F. No. 20/9/2019-IPDS
Government of India
Ministry of Power
Shram Shakti Bhavan, Rafi Marg, New Delhi-110001

Dated, 20th July, 2021

To

1. Chief Secretary of all States and UTs
2. Additional Chief Secretary Principal Secretary/Secretary (Energy/Power) of all States and UTs
3. CMDs/MDs of State Power Distribution Utilities
4. CMD, REC Ltd.
5. CMD, Power Finance Corporation Ltd.

Subject: Revamped Distribution Sector Scheme: A Reforms-Based and Results-Linked Scheme.

Sir,

I am directed to forward herewith Office Memorandum of the Revamped Distribution Sector Scheme - A Reforms-Based and Results-Linked Scheme.

Encl: As above

Yours faithfully,

(M. Srikanth Reddy)
Deputy Director (UR&SI-II)
Tel:011-23319108
Email: srikanthreddy@nic.in

Copy to:

1. The CEO, NITI Aayog, Sansad Marg, New Delhi.
2. Secretary, Ministry of Finance, Department of Expenditure, North Block, New Delhi.
3. Secretary, Ministry of Home Affairs, North Block, New Delhi.
4. Secretary, Ministry of Electronics and IT, CGO Complex, New Delhi.
5. Secretary, Ministry of New & Renewable Energy, CGO Complex, New Delhi.
6. Prime Minister's Office (Shri Rohit Yadav, Joint Secretary), South Block, New Delhi.
7. Cabinet Secretariat (Shri Ashutosh Jindal, Joint Secretary), Rashtrapati Bhawan, New Delhi.
8. Cabinet Secretariat (Shri S.G.P. Verghese, Director), Rashtrapati Bhawan, New Delhi **with reference to their OM No. CCEA/11/2021(i) dated 02nd July, 2021.**
9. Chairperson, CEA, New Delhi
10. CMD, PGCIL
11. DG, Bureau of Energy Efficiency
12. Director, NPMU, NSGM

----2/-

13. Budget Section/Finance Division, Ministry of Power
14. Controller of Accounts, SevaBhavan, R.K. Puram, New Delhi.
15. Principal Director of Audit, Infrastructure, New Delhi

Copy also to, for information:

(i) PS to Hon'ble Minister of Power
(ii) PS to Hon'ble Minister of State for Power
(iii) Sr. PPS to Secretary (Power).
(iv) PPS to AS(Distribution)/PPS to AS&FA, Ministry of Power
(v) PPS to JS(Distribution/Hydro)/JS(R&R and OM)/JS(Trans./IT), Ministry of Power
(vi) PPS to Director(UR&SI)/ PS to Director(DS), Ministry of Power

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Dated, 20th July, 2021

OFFICE MEMORANDUM

Subject: Revamped Distribution Sector Scheme: A Reforms based and Results linked Scheme.

Sanction of the President is conveyed for the implementation of "**Revamped Distribution Sector Scheme - A Reforms based and Results linked Scheme**" with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector. The Scheme aims to reduce the AT&C losses to pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25.

2. The Scheme has an outlay of Rs.3,03,758 crore with an estimated gross budgetary support of Rs.97,631 crore from the Government of India.

3. The ongoing approved projects under the Schemes of IPDS, DDUGJY along with PMDP-2015 for the erstwhile State of Jammu & Kashmir would be subsumed in this Scheme and the savings of the associated GBS (Gross Budgetary Support) of approx. Rs. 17000 crore would be part of the total outlay of the Revamped Distribution Sector Scheme under the existing terms and conditions till their sunset on 31" March, 2022. The funds under these Schemes would be available for the approved ongoing projects under Prime Ministers Development Program (PMDP) for the erstwhile state of J&K launched in 2015 (under IPDS and DDUGJY) and of Ayodhya, Uttar Pradesh (under IPDS) till 31 March, 2023.

4. Scope of Scheme :

4.1 The Scheme has two parts: **Part 'A'** – Financial support for upgradation of the Distribution Infrastructure and Prepaid Smart Metering & System Metering and **Part 'B'** – Training & Capacity Building and other Enabling & Supporting Activities. The details are enclosed at **Annexure – I (Page: 9-10).**

PART 'A'

4.2 To avail funding under this part, an eligible DISCOM is required to prepare an Action plan for strengthening their distribution system and improving its performance by way of various reform measures, which would result in improvement in their operational efficiency and financial viability as well as improve the quality and reliability of power supply to the consumers. DISCOMs will have the flexibility to draw up their Action plans keeping in view their own context. However, a DISCOM which is making losses will not be able to access funds under this Scheme unless it draws up a plan to reduce the losses, lists out the steps it will take to reduce such losses and the calendar thereof, get their State Government's approval to it, and file it with the Central Government. There will be a prequalification criteria in terms of compliance with best management practices; such as publication of audited accounts on time, not creating Regulatory Assets, accounting and payment of payable subsidy in accordance with Section 65 of the Electricity Act etc. The funding for the works (other than prepaid Smart Metering, Distribution Transformer Metering and Feeder Metering including integration of existing Metering infrastructure) would be contingent upon DISCOMs clearing the pre-qualifying criteria and taking steps in accordance with the loss reduction plan.

4.3 Each DISCOM will prepare an Action Plan, with subcomponents for strengthening its Distribution system , and to improve their performance . The Action Plan will have two parts. The first part will include an analysis of the reasons/root cause for losses, and list out the steps which are required and proposed for reduction of losses and ACS-ARR gap and the time taken for taking these steps. DISCOM will specify the activities and reforms proposed to improve their performance. These activities and reform measures will be finalized on basis of its operational and financial data and will be worked out to address DISCOM-specific problems. An indicative list of reforms/activities is enclosed at **Annexure – II (Page: 11).**

4.4 There shall be a Results Evaluation Framework which shall be finalized by the Monitoring Committee in respect of each DISCOM after incorporating result parameters and trajectories. It would have two components (i) Pre-qualifying criteria; and (ii) Result Evaluation Matrix. The pre-qualifying criteria need to be mandatorily met with by the DISCOMs before they can be evaluated on the basis of the Result

Evaluation Matrix. Thereafter, performance on the basis of Result Evaluation Matrix shall form the basis for release of funds under the Scheme. Details are enclosed at **Annexure-III (Page : 12-16).**

4.5 The second part of the Action plan will list out the Work plan for loss reduction and further strengthening the Distribution System as per needs assessment. States/DISCOMs will be able to access funds from this Scheme for addressing infrastructure constraints in Distribution System and for its further augmentation/strengthening. Works which are required for AT&C loss reduction will be given priority. Indicative list of works to be covered under the Scheme is enclosed at **Annexure – IV (Page : 17)**. There is a provision of Rs. 20,000 crores in the Scheme for agriculture feeders where these have not been segregated as yet. Thereafter, these feeders will be solarized under KUSUM – leading to cheap/ nominally priced day time power for agriculture irrigation as may be determined by the State Government .

4.6 Prepaid Smart Meters including System metering with communication features are important interventions in reducing Distribution losses in the Utilities and in facilitating automatic measurement of energy flows and energy accounting as well as auditing without any human intervention. This intervention will also facilitate switch over to digital pre-paid system, with recharging facility through mobile phones, and enabling of Time-of-Day tariff.

4.7 In order to attain the key objective of loss reduction in electricity distribution, the Scheme envisages providing funding through Gross Budgetary Support for the installation of prepaid Smart Meters under TOTEX (CAPEX plus OPEX) pattern and in a mission mode in the first phase in (i) all Electricity Divisions of 500 AMRUT cities, with AT&C Losses > 15% (ii) all Union Territories (iii) MSMEs and all other Industrial and Commercial consumers (iv) all Government offices at Block level and above (v) other areas with high losses. Prepaid Smart metering for remaining consumers would be taken up by the respective DISCOMs in a phased manner subsequently. Looking at the scattered nature of agriculture connections and their remoteness from the habitations; as well as their proposed solarization under Kusum; the smart meters need not be installed in Agriculture connections.

4.8 Along with installation of prepaid Smart metering and the associated Advanced Metering Infrastructure (AMI), installation of communicable System meters at Feeder and Distribution Transformer level with communication features will also be through Gross Budgetary Support under TOTEX mode to enable proper energy accounting every month for identification of theft prone pockets and high loss areas.

4.9 Advanced ICT like Artificial Intelligence, Machine Learning and Blockchain Technology would be leveraged to analyse data generated through IT/OT devices including System Meters, prepaid Smart meters to prepare actionable MIS from system generated energy accounting reports every month so as to enable the DISCOMs to take informed decisions on loss reduction, demand forecasting, asset management, Time of Day (ToD) tariff, Renewable Energy (RE) Integration and for other predictive analysis. This would contribute a great deal towards enhancing operational efficiency and financial sustainability of the DISCOMs. Gross Budgetary Support (GBS) under the Scheme would be used for development of applications related to the use of advanced ICT like Artificial Intelligence, Machine Learning and Blockchain Technology in the Distribution Sector and also for promoting development of Start-Ups in the Electricity Distribution Sector across the country.

4.10 GBS under the Scheme would also be available to MoP/Nodal Agency to develop a Software for the Digital systems which can be utilized by the DISCOMs / Power Departments of the country, so that each DISCOM does not have to spend money separately on the Software. This Software will be developed in consultation with the DISCOMs, keeping in view data security and consumer privacy. However, this Software will be optional for the DISCOMs.

PART 'B'

4.11 Part-B contains supporting and enabling components such as up-gradation of Smart Grid Knowledge Centre including AI, Training / Capacity building, awards and incentives, reform support in form of consultancy, Nodal Agency fee, MoP enabling activities (communication plan, consumer awareness and other associated measures such as third party evaluation etc), and PMA charges etc. Details are enclosed at **Annexure – V (Page : 18).**

5. DISCOMs Eligible :

All State-owned Distribution companies and State /UT Power Departments (referred to as DISCOMs collectively) excluding private Sector power companies will be eligible for financial assistance under the Revamped Scheme.

6. Funding Pattern :

6.1 For rolling out prepaid Smart metering in a mission mode under Part A – in "Other than Special Category States", a fixed amount of 15% (22.5% in case of Special Category States) of the cost per meter worked out over the whole project period, subject to a maximum of Rs. 900/- (Rs. 1350/- in case of special category States) per meter in case of consumer meters, will be funded.

6.2 States/UTs would be incentivised for deployment of prepaid Smart meters by December, 2023. An incentive @ 7.5% of the cost per consumer meter worked out for the whole project or Rs. 450 per consumer meter, whichever is lower, would be provided for "Other than Special Category States" for prepaid Smart meters installed within the targeted timeline of first phase mission i.e. by December, 2023. The incentive for Special Category States would be @ 11.25% of the cost per consumer meter worked out for the whole project or Rs. 675 per consumer meter, whichever is lower. The funds for prepaid Smart Metering will be made available to the DISCOMs only after installation, commissioning and demonstration of at least one prepaid billing period in the area specified by the DISCOM in the DPR approved by the Monitoring Committee.

6.3 Development of applications related to the use of advanced ICT like Artificial Intelligence, machine Learning and Blockchain Technology in the Distribution Sector and the unified billing and collection system will be funded 100% through the GBS.

6.4 For Distribution System upgradation works, maximum financial assistance given to DISCOMs of "Other than Special Category States" will be 60% of the approved cost, while for the DISCOMs in "Special Category States", the maximum financial assistance will be 90% of the approved cost.

6.5 For the purpose of execution of this Scheme, all North Eastern States including Sikkim and States of Himachal Pradesh & Uttarakhand and Union Territories of

Jammu & Kashmir, Ladakh, Andaman & Nicobar Islands, and Lakshadweep will be treated as Special Category States/UTs

6.6 Part B of the Scheme will be fully funded by grant through Central/State Governments.

7. Release of Funds :

7.1 The funds for prepaid Smart Metering will be made available to the DISCOMs only after installation, commissioning and demonstration of at least one prepaid billing period in the area specified by the DISCOM in the DPR approved by the Monitoring Committee.

7.2 All DISCOMs that initiate their prepaid Smart metering tenders after 1st January, 2020 will be eligible for funding, if they carry out prepaid Smart metering works in TOTEX mode after obtaining approval of Monitoring Committee in this regard.

7.3 The funding for the works other than prepaid Smart metering, DT Metering and Feeder Metering including integration of existing Metering infrastructure would be contingent upon DISCOMs clearing the pre-qualifying criteria and achieving at least 60% marks on the result evaluation matrix.

7.4 The first instalment will be released as 10% advance on DPR approval and yearly fund release for second and subsequent instalments will be based on annual evaluation (as per agreed Results Evaluation Framework) as under:

- 2nd Instalment - 20% of GBS after 1st evaluation (30% cumulative)
- 3rd Instalment - 30% GBS after 2nd evaluation (60% cumulative)
- 4th Instalment - 40% GBS after 3rd evaluation (100% cumulative)

8. Financing of the Scheme :

8.1 The estimated outlay for the Scheme is Rs 3,03,758 crore with an estimated GBS from Central Government of Rs 97,631 crore. The Government of India will provide Rs. 1,030 Crore for activities under Part B of the Scheme. It is envisaged that about Rs. 200 crores will be spent by the State Governments towards reforms support in the form of consultancy.

8.2 Savings under various components of this Scheme (GBS) will be fungible across all parts of the Scheme with the approval of the Monitoring Committee .

8.3 Counterpart funding will be provided to DISCOMs by PFC/REC and/or Banks/other FIs. Further, counterpart funding from bilateral/multilateral funding agencies can also be leveraged for which Government of India would extend benefits of reduced Government Guarantee fee.

9. The performance of the DISCOMs in the Reforms Based Results Linked Revamped Distribution Scheme would also form integral part of the financing norms of PFC, REC, Banks/FI's for any project in the Distribution Sector even beyond those related to funding under this Scheme.

10. Monitoring Committee:

10.1 An inter-ministerial Monitoring Committee for the Scheme will be constituted under the chairmanship of Secretary, Ministry of Power. The Monitoring Committee will frame and approve all operational guidelines, sanction all Action Plans & DPRs of DISCOMs / States and proposals/DPRs under Part B, and review and monitor implementation of Scheme including review of Third-Party Mid-Term Evaluation of the Scheme carried out by the Nodal Agency.

10.2 The Monitoring Committee will also approve scope of works and take necessary decisions for operationalization of various components of the Scheme and amendments thereof, within the framework approved by Cabinet Committee on Economic Affairs (CCEA). The Monitoring Committee will also be competent to modify the scope of works under various parts of the Scheme in line with the objectives of the Scheme.

10.3 The maximum marks and targets for individual parameters in Result Evaluation framework may differ for each year of evaluation .The result evaluation framework would be different for each DISCOM and would be fixed for each year depending on the cumulative performance as well as the annual performance. The funds for a particular year in respect of Infrastructure Works would be released in respect of a DISCOM for a particular year only after it has been found to have fulfilled the pre-qualifying criteria and its total weighted score is at least 60 marks on the result evaluation matrix after having been evaluated by the Nodal Agency and approved as

such by the Monitoring Committee . Evaluation of parameters relating to financial accounts shall be based on audited quarterly / annual accounts .

11. REC Limited and Power Finance Corporation Limited (PFC) would be the Nodal Agencies for the Scheme and would be responsible for operationalization of Scheme in the entire country.

12. The State Governments and their DISCOMs will sign a Tripartite Agreement with the Central Government before availing benefits under the Scheme.

13. The duration of the Scheme is 5 years (FY 2021-22 to FY 2025-26). The sunset date for the Scheme will be 31.03.2026.

14. The Nodal Agencies will submit monthly progress report indicating both financial and physical progress on the implementation of the Scheme to Ministry of Power and CEA.

15. The detailed guidelines for the implementation of the Scheme will be issued separately.

16. The expenditure under the Scheme would be debited to the budget grant no. 78 of Ministry of Power.

17. This issues with the concurrence of Finance Branch of the Ministry of Power vide their Dy. No. 379/Fin./2021 dated 20.07.2021.

20/7/21

(Tanmay Kumar)
Joint Secretary to the Government of India
Tele-Fax No.: 23714168
E-mail: tanmay.kumar-rj@gov.in

Annexure - I

Details of Part – 'A' and Part – 'B' of Scheme

Part- 'A' of Scheme – Funding for Smart Metering

Item Head	Item Description	Quantity	GBS, % (Max)
A-1	Prepaid Smart metering solution including at consumer, DT, and feeder level including integration of existing infrastructure	25 crore	15% / 22.5% **(limited upto Rs.900 or Rs.1350 respectively per meter for Consumer metering)###**
A-2	Other costs including encumbrance free standardized billing modules for all States, data management, data analytics, and support to implementation, AI etc.	Lumpsum	100%

Part- 'A' of Scheme – Funding for Infrastructure Creation

Item Head	Item Description	Quantity Estimated
A-3	Segregation of agriculture feeders	10,000 Nos.
A-4	Replacement of existing LT Overhead bare conductor lines with AB Cable / HVDS in theft prone areas	4,00,000 Kms
A-5	Distribution Automation in Urban Areas	
A-5.1	SCADA/DMS in Big cities, having population >2.75 lakh, including opex for 2 years	100 Nos.
A-5.2	SCADA (Real Time Supervision & Controllability of Sub-station) including opex for 2 years	3875 Nos.
A-6	Funding for distribution infrastructure including HVDS, IT and OT in Distribution Sector, Feeders, conductors, Transformers, cables, substations, feeders, capacitors etc. to cater to load growth and increasing demand	As required

Part- 'B' of Scheme

Item Head	Item Description	Quantity	Outlay (Rs. Crore)	GBS % (Max)	GBS(Rs. Crore)
B-1	Augmentation of Smart Grid Knowledge center including AI	-	30	100%	30
B-2	Training / Capacity building/ Awards and incentives	-	200	100%	200
B-3	Reforms support in form of consultancy		200	100%	-200*
B-4	Nodal agency fee, MoP enabling activities and PMA charges**	-	1,000	100%	1000
Sub-Total (Part-B):			**1,430**		**1,030**

*Amount for reform support in form of consultancy may be taken State Governments and utilized for the Scheme.

**Approximately 1% of the estimated GBS for Part A for smart metering and Infra creation.

For Part A – Prepaid Smart metering in "Other than Special Category States", a fixed amount of Rs 900 per consumer meter or 15% of the cost per consumer meter worked out for the whole project, whichever is lower, would be funded. In case of "Special Category States", a fixed amount of Rs 1350 per consumer meter or 22.5% of the cost per consumer meter worked out for the whole project, whichever is lower, would be funded. To incentivize the States/UTs for deployment of prepaid Smart meters by December, 2023. An incentive @ 7.5% of the cost per consumer meter worked out for the whole project or Rs. 450 per consumer meter, whichever is lower, would be provided for "Other than Special Category States" for prepaid Smart meters installed within the targeted timeline of first phase mission i.e. by December, 2023. The incentive for Special Category States would be @ 11.25% of the cost per consumer meter worked out for the whole project or Rs. 675 per consumer meter, whichever is lower. The incentive would be met out of overall provision of GBS for Smart Metering under the Scheme (Rs. 23,300 crore) along with expected cost reduction benefits arising out of economies of scale looking to the large-scale deployment of prepaid Smart meters in first phase, similar to the huge reduction in price experienced in large scale use of LED bulbs and solar power.

Annexure – II

Indicative List of Reforms under PART-'A'

An indicative list of reforms / activities to be covered under the Scheme:

(i) Putting in place a mechanism to ensure that the Government Departments pay for the for electricity consumed, promptly

(ii) Putting in place a mechanism for ensuring that the consumption by the subsidized categories is accounted for properly and released to the DISCOM in advance as mandated by Section 65 of the Electricity Act 2003, which will be credited to the consumer account maintained by the DISCOM. Subsidy delivery must be targeted via Direct Benefit Transfer (DBT) for improvement in accountability

(iii) Annual Tariff Fixation, Tariff to reflect prudent costs; costs not reflected in Tariff shown separately, to be funded by the DISCOM/State Govt.; no Regulatory assets to be created, Multi Year Tariff (MYT).

(iv) Preparation of and adherence to a roadmap for funding accumulated and current financial losses, if any, through clearance of part or whole of regulatory assets and state funding.

(v) Energy Accounting with 100% feeder and transformer metering on OPEX model.

(vi) Corporate Governance reforms, Operation of part or whole area of supply of DISCOM through private participation or through CPSUs/JVs of CPSUs

(vii) Distribution Franchisee arrangements in some areas of DISCOM

(viii) Setting up electricity police stations in line with the provisions of the Electricity Act, 2003

(ix) Training and Capacity Building of existing manpower, Creation of IT cadre for management of IT/OT services or engaging knowledge partners / consultants for the same.

(x) Compliance of RPO trajectories

(xi) Publication of quarterly audited/unaudited reports in a standardized format circulated by PFC. Quarterly and Annual Accounts of DISCOMs need to explicitly include details of subsidy and Govt. Department dues. The annual accounts of the previous year would be published by DISCOMs latest by September 30th of the current year.

(xii) Initiation of performance linked transfer policy for DISCOM staff

(xiii) Any other activity which serves to achieve the objective of the Scheme.

Annexure – III

Results Evaluation Framework

The Results evaluation framework would have two components (i) Prequalifying criteria; and, (ii) Result evaluation matrix.

Pre-Qualification Conditions:

I. DISCOMs would publish quarterly un-audited accounts within 60 days of the end of each quarter during first two years of operation of the Scheme (i.e. for FY 2021-22 and FY 2022-23) and thereafter audited quarterly accounts within 45 days from 3rd year onwards.

II. Further, DISCOMs would publish audited annual accounts by end of December of the following year during first two years of operation of the Scheme (i.e. for FY 2021-22 and FY 2022-23) and thereafter audited annual accounts by end of September of the following year from 3rd year onwards.

III. DISCOMs will have ensured that no new Regulatory Assets have been created in latest tariff determination cycle.

IV. State Government to ensure 100% payment of subsidy for the previous year and advance payment of subsidy up to current period in line with section 65 of EA2003 and wipe out the remaining subsidy amount by the end of the project period.

V. All Government Department/ Attached Offices/ Local Bodies have made100% payment of current electricity dues for the year under evaluation.

VI. Progress commensurate to commitment in putting Govt. Offices on prepaid meters.

VII. No. of days Payables to Creditors / suppliers for the year under evaluation is equal to or less than the projected trajectory as per results evaluation framework.

VIII. Tariff order for the current year in which evaluation is being done and true up of penultimate year has been issued and implemented w.e.f. 1st April of current FY.

Utilities clearing the pre-qualifying criteria would be eligible for evaluation against the result evaluation matrix, which would determine their eligibility for release of funds for a particular year. The result evaluation framework would be different for each DISCOM and would be fixed for each year depending on the cumulative performance as well as the annual performance.

Four basic categories of Results Parameters have been identified and weightage has been assigned to each of the category as under:

Sr. No.	Category	Weightage for Evaluation
1.	Financial Sustainability	60
2.	Outcome of infrastructure Works	20
3.	Infrastructure Works	10
4.	Policy & Structural Reforms, Capacity Building and IT/OT Enablement	10
	Total	100

While the weightage of Financial sustainability would remain static at 60%, Monitoring Committee of the Scheme may make variations specific to the needs of the States/DISCOMs for other weightages

Under each of the categories above, there would be result parameters in the matrix, which will be assigned maximum marks on the basis of agreed priority/ significance towards achieving the objectives of the Scheme. The maximum marks and targets for individual parameters may differ for each of the evaluation years.

The funds for a particular year will be released only if the Utility clears the pre-qualifying criteria and the total weighted score is more than 60 marks on the evaluation matrix. Evaluation of parameters relating to financial accounts shall be based on audited quarterly/annual accounts.

Recognising that the year-wise emphasis on desired outcomes could be different, the Monitoring committee will reserve the right to allocate the maximum marks to individual result parameters for every year of evaluation. Result Evaluation Framework may be modified, if required, to include a smaller number of parameters and to exclude those included in the pre-qualifying criteria to avoid duplication and to make the Result Evaluation Framework simplistic.

RESULTS EVALUATION MATRIX (ILLUSTRATIVE)

Name of DISCOM:

SN	Result Parameters	Weightage	Unit of Measurement	Base Year [2020-21]	Evaluation of Cumulative Improvement from Base Year up to Year under evaluation			
				(Values)	Max. Marks	Target	Achievement	Score
A.	**Financial Sustainability**							
1	ACS-ARR gap		Rs./kWh		25			
2	AT&C Loss - Increase in Billing and Collection Efficiency - Reduction in theft / line losses		%		25			
3	Outstanding/ Overdue Subsidy Payment by State Government		Rs. Crore		15			
4	Outstanding/ Overdue Government Dues	**60**	No. of Days Receivable		10			
5	Progress in putting Govt. Offices on prepaid meters		%		10			
6	No. of Creditor Days (including payment to Gencos for supply of power)		No. of days payable		5			
7	No. of Debtor Days		No. of days receivables		5			
8	Unliquidated Regulatory Assets		Rs. Crore		5			
	Sub Total (A)				Σ Max. Marks			Σ Score
	Weighted Score (A) = (Weightage x ΣScore)/ ΣMaximum Marks							
B	**Outcomes of Infrastructure works**							
1	Hours of supply (Rural)		Avg. Hours/ Day		20			
2	Hours of supply (Urban)		Avg. Hours/ Day		20			
3	Accurate Energy Accounts	**20**	%		20			
4	Reliability of power supply - SAIFI (System Average Interruption Frequency Index)		Nos. / year		20			
5	Reliability of power supply - SAIDI (System Average Interruption Duration Index		Hours or minutes/ year		20			

SN	Result Parameters	Weightage	Unit of Measurement	Base Year [2020-21]	Evaluation of Cumulative Improvement from Base Year up to Year under evaluation			
				(Values)	Max. Marks	Target	Achievement	Score
	Sub Total (B)				Σ Max. Marks			Σ Score
	Weighted Score (B) = (Weightage x ΣScore)/ ΣMaximum Marks							
C.	**Infrastructure Works**							
1	**Metering**							
I	Consumer Metering		Nos.		10			
Ii	DT Metering		Nos.		20			
Iii	Feeder Metering		Nos.		20			
2	**Feeder Separation - % of total Agriculture feeders separated (Feeders with Agricultural load of >= 30% of total load of feeder)**	**10**	%		10			
3	Replacement of existing LT overhead bare conductor lines with AB/UG cable		Ckm		10			
4	% of Consumers with Prepaid Smart Meters (other than Govt. Deptt.)		%		15			
5	% of Govt Departments with Prepaid Smart Meters		%		15			
	Sub Total (C)				Σ Max. Marks			Σ Score
	Weighted Score (C) = (Weightage x ΣScore)/ ΣMaximum Marks							
D	**Policy & Structural Reforms, Capacity building and IT/OT enablement**							
1	SCADA		No. of Towns		15			
2	ERP Implementation	**10**	Yes/No		10			
3	Training of DISCOM Officials		Man-days		5			
4	Corporate Governance (Recommendations complied)		%		10			
5	Tariff Reforms (MYT / ToD / Cross Subsidy)				15			
6	Subsidy Delivery Mechanism/ DBT				15			

SN	Result Parameters	Weightage	Unit of Measurement	Base Year [2020-21]	Evaluation of Cumulative Improvement from Base Year up to Year under evaluation			
				(Values)	Max. Marks	Target	Achievement	Score
7	Consumer rights and grievance redressal				15			
8	Adoption of PPP mode				15			
	Sub Total (D)				Σ Max. Marks			Σ Score
	Weighted Score (D) = (Weightage x ΣScore)/ Σ Maximum Marks							
	Sum of Weighted Score (A+B+C+D)							

Note : In order to qualify for receipt of grant under the Scheme , the total weighted score should be 60 or more .

Annexure – IV

Indicative List of Works under Part – 'A'

An indicative list of works to be covered under the Scheme:

(i) Replacement of conductors, which are old/frayed
(ii) Additional HT lines to improve quality of supply
(iii) Segregation of agricultural feeders
(iv) Provision of Aerial bunched Cables (ABC) in high loss areas
(v) High Voltage Distribution System (HVDS) in high loss areas
(vi) Supervisory Control and Data Acquisition (SCADA) in all urban areas; and DMS in 100 urban centres above the population of 2.75 lakhs as per urban census 2011
(vii) Prepaid/Smart metering systems
(viii) Works like new feeders, capacitors, etc for loss reduction
(ix) IT/OT enablement works
(x) Prepaid metering for all Government Departments
(xi) Distribution Works for system strengthening
(xii) Transformer / Feeder Metering – on OPEX Model

Segregation of feeders dedicated only for supply of power for agricultural purpose, which are proposed to be solarized under Kisan Urja Suraksha Evam Utthan Mahabhiyan (KUSUM) Scheme will be sanctioned on priority under the Scheme. Further, feeders once segregated will not be used for serving other than agricultural loads.

Annexure – V

Part B: Training & Capacity Building and Other Enabling & Supporting Activities

The major components covered under the Part B of the Scheme are:

I. Augmentation of Smart Grid Knowledge Centre including AI

Smart Grid Knowledge Center (SGKC) at PGCIL, Manesar is a facility developed under assistance from the Integrated Power Development Scheme (IPDS). The center has been established to act as resource center for smart grid activities in the country with various smart grid technologies on display on a lab scale. It also has state of the art Smart grid training facilities. SGKC will be upscaled as an incubation center for evaluating and disseminating new technologies, and also as an innovation park. An amount of Rs 30 Crores is earmarked for expansion of centers' activities with 100% gross budgetary support. These funds would also be used for creation of Center for development of applications related to use of Artificial Intelligence in Distribution Sector.

II. Training / Capacity building/ Awards and incentives

Training and capacity building of professionals in the Distribution Sector is a much-felt need. Training in good corporate governance practices, technical matters, advance technology intervention areas, new business processes, etc. both in India and abroad are envisaged under this head. The details of the training programs will be finalized by the Monitoring Committee.

Ministry of Power will institute various awards and incentives for DISCOM personnel and management for showing exemplary performance in areas both within and beyond the realm of the Scheme. These will be instituted with the approval of Monitoring Committee.

III. Reforms support in form of consultancy

The Scheme also envisages consultancy support for reform implementation. Ministry of Power, through the Nodal Agency, will appoint consultants both at national and state/regional levels based on the action plans finalized by the Monitoring Committee who will advise and assist MoP and States/DISCOMs in Scheme implementation, especially the reforms in DISCOMs

The consultancy support provided by the MoP to Union Territories for privatization of Power Departments/ Utilities under AatmaNirbhar Bharat Abhiyan will also be funded out of this component. The details of the consultancies shall be finalized by the Monitoring Committee. The costs towards this consultancy for the Scheme period will be borne by the Ministry of Power out of allocation under Part-B of the Scheme.

IV. Nodal agency fee, MoP enabling activities and PMA charges

This head will cover various enabling activities viz. communication plan, consumer awareness and other associated measures such as third-party evaluation, nodal agency fee and PMA charges etc.