payable to the Director-General and other terms and conditions of his service and other terms and conditions of service of the Secretary of the Bureau shall be such as may be prescribed." (16)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 9, as amended, stand part of the Bill."

The motion was adopted.

Clause 9, as amended, was added to the Bill.

Clauses 10 to 12 were added to the Bill.

15.00 Ps.

Clause 13- Powers and functions of Bureau

Amendments made:

Page 6, lines 10 and 11,—

omit "having regard to intensity or quantity of energy used by it". (17)

Page 6, line 36, for "appointed by designated consumers",

substitute "designated or appointed by designated consumers;" (18)

(SPi Suresh Prabhu)

MR. CHAIRMAN : The question is:

"That clause 13, as amended, stand part of the Bill."

The motion was adopted.

Clause 13, as amended, was added to the Bill.

Clause 14 – Power of Central

Government to Enforce
efficient use of Energy

And its conservation

Amendments made:

Page 7, line 1, for "manufacture or sale or purchase", substitute

"manufacture or sale or purchase or import". (19)

Page 7, after line 3, insert

"Provided that no notification prohibiting manufacture or sale or purchase or import of equipment or appliance shall be issued within two years from the date of notification issued under clause (a) of this section."

(20)

Page 7, for lines 6 and 7, substitute

"(e) specify, having regard to the intensity or quantity of energy consumed and the amount of investment required for switching over to energy efficient equipments and capacity of industry to invest in it and availability of the energy efficient machinery and equipment required by the industry, any user or class of users of energy as a designated consumer for the purposes of this Act." (21)

Page 7, line 26, for "to appoint energy manager", substitute "to designate or appoint energy manager". (22)

Page 7, line 30, for "to be appointed", substitute "to be designated or appointed". (23)

Page 7, for lines 34 to 36, substitute

"(o) direct any designated consumer, who does not fulfil the energy consumption norms and standards prescribed under clause (g), to prepare a scheme for efficient use of energy and its conservation and implement such scheme keeping in view of the economic viability of the investment in such form and manner as may be prescribed;".(24)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 14, as amended, stand part of the Bill."

The motion was adopted.

Clause 14, as amended, was added to the Bill.

Clauses 15 and 16 were added to the Bill

Clause 17 – Power of Inspection

Amendment made:

Page 8, for line 47, substitute“

"17. (1) The designated agency may appoint, after the expiry of five years from the date of commencement of this Act, as many inspecting officers as may be". (25)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 17, as amended, stand part of the Bill."

The motion was adopted.

Clause 17, as amended, was added to the Bill.

Clauses 18 to 25 were added to the Bill.

Clause 26- Penalty

Amendments made:

Page 10, line 47, for "one lakh rupees", substitute "ten thousand rupees".

(26)

Page 10, line 48, for "ten thousand rupees", substitute "one thousand rupees". (27)

Page10, after line 49, insertâ€”

"Provided that no person shall be liable to pay penalty within five years from the date of commencement of this Act". (28)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 26, as amended, stand part of the Bill."

The motion was adopted.

Clause 26, as amended, was added to the Bill.

Clauses 27 and 28 were added to the Bill.

Clause 29 – Civil Court not to have jurisdiction

Amendment made:

Page 11, line 28, for "appointed under this Act", substituteâ€”

"appointed under this Act or the Appellate Tribunal". (29)

[

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 29, as amended, stand part of the Bill."

The motion was adopted.

Clause 29, as amended, was added to the Bill.

Clause 30 - Establishment of Appellate Tribunal

Government on the ground of proved misbehaviour or incapacity after an inquiry made by such person as the President may appoint for this purpose in which the Chairperson or a Member of the Appellate Tribunal

concerned has been informed of the charges against him and given a reasonable opportunity of being heard in respect of such charges.

30H. (1) In the event of the occurrence of any 30H vacancy in the office of the Chairperson of the Appellate Tribunal by reason of his death, resignation or otherwise, the senior-most Member of the Appellate Tribunal shall act as the Chairperson of the Appellate Tribunal until the date on which a new Chairperson, appointed in accordance with the provisions of this Act to fill such vacancy, enters upon his office.

(2) When the Chairperson of the Appellate Tribunal is unable to discharge his functions owing to absence, illness or any other cause, the senior-most Member of the Appellate Tribunal shall discharge the functions of the Chairperson of the Appellate Tribunal until the date on which the Chairperson of the Appellate Tribunal resumes his duties.

30-I. (1) The Central Government shall provide the 30I. Appellate Tribunal with such officers and employees as it may deem fit.

(2) The officers and employees of the Appellate Tribunal shall discharge their functions under the general superintendence of the Chairperson of the Appellate Tribunal, as the case may be.

(3) The salaries and allowances and other conditions of service of the officers and employees of the Appellate Tribunal shall be such as may be prescribed.

30J. (1) The Appellate Tribunal shall not be bound 30J. by the procedure laid down by the Code of Civil Procedure, 1908 but shall be guided by the principles 5 of 1908 of natural justice and, subject to the other provisions of this Act, the Appellate Tribunal shall have powers to regulate its own procedure.

(2) The Appellate Tribunal shall have, for the purposes of discharging its functions under this Act, the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, while trying a suit, 5 of 1908

in respect of the following matter, namely:-

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of documents;
- (c) receiving evidence on affidavits;

hear the point or points himself or refer the case for hearing on such point or points by one or more of the other Members of the Appellate Tribunal and such point or points shall be decided according to the opinion of the majority of the Members of the Appellate Tribunal who have heard the case, including those who first heard it.

Right of appellant 30N. (1) A person preferring an appeal to the 30N

to take assistance of Appellate Tribunal under this Act may either appear

legal practitioner or in person or take the assistance of a legal practitioner or accredited auditor and of Government or an accredited energy auditor of his choice to present

**to appoint present- his case before the Appellate Tribunal, as the case may
ing officers, be**

(2) The Central Government or the State

Government may authorise one or more legal practitioners or any of its officers to act as presenting officers and every person so authorised may present the case with respect to any appeal before the Appellate Tribunal, as the case may be.

Appeal to 30-0. Any person aggrieved by any decision or 30O.

Supreme order of the Appellate Tribunal, may, file

Court an appeal to the Supreme Court within sixty days,

from the date of communication of the decision or order of the Appellate Tribunal, to him, on any one or more of the grounds specified in section 100 of the code of Civil

5 of 1908 Procedure, 1908:

Provided that the Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period of not

exceeding sixty days.". (30)

(SPi Suresh Prabhu)

MR. CHAIRMAN : The question is:

"That clause 30, as amended, stand part of the Bill."

The motion was adopted.

Clause 30, as amended, was added to the Bill.

Clause 31 was added to the Bill.

Clause 32 – Composition of Appellate Tribunal

Amendment made:

"Page 12, line 17, for "clause (f)", substitute clauses (n),

(o) and (p)". (31)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 32, as amended, stand part of the Bill."

The motion was adopted.

Clause 32, as amended, was added to the Bill.

Clauses 33 to 37 were added to the Bill.

Clause 38 - Member of act as Chairperson in certain

circumstances

Amendment made:

Page 13, after line 26, insert –

"Provided that the Central Government or the State Government, as the case may be, shall not grant exemption to any designated consumer or class of designated consumers for a period exceeding five years:

Provided further that the Central Government or the State Government, as the case may be, shall consult the Bureau of Energy Efficiency before granting such exemption. ". (32)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 38, as amended, stand part of the Bill."

The motion was adopted.

Clause 38, as amended, was added to the Bill.

Clause 39 - Staff of Appellate Tribunal

Amendment made:

Page 13, for line 27, substitute –

"39. The Chairperson of the Appellate Tribunal or the Members of the Appellate Tribunal or officers or employees of the Appellate Tribunal or the members of the State commission or the members, Director-General; ". (33)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 39, as amended, stand part of the Bill."

The motion was adopted.

Clause 39, as amended, was added to the Bill.

Clause 40 was added to the Bill.

Clause 41- Distribution of business amongst

benches

Amendments made:

Page 13, line 38, for "clause (f)", substitute "clauses (n), (o) and (p)". (34)

(SPi Suresh Prabhu)

Page 13, for lines 41 and 42, substitute –

"(c) the salary and allowances payable to the Director-General and other terms and conditions of his service and other terms and conditions of service of the Secretary of the Bureau under sub-section (4) of section 9;" (35)

(SPi Suresh Prabhu)

Page 14, after line 26, insert –

"(qa) the form of and fee for filing such appeal under sub-section (2) of section 30A;

(qb) the salary and allowances payable to and other terms and conditions of service of the Chairperson of the Appellate Tribunal and Members of the Appellate Tribunal under section 30E;

(qc) the salary and allowances and other conditions of service of the officers and other employees of the Appellate Tribunal under sub-section (3) of section 30-I;

(qd) the additional matters in respect of which the Appellate Tribunal may exercise the powers of a civil court under clause (i) of sub-section (2) of section 30J;" (36)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That clause 41, as amended, stand part of the Bill."

The motion was adopted.

Clause 41, as amended, was added to the Bill.

Clause 41 was added to the Bill.

Clauses 42 to 45 were added to the Bill.

Suspension of Rule 80

THE MINISTER OF POWER (SPI SURESH PRABHU): Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.37 to the Energy Conservation Bill, 2000 and that this amendment may be allowed to be moved. "

MR. CHAIRMAN: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha insofar as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No.37 to the Energy Conservation Bill, 2000 and that this amendment may be allowed to be moved. "

The motion was adopted.

New Clause 45A – Provision of the Act not to apply

In certain cases

Amendment made:

Page 15, after line 39, insert –

45A. The provisions of this Act shall not apply to the Ministry or Department of the Central Government dealing with Defence, Atomic Energy or such other similar Ministries or Departments or undertakings or Boards or institutions under the control of such Ministries or Departments as may be notified by the Central Government." (37)

MR. CHAIRMAN : The question is:

"That new clause 45A be added to the Bill."

The motion was adopted.

New clause 45A was added to the Bill.

Clause 46 was added to the Bill.

The Schedule

Amendment made:

"Page 16, for lines 3 to 13, substitute –

1. Aluminium;
2. Fertilizers;
3. Iron and Steel;
4. Cement;
5. Pulp and paper;
6. Chlor Alkali;
7. Sugar;
8. Textile;
9. Chemicals;
10. Railways;
11. Port Trust;
12. Transport Sector (industries and services);
13. Petrochemical, Gas Crackers, Naphtha Crackers and Petroleum Refineries;
14. Thermal power stations, hydel power stations, electricity transmission companies and distribution companies;
15. Commercial buildings or establishments." (38)

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That the Schedule, as amended, stand part of the Bill."

The motion was adopted.

The Schedule, as amended, was added to the Bill.

Clause 1 – Short title, extent and

commencement

Amendment made:

**Page 1, line 5, for "2000", substitute "2001". (2)
(SPi Suresh Prabhu)**

MR. CHAIRMAN: The question is:

"That clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended, was added to the Bill.

Enacting Formula

Amendment made:

(SPi Suresh Prabhu)

MR. CHAIRMAN: The question is:

"That the Enacting Formula, as amended, stand part of the Bill."

The motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

The Title was added to the Bill.

SPI SURESH PRABHU: I beg to move:

"That the Bill, as amended, be passed."

MR. CHAIRMAN: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.
