

To

National Advisory Council,

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New Delhi – 110011

Date: 18/01/2011

India today has a massive shortage of electricity shortage. Around 60% of India's rural population, i.e. 78 million households do not have access to electricity<sup>1</sup> Rural electrification has been regarded as a vital programme for the development of rural areas. The stated aims of the Rural Electrification policy is to ensure economic development by providing access of electricity to all the villages and households in order to improve the quality of life in the rural areas

Recognizing the need, and the problems associated with rural electrification in India, to accelerate the pace of village electrification programme, the Government of India, Ministry of Power, in April, 2005, launched the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) for attainment of the National Common Minimum Programme (NCMP) goal of providing access of electricity to all households by 2010.

#### The Scheme

**Goal of the flagship scheme was to – Bridge the urban-rural gap & provide reliable and quality power supply to rural areas**

**By 2010 the scheme was supposed to -** Electrify all villages and habitations, provide access to electricity to all households and give electricity connection to Below Poverty Line (BPL) families, free of charge

**Through the creation of** Rural Electricity Distribution Backbone (REDB) with at least one 33/11 KV (or 66/11 KV) substation in each block; Village Electrification Infrastructure (VEI) with at least one distribution transformer in village/habitation and Decentralised Distributed Generation (DDG) systems where grid supply is not feasible or cost-effective

**Accelerate rural development, generate employment and eliminate poverty through** Irrigation, Small scale industries (Village and khadi industries), Cold chains, Healthcare & Education and IT<sup>2</sup>.

#### Critical Analysis of RGGVY

The mandate of 'electricity for all', under the RGGVY is currently not being delivered by the Yojana. There are many aspects associated with the RGGVY and it's ineffectual implementation.

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<sup>1</sup> [http://www.powermin.nic.in/whats\\_new/pdf/ENERGY%20MARKETS%20&%20TECHNOLOGIES-REVISED1.pdf](http://www.powermin.nic.in/whats_new/pdf/ENERGY%20MARKETS%20&%20TECHNOLOGIES-REVISED1.pdf)

<sup>2</sup> Source: RGGVY brochure from Rural Electrification Corporation

The definition of village electrification, which settles for a conservative 10% house-hold electrification has resulted in significant exclusions of many. This also includes areas where the scheme has been successfully implemented.

The RGGVY makes provision for electrification through DDG models, which includes renewable sources. Unfortunately, over-excessive focus on grid extension has ruled out opportunities to innovate and deploy DRE models of generation. Simultaneously, which grids have been extended, the absence of reliable and quality supply through these grids continues to be a major problem.

According to a recent United Nations Development Programme (UNDP) supported study<sup>3</sup>, energy insecurity and allied poverty is critically undermining the achievement of the Millennium Development Goals (MDGs).

In 2009 "Still Waiting: A report on energy injustice"<sup>4</sup>, a Greenpeace commissioned report examines and highlights the issue of energy access in India. The findings of this report clearly indicate that the current, centralised energy delivery system has failed to deliver electricity services to millions of Indians who live in villages and small towns, prioritising the requirements and needs of large cities and industry. (copy of the report enclosed).

Our recent focus on Bihar, as a case study, highlights preliminary findings on implementation hurdles of the scheme further (please find enclosed a copy), while demonstrating the success of DRE systems, in bridging the gap. The Ministry of New and Renewable Energy has also compiled case studies named 'Access to Clean Energy'<sup>5</sup> across India including Bihar cases which are successfully providing quality power in rural areas.

Greenpeace hosted an interactive forum with people from villages where the scheme has been implemented. Their testimonies are also enclosed herewith.

#### **Demand to National Advisory Council**

Given this scenario, and the fact that India's flagship rural electrification program, **the Rajiv Gandhi Vidyutikaran Yojana (RGGVY)** is under review for the 12<sup>th</sup> Plan Greenpeace request the council to -

1. Conduct a detailed and transparent review of the scheme, so that it provides quality energy access to rural India
2. Ensure the involvement of key stakeholders (grass-roots groups, civil society organisations) across different states in the review process
3. Examine the role of distributed renewable energy (DRE) as a key approach to deliver the mandate of the scheme by the next plan period

<sup>3</sup> <http://practicalaction.org/docs/energy/poor-peoples-energy-outlook.pdf>

<sup>4</sup> <http://www.greenpeace.org/raw/content/india/press/reports/stillwaiting.pdf>

<sup>5</sup> <http://www.direc2010.gov.in/pdf/ACE.pdf>

Greenpeace is an independent global campaigning organisation that acts to change attitudes and behavior, to protect and conserve the environment and to promote peace. It comprises 27 independent national/regional offices in over 40 countries across Europe, the Americas, Asia and the Pacific, as well as a co-ordinating body, Greenpeace International

Yours sincerely

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Enclosure:

1. Greenpeace report: Still waiting
2. Greenpeace concern on the scheme in the existing form
3. Testimonies of people from Bihar (We, the people, on electricity)