

Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**Case No. 25 of 2010**

**In the matter of  
Petition of MSEDCL for withdrawal of load shedding in Gadchiroli District**

**Shri. V.P. Raja, Chairman  
Shri. Vijay L. Sonavane, Member**

Director (Operations),  
Maharashtra State Electricity Distribution Co. Ltd.,  
Prakashgad, Bandra (East),  
Mumbai 400 051

.... Petitioner

**ORDER**

**15<sup>th</sup> December, 2010**

M/s. Maharashtra State Electricity Distribution Co. Ltd. (“MSEDCL”) submitted a Petition under affidavit before the Commission on 1<sup>st</sup> July, 2010 seeking the Commission's permission for withdrawal of Load Shedding in Gadchiroli District.

2. The prayers made by MSEDCL are as follows:



1. *The Hon'ble Commission may be kindly permit MSEDCL to withdraw load shedding of Gadchiroli District by making appropriate arrangement of additional requirement of 32MW from available sources.*
2. *The Hon'ble Commission may pleased to permit MSEDCL to revise the petition if required."*
3. MSEDCL, in its Petition, submitted as follows:
  - i. MSEDCL is required to do Load Shedding in consultation with MERC and MSEDCL is following the principles and protocol of Load Shedding as approved by the Commission.
  - ii. Gadchiroli District is a Naxalite affected region. Any physical and / or vehicular movement during the period between dusk to dawn in this region is dangerous since there is always a threat of insurgency. It is generally observed that the normal life in this district during these hours comes to near about standstill.
  - iii. In view of above, MSEDCL with the approval of MERC is implementing planned Load Shedding in such manner that no planned Load Shedding is implemented in Naxalite affected areas during the period of 06.00 p.m. to 06.00 a.m.
  - iv. Gadchiroli District being remotely situated, distribution loss level of this region is more and collection efficiency is less. Due to this, three O&M Divisions of MSEDCL, which cater to the area of Gadchiroli District, are categorized under Group-B, Group-C and Group-D of Load Shedding Protocol and accordingly the duration of Load Shedding as per prevalent Load Shedding Circular i.e. Circular No. 30 varies between 5.00 to 6.30 hours per day.
  - v. Due to 5.00 to 6.30 hours Load Shedding during day hours and restriction on movement after 6.00 pm to 6.00 am (even though the power supply is available), the general public of Gadchiroli District is being deprived of equitable opportunity of earning livelihood as compared to the population situated in other parts of Maharashtra.
  - vi. General public situated in Naxalite affected area, initially to begin with Gadchiroli District, needs to be given a differential; rather a preferential treatment so that the



hardship faced by them can be removed to some extent. It is further submitted that 24 hour availability of power supply may create a sense of security and simultaneously will also create opportunities for people to earn their own livelihood.

vii. MSEDCL therefore prayed for permitting to withdraw Load Shedding of Gadchiroli District. MSEDCL also submitted that, additional power requirement for withdrawing Load Shedding of Gadchiroli District is 32 MW (0.38 MU) as per Scenario-IV can be provided without affecting Load Shedding time table applicable to the rest of Maharashtra.

4. The Commission, vide its Notice dated 12<sup>th</sup> July 2010, fixed a hearing in the matter on 16<sup>th</sup> July 2010 and directed the Petitioner to serve a copy of its Petition to the Principal Secretary, Energy Department, Govt. of Maharashtra and four authorized Consumer Representatives.

5. The hearing in the matter was held on 16<sup>th</sup> July 2010. Shri D. S. Bodle, Chief Engineer (Load Management) appeared on behalf of MSEDCL. Shri Subrat Ratho, Secretary (Energy), Govt. of Maharashtra was present as a special invitee. Shri Bodle reiterated the submission as made in the Petition and further submitted that additional power requirement of 32 MW will have an impact of around Rs. 75 Cr per year which will be shared by all consumers of MSEDCL.

6. During the hearing, Ms. Ashwini Chitnis of Prayas Energy Group, Authorized Consumer Representative submitted that, such arrangement will lead to increase in cross subsidy but then also by considering the peculiar condition and larger cause, MSEDCL's proposal should not be halted. The additional quantum of power required and amount involved is also not very significant. It is further submitted that, care should be taken to avoid setting of a precedent through present proposal for deviating from Load Shedding Protocol.

7. Dr. Ashok Pendse of Thane Belapur Industrial Association submitted that he supported the views expressed by Prayas Energy Group. Gadchiroli being a backward and Naxalite affected District, we need to support them. Regarding the cross-subsidisation, GoM's budgetary provisions should be the primary criteria. He repeatedly pointed out that this time it is Gadchiroli, but there can be drought in some other Districts or for some other



reasons, the demand for cross subsidy will arise and how long the other consumers should bear the cross subsidy expenditure. In view thereof he requested that the Commission should not permit MSEDCL to set any wrong precedent.

8. During the hearing, the Commission appreciated the objective in MSEDCL's proposal however, it was clarified that though the Commission was inclined to consider MSEDCL's proposal, the Commission does not want to create a wrong precedence. In this regard, it was observed that the Government of India apports funds under a scheme for welfare of Naxalite affected areas and several other schemes at State Government level may be available through which, funding for procuring additional power requirement for withdrawing Load Shedding of Gadchiroli District could be arranged. Therefore, the Commission observed that MSEDCL could approach Government of Maharashtra (Energy Department) for funding its proposal of withdrawing Load Shedding in Gadchiroli District and thereafter, MSEDCL could submit a revised Petition.

9. Subsequently, MSEDCL vide its letter dated 28<sup>th</sup> July 2010 informed that a proposal for seeking financial assistance for withdrawing Load Shedding in Gadchiroli District has been submitted to the Secretary (Energy), Govt. of Maharashtra vide its letter dated 22<sup>nd</sup> July 2010. It further submitted that on receipt of the directives on the said proposal from Government of Maharashtra, a Petition will be filed accordingly.

10. After lapse of almost two months, since no revised Petition has been filed by MSEDCL, MERC vide its letter dated 28<sup>th</sup> September 2010, requested MSEDCL to expedite its said proposal with Govt. of Maharashtra and submit its revised Petition. No response from MSEDCL was received till issue of Notice for further hearing.

11. The Commission, vide its Notice dated 19<sup>th</sup> November 2010, fixed the next hearing in the matter on 8<sup>th</sup> December 2010.

12. During the hearing held on 8<sup>th</sup> December 2010, Shri. Satish Chavan, Superintending Engineer, Load Management appeared on behalf of MSEDCL. Shri. Satish Chavan submitted that, MSEDCL has not yet received any reply from the Government of Maharashtra on its proposal for financial support for withdrawing Load Shedding in Gadchiroli District and that MSEDCL is constantly following up the matter with the Government. He further submitted that, as per existing Load Shedding Protocol i.e. Scenario-III being implemented, additional



power required for withdrawing Load Shedding in Gadchiroli District is 14.52 MW and which will have financial impact of around Rs. 25 Cr per annum.

13. Having heard the matter the Commission is of the considered view that it would be unfair to make consumers in other parts of the State to bear the costs of additional power requirement of MSEDCL for enabling it to withdraw the Load Shedding in Gadchiroli District. With this view of the matter, the Commission had indicated that Government of India has a scheme and apportions funds for welfare of Naxalite affected areas and several other schemes at State Government level may be available, through which funding for procuring additional power requirement for withdrawing Load Shedding of Gadchiroli District could be arranged. In this regard, the Commission had asked MSEDCL to approach the Government of Maharashtra (Energy Department) for funding its proposal of withdrawing Load Shedding in Gadchiroli District. The Commission had indicated that thereafter, MSEDCL could submit a revised Petition. However, it has been more than four months from the date of hearing held on 16<sup>th</sup> July 2010 that MSEDCL is yet to come back on the requirements as had been stated by the Commission. Also, MSEDCL vide its letter dated 28<sup>th</sup> July 2010 informed that a proposal for seeking financial assistance for withdrawing Load Shedding in Gadchiroli District has been submitted to the Secretary (Energy), Govt. of Maharashtra vide its letter dated 22<sup>nd</sup> July 2010. It is further submitted therein that on receipt of the directives on the said proposal from Government of Maharashtra, a Petition will be filed accordingly.

14. In these circumstances, the Commission is not inclined to keep the present matter pending as MSEDCL has not submitted the requisite information and documents that was specifically asked by the Commission. The quantum of additional power and financial impact has also changed from 32 MW to 14.52 MW and Rs. 75 Cr per annum to Rs. 25 Cr per annum respectively.



However, liberty is granted to the Petitioner to file a fresh Petition after addressing the aspect on obtaining financial assistance from the Government of Maharashtra for withdrawal of Load Shedding in Gadchiroli District.

With the above Case No. 25 of 2010 stands dismissed.

Sd/-  
(Vijay L. Sonavane)  
Member

Sd/-  
(V. P. Raja)  
Chairman



(K. N. Khawarey)  
Secretary, MERC