

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.730
TO BE ANSWERED ON 21.11.2019**

DISCOM LOSSES

730. SHRI RAVNEET SINGH BITTU:

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

- (a) whether there is any permissible limit for factoring in DISCOM losses in the tariff policy;**
- (b) if so, the details thereof; and**
- (c) the steps being taken by the Government to remove human interface in billing, metering and collections?**

A N S W E R

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, NEW & RENEWABLE ENERGY AND THE MINISTER OF STATE FOR SKILL DEVELOPMENT & ENTREPRENEURSHIP

(SHRI R.K. SINGH)

(a) & (b) : Discom losses are the Aggregate Technical & Commercial (AT&C) losses which reflects the transmission and distribution losses (T&D losses) and billing & collection efficiency of Distribution Companies. As per Para 8.2.1 of the Tariff Policy 2016, need for reduction in AT&C losses has been emphasized. The Tariff Policy, 2016 provides for grossing up of actual level of retail sales by the normative level of transmission and distribution losses as indicated in the multi-year tariff trajectory for allowing power purchase costs as per regulations of State Electricity Regulatory Commissions.

(c) : The Central Government has taken various steps to reduce the human interface in billing, metering and collections in respect of supply of electricity. Under Integrated Power Development Scheme (IPDS), support has been provided to Discoms for development or strengthening of IT systems which enable Discoms to generate automated bills by the use of billing software. Under IPDS, projects of smart meters with an outlay of Rs.834.41 Crore have been sanctioned under prepaid metering. Discoms are also offering options to the consumer for payment of their dues by means of online payment, use of e-payment wallets, use of payment Applications etc. Smart meter would help eliminate the human interference in billing and metering. The use of smart meters in the pre-paid mode also do away with all the problems associated with meter reading, billing, collection and disconnection in case of non-payment.
