

The early enactment of electricity bill 2021 is now an imperative in order to provide sustainable power supply across length and breadth of country. Discuss
(200 words)

India is country with huge population, huge number of industries which makes power supply a critical factor for a stable economy and promote ease of doing business. Here the Electricity Bill 2021 ensures to address sustainability in Power sector

Need of Electricity Bill

- (i) The financial unsustainability of DISCOMs which are mostly state owned - due to delay in subsidy payment, technical and commercial losses like theft
- (ii) Unviable Power purchase agreements
- (iii) Rapidise the transformation towards the renewable energy
- (iv) Better consumer benefit.
- (v) Regulation in cross subsidies are required

Benefits ensured in current Amendment bill 2020

- The bill prohibits Regional and State Load ^{Despatch} ~~Distribution~~ ~~Centres~~ from dispatching electricity before the adequate payment securities are paid by ~~by~~ the DISCOMs. This ensures that the investors are not left in debt.
- Gradual reduction of cross subsidies will ensure reduction of burden among the people who are paying extra now.
- The subsidies instead of being paid to generators/distributors will now be directly provided to consumers.
- National Renewable Energy policy forming a part of bill will ensure states to purchase minimum amount of renewable energy as prescribed by centre. It will help achieve target of 175 GW renewable capacity by 2022.

Some Issues

- Ensuring the big investors not being in debt through payment security mechanism leaves small generators at stake.
- The contract enforcement authority, Appellate body etc whose members are Central Ministers, Chief Justice of India, Chief Secretaries leaves the representatives of particular state elected by people as a member

Electricity being concurrent list Centre and state should collectively arrive at an decision which satisfies all stakeholders [investors, citizens, state and the centre]