

**BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Petition NO. 376/2006

In the matter of:

Restriction on Use of Air Conditioners and Others

And

In the matter of:

Uttar Pradesh Power Corporation Limited, Lucknow.
Poorvanchal Vidyut Vitran Nigam Limited, Varanasi.
Paschimanchal Vidyut Vitran Niagam Limited, Meerut.
Madhyanchal Vidyut Vitran Nigam Limited, Lucknow.
Dakshinanchal Vidyut Vitran Niagam Limited, Agra.
Kanpur Electricity Supply Company, Kanpur

UPERC (Regulation of Supply, Distribution, Consumption and Use) Order - 2006 (1)

1. Chairman UP Power Corporation Limited, in his capacity of Chairman of five distribution companies viz PuVVNL, PaVVNL, DVVNL, MVVNL and KESCO, has submitted a petition before the Commission requesting the Commission to direct restriction on use of Air Conditioners by domestic (LMV-1) consumers during 4:00 P.M. to 8:00 P.M. w.e.f. the approval of the petition till next 60 days or earlier, if the conditions so permit. The said restriction has been requested by the petitioner on following grounds
 - a. That in view of irrigation requirement of "Kharif", the distribution companies have to ensure minimum 14 hours of power supply to agriculture consumers. The agriculture load in the State is of the order of about 700 MW.
 - b. That nearly 10 lacs domestic consumers associated with above named distribution companies have on an average connected Air Conditioning load of about 600 MW and after taking in account the diversity factor about 400 MW load is connected during 4:00PM to 8:00 P.M. in the month of July, August and part of September.
2. The Commission in exercise of the powers conferred by section 23 of Electricity Act, (Act No. 36 of 2003) considered the proposal wherein the Commission is empowered to regulate supply, distribution and consumption of electricity in order to maintain efficient supply and equitable distribution of electricity. After examining the proposal, the Commission under section 23 of Electricity Act, 2003 and also section 9.1 of Electricity Supply Code 2005 issues following order, to be called the UPERC Electricity (Regulation of Supply, Distribution, Consumption and Use) Order – 2006(1).
3. The Commission has been aware of the Demand-Supply gap in the course of consideration and disposal of various tariff petitions placed before it and has repeatedly directed the licensees to resort to the rostering in a manner ensuring that areas having lower AT&C losses get power for larger number of hours as compared to areas with higher AT&C losses. The Commission had very categorically observed that in order to make a balance between purchase and

sale of energy, the licensee should adopt the merit order dispatch principle not just for purchase of energy, but also while scheduling the rostering plan. However, licensees have not been able to operationalize this directive, which is partly responsible for current precarious power supply situation. Further, the Commission is also not quite convinced about the application of 66% diversity on the usage of Air Conditioners between 4:00 P.M. to 8:00 P.M. in general and more so in view of improving weather conditions, as stated in para 5 of the petition itself. Nevertheless, the Commission feels that in a State based on agrarian economy, irrigation requirement certainly overrides the requirement of use of Air Conditioner in select hours and hence the proposal merits consideration for a short-term application.

4. This order shall extend to whole of Uttar Pradesh excluding the area of NPCL. Since the intention of the proposal is to curtail the use of Air Conditioners in domestic category (LMV-1), it makes all the more sense to include LMV-10 category consumers also within the ambit of restrictions as this schedule applies to employees and pensioners of licensees for their own residential consumption. Such an inclusion will not only cover the entire domestic consumption under its fold but it will also give the licensees an opportunity to lead by example. Further, it would be appropriate to extend this restriction on display and decorative lights also as the same should be logically dispensed with ahead of the domestic consumption.
5. Before considering the proposal and making an order on the issue, the Commission deliberated over the nature of its order i.e. whether the order should be mandatory in its nature or should it be directory. As the proposal does not provide any treatment regarding the non-compliance of the restriction and also the fact that the non-compliance has not been visited by any penalty, prima facie it appears to the Commission that licensee is probably seeking an order in the nature of directory order however the same might defeat the very purpose of the restriction. At the same time, the Commission also considered that if this order is made mandatory, whether it will create serious general inconvenience to innocent persons without very much furthering the object of the order. After

considering these issues, the Commission decided in favour of a mandatory order with token penalty.

6. The Commission after considering the proposal makes following order:
 - (i) Domestic consumers, whether under LMV-1 or LMV-10 shall not use Air Conditioners during 4:00 P.M. to 8:00 P.M.
 - (ii) No consumer, including Government owned offices and establishments shall display or cause to display any decorative or ornamental or advertising lights, neon signs on any shop or commercial establishments or factory except on their one board during the normal hours of business. Further, Hoardings on roadside are also not allowed to use electricity between 4:00 P.M. to 8:00 P.M.

This order shall extend to whole of Uttar Pradesh excluding the area of NPCL.

7. However, it is provided that if any consumer is found to have failed to exercise the aforesaid restriction, the same shall be treated as an offence under Electricity Act, 2003. In such a situation, following penal provisions are being specified:
 - (i) A penalty of Rs. 50/- per Air Conditioner would be imposed, under LMV-1 category, in case the Air Conditioner is found running during the restricted hours, under orders of any of the officers of the licensee above the rank of Assistant Engineer/SDO of that area.
 - (ii) A penalty of Rs. 100/- per Air Conditioner would be imposed, under LMV-10 category, in case the Air conditioner is found running during the restricted hours, under orders of the Electrical Inspector of that area.
 - (iii) For consumers covered under para 6(II) of this order, a penalty of Rs. 150/- per violation would be imposed, under orders of any of the officers of the licensee above the rank of Assistant Engineer/SDO of that area.
8. A consumer may be exempted from this restriction if he can produce documentary evidence such as Medical Certificate etc., at the time of checking,

regarding any inhabitant of the house, where non-operation of Air Conditioner may exacerbate the illness of the individual. However, if such a household is having more than one Air Conditioners then the said relaxation would be limited to only one Air Conditioner.

9. Licensee will issue a public notice in two widely circulating newspapers bringing to public knowledge the salient features of this order.
10. The aforesaid order shall be applicable only for fifteen days from the date of issue of public notice and the petitioner licensees shall not apply any provisions of this order beyond the given duration unless approved by the Commission. The licensees are directed to submit a report capturing the effect of this restriction, while making a request for further extension of the order.

(R. D. Gupta)
Member

(P. N. Pathak)
Member

(Vijoy Kumar)
Chairman

Lucknow
Dated : 20th July, 2006