



Pondicherry

Power Related

Many of the problems within industrial estates are problems of industry in general.

Power has become a major problem within the Union Territory. As part of the southern grid, adequate power has been allocated to Pondicherry. The problem is, therefore, not with supply or generation but with distribution (see Power Chapter). Industrialists are increasingly concerned with sudden cuts in power supply, often without notice. While many industries (especially larger industries) have their own captive generation, the costs of this captive generation are substantially higher than the power bought from the Electricity Department. The process of getting a power connection is also extremely tardy in the Union Territory. Many industries have had to wait for months, even years, to obtain power after having been promised it. As a result, while these industries have been ready for production, they have been either unable to commence or once again have had to depend on captive generation. The same problem exists with regard to obtaining additional power supply. Although many industries have expressed interest in expanding their operations in the Union Territory, they have been unable to get the necessary power. Efforts, therefore, need to be made to improve the efficiency of power supply. As will be highlighted in the Power Chapter, efficiency can be improved by adopting a new institutional framework for the distribution of power. This new framework with a distribution board and private actors will go a long way to create a more competitive atmosphere which will encourage better service delivery. If that happens, a great fillip will be given to industry as power tariffs are still considerably lower in the Union Territory, thus giving industry an incentive to invest.