



ROLE OF ELECTRICITY IN ECONOMIC DEVELOPMENT: GOVT. POLICY

Mr. Janrao Rakesh Rohidas

Corresponding Author- Mr. Janrao Rakesh Rohidas

Email- rakeshjanrao@gmail.com

Abstract:

India is a agrarian economy, it was fell to maintaining employment in the last couple of year. The agriculture sector employees nearly half of the workforce in the country in last couple of year. However, agriculture sector contributing near about to 17.5% of the GDP in 2017. Over the past few decades, the manufacturing and services sectors have increasingly contributed to the growth of the economy, while the agriculture sector's contribution has decreased from more than 50% of GDP in the 1950s to 15.4% in 2015-16 (at constant prices). India's production of food grains has been increasing every year, and India is among the top producers of several crops such as wheat, rice, pulses, sugarcane and cotton During Financial Year 2021-22, the power demand in the country crossed 200 GW and thermal generation enabled the country to meet the increased electricity requirement recovery phase. Policy of Ministry of Power Government of India to keep a diversified portfolio of generating resources rather than depending upon on single technology or source helped the country in meeting demand of Electricity.

Introduction:

The national electricity policy (nep) entailed provision of adequate reliable power access to all citizens. Electricity is in the concurrent list in the constitution and the primary responsibility of ensuring its availability and distribution is that of the states. However, both the centre and the states have to play a decisive and positive role. The installed power generation capacity in the country at the end of 11th plan was about 2,00,000 mw. The capacity addition programme during the 12th plan period was targeted at 88,537 mw comprising 72,340 mw in the thermal sector, 10, 897 mw in the hydro sector and 5,300 mw in the nuclear sector. The government of india has always had a rural economy and since independence all governments was tried to improve the rural infrastructure including energy infrastructure. However, a lot of effort has been taken by government to rural economy.

Objectives of the study:

1. To study the role of electricity in economic devt.
2. To observe the govt. Policy regarding electricity.
3. To study rural electricity policy.

Govt. Policy regarding electricity:

Electricity act 2003, national electricity policy 2005 and tariff policy 2016:

National electricity policy stipulates that the national electricity plan would be for a short-term framework of five years while giving a 15-year perspective and would include: short-term

And long term demand forecast for different regions; suggested areas/locations for capacity additions in generation and transmission keeping in view of the economics of generation and transmission, losses in the system, load centre requirements, grid stability, security of supply, central electricity authority national electricity plan quality of power including voltage profile, etc.; and environmental considerations including rehabilitation and resettlement; integration of such possible locations with transmission system and development of national grid including type of transmission systems and requirement of redundancies; different technologies available for efficient generation, transmission and distribution.

Hydro policy – 2008:

With a view to ensure accelerated development of hydro power, hydro power policy- 2008 has been notified by government of india on 31st march, 2008. Transparent selection criteria for awarding sites to private developers. As notified in revised tariff policy, 2016, cost plus tariff regime (in which tariff is to be determined by the regulator under section 62 of electricity act, 2003) has been extended for public & private sector hydro power projects up to 15th august, 2022. Enables developer to recover his additional costs through merchant sale of upto a maximum of 40% of the saleable energy. Developer to provide 100 units of electricity per month to each project affected family - in cash or kind or a combination of both for 10 years from the cod.

Integrated power development scheme (ipds):

Government of india launched restructured-accelerated power development and reforms programme (r-apdrp) in 2008 during 11th plan period as a central sector scheme to encourage energy audit and accounting through it intervention and to reduce the aggregate technical and commercial (at&c) losses up to 15%. The size of the rapdrp scheme was ₹ 51,577 crores. The focus of r-apdrp scheme was on actual demonstrable performance by utilities in terms of sustained at&c loss reduction.

Deen dayal upadhyaya gram jyoti yojna (ddugjy):

Government of india has approved deen dayal upadhyaya gram jyoti yojna” (ddugjy) on 3rd december, 2014 for separation of agriculture and non-agriculture feeders facilitating judicious rostering of supply to agricultural & non-agriculture consumers in the rural areas; strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/feeders/consumers. Rural electrification for completion of the targets laid down under rggvy for 12th and 13th plans by carrying forward the approved outlay for rggvy to ddugjy. Under the scheme, electrification of 1,28,387 un-electrified villages, intensification of 7,39,986 partially electrified villages and electricity connections to 4.27 crore households has been approved. Out of which electrification of 1,22,159 un-electrified villages (94%), intensification of 4,14,563 partially electrified villages (54%) and electricity connections to 2,54,68,200 households (59%) has been achieved.

Uday (ujwal discom assurance yojana) scheme-2015:

The scheme has been approved by the government of india with an objective to improve the operational and financial efficiency of the state discoms. The focus of uday scheme is on states taking over the debt of state owned discoms as per the uday scheme, for improving operational efficiencies, the participating states and utilities would have to follow the specified timeline of the targeted activities e.g. Compulsory feeder and distribution transformer (dt) metering by states, consumer indexing & gis mapping of losses, upgrade or change transformers, meters etc. Smart metering of all consumers consuming above 200 units / month, demand side management (dsm), quarterly tariff revision, campaign to check power theft, assure increased power supply in areas.

National smart grid mission (nsgm):

To promote the development of smart grid in the country, government of india has launched ‘national smart grid mission (nsgm)’ on 27th march, 2015 for planning, monitoring and implementation of policies & programs related to development of smart grid in india. The national smart grid mission project management unit (npmu) is handholding states for speeding up development of smart grid network in the country.

Creation of national electricity fund:

Nef for distribution scheme investment in sub-transmission and distribution has been lacking due to resource crunch being experienced by the state transmission and distribution utilities. Government of india has undertaken a two pronged approach to cater to the energy demand of its citizens while ensuring minimum growth in co2 emissions, so that the global emissions do not lead to an irreversible damage to the earth system. On one hand, the government is promoting greater use of renewable in the energy mix mainly through solar and wind and at the same time shifting towards supercritical technologies for coal based power plants. On the other hand, efforts are being made to efficiently use the energy in the demand side through various innovative policy measures under the overall ambit of energy conservation act, 2001.

Pm-kusum (pradhan mantri kisan urja suraksha evam utthaan mahabhiyan) scheme:

Pm kusum scheme aims to provide energy security to consumers. This scheme provides funding support to promote installation of solar energy installations for provision of electricity to agriculture pump-sets. With solarization, while the electricity to farmers would be available free of cost/at very low cost during the day time, savings would accrue to the state government on account of subsidy being paid to the discoms for electricity supply to farmers at subsidized tariff. Such savings can be utilized by the state to pay off the loans to be availed from fis/banks/nabard and once repayment is done, the state government would be free of the burden of this subsidy and deploy this resource for other developmental activities.

Ujwal discom assurance yojana (uday):

Discoms borrow short term loans at expensive rates to eliminate such shortage of cash, which further adds to their financial burden. Further, discoms may default on interest and loan payments to banks leading to creation of non-performing assets, which will affect the overall economy. The ujwal discom assurance yojana

(uday) was launched by the ministry of power in november 2015 for improving the financial health and operational efficiency of state-owned distribution companies (discoms) across the country. States and five union territories participated under the scheme. Odisha and west bengal did not participate in uday. States had to meet certain targets under uday. Uday was not the first intervention towards resolving the financial crisis of discoms. In the last couple of decades, discoms have needed financial assistance several times to deal with their mounting losses. For example, one-time support was provided.

Conclusion:

Present study deals with the government policy regarding electricity in india. The government of india has always had a rural economy and since independence all governments was tried to improve the rural infrastructure including energy infrastructure. However, a lot of effort has been taken by government to rural economy. There so many scheme has been introduced for that purpose like that, rural electrification under minimum needs programme launched in 1974, kutir jyoti yojana to provide single point light to below poverty level (bpl) families in rural india launched in 1988, pradhan mantri gramodaya yojana to electrify un-electrified villages as per prevailing definition of electrification launched in 2003, remote village electrification programme launched in 2001 by ministry of new and renewable energy (mnre).

This programme focused on electrifying remote villages not connected to grid through use of renewable energy sources, accelerated rural electrification programme in 2003, accelerated electrification of one lakh villages and one crore households launched in 2004, rajiv gandhi grameen vidyutikaran yojana (rggvy): launched in 2005, this programme aimed at providing energy access to all by 2009 and at least one unit of electricity per household per day by 2012 as envisaged in nep (national electricity policy) 2005, in 2009, mop launched decentralized distributed generation scheme under rggvy to electrify un-electrified villages through mini grids pm-kusum (pradhan mantri kisan urja suraksha evam utthaan mahabhiyan) scheme and current government announced deendayal upadhyay gram jyoti yojana (ddugjy) with major modifications in rggvy in 2014.

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