

NEWS ON ELECTRICITY DEVELOPMENTS

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By

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1. National Level Developments

1.1 Merchant Power Plants

The Ministry of Power (MoP) has outlined a detailed plan for the promotion and development of merchant power plants (MPP). MPPs will be completely deregulated and will be able to sell power at market rates by competitive pricing and bidding. There will be no long term PPAs between the developers of MPPs and the buyers. The tariff will completely depend upon the demand and supply.

MoP has plans to facilitate setting up 24 merchant plants in the country having capacities of 500-1000 MW over the next 3-4 years. An 'in-principle' decision to allocate coal linkages, including captive coal blocks, to merchant power plants has also been taken. MoP, in consultation with the ministry of coal, has identified 15 coal blocks with estimated reserves of about 3.6 billion tonnes. Out of these, coal blocks of aggregate reserves of around 2.4 billion tonnes are expected to be considered for merchant power plants after laying down certain normative criteria. MoP would also extend assistance to MPP developers in terms of land acquisition and environmental clearances, besides transmission linkages to the grid.

1.2 Restructuring of Coal Sector

Government of India (GoI) has decided to restructure its coal industry with the help of private investment. Presently, Coal India Ltd (CIL) has sole control over the country's coal reserves. The Central Cabinet Committee on Economic Affairs gave its approval to

restructure the coal industry by inviting the domestic private sector and foreign direct investment. The new guidelines of the coal ministry have opened up the way for up to 100 percent foreign direct investment in some selected areas of the country's coal sector, one of the most important energy sector.

1.3 Delhi

1.3.1 Tariff issues

July onwards, Delhi is to have differential tariffs based on the performance of the distribution utility in the area. Consumers will have to pay a lower tariff if the distribution company in the area has lower transmission and distribution (T&D) losses. The move is an attempt to penalize/incentivize utilities to be more efficient and consumers to be more vigilant.

The changes, if introduced, would mean that consumers getting electricity from BSES Yamuna Power Ltd (BYPL) would pay more than consumers getting services from BSES Rajdhani Power Ltd (BRPL) and North Delhi Power Ltd (NDPL). In the case of BYPL, the loss is 43%, as against BRPL and NDPL losses of 35% and 26.52%, respectively.

The Delhi Cabinet also wants to introduce differential power tariff for peak and off-peak hours for domestic consumers and conserve energy and has asked the Delhi Electricity Regulatory Commission (DERC) to explore how and when peak and off-peak tariff could be introduced in the city. Tariff rates for off-peak hours would be substantially lower than those during peak hours. However, meters and other logistics to reliably measure the peak/off-peak

energy need to be put in place before such differential tariff is implemented.

In other developments, the Supreme Court has asked DERC to raise the depreciation rate to be used for calculating depreciation expenses of the Delhi utilities from the current 3.75% to 6.69%. Domestic power consumers may have to bear a 10 to 12 per cent tariff hike in 2007-08. The rate per unit consumption of power could go up by between 30 and 50 paise per unit across the three slabs of energy charges.

In the tariff orders for FY 2002-03, 2003-04 and 2004-05 DERC had reduced the depreciation rate for the Delhi utilities to 3.75%. This decision was challenged by the discoms in the Appellate Tribunal for Electricity (ATE) with the demand that depreciation be allowed at 6.69%. ATE upheld the utilities argument and had allowed higher depreciation rate. Challenging this decision by the ATE, DERC had moved the Supreme Court in September 2006. However, the Supreme Court also has upheld the plea of private discoms to change the depreciation rate to 6.69%. While dismissing DERC's appeal, the Supreme Court stated that due to inflation they had to consider the cost of replacement as opposed to the historical cost. It also opined that DERC's order was against MoP's 1992 and 1994 notifications.

1.3.2 Other consumer issues

DERC is conducting a consumer satisfaction survey with the help of M/s TNS (India) Private Limited. The survey, which focuses on domestic electricity users, seeks responses on issues like the electricity problems that

consumers face frequently, their perception about electronic meters and whether they have faith in them. It also asks consumers if they have faced billing errors and if the bills come on time, how often they face bill-related problems, whether they register their complaints with distribution companies and what the latter's response is.

The survey will seek responses from 12,000 electricity consumers, 6000 of whom have already been interviewed. The responses indicate that load shedding continues to be the main problem in Delhi. Inaccurate electricity bills, electronic meters running too fast were other major grievances reported by consumers. The survey also showed that power users were not satisfied with the grievance redressal mechanism of the distribution companies.

The Delhi Government has set a deadline of May 31 for the Delhi Electricity Regulatory Commission (DERC) to finalise the "performance and supply codes" for distribution companies. Strict penalties would be levied on distribution companies for deficient services. For instance, the discoms would have to compensate the consumer at one per cent per day of whatever amount he or she has deposited for a new connection if they (discoms) fail to provide a new connection within 30 days of application. Similarly, if an electricity bill is late by two months, discoms will have to give a discount of Rs 50 in the next billing cycle to the consumers. For any wrong bill received by the consumer, discoms will have to pay a maximum compensation of Rs 750. Discoms will also be penalized Rs 50 per day if they resort to load shedding more than what is announced.

1.4 Ultra Mega Power Projects (UMPP)

MoP is promoting ultra-mega projects – an initiative to build around seven large power stations of 4,000 MW each across the country. The projects will be built via the international competitive bidding route and the lowest bidder for generation tariff will be awarded the project. Power Finance Corporation (PFC) has been identified as the nodal agency for carrying out the bidding process. PFC would form its shell companies which would facilitate land acquisition, fuel linkages and financial tie-up for the project.

The bids for the first two 4,000 MW ultra mega power projects at Mundra and Sasan were won by Tata Power and Lanco Power respectively. Mundra and Sasan are expected to go on stream during the Eleventh Plan period (2007-12), while bidding for the other five projects will open in 2007.

PFC had received six bids for the Mundra power project in Gujarat that would be run on imported coal. Tata Power Company (TPC) won the financial bid. The tariff for power submitted by TPC was Rs. 2.26 per unit, which beat the tariffs submitted by other competitors. Following is the list of bids submitted by other competitors:

- Essar - Rs. 2.801/kwh
- L&T - Rs. 3.22/kwh
- Reliance Energy Ltd - Rs. 2.66/kwh
- Sterlite - Rs. 3.745/kwh
- Adani Exports Ltd - Rs. 2.69/kwh

Ten bidders were selected for the pithead coal plant to be located in Sasan in Madhya Pradesh. The Globeleq

Singapore -Lanco Infra combine won the financial bid.

The tariff for power submitted by Lanco was Rs. 1.196 per unit which beat the tariffs submitted by other competitors. Out of the ten bidders which had been selected for bidding only nine were allowed to bid as Torrent Group was disqualified from the bidding process. Following is the list of tariffs submitted by other eight competitors:

- NTPC - Rs. 2.1/kwh
- Jindal - Rs.1.79/kwh
- Essar - Rs. 1.65/kwh
- Reliance Energy Ltd - Rs. 1.3/kwh
- Sterlite - Rs. 1.75/kwh
- L&T - Rs. 2.25/kwh
- Tata Power - Rs. 1.412/kwh
- JaiPrakash Group - Rs. 1.65/kwh

However, the project at Sasan won by the Globeleq Singapore- Lanco Infra combine is facing serious problems due to recent developments relating to the change in ownership of Globeleq Singapore from Globeleq Ltd, UK to Lanco Infra and Jindal Steel and Power Ltd (JSPL). The bid for Sasan therefore, may eventually end up going back to the bid evaluation committee, formed by the PFC for award of ultra mega power projects.

In case of any violations in the bid criteria, the evaluation committee may reconsider its decision to award the contract to the consortia of Lanco-Infra and Globeleq Singapore with Jindals as one of the new promoter of Globeleq Singapore. In the winning bid of Lanco and Globeleq Singapore, the latter was the lead developer of the project. Globeleq Singapore had the backing of Globeleq Ltd, UK and was qualified as

the lead developer on the technical strengths of its parent company.

After the acquisition of Globeleq Singapore by Lanco and JSPL, in the ratio of 60:40, the new promoters have informed the PFC that it will be JSPL who will provide the technical and financial support to Globeleq Singapore in executing the project. Whether this change is permitted is what PFC is currently looking into. Reliance Energy Ltd (REL) (second lowest bidder for the project), has already objected to the change in the lead developer of Sasan in a letter to MoP and PFC.

Things seem to be moving smoothly for the Mundra project however. All the required clearances for the project (such as land acquisition, environmental clearance etc) are likely to be in place by June 2007. After this, Coastal Gujarat Power, the Special Purpose Vehicle (SPV) for the project, will be dissolved and project developers — TPC will take over. Mundra UMPP envisages a capital investment of about Rs 15,000 to 17,000 crore. The unit will be fired using imported coal and will use sea water for cooling.

1.5 Budget 2007

In the budget, the power sector has been granted the budgetary support of Rs.5,483 crores as against the proposal of Ministry of Power for Rs. 9,228 crores. The total outlay for Ministry of Power is Rs. 33,153 crores which includes a support of Rs.5,483 crores and Internal and Extra Budgetary Resources (IEBR) of Rs. 27,670 crores.

Rs. 3,983 crore is earmarked for Rajiv Gandhi Grameen Vidyutikaran Yojana

(RGGVY), the program towards achieving the objective of providing access to electricity to all villages and rural households till 2009. While this amount is higher than the previous year's allocation Rs. 3,000 crores for the scheme, it is substantially lower than the MoP's demand of Rs. 8,000 crores.

Accelerated Power Development and Reforms Project (APDRP) is being restructured to cover all district headquarters and towns with a population of more than 50,000. Budgetary support for APDRP has increased from Rs.650 crore to Rs.800 crore. The budget has also given emphasis on facilitating setting up of merchant power plants by private developers and private participation in transmission projects. The Budget statement also expects that at least two more Ultra Mega Power Projects would be awarded by July, 2007. The budget provides a support of Rs. 707 crores for project/schemes for the development of North East by Public Sector Units (NEEPCO).

26 coal blocks with reserves of 8,581 million tonnes and four lignite blocks with reserves of 755 million tonnes have been allotted to Government companies and approved end users; definition of specified end use is enlarged to include underground coal gasification and coal liquefaction.

1.6 Amendment of Electricity Act 2003

The Government of India (GoI) is considering a move to amend the Electricity Act 2003 again, this time making power theft a non-bailable offence and increasing the jail term

slapped on an offender guilty of power theft. The move is seen as an attempt at trying to curb the large incidences of power theft reported from all across the country. The loss to government exchequer as a result of the electricity theft is estimated at nearly Rs 8000 crore. The proposal may be cleared in Parliament's next session. It is expected that the government would be able to take stringent action against incidences of power theft – especially by consumers that indulge in large scale power pilfering.

1.7 10th Plan and 11th Plan

The government is falling short of its target of adding 32,804 MW of power generating capacity during the 10 Plan period which ends in March 2007. MoP's revised estimate for capacity addition shows that only 23,250 MW will be added during the Plan period ending March 31, 2007. The Central Electricity Authority (CEA) anticipates an even lower achievement of 20,387 MW. Till the first week of February, only 18,505 MW of additional capacity had been commissioned. All three segments — central, state and private — have failed to meet their targets, leading to a massive gap. Though there is a massive gap between the targets and achievement in the 10th plan, the 5.2% rate at which generating capacity has grown in this period is much higher than that at which it grew in the previous five-year period. Following are the key highlights for the 11th plan:

The Planning Commission and MoP have planned a capacity addition of about 70,000 MW in the 11th plan period entailing an investment of \$50 billion. MoP has decided that the capacity

addition through gas based projects would be minimal (2,100 MW), while apart from coal-based projects, stress could be given on non-conventional resources and nuclear power.

Out of the 70,000 MW capacity addition that is planned (69,260 MW to be precise) over the next five years, approximately, 16,000 MW is expected to come from hydro power projects, 46,600MW from coal-based ones, 1,400 MW from lignite projects, 2,100 MW from gas-based projects and 3,160MW from nuclear power plants. The 68,870MW target is expected to be largely met by the central sector or plants that are owned by public sector companies controlled by the Central Government. The 11th Plan would set a target of bringing down distribution losses in the power sector from the current 38% for the country to 15%. For the Eleventh Plan Rs 11,000 crore has been set as target for investment by the private sector in transmission. Coal India Ltd (CIL) has planned an investment of Rs 15,600 crore in the 11th plan to raise coal output from its current 363 million tonnes to 520 million tonnes.

According to a report prepared by MoP, to keep the Indian economy growing at the current growth rate of 9.5%, the country's power generation capacity will have to grow at a similar pace. The report sees a 1:1 correlation between Gross Domestic Product (GDP) growth and addition of power generation capacity in the initial years of the Eleventh Plan, which starts in 2007.

2. Developments in Maharashtra

2.1 Load Shedding

For the last few days Maharashtra has been reeling under heavy load shedding. This has happened due to an increase in the power demand to over 16,000 MW (for the entire state including Mumbai) increasing the daily peak hour deficit to about 5,700 MW. In addition to the demand increase, Maharashtra State Electricity Distribution Company Ltd (MSEDCL or MahaDiscom) cites the reduction in available capacity from a few generating stations as the main reason for the crisis.

There have been many protests and violent outbursts in several parts of the state against the scheduled and unscheduled load shedding resorted to by MSEDCL. MSEDCL had filed a petition requesting an increase in the hours for load shedding following the crisis situation. The Maharashtra Electricity Regulatory Commission (MERC) held a public hearing on the 15th of February on the issue. Validity of the MSEDCL's figures of planned load shedding of more than 4000 MW on a continuous basis along the day was questioned by a few objectors.

Following the hearing the MERC passed an order giving the permission for change in the load shedding protocol in the absence of any immediate solution to the power crisis. MSEDCL is to increase with immediate effect the daily load shedding from 12 hours to 14 hours in remote areas and villages, while in Mumbai's eastern suburbs, Navi Mumbai, Thane, Nagpur, Aurangabad, Nashik for three and half hours to five hours from the present level of two and

half hours to four hours. Moreover, in small towns the load shedding would range between six and half hours and eight hours from the present level of four and half hours to six hours.

When the power shortfall in the state had reached its highest, MSEDCL had introduced a second staggering day in a week (no power day) for industries. However, MSEDCL has now announced the removal of the second staggering day claiming that the demand supply gap has reduced by 1000 MW. There has been augmentation of supply by 400 MW - 100 MW from Haryana and 100 MW from the Kawas power plant of the National Thermal Power Corporation (NTPC) from the unused quota of Gujarat and Madhya Pradesh, Maharashtra State Electricity Generation Company Ltd's (MahaGenco) plants at Chandrapur, Parali and Koradi, which had been closed, have started generating 200 MW - thereby improving the power availability by 400 MW. Moreover, according to MSEDCL its current demand is also reduced by about 600 MW – from 14500 to 13900 MW.

2.2 Franchisee Issues

2.2.1 Bhiwandi

Torrent Power, which has been awarded the loss-making Bhiwandi circle with transmission and distribution losses of over 45% for the next 15 years has been receiving threats from the locals and has approached the state government for a bail-out. The load shedding has been increased from 8 to 12 hours from February 7 by the MSEDCL following the burgeoning power deficit. The distress load shedding has attracted

wrath from the locals who have blamed Torrent for the present situation.

The police have sent out a communication to the company saying that since Torrent has taken over the power distribution from January 26 there has been rise in the load shedding. Police have predicted that it may turn into a major law and order problem. During the Maharashtra Electricity Regulatory Commission (MERC) public hearing heard on the issue of load shedding, Torrent Power pleaded that the load shedding in Bhiwandi should not be increased as it would unjustly lead to public outcry against the company and subsequently the failure of the franchisee model that the state is trying to implement. The company has also filed a separate petition before the MERC for granting relief from load shedding.

The company stated that due to non availability of power there has been a distress load shedding of 733 hours on different feeders in Bhiwandi accounting for 19% of the total outages in Bhiwandi. According to the company, there has been under frequency-based load shedding operated by MSEDCL due to network constraints. When the frequency goes below 48.79 Hz, two feeders of Bhiwandi are switched off and restored only when the frequency goes above 49.2 Hz.

2.2.2. MERC discussion paper on Franchisee Model

Maharashtra Electricity Regulatory Commission (MERC) has sent a discussion paper to the state government. In the paper, MERC has suggested to adopt a franchisee model where private sector entities would be allowed to set

up small power plants at various places, undertake its distribution and collect payment from the consumers.

MERC has argued that with power shortfall climbing from around 1,000 MW in 2001-02 to 4,200 MW in 2005-06, (and further to 5,700 MW now) there is an urgent need to augment power production and installation of short-gestation generation capacity. It has also recommended use of non-conventional sources such as small hydro, wind and biomass. As per its estimates, the franchisee model plants could generate over 7,000 MW of power.

MERC argues that the new system will make generation available at the consumer end and thus reduce T&D losses. While the model calls for increased private participation, MERC argues that it will not result in privatization per se, as ownership of the system will still be vested with the government in the franchisee model.

According to MERC, new small power plants can be located with relative ease as the land requirements will be lower. MERC has said the proposed scheme is based on the principles of Public Private Partnership (PPP) model. Maharashtra State Electricity Distribution Company Ltd (MSEDCL) will permit private sector organizations to utilize the distribution assets of the licensee, located in a designated area.

2.3 MERC Issues

2.3.1 Multi Year Tariff

Multi-Year Tariffs would be applicable in Maharashtra from April 2007 (i.e. FY 2007-08). Maharashtra Electricity

Regulatory Commission (MERC) would decide the tariffs for three years together i.e. from FY 2007-08 to FY 2009-10. Accordingly, utilities (Maha Discom, Maha Transco, Maha Genco, TPC, BEST and REL) have filed the MYT applications before MERC and MERC has already started processing these petitions. For preliminary validation of the petitions and data submitted by the licensees and for identifying key data gaps and inconsistencies, MERC holds a technical validation session for every licensee before the petition is made public. Consumer representatives are also involved in these sessions. Technical validations for MahaGenco, MahaTransco, MahaDiscom and BEST undertaking took place January while those for REL and TPC were held on 6th Feb and 13th Feb 2007 respectively. MahaDiscom has asked for a tariff hike of about Rs 3943 Cr (27%) for FY 2007-08 whereas REL has sought for an increase of more than 20% (Rs 615 Cr) for FY 2007-08. Public hearing for BEST undertaking was held on 27th Feb while hearings for MahaGenco and MahaTransco took place on 28th Feb 2007. Unfortunately, public participation in these hearings was very poor and only 3 objectors presented their views on MahaGenco and MahaTransco proposals each. Public hearings for MahaDiscom will be held at multiple locations across the state such as Pune, Amravati, Nagpur, Nashik etc and will start from 4th March 2007. Hearing for REL is scheduled on 21st March.

2.4 Other Issues

2.4.1 Dabhol CCGT Power Plant

The present owners of Dabhol Power Company - Ratnagiri Gas & Power Pvt.

Ltd. (RGPPL), have proposed to run the 700 MW block III of the plant (a third of the total generating capacity of the entire plant) as a merchant plant to offset losses from its other generating units. The proposal was accepted by the finance ministry and will be forwarded to the empowered group of ministers (EGoM), headed by the external affairs minister.

As the project cost has escalated to over Rs 12,000 crore (an escalation of over Rs 1000 crore), financial institutions have suggested that a third of the power from the plant be sold in the market to the highest bidder as the price thus obtained would be higher than what MSEDCL is willing to pay. The price of power from the merchant facility would be around Rs 4 per unit while MSEDCL is expected to buy power at Rs 3.30 per unit. The Government of Maharashtra (GoM) and MSEDCL have decided that they would oppose any move to allow Ratnagiri Gas & Power Pvt. Ltd. to trade 700 MW. However, it is not ready to pay the fixed cost of 106 paise per unit being demanded by the RGPPL; GoM has offered 96 paise per unit.

2.4.2 Power supply

Power supply in the Konkan region and Western Maharashtra had been affected following a grid failure on 25th February 2007. The 400 KV Padgha-Nagothane line tripped while being charged up, resulting in a shutdown of power generating units in Chandrapur, Parali, Karadi and Nashik, which resulted in the power failure according to MSEDCL.

Following the power failure, the Maharashtra Electricity Regulatory Commission (MERC) has issued notices

to power utilities in the state seeking a report on the reasons for the same. The notices have been sent to Maharashtra State Power Generation Company (MahaGenco), Maharashtra State Distribution Company (MahaDiscom), Tata Power Company (TPC) and Reliance Energy (REL). A single member committee comprising of Director (Operations) of MahaTransco has been constituted to investigate the outage.

2.4.3 Ultra Mega Power Project in Sindhudurg

MoP announced that the ultra mega power project planned at Girye village in the coastal Sindhudurg district of Maharashtra might have to be shifted from its present location at due to "problems" over land acquisition. The state government reportedly has received a few complaints from locals about the project ruining their mango cultivation.

The state government had earlier indicated that implementation of the 4,000 MW project would be difficult, given concerns over rehabilitation of the local population. The Centre has given the responsibility of acquiring land for ultra-mega power projects to the states. The site in Sindhudurg district was identified based on the report submitted by National Remote Sensing Agency, Hyderabad in consultation with GoM as one of the potential site for development of coastal mega power project of 4,000 MW. Konkan Agriculture University at Dapoli may undertake a study of the possible adverse impact of carbon emissions from the upcoming ultra mega power project at Girye on the local mango crop.

2.4.4 Long term power purchase through competitive bidding

MahaDiscom had filed a petition before MERC for purchasing 4000 MW of power on a long term basis through competitive bidding route. Previously, MahaDiscom had approached MERC for approval of 2000 MW of long term purchase through competitive bidding. The Commission found many deficiencies in MSEDCL's proposals such as the demand forecast proposed by MSEDCL was based on certain assumptions and not acceptable to MERC. MSEDCL was ordered to submit a scientific and robust demand forecast for the state for coming years. However, despite repeated directions such a forecast was not submitted. MERC order on this issue of purchase of 4000 MW is awaited.

2.4.4 Infrastructure Plan of MSEDCL

MSEDCL had submitted infrastructure plan to MERC for next 3 years renovation and expansion of its distribution system in Maharashtra. Total capital investment proposed by MSEDCL was about Rs 15,000 Cr. MERC found many deficiencies in the original Detailed Project Reports (DPR) submitted by MSEDCL. Upon scrutiny of the reports and other information made available by MSEDCL, MERC has given in-principle clearance to the investment scheme in Ahmednagar Rural Division amounting Rs 111 crore. MERC has also cleared in-principally APDRP and DRUM projects for Aurangabad Urban division amounting Rs 147 crore.

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Sources

1. News reports from several National and Marathi newspapers
2. Website of Ministry of Power: www.powermin.nic.in
3. Website of Central Electricity Regulatory Commission: www.cercind.org
4. Website of Central Electricity Authority: www.cea.nic.in
5. Website of MERC: www.mercindia.org.in
6. Website of Prayas (Energy Group): www.prayaspune.org/peg

Glossary of Terms

ABT	Availability Based Tariff
ADB	Asian Development Bank
APDRP	Accelerated Power Reforms and Development Program (initiated by MoP with an objective to revamp the electricity distribution)
ARR	Annual Revenue Requirement
ATE	Appellate Tribunal for Electricity
BST	Bulk Supply Tariff
CCGT	Combined Cycle Gas Turbine (based power plant)
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPP	Captive Power Project
Crore	10,000,000 (10 millions)
CSIs	Civil Society Institutions
DISTCOM/ DISCOM	Distribution Company
DSM	Demand Side Management
FDI	Foreign Direct Investment
Financial Year	Indian Financial Year - 1 st April to 31 st March. Typically represented as FY 98-99 etc.
GENCO	Generation Company
GoI	Government of India
GoM	Government of Maharashtra
GRF	Grievance Redressal Forum
HP	Horse Power (1 HP = 746 Watts)
HT	High Tension (or High Voltage)
HVDC	High Voltage Direct Current
Hz	Hertz
IPPs	Independent (Private) Power Producers
IPS	Irrigation Pump Sets
IRP	Integrated Resource Plan (usually implying a least-cost plan that takes an integrated view toward all energy options)
kCal	Kilo Calories
kg	Kilograms
kV	Kilo Volt

kVA	Kilo Volt Ampere
kW	Kilo Watt
kWh	Kilo Watt Hour
LNG	Liquefied Natural Gas
LT	Low Tension (or Low Voltage)
MDBs	Multilateral Development Banks (such as the WB and ADB)
MERC	Maharashtra Electricity Regulatory Commission
MoP	Ministry of Power
MoU	Memoranda of Understanding
MP	(The Indian state of) Madhya Pradesh
MSEB	Maharashtra State Electricity Board
MSEDCL	Maharashtra State Electricity Distribution Company Ltd (Distribution Company of MSEB after unbundling)
MSETCL	Maharashtra State Electricity Transmission Company Ltd (Transmission Company of MSEB after unbundling)
MSPGCL	Maharashtra State Power Generation Company Ltd (Generation Company of MSEB after unbundling)
MU	Million Units (million kWh)
MW	Mega Watts
NGOs	Non-Government Organisations
NHPC	National Hydro Power Corporation
NPC	Nuclear Power Corporation
NTPC	National Thermal Power Corporation
O&M	Operation & Maintenance
PFC	Power Finance Corporation (a GoI-owned financing agency for the power sector)
PLF	Plant Load Factor (also called Capacity Utilisation Factor)
PTC	Central Power Trading Corporation
R&M	Repair & Maintenance
RBI	Reserve Bank of India
RC	Regulatory Commission
REC	Rural Electrification Corporation, New Delhi
REL	Reliance Energy Limited
Rs	Rupees (Indian currency)
SEBs	State Electricity Boards (vertical monopoly power utility owned by the state government)
SERC	State Electricity Regulatory Commission
T&D	Transmission and Distribution
TEC	Techno Economic Clearance
TOD	Time-Of-Day
TPC	Tata Power Corporation
TRANSCO	Transmission Company
WB	The World Bank group