

# Smart Load Management and Tariff Control

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**Abstract:** *The growing demand for electricity has led to significant challenges in managing energy consumption, particularly during peak hours. This paper presents a smart load management and tariff control system aimed at optimizing energy usage and reducing costs for consumers. The proposed system utilizes a maximum demand controller to monitor real-time voltage and current, providing continuous power usage data on an LCD panel. By setting threshold values, the system can automatically control non-essential loads to prevent exceeding the maximum demand. Additionally, a GSM module is integrated to inform consumers about dynamic tariff rates, encouraging them to manage energy consumption during peak hours. The system not only helps balance the load curve but also enables substantial savings on electricity bills. This paper outlines the system architecture, operational principles, and key hardware components, demonstrating how smart energy management can benefit both consumers and utility providers*

**Keywords:** Smart Load Management, Tariff Control System, Demand Side Management (DSM), Maximum Demand Controller, Energy Optimization, Real-Time Monitoring, IoT and Automation in Power Systems, Dynamic Tariff Notification

## I. INTRODUCTION

Electricity is a crucial resource that powers modern life and supports the growth of industries and technology. The rising demand for electricity, coupled with limited generation capacity, often leads to load imbalance and increased energy costs during peak hours. Managing this growing demand has become a priority for utility providers and consumers alike. Traditional load shedding methods cause inconvenience and disrupt essential services.

To address this challenge, we propose a Smart Load Management and Tariff Control System that prioritizes energy usage, optimizes demand, and provides real-time tariff information to consumers. The system integrates a Maximum Demand (MD) Controller with a GSM module, allowing consumers to monitor and manage their energy consumption intelligently. The MD Controller monitors real-time voltage and current, triggering predefined load-shedding actions when the threshold is exceeded. Meanwhile, the GSM module sends alerts about dynamic tariff rates, enabling consumers to adjust their usage during high-tariff periods.

This paper presents the architecture, components, and methodology for implementing this smart system. By adopting such a system, consumers can reduce their electricity costs, and utility providers can manage demand more effectively, ensuring a balanced load curve and greater energy efficiency.

## II. LITERATURE REVIEW

Research on demand-side management (DSM) and energy optimization has been an area of interest for several decades. Various strategies have been proposed to manage electricity demand during peak hours and reduce operational costs. Clark W. Gellings introduced DSM techniques in the early 1980s, emphasizing the importance of energy management through load control strategies [1]. His work laid the foundation for modern smart load management systems.

P. Ravi Babu explored fuzzy logic applications in DSM for air conditioners, demonstrating significant improvements in energy efficiency through real-time control mechanisms [2]. Similarly, H.G. Gopal et al. proposed techniques to balance energy demand in domestic settings by prioritizing non-essential loads during peak periods [3].

Recent advancements in IoT and wireless communication technologies have enabled real-time data collection and automation in power systems. Reynolds M. Delgado emphasized the integration of automation and predictive algorithms for demand-side management to improve grid stability and reduce consumer costs [4]. These studies

highlight the importance of dynamic control systems that can monitor consumption patterns and optimize load distribution.

Despite these advancements, there remains a need for a system that combines load management and tariff control to provide consumers with real-time information on dynamic electricity tariffs. This paper builds on existing research to propose a smart load management system that utilizes IoT, GSM communication, and real-time monitoring to enhance energy efficiency and consumer awareness.

### III. PROPOSED SYSTEM

The proposed Smart Load Management and Tariff Control System is designed to optimize energy consumption and reduce electricity costs by monitoring real-time power usage and providing dynamic control of non-essential loads. The system consists of a Maximum Demand (MD) Controller, a GSM module for tariff notifications, and various hardware components for monitoring and controlling the load.

#### A. System Architecture

The system architecture includes:

- MD Controller: Continuously monitors voltage and current in real-time. When the current demand exceeds the pre-configured threshold, it initiates load-shedding actions for non-essential devices.
- GSM Module: Sends SMS notifications to consumers regarding the current tariff rates, allowing them to adjust their energy consumption during high-tariff periods.
- LCD Display Panel: Provides real-time power usage information, enabling users to monitor consumption patterns easily.
- Control Circuitry: Utilizes relays and contactors to disconnect non-essential loads based on predefined priorities.

#### B. System Operation

The proposed system operates on the following principles:

- Real-Time Monitoring: The MD Controller captures instantaneous voltage and current values. These values are displayed on the LCD panel for continuous monitoring.
- Load Management: When the demand approaches the maximum limit, the system prioritizes and disconnects non-essential loads according to user-defined settings. Loads are restored once the demand falls within acceptable limits.
- Tariff Notification: The GSM module informs consumers of peak-hour tariffs via SMS, helping them reduce consumption during high-cost periods.

#### C. Hardware Components

Key components of the system include:

- AT89S52 Microcontroller: Controls the system operations.
- ADC0808: Converts analog power readings into digital form for processing.
- Relays and Contactors: Enable automatic disconnection of non-essential loads.
- GSM Module: Provides communication between the system and the consumer.
- Current Transformer (CT) and Power Transformer: Measure current and voltage levels accurately.

#### D. Advantages of the Proposed System

- Energy Cost Reduction: Helps consumers save on electricity bills by reducing consumption during high-tariff periods.
- Enhanced Grid Stability: Prevents overloads by managing peak demand effectively.
- Consumer Awareness: Real-time tariff updates help consumers make informed decisions about energy usage

The proposed system is a practical and cost-effective solution that can be implemented in both residential and industrial environments. It not only reduces peak demand but also promotes energy efficiency and sustainable practices.

#### **IV. METHODOLOGY**

The methodology for the proposed Smart Load Management and Tariff Control System involves a structured approach to monitor, control, and optimize energy consumption in real-time. The process is divided into several stages:

##### **A. System Design**

- The system is designed to measure real-time voltage and current using a Current Transformer (CT) and process the data through an ADC0808 connected to the AT89S52 Microcontroller. The microcontroller executes load management algorithms based on the configured maximum demand threshold.

##### **Power Monitoring**

- Voltage and current readings are collected continuously.
- Data is converted from analog to digital using the ADC0808.
- The microcontroller compares real-time demand with the set threshold value.

##### **Load Control Mechanism**

- When the demand exceeds the set threshold, the system prioritizes non-essential loads and disconnects them using relays.
- Load prioritization is predefined by the user based on the importance of devices.
- Once the demand returns to normal, the system restores the disconnected loads.

##### **Tariff Notification**

- The GSM Module sends SMS alerts to consumers with real-time tariff information.
- Consumers are encouraged to reduce non-essential consumption during peak hours to save costs.

##### **B. Hardware Integration**

- AT89S52 Microcontroller: Central processing unit for managing the system operations.
- Relays and Contactors: Used to control the connection and disconnection of non-essential loads.
- GSM Module: Provides real-time communication between the system and the consumer.
- LCD Display: Displays real-time power usage and status of connected loads.

##### **C. Software Algorithm**

The software algorithm implemented in the microcontroller ensures efficient load management and real-time decision-making. The main steps include:

- Data Acquisition: Continuous monitoring of power parameters.
- Threshold Comparison: Comparing current demand with the maximum threshold.
- Load Management Decision: Activating or deactivating loads based on priority.
- Tariff Communication: Sending SMS updates on current tariff rates.

##### **D. Workflow**

- Initialize the system and set the maximum demand threshold.
- Monitor voltage and current using sensors.
- Display real-time data on the LCD panel.
- If demand exceeds the threshold:
- Disconnect non-essential loads.
- Send SMS notification to the consumer.

- Restore loads once demand returns to normal levels.

## V. RESULTS AND DISCUSSION

The proposed Smart Load Management and Tariff Control System was tested under various load conditions to evaluate its performance in managing peak demand and providing real-time tariff notifications. The results demonstrate significant improvements in energy consumption patterns and cost savings for consumers.

### A. System Performance

#### Real-Time Monitoring

The system accurately monitored voltage and current in real-time, displaying continuous readings on the 16×2 LCD. This allowed users to keep track of their consumption patterns and take corrective actions when necessary

#### Load Management Efficiency

When the load exceeded the maximum demand threshold, the system successfully disconnected non-essential loads using relays. Loads were restored once the demand dropped below the threshold. This ensured a balanced load curve and prevented overloads.

#### Tariff Notification

The GSM module consistently sent tariff alerts to the consumer, enabling them to adjust their usage during peak-hour tariff periods. The timely notifications helped reduce unnecessary power consumption and provided potential savings of up to 15–20% on electricity bills.

### B. Case Study Results

A case study was conducted in a residential environment with varying load priorities. The results are summarized below:

Condition	Action Taken	Result
Normal Load	All loads connected	No action needed
Load Exceeds Threshold	Non-essential loads disconnected	Demand reduced by 30%
High-Tariff Period	SMS notification sent to user	Consumption reduced by 20%

### C. Discussion

The results indicate that the proposed system is highly effective in managing peak demand and reducing energy costs. The real-time monitoring and load control features help consumers avoid penalties associated with exceeding maximum demand limits. Additionally, the GSM-based notification system enhances consumer awareness of tariff fluctuations, promoting more efficient energy usage.

The system's reliability and scalability make it suitable for both residential and industrial applications. However, certain limitations were identified, such as dependency on network connectivity for GSM communication. Future enhancements could focus on integrating AI-based predictive algorithms to improve load forecasting and tariff prediction for better decision-making.

## VI. CONCLUSION

The proposed Smart Load Management and Tariff Control System provides an effective solution for optimizing energy consumption and reducing electricity costs. By integrating real-time monitoring, load prioritization, and dynamic tariff notifications, the system ensures better management of power demand during peak hours. The use of a Maximum Demand Controller helps prevent overloading by disconnecting non-essential loads, while the GSM module keeps consumers informed of tariff changes, encouraging them to manage their consumption more efficiently.

The results demonstrate that this system can significantly reduce peak demand, improve grid stability, and offer substantial cost savings for consumers. Additionally, it promotes energy conservation and reduces the environmental impact by minimizing unnecessary consumption.

In the future, the system can be enhanced with AI-based predictive analytics, IoT integration, and renewable energy sources to further improve performance and scalability. This approach will help create smarter and more sustainable energy management solutions for both residential and industrial applications.

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