

**MINISTRY OF POWER**  
**Government of India**  
**Minutes of the Conference of Power and NRE Minister's of States/UTs**  
**held on 3<sup>rd</sup> July, 2018 at Shimla, Himachal Pradesh**

1. The 8<sup>th</sup> conference of Power and Renewable Energy Ministers of States & Union Territories was held on 3<sup>rd</sup> July 2018 in Shimla, Himachal Pradesh.
2. Secretary (Power) highlighted the various issues to be deliberated in the conference which include 100% household electrification, saturation under SAUBHAGYA/Ujala schemes in 117 aspirational districts under extended Gram Swaraj Abhiyan (GSA), 24X7 Power Supply, financial and operational turnaround of DISCOMs, AT&C losses, addressing coal shortage issues, and Energy efficiency.
3. Honourable Chief Minister of Himachal Pradesh welcomed the delegates to the conference and thanked Hon'ble Minister of State (IC) for Power and New & Renewable Energy for selecting Shimla as the venue for the conference. He highlighted the achievements of Himachal Pradesh in achieving 100% village electrification, higher than National Average per capita electricity consumption and successful implementation of UDAY. He also raised the issue of rehabilitation of people affected by Bhakra, Pong Dams and recompense to the State of Himachal Pradesh for sacrificing their natural resources.
4. Honourable Chief Minister of Himachal Pradesh flagged the following issues for consideration:
  - All Hydro power projects may be declared as renewable energy. Hydro Purchase Obligation (HPO) needs to be introduced on the lines of solar purchase obligation as a part of the Renewable Purchase Obligation (RPO).
  - Compensatory afforestation to be allowed on degraded forests for all hydro projects as non- forest land is not available in Himachal Pradesh.
  - Banks and Financial Institutions to develop longer duration loan instruments of 35 years to commensurate with the life of hydro project.
  - The rights and concessions on Forest Land are already settled in Himachal Pradesh therefore, requirement of obtaining certificate of compliance of Forest Rights Act may be exempted for development of hydro projects in line with provision for Linear projects.

- Inter- state transmission cost for hydro is high and the plant load factor of hydro is low. Therefore as applicable for solar project, the inter-state transmission charges may be waived off / exempted for hydro projects
  - In view of the difficult topographical conditions, the time period of IPDS and DDUGJY to be increased for another one year so that maximum people of state could avail benefits of these schemes.
5. Hon'ble Minister of State (IC) for Power and New & Renewable Energy welcoming the delegates to the conference, thanked Himachal Pradesh for their hospitality and also praised Himachal Pradesh for the achievements made in electricity sector ( like 100% village electrification, AT&C loss < 13%, billing efficiency > 90%, DISCOM in profit etc) despite very difficult terrain.

Hon'ble MoS (IC) for Power and New & Renewable Energy stated that economic growth is possible only with the growth in the energy sector. So the problems of electricity sector – such as accessibility, load shedding, non-availability of 24X7 reliable power supply, high AT&C losses etc. needs to be fixed with joint and coordinated efforts of the central and state governments, as the subject of electricity is on the concurrent list.

The target of 100% village electrification in 1000 days has already been met in 987 days and the greater challenge ahead was achievement of 100% household electrification by 31<sup>st</sup> December 2018.

Hon'ble MoS (IC) for Power and New & Renewable Energy stated that amendments in the National Tariff policy and Electricity Act are being pursued by the Government. He requested all the States to give their comments on the same urgently. He stated that States are not utilizing the large amount of funds sanctioned for strengthening of power network and if any additional sanction is required by any State, it would be done but with the condition that scheme needs to be completed by 31.03.2019.

An award scheme for recognizing the efforts of States as well as their team for achieving the targets of 100% household electrification before deadline of 31<sup>st</sup> December 2018 was also discussed.

Regarding shortage of coal Hon'ble MoS (IC) stated that the demand for coal has increased which is a good sign for growing economy but the coal problem would persist for another 3 to 4 years till production from new coal mines starts. Import of coal has been allowed to overcome shortages and some of the States have already started importing coal.

Hon'ble MoS (IC) stated that with increasing Renewable Energy (RE) penetration in the Indian grid, more balancing power would be required. Hydro and Gas based generation projects are already there to provide the balancing power. He also stressed upon the use of Hydro power as peaking power rather than base load.

### **SAUBHAGYA**

6. Joint Secretary (Distribution) made presentation on the scheme and stated that 280.73 lakh households were still to be electrified as on 30.06.2018. The current rate of household electrification is 30066 per day and progress of electrification of 1, 53,408 households per day is required to successfully achieve universal household electrification by 31.12.2018.
7. The state wise rate of current household electrification and the required rate for achieving universal household electrification by 31.12.2018 was reviewed by Hon'ble MoS (IC). Statewise status is given in **Annexure I**.

Hon'ble MoS (IC) stated that once we achieve target of 100% household electrification by 31.12.2018, then we need to start thinking to raise the standard of living of households. Among other things solar cooking, induction cooking have to be encouraged. A switch needs to be made from fossil fuel based cooking to electricity and also more towards electrical mobility in the interest of reducing import bill.

## **IPDS:**

8. JS (Distribution) informed that under IPDS schemes Rs. 30,000 crores has been approved for system strengthening, IT, ERP and smart metering. NIT for 96% of the sanctioned projects has been done and 93% of sanctioned projects has been awarded till June 2018. Overall progress of 36% has been achieved which is on the lower side. 3% monthly physical progress has been achieved in the period December 2017 to June 2018 and to complete the projects by March 2019, monthly physical progress of 6 to 7 % is required.
9. Hon'ble Minister of State (IC) for Power and New & Renewable Energy reviewed the State-wise progress and directed the states with slow progress to increase their pace of work so as to complete their works by March 2019 without any slippage. It was decided to have a detailed review of J&K projects separately.
10. JS (Distribution) highlighting the issues under IPDS stated that
  - IT enablement of 4000 towns in the country is being taken up. States can declare the towns where 24X7 supply can be made available by 15<sup>th</sup> August and 2<sup>nd</sup> October. Hon'ble MoS (IC) directed states to give schedule of completion.
  - For smart metering solutions under IPDS, Rs. 830 Cr has been approved for installing 41 lac Smart Meters in 21 Discoms, but the progress is slow. States were requested to expedite Award of Smart Meters on their own / through aggregators
  - For ERP under IPDS Rs. 640 Cr has been sanctioned for 29 Discoms but works has been awarded only in six states. States facing problems in bidding may modify their bidding documents following their own rules after approval of their DRC.
  - States were requested to direct their Discoms for closure of R-APDRP schemes at the earliest. After closure of the schemes/projects only the loan given under the scheme can be converted into government grant.

## **UDAY**

11. JS (distribution) stated that the scheme was launched in November 2015 and actual results have been achieved for full two years, 2016-17 and 2017-18. 32 states have joined the scheme except for Delhi and West Bengal. Comparison of the results of FY 2017 and FY

2018 shows that ACS-ARR gap has reduced from 40 paisa/ kwhr to 22 paisa/ kwhr and AT&C losses has reduced from 20.2 % to 18.7%.

12. Hon'ble MoS (IC) reviewed the AT&C losses statewise and stated that AT&C loss reduction to 15% by March 2019 is of utmost importance. All States having more than 15% AT&C losses need to submit action plan/ roadmap for loss reduction. If the roadmap is not put in place, Government funding for various schemes may be put on hold.
13. Hon'ble MoS (IC) requested Karnataka (which has already reduced their AT&C loss to 15%) to set a target of 10%. Principal Secretary stated that more than 37% energy consumption in their state is by agriculture sector which was unmetered. Therefore, bringing down AT&C losses to 10% would not be possible. In this connection, it was brought out that if subsidies paid according to the quantum of power consumed this would help reduce AT&C losses.

Hon'ble MoS (IC) stated that all subsidies have to be through DBT as it reaches the actual consumer and it makes the consumer responsible (careful about their consumption).

14. Many states like Uttar Pradesh, Punjab, Utrakhand, Telangana stated that Government dues was one of the factor for high AT&C loss. Hon'ble MoS (IC) advised these States to convert all Institutional / Government / Utility connection to prepaid as done by Bihar.
15. JS (distribution) stated that the average PPC(power Purchase Cost ) during Uday period was Rs. 4.26 per unit whereas in some states like Assam, Telangana, Haryana ,Karnataka, Bihar it was higher than the national average. Telangana clarified that PPC was high because recently about 3400 MW of Solar Power was synchronised with grid at average tariff of Rs 5.8 per unit. Haryana clarified that about 3000 MW of power was from new Thermal Power station and also during paddy season they have to purchase about 700 to 800 MW from power exchange. It was advised that States may look at the margins in power procurement inefficiencies to reduce power costs.
16. JS ( Distribution) also raised the issues of gaps in subsidy disbursement by states like Punjab, Telangana, Rajasthan and Karnataka and delay in payment of dues from Government Department.
17. Hon'ble MoS (IC) stated that viability of distribution sector was most important in the entire power sector. Subsidies need to be released in time as the same has cash flow and working capital implications.

## **24x7**

18. Hon'ble MoS (IC) stated that penalty for load shedding would be there from 1<sup>st</sup> April 2019 onwards. Therefore all States should make efforts for ensuring 24x7 Power supply by 31.3.2019. Hon'ble MoS (IC) appreciated Haryana Government approach of curtailing power supply to areas with low revenue realisation. This approach gives the message to the consumers that if they are willing to pay they would get better power supply. Minister suggested all the States to meter the agriculture pumps or go for Solar Pumps.
19. Hon'ble MoS (IC) discussed the average hours of supplies state wise and requested the states to share with MoP the roadmap of declaring towns with 24x7 power supply by 15<sup>th</sup> August, 2<sup>nd</sup> October and beyond.

## **Digital payments**

20. JS (Distribution) stated that target for digital payment in power sector is 95 crores in the FY 2018-19 and achievement till 31<sup>st</sup> May 2018 is only 4.13 cr. transactions. To achieve the targets States need to:
- Focus on increasing digital payPromotion / wide publicity of digital payment initiatives to people /consumers
  - Focus on increasing Digital payments through BHIM app / QR code in next 100 days and achieve 2 crore digital transactions by 15<sup>th</sup> August 2018.
  - Focus on promotion of digital payments in 100 smart cities in 100 days.
  - Start printing of Bharat QR Code on electricity bills
  - Establish digital payment facility at Power Deptt. Offices & portals of Discoms/ Utilities.

## **Proposed amendments in Electricity Rules 2005 regarding captive generating plants**

21. A presentation on the proposed amendments to Electricity Rules 2005 relating to Captive Generating Plants was made by Director (R&R). The issues raised by the States and directions given are given in **Annexure II**

#### **Flexibility in utilizing domestic coal in IPPs (Case 4)**

22. A presentation on the flexibility in utilization of domestic coal and the amendments issued on 15.6.2018 in the flexibility scheme of use of domestic coal in IPPs power station was made by Director (RR). The amendments were issued on considering views from stakeholders and in consultation with IPPs, bankers, Railways, Min. of Coal and Min. of Power. It was highlighted that transporting electricity is easy and economical as compared to transporting coal. The States which are located far from pithead stations/coal sources should use the flexibility scheme issued by MOP. It was also highlighted that regarding ceiling tariff, variable charge should also include (i) cost of secondary oil and incremental cost regarding O&M and (ii) IPPs are required to pay upfront for drawing coal. Working capital requirements impacts them adversely. If a provision is made that utility has to procure the Coal, it will ease out the total system. IPPs may be required to give bank guarantee to utility in this regard.

The amendments issued have provided flexibility to increase the duration of contract beyond one year based on mutual consent. However, it was discussed that the term of PPA under the scheme may be made from one year to three years.

Necessary changes, as discussed above, may be considered for issuing further amendments to the methodology.

#### **Electrical Vehicles**

23. The Hon'ble MoS (IC) briefed the delegates the importance of Electric Mobility. He said that thrust has to be given to use Electric energy instead of Fossil-fuel Energy for Energy consumption needs. A target is set to achieve 30% of vehicles being manufactured to be Electric Vehicles by 2020.

24. MD, EESL informed that 14 Indian cities figure among the top 15 most polluted cities of the World. Presently, in India only 4 lakhs out of a total 20 crores vehicles that are plying are Electric Vehicles. He stressed the need for developing Indigenous technology in Electric

Vehicles. He informed that Automobile Industry contributes a whopping 7% to the GDP of India.

25. Issues and challenges in charging infrastructure were discussed. MD, EESL stressed the need for Charging Stations. He discussed the PPP-Model for setting up of Charging Stations. He pointed out the need for allocating/providing land for the Charging Stations in the Master Plans of all Cities/Towns.
26. Hon'ble Power Minister of Delhi Government suggested differential tariff and Time of Day feature while finalizing/fixing the tariff of Charging Stations. He suggested that it could be linked to the availability of Solar Energy.
27. One of the delegates suggested that the tariff charged by DISCOM to the Charging Stations and the tariff charged by Charging Station from the Customer/user should be specified/regulated.
28. The issue of supplying Electricity to the consumer by DISCOM at normal rate if he sets up charging equipment for his own Cars was also raised.

#### **Setting up of Charging Infrastructure for E-vehicles**

29 A presentation on the National Policy on charging infrastructure was made by Joint Secretary (Thermal), Ministry of Power.

30 It was intimated to the States that financial support under FAME II has been envisaged to create an initial charging station network in selected cities. Grant to the extent of 50% of cost of equipment is proposed under the scheme.

31. Following suggestion were made for smooth roll out of Charging Stations:-

States to:-

- I. Facilitate setting up charging infrastructure in the States
- II. Select Implementation Agency for implementation of scheme.
- III. Provide/facilitate land for setting up charging infrastructure.
- IV. Integration of Charging Infrastructure planning with other infrastructure planning instruments/Schemes such as
  - a. Urban planning norms, viz., building by-laws, city master plans, smart cities mission/AMRUT, SEZ norms, Urban Transport Policy, etc.
  - b. Transmission/Distribution network planning



States to also:-

- a. strengthen the distribution network to support Charging Station
- b. ensure Ease of doing business-Process re-engineering for providing connection to Public Charging Stations
- c. Upgrade residential connections/facilitate separate point in multi-storeyed buildings for EV charging.

### **Shifting hydro power projects from base load operation mode to peak load operation mode**

32. Shri K.V.S.Baba, CMD, POSOCO gave a presentation on the subject. He explained that how the inherent characteristics of certain type of hydro power stations such as flexibility and modulation make them suitable scheduling for peak load operation and balancing the grid. Hon'ble MoS(IC) clarified that all types of hydro power stations cannot be used for peaking. However, Run of the River (with Pondage) , Storage and Pumped-Storage Stations can be employed for peak load operation.

### **Review of progress on adoption of Energy Conservation Building Code (ECBC) by the States and the UTs**

33. DG BEE made a presentation on ECBC code. He stated that last year India consumed about 1150 Billion Units of electricity of which 33% was consumed by Building Sector. MoSP (IC) explained that India has commitment towards Nationally Determined Contributions (NDC) as per Paris Agreement to reduce emission intensity by 33-35% by 2030 from 2005 levels. Energy Efficiency is one of the key measures to achieve these targets and it also contributes to save our environment. Bureau of Energy Efficiency (BEE) flagship program of star rating of appliances has saved more than 65 million tonnes of CO<sub>2</sub>. Perform, Achieve and Trade (PAT) is another program where specific energy consumption targets are given to Industries. Industries who achieve more than their target get Energy Saving Certificates (ESCerts). This program saved about 31 million tonnes of CO<sub>2</sub> per year.
34. DG, BEE mentioned that 12 states have already notified and cabinet of Himachal Pradesh and Uttar Pradesh has already approved ECBC Code. In other States it is in various stages of approval. MoSP (IC) emphasized on the adoption of ECBC code by each State by December 2018.

35. Hon'ble Minister of Energy (Delhi) suggested to include residential building components in the code as Delhi has a peak between 10PM and 1AM in the night, which is primarily due to residential buildings. MoSP (IC) said that BEE is developing code for residential building separately which will be launched shortly.
36. DG, BEE said that Bureau of Energy Efficiency has also initiated another program to promote use of optimum temperature of 24 degree C while using air conditioners and setting the air conditioners at this level can reduce energy consumption by around 20% resulting in saving 20 billion units of electricity and reduction of 16 million tonnes of CO<sub>2</sub>. At this stage this was not a mandatory direction but only an advisory, but people need to be educated on this.
37. DG, BEE made presentation for establishment of standalone State Designated Agencies (SDA) by each State. He briefly described the role of SDA in the presentation. He stated that only two States have stand alone SDA and are doing significantly well for energy conservation. 16 SDA are renewable energy department, 8 are electrical inspectorate, 5 are energy departments and 4 are DISCOMs. MoSP (IC) emphasized all State about the importance of energy efficiency and requested States to consider the proposal positively.

### **Ministry of New and Renewable Energy**

Following points related to Renewable Energy were discussed and directions given during the Conference

35. It was decided that States/UTs will prepare month wise plans for bidding of solar & wind power capacity in 2018-19 in order to achieve 175 GW RE target by 2022. The plan should be shared with MNRE so that a uniform trajectory could be prepared, and thus avoid a surplus of bids at any given time.
36. It was pointed out that most states have been failing in complying with the RPO. RPO compliance should be ensured by States/UTs strictly and RPO trajectory should be aligned as per long term RPO trajectory up to year 2022 notified by Ministry of Power on 14th June, 2018.

37 The States requested that instead of fixing a separate RPO target for Solar and Non-solar Renewable Energy, the total RPO target should be given to the States so that they have flexibility in meeting this target. Some of the States do not have Wind Power potential and may not be in a position to meet the non-solar target in their States. Hon'ble Minister assured that this aspect shall be examined.

38 States requested that the Ministry has announced the trajectory for Renewable Power and the RPO Obligation and on same pattern the Ministry should announce the trajectory for balancing power for RE so that the same is commissioned simultaneously without affecting grid stability.

39 States suggested that in case any State goes beyond RPO obligation then the benefit of the same should go to the concerned DISCOM to encourage them to achieve still higher percentage of RPO.

40 It was informed that solar cooking will be proliferated across the country for its easy accessibility to the mass at affordable rates. This shall encourage the use of Renewable Energy by masses.

41 Solarization of agriculture pumps, both Diesel & Electric, is being promoted to conserve use of diesel as well as to save electricity. Hon'ble Minister suggested that wherever theft of electricity in any region is high, preference should be given for solarization of agriculture pumps in that area.

42 Electric vehicle charging infrastructure is to be set up across the country in a gradual manner, commensurate with the induction of electrical vehicles in the country. Wherever feasible, provision of charging system by solar energy in such charging stations may be considered.

43 States/UTs were requested to submit proposals for solar parks under additional 20000 MW capacity allocations to meet enhanced target of 40000 MW under Solar Park Scheme. States/UTs were also asked to ensure speedy implementation of existing solar parks.

44 Progress of two private solar parks in Maharashtra was seen to be very poor. One of these parks has also taken funds of Rs. 4.1 crore from the Ministry. It was suggested that funds should be recovered immediately. Status of these parks should be thoroughly reviewed in consultation with state government and parks should be cancelled, if required, and criminal cases filed if the park developers refuse to refund the money.

45 States/UTs were requested to ensure automatic exemption for solar/wind projects from provisions of conversion of land use under land Revenue Acts and from land ceiling provisions under Land Reforms Acts.

46 States were requested to streamline their rooftop policy and regulations so as to make them user friendly, with DISCOM level sub-division officials being given the responsibility under this programme. As a first step they should embark on equipping all Government buildings with roof top power plants.

47 States suggested that in order to encourage the Roof Top Solar system, the policy of net metering may be changed to gross metering so that the DISCOMs do not suffer losses on account of net metering policy. States were informed that a new policy on the Roof Top scheme is under process in which an option of net metering as well as gross metering is being given to the States.

48 The states were advised not to load small hydro projects with local taxes and levies which make the project unviable and increase the tariff.

49 States suggested that Hydro power (above 25 MW) also to be given the Renewable Energy status as is prevalent across the world. Hon'ble Minister informed that Ministry is already examining a proposal.

50 Feasibility of providing Pumped Storage Hydro System should be examined to encourage use of surplus solar energy in day time for pumping back water in reservoir and utilize the same during the peak hours of Power demand. States requested that it should be given a grid asset status to encourage its expansion.

51 Hon'ble Minister expressed concern that some State Governments are not honouring the existing PPAs and are also not signing fresh PPAs. As per CERC guidelines, up to 10 MW biomass plants should be given must run status. However, in Madhya Pradesh, biomass power plants up to only 2 MW capacity have been accorded must run status and merit order dispatch has been imposed. Hon'ble Minister emphasized that PPAs have to be honoured and other necessary measures need to be taken to support and promote the bio-energy sector.

52 Hon'ble Minister directed that to encourage the disposal of bio-mass in an environment friendly manner, the bio-mass should be converted into small briquettes and the same should be used in boilers of thermal power plants. It was confirmed by the CMD/NTPC that such briquettes can be used upto 10% of fuel without any problem. Hon'ble Minister advised all states

to ensure the disposal of bio-mass in this form to avoid environmental pollution. In case of any difficulty, they may take technical consultancy from NTPC.

53 States mentioned that projects related to production of energy from bio-mass are not financially viable. Either VGF or subsidy on tariff should be provided to encourage development of projects in this field.

54 It was informed that, during interaction with stakeholders of bioenergy sector, the issue of availability of working capital was brought to the notice of the Ministry and the Ministry was working with IREDA to formulate a financing scheme to address the issue.

55 Hon'ble Minister informed that in order to encourage development of new technology in the Renewable Energy Sector, R&D Mission shall be formulated.

56 States/UTs were requested to ensure speedy implementation of evacuation facilities being set up by CTUs/STUs. They were also requested to ease getting RoWs by adopting the Ministry of Power guidelines on compensation.

57 States requested that in order to accelerate the process of setting up transmission lines for evacuation of Renewable Energy, such projects may be given the special status for environmental clearance as has been accorded for the projects for Road/Railway so that the environmental clearance from MOEF may be expedited. It will prevent the long time taken for various clearances for such projects. It was also suggested that alternatively the forest clearance for these projects may be exempted.

58 Hon'ble Minister suggested that the States may consider the waiver of Intra-state transmission charges for transmission of Renewable Energy on the pattern of ISTS.

The meeting ended with a vote of thanks to the Chair.

**Status of SAUBHAGYA**

**Arunachal Pradesh:** Current rate of household electrification (only 7 per day) is slow. Hon'ble Power Minister of Arunachal Pradesh suggested that the State Government takes up the HH electrification works on its own. Hon'ble MoS (IC) informed that Chief Minister, Arunachal Pradesh has requested for supply of material for HH electrification under Saubhagya scheme through REC who have floated EoI in June 2018.

Hon'ble State Minister was requested to take decision quickly regarding supply of material for HH electrification under Saubhagya scheme through REC or from other source.

➤ **Assam:** State Minister was requested to scale up HH electrification to 12,681 per day. Assam stated they will procure material through REC. REC stated that they are working out the quantities and it would be awarded to existing contractors as extension contracts. Assam stated that after receipt of material expected by July 2018, HH electrification would be ramped up and 100% household electrification by 31.12.2018 would be achieved.

➤ **Jharkhand:** They are facing difficulty as many villages are in forest and inaccessible areas . The Household electrification and infrastructure works are being done simultaneously, and therefore progress may appear slow. 100% household electrification by 31.12.2018 would be achieved.

➤ **Odisha:** Principal Secretary informed that to achieve the target they have increased the financial powers of the Discom MDs, SEs. Every EE has been given the target of 100 HH electrification per day. They have hired 40 contractual engineers exclusively for the saubhagya scheme.

Hon'ble MoS (IC) appreciating the efforts made by Odissa requested other states to adopt the model.

➤ **Tripura** stated that works in two districts is being done by REC, two districts by NEEPCO and four districts by state. NEEPCO stated that they are still awaiting the sanction of Tripura govt. for the works.

Hon'ble MoS (IC) requested Tripura to expedite the same.

Confirmed completion by December 2018.

- **West Bengal** confirmed that work would be completed by October 2018. There is a discrepancy in figures. REC was directed to correct figures.
- **Himachal Pradesh** will complete by October 2018.
- **Bihar** confirmed that they would complete target in time.
- **Rajasthan** claimed discrepancy in figure. Requested higher funds in wake of isolated houses and infra in remote location. If funds are received, the work will be done by October 2018
- **Madhya Pradesh** progress is satisfactory. To be completed by October 2018.
- **Karnataka** would complete by October 2018.
- **Telangana** – complete before December 2018.
- **Chhattisgarh** – likely to complete by September 2018. Facing problem in Sukma and Bijapur districts.
- **Uttarakhand** – Figures (balance villages) are likely to be lower than projected; to be completed by December 2018.
- **Maharashtra** – by December 2018.
- **Meghalaya** – They are facing difficulty in getting conductors as the same is not being supplied by contractor. In case of non ability of contractor to supply by July 31, they would request for supply of material from REC.
- **Manipur** – Will achieve the target by the end of December 2018.
- **Nagaland** – will complete by December 2018

**Inputs of States on the Electricity Rules 2005 relating to Captive Generating Plants**

**MAHARASHTRA –**

- i. Welcomed the initiative. It was pointed out that banking should be allowed either on quarterly basis or left to Regulators issue by SERCs.
- ii. Variation in consumption of electricity band to be brought from 10% to 5% in all cases (RE and non-RE) with respect to proposed 15% for non-RE and 13% for RE.
- iii. Subsidiary company's consumption should not be clubbed with the parent company.
- iv. Group captive plants should be paid open access and cross subsidy surcharges as applicable till certification of captive status by respective SERCs.
- v. Group captive plants spread over many States. CERC should be the Competent Authority. In any case IPPs to CPPs conversion should not be allowed.
- vi. Share holding pattern should not be changed for more than once in a year.

**KARNATAKA –**

- i. Share holders should be known in advance for Group Captive.
- ii. Share holding pattern should not be allowed to change for CPPs.
- iii. IPPs to CPPs conversion should not be allowed.

**ODISHA –**

- i. The amendments to be finalized at the earliest. The 26% equity share holding conversion limit to be enhanced to 51% and 85% conversion respectively.
- ii. If IPPs to CPP conversion is proposed to be allowed, then, CPPs to IPPs conversion should also be allowed.



**BIHAR –**

- i. Balance has to be maintained. If existing consumers are powered from Captive Generation using open access, then investment made by DISCOMs will go waste and remaining consumers will be adversely loaded.

It was decided that the amendments to be finalized by Ministry of Power at the earliest considering all the suggestions received from various stakeholders including State DISCOMs.