

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION  
SCO 220-21, SECTOR – 34-A, CHANDIGARH

Petition No. 6 of 2015  
Date of Order: 15.04.2015

Present: Smt. Romila Dubey, Chairperson  
Shri Gurinder Jit Singh, Member

In the matter of: Petition under Section 23 of the Electricity Act, 2003 seeking regulatory guidance for measures to be taken in case of exigencies leading to power cuts for the Tariff Year 2015-16.

AND

In the matter of: Punjab State Power Corporation Limited (PSPCL),  
The Mall, Patiala-147001.

-----Petitioner

**ORDER:**

The Punjab State Power Corporation Limited filed this Petition under Section 23 of the Electricity Act, 2003 seeking regulatory guidance for measures to be taken in case of exigencies leading to load regulation and imposing of power cuts for the year 2015-16. It has been submitted that primarily due to additional generation capacities added within the State and share from the central sector projects, there would be surplus availability of electricity to PSPCL during most of the months of FY 2015-

16. It has been further stated that even in the power surplus scenario, the eventualities as stated below cannot be ruled out in the power system which may require regulation of load and supply:-

- (i) Till now, from the dedicated IPPs of Punjab, 2 x 700 MW of Thermal Generating Units of NPL Rajpura has already been synchronized with the grid. Also, 1 x 660 MW of TSPL Generating Unit has been put on bars. The remaining 2 x 660 MW of TSPL Thermal Power Plant Units are likely to be synchronized before the commencement of Paddy Season of 2015-16. The presence of high capacity generating units in the system and their forced outage for any longer duration, may necessitate the imposition of regulatory measures on the consumers.
- (ii) Downward revision in the central sector schedule or long forced outage of Central Sector Generating Units in which the State of Punjab has a major stake may also necessitate the imposition of regulatory measures.
- (iii) Limitation of the transmission/sub transmission network may also necessitate imposition of Power Regulatory Measures.
- (iv) During the year 2014-15, a marked dip in the availability of power from the internal generating sources w.e.f. 06.07.2014 was experienced mainly due to short supply of coal to the own thermal plants of PSPCL and the dedicated IPPs of Punjab. The occurrence of a similar situation during the year 2015-16 may also require the regulation of power.

- (v) Fixing of ATC/TTC limits by NRLDC as 5400/5700 MW for Punjab may also necessitate emergent imposition of Power Regulatory Measures owing to ongoing coal stock constraints and reduced internal generation.
- (vi) Any restrictions due to overloading of inter-regional transmission lines may also necessitate load shedding within the State.
- (vii) As per CERC Deviation Settlement Mechanism Regulations-2014 effective from 17.02.2014, the operating frequency band has been narrowed down and fixed between 49.90 to 50.05 Hz and severe penalties are leviable in case of violations. To keep the over/under-drawl of power within the specified limits is mandatory and during any deviation, the regulation of load through implementation of the power regulatory measures may be required on real time basis.
- (viii) Frequent deviation in schedule in import of power by the open access consumers may create a situation of overdrawls and due to this reason, power regulatory measures may become imperative.
- (ix) Timely commissioning and scheduled generation of the new generating plants may also become sometimes uncertain which may result into imposition of regulatory measures.
- (x) Any other contingency, where availability of power is not able to meet with the demand may also require regulation of the load of the system on real time basis.

The following measures are proposed to be taken by PSPCL in case it becomes imperative to impose regulatory measures / power cuts:-

- To regulate the supply by imposing power cut on feeders controlling supply to the 24 hours UPS/urban-industrial Cat-1 Main cities/District Head Quarters.
- To impose weekly off day on LS & MS category of industrial consumers fed from Category 2 & 3 industrial feeders.
- To impose peak load restrictions on LS & MS consumers and to withdraw/reduce the peak load exemptions granted to the consumers except essential & other exempted categories.
- To restrict peak load drawl by LS & MS category consumers (fed from category 2 & 3 feeders), who have opted for Time of Day tariff as per provisions of Tariff Order for FY 2014-15.
- To restrict the drawl of power by continuous process consumers (fed from category 4 feeders) to the extent of their continuous process load allowed to them during peak/off peak load hours, as per the policy approved by the Hon'ble PSERC.
- To regulate power supply to AP consumers.
- Any other additional regulatory measures to the left out categories of consumers in case of exigencies of outage of own/central sector generating units or transmission/sub transmission network of ISTS/STU or any of the major grid elements, ICTs etc.

It has further been stated by PSPCL that in the year 2015-16, the regulatory measures shall be imposed on real time basis, depending upon

the real time gap in demand and supply of power and other system constraints. The national/state grid code limitations shall also be kept in view while imposing these regulatory measures.

PSPCL has further stated that it shall however make its best endeavour not to impose any regulatory measures and shall on its part:

- (a) Impose minimum regulatory measures/power cuts, for which the consumers will be informed in advance i.e. about the schedule of power cuts and regulatory measures.
- (b) Unscheduled load shedding, if any, shall only be imposed during sudden outage of generating units or exigencies in the grid. Duration of such load shedding shall be kept as minimum as possible.

It has also been stated that Commissions' earlier order dated 25.04.2014, in petition no. 14 of 2014 dealing with regulatory measures, is effective till 31.03.2015. The authorization issued to PSPCL by the Commission vide Order dated 25.04.2014 to impose power cuts, peak load hour restrictions and other regulatory measures subject to the conditions as contained in the Order, was extended upto the date of passing of the final order in this petition vide Order dated 30.03.2015 passed by the Commission.

The Petitioner was heard on 24.02.2015 and the Petition was admitted. A Public Notice was issued inviting objections from the general public and stakeholders, to be submitted by 24.03.2015. In pursuance to the Public Notice published in different newspapers, the Commission did not receive any objections. Public hearing was held on 30.03.2015 in the

office of the Commission at Chandigarh. However, the following 2 no. objections were received during public hearing on 30.03.2015 :-

<b>Sr. No.</b>	<b>Name of the Objector</b>
1.	Sh. Balbir Singh Kharbanda, General Secretary, Cycle Trade Union, Kharbanda Complex, Gill Road, Miller Ganj, Ludhiana – 141003 (Punjab)
2.	Sh. K.D.Parti, Dy.CE (Retd.), Advisor PTC.

The issues highlighted during the public hearing and in the objections are summarized below:

1. The Commission should not allow power cuts, peak load hours restrictions, weakly off days etc during FY 2015-16, when the power is surplus in the State.
2. PSPCL should not levy monthly minimum charges (fixed) in the billing month when power cuts in any shape are imposed and the billing should be done as per meter reading for all type of consumers.
3. About 19,000 Industrial Units have gone sick and have been closed down due to unplanned facilities of the Government and one of the main factors for closure is power supply.

4. PSPCL should keep strict inventory control on the funds as well as on the materials of all kinds.
5. Power cuts show the failure on the part of PSPCL, as all types of consumers of Punjab had to go for alternative supply source, such as generator sets and their wear and tear should be financially supported by PSPCL in the shape of unit cost refund in the energy bills.
6. There are no clear cut instructions from PSPCL regarding peak load hours w.e.f. 01.04.2015.
7. Consumers who opted ToD Tariff are not clear about the timing of peak load restrictions w.e.f. 01.04.2015, and there should be no extra charges for consumption during peak load hours.

After considering the submissions made by PSPCL, objections/comments raised/made by the consumers/consumer organizations, the Commission authorizes PSPCL to impose power cuts, peak load hours restrictions and other regulatory measures so as to bridge the gap between demand and supply in case of exigencies & system requirements only. The approval of the Commission in this respect is subject to the following:-

- (i) In view of surplus power available with PSPCL, compulsory weekly off day(s) will not be imposed on essential industries as defined in PR Circular No. 12/98 dated 03.08.1998 of the licensee (Annexure-I), exempted categories, industry fed from Category I & UPS feeders and any other industry. If it is to be imposed in case of

any exigency, then procedure as per para (ii) will be followed by PSPCL.

- (ii) PSPCL will send prior unambiguous and clear information to the consumers regarding scheduled power cuts, including written intimation wherever possible to Trade and Industry Associations. The intimation to the consumers and Trade & Industry Associations should be sent atleast one day in advance and the same should be available on website of PSPCL. Unscheduled power cuts, if required may be imposed in emergent situations only. The detail of such unscheduled power cuts imposed alongwith duration & reasons should be put up on the website of PSPCL on the next date for information of all consumers.
- (iii) PSPCL shall inform PSERC within minimum possible time regarding emergent situations and system constraints occurring in the power system alongwith suggesions / comments, if any.
- (iv) PSPCL would seek prior approval of the Commission in adopting any other regulatory measures.

Further, the policy approved by the Commission in respect of Peak Load Hour Restrictions/Exemptions (Annexure-II) which was applicable during FY 2014-15 would be applicable for the year 2015-16 also.



PSPCL is directed to take necessary action in respect of the following and report the status to the Commission by 30<sup>th</sup> September, 2015:

- (i) Providing publicity for educating the public on energy conservation measures.
- (ii) Introduction of comprehensive and continuing schemes for the encouragement of consumers to switch over to CFLs/LEDs.
- (iii) Implementation of notification issued by the State Govt. for Energy Audit for Large Industries.

The Petition is disposed of in terms of the above.

Sd/-

**(Gurinder Jit Singh)**  
**Member**

**Chandigarh**  
**Dated: 15.04.2015**

Sd/-

**(Romila Dubey)**  
**Chairperson**

**ANNEXURE-1**

**PUNJAB STATE ELECTRICITY BOARD  
PR Circular No. 12/1998  
Dated: 3.8.98**

**Memo No. 4388/4572/LD/PC/Jal/V-IV Dated: 3.8.98**

**Subject: Classification of Essential Services and Essential Industries.**

In suppression of this office Endst. No. 1887/1905/LD-38 dated 6.6.88 and all earlier instructions on the subject, it has been decided to include additional categories of consumers in the category of Essential service and Essential industries. In order to-smoothen application of Peak Load Hours Restrictions, the revised list of Essential services and Essential industries is given below for the guidance of the field offices:-

**A) ESSENTIAL SERVICES.**

Hospitals, Railway stations, Railway Installations, P&T Installations, Defence & Military Installations, All India Radio/T.V., water supply and sewerage installations and News Paper printing presses /News Service Installations. Peak Load Hours Restrictions and instructions of compulsory weekly off-Days are not applicable in case of these Essential Services.

**B) ESSENTIAL INDUSTRIES**

Fertilizer Plants (except N.F.L. Bathinda and N.F.L. Nangal (New)), Gas Plants, Sugar Mills, Vanspati Mills, Milk processing Plants, Breweries & Distilleries, Roller Floor mills, Railway workshops, Oil Depots/ L.P.G. Depots, Drugs & Pharmaceuticals Units, Environment Treatment Plants

(E.T.P Plants )/ Pollution Control Equipment. These Essential industries, which are being fed through Independent Feeders can avail some load during Peak Load Hours, on Payment of Peak Load Exemption Charges, with the approval of this office.

Sd/  
Director/PR&C  
for Chief Engineer/SO&C,  
PSEB, Patiala.

## **ANNEXURE-II**

### **Policy on Peak Load Hours (PLH) Restrictions and Exemptions thereto**

#### **1. Categories of consumers entitled to PLH exemptions:**

- (a) Information Technology based industries.
- (b) Essential industries and other exempted categories such as cold storages, ice factories, ice candy plants, slaughter houses, poultry farms and exclusive bread manufacturing units.
- (c) Central sector PSUs such as NFL, Railway Workshops, Punjab Govt. sponsored projects such as PACL & SIEL and cement manufacturers obtaining fly ash from the thermal plants of PSPCL.
- (d) Continuous process industries declared as such by the competent authority designated by PSPCL.

However, no PLH restrictions will be imposed on essential services approved by the Commission and industries fed from UPS, 3 phase - 3 wire and 3 phase - 4 wire feeders.

#### **2. Peak Load Exemption Charges**

All categories of exempted consumers at 1 above will be liable to pay peak load exemption charges, as applicable.

#### **3. Curtailment of PLH Exemptions**

There will be no curtailment in exemptions or enhancement of peak load restrictions in the case of any of the categories at 1 above. Situations of emergent power shortage will be met by imposition of rotational power cuts on other categories of consumers. Any increase

in PLH restrictions will be effected only with the prior approval of the Commission.

**4. Grant of PLH Exemptions to other categories of consumers**

Applications of consumers not falling in the essential industries and exempted categories enumerated above but seeking exemptions from PLH restrictions will be dealt with as below:

- (a) First preference will be given to consumers who had regularly obtained PLH exemptions in the previous years. In case adequate power to accommodate all such exemptees is not likely to be available then the permissible load in the case of all exemptees will be reduced on a pro-rata basis.
- (b) If power availability makes it possible to accommodate more consumers, then PSPCL will, one month before it proposes to impose PLH restrictions, seek applications from intending consumers and further PLH exemptions will be granted on a 'first come first served basis'.

**5. Renewal and variation of PLH restrictions**

Renewal, enhancement, reduction or withdrawal of PLH exemptions granted will be for a minimum period of one month.

**6. Grant of PLH exemptions**

PLH exemptions upto 100 KW will be granted by the concerned SE/Dy CE(Op). Exemptions in excess of 100 KW will be granted by the concerned officer designated for the purpose by PSPCL.

**7. Restricted Load**

- (a) Consumers not granted exemptions from PLH restrictions will be allowed to run a restricted load which will be determined as under:
  - (i) LS consumers (other than Arc/Induction Furnace), 10% of the sanctioned Contract Demand or 50 KW, whichever is less.
  - (ii) Induction Furnace consumers, 2.5% of sanctioned Contract Demand or 50 KW per Furnace, whichever is more.
  - (iii) Arc Furnace consumers, 5% of sanctioned Contract Demand (exempted load would be computed at 0.9 PF).
- (b) Such consumers will not require any further permission for operating restricted load when PLH restrictions are in force.

## **8. Continuous Process Industries**

- (a) The criteria for declaration of an industry as continuous process will be placed on the website of PSPCL.
- (b) Applications of consumers seeking continuous process status will be considered by a committee set up by PSPCL which will have one representative from industry to be nominated by the Commission. Where spot inspection of applicant becomes necessary, it will be carried out jointly by officer(s) of PSPCL and a representative of industry to be decided by the committee.
- (c) List of industrial consumers granted continuous process status will also be placed on the website of PSPCL.

## 9. Penalty

Penalty for violation of PLH restrictions or use of excess load than the permissible limit will be levied at the following rates:

- (a) ₹50/kW of the maximum load used in excess of the Peak Load Exemption Limit per day of first default in a block of 2 months and ₹100/kW in the second block of 2 months immediately after the first default block.
- (b) If the default occurs either during the first 'half hour' or the last 'half hour' of Peak Load Hours Restrictions period on any day, the penalty will be levied at half the rate. If, however, the default occurs both during first 'half hour' as well as last 'half hour' of Peak Load Hours Restrictions period, the penalty shall be levied at full rate.
- (c) If there is no default in any time block of two months, the next time block in which a default occurs will be treated as the 'First Time Block' and penalty levied accordingly.

**Note:** While working out violation of Peak Load Hours Restrictions any difference in the meter clock and Indian Standard Time (IST) will be taken into account and adjusted before levy of penalty.

## 10. General

- (a) Industries having similar manufacturing process will be treated similarly during PLH restrictions or grant of exemptions thereto.
- (b) PLH restrictions are presently applicable to LS consumers only.