

● PRAYAS

Initiatives in Health, Energy,
Learning and Parenthood



Amrita Clinic, Athawale Corner, Karve Road Corner, Deccan Gymkhana, Pune 411 004; INDIA

Tel.: (020) 65205726; Fax: (020) 2542 0337. E-mail: energy@prayaspune.org Web-site: www.prayaspune.org

May 21, 2012

To,
The Chairman,
MERC, Mumbai

Subject: Prayas submission in the matter of Load Shedding Circulars No. 43 and 44 (with corrigendum)
issued by Maharashtra State Electricity Distribution Co. Ltd

Ref: Hearing dated May 16 2012 in case No 41 of 2012

Dear Sir,

With reference to the above mentioned matter, a hearing was undertaken on 16th May 2012 for which we were present and have submitted our comments. Based on the discussion during the hearing and commission's decision regarding appointing a committee in this regard, our submission is as below.

1. Load shedding is a serious issue which not only causes great discomfort to consumers but also has a direct bearing upon utility's losses and power purchase expense and planning. Therefore, acknowledging this importance of load shedding, MERC in the last several years has taken steps towards developing a rational, transparent and accountable process for the same. Further, the jurisdiction and responsibility of the commission in this regard has also been upheld by both ATE and the Supreme Court and is a legally settled issue.
2. Time is a critical factor in this process, as load shedding is especially bothersome during the summer season when supply is limited and demand is high and hence issue of accountability becomes even more prominent. Once the monsoon sets in, the demand reduces drastically and usually load shedding becomes an insignificant issue. The proposed change in the protocol by MSEDCL will affect the planned load shedding hours during this critical summer period, when the supply availability matters most.
3. As submitted by us during the hearing and through our letter prior to it, the said circulars (no 43 and 44) in our opinion are in violation of the commission's order as well as ATE judgment in this regard. We were hopeful that the commission will insist upon compliance with the due process defined in its own orders and the ATE judgment and in keeping with the regulatory tradition in Maharashtra regarding load shedding issue, deal with this matter sensitively and urgently.
4. Our hopes were further encouraged when the commission, we felt based on urgency of the matter, scheduled a suo-motu hearing in this regard on 16th May 2012. But unfortunately, during the hearing the commission failed to take any clear stand regarding the legal validity of the changes made to the protocol and instead decided to appoint a committee. The committee was asked to submit report by 5th June and the next hearing is scheduled on 22nd June 2012 (i.e. when monsoon is expected to have arrived). Further, without giving any decision regarding which protocol should be followed during this critical summer period of next one month, the commission seems to have implicitly accepted the unilateral change made by MSDCL, thus

making the committee's work irrelevant and un-necessary in the context of the subject of this suo-motu matter.

5. Considering this we are unable to participate in the said committee.
6. As we have mentioned before, in case MSEDL wants to propose any changes to the prevailing protocol, it should file a separate petition and the same can be decided by the commission after undertaking due regulatory process. In case of such a process, a committee may have a role in analyzing data and information adequacy of the proposal but not in the present matter.
7. As submitted by us before, the onus of ensuring transparency and accountability of the utility in undertaking load shedding process rests upon the commission. Needless to mention that the commission should insist upon and ensure due compliance with its orders and directives in letter and spirit. We therefore urge the commission to clearly and immediately, pronounce its views regarding the unilateral change in Load shedding protocol implemented by MSEDL.

We request the commission to take this submission on record.

Thanking you.

Sincerely

Ashwini Chitnis & Shantanu Dixit
Prayas Energy Group