

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

No.L-7/1(1)/2009-CERC

Dated \_\_\_ 2009

**NOTIFICATION (DRAFT)**

In exercise of the powers conferred under section 178 of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations, namely:

**1. Short title and commencement**

- (1) These regulations may be called the Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2009.
- (2) These regulations shall come into force on 1.4.2009.

**2. Definitions and Interpretation**

- (1) In these regulations, unless the context otherwise requires,-
  - (a) '**Act**' means the Electricity Act, 2003 (36 of 2003);
  - (b) '**actual drawal**' in a time-block means energy drawn by a beneficiary or a buyer, as the case may be, measured by the interface meters;
  - (c) '**actual generation**' in a time-block means energy generated or supplied by the generating station or seller, as the case may be, measured by the interface meters.
  - (d) '**beneficiary**' means the person purchasing electricity generated at the generating station;

- (e) **'buyer'** means a person, other than the beneficiary, buying electricity through a transaction scheduled in accordance with the regulations of the Commission for open access, medium term access and long-term access;
- (f) **'generating station'** means a generating station whose tariff is regulated by the Commission in accordance with clauses (a) and (b) of sub-section (1) of Section 79 of the Act;
- (g) **'Grid Code'** means the Grid Code specified by the Commission under clause (h) of sub-section (1) of Section 79 of the Act;
- (h) **'Commission'** means the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76 of the Act;
- (i) **'interface meters'** means interface meters as defined by the Central Electricity Authority under the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, as amended from time to time;
- (j) **'Load Despatch Centre'** means Regional Load Despatch Centre or State Load Despatch Centre, as the case may be, responsible for coordinating scheduling of the generating station in accordance with the provisions of Grid Code;
- (k) **'scheduled generation'** at any time or for any period or time-block means schedule of generation in MW or MWh ex-bus given by the Load Despatch Centre;
- (l) **'scheduled drawal'** at any time or for any period or time-block means schedule of despatch in MW or MWh ex-bus given by the Load Despatch Centre;

- (m) **'seller'** means a person, other than a generating station, supplying electricity through a transaction scheduled in accordance with the regulations of the Commission for open access, medium term access and long-term access;
- (n) **'time-block'** means block of 15 minutes each for which interface meter records specified electrical parameters and quantities with first time-block starting and 00.00 Hrs;
- (o) **'Unscheduled Interchange'** in a time-block for a generating station or a seller means actual generation minus its scheduled generation and for a beneficiary or buyer means its total actual drawal minus its total scheduled drawal.

(2) Save as aforesaid and unless repugnant to the context or the subject-matter otherwise requires, words and expressions used in these regulations and not defined, but defined in the Act, or the Grid Code or the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2009 shall have the meanings assigned to them respectively in the Act or the Grid Code or the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2009.

## **2. Scope**

These Regulations shall be applicable to –

- (i) generating stations and the beneficiaries of such generating stations, and

(ii) sellers and buyers involved in the transactions facilitated through open access or medium term access or long-term access in inter-State transactions. .

### 3. **Unscheduled Interchange (UI) Charges**

The charges for Unscheduled Interchange shall be worked out on the average frequency of the time-block at the rates given hereunder -:

| <b>Average frequency of time block (Hz)</b> |                  | <b>UI Rate</b>         |
|---|------------------|------------------------|
| <b>Below</b>                                | <b>Not below</b> | <b>(Paise per kWh)</b> |
| ----  | 50.30            | 0                      |
| 50.30                                       | 50.28            | 12                     |
| 50.28                                       | 50.26            | 24                     |
| -----                                       | -----            | -----                  |
| -----                                       | -----            | -----                  |
| 50.04                                       | 50.02            | 168                    |
| 50.02                                       | 50.00            | 180                    |
| 50.00                                       | 49.98            | 192                    |
| -----                                       | -----            | -----                  |
| -----                                       | -----            | -----                  |
| 49.52                                       | 49.50            | 480                    |
| 49.50                                       | 49.48            | 497                    |
| 49.48                                       | 49.46            | 514                    |
| -----                                       | -----            | -----                  |
| ----  | -----            | -----                  |
| 49.24                                       | 49.22            | 718                    |
| 49.22                                       |                  | 735                    |

(Each 0.02 Hz step is equivalent to 12.0 paise/kWh in the 50.3-49.5 Hz frequency range and to 17.0 paise/kWh in the 49.5-49.2 Hz frequency range)

Provided that in case of generating stations with coal or lignite firing and stations burning only APM gas, UI rate shall be capped at 408 paise per kWh when actual generation exceeds the scheduled generation.

**4. Declaration, scheduling and elimination of gaming**

The provisions of the Grid Code and the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations 2008, as amended from time to time, shall be applicable to declaration of capacity, scheduling and elimination of gaming.

**5. Limits on UI volume**

The over-drawal of electricity by any beneficiary or a buyer during a time-block shall not exceed 12% of the scheduled drawal of such beneficiary or buyer or 150 MW (whichever is lower), and 3% on a daily aggregate basis, for all the time blocks when frequency is below 49.5 Hz.

**6. Compliance with instructions of Load Despatch Centre**

Notwithstanding anything specified in Regulation 5, the generating station, the seller, the beneficiary and the buyer shall follow the instructions of the Load Despatch Centre on generation and drawal.

**7. Unscheduled Interchange Charges Accounting**

All payments on account of Unscheduled Interchange charges levied under these regulations and interest received on late payment of Unscheduled Interchange charges

shall be credited to the Fund called the Unscheduled Interchange Pool Account Fund, which shall be maintained and operated in accordance with provisions of the Grid Code.

#### **8. Schedule of Payment of Unscheduled Interchange Charges**

(1) All payments for Unscheduled Interchange charges shall be made to the Unscheduled Interchange Pool Account Fund within 10 days of issue of Unscheduled Interchange account statement by the Regional Power Committee.

(2) If any payments for the Unscheduled Interchange charges are delayed by more than two days, that is to say, payments are made beyond a period of 12 days of issue of the statement by the Regional Power Committee, simple interest @ 0.04% for each day of delay shall be payable.

(3) All payments from the Unscheduled Interchange Pool Account Fund to the entities entitled to receive any amount shall be made within 5 days of crediting of the amount to Unscheduled Interchange Pool Account Fund.

#### **9. Application of fund collected through UI**

(1) The amount left after final settlement of claims of Unscheduled Interchange charges of the generating station and the beneficiaries shall be utilised for both or either of the following activities:

(a) Servicing of investment for transmission schemes of strategic importance from a long-term perspective after obtaining prior approval of the Commission:

Provided that the Central Transmission Utility in consultation with Central Electricity Authority shall identify the inter-State transmission schemes of strategic importance from a long-term perspective, without optimum level of utilisation at present, to seek prior approval of the Commission for servicing of capital costs during the initial years from the Unscheduled Interchange Pool Fund:

Provided further that when utilisation of such transmission line or transmission system included in the transmission schemes of strategic importance reaches to the optimum level of utilisation, the cost of such transmission line or transmission system shall be recovered from the users of the transmission system in accordance with the methodology specified by the Commission.

- (b) Providing ancillary services including but not limited to 'load following' during low grid frequency as identified by the Regional Load Despatch Centre, in accordance with the procedure prepared by the Load Despatch Centre after obtaining prior approval of the Commission to ensure grid security and safety:

(2) The amount of fund, allocable for the purposes specified under clause (1), shall be decided by the Commission from time to time..

#### **10. Power to Relax**

The Commission, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected by grant of relaxation, may relax any of the

provisions of these regulations on its own motion or on an application made before it by an interested person.

**(Alok Kumar)**  
**Secretary**