

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 208/MP/2012

Coram:

**Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M. Deena Dayalan, Member**

Date of Hearing: 27.11.2012

Date of order: 05 .12.2012

In the matter of

Petition for amendment to Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2009 amended from time to time read along with Regulation 111 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999.

And

In the matter of

National Load Despatch Centre, New Delhi

....Petitioner

The following were present:

Shri S.K.Sonee, NLDC
Shri V.V.Sharma, NLDC.
Shri V.K.Agarwal, NLDC.
Miss Joyti Prasad, NRLDC
Shri S.S.Barpanda, NLRDC
Shri Rajiv Porwal, NRLDC

ORDER

The petitioner, National Load Despatch Centre has filed the present petition for amendment of Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2009



(hereinafter referred to as the UI Regulations) to incorporate the changes suggested in the petition:

2. The petitioner has also submitted that in the wake of recent grid disturbance, the Government of India had appointed an Enquiry Committee under Chairmanship of Chairman, CEA. The Enquiry Committee has identified overdrawal as one of the causes of grid disturbance. The enquiry Committee has *inter-alia* recommended as under:

"9.2.2 Frequency band needs to be further tightened and brought closure to 50 Hz. POSOCO may file an urgency application in Supreme Court for early resolution of the issue in view of the recent grid disturbances.

9.2.2 A review of UI mechanism should be carried out in view of its impact on recent grid disturbances. Frequency control through UI may be phased out in a time bound manner and generation reserves/ancillary services may be used for frequency control. Appropriate regulatory mechanism needs to be put in place for this purpose. POSOCO should take up the matter with CERC."

3. The petitioner has sought to address the following major issues:

(a) Narrowing down frequency band further, so that system operates close to 50 Hz;

(b) Imposing limits on UI injection/withdrawn and making its truly inadvertent interchange; and

(c) Introduction of locational bias in UI settlement rate.

4. The petitioner has submitted that there is an urgent need for tightening the frequency band and to restrict overdrawal/underdrawal for

secure operation of the grid. The petitioner has submitted that UI rate vector between 49.9 Hz to 50 Hz in steps of 0.01 Hz and additional UI charge payable for over-drawal/under injections beyond the prescribed volume limit should be specified in the UI Regulations so that system is operated in safe and secure manner. Accordingly, the petitioner has requested to amend the relevant provisions of the UI Regulations.

5. During the course of hearing of the petition, the representative of the petitioner submitted that the purpose of the present petition is to bring to the notice of Commission the difficulties being faced by the system operator for secure operation of the grid so that necessary process to amend the relevant regulations is initiated by the Commission.

6. We have perused the petition and heard the representative of the petitioner. After going through the contents of the petition, it appears to us that the petitioner is seeking amendments to certain provisions of the UI Regulations in order to address the problems arising out of the requirements to operate the grid in a safe and secure manner, narrowing down the frequency band and imposing the limits on UI injection/withdrawal. Without going into the merit of the issues raised, we intend to clarify that filing of the petition is not the proper process for initiating the amendment to the existing regulations. The Commission under Section 178 of the Act has been vested with the power to make, amend and repeal the regulations on the subjects, which have been authorized under various provisions of the Act. Action to make or amend the regulations is initiated when the Commission is satisfied

that there is need for such regulations or amendment to the regulations. The petitioner being a statutory body and vested with specific statutory functions is at liberty to approach the Commission with concrete proposal for making any regulations or for amendment of any regulation, which is considered necessary to enable it to discharge its statutory functions effectively. There is no requirement to file a petition for the purpose.

7. The representative of the petitioner submitted that a self-contained proposal has been made out in the petition for amendment of the UI Regulations. Noting the submission of the petitioner, we direct that the present petition be treated as a proposal of POSOCO for amendment of the UI Regulations and further direct the staff to examine the proposal and submit to the Commission for consideration in a time-bound manner. POSOCO is permitted to submit further information as may be considered necessary in furtherance of the proposal.

8. The petition is disposed of in terms of the above.

Sd/-
(M.Deena Dayalan)
Member

sd/-
(V.S.Verma)
Member

sd/-
(S.Jayaraman)
Member

sd/-
(Dr. Pramod Deo)
Chairperson

