

CURRENT NEWS

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200 UNITS FREE ELECTRICITY SCHEME IN TAMIL NADU - WHAT YOU NEED TO KNOW

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The Tamil Nadu 200 Units Free Electricity Scheme, announced in May 2026, provides eligible domestic consumers with 200 units of electricity free every two months for households whose bi-monthly consumption does not exceed 500 units. Consumers above this threshold will continue receiving 100 units free on a bi-monthly basis under the existing scheme.

Tamil Nadu has a total of 3.5 crore electricity consumers across categories. Of these, 2.46 crore are domestic consumers, and around 2.23 crore households consume less than 500 units in two months. This indicates that a majority of households are eligible for the enhanced subsidy.

A publication from



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How the Benefit Works:

Under the previous subsidy scheme, if a household consumes 220 units of electricity for 60 days, the Tamil Nadu Power Distribution Corporation Limited (TNPDC) will charge the household for 120 units, deducting 100 units of free electricity.

Units Charged		Charge per Unit (Rs)	Energy Charges (Rs)
0 - 100	100	0	0
101 - 200	100	2.35	235
201 - 20	20	4.7	94
Total Charges - Rs.329/-			

Table 1 - Calculation of units consumed in the previous subsidy scheme (Before May 2026).

Under the new subsidy scheme, the consumer will receive the first 200 units free; only 20 units are billed.

Units Charged		Charge per Unit (Rs)	Energy Charges (Rs)
0 - 100	100	0	0
101 - 200	100	0	0
201 - 20	20	4.7	94
Total Charges - Rs.94/-			

Table 2 - Calculation of units consumed in the New subsidy scheme (After May 2026).

For consumers consuming within the 500-unit limit, the new scheme substantially reduces electricity bills. In this example, a household consuming 220 units earlier paid around Rs.329, but under the revised scheme, the bill drops to approximately Rs.94. This represents meaningful savings for low and middle-income households, particularly within the context of rising living costs.

As per the new subsidy scheme, consumers exceeding 500 units in a two-month billing cycle continue to receive the existing 100 units of free electricity benefit. However, the scheme introduces a strict eligibility condition: 10 units (or even just one unit) above the 500 unit mark means you lose your eligibility for the free 200 units. This creates a sharp threshold in the tariff structure. The table below shows what happens when a consumer exceeds the threshold even by just 10 units.

500 units consumed				510 units consumed			
0 - 100	100	0	0	0 - 100	100	0	0
101 - 200	100	0	0	101 - 400	300	4.7	1410
201 - 400	200	4.7	940	401 - 500	100	6.3	630
401 - 500	100	6.3	630	501 - 510	10	8.4	84
Total			1570	Total			2124

Table 3 - Comparison between 500 unit vs 510 unit consumer

A household consuming 500 units pays about Rs.1570, while one consuming just 10 units more (510 units) sees its bill rise to around Rs.2124. A marginal increase of just 10 units leads to Rs.554 higher bill.

What the impact on user behaviour is likely to be:

1. The biggest winners are the households consuming well below 500 units. For them, the scheme is absolutely beneficial. Zero bills up to 200 units, and sharply reduced costs between 201 to 500 units.
2. But the story becomes more complicated for households hovering around the 500-unit threshold. Electricity consumption is rarely constant across the year; it fluctuates between peak and off-peak seasons. During the summer months, households running a few fans, a refrigerator, and an air conditioner for limited hours can easily cross 500 units. Such households do not just lose part of the benefit - they lose it abruptly, resulting in a sharp increase in their electricity bills.
3. Conversely, during off-peak months, the same households may fall well below the threshold and fully enjoy the subsidy. This creates a cyclical pattern where households alternate between benefiting from the scheme and losing a significant portion of it. In effect, the policy produces a "seasonal lottery" of sorts - rewarding households in low-consumption periods while penalising them sharply during high-consumption months.
4. The 500-unit cut-off creates a strong incentive for households to self-regulate consumption. People may think twice before switching on an air conditioner, adding a new appliance, or adopting electric cooking. In some cases, households may deliberately constrain electricity use to retain subsidy benefits.

SURGING SUMMER PEAK POWER DEMAND IN TAMILNADU

MANIKANDAN.M

Rising heat and humidity across the State have pushed up electricity demand. The State's summer electricity demand surged with a peak of 21,307 megawatts (MW), in the month of April 2026, which was higher by 0.81% than the previous highest peak demand of 20,830 MW recorded in May 2024.

Daily Consumption (kWh)

Peak demand refers to the highest point of electricity demand on a Tamil Nadu Power Distribution Corporation (TNPDC) grid over a specific period of time. The most recent surge in April was driven by extreme heat in several districts of Tamilnadu over the month, with temperatures at 2-3°C above normal, recorded across the State. Anticipating and preparing for peak power demand remains one of TNPDC's vital challenges.

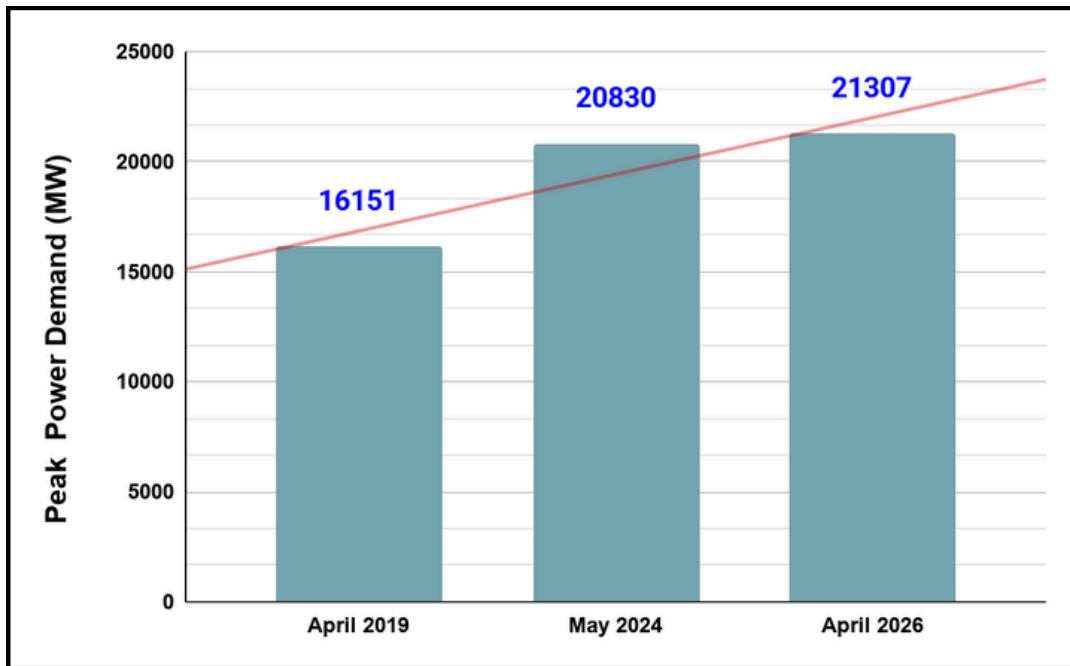
How does TNPDC manage peak demand?

To manage growing demand, TNPDC sources the required electricity through diverse ways like power purchase from private producers through agreements [As per TNPDC report 2024-25, 75% (i.e : ₹ 75,960 crore) of the total income (i.e : ₹ 1,00,417 crore) is spent on power purchase]; using state share from central generating stations, and renewable energy sources (solar + wind). Over peak demand days, the State typically uses a mix of these sources. For instance, over the April surge, when the total daily consumption reached 471.456 MU, about 173.057 MU (36%) was supplied through private power procurement, with Central generating stations contributing 118.929 MU, and renewable energy sources accounting for 61.826 MU. TNPDC's own sources including thermal power stations contributed about 17% of the total energy requirement.

Challenges faced by TNPDC due to rising demand

A steady growth in household electrification, use of air conditioners and electric vehicles inclusion has been driving the increase in Tamilnadu's electricity demand. In the last 5 years, the State's peak demand has risen by 32%, from 16,151 MW in 2019 to 21,307 MW in 2026.

Over average demand months, TNPDC largely depends on long term power purchase agreements, which are more cost efficient. If supply falls short of demand, any shortfall will need to be met through power exchanges which are typically available at higher market rates. Another key challenge relates to distribution infrastructure - while available infrastructure might be sufficient for the average consumption months, upgrades and expansion are frequently needed to keep pace with peak demand months. If there is a lag, this results in issues with last mile delivery of power to the end consumer. To avoid this, distribution licensees need to plan and upgrade infrastructure for peak demand over years.



Trend of peak power demand variations in Tamilnadu

A way forward

Renewable energy has become vital in the management of rising electricity demand. Tamilnadu has a high wind generation capacity of 11,361.85 MW and a solar generation capacity of 10,159.61 MW. But even with these, the State remains dependent on market purchases to meet peak power demand. This is in part, due to specific issues with each of these systems. Solar energy is a reliable contributor during the day, but when evening peak demand hits, power supply is again challenged. Similarly, wind power generation is seasonal in nature. This is where energy storage systems such as battery storage and pumped hydro storage become critical for balancing the grid which we will look at in the next edition.

CONSUMER FOCUS

The Appellant has an electricity service connection No. 142, which had been under Commercial Tariff (Tariff V) since 08.01.1993, when the premises were originally used as a ration shop. On 14.05.2025, the Appellant submitted an online application seeking tariff conversion of the service connection from Commercial Tariff (Tariff V) to Domestic Tariff (Tariff IA), stating that the premise is used for residential purposes by his son and family. Following this, on 16.05.2025, the Assistant Engineer conducted a field inspection of the premises. During inspection, the premises were found to be used as a car shed with no evidence of residential occupation. The Appellant was informed that tariff conversion could be considered only if the premises were used for domestic purposes.

The Appellant resubmitted his tariff conversion application. Subsequently, on 12.06.2025, another field inspection was carried out by the Assistant Executive Engineer and Assistant Engineer. The officials again observed that the premises were being used only as a car parking space. The Respondent officials conducted multiple field inspections of the premises and observed that it was being used primarily as a car shed, with no evidence of residential occupation. Based on these findings, they rejected the Appellant's request for tariff conversion and maintained service connection under the commercial tariff.

Aggrieved by this, the Appellant filed a petition to the Consumer Grievance Redressal Forum (CGRF) on 18.06.2025. During the proceedings, the Executive Engineer mentioned that he himself conducted a site inspection and confirmed that the premises had no residential usage, with only a car parked and minimal items present.

The Appellant contended before the CGRF that he had submitted all required documents, including property ownership records, tax receipts, and family card details, and that the premises were used by his son for residential purposes. He argued that the presence of a parked vehicle did not nullify the residential use. Further, he stated that officials imposed conditions such as the removal of iron doors for eligibility under domestic service. He also relied on one part of the Tariff Order's definition of a "dwelling unit", which stated that no commercial activity should be carried out. The Appellant stated that on the basis of 'no commercial activity' this property qualified for a domestic correction.

During the CGRF hearing held on 02.09.2025, the Respondents, by submitting the photograph evidence, stated that the premises lacked essential residential facilities such as a kitchen, bedroom, and restroom. Based on the records and inspection findings, the CGRF issued its order on 20.09.2025, concluding that the premises does not qualify as a dwelling unit and rejecting the request for tariff conversion.

Dissatisfied with the CGRF order, the Appellant filed an appeal petition before the Electricity Ombudsman. During the hearing, both the Appellant and Respondents presented their arguments. After examining the submissions, inspection reports, and applicable tariff regulations, the Electricity Ombudsman made the following observations:

- The premises lack essential facilities required for a dwelling unit, including cooking and sanitation. To this, the Appellant admitted that there was no restroom facility in the premises and that occupants depended on another house for basic needs.
- Based on the multiple field inspection reports, the premises was found to be predominantly used as a car shed. The occasional or temporary stay of the Appellant's son did not establish independent residential usage.

Findings:

The Electricity Ombudsman mentioned that the lack of commercial activity alone is insufficient to justify reclassification. As per the Tariff Order, a dwelling unit must have facilities for living, cooking, and sanitation. The premises does not satisfy the definition of a "dwelling unit," and the absence of basic residential infrastructure disqualifies it from domestic tariff classification.

Based on the observations and findings, the Electricity Ombudsman rejected the request for conversion from Commercial Tariff (Tariff V) to Domestic Tariff (Tariff IA) and upheld the CGRF decision and dismissed the appeal.

SOURCE: [OMBUDSMAN CASE](#)



NEWS FROM **TAMIL NADU**

Tangedco merges 6K domestic power connections in Madurai

In a significant move to curb electricity misuse, the Tamil Nadu Generation and Distribution Corporation (Tangedco), Madurai division, has merged thousands of domestic electricity connections across Madurai. As part of a special drive conducted between May 27, 2024, and March 31, officials identified single-family households that were using multiple electricity connections within the same premises to avail additional free 100 unit power benefits. According to the Tangedco records, a total of 6,235 domestic service connections were merged out of the 44,656 households inspected and the highest number of mergers were recorded in densely populated areas: K Pudur - 2,935 connections, Melamadai - 3,117 connections, Thiruppalai - 2,900 connections, Vilangudi - 2,090 connections. Under the revised enforcement, if members of one family lives within the same compound, but use separate electricity meters, those connections will be merged into a single one. This will continue unless the property is officially divided, and each family provides valid proof of paying separate property taxes. According to officials, the free 100 units of electricity scheme—designed to benefit small and middle-income households—has been widely misused over the years. Speaking to TNIE, CITU-Tangedco secretary P Arivazhagan noted that while the scheme supports families, it has also placed a financial burden on Tangedco. He explained that in cases where two families each consume around 200 units separately, merging their connections could reduce their combined benefit, leading to dissatisfaction among residents. Activist N G Mohan also pointed out that misuse of free electricity has persisted for decades, but the issue gained urgency as Tangedco began facing financial strain. An official from Tangedco stated that the enforcement drive involved assessors, Assistant Engineers, and senior officials, who often faced resistance from residents during inspections. In many cases, authorities had to intervene directly and warn consumers against misuse. In several instances, extra electricity meters were removed from buildings housing multiple families.

SOURCE: TNIE, 08 APRIL, 2026

NEWS FROM **ACROSS THE COUNTRY**

Temperature drops at night. So why is India's power grid facing the most strain in those hours?

As soaring temperatures push India's peak power consumption to record highs, the stress on the grid is becoming most pronounced at night, when nearly 150 GW (giga watt, or 1000 mega watts) of solar capacity goes offline after sundown. Data from the Grid Controller of India (Grid India) shows that there has been a shortage in meeting peak demand the past few days during non-solar hours, which typically refers to the period between 6 PM and 6 AM, when solar generation is not available. During this period, the system usually relies on conventional sources such as coal, gas, hydro, nuclear and wind to meet demand. Peak demand figures, whether daily or monthly, are largely statistical reference points, as they reflect the highest load recorded at any moment during a given period on a particular day, often for a brief duration. On Saturday – when the peak demand surged to record high of 256 GW – there was a peak shortfall of around 4.2 GW at 10:39 PM, Grid India data shows. A day earlier, on Friday, peak demand was 240 GW at 10:34 PM, when the shortfall peaked at about 5.4 GW. Similar shortage was also witnessed during evening peak demand which is recorded at 8 PM everyday. On Friday, the evening peak demand requirements reached 233 GW, with a shortfall of around 3.9 GW. The same stood at 3.5 GW for Saturday when the evening peak demand was 235 GW. Notably, on both days, the daily peak demand was recorded during the day at around 3:45 pm, which was met without any shortage. According to officials aware of the matter, the primary reason for the shortfall during non-solar hours was a spike in forced and partial outages. While planned outages were expected to be limited to around 3 GW on both days, forced and partial outages surged to nearly 26 GW, The Indian Express has learnt from government sources.

SOURCE: INDIANEXPRESS, 29 APRIL 2026

WORLD NEWS

Cities accelerate renewable energy deployment and reduce fossil fuel reliance

Renewable electricity, particularly from wind and solar, is now at least 50% cheaper than new fossil fuel generation. In addition, 92% of countries have renewable energy potential exceeding ten times their current demand, indicating significant scope for expansion. Urban areas account for around 75% of global energy-related emissions, making local action central to emissions reduction. Data from C40 cities show per capita emissions have declined for four consecutive years and are now below pre-pandemic levels. Several cities are scaling renewable energy and related measures. Melbourne has implemented collective renewable energy purchasing covering 100% of municipal operations. In Curitiba, solar procurement for public buildings has reduced energy costs by 30%. Johannesburg has issued a green bond worth US\$140 million to finance renewable energy and efficiency projects. Warsaw is supporting low-income households to adopt clean heating systems, while Bogotá has introduced a low-emission zone targeting transport and industrial pollution in a densely populated area. Workforce capacity remains a constraint. Analysis across 25 cities indicates up to 6 million additional workers may be required by 2040, particularly in sectors such as construction, transport and energy systems. Training programmes are being developed to support transitions into roles such as solar installation and electric vehicle maintenance. C40 is a network of nearly 100 city mayors focused on addressing climate change through coordinated urban action. Member cities follow science-based approaches aligned with the Paris Agreement, aiming to reduce emissions, phase out fossil fuel use and strengthen resilience. The network works with partners from labour, business and civil society to support these efforts, including a target to halve emissions by 2030.

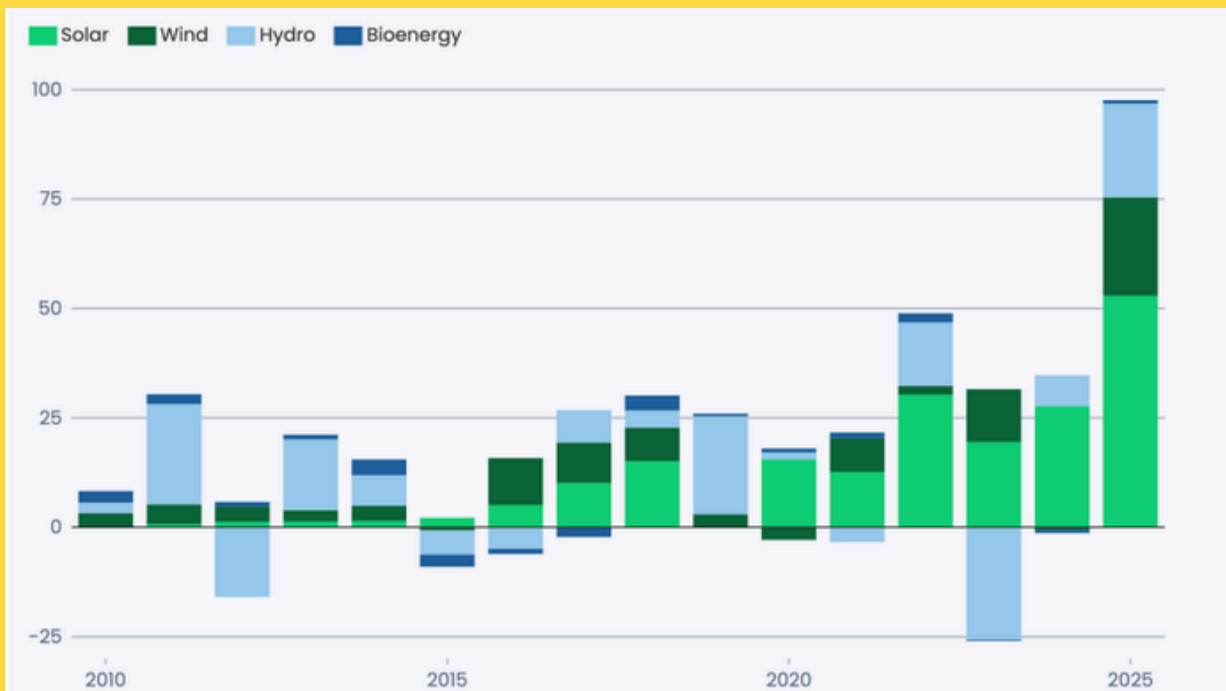
SOURCE: [WINDTECHINTERNATIONAL](#), 27 APRIL 2026



PUBLICATIONS

- [Global Energy Review 2026, IEA](#)
- [Global Energy Outlook 2026: How the World Lost the Goal of 1.5°C, Resource for the Future](#)
- [Global Electricity Review 2026, Ember](#)
- [Scaling Solar Power for Irrigation in India, IISD](#)

ANNUAL CHANGE IN ELECTRICITY GENERATION FROM RENEWABLES FROM 2010 - 2025



SOURCE: [EMBER](#)

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