



India: Transmission Improvement Projects in Odisha and Tamil Nadu

Project Name	Transmission Improvement Projects in Odisha and Tamil Nadu		
Project Number	48223-001		
Country / Economy	India		
Project Status	Closed		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	TA 9284-IND: Transmission Improvement Projects in Odisha and Tamil Nadu		
	Technical Assistance Special Fund		US\$ 225,000.00
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Private sector development		
Sector / Subsector	Energy / Electricity transmission and distribution		
Gender	No gender elements		
Description	<p>Odisha is a net exporter of electricity and number of power plants supplying other states is located in Odisha. The installed power generation capacity in Odisha is 9,500 megawatt (MW) and the state allocation is 5,600 MW as of 2015. In addition, Odisha has been allocated 652 MW of capacity of central sector power plants located outside the state. The state allocation is just about sufficient to meet the in-state power demand at present. However, the installed capacity in the state and the state allocation are expected to reach 20,000 MW and 7,500 MW respectively by 2022. This will result in surplus electricity of approximately 7,500 gigawatt hour (GWh), after meeting the projected in-state demand of 37,500 GWh by 2022. The surplus energy can be traded by the Odisha distribution utilities with electricity deficit states to defray some of the financial losses incurred by the Odisha distribution utilities in electricity sales to in-state consumers.</p> <p>Tamil Nadu has an installed power generation capacity of more than 25,000 MW and per capita electricity consumption at 1,278 kilowatt hour (kWh) is higher than the national average by 25%. In spite of high installed generation capacity, Tamil Nadu is suffering from both peak power capacity deficit and energy deficit. In response to the prevailing power shortages, as well as expected increase in electricity demand due to rapid industrialization, the Tamil Nadu government has initiated power generation capacity additions of over 15,000 MW in coastal areas including more than 7,500 MW of wind and solar capacity by 2023.</p>		
Project Rationale and Linkage to Country/Regional Strategy	<p>Odisha power sector is characterized by weak financial and technical performance of the distribution utilities. The distribution losses are in excess of 33% and the annual financial losses of distribution companies are in excess of Rs20 billion. However, the OPTCL which is responsible for the operation and maintenance of 400 kilovolt (kV), 230 kV, and 132 kV transmission lines have performed well within the regulatory norms set for transmission network availability (more than 98.5%) and transmission losses (less than 3.75%) by OERC.</p> <p>To address the prevailing constraints in power transmission network the state owned Tamil Nadu Transmission Corporation Limited (TANTRANSCO) intend to invest over Indian rupee (Rs) 540 billion during 2017-2023. These includes extra high voltage transmission network investments at 765 kV and 400 kV and augmenting the existing 220 kV and 132 kV transmission network, introducing more flexible transmission network operation by introducing smart grid technologies and energy storage and demand response technologies to off-set the intermittency of wind and solar power plants. The Tamil Nadu government is also committed to introduce tariff reforms to ensure the financial viability of the electricity sector.</p>		
Impact	Well designed power transmission investment projects approved and implemented in Odisha and Tamil Nadu.		
Project Outcome			
Description of Outcome	Well-designed investment projects developed for Odisha and Tamil Nadu		
Progress Toward Outcome			
Implementation Progress			
Description of Project Outputs	Technical, financial, economic and procurement due diligence for power transmission projects in the states of Odisha and Tamil Nadu completed		
Status of Implementation Progress (Outputs, Activities, and Issues)			
Geographical Location	Nation-wide, Odisha, Tamil Nadu		
Summary of Environmental and Social Aspects			
Environmental Aspects			
Involuntary Resettlement			
Indigenous Peoples			
Stakeholder Communication, Participation, and Consultation			
During Project Design	International and Local consultants are already recruited . Preliminary Project Report has been posed by the Government of India to ADB for preparing the Chennai- Kanyakumari Industrial Corridor Power Sector Project in Tamil Nadu. The consultation with stakeholders are on -going will be completed in November 2018. The Project in Odisha is not progressing.		
During Project Implementation			
Business Opportunities			

Consulting Services Four international and three national consultants will be recruited. ADB will engage the consultants on an individual basis in accordance with its Guidelines on the Use of Consultants by ADB and its Borrowers (2013, as amended from time to time), and other arrangements satisfactory to ADB for engaging individual consultants.

Procurement None.

Responsible ADB Officer	Perera, Pradeep
Responsible ADB Department	South Asia Department
Responsible ADB Division	Energy Division, SARD
Executing Agencies	Asian Development Bank

Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	19 Dec 2016
Last Review Mission	-
Last PDS Update	17 Sep 2018

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
19 Dec 2016	-	19 Dec 2016	31 Mar 2018	31 Oct 2018	03 Dec 2018

Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
225,000.00	0.00	0.00	0.00	0.00	0.00	225,000.00	17 Jun 2022	201,008.99

Project Page	https://www.adb.org/projects/48223-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=48223-001
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