

Power section one of the most critical infrastructure in our economy. India currently has a installed capacity of 3,82,000 MW.

Need for change in our infrastructure

Even though India have achieved nearly 100% rural electrification there are certain drawbacks

- operational inefficiencies: Recently Andhra Pradesh has initiated renegotiation of old power purchase agreement (PPA) of Solar & wind energy based on competitive price.

- Liquidity: Dues are being pending with the state even though center infused Rs. 1.25 lakh crore liquidity

- financial solvency: The misagreement between power generators and distribution companies makes the power generator into debt trap due to lack of payment transaction.

Electricity (Amendment) Bill, 2020

Minister of power had proposed amendments for electricity bill, 2013 with following broad objectives

i) Ensure Consumer Centric

Introduction of Direct Benefit transfer will be beneficial to both states and DISCOM

- State can have a clear account of number of beneficiary & the amount appropriated

- DISCOMs will ensure the subsidy dues are received at time as per the number of beneficiaries.

ii) Promote Green Power

As per National Renewable Energy policy Center will prescribe minimum percentage of renewable power to purchase

iii) Promote Ease of doing Business

The Bill plans to reduce the Cross subsidy by 20% which is 50% currently at many states

Conclusion:

In order to provide sustainable power supply as per SDG goal-7

"Ensure access to affordable, reliable, sustainable & modern energy to all"

Certain amendments are needed.

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