



India: Tripura Power Distribution Strengthening and Generation Efficiency Improvement Project

Project Name	Tripura Power Distribution Strengthening and Generation Efficiency Improvement Project	
Project Number	51308-009	
Country / Economy	India	
Project Status	Approved	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 4248-IND: Tripura Power Distribution Strengthening and Generation Efficiency Improvement Project	
	Ordinary capital resources	US\$ 220.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development	
Sector / Subsector	Energy / Electricity transmission and distribution - Energy efficiency and conservation	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	<p>The project is aimed at improving energy security, quality of supply, efficiency, and resilience of power sector in Tripura. The project will finance the replacement of aging Rokhia power plant with a highly efficient and state of the art power plant that will reduce greenhouse gas emission through fuel saving, together with investments in the power distribution network to increase generation capacity, efficiency, and resilience of the power sector against climate change and natural disasters. The project will also support to strengthen the institutional capacity and overall business process of the project executing agencies and promote gender equality through pilot testing of gender and socially inclusive workplace practices.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>The project will improve the financial sustainability of Tripura State Electricity Corporation Limited (TSECL) and Tripura Power Generation Limited (TPGL). The key elements will include (i) reducing electricity costs through (a) completion of a highly efficient combined cycle gas turbine (CCGT) plant and (b) reduction of AT&C losses through smart metering and distribution strengthening; and (ii) increasing revenues through (a) reduction of commercial losses by implementing smart metering and (b) improved collection of accounts receivables. The completion of the CCGT plant in particular will significantly improve the financial position of both utilities and reduce the carbon footprint by increasing the efficiency of power generation and facilitating renewable energy integration. A comprehensive financial management action plan (FMAP) containing actions to be taken to improve the financial governance and sustainability of TSECL and TPGL has been prepared by ADB. Key elements of the plan that will help improve the financial sustainability of TSECL and TPGL include (i) implementing tariff reforms through timely submission of tariff and true-up petitions, the release of government subsidies, and a reduction in the ACSARR gap to zero; (ii) improving the timeliness and quality of financial statements through implementation of enterprise resource planning, enabling the timely submission of tariff and true-up petitions; (iii) preparing a road map for administrative and financial separation of TPGL from TSECL; (iv) improving the management of fixed assets; and (v) supporting the implementation of RDSS.</p>	
Impact	<p>(i) Financial sustainability and resilience of power sector in Tripura improved (24X7 Power for All Tripura) (ii) Enhanced energy security (State action plan on climate change)</p>	
Project Outcome		
Description of Outcome	Efficiency and reliability of power supply to consumers in Tripura improved.	
Progress Toward Outcome		
Implementation Progress		
Description of Project Outputs	<p>Generation Capacity of Rokhia power plant increased. Distribution network strengthened, modernized and climate proofed. Smart meters and advanced metering infrastructure established. Institutional capacity of utilities for planning, implementation, financial management, and gender mainstreaming improved. Gender- and socially inclusive energy-based livelihood activities promoted.</p>	
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Tripura	
Safeguard Categories		
Environment	A	
Involuntary Resettlement	B	
Indigenous Peoples	B	
Summary of Environmental and Social Aspects		
Environmental Aspects		

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services Three consultancy firms are expected to be engaged. The firms will support (i) Implementation and monitoring of the project; (ii) preparing distribution sector roadmap for TSECL; and (iii) preparing a financial roadmap for TSECL and TPGL

Procurement Estimated about 7 procurement packages. This includes six packages for distribution components and one for generation.

Responsible ADB Officer	Kolantharaj, Jaimes
Responsible ADB Department	South Asia Department
Responsible ADB Division	Energy Division, SARD
Executing Agencies	Tripura Power Generation Limited Tripura State Electricity Corporation Limited

Timetable

Concept Clearance	14 May 2021
Fact Finding	14 Feb 2022 to 03 Mar 2022
MRM	24 Aug 2022
Approval	10 Nov 2022
Last Review Mission	-
Last PDS Update	15 Nov 2022

Loan 4248-IND

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	277.40	Cumulative Contract Awards			
ADB	220.00	-	0.00	0.00	%
Counterpart	57.40	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

Project Page <https://www.adb.org/projects/51308-009/main>

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