

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
STARRED QUESTION NO.127
ANSWERED ON 01.08.2023

PAYMENT FOR ELECTRICITY PURCHASED BY STATE GOVERNMENTS

127 #SHRI DHIRAJ PRASAD SAHU:

Will the Minister of Power be pleased to state:

- (a) the number of days within which the State Governments are required to pay for the electricity purchased by them from the Union Government;
- (b) whether it is a fact that it takes almost two months for the State Governments to recover the cost of electricity from the consumers;
- (c) whether the Union Government is proposing to give more time to the State Governments to pay for the electricity so that they do not have to face the financial difficulties; and
- (d) if so, the details thereof?

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) IN RESPECT OF RAJYA SABHA STARRED QUESTION NO.127 FOR REPLY ON 01.08.2023 REGARDING PAYMENT FOR ELECTRICITY PURCHASED BY STATE GOVERNMENTS ASKED BY SHRI DHIRAJ PRASAD SAHU.

(a) : Payment towards purchase of electricity by the DISCOMs/ State Governments from various Generation companies including Central Sector is guided by the terms and conditions of Power Purchase Agreements (PPAs) signed between the DISCOMs and the Generation companies. All PPAs have provisions related to payments of invoices raised by the Generating Companies which includes due date, rebate, late payment surcharge etc. Such terms and conditions in respect of Central Sector Generation Companies are in turn governed by extant CERC Regulations.

(b) : Electricity bills are raised by the DISCOMs/Power Distribution Utilities as per billing cycle determined by the respective State Electricity Regulatory Commissions (SERCs) for various categories of consumers which may be monthly/ bimonthly and consumers are expected to pay their bills as per due date. The due date varies from State to State as per their respective Supply Code depending upon consumer category, rural/urban location etc.

(c) & (d) : As replied in (a) above, the timeline for making payments to the Generating Companies by State DISCOMs is guided by the provisions of respective PPAs signed between the DISCOMs and the Generating Companies.
