

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@merc.gov.in
Website: www.mercindia.org.in / www.merc.gov.in**

Case No. 120 of 2016

Dated: 3 January, 2017

**CORAM: Shri Azeez M. Khan, Member
Shri. Deepak Lad, Member**

**In the matter of
Petition of Maharashtra Electricity Distribution Co. Ltd. for change in the Approved
Load Shedding Protocol**

Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL)Petitioner
Maharashtra Veej Grahak Sanghatana (MVGS)Intervener

Appearance:

For the Petitioner: Shri. Satish Chavan (Rep.)
For the Intervener: None
For the Authorised Consumer Representatives: Dr. Ashok Pendse (TBIA)

Daily Order

Heard the representative of the Petitioner and Authorised Consumer Representative.

1. MSEDCL stated that:

- i. Present Petition has been filed for approval of increased availability to Agriculture Feeders from 8/10 hours to 12 hours. During the last hearing on 22 September, 2016, as an interim measure for limited period, the Commission has allowed MSEDCL to provide 12 hours power supply to Agriculture feeders. While allowing such relief, the Commission directed MSEDCL to file details such as plan for procuring additional power and its financial implications, ability of network to feed such additional power and quantification of subsidy proposed to be sought from the Government of Maharashtra (GoM). It is submitted that all these details have been filed vide letters dated 29 October, 2016 and 31 December, 2016.
- ii. As directed by GoM, increased power availability of 12 hours was provided to Agriculture Feeders during the periods 8 September to 15 November, 2016 and 21

November, 2016 to 15 December, 2016. From 16 December, 2016 onwards, 8/10 hours of power supply is being provided to Agriculture Feeders and MSEDCL has restored the Load Shedding protocol earlier approved by the Commission.

- iii. Barring a few occasions of reduced availability of power on account of breakdown of Generating Plants, the increased power supply to Agriculture Feeders has been sourced through existing contracted Power Purchase Agreements. Reduced availability during these periods has been mitigated through Power Exchanges for avoiding Load Shedding.
 - iv. Out of 7645 Agriculture Feeders, around 1724 feeders (22%) have faced some technical difficulties in supplying continuous 12 hours power supply. Chief Engineers of these areas were authorized to change the timing of power supply depending upon technical constraints. To avoid such technical constraints in future, capex works undertaken in Infrastructure Scheme Phase-II are in progress in these areas.
 - v. Regarding financial implication of increased power supply to Agriculture Feeders, GoM has assured to provide subsidy to mitigate the financial impact. MSEDCL has already communicated estimated financial impact of Rs. 1737 crore, which was calculated based on 33% increase in Agriculture consumption at the rate of Average Cost of Supply. This estimation of financial impact will change based on the actual Agriculture consumption. The actual Agriculture consumption will be available after completion of quarterly billing for the month of December, 2016, by end of January, 2017, and thereafter the actual Agriculture consumption can be ascertained.
2. Dr. Ashok Pendse, TBIA appreciated that MSEDCL is able to manage increased availability to Agriculture Feeders without impacting other consumers. He stated that the financial implications of additional power supply to Agriculture Feeders should be calculated based on the cost of marginal Power Stations in Merit Order Dispatch stack, and not on the average cost of power purchase. Also, the impact of lower collection efficiency of Agriculture consumers should be factored in while calculating the financial impact for subsidy from GoM.
3. MSEDCL is directed to submit the following:
- i. Financial implication of providing increase power availability to Agriculture Feeder based on actual Agriculture consumption.
 - ii. Status/position of GoM's subsidy for mitigating financial implications arising due to increased power supply to Agriculture Feeders.
 - iii. Scenario for mitigating situation if GoM's subsidy is delayed or not provided.

Since actual consumption details will be available by end of January, 2017, MSEDCL may file the above submission by 31 January, 2017.

Subject to filing of the above submission, the Case is reserved for Order.

**Sd/-
(Deepak Lad)
Member**

**Sd/-
(Azeez M. Khan)
Member**