

ADB signs USD 132.8M loan to strengthen Meghalaya's power distribution sector

By TIOL News Service

ANILA. DEC 1, 2020. The

sian Development Bank (ADE) signed a USD 132.8 million loan agreement to strengthen and modernise the power distribution network and prove its supply quality in Manhalaya, with an aim to benefit about 180,000 households.

tion Sector Improvement Project will support the state government's "24x7 Power for All" initiative and help reduce its high technical and commercial losses through network strengthening, metering and billing efficiency improvements, the Ministry of Finance (MoF) said.

"Technological improvements to the distribution network adapted to extreme weather, introduction of smart meters and online meter reading, billing, and collection systems will help improve operational efficiencies and financial sustainability of the state's distribution system,― said Mr Takeo Konishi, Country Director of ADB's India Resident Mission.

ADB said although Meghalaya achieved 100% electrification, remote rural areas in the state suffer from frequent power interruptions due to overloaded distribution networks and substations that use outdated technology.

"The government of India and the state government of Meghalaya embarked on a joint 24x7 Power for All Meghalaya initiative to provide uninterrupted, quality, reliable, and affordable power supply to all electricity consumers,― ADB said in a press release.

The project will construct 23 substations, renovate and modernize 45 substations, install and upgrade 2,214 km of distribution lines and associated facilities will be set up covering three out of the six circles in the state.

The loan is proposed to be supplemented by a USD 2 million grant from ADB's Japan Fund for Poverty Reduction that will finance renewable energy mini-grids for improving power quality and supporting income generation activities, especially for women and other socially disadvantaged groups in three villages and three schools.