



# Integrated Power Development Scheme

## Why in News

A 50 kWp **Solar rooftop in Solan, Himachal Pradesh** was inaugurated under **Integrated Power Development Scheme (IPDS)** of the Ministry of Power.

- The project **further reinforces the 'Go Green' Initiative** of the government envisaged in the Urban Distribution scheme.

## Key Points

### ▪ About IPDS:

#### ◦ Launch:

- December 2014.

#### ◦ Nodal Agency:

- **Power Finance Corporation Ltd. (PFC)**, a [Navratna](#) Central Public Sector Enterprise (CPSE) under the administrative control of the Ministry of Power.

#### ◦ Components:

- Strengthening of **sub-transmission and distribution networks** in the urban areas.
- **Metering of distribution transformers / feeders / consumers** in the urban areas.
- Schemes for **Enterprise Resource Planning (ERP) and IT enablement** of the distribution sector.

- ERP helps in integrating the important parts of a business.

- **Underground cabling** to include additional demand of States and **smart metering** solution for performing **UDAY States and Solar panels on Govt. buildings** with net-metering are also permissible under the scheme.

#### ◦ Objectives

- 24×7 Power supplies for consumers.
- Reduction of AT&C (aggregate technical and commercial) losses.
- Providing access to power to all households.

#### ◦ Eligibility:

- All Power Distribution Companies (Discoms) are eligible for financial assistance under the scheme.

#### ◦ Funding Pattern:

- **GoI (Government of India) Grant:** 60% (85% for special category States).
- **Additional Grant:** 15% (5% for special category States) - linked to achievement of milestones.

## ▪ Power Sector in India:

- India's power sector is **one of the most diversified** in the world. Sources of power generation range from **conventional sources** such as **coal, lignite, natural gas, oil, hydro and nuclear power** to viable **non-conventional** sources such as **wind, solar, and agricultural and domestic waste**.
- India is the **third-largest producer** and **second-largest consumer** of electricity in the world.
- **Electricity is a concurrent subject** ([Seventh Schedule](#) of the Constitution).
- The **Ministry of Power is primarily responsible** for the **development of electrical energy** in the country.
  - It administers the [Electricity Act, 2003](#) and the [Energy Conservation Act, 2001](#).
- The Government **has released its roadmap to achieve 175 GW** capacity in renewable energy by 2022, which **includes 100 GW of solar power** and **60 GW of wind power**.
  - The Government is preparing a '**rent a roof**' policy for supporting its target of generating 40 gigawatts (GW) of power through solar rooftop projects by 2022.
  - The **Ministry of New and Renewable Energy (MNRE)** is the nodal Ministry for all matters relating to new and renewable energy.
- **100% FDI (Foreign Direct Investment) is permitted** under **automatic route** in the power sector.

## ▪ Related Government Initiatives:

- [Pradhan Mantri Sahaj Bijli Har Ghar Yojana \(Saubhagya\)](#): To ensure electrification of all willing households in the country in rural as well as urban areas.
- **Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)**: The rural electrification scheme provides for (a) **separation of agriculture and non-agriculture feeders**; (b) strengthening and augmentation of sub-transmission and distribution **infrastructure in rural areas** including metering at distribution transformers, feeders and consumers end.
- **GARV (Grameen Vidyutikaran) App**: To monitor transparency in **implementation of the electrification schemes**, Grameen Vidyut Abhiyanta (GVAs) have been appointed by the government to report progress through the GARV app.
- [Ujwal Discom Assurance Yojana \(UDAY\)](#): For operational and financial turnaround of Discoms.
- **'4 Es' in the Revised Tariff Policy**: The 4Es include **Electricity** for all, **Efficiency** to ensure affordable tariffs, **Environment** for a sustainable future, **Ease of doing business** to attract investments and ensure financial viability.

## ▪ Achievements:

- **Solar tariffs in India have reduced** from Rs. 7.36/kWh in FY15 to Rs. 2.63/kWh in FY20.
- As of December 2020, over 36.69 crore LED bulbs, 1.14 crore LED tube lights and 23 lakh **energy-efficient fans** have been distributed across the country, saving 47.65 billion kWh per year.
- In the first half of November 2020, India's power consumption increased 7.8% to 50.15 billion units (BU), indicating **an improvement in economic activity**.
- **Energy generation from thermal sources** stood at 472.90 billion units (BU) in April-September 2020.
- **India's rank jumped to 22 in 2019** from **137 in 2014** on [World Bank's Ease of doing business](#) - "**Getting Electricity**" ranking.
- As of 28<sup>th</sup> April, 2018, **100% village electrification** was achieved under **DDUGJY**.

[Source: PIB](#)

