

**GOVERNMENT OF INDIA
MINISTRY OF POWER
LOK SABHA
UNSTARRED QUESTION NO.837
ANSWERED ON 21.07.2022
ALLOCATION OF ELECTRICITY**

†837. **SHRI ASHOK KUMAR RAWAT:**

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

- (a) **whether the Government has devised any strategy/taken any steps to allocate electricity on the basis of population; and**
- (b) **if so, the details thereof?**

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) & (b) : Power from Central Generating Stations to beneficiary States/Union Territories is allocated in accordance with formula for allocation of power which is being treated as guidelines from April, 2000. As per these guidelines, allocation of power is made to the States/ UTs in two parts, namely firm allocation of 85% and 15% unallocated power for allocation by the Government for meeting the urgent/overall requirement.

The firm allocation includes allocation of 12% free power to the affected States and 1% for local area development in case of Hydro Power Stations and 10% (paid) power to the home State in case of Thermal and Nuclear Power Stations.

The balance (72% in case of Hydro and 75% in case of Thermal & Nuclear) power is distributed amongst the States / UTs of the region in accordance with the pattern of central plan assistance and energy consumption during the previous five years, both factors having equal weightage. Central plan assistance is determined in accordance with the Gadgil formula, in which population of the States is also taken into consideration. In case of joint venture projects, the equity contributing State gets benefit in firm allocation in accordance with their equity contribution.

The aforementioned guidelines for allocation of power from Central Generating Stations are applicable to the generating stations, for which PPAs have been signed upto 5th January, 2011 and for the expansion of the existing projects and for hydro projects for which PPAs are to be signed by 15.08.2022

After 5th January, 2011, power is to be procured by the Distribution Companies / Utilities through tariff based competitive bidding.

In 13 new projects of NTPC, Central Government has, in January, 2011, approved allocation of 50% of power to 'Home' State, 15% unallocated power at the disposal of Government of India and 35% to other constituents (except 'Home' State) of that region on the basis of extant guidelines on allocation of power giving equal weightage to central plan assistance and energy consumption by each State of the Region for preceding 5 years. Similar dispensation has also been provided by the Government in January, 2011 in respect of new projects of Nuclear Power Corporation.
