GOVERNMENT OF INDIA
MINISTRY OF POWER

LOK SABHA
UNSTARRED QUESTION NO.3215
TO BE ANSWERED ON 12.03.2020

INCREASING DEMAND OF ELECTRICITY

†3215. DR. BHARATIBEN DHIRUBHAI SHIYAL:
SHRI SHANKAR LALWANI:

Will the Minister of POWER
be pleased to state:

(a) whether the demand of power would rise three times by the year 2040 and if so, the details thereof;

(b) whether the Government has formulated any plan to meet the rising demand of power;

(c) if so, the details thereof;

(d) whether the under investment in transmission, electricity, higher losses to power distribution utilities and depletion of ground water due to cheaper electricity resulting from the power plants owned by State Government are the major challenges of the power generation sector of the country; and

(e) if so, the steps taken/proposed to be taken by the Government in this regard?

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) : As per the 19th Electric Power Survey (EPS) report brought out by Central Electricity Authority, the demand of electricity is likely to increase by 231 percent in terms of energy and 237 percent in terms of peak demand respectively by the year 2036-37, the period uptill which the survey has been conducted, as compared to 2018-19.

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(b) & (c) : As per the National Electricity Plan (Generation) notified in 2018, the all India power generation installed capacity by the end of 2026-27 is projected to be 6,19,066 MW which includes both conventional and renewable sources. This projected installed generation capacity is expected to meet the demand projection for the year 2026-27 made by the 19th Electric Power Survey. The technology is fast changing and so is the generation mix. The optimum generation mix for 2026-27 will depend on the development of Storage technology and Renewable energy.

(d) & (e) : India has gradually moved from energy deficit country to near power surplus country. Country has power generation installed capacity of 369 GW against the peak demand of 183 GW occurred during the current year 2019-2020 (upto February 2020). We have developed adequate transmission system to transfer electricity across the country. Power generation sector in the country is facing challenges because of poor financial health of Discoms mainly due to higher losses of power distribution utilities. To improve financial position of Discoms, Government of India has taken various reform initiatives like UDAY (Ujjawal Discom Assurance Yojana), Integrated Power Development Scheme (IPDS) and Deen Dayal Upadhyaya Gramin Jyoti Yojana (DDUGJY).

Electricity tariff for different class of consumers is determined by the State Commissions after considering all costs including power purchase costs from state generating plants. As per provisions of section 65 of the Electricity Act, State Governments can provide subsidy to consumers on determined by the State Commissions. Issue of depletion of ground water due to wasteful consumption of electricity has been recognized in the Tariff Policy issued by the Central Government. It recognizes the need for levy of reasonable user charges to the consumers. It provides that the subsidized rates of electricity should be permitted only up to a pre-identified level of consumption beyond which tariffs reflecting efficient cost of service should be charged from consumers.

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