HERO FUTURE ENERGIES

Ref No: HFE/RAPS/KK/CERC/CE/FY19-20/001

Date: 12.07.2019

To
The Secretary,
Central Electricity Regulatory Commission
3rd and 4th floor Chanderlok Building,
Janpath New Delhi, 110001

Subject: Comments on changes/ Modification to be made in existing IEGC in view of large-scale grid integration of renewable power and changing power sector scenario.

Dear Sir,

This is with reference to the Public notice dated 10.06.19 uploaded on the Honorable CERCs website seeking for suggestions/comments/objections on changes/ Modification to be made in existing IEGC in view of large-scale grid integration of renewable power and changing power sector scenario in the country.

We are hereby submitting following comments / suggestions on CERCs aforesaid notification

A. The major challenge we foresee before grid operators is absorption of Renewable Power (RE) as the percentage of renewable generation increases in the country. large quantum of sudden RE generation will be injected or withdrawn from the grid. To balance the grid during such fluctuations, the flexibility of the thermal generating station pertaining to ramp up and ramp down must be increased. The state wise forecast of the duration of daily peak demand of power and duration of peak generation by RE sources on intraday basis by respective RLDC can help in optimizing thermal generation to load generation balance.

   On the basis of above we suggest that the expert group may consider having a provision in proposed Grid Code of providing information on RLDC website giving the daily forecast of duration of daily peak demand and duration of peak generation by RE sources.

B. Out of thermal (coal fired), hydro and gas-based power plants, thermal has maximum 56% MW in installed capacity and therefore largest proportionate share. Flexible generation from thermal generating station will be imperative to manage variation in RE power and absorb them in the grid. When the IEGC was notified in 2010, the installed renewable energy capacity was hardly few thousand MW, with the present increase to 79,000 MW the IEGC should have a larger view in terms of also setting benchmarks for state thermal units. This especially so as statutorily state grid could has to align with IEGC under section 86.1.(g). We therefore suggest the following:
   a. MUST RUN status of renewable power should be retained as inspite such provision RE rich states back down renewable power, especially wind power, resulting into multiple litigation like that in Rajasthan and Tamil Nadu. Renewable Power is not viable without MUST RUN status as they don't have two-part tariff.

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b. Mandatory provision on technical minimum for state power plants as well, because more than 60,000 MW renewable energy is connected to state system and only central generating stations cannot take the burden of ramping up/down power to absorb RE power. IEGC should also look into areas of providing time bound study of technical minimum on old and new units owned by State Government as well as Central Government.

C. As informed the Electricity Act 2003 mandates state grid codes to be aligned with Indian Electricity Grid code. However, this is not the case observed in states. e.g. the state of Maharashtra came out with state grid code in the year 2006 and it has not been amended since then. This results in complications like in the state of Maharashtra where the recent Forecasting and Scheduling regulation has linked deviation penalty on renewable to grid frequency. Hence it is required that the IEGC should have provisions directly addressing issues renewable power are facing in states. Importantly are Renewable Energy Management Cells (REMC) in SLDCs. Most states have no operational REMCs. Therefore the revised Grid Code should look into this area and mandate REMCs in state SLDCs, provide framework for such financial support, training and technical capability building of SLDC staff in this direction.

D. As per the electricity Act 2003 the State load dispatch Centers are empowered to run the state network. The existing RE generators connected to state network are facing problem of curtailment of schedule which have a large commercial impact on the RE generators which is an irreparable loss. The state system operators most of the time pass verbal instruction regarding curtailment of schedule this leads to lack of transparency.

This issue was discussed during the review meeting taken by MNRE with Principal Secretaries and Head of DISCOMS on 24.10.2017, agreed that such curtailment is in contravention of the law and strongly recommended the following:

*"States was advised not to curtail wind power plans unless required on technical grounds. **Further, all such curtailment should be only on written instructions from SLDC**."* (Minutes of the MNRE Discussions (Page 12, para 9 (iii))

Additionally, the Hon'ble Rajasthan Electricity Regulatory Commission ("RERC") while passing the order in Petition No RERC-786-799/16, & 812-815, 847/16, 1164-1176/17 and 1196/1 dated 29 Nov 2017 ("RERC Order") has further endorsed SLDC while passing backing down instruction will ensure transparency the relevant portion of the order is reproduced below.

*"46. Commission before parting with these cases desires to record that in future SLDC shall while issuing back down instruction to RE generators bear in mind that RE generation being benign to the environment and based on natural resources shall be evacuated on priority basis and shall be back down strictly only as per the Grid Code. **Further, SLDC should maintain proper record of reasons of back down instructions to maintain transparency***

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Based on above we request to have provision in new IEGC to mandate SLDCs to ensure following while passing backing down instruction.

a) Written instructions/E-mail communication should be issued to each individual generator and concerned PSS in-charge informing of the back-down.
b) The backing down instructions should be certified by a competent authority;
c) The reason of back down has to be mentioned in communication.

Further IEGC shall provide the standard format on which a back down instruction shall be passed as many states complain of want of standard format.

We sincerely request to expert group formed by Hon'ble CERC vide order dated 28.05.19 for reviewing the existing grid code, to consider these suggestions while notifying the order we further request you to provide us opportunity to submit our additional submissions on the above-mentioned comments.

Thanking you
For Hero Future Energies Pvt. Ltd

Hero Future Energies Pvt. Ltd. New Delhi

Awnish Pandey
(Authorized Signatory)

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