

Regional Power Conference with Southern States/ UTs

Union Minister Shri Manohar Lal Calls for Smarter, Sustainable, and Financially Viable Power Sector

States Urged to Accelerate Smart Meter Rollout, Strengthen Distribution and Adopt Green Energy Initiatives

Posted On: 23 MAY 2025 5:19PM by PIB Delhi

The Regional Conference for the Southern Region States/ UTs was held on 23rd May in Bengaluru under the chairmanship of Shri Manohar Lal, Hon'ble Union Minister of Power and Housing & Urban Affairs.

The meeting was also attended by Shri Shripad Naik, Hon'ble Union Minister of State for Power and New & Renewable Energy, Shri K. J. George (Hon'ble Minister of Energy, Karnataka), Shri Bhatti Vikramarka Mallu (Hon'ble Deputy Chief Minister and Energy Minister, Telangana), Shri S. S. Sivasankar (Hon'ble Electricity Minister, Tamil Nadu), Shri A. Namassivayam (Hon'ble Electricity Minister, Puducherry) and Shri Gottipati Ravi Kumar, (Hon'ble Energy Minister, Andhra Pradesh) through video conferencing. The meeting saw the participation of the Union Power Secretary, Secretaries (Power/ Energy) of participating States/ UTs, CMDs of Central and State Power Utilities, and senior officers from the Ministry of Power.

Secretary (Power), Government of India (GoI) highlighted that it is crucial to ensure necessary power generation capacity tie-ups as per the resource adequacy plan for upto FY2035 so as to meet future power demand. It is also imperative to make necessary arrangements for development of inter-state and intra-state transmission capacities through various financing models available including Tariff Based Competitive Bidding (TBCB), Regulated Tariff Mechanism (RTM), budgetary support or monetization of existing assets. Further, the States should make all efforts for securing the power sector infrastructure, including the transmission grid and distribution systems, against cyber security concerns and should implement necessary cyber security protocols for the same. In addition, States to also work towards ensuring financial viability of distribution utilities.

Hon'ble Energy Minister, Karnataka in his address welcomed the guests and highlighted the key steps taken by the State towards improving the quality and reliability of power supply across the State. He thanked Hon'ble Union Minister for his visit to Bengaluru for having regional power sector review of southern States. It was remarked that the State would make all out efforts for over all improvement in the power sector of the country. He also requested for support of Central Government on various issues concerning the State including for the distribution and transmission infrastructure works.

Hon'ble Union Minister of State for Power and New & Renewable Energy in his address highlighted that the progress made in power sector in the past few years has given a strong foundation but going forward there is a need to work on the issues of financial viability and resource adequacy, which also include developing the transmission network. Hon Minister asked for urgently executing PM-KUSUM works and for signing up

PPAs for the same within next 7 months. Further, Hon Minister assured States that the Central Government is actively working on suggestions and feedback received from the States in this regard.

Hon'ble Union Minister Shri Manohar Lal in his address underlined the importance of a future-ready, modern, and financially viable power sector to fuel the country's growth. He outlined the importance of continuous cooperation and coordination between Central and the State Governments in achieving the goal of Viksit Bharat by 2047.

He further remarked that such regional conferences would help in identifying specific challenges and possible solutions. He mentioned about the importance of encouraging energy-conscious behaviour and using energy-efficient appliances for energy sustainability. Further, he directed States and MoP for conducting regional level workshops and training programmes for addressing cyber security aspects of the power system.

Hon'ble Minister laid emphasis on ensuring resource adequacy and necessary power generation capacity tie-ups. States should, while meeting their resource adequacy plan, also work on having adequate power generation mix including addition of nuclear generation capacity.

Further, the States should work towards resolving the Intra-State transmission sector challenges, including RoW issues. He asked States for adoption of guidelines issued by Central Government in this regard. He also highlighted that to develop the infrastructure the States should leverage the scheme announced in Union Budget 2025-26 including the scheme of Rs. 1.5 lakh crore interest-free loan to States for 50-year for infrastructure development.

He urged all States to submit proposals for third phase of the Green Energy Corridor (GEC-III). He remarked that States should promote renewable energy coupled with storage solutions so as to have energy reliability and to collectively meet India's international climate commitments under the UNFCCC.

Hon'ble Minister mentioned that the distribution sector is most critical link in the power sector value chain. However, it faces challenges due to poor tariff structures, sub-optimal billing and collection, and delayed payments of Government department dues and subsidies. It is essential to reduce the AT&C losses and the gap between Average Cost of Supply and Average Revenue.

He asked States to engage with the Electricity Regulatory Commissions (ERCs) for cost-reflective tariffs and timely issuance of tariff and true-up orders. He highlighted that losses of utilities today add to cost of power for consumers later and also deteriorates delivery of services to consumers.

Hon'ble Minister also highlighted that distribution utilities should further strive to improve efficiency through expediting infrastructure and smart metering works under RDSS. He mentioned that timely payment of Government dues and subsidies remains a pressing issue. FY24 dues are still pending, and there are carry-forwards into FY25. This impacts utilities' financial health. He emphasised that the pre-paid smart meters is a ways to timely release of Government department dues. He asked States to saturate installation of prepaid smart meters in all Government establishments including Government colonies by August 2025 and to complete installation of smart meters for Commercial and Industrial consumers and high load consumers by Nov. 2025.

He emphasised that the Smart meter have huge potential in transforming the way consumers interact with utilities using the data analytics based on AI/ML tools. It can help consumers derive benefits using features inbuilt into smart meter application.

Hon Minister assured States for continuous support of the Central Government to the States to further strengthen the power sector.

SK

