

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
STARRED QUESTION NO.199
TO BE ANSWERED ON 08.03.2018**

AMENDMENTS TO ELECTRICITY ACT, 2003

***199. SHRI GUTHA SUKENDER REDDY:**

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

- (a) whether the Government is planning to bring amendments to the Electricity Act, 2003, if so, the details thereof and the reasons therefor;**
- (b) whether the Government is aware that the move would lead to commercialisation of electricity in the country and if so, the details thereof;**
- (c) whether Electricity Employees Federation of India has represented to the Government seeking to stall amendments to the Act; and**
- (d) if so, the details thereof and the stand of the Government in this regard?**

A N S W E R

**THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR 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) OF STARRED QUESTION NO.199 TO BE ANSWERED IN THE LOK SABHA ON 08.03.2018 REGARDING AMENDMENTS TO ELECTRICITY ACT, 2003.

(a) to (d) : The Government of India has enacted the Electricity Act, 2003 to consolidate the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry and for protecting the interest of consumers. Reform is an ongoing process and hence the amendments to Electricity Act are being carried out as and when required after due consultation with various Stakeholders. So far, two amendments have been done in the Electricity Act in the year 2003 and 2007.

Though, there have been impressive achievement in the areas of augmentation of generation and transmission capacity, establishment of National Grid, a robust regulatory framework, private sector participation, development of electricity markets and exchanges and restructuring of State Electricity Boards, still there is a need to review the provisions keeping in view the overall objectives of the said Act to bring in further competition and efficiency. Accordingly, Electricity (Amendment) Bill, 2014 was introduced before the Lok Sabha on 19.12.2014. The Bill was then referred to the Parliamentary Standing Committee on Energy. The Committee, after detailed examination, has submitted its report on 07.05.2015. Amendments to the Act pursuant to the recommendations of Standing Committee and the need to operate the electricity sector on the basis of sound financial and commercial principles to ensure financial viability of the sector and attract investment and at the same time ensuring availability of electricity to consumers at reasonable and competitive rates are under process. Government propose to have consultations with the State Governments before introducing the amendments
