

# #UPPOWER | The Council's New Project Office in Lucknow

With the aim of shaping an 'affordable, reliable, and accountable' power sector in Uttar Pradesh, The Council has set up a new project office – our first – in Lucknow.

With more than **1.4 crore households** yet to be electrified, the impending load – technical, financial, administrative, and managerial – on the state's DISCOMs is of mammoth proportions. Enabling a utility to deliver on its mandate and adapt to the dynamics of the power sector requires careful collaboration among various actors.

The Council aims to closely support Uttar Pradesh's power sector reforms, through our independent research and our ability to convene key stakeholders on sustainability concerns.

We envision that by 2022, the financial performance of DISCOMs will no longer be the primary focus of policymakers when addressing power sector challenges. At the heart of these efforts will be the designing of a collaboration strategy to help bridge the gap between consumers, DISCOMs and regulators, to create an environment conducive for reform. We are doing this by addressing three core issues in the state's power sector:

## Creating a responsive consumer base

To inform policymakers on consumers' views, on their role and that of the DISCOM, in shaping a healthy power system, we are surveying urban and rural households to assess electricity usage and needs, societal drivers of theft and non-payment, and willingness to pay for legal electricity supply.

## Enabling institutional reforms in DISCOMs

To provide policy recommendations on improving governance and accountability within DISCOMs, our researchers will assess capacity needs and address barriers to change across DISCOMs (management and the employee base), study the power dynamics and the existing incentive structures within the institutions, and highlight best practices to drive change from within.

## Restructuring power procurement and retail tariff structures

To improve revenue realisation of DISCOMs and design cost-effective procurement strategies, we will, by engaging with utilities, the Uttar Pradesh Electricity Regulatory Commission (UPERC), and consumer groups estimate the state's power requirements for the coming years and evaluate existing Power Purchase Agreements (PPAs) with the UP Power Corporation Limited (UPPCL).