

 Early Warning System

ADB-50046-001

Madhya Pradesh Transmission System Expansion and Strengthening
Project



Quick Facts

Countries	India
Financial Institutions	Asian Development Bank (ADB)
Status	Active
Bank Risk Rating	U
Voting Date	2016-12-02
Sectors	Energy
Investment Type(s)	Grant
Investment Amount (USD)	\$ 0.22 million



Project Description

DESCRIPTION

Madhya Pradesh is one of the largest and fastest growing states in India. The per capita electricity consumption in the state is growing at the rate of 7.95% from 544 kilowatt hour (kWh) in financial year (FY) 2011 to 739 kWh in FY2015. However, it still remains well below the national average of 1,010 kWh per capita in FY2015. While the rural electrification program in the state is progressing well, there are still more than 528,000 households to be electrified and most of them are in rural areas with electrification rate of about 60%.

The Government of Madhya Pradesh (GOMP) undertook a successful energy sector reform program, with previous Asian Development Bank (ADB) assistance, segregating the generation, transmission and distribution functions to solve power sector problems. Madhya Pradesh has a reasonably well-functioning regulatory commission now the Madhya Pradesh Electricity Regulatory Commission (MPERC), which oversees the quality of service delivery and issues tariff orders. The transmission business and the generation business have been revenue independent since FY2012. The last milestone of the reforms revenue independence of the three distribution companies was achieved in March 2013. The GOMP also undertook a series of investments to solve power sector problems, with assistance from development partners. ADB has approved about \$1.7 billion worth of support for power sector reforms and investment projects (mainly for T&D; improvements and feeder separation) to Madhya Pradesh since 2001.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

The GOMP is now implementing 24x7 Power for All program with active support from the Government of India with the objective of providing 24x7 power for all households, industry, commercial businesses, public needs, and other electricity consuming entity and adequate power to agriculture sector by FY2019. The Power for All Roadmap document identifies all-encompassing power sector interventions including generation, transmission, distribution, renewable energy and energy efficiency as well as various demand side management measures. It is estimated that the state would need to fully meet the increase in peak demand from 9,598 megawatt (MW) in FY2015 to 12,643 MW in FY2019 to achieve the objective of 24x7 Power for All.

The transmission network of the State of Madhya Pradesh is growing rapidly both in terms of size and complexity. This expansion is mainly driven by the phenomenal growth of demand of electric power, increasing number of players, location of generation pockets and implementation of open access policy. The Madhya Pradesh New and Renewable Energy Department has made registration of renewable energy projects of about 6,000 MW in the State for the next 5 years. There will be substantial availability of additional power from these renewable energy projects and other independent power producers (IPPs) coming up in the state and will result in substantial growth in the load demand in the rural areas and in the housing and commercial sectors in the urban areas.

IMPACT

Readiness in implementing clean energy projects improved (Defined by project).

CONSULTING SERVICES



Investment Description

- Asian Development Bank (ADB)



Contact Information

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>

CONTACTS

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Madhya Pradesh



Bank Documents

- [Project Disclosure PDF](#)