

Case Nos.69/2009, 77/2009 & 78/2009

Order No.2
19.06.2009

Mr. R. P. Mohapatra authorised representative of the petitioner Mr. N.C. Panigrahi, Sr. Advocate for OPTCL, Mr. A. C. Mallick Director (Comm) for Gridco, Mr. S.K.Singh, CEO, Nesco, Mr. S.K. Dasgupta CEO, CESU, Mr. G.C.Mohanty, DGM, Wesco, Mr. S.K.Routray, DM Finanace (Com), Southco, Mr. B.R.Mishra, GM SLDC, Mr. S.C.Mohanty, Law Officer Dept. of Energy (GoO) are present.

2. The application filed by M/s Balasore Alloys Limited (Case. No. 77/2009) and the application filed by Tata Steel Limited (Case No.78/2009) are taken up hearing together along with Case No.69/2009 as the issues raised in these Cases are similar in nature.
3. Mr. R.P.Mohapatra, the authorized representative of FACOR, Balasore Alloys and Tata Steel stated that State Govt. has no authority to issue direction for power restriction in the State. Under Section-23 of the Electricity Act-2003, it is the Commission as competent authority can issue such direction for equitable distribution of electricity after considering the prevailing circumstances in the State. The OPTCL instead of informing Distcoms about its non-availability of power has instructed its field officers to restore power cuts to EHT industries which is highly arbitrary, unreasonable and not according to the provision of law. He further stated that OPTCL/SLDC should be restrained from the practice of hand tripping for industrial consumers and Commission may issue a comprehensive principle on protocol of load shedding in the line of Maharashtra Electricity Regulatory Commission's (MERC) order dtd. 28.11.2008.
4. Mr. N.C. Panigrahi the senior counsel for OPTCL/SLDC stated that at present OPTCL as a STU is acting as a operating agency of the SLDC. Complying to the direction of the State Govt. and in the interest of the safety and proper management of the State Grid the OPTCL has issued instruction for regulating power supply to the EHT industries as they are consuming substantial portion of power in the State. Out of the peak demand of the State, of the order of 2900 MW, the peak load of EHT industries (power industries) is about 900 MW.
5. Mr. B.N. Mishra on behalf of SLDC stated that DISTCOs are not cooperating in furnishing advance information regarding day-to-day power demand. At present there is a wide gap between the demand and availability of the power in the State. There is deficit of about 700 Megawatt of power at the evening peak hours (18.30 hours to 22.30 hours) and the deficit at the remaining hours of the day is about 300 MW. As the frequency of the Central Grid remain low (about 49.2 or less), there is no possibility of over drawing power from the grid as Unscheduled Interchanged (UI) power. Any overload under such condition would attract heavy penalty provision of CERC under ABT mechanism. However, in compliance to the directions of the Commission dt. 23.05.2009 passed in Case No.69/2009, OPTCL has not given effect to any load restriction to any industries as directed by its letter No.245 dt.16.05.2009.

6. The CEO, CESU stated that it has formed a Cell for load restriction and it has also taken steps for reduction of demand. In the absence of any official communication about the present deficit circumstance the general consumers are acting violently when load restriction is effected.
7. The CEO, NESCO pleaded that the State Govt. may issue a press release stating the present ground reality of the power deficiency, so that the public will provide necessary cooperation to the Distcoms for rotational power cuts. He further stated that he is in constant touch with SLDC about the power availability. The NESCO will also release a press publication for information of the consumers about the present power shortage.
8. Mr. G.C.Mohanty for WESCO stated that they are approaching Aryan Ispat Limited to procure 5-10 MW of power to meet the urgent Situation. But OPTCL has not yet cleared the proposal even though the Commission has allowed such arrangement. It is further stated that WESCO will abide the load restriction as may be decided by SLDC/OPTCL and conveyed to them by resorting to rotational load sheddings.
9. Mr. S.C. Mohanty, Law Officer, DoE, GOO stated that considering the present deficit condition, Govt. will also review the matter.
10. Mr. A.C. Mallick stated that in the present power deficiency circumstance, Commission may issue necessary direction under Section 23 of the Electricity Act 2003 for equitable distribution of electricity and regulating the supply in such a manner that large number of consumers are not affected but load restriction is implemented effectively and Grid Collapse is avoided.
11. After perusal of the filing and the argument made by the parties, the Commission is of the view that the situation in the State is very much alarming and load restriction for equitable distribution of power has become a necessity in the present circumstance. Since there is no rain fall at all during current financial year till date, the reservoir level of different hydro power stations have gone down to minimum drawdown level (MDDL); and there has been drastic fall in hydro generation. One unit of Ib Thermal Power Station of OPGC has been tripped because of stator Earth Fault and taken for maintenance. There has been also short fall in State's share from Central Generating Stations. On this account, despite best effort made by GRIDCO and the State Govt. to procure power from the Captive Generating Plants operating in the State and other sources, the availability of power is of the order of 2200 MW against peak demand of around 2900 MW. There is a short fall of around 700 MW during evening peak period. In the remaining period of the day also the shortage in system is about 300 MW. As stated by Director (Engg.), OPTCL, there is constant threat from the CERC and ERLDC for imposition of penalty on account of over drawal. Under the present facts and circumstances, SLDC has no alternative but to issue instruction to DISTCOs for quantum of load reduction as per the availability of the day, as well as issue instruction to EHT industries (direct consumer) for load restriction under intimation to respective DISTCOs.

12. In the circumstances, as narrated in the preceding paragraph, the Commission feels prudent to issue a direction to licensees under Section 23 of the Electricity Act, 2003 for securing of equitable distribution of electricity and provide for regulating supply, distribution, consumption or use thereof. Accordingly we direct as under:-

- (i) The stay granted in our interim order dated 23.05.2009 is hereby vacated. But at the same time the letter No.245 dt.16.5.09 of OPTCL directing restriction of industrial consumption is treated as withdrawn and made inoperative.
- (ii) Since at present there would be a gap of nearly 600 to 700 MW during peak period (18.30 hours to 22.30 Hours) and about 300 MW during the remaining period of the day, there is urgent need to restrict the power supply limiting to the availability of power.
- (iii) The SLDC in consultation with the GRIDCO and OPTCL, shall indicate the date-wise quantum of load reduction for each Distribution Company. The Distribution Companies would accordingly restrict the drawal by effecting load shedding to the extent indicated by SLDC, and report the compliance of peak load restriction by 22.45 hours to SLDC.
- (iv) The Distribution Companies will reduce the drawal by effecting power cut area wise/feeder wise on rotational basis, so that the different categories of consumers will share the deficit situation. These include all industrial consumers also. While doing so, SLDC, Distribution Companies may ensure that large number of consumers are not affected at a time for which appropriate strategy is to be adopted. Adequate publicity about such load restriction should be made by the DISTCOMs in the Print and Electronic Media indicating the time and area to be affected by such load restrictions. The State Govt./OPTCL/GRIDCO may issue a press release in this regard and provide adequate support to the DISTCOMs to meet the law and order situation in such exceptional power shortage circumstances prevailing in the State.
- (v) Since the EHT consumers at present are consuming about 900 MW of power, load restriction between 15 to 25% during the evening peak hours and restriction of maximum 10% during rest of the hours could be effected, keeping in view the survival load level of individual power industries.
- (vi) The State Govt., OPTCL, GRIDCO, SLDC & DISTCOMs should take effective steps to ensure uninterrupted power supply on the forthcoming religious occasions like Ratha Yatra, Bahuda and Sunabesha of Lord Jagannath through out the State.
- (vii) For ensuring effective implementation of power cut in different areas a Committee headed by CMD, OPTCL and consisting of Senior Officers of four Distribution Companies and SLDC is hereby constituted and this committee should monitor the day to day operation of supply and regulating of power to different consumers, so that large number of consumers in particular area are not affected at a time.

- (viii) This arrangement would become effective immediately and would continue till the power situation in the State improves or till 15.7.2009 whichever is earlier. As a matter of routine OPTCL/SLDC should not resort to hand tripping of the feeders supplying power to consumers but can do so if the concerned industrial consumers do not comply with the instruction of the SDLC after giving adequate notice to the consumer.
- (ix) GRIDCO/OPTCL, DISTCOMs and SLDC are directed to furnish information to the Commission on day to day basis.

Sd/-
(B.K. Misra)
Member

Sd/-
(K.C. Badu)
Member