GOVERNMENT OF INDIA MINISTRY OF POWER

LOK SABHA UNSTARRED QUESTION NO.777 TO BE ANSWERED ON 07.02.2019

CEA

777. SHRIMATI SANTOSH AHLAWAT:

Will the Minister of POWER be pleased to state:

- (a) whether the Government has asked the Central Electricity Authority (CEA) to develop norms regarding "establishment cost" of power distribution companies (discoms), if so, the details thereof and if not, the reasons therefor;
- (b) whether Government is going to ask the CEA to prepare the norms, if so, the details thereof;
- (c) whether due to massive capacity addition in the power sector, there will be nearly double the amount of electricity available than the requirement of the State by 2021-22, if so, the details thereof along with the Government Plan to deal with the surplus power; and
- (d) whether Government is planning to provide subsidy through DBT in consumers Bank Account, if so, the details thereof and the States who have agreed on DBT of subsidiary to the Consumers?

ANSWER

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

(SHRI R. K. SINGH)

- (a) & (b): Government of India has requested Central Electricity Authority (CEA) to work out norms for establishment of DISCOMs with a view to streamline their cost of operations and administrative expenses.
- (c): As per the National Electricity Plan (NEP) 2018, to meet the peak demand of 225GW by FY 2021-22, the likely installed capacity, including Renewables would be 479GW.

The capacity created would be sufficient and adequate to meet the demands.

(d): A state government can give subsidy to any class of consumers, to the extent they consider appropriate as per provision of Section 65 of the Electricity act, 2003. Draft amendment to Tariff Policy, circulated for stakeholder consultations on 30.5.2018 includes provision for subsidy through Direct Benefit Transfer (DBT).
