GOVERNMENT OF INDIA MINISTRY OF POWER

LOK SABHA UNSTARRED QUESTION NO.404 TO BE ANSWERED ON 19.07.2018

OPTION TO CHANGE POWER SUPPLIERS

404. SHRI A. ARUNMOZHITHEVAN:

Will the Minister of POWER be pleased to state:

- (a) whether the consumers will be able to change their power suppliers just like in telecom services, if so, the details thereof;
- (b) whether the proposed electricity amendment bill provides for segregating the distribution network business and the electricity supply business; and
- (c) if so, the details thereof?

ANSWER

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

(SHRI R. K. SINGH)

(a) to (c): As per the Electricity Act 2003, it is the duty of a distribution licensee to develop and maintain an efficient, co-ordinated and economical distribution system in his area of supply and to supply electricity in accordance with the provisions of the Act. Government of India, through Electricity (Amendment) Bill, 2014, which was introduced before the Lok Sabha on 19.12.2014, proposed amendments in the Electricity Act 2003, including amendments to provide for the segregation of carriage & content in the distribution sector by introducing multiple supply licensees in the content (electricity supply business) while continuing with the carriage (one distribution network) as a regulated activity.

The concept of introduction of multiple supply licensee in the distribution sector with common network by way of separation of carriage and content was proposed to be introduced with the objective to bring in further competition and efficiency in the distribution sector by giving choice to the consumers to select the power suppliers.

The Electricity (Amendment) Bill, 2014 was referred to the Standing Committee on Energy for examination. The Standing Committee submitted its report on 07th May, 2015. Amendments have been formulated on the basis of the recommendations of the Standing Committee on Energy and consultations with the stakeholders including with the State Governments. The proposed amendments will again be circulated to all the stakeholders for their final comments before these are introduced in the House.
