

CENTRAL ELECTRICITY REGULATORY COMMISSION
3rd & 4th Floor, Chanderlok Building, 36 Janpath, New Delhi – 110 001

PRESS RELEASE

20th February, 2009

CERC takes a serious view of overdrawal from grid

CERC has been continuously keeping a close watch on the cases of overdrawals from the grid particularly during the period of low frequency in the interest of grid security and safety. Weekly reports from RLDCs are being obtained about the states who indulge in overdrawal from the grid when frequency is at or below 49.0 Hz. In a number of cases of significant overdrawal during low frequency, CERC has imposed penalties on the defaulting utilities and has also issued show cause notices to the Managing Directors/CEOs of the defaulting utilities. Now, CERC has made quarterly reports about supply management planning mandatory and the non-submission of reports would attract penalty under the Electricity Act, 2003.

In a case relating to southern region, CERC in its order imposed penalty of Rupees one lakh each on Transmission Corporation of Andhra Pradesh Ltd., Karnataka Power Transmission Corporation Ltd., Tamil Nadu Electricity Board and Kerala State Electricity Board. In addition to dealing sternly with the defaulting utilities, the Commission had instructed all the State Transmission Utilities to furnish information regarding their plans to meet the forecast consumer load in January'09.

The reports received from utilities were examined and the Commission was satisfied that the exercise can serve as an effective mechanism for ensuring proper planning by the state utilities as well as for curtailing the overdrawal from the grid which off late has been acquiring devastating proportion. The Commission is anticipating that these reports would also provide data for evaluating the post event performance of the state utilities.

Accordingly, the Commission has decided to make the report of short-term planning for meeting the forecast demand a regular feature and has directed all the State Transmission Utilities including State Electricity Boards and Electricity Departments to submit the report under intimation to their respective State Commissions and State Governments and also the RLDCs, for the first week of every quarter in a month advance. The Commission has also made clear that any laxity in submission of the report shall amount to non-compliance of the order of the Commission as well as the provisions of the Indian Electricity Grid Code and thereby render the defaulting utility liable for appropriate action under the Electricity Act, 2003. The Commission's order in Petition No. 89/2008 is available on its website www.cercind.gov.in.

Sd/-
Secretary