

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.2368
TO BE ANSWERED ON 16.03.2021

CHOICE TO CONSUMERS FOR BUYING ELECTRICITY

2368. SHRI B. LINGAIAH YADAV:

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

- (a) whether it is a fact that the distribution companies across the country, either Government or private, have monopolies and there is a need to provide choice to consumers by promoting competition by working out a framework to be put in place to give consumers alternatives to choose from among more than one distribution company; and
- (b) if so, the details thereof and, if not, the reasons therefor along with corrective steps being taken in future?

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) & (b) : In the Union Budget 2021-22 presented by the Hon'ble Finance Minister on 1st February, 2021 the following announcement was made for giving choice to the electricity consumers:

“The distribution companies across the country are monopolies, either government or private. There is a need to provide choice to consumers by promoting competition. A framework will be put in place to give consumers alternatives to choose from among more than one Distribution Company.”

Pursuant to the Budget announcements, in order to put in place a framework, Ministry of Power have held a series of consultations with various stakeholders including State Governments, Electricity Regulators and Industry players, distribution franchisee and private Discoms. The proposed reform was also discussed in the Consultative Committee meeting held on 3.3.2021 wherein the Hon'ble Members of Parliament welcomed the proposal.
