



24x7 Power For All 2019- Can it be DONE?

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In this day and age, expanding rural energy access of rural electrification is a must for human development. The Government of India initiative of 24x7 Power For All by 2019 is a great step in the direction. However, there are several other factors need to be considered to achieve this objective. This article briefly discusses the PFA programme and highlighted bottlenecks.

Power for All

In the urban cities of India, access to energy around the clock is often taken for granted. However the same cannot be said for the rural, agricultural areas of the country. In an attempt to bridge the energy gap between the urban and rural areas a joint initiative of the Government of India (GoI) and State Governments has been implemented, 24x7 Power for All¹. The policy aims to provide energy to all households, industry, commercial businesses as well

as public needs with specific mention to agricultural areas in need of adequate power². This policy goal is equal parts necessary and ambitious. Paraphrasing Milton Friedman policy is as good as its results, not intent. Is the GoI riddled with good intentions but lacking in results? In assessing the first years since the initial start of the policy (2014) a better look at how the policy has evolved can be had. In viewing some of the current facts and understanding where improvements can be made, here

is why India's amicable goal is not far off in reach.

Who is Committed?

The start of this year marked all states, barring Uttar Pradesh (UP), in an agreement with the Centre to achieve the milestone of providing '24X7' Power for All³. This was a roadmap document with all 28 states except UP and all the seven Union Territories in the country that have now finalized their commitments and is under implementation⁴. Each state has a unique policy plan in terms of how the goal will be achieved. Despite UP's early onset reluctance, as of April 2017 a comprehensive report was released with Uttar Pradesh's commitment to the same goal⁵. With UP on board, Power for All has become much more realistic. With one sixth of India's population coming from UP, the states household size is among the largest⁶. The challenge is "momentous" but in following the lead of several states that have successfully worked through the plan, the goal can be achieved.

There are several supporters who pledge optimistic views on the achievability of the policy given that concrete changes are made. For instance it has been suggested that increasing the role of central sector agencies and in addressing different sectors viability will help speed up the process and allow for better results in states such as Rajasthan and Jharkhand⁷. Another method that is advocated comes from the suggestion of separate feeder lines. The state of Gujarat reportedly has 24x7 power because the state has separate feeder lines for farmers⁸. The use of separate feeder lines helps to ensure there is continuous power. The benefit of this clear division of consumption and payment users are only paying for what it is they are using. A clearer power segregation, metering and budget allocation in states also facilitates proper open access when the charges are not astronomically high⁹. With Gujarat as an example, it is clear to see that there are methods that are working.

The implementation of 24x7 PFA does

not come without its own complications. A major challenge, especially in the recent merging with UP, would be reducing electricity theft. “Rampant electricity theft is still a key concern, which will be hard to evade in the short run”¹⁰. A way to try and combat this would be through the “landmark development” where all states resolved to procure only ‘smart meters’, which are tamper-proof and communication enabled. Power Minister Piyush Goyal envisages in the next 5-6 years, India should be 100 percent smart, in every home there will be a smart device that has the ability to monitor the control consumption and helps consumers plan their expenditure¹¹. With these plans being put in place it is helpful to look at successes that highlight enforceability. In addition Goyal mentioned that we [India] have been able to electrify over 40% (7,779) remote villages so far. In seventy years of independence we could produce 46,543 mw electricity”¹². This feat alone is means to show that India has taken its commitment seriously and real progress has been made.

How Can Renewables Play a Role?

In the wake of ensuring power for all, the climate change and India’s role in it have brought a new dimension for the GoI to consider, renewables. As India is well aware, renewable energy in the years to come will play a crucial role. Research shows that wind and solar rates are falling fast due to better technology and economies of scale¹³. The GoI is committed to increasing the number of wind and solar plants to ramp up capacity fast. The government is also invested in maximizing the potential of hydropower by ensuring that hydropower projects in the North and Northeast get commissioned¹⁴. “Hydro-power policy was also discussed and the meeting sought to work out ways of reviving small hydro-power projects with cooperation from states¹⁵. These examples showcase the concrete steps that the country is taken to ensure that all areas of access to energy in the short run and the long run.

An ongoing problem with the full achievement of PFA, is funding. Funding

availability due to poor financial condition of utilities, lack of standard specifications and utility centric tender conditions have been haunting the energy sector¹⁶. Abhishek Jain senior program lead at Council on Energy, Environment and Water (CEEW) simply states that “the biggest bottleneck is financing”¹⁷. In an attempt to help with such issues special funding arrangements for extensions of electricity supply have been previously discussed. This mechanism allows for funding arrangements to be implemented in states such as Bihar, Assam, Uttar Pradesh, Jharkhand and Orissa, which have less than 50% of the households with electricity supply¹⁸. With full awareness of the issue the Govt is also hoping that pending results there will be an increase in private investment. It is estimated that about Rs.7, 23397 Cr. is needed in generation sector to achieve required generation target by 2018-19¹⁹. Most of this investment is set to be from the private sector²⁰. Gujarat achieved a high per capita consumption along with surplus

power availability due to large increases in generation capacity, mainly in the private sector.

What's Next?

In this day and age, expanding rural energy access of rural electrification is a must for human development and toward this Energy Access programmes focuses on rural electrification through development and promotion of off grid solutions using local resources and renewable energy²¹. There is no denying the importance of the 24x7 Power for All and its need in the country. Though the statewide efforts that have taken place, and success stories exist, there is hope that this policy will be achieved by 2019. Despite the addressed difficulties, the 24x7 Power for All policy offers many opportunities for growth, backed by political support and policy. Ultimately at the rate India is going to be consistent, “success will ultimately depend on the states ability to bundle policies, align interests and build trust among stakeholders”²².

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- ¹ Strategy for Providing 24x7 Power Supply." *Government of India* (2014)
- ² *ibid*
- ³ "All States except Uttar Pradesh Ink Pact to Achieve 24X7 Power." *The Economic Times*. N.p., 10 Jan. 2017.
- ⁴ *ibid*
- ⁵ 24x7 Power for All Uttar Pradesh." *CRISIL Infrastructure Advisory*. Government of India, 2017. Web
- ⁶ Pti. "UP Govt, Centre Ink Pact for 24x7 Power Supply in the State. N.p., 14 Apr. 2017
- ⁷ "Strategy for Providing 24x7 Power Supply." *Government of India* (2014)
- ⁸ Miranda, Luis. "24x7 Power by 2019, a Distant Reality or Just a Dream? | Forbes India Blog." *Forbes India*. Forbes India, 10 Nov. 2014. Web.
- ⁹ *ibid*
- ¹⁰ Pti. "UP to Replicate 'Gujarat Model' to Curb Power Theft: Power Minister." *The Indian Express*. N.p., 12 Apr. 2017. Web.
- ¹¹ Bhattacharjee, Simonthini. "Govt's Mission Is 24X7, Affordable, Green Power for All: Piyush Goyal." *Millennium Post*. Millennium Post, 20 May 2016. Web.
- ¹² *Ibid*
- ¹³ "All States except Uttar Pradesh Ink Pact to Achieve 24X7 Power." *The Economic Times*. N.p., 10 Jan. 2017.
- ¹⁴ Miranda, Luis. "24x7 Power by 2019, a Distant Reality or Just a Dream? | Forbes India Blog." *Forbes India*. Forbes India, 10 Nov. 2014. Web.
- ¹⁵ India, Press Trust of. "Policy to Revive Hydro Power Sector on the Anvil: Goyal." *Business Standard*. Business-Standard, 17 June 2016. Web
- ¹⁶ Sengupta, Debjoy. "24x7 Power for All, a Humongous but Achievable Feat: PwC - ET EnergyWorld." *Energy World*. The Economic Times, 20 Aug. 2016. Web
- ¹⁷ *Ibid*
- ¹⁸ "Strategy for Providing 24x7 Power Supply." *Government of India* (2014).
- ¹⁹ *Ibid*
- ²⁰ *Ibid*
- ²¹ Rural Electrification Policy, Off-Grid Rural Electricity Access." *Shakti Sustainable Energy Foundation*. N.p., n.d. Web.
- ²² "All States except Uttar Pradesh Ink Pact to Achieve 24X7 Power." *The Economic Times*. N.p., 10 Jan. 2017.

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