



**FICCI Representation on  
'Draft Central Electricity Regulatory  
Commission (Power System Development  
Fund) Regulations, 2019'**

**Submitted to:  
Central Electricity Regulatory Commission**



**Recommendations on Draft Central Electricity Regulatory Commission (Power System Development Fund) Regulations, 2019**

- A) A Draft Consultation Paper on Power System Development Fund Regulations, 2019 was published by Central Electricity Regulatory Commission on 24<sup>th</sup> May 2019. CERC had invited comments/suggestions from the stakeholders on the Consultation Paper due for submission by 21<sup>st</sup> June 2019.
- B) In this regard, we have solicited the feedback of our industry members. Based on the feedback, FICCI's comments/suggestions are the following:
  - 1) While we are in general agreement with the basic concept of PSDF, we would highlight the operational constraints faced by market participants in the context of contributions to the fund:
    - a. DSM charges have the potential to be a major contributor to PSDF consequent upon stricter conditions being imposed for grid stability post 5th Amendments to DSM Regulations. It is therefore, necessary that the mechanism to mitigate the factors contributing to deviation be addressed through a system-based approach.
    - b. In specific terms, measures are necessary to overcome unavailability of integrated scheduling software between RLDC, SLDC, Generators and Discoms, absent forecasting tool and real time AMR data, etc. causing deviations in real time and leading to high DSM charges.