

To,  
Mr. S.C. Shrivastava  
Chief (Engg.) CERC  
Member Convener,  
Central Electricity Regulatory Commission,  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building,  
36, Jan path  
New Delhi – 110001

Subject: Submission of comments by IEX on proposed amendment of IEGC Regulations, 2010.

Dear Sir,

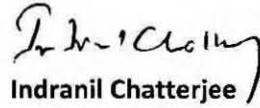
We write this with reference to the notice of Hon'ble CERC dated 10<sup>th</sup> June, 2019 seeking suggestions/comments from stakeholders on changes/modifications to be made in the existing Indian Electricity Grid Code regulations, 2010.

Accordingly, we submit our view/comments as Annexure 1.

Request you to please incorporate the same.

Thanking You,

Yours faithfully,

  
Indranil Chatterjee  
Chief Risk Officer



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Encl: As mentioned above.

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## **Annexure 1 (IEX COMMENTS ON IEGC)**

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### **1. ALLOW DISCOMS TO SELL POWER FROM SOURCE ✓**

- a. In the present framework, in case a Discom wants to dispose of its surplus power in the market than it has to schedule such power from its periphery to the buyer. This transaction tantamount to double charging of transmission charges and losses on same power i.e. for transaction between generator to Discom and then transaction between Discom to Buyer.
- b. Above procedure makes disposal of surplus power uneconomical and cumbersome.
- c. ***Therefore, it is suggested to avoid double charging of transmission charges and losses in case of power sell by Discom, a mechanism to schedule such power from the generator bus or source of such power should be incorporated in the IEGC.***
- d. ***Further, in April'18, the Ministry for Power recognising the growing share of RE in the grid has already allowed IGS to change source. In the same way, the distributions companies must also be provided the same flexibility.***

### **2. ALLOW GENERATORS TO PURCHASE ✓**

- a. As per present framework, in case generator is not able to supply power due to unforeseen event than such generator is exposed to the high penalties under DSM and in case of revision of its scheduled buyer has to face stress.
- b. ***To avoid such situation, it is therefore suggested that the generators should be allowed to buy power to fulfill its contractual obligations. This provision will not only help generators to avoid penalties but also help Discoms to mace its demand efficiently.***

### **3. GATE CLOSURE: DEFINITION**

- a. Presently, IEGC Regulation doesn't define the 'Gate Closure' for open access transactions.
- b. The paper issued by Hon'ble Commission on Real Time Market envisages 'Gate Closure' for intra-day market.
- c. Similarly, different Gate Closures may be required for different type of transactions to bring certainty of availability of options of source of power.



- d. Therefore, it is suggested that Hon'ble Commission may incorporate definition of Gate Closure for both Short Term & Long Term transactions or general definition.*

#### 4. FREEZING THE DAY AHEAD SCHEDULES OF BENEFICIARIES ✓

- a. In case of Discoms, long term contracts constitute almost 90% of the power procurement portfolio. In addition to Deviations (DSM) and Ancillary (ASM), for managing the real time energy imbalances, the Discoms are increasingly dependent on the option of right to recall i.e. managing real time energy balance by way of revision of schedule (four time blocks) before actual dispatch of power and there is no financial liability for such revision.
- b. This option of right to recall being exercised by the long term beneficiaries prohibits the un-requisitioned surplus power to be available in the intra-day Power Market to perform the function of managing real time energy imbalances in the grid.
- c. The CERC discussion paper on "Re-designing Real Time Electricity Markets in India" highlights that between Apr-14 to Mar-16 the un-requisitioned surplus power (2,000 MW to 14,000 MW) was not available in the intraday power market leading to sub optimal utilization of generating assets.
- d. Therefore, to facilitate optimum utilization of generation assets & to expedite development of Real Time Market, no revision should be allowed in the Day Ahead Schedule, post finalization by RLDCs. Discoms/buying entities may use the short term Power Market for managing their load.*

#### 5. LOAD SHEDDING SHOULD BE LAST RESORT FOR DEMAND MANAGEMENT: ✓

- a. The country is witnessing total installed capacity of 357 GW and average peak of only 175 GW (June'19), therefore it can be comfortably concluded that the country has enough surplus capacity available to cater the demand of States.
- b. IEGC provides provisions of demand management through load shedding in case Discoms are overdrawing from the Grid.
- c. Since, load shedding is a regulatory provision, Discoms at present resort to frequent Load Shedding even though enough power is available in the short term power market depriving the consumers of uninterrupted (24x7) power supply from the grid has become the prime & focussed objective of the Govt of India and the same is reflected by various Policy documents by Gol.
- d. Therefore, it is suggested that line with the broad objective of ensuring 24x7 supply of power to consumers, suitable provisions in the IEGC may be incorporated, so that instead of resorting to load shedding, the Discoms meet their obligation of uninterrupted power supply by sourcing the deficit power/peak power requirements through intra-day and proposed Real Time*



*Market. The load shedding should be last resort to manage demand by the Discoms.*

#### **6. SCHEDULING AND DESPATCH OF INTRA-STATE RE GENERATORS SELLING POWER OUTSIDE THE STATE:**

- a. In India, out of 35 GW of Wind and 28 GW of Solar installed RE capacity, more than 95% is connected to State Grid and more capacity is in the pipeline at the State level.
- b. Presently, IEGC provides scheduling of Solar and Wind generators which are Regional Entities, however there is no procedure for inter-State scheduling of Solar and Wind generators which are intra-state entities. This restricts State connected RE generators to participate in the national market.
- c. *Therefore, it is suggested that inter-state Scheduling and Despatch of Intra-State RE Generators should be incorporated in the IEGC to enable state RE generators to participate smoothly in the national market and also enable states to dispose of surplus RE power in the market.*

#### **7. MARGINS IN TRANSMISSION NETWORK FOR SHORT-TERM MARKET**

- a. As per the provisions of IEGC Regulation 2010, CEA is entrusted with the responsibility formulate perspective transmission plan for inter-state transmission system as well as intra-state transmission system.
- b. Though, IEGC provides for the adequate transmission system for evacuation of Power from Renewable sources, however, it does not consider the inter-regional transmission corridor required for inter-State renewable energy transactions and Short term transaction, especially real time market, required to handle the variability of renewable power.
- c. *Therefore, while formulating perspective transmission plan, CEA should consider at least 25% to 30% of additional margin for Short term market.*

#### **8. REAL TIME DATA ON NLDC/RLDC/SLDC WEBSITE**

- a. One of the key to success of any market is data transparency and timely dissemination of such data. In case of power market, the access of data it is equally important for taking informed decision by stakeholders. Particularly real time data is not available on NLDC, RLDCs and SLDCs website which is essential to ascertain over-drawls and under-drawls and take timely action for balancing the demand by way of purchase or sale in the market.
- b. *Therefore, it is suggested that NLDC/RLDC/SLDCs should publish Real Time Generation and line loading data on its website. The TTC and ATC data on real time basis should also be displayed on the website so that stakeholder can take informed decision.*



**9. COD OF RE GENERATORS**

- a. Currently, procedure for declaration of Commercial Operation Date has been provided in IEGC for Thermal and Hydro generating stations only.
- b. Therefore, in the larger context, as well as keeping in mind the growing share of renewable energy in the In the grid, the procedure of declaring COD for Solar and Wind Power generating stations should also be provided as this will facilitate standardization and uniformity in the commissioning methodology being adopted by all Solar and Wind generators across to country.***

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