



भारतसरकार

Government of India

विद्युतमंत्रालय

Ministry of Power

उत्तरक्षेत्रीयविद्युतसमिति

Northern Regional Power Committee

पत्रांक: उक्षेविम/वाणिज्यिक/211/केविआ/2019/5002-3
No.:NRPC/CommI/211/CERC/2019/

दिनांक: 17 मई, 2019
Date: 17th May, 2019

मेवा में/To,

सचिव
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विषय: ड्राफ्ट विचलन निपटान और संबंधित मामलों (पांचवां संशोधन) विनियमन, 2019 पर टिप्पणियां।

Sub: Comments on Draft Deviation Settlement Mechanism and related matters (Fifth Amendment) Regulations, 2019

महोदय /Sir,

Hon'ble commission circulated the Draft Deviation Settlement Mechanism and related matters (Fifth Amendment) Regulations, 2019 on 18th April, 2019.

Comments / Suggestions of NRPC Secretariat on the above draft regulation are enclosed.

संलग्नक: यथोपरी।

भवदीय /Yours faithfully,

(आर.पी. प्रधान)

(R.P. Pradhan)

अधीक्षण अभियंता

Superintending Engineer

Comments on CERC (Deviation Settlement Mechanism and related matters)
(Fifth Amendment) Regulations, 2019

1. Regarding additional charge due to sustained deviation

- i. The following illustration has been provided for calculation of additional charge as per Clause 7(10)(a):

“A regional entity having a sustained deviation from time blocks t1 to t12, should correct its position either by changing the sign of its deviation (from positive to negative or negative to positive as the case may be) or come back in the range of +/- 10 MW with reference to its schedule latest by the end of time block t13. In case, such sign change does not take place or it fails to come back in the range of +/- 10 MW by the end of time block t13, but such correction of position takes place from time block t14 up to time block t24, then the additional charge shall be levied equivalent to one violation. The above violation shall attract an additional charge at the rate of 10% of the time block DSM for t13. Further, in case, sign change does not take place or it fails to come back to the range as aforesaid even latest by the end of t25, but correction of position takes place from time block t26 up to time block t36, then the additional charge shall be levied equivalent to two violations. The above violation shall attract an additional charge at the rate of 10% of the time block DSM for t13 & t25, and so on.”

As per the draft amendment, if sign change/ correction of position of regional entity does not take place by the end of time block t13, but takes place from time block t14 up to t24, additional charge for sustained deviation would be calculated as

Additional charge = 10% of Time block DSM for t13

Hence, the sustained deviation charges would be same regardless of whether the sign change/ correction of position of the utility took place in the 14th time block or 24th time block which doesn't appear to be fair. It is proposed that the sustained deviation after t12, may attract additional charge at the rate of 10% of the time block DSM of those time blocks after t12 in which sign reversal did not take place.

Illustration(1): If a utility continuously Over Draws from the grid for 18 time blocks and sign reversal takes place in t19, additional charge may be calculated as:

Additional charge = 10% of Time block DSM for (t13+t14+t15+t16+t17+t18)

- ii. The following illustration has been provided for calculation of additional charge as per Clause 7(10)(b):

“After 01.04.2020, if a regional entity having a sustained deviation from time blocks t1 to t7, should correct its position either by changing the sign of its deviation (from positive to negative or negative to positive as the case may be) or come back in the range of +/- 10 MW with reference to its schedule latest by the end of time block t7. In case, such sign change does not take place or it fails to come back in the aforesaid range by the end of time block t7, but such correction of position takes place from time block t8 up to time block t12, then additional charge shall be levied equivalent to one violation. Further, in case, sign change does not take place or it fails to come back in the range as aforesaid latest by the end of t13, but correction in position takes place from time block t14 up to time block t18, then the additional charge shall be levied for two violations and so on.”

Provided that violation of the requirement under this clause shall attract an additional charge as specified in the table below

No. of violations in a Day	Additional Charge Payable
From first to fifth violation	For each violation, an additional charge @ 3% of daily base DSM payable / receivable
From sixth to tenth violation	For each violation, an additional charge @ 5% of daily base DSM payable / receivable
From eleventh violation onward	For each violation, an additional charge @ 10% of daily base DSM payable / receivable

It is proposed that the methodology suggested in Illustration (1), be adopted after 01.04.2020 also. The number of time blocks for making sign reversal is already proposed to be reduced from 12 to 6 w.e.f. 01.04.2020 which would make it more stringent.

Consider a situation where an entity Over Draws by 100 MW in each time block continuously for the first 48 time blocks (12 hrs) and then Under Draws by 100 MW continuously for the next 48 time blocks (12 hrs) in a day in such a manner that its daily base DSM is zero. Linking additional charge to Daily base DSM may lead to such a scenario where despite 14 violations in the day, the additional charge due to sustained deviation levied on that utility would be zero. However, if the methodology proposed in illustration 1 is adopted, the Additional charge would be

$$\text{Additional charges} = 10\% \text{ of Time Block DSM for (t7+t8.....+t48)}\text{—During OD} \\ + \\ 10\% \text{ of Time Block DSM for (t7+t8.....+t48)}\text{—During UD}$$

The time block DSM charge may also be stepped up to 20% in case correction of position the utility does not take place from time block t8 up to time block t12 but takes place from time block t14 up to time block t18 and so on..

Illustration(2): If a utility continuously Over Draws from the grid for 16 time blocks and sign reversal takes place in t17, additional charge may be calculated as:

$$\begin{aligned} \text{Additional charges} &= 10\% \text{ of Time Block DSM for } (t7+t8+t9+t10+t11+t12) \text{ (Violation 1)} \\ &+ \\ &20\% \text{ of Time Block DSM for } (t13+t14+t15+t16) \text{ (Violation 2)} \end{aligned}$$

- iii. Exemptions from sign change requirement have been provided in some cases. It is proposed that additional charge due to sustained deviation may also be exempted in cases where a utility is UD/OI at frequency below 49.85 Hz or OD/UI at frequency above 50.1 Hz since it is supporting the grid in those scenarios and sign change would be harmful for the grid as well as lead to imposition of additional deviation charges on the utility.

2. Regarding drawal of power by a generating station when injection schedule is zero

As per the draft regulation, any drawal of power by a generating station for the start-up activities of a unit is exempted from sustained deviation charges. The duration/quantum of such drawal may be specified in the regulations.

When the injection schedule of the generator is zero and it is drawing power from the grid, the generator is behaving like a drawee entity. Hence, it is proposed that in such scenarios, no cap rate should be applicable and the charges for drawal of power should be the same as being levied on other drawee entities as per prevailing grid conditions.

3. Charges for infirm power injected in the grid by Solar/Wind generators

Regulation 5(5) of the DSM Regulations specifies the cap rate for infirm power injected by generating stations using different fuel sources. The revenue earned by the company from this infirm injection, after accounting for the fuel expenses, is applied in adjusting the capital cost of the generating station. No cap rate/charges have been specified for solar/wind generators. The same may be specified in the regulations.