

KARNATAKA POWER: AGAIN A CRISIS by S L Rao

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Karnataka has a power crisis with every monsoon failure. Hydro power potential is mostly exploited; and it has no coal or gas or uranium. Coal comes from Jharkhand and Chattisgarh; promised gas has not come because pipe lines are uncompleted for years. Gas will be expensive, coming as imported liquefied natural gas; imported coal could come from Indonesia or Australia. But environmentalists prevent it unlike on East coast. Surplus power in East India and in North (where many DISCOMS are unable to pay. Long-pending transmission congestion prevent flows. Now POSOCO, subsidiary of Power Grid has imposed a heavy congestion surcharge which they have not corrected! Poor transmission capacity is a failure of the central government.

Renewable energy (Wind and Solar) are expensive, erratic in supply and small in quantity. But they are popular with politicians. A “Green Corridor” to move this power seems to have priority over long needed transmission of thermal and other bulk power.

Princely Mysore was at the forefront of power generation and distribution. The KEB was a very efficient organization. But pandering to vote blocs brought free power to Karnataka agriculture. Government ownership tolerated large-scale power thefts and called them transmission and distribution losses. Last year power to agriculture grew by many times

more than agricultural production demonstrating thefts were subsumed under agriculture. How much free power a farmer was entitled to was not said. It went to farmers owning any number of power guzzling pump sets. DISCOMS owe over Rs 9000 crores to KPCL, which has no funds for renovation, modernization or new plants. Politicians compel postponement of annual maintenance because of elections and plant managers “save” by stopping use of washed coal leading to debilitating plant shutdowns.

What must we do? Central government must initiate a crash programme for new transmission and overcome congestion. Coastal power plants using imported coal must be built with maximum environmental safeguards. The delivery of gas for new gas based power plants must be expedited. Power plant maintenance must become non-negotiable. KPCL must be paid all dues and DISCOMS and managers that add any more must be penalized. Separate feeders for agriculture must be made fully operational. Free power to agriculture must be limited in hours and to say, two pump sets per farmer. Inefficient pump sets must be confiscated and the suppliers punished. Solar and wind power must be stimulated in village clusters, Distribution and collection must be a panchayat responsibility. Electricity thefts must become criminal offences. State government and Regulator must encourage large users to enter into power purchase contracts outside Karnataka. Discoms must enter into long-term power purchase contracts from other states. If power becomes surplus with good monsoon, innovative marketing

must help liquidate surpluses. Time of day differential tariffs must be made attractive to balance supply and demand.

A major reform must be privatization of DISCOMS, to ensure their professional management. Tariffs must be set by truly independent regulators not subservient to government.

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