

Privatizing And Regulating Electricity: The Challenge Of Reform In New Delhi

Study Questions

1. Why did Indian SEBs perform poorly as commercial entities, and how were they politicized?
2. What channels of collusion and corruption existed between Indian SEBs, their customers, and local government?
3. What lessons from the privatization experience at Orissa could be applied in Delhi?
4. Who were the key stakeholders supporting and opposed to privatization? How were the concerns of opponents neutralized?
5. What were the a) key risks and b) key opportunities to privatizing the DVB
 - a. For the Delhi government?
 - b. For Delhi residents?
 - c. For investors?
6. Given that high distribution losses and frequent power outages were frequent in most state electricity boards (SEBs) across India in the late 1990s, what are some possible reasons that this kind of reform did not materialize elsewhere at the time?
7. Why does rapid migration, urbanization, and population growth make the provision of basic services and infrastructure more difficult?
8. What are the key activities and responsibilities of regulatory institutions for utilities? Why are regulatory institutions important – why are these activities not under the government’s purview?
9. What are the advantages and disadvantages of annual tariff setting in regulatory institutions for utilities?