Comments on Draft CERC (Indian Electricity Grid Code) (Sixth Amendment) Regulations, 2019

| S No | Existing/draft Provision | Changes Proposed | Rationale |
|---------|---|---|---|
| 1 | "Revision of declared capability by the ISGS(s) having two part tariff with capacity charge and energy charge and requisition by beneficiary (ies) for the remaining period of the day shall also be permitted with advance notice. Any revision in schedule made in odd time blocks shall become effective from 7th time block and any revision in schedule made in even time blocks shall become effective from 8th time block, counting the time block in which the request for revision has been received by the RLDCs to be the first one" | Clause 6.5.18 Revision of declared capability by the ISGS(s) having two part tariff with capacity charge and energy charge and requisition by beneficiary (ies) for the remaining period of the day shall also be permitted with advance notice. Revised schedule/declared capability in such cases shall become effective from the 4th time block, counting the time block in which the request for revision has been received by the RLDCs to be the first one. | As per CERC DSM Regulations, Generator / seller has to change the sign of its deviation from schedule after 6 time blocks or remaining in the range of +/- 20 MW with reference to its schedule otherwise noncompliance of the same would result in levy of additional DSM charge. If the draft regulation comes in force then during tripping / partial loading of the Unit on account of equipment tripping will put additional financial burden on the generator in the form of additional deviation charges. To avoid additional deviation charges, the option with generator to buy power from real time market (RTM) shall be possible only if power is available for sale in RTM and at a price lower or equal to existing contracted price of generator. If this is not the case then |
| 2 | Clause 6.5.18(A) "In case of forced outages of a unit, for those stations who have a two part tariff based on capacity charge and energy charge for long term and medium term contracts, the RLDC shall revise the schedule on the basis of revised declared capability. The revised declared capability and the revised schedules shall become effective from the time block and in the manner as specified in Regulation 6.5.18" | Clause 6.5.18(A) In case of forced outages of a unit, for those stations who have a two part tariff based on capacity charge and energy charge for long term and medium term contracts, the RLDC shall revise the schedule on the basis of revised declared capability. The revised declared capability and the revised schedules shall become effective from the 4th time block, counting the time block in which the revision is advised by the ISGS to be the first one. | |
| 3 | Clause 6.5.19 | Clause 6.5.19 | |

"In case of forced outage of a unit of a generating station (having generating capacity of 100 MW or more) and selling power under Short Term bilateral transaction (excluding collective transactions through power exchange), the generator or electricity trader or any other agency selling power from the unit of the generating station shall immediately intimate the outage of the unit along with the requisition for revision of schedule and estimated time of restoration of the unit, to SLDC/RLDC, as the case may be. The schedule of beneficiaries, sellers and buyers of power from this generating unit shall be revised accordingly. The revised schedules shall become effective from the time block and in the manner as specified in Regulation 6.5.18. The SLDC/RLDC as the case may be, shall inform the revised schedule to the seller and the buyer. The original schedule shall become effective from the estimated time of restoration of the unit. However, the transmission charges as per original schedule shall continue to be paid for two days.

Provided that the schedule of the buyers and sellers shall be revised after forced outage of a unit, only if the source of power for a particular transaction has clearly been indicated during short-term open access application and the said unit of that generating station goes under forced outage."

In case of forced outage or reserve shutdown (RSD) of a unit of a generating station (having generating capacity of 100 MW or more) and selling power under Short Term bilateral transaction (excluding collective transactions through power exchange), the generator or electricity trader or any other agency selling power from the unit of the generating station shall immediately intimate the outage or RSD of the unit along with the requisition for revision of schedule and estimated time of restoration of the unit, to concerned SLDC/RLDC, as the case may be. The schedule of beneficiaries, sellers and buyers of power from this generating unit shall be revised accordingly. The revised schedules shall become effective from the 4th time block, counting the time block in which the force outage is declared to be the first one. The SLDC/RLDC as the case may be, shall inform the revised schedule to the seller and the buyer. The original schedule shall become effective from the estimated time of restoration of the unit. However, the transmission charges as per original schedule shall continue to be paid for two days.

Provided that the schedule of the buyers and sellers shall be revised after forced outage **or RSD** of a unit, only if the source of power for a particular transaction has clearly been indicated during short-term open access application and the said unit of that generating station goes under forced outage **or RSD**.

generator will have to bear financial loss.

Therefore, existing provision of implementation of revised schedule from 4th time block shall be maintained.

4 Clause 6.5(A)

"(c) An ISGS may sell power from the share of its original beneficiaries in the day-ahead Market with the consent of such beneficiaries; and in the real-time market without the requirement of consent from the beneficiaries, before the trading for the real time market for a specified duration commences. In both the cases, the realized gains shall be shared between the ISGS and the concerned beneficiary in the ratio of 50:50 or as mutually agreed between the ISGS and concerned beneficiary in the billing of the following month. This gain shall be calculated as the difference between selling price of such power and fuel charge including incidental expenses.

Provided that such sale of power by ISGS shall not result in any adverse impact on the original beneficiary (ies) including in the form of higher average energy charge vis-à-vis the energy charge payable without such sale:

Provided further that there shall be no sharing of loss between the ISGS and the beneficiary (ies):

Provided also that, the liability of fixed charge in such cases shall remain with original beneficiary (ies) as determined in accordance with the Tariff Regulations notified by the Commission from time to time."

Clause 6.5(A)

(c) An ISGS may sell power from the share of its original beneficiaries in the day-ahead Market with the consent of such beneficiaries; and in the real-time market without the requirement of consent from the beneficiaries, before the trading for the real time market for a specified duration commences. In both the cases, the realized gains shall be shared between the ISGS and the concerned beneficiary in the ratio of 50:50 or as mutually agreed between the ISGS and concerned beneficiary in the billing of the following month. This gain shall be calculated as the difference between selling price of such power and fuel charge including incidental expenses.

Provided that ISGS may sell power from the share of its original beneficiaries in the day-ahead Market without the consent of such beneficiaries, if the beneficiaries have not established the payment security mechanism as per contract and the realized gains from sale of power shall not be shared to its concerned beneficiaries. Moreover, beneficiaries will schedule such power only on T+2 day, if they have established PSM on T day:

Provided that such sale of power by ISGS shall not result in any adverse impact on the original beneficiary (ies) including in the form of higher average energy charge vis-à-vis the energy charge payable without such sale:

Provided further that there shall be no sharing of loss between the ISGS and the beneficiary (ies):

Provided also that, the liability of fixed charge in such cases shall remain with original beneficiary (ies) as determined in accordance with the Tariff Regulations notified by the Commission from time to time.

If the power supply to DISCOMs is regulated due to nonestablishment of the payment mechanism security accordance with the MoP Order dated 28.06.2019 then the generator shall not be obligated to take the consent from beneficiaries for sale of this regulated power. Also, nonsharing of any gain from sale of aforesaid power will make pressure on beneficiaries to establish the payment security mechanism.

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