

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai – 400 005
Tel.No. 22163964/ 65/ 69 Fax 22163976
Email: mercindia@mercindia.org.in
Website: www.mercindia.org.in**

Case No. 90 of 2009

**In the matter of
Maharashtra State Electricity Distribution Company Ltd. (MSEDCL)'s
Petition for Additional scenario of Load Shedding Protocol.**

**Shri. V. P. Raja, Chairman
Shri. S. B. Kulkarni, Member
Shri. V.L. Sonavane, Member**

ORDER

Dated: May 28, 2010

The Maharashtra State Electricity Distribution Company Limited (MSEDCL) submitted a Petition dated December 23, 2009, for seeking permission to introduce additional scenario in Load Shedding Protocol.

2. MSEDCL, in its Petition, prayed as under:
- “
- a. *To introduce intermediate Scenario –III A between Scenario – III and Scenario – IV;*
 - b. *In Scenario – III A, the load shedding hours to AG Dominated and other region will be same as per the Scenario – IV, but the Industrial Staggering Hours will be reduced from 16 hrs. To 8 hrs. Per week;*
 - c. *MSEDCL may be permitted to reduce the Industrial staggering hours from 16 hrs. to 8 hrs. for Scenarios I/II/III.”*

3. MSEDCL submitted that, Load Shedding in its jurisdiction is being implemented as per the Load Shedding Protocol approved by the Commission vide order dated November 28, 2008 in the matter of Case No. 77 & 78 of 2008. Commission in its order approves six numbers of different Load Shedding Scenario depending upon the demand – supply gap. viz. Scenario - I for demand supply gap of 2500 – 3200 MW (72.02 MU) to Scenario- VI for demand supply gap of 5000 – 5600 MW (109. 43 MU). MSEDCL is implementing Load Shedding as per Scenario – IV of Protocol as per prevailing demand – supply gap.

4. MSEDCL submitted that, from January / February 2010, the power availability will increase due to capacity addition of RGPPL and Mahagenco (New Parali – Unit 7 and Paras Expansion – Unit 4). But increased power availability will not be sufficient to switch from existing Scenario IV to Scenario III of Load Shedding Protocol and thereby reduction in load shedding hours to consumers. Therefore MSEDCL has requested the Commission that, till such time MSEDCL can shift to Scenario III , introduce additional Scenario III-A in Load Shedding Protocol in which Load Shedding hours for all consumers remains same except MIDC area for which Load Shedding hours will reduce from 16 hrs to 8 hrs.

5. The cost of additional power will be recovered from the beneficiary consumers by levying additional charges on the energy consumed due to increase in availability.

6. The Commission, vide Notice dated January 21, 2010 fixed the hearing in the matter on January 28, 2010.

7. In the hearing held on January 28, 2010, Shri. S. K. Dabhade, Director (Operation) and Shri. S. V. Bapat, Superintending Engineer (TRC) appeared on behalf of MSEDCL.

8. During the hearing MSEDCL submitted that, with existing demand and available generation, MSEDCL is required to carry out Load Shedding of around 83. 20 MU and Scenario – IV of Load Shedding Protocol is being implemented. With availability of excess generation from RGGPL and Mahagenco (New Parali Unit -7 and Paras Expansion – Unit 4) MSEDCL is expecting the demand – supply gap of around 76.6 MU.

9. MSEDCL submitted that, even though expected demand – supply gap of 76.6 MU is sufficient to switch from existing Scenario – IV to Scenario – III, but due to uncertainty of power available from RGPPL, non-stability of new generating Units of Mahagenco and demand continuously increasing, above mentioned demand – supply gap is uncertain and

may increase further and therefore it will not possible to switch from Scenario IV to Scenario III.

10. MSEDCL submitted that, in order to have smooth switching in Scenario, additional Scenario - III A is required to be introduced in which Load Shedding hours for all other categories will remain same except for MIDC area for whom Load Shedding hours will reduced from 16 hrs to 8 hrs per staggering day and cost of additional power will be recovered from them. Further, additional energy available after reducing Load Shedding of MIDC area will be used for withdrawing Group wise Load Shedding of other consumers as per existing Protocol.

11. Shri. R. B. Goenka, Vidharbha Industrial Association, Nagpur has submitted that, any additional availability of power should be equally distributed to all consumers and not only to Industrial consumers. He further stated that request of MSEDCL to levy additional charges to Industrial consumers for additional energy made available should not be accepted as it will cause a change in tariff for Industrial consumers and such request cannot be dealt with in these proceedings.

12. Shri. Shantanu Dixit, Prayas Energy Group, Pune submitted that demand supply gap is uncertain due to uncertainty of RGPPL and increasing demand due to upcoming summer season. Due to this uncertainty it will not be possible to switch directly from Scenario - IV to Scenario – III. But the Load Shedding Protocol approved by the Commission is dynamic in nature and suitable for demand – supply gap of 2500 MW to 5600 MW. Also the Protocol has provision of withdrawing the Group wise Load Shedding in sequential manner in case of excess availability of power.

13. Shri. Shantanu Dixit suggested that, as electric system being dynamic in nature MSEDCL should monitor the system condition for the period of one month in which excess available power should be used for withdrawing the Group wise Load Shedding as per the existing Load Shedding Protocol and when MSEDCL is satisfied that they can switch to next Load Shedding Scenario then only MSEDCL should change the Scenario. As the existing protocol is dynamic in nature additional Scenario is not required. But at the same time existing Protocol gives the benefit of excess power availability to all the consumers except MIDC area for whom Load Shedding hours remains same irrespective of any quantum of excess power availability which needs to be rectified.

14. Shri. Pratap Hogade, President, Maharashtra Rajya Veej Grahak Sanghatana submitted that as per data submitted, MSEDCL can easily shift to Scenario – III from existing Scenario – IV . Shri. Hogade further submitted that, as per Industrial Laws, Industries has to maintain weekly holiday and hence by reducing Industrial Staggering hours from 16 to 8 hours will not help in increasing Industrial production. Therefore, he suggested that, instead of reducing staggering hours from 16 to 8 hours it should be reduced up to 12 hours which is to be implemented during day time which will ease the total darkness problem in MIDC area after sunset on staggering day.

15. The Hon’ble Appellate Tribunal for Electricity had in its judgment dated July 31, 2009 held as under:

“ 22. While we have dismissed the appeal, we feel that the State Commission may adopt a more participative approach. Regulatory proceedings are designed to operate more on participative basis and less on adversarial system. To have in place a proper reliable and workable load shedding programme, it is essential that adequate data, which can be relied upon is available. As the appellant suggested that one hourly data may not be of much help while working out a load shedding programme, data may be prepared of shorter time cycle, may be for a 15 minute cycle. The State Commission may also identify its data-related needs which it would be requiring to analyse for future load shedding programme. This data can be further used for deliberation amongst various stakeholders. We, therefore, advise the State Commission to set up a Committee with representatives from the Commission, MSEDCL, State Load Despatch Centre and consumer representative etc. to go over the load shedding programme with intent to make it implementable in all scenario of shortage of power and submit a report to the Commission. The Commission can then decide to revise the protocol for load shedding appropriately. We feel that a load shedding programme which will emerge through the process will have much higher acceptability for enforcement.”

16. A Load Shedding Committee was consequently constituted by the Commission vide its order dated October 9, 2009. In view of the constitution of the Committee as directed by Hon’ble Tribunal, the issues raised in the present Petition was referred to the said Load Shedding Committee for their recommendations on the same.

17. The Load Shedding Committee submitted its report to the Commission vide letter dated March 9, 2010. The report *inter alia* includes the Committee’s recommendation on the present Petition which is reproduced below:

“In light of the above discussion the Committee agrees with the suggestions of MSEDCL and suggests that MSEDCL should be allowed to withdraw the Load Shedding of MIDC areas by 8 hours in existing Scenario IV as per excess availability as a temporary measure. Further the committee requests the Commission to instruct MSEDCL to switch to Scenario III as soon as possible so

that increase in availability will benefit all Groups of consumers by reduction in Load Shedding hours. Same approach may be adapted for Scenario I to III.”

The Committee in its report also dealt with various issues such as implementability of existing Load Shedding Protocol, increase in availability of Agricultural Load Management Schemes during Water Rotation Period, temporary withdrawal of Load Shedding for major events etc,

18. Having heard MSEDCL and consumer representatives, and also after considering the report submitted by the Load Shedding Committee, the Commission is of the view that the present situation of supply and demand of power, not only in the State, but also in the country as a whole is not suitable for reducing Load Shedding hours of MIDC area from 16 to 8 hours as submitted by MSEDCL.

19. The Commission also finds that though MSEDCL has projected demand – supply gap based on the prevailing Load Shedding Scenario -IV while calculating MW / MU requirement for withdrawing Load Shedding of MIDC area by 8 hours, but as per MSEDCL circular dated April 24, 2010, Load shedding hours has crossed the prescribed limits of Scenario – VI of existing Load Shedding Protocol.

As such, the Petition filed by MSEDCL in Case No. 90 of 2009 cannot be accepted and that they should observe the existing Load Shedding Protocol as per the six scenarios given there under.

Sd/-
(V.L. Sonavane)
Member

Sd/-
(S.B. Kulkarni)
Member

Sd/-
(V.P.Raja)
Chairman

(K.N Khawarey)
Secretary, MERC