

# **MB POWER (MADHYA PRADESH) LIMITED**

Corporate Office: 239, Okhla Industrial Estate, Phase-III, New Delhi- 110020  
Tel: +91 11 47624100 Fax: +91 11 47624229

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27<sup>th</sup> December 2016

**The Secretary**

**Central Electricity Regulatory Commission**

**3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building,**

**36, Janpath, New Delhi- 110001**

**Sub: Comments on Draft CERC (Indian Electricity Grid Code) (Fifth Amendment) Regulation, 2016**

**Dear Madam,**

This bears reference to CERC's Public Notice No. **L-1/18/2010-CERCN** dated 09.12.2016 inviting suggestions/objections/comments of various stakeholders on the "**Draft CERC (Indian Electricity Grid Code) (Fifth Amendment) Regulation, 2016**". In this regard, please find enclosed (marked as Annexure-I) our comments/suggestions on the same for your kind consideration.

**Thanking You,**

Yours Faithfully,

For MB Power (Madhya Pradesh Ltd.)

**Abhishek Gupta**

**DGM (Business Development)**

**Enclosure(s):**

Annexure-I: MBPMPL Comments on Draft CERC (Indian Electricity Grid Code) (Fifth Amendment) Regulation, 2016

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## Annexure-I

### **MB Power (Madhya Pradesh) Ltd.'s Comments/Suggestions on the Draft CERC (Indian Electricity Grid Code) (Fifth Amendment) Regulation, 2016**

- 1) Any discrimination amongst the power projects defined as "ISGS" in IEGC is unwarranted. Accordingly the IPPs qualifying as "ISGS" under IEGC shall be treated at par with CGS/UMPP for Scheduling and commercial settlement of energy exchanged under Ancillary services including Spinning Reserves and URS. As such, for any IPP covered under the definition of "ISGS", the un-requisition capacity by a PPA beneficiary should be considered under URS category.
- 2) As per the provisions 6.4 (18), 6.4 (19) and 6.5 (32) of the Principal Regulations, any ISGS including a IPP is required to declare the plant capability and the same has to be demonstrated by such ISGS as per the directions of concerned RLDC. Further the concerned RLDC is required to properly document such declared plant capability of the various ISGS coming under its control area.

Further, as per Regulation # 30 (3) of the CERC Tariff Regulations 2014-19, for the purpose of computation of "Capacity Charges", Average Declared Capacity (DCi) of a generating station is required to be certified by the concerned Load Despatch Centre (i.e. the concerned RLDC for any ISGS including a IPP).

However, currently the concerned RLDCs are providing the information related to Average Declared Capacity (DCi) of the CGS/ UMPPs only and not the IPPs despite such IPPs being duly qualified under the definition of ISGS under IEGC and such IPPs duly submitting the Declared Capacity to the concerned RLDCs on daily basis. As the result, based on the information furnished by the concerned RLDCs, the concerned RPCs are publishing the Plant Availability Factor (PAF) of the CGS/ UMPPs only and not the IPPs in the monthly Regional Energy Accounts (REAs). Due to this, the concerned IPPs are facing challenges in receiving payments corresponding to Capacity Charges from its beneficiaries/ Discoms.

**Hence it is strongly proposed that the concerned RLDCs and RPCs may be directed to publish the Plant Availability Factor (PAF) of the IPPs (in addition to CGS/UMPPs) in the monthly REAs and suitable amendments in the Principal Regulations (IEGC) may be issued by the Hon'ble CERC to this effect.**

- 3) The terms "original beneficiary" and "beneficiary" as referred to under draft amendments of Part-6 of the Principal Regulations to be clearly defined under "Definitions"

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4) **Proposed additional Para at the end of Clause 19 of Principal Regulations:**

Due to unforeseen delays in restoring a unit, there should not any restriction on number of times for revision of power scheduling under Long Term /Medium Term Open Access. However, for power scheduled under STOA/ Collective Transactions, the restrictions on number of times for revision of power scheduling may be done in accordance with the proposed draft amendments.

5) **Proposed New Regulation 6.5 (A) (d) in the Principal Regulations:**

In case of sale of un-requisitioned capacity in market, the Profit/ GainSharing Mechanism between the generator and the original beneficiary is governed in accordance with the provisions of the PPA entered into between these parties. Such Profit/ Gain Sharing Mechanism(s) are different for different PPAs. Further, for such PPA(s), where tariff is determined/ adopted by the respective SERC(s), there may be difficulties in sharing gains arising out of sale of un-requisitioned capacity in market in the ratio 50:50 as proposed in the draft amendment to the Principal Regulations.

**Accordingly, it may be amply clarified in this proposed amendment that gains arising out of sale of un-requisitioned capacity in market may be shared between generator and the original beneficiary in accordance with the relevant provisions of the PPA(s) between these parties. However in cases where no such Profit/ Gain Sharing Mechanism is specified in the PPA(s) and/ or the applicable regulations of the concerned SERC, such gains would be shared between the generator and the original beneficiary in the ratio of 50:50.**