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Title : Need to expedite release of incentive fund under the Accelerated Power Development and Reforms Programme to Orissa.

SHRI B. MAHTAB (CUTTACK): The Accelerated Power Development and Reforms Programme (APDRP) has an incentive component to encourage SEB/Utilities to improve their performance and to reduce losses. Orissa Government had submitted a proposal to Government of India claiming incentive to the tune of Rs. 264.94 crore for the year 2003-04. Although the distribution network has been privatized in Orissa, the State Government has 49% shares and GRIDCO is a state Public Sector Undertaking. Yet, the Government of India has observed that assistance under APDRP would not be applicable for private companies. Such a approach amounts to penalizing the State Government for the pioneering effort in reforming the power sector and also defeats the very objective of the Orissa Electricity Reform Act, 1995 and the Electricity Act, 2003 which intends to promote competition in the electricity industry through private sector participation in the power sector.

Orissa has already lost substantial incentive under APDRP during Xth plan owing to the fact that the implementation was carried out through its private distribution companies. I urge upon the Government for early release of the incentive, which would be not only utilized for the benefit of the sector but also encourage/motivate utilities to reduce revenue losses.