

{ **OPENING UP POWER DISTRIBUTION** }

UP lays stress on level-playing field for all companies

Brajendra K Parasharbkparashar@
hindustantimes.com

LUCKNOW: Uttar Pradesh on Wednesday insisted that there must be a proper mechanism to ensure a level-playing field for all the companies, government and private, before the power distribution sector was opened up for multiple players to provide a choice to consumers to select their service provider.

The state made this and some other suggestions during a video conference held by the union ministry of power (MoP) with all the states and Union Territories to discuss the proposed amendments to the Electricity Act, 2003.

The amendments, among other things, seek to open up power distribution for multiple players to "provide a choice to consumers" as already announced in this year's Union Budget.

"We welcomed the proposal aiming to better consumer services, but we suggested that there needs to be a level-playing field for all the players—new and old, that will compete among themselves to distribute electricity to consumers," said an official who was privy to the virtual meeting.

Additional chief secretary (energy) Alok Sinha and Uttar Pradesh Power Corporation Ltd (UPPCL) managing director M Devraj were among the officials attending the video conference.

Another energy department official, who was in the know of things, said

that Uttar Pradesh's apprehension was that the possible entry of big and resourceful private or public sector companies in the power distribution could make the competition tough for the funds-starved government power distribution companies (discoms) already working with a monopoly in the state unless there was a level-playing field for all to work.

The other proposals discussed at the meeting included new provisions related to Renewable Energy Purchase Obligations (RPOs) in order to meet India's international commitments.

"UP agreed to almost all proposals, barring disagreeing on some minor issues especially with regard to the proposed provisions of RPOs," he said.

Secretary (power) Alok Kumar said all the states connected to the video conference on Wednesday consented to the Central government's initiative seeking to provide better service to power consumers.

"However, they wanted a level-playing field for all the power distribution companies and this, we will of course, ensure," he said over the phone.

He said the government would also set up a committee comprising officials of all states/regions to look into the suggestions received from states before finalising the Bill.

"We will work closely with all states and stakeholders to ensure better services to all power consumers," Kumar said.