

GOVERNMENT OF INDIA
MINISTRY OF POWER
RAJYA SABHA
UNSTARRED QUESTION NO.2545
TO BE ANSWERED ON 10.08.2021

CHOICE TO CONSUMERS FOR BUYING ELECTRICITY

2545 SHRI SUSHIL KUMAR GUPTA:

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

- (a) whether it is a fact that Government plans to introduce a Bill enabling the power consumer to choose from multiple service providers;
- (b) if so, the details thereof;
- (c) whether it is also a fact that the All India Power Engineers Federation has urged Government to put on hold the Bill for discussion on comments and suggestions by all the stakeholders, particularly electricity employees and consumers after putting the draft in the public domain; and
- (d) if so, the response of Government in this regard?

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) to (d) : Following announcement has been made in the Union Budget 2021-22 on 01.02.2021:

“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, series of consultations were held with various stakeholders including State Governments, Distribution Companies, Electricity Regulatory Commissions who also protect the interest of the consumers, Consumer groups like Prayas and other power sector utilities. Suggestions from All India Power Engineers Federation have also been received.

The proposed reform was also discussed in the Consultative Committee meeting held on 03.03.2021 wherein Hon’ble Members of Parliament welcomed the proposal.

The envisaged framework to give consumers alternatives to choose from among more than one Distribution Company, requires amendment in the Electricity Act 2003, for which the desired procedures are being followed.
