

Towards Quality Electricity Supply

What is the issue?

- Latest reports reveal that only around 20,000 households in Chhattisgarh remained to be given electricity connection in the country.
- The connection challenge may have been met, but the supply challenge remains, which has to be addressed.

What is the drawback in approach?

- To improve the quality of life and to aid economic activities, it is essential to ensure affordable and reliable electricity supply.
- But this has largely been neglected in the rush to reach household connection and village electrification milestones.
- Supply is managed by cash-strapped distribution companies which have no financial incentive to supply to the rural poor.

What are the concerns?

- **Supply quality** - As the focus has been on connections, there is limited data on problems with electricity supply quality.
- Available data indicate that metering, billing and payment complaints dominate the list.
- There are inordinate delays in issuing bills for newly connected households, mistakes in bills, meter faults and difficulties in bill payments.
- Delays or mistakes in bills lead to very high bills, which small consumers find tough to pay, thus leading to disconnection.
- **Power outages** - Government reports indicate 16 to 24 hours of supply in rural areas.
- But consumer surveys and sample measurements report much lower hours.
- **Community services** - Other than homes, rural electrification should also ensure access to agriculture, small business and community services like street lighting, schools, and health centres.
- Agriculture gets only 7 to 8 hours of supply in most States, mostly during the night, with frequent interruptions.
- Frequent interruptions also discourage operation of commercial enterprises in rural areas.
- But revenue of the distribution company can increase only if more such

consumers use electricity.

What are the possible measures?

- Before the consumers lose faith in the grid supply, it is necessary to take steps to improve the quality of supply.
- Post connection parameters like issue of first bill, hours of supply, distribution transformer failure rate and growth of non-domestic consumer connections should be tracked.
- State discoms could improve metering and billing and deploy bill payment centres with support from panchayat offices, post offices or health centres.
- Complaint procedures can be simplified through mobile applications and public hearings.
- Distribution companies should be financially penalised by the regulatory commissions for poor quality of supply.
- The Integrated Power Development Scheme (IPDS), which is presently urban focussed, should be extended to rural areas.
- Power from stranded generation capacity, depreciated plants and unutilised capacity should be rationalised.
- It can be provided at concessional rates to distribution companies for reliable supply in designated rural areas.
- To promote economic activity, small enterprises with consumption of about 300 units should be assured affordable tariff.
- For community facilities like health centres in want of reliable supply, schemes to deploy kilowatt size solar plants with battery backup could be planned.
- Technology-led initiatives like prepaid meters, smart meters and direct benefit transfer should be attempted as pilot projects before scaling up.

Source: BusinessLine