# GOVERNMENT OF INDIA MINISTRY OF POWER LOK SABHA UNSTARRED QUESTION NO.1116 ANSWERED ON 08.02.2024

#### **ELECTRICITY DISTRIBUTION COMPANIES**

#### 1116. SHRI V.K. SREEKANDAN:

Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that many electricity distribution companies have achieved the prestigious A+ rating in the latest consumer service rating of Discoms report and if so, the details thereof;
- (b) whether it is also a fact that there has been a substantial reduction in aggregate technical and commercial losses which were 27 per cent earlier and now have been brought down to 15 per cent and if so, the details thereof;
- (c) whether it is also true that 12 per cent reduction in the losses of distribution companies, significantly minimized the overall deficit from Rs. 125,000 crore to Rs. 50,000 crore; and
- (d) if so, the details thereof?

#### ANSWER

#### THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a): A financially sound and operationally strong power sector is vital for achieving the Government of India's mandate of enabling ease of doing business and ease of living. Electricity consumers are the most significant stakeholders in the power industry. In its commitment to enhance the electricity services to consumers, Ministry of Power has introduced various initiatives. Electricity (Rights of Consumer) Rules, 2020 have been promulgated which aims to "empower" consumers with rights and aims to prescribe the minimum standards of service which the DISCOMs are expected to maintain and mainly includes the right to reliable and quality power supply, the right to transparent billing and tariff information, the right to timely and effective grievance redressal, and the right to compensation to be paid by DISCOM for not meeting the standards of performance.

As the power sector seeks to achieve greater consumer satisfaction and reliability, it is imperative for DISCOMs to identify critical areas, key consumer services and meet minimum standards to strengthen their overall performance. Consumer Service rating of DISCOMs (CSRD) was launched by Hon'ble Power Minister in 2022. It helped DISCOMs to self-evaluate their performance and also compare it with their peer DISCOMs and national averages. The exercise delves into key parameters of consumer services viz. operational reliability; connection services; metering, billing & collection services and fault rectification & grievance redressal.

As per Consumer Service Rating of Discoms (CSRD) Report FY 2022-23, there has been improvement in the number of DISCOMs securing better grading for the services delivered by them to the consumers. While for the year 2022, none of the DISCOMs were in A+ category, for the year 2023, 4 DISCOMs have secured grade of A+ and 8 DISCOMs secured category of A the details of which are placed at Annexure-I.

- (b) to (d): Government of India has been implementing various performance linked and result oriented schemes with the objective to have a financially secure, viable and sustainable power sector (distribution segment in particular). These initiatives have been designed to tackle financial and operational issues to bring in desired financial discipline in DISCOMs and State Governments. Details of steps taken are:
- (i) Rules to ensure timely payment for subsidy declared by State Government.
- (ii) Ensuring that the tariffs are up to date.
- (iii) Ensuring timely Energy Accounting and Energy Audit.
- (iv) Ensuring that the GENCOs are paid on time.
- (v) Revised Prudential Norms providing that a loss making DISCOMs will not be able to draw loans from PFC/ REC or funds under any Power Sector Scheme of Gol unless they put in place measures for loss reduction.
- (vi) Additional borrowing space of 0.5% of GSDP if the DISCOM implements loss reduction measures.
- (vii) Under DDUGJY, IPDS and SAUBHAGYA infrastructure works worth Rs. 1.85 lakh Cr were executed.
- (viii) Further, the Government of India has 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. The Scheme has an outlay of Rs. 3,03,758 crore and a Gross Budgetary Support of Rs. 97,631 crore from Government of India over a period of five years from 2021-22 to FY 2025-26.

Fund admissibility to States and DISCOMs will be conditional on their taking steps to improve their operational and financial efficiencies.

As a result of the concerted efforts of the Ministry of Power, the State Governments and Distribution companies to implement the reforms measures and adoption of best practices, Aggregate Technical and Commercial (AT&C) Losses have reduced from 25.72% in FY 2014-15 to 15.40% (Provisional) in FY 2022-23. Reduction in AT&C losses improves the finances of the utilities, which will enable them to better maintain the system and buy power as per requirements, thus benefitting the consumers. Further, the reduction in AT&C losses have resulted in reduction in the Gap between Average Cost of Supply (ACS) and Average Realizable Revenue (ARR). The ACS-ARR Gap has declined from Rs. 0.78/kWh in FY2013-14 to Rs. 0.45/kWh in FY2022-23. Thus, financial health of the DISCOMs is improving. State wise details are attached as Annexure-II.

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#### **ANNEXURE-I**

## ANNEXURE REFERRED IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 1116 ANSWERED IN THE LOK SABHA ON 08.02.2024

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SI.	State	DISCOM Name	Grades
No.			
1	Delhi	BSES Rajdhani Power Limited (BRPL)	A+
2	Delhi	BSES Yamuna Power Limited (BYPL)	A+
3	Delhi	Tata Power Delhi Distribution Limited (TPDDL)	A+
4	Uttar Pradesh	Noida Power Company Limited (NPCL)	A+
5	Andhra Pradesh	Andhra Pradesh Central Power Distribution Company Limited (APCPDCL)	A
6	Andhra Pradesh	Andhra Pradesh Eastern Power Distribution Company Limited (APEPDCL)	A
7	Andhra Pradesh	Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL)	A
8	Maharashtra	Adani Electricity Mumbai Limited (AEML)	Α
9	Manipur	Manipur State Power Distribution Company Limited (MSPDCL)	A
10	Tamil Nadu	Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO)	A
11	Telangana	Telangana State Northern Power Distribution Company Limited (TSNPDCL)	A
12	Telangana	Telangana State Southern Power Distribution Company Limited (TSSPDCL)	A

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## ANNEXURE REFERRED IN REPLY TO PARTS (b) TO (d) OF UNSTARRED QUESTION NO. 1116 ANSWERED IN THE LOK SABHA ON 08.02.2024

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#### AT&C Loss (%)

	2014-15	2022-23
State Sector	25.78	15.81
Andaman & Nicobar Islands	-	-
Andhra Pradesh	10.55	8.57
Arunachal Pradesh	67.83	57.59
Assam	25.84	16.22
Bihar	43.99	25.01
Chhattisgarh	27.84	16.14
Goa	13.31	11.85
Gujarat	16.06	10.65
Haryana	32.52	12.01
Himachal Pradesh	16.84	10.59
Jammu & Kashmir (JKPDD)	61.27	*
Jharkhand	47.85	30.28
Karnataka	18.71	13.91
Kerala	17.64	7.05
Ladakh	-	30.33
Madhya Pradesh	30.88	20.55
Maharashtra (MSEDCL & BEST)	19.25	18.58
Manipur	48.30	13.82
Meghalaya	40.00	23.97
Mizoram	33.51	26.27
Nagaland	78.48	45.81
Puducherry	13.34	17.49
Punjab	17.20	11.26
Rajasthan	29.28	15.90
Sikkim	42.37	36.69
Tamil Nadu	24.74	10.31
Telangana	13.23	18.65
Tripura	36.23	28.15
Uttar Pradesh	46.32	22.33
Uttarakhand	18.82	15.32
West Bengal	35.35	17.32
Others (NMDC & TCED)	-	10.28
Private Sector	24.66	10.95
Dadra & Nagar Haveli and Daman & Diu (DNHDDPDCL)	-	3.58
Delhi	12.90	7.12
Maharashtra (AEML & TPML)	-	6.48
Odisha	38.30	21.85
Uttar Pradesh (NPCL)	-	8.36
West Bengal (CESC & IPCL)	-	8.15
Gujarat (TP Ahmedabad and Surat)	-	4.02
Grand Total	25.72	15.40

### ACS-ARR Gap

(Rs./kWh)

	2013-14	2022-23
State Sector	0.83	0.50
Andaman & Nicobar Islands		
Andhra Pradesh	0.18	(0.37)
Arunachal Pradesh	6.59	0.00
Assam	1.00	0.62
Bihar	0.24	0.00
Chandigarh		(3.59)
Chhattisgarh	0.28	0.26
Dadra & Nagar Haveli and Daman		
& Diu		
Goa	0.01	(0.14)
Gujarat	(0.02)	(0.02)
Haryana	0.75	(0.15)
Himachal Pradesh	0.13	0.86
Jammu & Kashmir	2.66	
Jharkhand	3.39	2.45
Karnataka	0.09	0.32
Kerala	(0.05)	0.34
Ladakh		2.18
Lakshadweep		
Madhya Pradesh	1.25	(0.20)
Maharashtra	0.12	1.24
Manipur	3.01	1.30
Meghalaya	1.56	0.67
Mizoram	4.00	1.71
Nagaland	3.03	(0.32)
Puducherry	(0.18)	0.39
Punjab	(0.05)	0.20
Rajasthan	2.63	0.20
Sikkim	(0.39)	(0.68)
Tamil Nadu	1.81	0.89
Telangana	0.00	1.40
Tripura	0.78	0.60
Uttar Pradesh	2.16	1.19
Uttarakhand	(0.27)	0.72
West Bengal	(0.01)	0.32
Others (NMDC & TCED)		0.85
Private Sector	(0.02)	(0.19)
Dadra & Nagar Haveli and Daman		
& Diu (DNHDDPDCL)		(0.14)
Delhi	(0.13)	(0.04)
Maharashtra (AEML & TPML)		(0.04)
Odisha	0.15	(0.25)
Uttar Pradesh (NPCL)		(0.79)
West Bengal (CESC & IPCL)		(0.18)
Gujarat (TP Ahmedabad and Surat)		(0.50)
Grand Total	0.78	0.45

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