

Comments on Draft CERC Regulations for 2019-24 dtd 14th Dec'18

With reference to the draft CERC regulations 2019-24 we would like to furnish comments/ requirements

Operation & Maintenance Expenses:

In the draft regulations for the O&M expenses there is no criteria/considerations for Single Unit Operations. For Example 600 MW Series O&M expenses for coal based/ lignite based power plants it is mentioned 17.39 Lacs/MW for the Year 2019-20 and so on.

Request with Hon'ble CERC:

To kindly consider the requirements/ challenges with single unit operations in respect of:

- O&M Expenses
- Auxiliary Power Consumption
- Specific Oil Consumption
- Capital Spares
- Inventory

Reference Table:

Sl. No	Chapter No	Parameter	Clause No
1	6	Capital Spares	22(A)
4	8	O&M Expenses	35
2	12	Specific Oil Consumption	59 (D)
3	12	Auxiliary Power Consumption	59 (E)

As Hon'ble CERC is kindly aware many of the Units do not have Power Purchase Agreements and the chances of getting Long term PPA is equally challenging under these conditions these Utilities (IPPs) are operating with Merchant power/ IEX. Some of the generators have entered into Long term Access agreement with PGCIL. The operational expenses towards the LTA are fixed for example KWPCCL has signed for LTA of 240 MW (WR- 140 & NR- 100). This expenses towards the POC and other charges works out to Rs. 6.25 Crs / month

For the kind information of Hon'ble CERC, KWPCCL has only 5% PPA with state at variable cost and rest all the Power generated is sold through merchant power/IEX. Wherein it is becoming very difficult to recover the fixed cost and variable cost. Under these conditions monthly payment of 6.25 Crs irrespective of any power transmission will be challenging for KWPCCL and will also be equally challenging to any other Generator for paying monthly fix charges.

Our request with Hon'ble CERC is to consider LTA charges only for the power transmitted till the generators get PPA equivalent to contracted LTA.

(For the kind information of Hon'ble CERC, KWPCCL (Korba West power Company Ltd) is single unit operation, on account of the accidental failure of the Generator stator unit is under long shutdown. As KWPCCL was not able serve the interest and maintain the Operational expenses KWPCCL has approached Hon'ble NCLT under section 10 of IBC 2016. Hon'ble NCLT has admitted the petition and moratorium is in place. Restoration of unit is expected by Oct/ Nov'19)