

**GOVERNMENT OF INDIA
MINISTRY OF POWER
LOK SABHA
UNSTARRED QUESTION NO.1535
ANSWERED ON 15.12.2022**

POWER TARIFF

1535. SHRI D.K. SURESH:

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

- (a) whether it is true that the power tariff in the country is higher compared to other countries;**
- (b) if so, the details thereof;**
- (c) whether tariff fixation has any bearing of World Bank policies; 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) : As per the provisions given in Sections 61 to 64 of the Electricity Act, 2003, the Appropriate Electricity Regulatory Commission determines the electricity tariff for supply of electricity by a generating company to a distribution licensee, transmission of electricity, wheeling of electricity and retail sale of electricity. Section 61 of the Electricity Act, 2003 and the tariff policy provide the guiding principles and the terms and conditions for determination of tariff by the Appropriate Commission.

The electricity tariff varies from State to State under various categories depending upon the cost of supply of electricity, tariff norms and the subsidy, if any, provided for any class of consumers. Similarly, the electricity tariff in other developing /developed countries depends upon the energy mix, electricity market structure, rules & regulations thereof prevailing in that country.

However, for domestic consumers up to 2 kW, the minimum and maximum tariff across various States in 2020-21 from Rs.1.80 per kWh to Rs.8.58 per kWh respectively, which works out to 0.0246 USD per kWh and 0.117 USD per kWh (assuming exchange rate of 1 USD=Rs.73.03 as on 1st January 2021). In case of Industrial consumers, the minimum and maximum tariff across various States in 2020-21 was Rs.3.50 per kWh and Rs.11.51 per kWh respectively, which works out to 0.048 USD per kWh and 0.157 USD per kWh (assuming exchange rate of 1 USD=Rs.73.03 as on 1st January 2021)

The electricity tariff data for select countries as per information available on International Energy Agency (IEA) website in USD per kWh for 2021 is tabulated below:

Sl. No.	Name of the country	Domestic/Household Electricity tariff (USD per kWh)	Industry Electricity tariff (USD per kWh)
1	Canada	0.109	0.089
2	Chile	0.180	0.164
3	Japan	0.255	0.161
4	Korea	0.103	0.094
5	United Kingdom	0.235	0.157
6	United States	0.131	0.066
