

# MSEB's Principles and Protocol of Load Shedding

Comments / Suggestions

By

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- We welcome MERC and MSEB's approach of conducting public hearings and transparently deciding load shedding protocol
  - Large load shedding
    - Huge inconvenience and adverse economic impact (on consumers)
- ➔ Need to
- ➔ Minimize inconvenience and losses due to load shedding
  - ➔ Adopt measures to reduce demand –supply gap

# Allocation of Load Shedding

- Allocation of load shedding should be guided by three factors
  - Economy
  - Accountability
  - Equity

- **MSEB Current Proposal - Guided only by utility economy**
  - Supply more to areas / consumers with higher revenue
  - Unwillingness to have costly supply even for short duration / Peak periods (e.g. use of liquid fuel at Uran – 350 MW additional power)

- **MSEB Proposal – Lack of accountability ..1**
  - Sudden introduction of new concepts like ATC (LT based)
  - Lack of reliable data
    - LS claims not supported with data / not monitored by any outside agency
    - Agricultural consumption – no scientific sampling and proper readings
    - Energy Audit – no detailed scrutiny / validation (by MERC or any outside agency)
    - Billing data – average billing, bill adjustments (B – 80)

## **MSEB Proposal – Lack of accountability ..2**

- **No inconvenience / responsibility on**
  - MSEB
  - MSEB employees , including MSEB board
  - State government officials
  - Ministers
- **No action on DSM**
  - 2 % fund
  - Pilot DSM schemes

- **MSEB Proposal – Lack of equity considerations**
  - Consumers paying same tariff but discriminated in load shedding (from 0 hrs. to upto 9 hrs. load shedding)
  - No restrictions on ‘luxury’ and ‘wasteful’ consumption (10 AC’s in minister’s house !)

# **Suggestions to overcome the Accountability and Equity deficit ...1**

## **Enhance Accountability Through**

- **Stringent measures for improving data reliability**
  - 11 KV feeder-wise weekly data of load shedding on the website
  - Scientific sampling of agricultural DTC metering
  - Independent validation of Energy Audit and Billing data



# **Suggestions to overcome the Accountability and Equity deficit ...2**

## Enhance Accountability Through

- Penalty for no reduction in losses
  - MSEB employees, including Chairman and Board members (e.g. no salary hike till LS and / or high ATC losses continue in that area)

# **Suggestions to overcome the Accountability and Equity deficit ...3**

- Reduce inequity ...1
  - No circle / consumers / areas should be **TOTALLY** exempted from load shedding
  - Minimum load shedding of 1 hr. / day (or 7 hrs. per week) irrespective of ATC losses and commercial considerations
  - Not more than 4 hrs. LS at a stretch

# Suggestions to overcome the Accountability and Equity deficit ...4

- Reduce inequity ...2
  - Curb luxury / wasteful consumption
    - E.g. - No AC's in any GoM office / GoM provided houses till LS continues (including Mantralaya and Ministers' bungalows)
  - Priority to reduce 8 / 9 hrs. load shedding (i.e. not to reduce LS in urban areas where it is already 3 /4 hrs.)
  - Tariff rebate for consumers with more than 6 hrs. LS

# Prayers

1. ATC based load shedding should be allowed only if accompanied with other measures to reduce 'Accountability and Equity Deficit'.
2. Ensure strict compliance through conditional approval of protocol and regular monitoring (in the presence of consumers)
3. Review, through public hearings after six months

# Typical questions in the Regulatory Impact Assessment - TERI Presentation

- What were the specific objectives of Regulatory intervention?
- Who paid the costs? Who got the benefits?
- What was the impact on the stakeholders, economy and the sector?
- Was compliance monitored and enforced?