

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.1270
ANSWERED ON 10.03.2025

STATUS OF REVAMPED DISTRIBUTION SECTOR SCHEME

1270 SHRI TIRUCHI SIVA:

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

- (a) the current status of the Revamped Distribution Sector Scheme (RDSS), particularly regarding the installation of prepaid smart meters;
- (b) whether the goals to achieve Aggregate Technical & Commercial (AT&C) losses to pan-India levels of 12-15 per cent and Average Cost of Supply (ACS)-Average Revenue Realised (ARR) gap to zero are on track to be achieved by 2024-25, if not, whether there is a revised timeline; and
- (c) steps taken to address delays in achieving the scheme's targets, given only 21 per cent of the allocated funds were utilized in 2022-23?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) : Government of India launched Revamped Distribution Sector Scheme (RDSS) with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector. Under the Scheme, projects worth Rs. 2.79 lakh crore have been sanctioned for loss reduction and smart metering works. Sanctioned works are at various stages of implementation and physical progress of ~23% has been achieved till date under loss reduction works.

Prepaid Smart metering of consumers is one of the critical interventions envisaged under RDSS to improve the Aggregate Technical and Commercial (AT&C) losses. Smart Metering works sanctioned under the scheme cover 19.79 crore Consumers, 2.11 lakh Feeders and 52.53 lakh Distribution Transformers (DT), totaling 20.33 crore. So far, around 1.16 crore smart meters have been installed under RDSS.

(b) : The scheme is designed to nudge the States/ utilities to undertake necessary reforms for desired results. Based on performance of the utility against parameters mentioned under the Result Evaluation Matrix of RDSS, which include achievement against major financial & operational parameters, the utilities are evaluated. Thus, assistance has been linked to performance.

With the collective efforts of Centre and State/ UTs, Aggregate Technical and Commercial (AT&C) Losses have come down from ~22% in FY 21 to ~16.28% in FY 24. Further, the Gap between Average Cost of Supply (ACS) and Average Realizable Revenue (ARR) has also reduced from Rs. 0.71/ kWh to Rs 0.19/ kWh during the same period. Thus the reform measures undertaken in the scheme has started showing positive results and it is envisaged to achieve the overall scheme objective by the sunset of the scheme.

(c) : In order to expedite implementation of works sanctioned under the scheme, Monitoring and review of works is being done by the Ministry along with the nodal agencies on a regular basis and handholding the utilities in resolving the issues, if any. Further, Institutional mechanisms have been put in place at the State and Central level i.e., Distribution Reforms Committee headed by Chief Secretary of the State concerned, and Inter-Ministerial Monitoring Committee headed by Secretary (Power), to review and monitor the implementation of the works sanctioned under the Scheme. Additionally, Ministry has issued various advisories from time to time for ensuring smooth rollout of Smart meters and building consumer confidence. Standard Operating Procedures (SoPs) have also been issued for smart meter installation which include installation of check meters, providing multiple recharge options to consumers, having consumer feedback mechanism, effective complaint resolution mechanism and comprehensive consumer engagement campaign, etc.

Smart meter mobile apps are being made available for regular tracking of consumption of electricity and for easy recharge. In order to promote pre-paid smart metering, States have been advised to provide rebate of upto 5% to pre-paid consumers.

States/ Distribution Utilities have been advised that pre-paid Smart metering implementation may, at first, be initiated with the Government establishments, including residential colonies, and public institutions. Subsequently, it shall be rolled out for Commercial & Industrial category of consumers and consumers with high sanctioned load. Demonstration of success in the above categories would facilitate acceptance amongst other category of consumers.

As a result, the works have started picking up pace.
