

**Proposal for approval of Restriction and Control (R&C) measures
and Higher charges for non compliance**

The distribution licensees would like to bring to the notice of the Hon'ble Commission that the state has been facing acute power shortage situation since September in this financial year. This has compelled the DISCOMs to resort to following Load Restrictions, in order to maintain satisfactory Grid conditions in an energy deficit situation.

The prevailing load restrictions across customer categories due to the above deficit since September are as follows:

Residential	<ul style="list-style-type: none">• 2 hours restriction in the city of Hyderabad• 4 to 6 hours of restriction in Municipal Corporations and District Head Quarters• 6 to 8 hours of restriction in Municipalities and Mandal Head Quarters• Only night supply to villages besides lighting load during agriculture supply
Agriculture	<ul style="list-style-type: none">• Best efforts are made to supply 7 hours to agriculture. However, there are restrictions during day time which is being compensated during night time
Industry	<ul style="list-style-type: none">• 1 day cut besides weekly cut to all industries• Peak load restriction during 6.30 PM to 10.30 PM to all industries <p>Continuous process industries</p> <ul style="list-style-type: none">• Restriction to 60%/70% of contracted demand

The above is subject to grid conditions and varies based on availability of thermal stations, purchase of power from exchange and grid frequency.

It is further submitted to the Hon'ble Commission that, the deficit situation is expected to deteriorate further during the period from January 2012 to May 2012 due to the following:

- **Unavailability of Hydel Capacity during Rabi Season:** Due to severe drought conditions during the year and excess usage of hydel power due to coal shortage during the strike by employees unions of the Singareni Collieries Company Limited.
- **RIL D-6 gas shortfall:** The gas supply from RIL has dropped significantly from a firm allocation of 75% to around 55% for IPP's. Due to this, shortage of generation capacity around 1100 MW than what has been projected in last tariff order.
- **High Agriculture demand during Rabi Season:** Agricultural consumption during Rabi season is expected to remain high due to drought condition prevailing in the state.

- **Transmission Corridor Constraints:** Inter– regional transmission capacity is very limited during the rabi season i.e. Jan- May 2011. Currently, APDISCOMs have got only 540 MW capacity against request of 1400 MW and the same is expected to reduce further in case allocation of power from NTPC Jajjer to beneficiaries of southern region.

Projected Requirement - Supply Estimates for the period Jan 2012- May 2012

Revised Requirement, Supply and deficit of Energy position in the state is as shown in the table below:

Month	Projected Requirement (MU)	Anticipated Supply (MU)	Energy Deficit during the month (MU)	Aveg. Daily Energy Deficit during the month (MU)
Jan '12	8,060	7,316	(744)	(24)
Feb '12	8,370	7,595	(775)	(25)
Mar '12	8,990	7,316	(1,674)	(54)
Apr '12	8,372	6,590	(1,782)	(59)
May '12	7,611	6,702	(909)	(29)

Given this backdrop, the distribution utilities would like bring to the notice of the Hon'ble commission that APDISCOMs have no option but to continue Load Restriction measures based on the grid conditions.

The DISCOMs also propose the following R&C measures to manage the severe power deficit and grid conditions.

Proposed R& C measures for the period Jan-May 12

Following R&C measures are proposed on HT Consumers (except Railway Traction, CPWS and LI schemes) and LT-Industry consumers.

Restrictions on Maximum Demand and Energy consumption

Month	Maximum Demand				Energy Consumption
	Off peak period (0000 to 1800 Hrs and 2200 to 2400 Hrs)		Peak period (1800 to 2200 Hrs)		Permitted Energy Consumption
	Load Relief (LR) % on CMD	Permitted Demand Limit (PDL) % on CMD	Load Relief (LR) % on CMD	Permitted Demand Limit (PDL) % on CMD	
(1)	(2)	(3)	(4)	(5)	(6)
Jan – 12	30%	70%	80%	20%	70% of Avg. monthly base consumption

Feb – 12	30%	70%	80%	20%	70% of Avg. monthly base consumption
Mar – 12	40%	60%	90%	10%	60% of Avg. monthly base consumption
Apr – 12	40%	60%	90%	10%	60% of Avg. monthly base consumption
May – 12	30%	70%	80%	20%	70% of Avg. monthly base consumption

Definitions of demand and consumption limits are as shown below

- Permitted Demand Limit (PDL) = As shown in Columns (3) & (5) of above Table.
- Maximum Demand Limit (MDL) = 100% * CMD
- Permitted Consumption Limit (PCL) = As shown in Columns (6) of above Table
- Maximum Consumption Limit (MCL) = 100% * Avg. monthly base consumption.

Calculation of Avg. monthly base consumption (ABC)

The Average monthly base consumption of a consumer will be calculated for a consumer under various circumstances as under:

Circumstance	Avg. monthly base consumption
For consumers who have operated during the period from Jan 2011 to May 2011	Avg. monthly consumption of {Jan, Feb, Mar, Apr, May} ₂₀₁₁
For new consumers who have come up after May 2011	Avg. consumption of starting month to Nov-2011
For consumers who have enhanced their CMD after May 2011	Avg. consumption of {Jan, Feb, Mar, Apr, May} ₂₀₁₁ pro-rated with new CMD

The Avg. monthly base consumption (ABC) figure as calculated based on the above formulae will be constant during R&C period.

Applicable Charges during R&C Period:

Demand Charges:

Recorded Demand of a Consumer/ Captive/ Scheduled Consumer	Applicable Demand Charges
Recorded Demand < PDL	Normal Demand Charges up to PDL
PDL < Recorded Demand < MDL	Normal Demand Charges upto PDL and 3 times of normal demand charges for excess demand recorded over PDL up to MDL

MDL < Recorded Demand	Normal Demand Charges upto PDL and 3 times of normal demand charges for excess demand recorded over PDL upto MDL and 4 times of normal demand charges for excess demand recorded over MDL
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Energy Charges:

Energy Consumption of a Consumer/ Captive/ Scheduled Consumer	Applicable Energy Charges
Energy Consumption < PCL	Normal Energy Charges up to PCL
PCL < Energy Consumption < MCL	Normal Energy Charges upto PCL and 3 times of normal energy charges for excess energy consumption over PCL up to MCL
MCL < Energy Consumption	Normal Energy Charges upto PCL and 3 times of normal Energy charges for excess energy consumption over PCL upto MCL and 4 times of normal Energy charges for excess Energy consumption over MCL

The above tariff rates (higher than normal tariff rates) shall not be attracted in respect of the quantum of the Demand /Energy that is availed by a consumer in pursuance of a separate mutually consented agreement of purchase of power from the licensee at mutually agreed rates.