

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri R.Krishnamoorthy, Member**
- 3. Shri V. S. Verma, Member**

**Petition No137/2008  
(Suo motu)**

**In the matter of**

Maintenance of Grid Discipline – Compliance of provisions of the Indian  
Electricity Grid Code.

**And in the matter of**

1. Tamil Nadu Electricity Board, Chennai
2. Shri S. Machendranathan, Chairman (Formerly)  
Tamil Nadu Electricity Board, Chennai

**... Respondents**

**The following were present:**

1. Shri S. Machendranathan, Chairman (Formerly), TNEB
2. Shri V. Chandran, TNEB
3. Shri V.K. Jain, TNEB

**ORDER**

**(Date of Hearing: 12.3.2009)**

Southern Regional Load Despatch Centre (SRLDC) brought to the notice of the Commission certain specific instances of over-drawl by the first respondent on 10.10.2008 at frequency below 49.0 Hz in contravention of the provisions of

oara 5.4(b) of the IEGC. A notice dated 18.11.2008 under Section 142 of the Electricity Act, 2003 (the Act) was issued to the first respondent directing it to explain over-drawls at frequency below 49.0 Hz.

2. A notice dated 24.11.2008 under Section 149 of the Act was subsequently issued to the second respondent, who was in-charge of and the person responsible for the conduct of business of the first respondent at the relevant time.

3. In the reply filed on behalf of the first respondent it was conceded that there had been defaults, inasmuch as the first respondent over-drew power from the regional grid at frequency below 49.0 Hz on 10.10.2008. It was brought out that remedial measures taken subsequently had brought tremendous improvement in the situation.

4. After consideration of the reply filed by the first respondent, the Commission concluded that the offence of non-compliance of the provisions of the IEGC against the first respondent was established. Accordingly, by order dated 31.12.2008, a penalty of Rs. one lakh was imposed on the first respondent under section 142 of the Act for overdrawing electricity from the regional grid at frequency below 49.0 Hz, in violation of the provisions of the IEGC. The first respondent has since deposited the amount of penalty. Therefore, as regards the first respondent, the matter stands settled.

5. In the said order dated 31.12.2008, the second respondent was directed to personally appear before the Commission for a hearing as no reply to the notice dated 24.11.2008 was filed by him.

6. A reply dated 3.2.2009 was received from the second respondent in the Commission's office on 5.2.2009. The reply was not supported by affidavit. The second respondent filed the supporting affidavit at the time of hearing. In the reply, the second respondent has denied the charge of non-compliance of the provisions of the IEGC. In all the material aspects the reply of the second respondent is adoption of the reply filed by the first respondent and considered by the Commission in its order dated 31.12.2008.

7. We heard the second respondent. We were briefed about the extenuating circumstances leading to over-drawal of electricity on the date mentioned in the order dated 24.11.2008. We were further informed that the second respondent had already relinquished charge of the office of the Chairman of the first respondent.

8. There is no denial of the fact by the second respondent that electricity was drawn by the first respondent on the dates referred to in the order dated 24.11.2008 at frequency below 49.0 Hz. There is also no denial that the drawal was in excess of the schedule of the first respondent. Further, there is no denial

of the fact that over-drawal at frequency below 49.00 Hz is contrary to the provisions of the IEGC. These facts on record are sufficient to prove the charge leveled. However, in the reply, the second respondent has explained the situation. As we have noted above, the reply filed by the second respondent in all material aspects is the adoption or rather the exact replica of the reply of the first respondent, which was considered in the order dated 31.12.2008, but was not found to be convincing. We reproduce hereunder the extracts of the said order dated 31.12.2008-

*“7. In the reply, it has been stated that on the fateful day, availability of electricity did not match with the restricted peak demand of 8298 MW because of forced outages at certain units of the generating stations supplying power to the State of Tamil Nadu, and that there was a sudden withdrawal of assistance to the extent of 950 MW to 1600 MW available from Eastern and Western Regions. It is further explained that the State has witnessed fall in hydel generation because of lower storage and inflows of water compared to the previous year and also drop in wind generation. The first respondent is stated to have since augmented power availability by procuring power from outside the State of Tamil Nadu as well as IPPs operating within the State, overlooking cost of supply. In addition, some other steps are also stated to have been taken on 10.10.2008, which, as stated by the first respondent, include switching off of feeders. The first respondent has explained that it took steps to maintain the frequency within the operating band of 49.0 Hz to 50.5 Hz on 10.10.2008. However, over-drawals have been attributed, as already noted, to stoppage of external assistance, forced outages of State-owned units and ineffective implementation of revised load-shedding schedule introduced on the particular day itself. The first respondent has sought to reassure the Commission that it will mobilize additional resources of power supply to meet the shortfall and has accordingly prayed to the Commission not to take any action under Section 149 of the Act.*

*8. We have considered the matter very carefully. There is no denial of the charge contained in the order dated 18.11.2008 that the first respondent had over-drawn from the regional grid when frequency was below 49.0 Hz. The reasons for over-drawal explained by the first respondent are stereo-types of similar replies filed before the Commission in certain previous proceedings. In the earlier proceedings in Petition No. 89/2008 (Southern Regional Load Despatch Centre Vs. Transmission Corporation of Andhra Pradesh and others) involving an exactly identical issue of over-drawal, the first respondent made similar submissions as noted in para 8 of the Commission’s order dated 22.9.2008, extracted below:*

*“8. Respondent No 3 has stated that the State has changed the entire load shedding pattern to get effective load relief. The respondent has given certain details of load-shedding said to have been resorted to it during the period. Further, it is stated that naphtha based generation is also being pursued. According to this respondent, reduction of generation at the Atomic Power Station and the generating stations owned by Neyveli Lignite Corporation is another contributory factor leading to over-drawl.”*

*9. Even if it is accepted that the first respondent took some steps to contain overdrawal, these steps are not considered to be adequate as the system frequency continued to hover below 49.0 Hz during a number of time-blocks (42 to 51 time blocks at one stretch and 89 to 96 time-blocks at another). Over-drawals during the time-blocks 89 to 96 need a special mention. During 89<sup>th</sup> time-block, over-drawal was to the extent of 266 MW which increased to 329 MW in the next time-block, to 307 MW in 91<sup>st</sup> time-block, to 348 MW during 92<sup>nd</sup> time-block, and to 559 MW during 93<sup>rd</sup> time-block. Further, from the data on record, it cannot be said that over-drawal was to meet to peak demand, as over-drawal were resorted to after 10:30 PM (time-blocks 89 to 96). On consideration of these facts, we are of the opinion that the justification given by the first respondent in support of reckless over-drawal at frequency below 49.0 Hz is of no avail to it. We, therefore, hold the first respondent guilty of violation of paras 5.4.2(a) and 6.4.4 of the Grid Code.*

*10. Earlier, by order dated 22.9.2008 in Petition No. 89/2008, the first respondent (the third respondent in those proceedings) was found guilty for over-drawal during July 2008 and punished. This has, however, not deterred the first respondent from indulging in indisciplined activities in relation to grid maintenance, as its conduct has not changed as may be seen from the data extracted above. This is another reason for not showing any leniency to the first respondent. In the present proceedings, collectively for all violations noticed above, we impose penalty of Rs. one lakh on the first respondent, to be deposited in the Commission’s office latest by 20.1.2009.”*

9. For parity of reasoning, the defence taken by the second respondent also fails. Bald denials of charge without any supporting evidence or even without traversing the facts which are the foundation of the charge cannot be accepted. The second respondent was given opportunity to show that his case could fall within the proviso to sub-section (1) of section 149 of the Act. However, in the

reply filed by the second respondent there is not even a whisper that the offence was committed by the first respondent without his knowledge or that he took any steps to prevent the commission of the offence. Therefore, by fiction of law contemplated under section 149 of the Act, we hold that the second respondent is guilty of contravention of and non-compliance with the provisions of the IEGC referred to in the order dated 24.11.2008, on 10.10.2008.

10. In totality of the circumstances, we feel that the ends of justice shall be met by imposing a nominal and token penalty of Rs. five thousand only (Rs. 5000/-) on the second respondent under section 149 read with section 142 of the Act. We order accordingly. The amount of penalty shall be recovered by the first respondent and deposited latest by 10.4.2009. The copy of this order be sent to the second respondent through the present Chairman of the first respondent for necessary compliance.

11. With the above, the proceedings initiated against the second respondent vide order dated 24.11.2008 stand concluded. The file be consigned to the records.

**Sd/-**  
**[V.S. VERMA]**  
**MEMBER**

**Sd/-**  
**[R. KRISHNAMOORTHY]**  
**MEMBER**

**Sd/-**  
**[DR. PRAMOD DEO]**  
**CHAIRPERSON**

**New Delhi, dated the 16<sup>th</sup> March 2009**