

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) and (c) The participants including the World Bank in the International Conference on Distribution Reforms held in New Delhi on 12th and 13th October, 2001 expressed their views and suggestions. The Conference of Chief Ministers on 3rd March, 2001 resolved, *inter-alia*, that the Central Government has been emphasizing the need to check power thefts in the country to restore the health of the power sector. The measures suggested are compulsory metering of all consumers, enforcement of energy audit and strict penalty against theft of power.

Cost of electricity supply to farmers

401. SHRIMATI VANGA GEETHA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that farmers pay about 10 per cent of the cost of electricity supplied; and

(b) if so, the power sector reforms proposed to be introduced to meet the loss?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir. The average estimated tariff for agricultural consumers for 2000-01 is 28.5 paise/ Kwh as against the estimated average cost of supply of Rs. 303.8 paise/Kwh during the said period.

(b) The measures undertaken are as follows:

- (i) Government of India enacted the Electricity Regulatory Commissions Act, 1998. According to the provisions of this Act, one of the guiding principles for the State Commissions while determining tariff is that the tariff progressively reflects the cost of supply of electricity at an adequate and improving level of efficiency. It also provides that if a State Government requires the grant of any subsidy to any consumer or class of consumers, the State Government shall pay the amount to compensate the person affected by the grant of subsidy in the manner the regulatory commission may direct.

(ii) In the Conference of the Chief Ministers/Power Ministers held on 3rd March, 2001 it was *inter-alia* resolved that subsidies to the consumers may be given to the extent of the capacity of State Government to pay subsidies explicitly through budget provisions and that the past decision of CM's of a minimum agricultural tariff of 50 paise may be implemented immediately. Standardisation of the project cost 401 SHRI K.M. SAIFULLAH: Will the Minister of POWER be pleased to state:

- (a) whether Andhra Pradesh Government has suggested to standardize project costs across the country to avoid delay in project implementation; and
- (b) if so, the action taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) Standardization of equipment design, costs and benchmarking is an effective way for accelerating power development and reducing the gestation period for new projects. The Central Electricity Authority has drafted milestone based guidelines for major activities for thermal based power projects. This has been circulated to the Central Public Sector units in the power sector and also to the State Electricity Boards.

Cost of electricity supply to domestic consumer 403. SHRI K. KALAVENKATA RAO: Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that the average domestic customer pay less than 60 per cent of the cost of electricity supplied; and
- (b) if so, the power sector reforms proposed to be undertaken to meet the loss?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir. The average estimated tariff for domestic consumers for 2000-01 is 173 paise/Kwh as against the estimated average cost of supply of Rs. 303.8 paise/Kwh during the said period.

- (b) The measures undertaken are as follows: