

**GOVERNMENT OF INDIA  
MINISTRY OF POWER**

**LOK SABHA  
UNSTARRED QUESTION NO.4109  
TO BE ANSWERED ON 13.08.2015**

**UTILIZATION OF PSDF**

**4109. SHRI PRATHAP SIMHA:  
SHRI B.V. NAIK:**

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

- (a) the criteria and purpose for which the Power System Development Fund (PSDF) is utilised ;**
- (b) whether the Government proposes to utilise the funds under PSDF for the improvement of transmission system; and**
- (c) if so, the details thereof?**

**A N S W E R**

**THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,  
COAL AND NEW & RENEWABLE ENERGY**

**( SHRI PIYUSH GOYAL )**

**(a) to (c) : The scheme has been operationalized with the issuance of the Guidelines/Procedure for Disbursement of Fund from Power System Development Fund (PSDF) on 18th September, 2014. The funds would be provided as grants to the States/UTs as per these guidelines.**

**According to the Scheme, PSDF will be utilized for the following purposes:**

- (i) Creating necessary transmission system of strategic importance based on operational feedback by Load Dispatch Centers for relieving congestion in Inter-State Transmission Systems (ISTS) and intra-state system which are incidental to the ISTS.**
- (ii) Installation of shunt capacitors, series compensators and other reactive energy generators for improvement of voltage profile in the grid.**
- (iii) Installation of standard and special protection schemes, pilot and demonstrative projects, and for setting right discrepancies identified in protection audits on regional basis.**
- (iv) Renovation and Modernization (R&M) of transmission and distribution systems for relieving congestion.**
- (v) Any other scheme/project in furtherance of the above objectives, such as, conducting technical studies and capacity building, etc.**

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