

**PRESS RELEASE**

Text of the D.O. letter dated 15.4.2012 from Selvi J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu addressed to Dr. Manmohan Singh, Hon'ble Prime Minister of India is reproduced below:-

“You are well aware that the Country as a whole is facing severe power shortage. The Government of India is finding it difficult to achieve even 50% of the planned capacity addition target. Under the circumstances, the directive of the Central Electricity Regulatory Commission for tightening the Grid frequency is likely to play havoc with the power utilities, especially in Tamil Nadu which is already facing severe transmission congestion problems.

The operating Grid frequency bandwidth of 49.5 Hz to 50.2 Hz is proposed to be further restricted to 49.7 Hz to 50.2 Hz in the name of ensuring Grid stability. The Unscheduled Interchange (UI) charges at the minimum frequency of operation proposed are also raised from Rs.8.73 per unit to Rs.9 per unit. The cost of power drawn at frequency below the set level would further increase the cost of power to the utility.

The Tamil Nadu Generation and Distribution Corporation - TANGEDCO, (erstwhile TNEB) which is already in a debt trap would be subjected to severe financial stress on account of this move to an extent of over Rs.350 crores per year. As the Grid stability has not been adversely affected in the recent past with the existing frequency bandwidth and considering the prevailing power shortage situation, such a drastic move is totally unwarranted at this stage. Further, this may result in increasing the duration of enforced load shedding in Tamil Nadu causing irreparable loss to consumers, particularly in rural areas, which may adversely affect agricultural production and the economic growth of the State.

This issue was taken up by my Minister for Electricity with the Union Minister for Power by his D.O. letter dated 23.1.2012, but it was of no avail. Considering the damage that would be caused to the power utilities, the TANGEDCO has been forced to take this issue to the High Court of Madras to obtain an interim relief.

However, in order to effect a durable solution to the problem, I request you to advise the authorities to postpone the proposal for further tightening of frequency bandwidth to a future period when the demand-supply situation and inter-state connectivity in the Country improves.”

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