RAJYA SABHA

[12 August, 2002]

SEBs/EDs	1999-2000	2000-2001
Delhi	47.0	45.0
Gujarat	19.6	19.4
Madhya Pradesh	20.7	20.5
Maharashtra	17.0	16.7
Goa	24.3	24.0
Andhra Pradesh	31.4	31.0
Kamataka	30.0	30.0
Kerala	21.1	20.8
Tamil Nadu	16.7	16.5
Pondicherry	13.3	13.0
Bihar	23.0	22.0
Orissa (GRIDCO)	6.0	6.0
Sikkim	20.0	20.0
West Bengal	28.0	28.0
Assam	37.0	35.0
Manipur	40.0	30.0
Meghalaya	20.4	20.3
Nagaland	28.5	29.2
Tripura	28.0	28.0
Arunachal Pradesh	20.5	18.0
Mizoram	42.5	40.0

Note: The losses in Distribution Companies in Orissa are not included in the estimates.

MoU with States for Power Reforms

2303. SHRI PRITHVIRAJCHAVAN:Will the Minister of POWER be pleased to state:

(a) whether Government has signed MoLls with all SEBs to carry out power sector reforms;

(b) the States which have not signed the reforms of MoU; and

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(c) whether funds under APDRP will be tied to their performance in meeting the MoU obligations?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) The Accelerated Power Development Programme (APDP), now known as the Accelerated Power Development and Reform Programme (APDRP), was introduced in February 2000 with the objective of initiating a financial turn around in the performance of the State Electricity Boards/utilities in the distribution of electricity. This programme envisages strengthening and upgradation of transmission and distribution network in the country. An amount of Rs. 40,000 crores is expected to be spent for implementation of this programme. Funds under APDRP will be released as Central Plan Assistance to only to such of the States that are committed to the reforms in the power sector and have signed Memorandum of Understanding (MoU) with the Ministry of Power.

With the exception of Delhi, the following States have signed Memorandum of Understanding (MoU) with the Ministry of Power for undertaking reforms and restructuring in a time bound manner:

Southern Region

- 1. Kamataka
- 2. Andhra Pradesh
- 3. Tamil Nadu
- 4. Kerala

Eastern Region

- 10. Bihar
- 11. Jharkhand
- 12. West Bengal
- 13. Orissa

Western Region

- 5. Gujarat
- 6. Madhya Pradesh
- 7. Goa
- 8. Chhattisgarh
- 9. Maharashtra Northern Region
- 14. Uttar Pradesh
- 15. Uttaranchal
- 16. Haryana
- 17. Punjab
- 18. Himachal Pradesh
- 19. Rajasthan
- 20. Jammu & Kashmir

North-Eastern Region

21. Assam

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In addition to the above, the State Electricity Boards/Electricity Departments of the States of Karnataka, Andhra Pradesh, Tamil Nadu, Gujarat, Maharashtra, West Bengal, Rajasthan, Assam, Arunachal Pradesh and Mizoram have signed Memorandum of Agreement (MoA) with the Ministry of Power for undertaking reforms in the power sector and for achieving defined milestones as per agreed schedules. Madhya Pradesh, Himachal Pradesh, Uttaranchal, Punjab, Sikkim, Tripura, Meghalaya, Nagaland and Manipur are in the process of finalizing the MoA.

(c) Yes, Sir.The objective of the APDRP is that the States should be committed to making the State Electricity Boards commercially and financially viable. The MoU among other provisions provides for constitution of State Electricity Regulatory Commission, unbundling/corporatisation of the SEB, and rationalization of tariff structure. These provisions ensure accountability in the operations of the utility and tend to achieve the commercial and financial viability of the utility.

Credit worthiness of SEBs

2304. SHRI PRITHVIRAJ CHAVAN: Will the Minister of POWER be pleased to state:

(a) whether Government have asked credit rating agencies to rate the credit worthiness of the State Electricity Boards and to evaluate progress made by them in implementing the power sector reforms; and

(b) whether Government will consider these ratings to allocate funds under the APDRP?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) Ministry of Power offers facilitation and assistance to States and State Electricity Boards (SEBs)/ Utilities like allocation of power from Central Sector generating stations, setting up of power stations by Central Public Sector Undertakings (CPSUs), undertaking large transmission projects, assistance for rural electrification, financial assistance by Power Finance Corporation (PFC) and Rural Electrification Corporation (REC), assistance under Accelerated Power Development and Reforms Programme (APDRP). In order to ensure that assistance and facilitation provided is systematic and transparent with a set of objectives to be achieved. Independent rating agencies are carrying out rating exercise of SEBs/Utilities with respect to their ability

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