

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.4988
TO BE ANSWERED ON 25.03.2021**

ONE NATION ONE RATE OF ELECTRICITY

**4988. SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH:
SHRI SANTOSH KUMAR:
SHRI KAUSHALENDRA KUMAR:**

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

- (a) whether the Government proposes to make “One Nation One Rate” of Electricity for each State in the country;**
- (b) if so, the details thereof;**
- (c) whether present electricity rates of each states are different which cause more financial burden on poor States like Bihar and if so, the details thereof;**
- (d) the reasons for different rates of electricity for each States; and**
- (e) whether the Government also proposes to review the electricity rates for Bihar and if so, the details thereof?**

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) to (e) : The Tariff Policy notified by the Central Government lays down general principles for tariff determination by the Central Commission and the State Commissions which inter-alia intends towards uniformity in the approach for determination of tariff. Further, Section 61 of the Electricity Act, 2003 inter-alia lays down that the Appropriate Commission shall be guided by the principles and methodologies specified by the Central Commission for determination of tariff applicable to generating companies and transmission licensees.

Electricity rates for consumers are different in different States as these are decided by the respective State Commissions depending upon the various factors like power purchase cost, AT&C loss, O&M expense, consumer mix etc., which varies from State to State.

The Government is promoting competition through power exchanges. Most of the time there is one rate for the power traded in the power exchanges for all the buyers in the country. Bihar has been on active participant in the power exchange and has bought 662.3 Million Units (MUs) and sold 1428.6 MUs during the current year (upto 31.01.2021). Various measures are being taken to enhance share of electricity sold through electricity exchanges. As per the Electricity Act 2003 Bihar State Electricity Regulatory Commission is mandated to review the electricity rates for Bihar.
