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No.12/11(01)/2021-UR&SI-II (263835)

Government of India

Ministry of Power

Shram Shakti Bhawan, Rafi Marg
New Delhi, Dated 21st March, 2023

To,
The Secretaries of all SERCs and JERCs
The Secretary, FOR

Sub: Alignment of the distribution losses prescribed by the SERCs/JERCs in line with the AT&C loss target approved under RDSS-reg.

Sir,

Ministry of Power has launched the Revamped Distribution Sector Scheme (RDSS) to support DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen their supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The key objectives of RDSS include i) Reduction of AT&C losses to pan-India levels of 12-15% by FY 2024-25; ii) Reduction of ACS-ARR gap to zero by FY 2024-25 and iii) Improvement in the quality, reliability, and affordability of power supply to the consumers through a financially sustainable and operationally efficient distribution sector.

2 Under the Scheme guidelines, AT&C loss is one of the key parameters for the purpose of evaluation and grants disbursement under the scheme. While approving the action plan and DPR of respective States, the Inter-Ministerial Monitoring Committee of RDSS, Chaired by Secretary(Power), has accorded approval to the AT&C loss trajectory for 46 DISCOMs (28 States) for the scheme period (i.e. FY 2021-22 to FY 2025-26) to achieve the scheme's objectives (copy enclosed).

3 It has been brought to the notice of the Ministry that for some DISCOMs, the approved loss trajectory by respective SERCs/JERCs is excessively stringent in comparison to the actual AT&C loss levels achieved by the DISCOM and the AT&C loss trajectory approved under RDSS. Since the norms approved by SERC are excessively lower than the actual performance of the DISCOMs, it results in significant disallowances by the respective SERCs, creating a revenue gap and subjecting the DISCOMs to increased debt burden to meet their cash flow requirements. This will lead to major barrier to turn around targeted under RDSS.

4 As the electricity sector continues to grow and evolve, it is essential to ensure that the trajectory of loss reduction established by the SERCs is realistic. The SERCs should take into account the specific circumstances and challenges faced by each DISCOM and set loss reduction targets accordingly.

5 In view of the above, it is requested that the SERCs and the JERCs may revisit the loss reduction trajectory approved for their respective States/UTs. The SERCs and the JERCs may set realistic loss reduction targets for their respective

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States/UTs. Further, the SERCs and the JERCs may also monitor the progress of loss reduction by DISCOMs on a regular basis.

6. If felt necessary, the SERC/JERC concerned may take advise of CEA in the matter.

Encl.: As above

Msj
21/03/2023

(Jamiruddin Ansari)
Deputy Secretary to the Govt. of India
Tel.: 011-23352913

Copy to:

1. ACS/ Principal Secretaries (Energy) of States/UTs
2. Chairperson, CEA
3. CMD, PFC/REC
4. PPS to Secretary (Power)
5. PPS to Joint Secretary (Distribution)
6. PPS to CE (R&R)

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AT&C Loss Targets as per approved REF under RDSS

State/DISCOM	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Andhra Pradesh				
APCPDCL	16.45	14.13	11.54	10.83
APEPDCL	13.02	12.00	11.00	9.01
APSPDCL	24.29	20.01	15.00	12.78
Arunachal Pradesh				
Arunachal PD	45.00	35.00	28.00	22.00
Assam				
APDCL	17.30	16.50	15.80	13.00
Bihar				
NBPDCL	25.00	22.00	19.00	16.00
SBPDCL	35.00	31.00	25.00	20.00
Chhattisgarh				
CSPDCL	17.94	15.90	14.32	13.10
Goa				
Goa PD	12.50	12.00	11.00	10.25
Gujarat				
DGVCL	8.00	7.90	7.80	7.70
MGVCL	10.81	10.31	9.81	9.31
PGVCL	18.22	17.22	16.22	15.00
UGVCL	7.35	7.30	7.25	7.20
Haryana				
DHBVNL	15.25	14.50	13.50	12.50
UHBVNL	15.25	14.50	13.50	12.50
Himachal Pradesh				
HPSEBL	13.52	12.70	11.53	10.15
Jammu & Kashmir				
JPDCL	50.00	44.00	37.00	27.00
KPDCL	65.00	54.00	44.00	34.00
Jharkhand				
JBVNL	36.00	30.00	24.00	19.00
Kerala				
KSEBL	13.00	12.20	11.50	10.50
TCED	8.54	8.35	8.14	8.00
Ladakh				
Ladakh PD	49.04	38.00	28.00	20.00
Madhya Pradesh				
MP Central	41.02	36.18	26.99	19.57

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State/DISCOM	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
MP East	36.55	32.06	24.27	19.49
MP West	24.05	18.70	16.09	13.40
Maharashtra				
MSEDCL	20.00	18.00	15.50	13.00
BEST	8.00	7.80	7.60	7.50
Manipur				
MSPDCL	20.00	18.00	15.50	13.00
Meghalaya				
MePDCL	30.00	25.00	21.00	18.00
Mizoram				
Mizoram PD	24.00	21.00	17.50	14.00
Nagaland				
Nagaland PD	52.00	42.00	34.00	25.60
Puducherry				
Puducherry PD	16.99	16.50	14.00	11.56
Punjab				
PSPCL	16.50	15.00	14.00	13.50
Rajasthan				
AVVNL	21.70	17.91	15.75	14.25
JdVVNL	27.25	23.50	19.50	16.00
JVVNL	23.50	20.15	17.70	15.00
Sikkim				
Sikkim PD	29.00	25.00	20.00	15.00
Tamil Nadu				
TANGEDCO	13.73	13.24	12.40	11.92
Tripura				
TSECL	32.00	28.00	23.00	19.00
Uttar Pradesh				
DVVNL	38.24	31.06	25.26	18.97
KESCO	15.94	13.49	10.65	8.07
MVVNL	31.76	26.60	21.08	17.97
PaVVNL	21.10	17.41	15.06	12.69
PuVVNL	32.32	27.84	22.75	18.49
Uttarakhand				
UPCL	17.20	16.10	14.99	13.96
West Bengal				
WBSEDCL	20.00	17.50	15.50	12.11