

SR.NO	CLAUSE NO.	DETAILS OF THE REGULATION	COMMENTS/ SUGGESTIONS
1	7(1)	<p>The normal rate of charges for deviation for a time block shall be equal to the Weighted Average Ancillary Service Charge (in paisa/kWh) computed based on the total quantum of Ancillary Services deployed and the total charges payable to the Ancillary Service Providers for all the Regions for that time block:</p>	<p>The term "Weighted average ancillary charge" must be illustrated with examples which will provide more clarity to the stakeholders in determining DSM charges.</p>
2.	7(1)	<p>Provided that for a period of one year from the date of effect of these regulations or such further period as may be notified by the Commission, the normal rate of charges for deviation for a time block shall be equal to the highest of [the weighted average ACP of the Day Ahead Market segments of all the Power Exchanges; or the weighted average ACP of the Real Time Market segments of all the Power Exchanges; or the Weighted Average Ancillary Service Charge of all the regions] for that time block:</p>	<p>Since the DSM charge linked to maximum of weighted average of three (ACP of the DAM or RTM or Average Ancillary service charge) for that particular time slot, there will be exposure to higher DSM and additional DSM and additional deviation charges beyond limit. Hence, It is suggested that the normal rate of charges for deviation for a time block should be equal to the lowest of [the weighted average ACP of the Day Ahead Market segments of all the Power Exchanges; or the weighted average ACP of the Real Time Market segments of all the Power Exchanges; or the Weighted Average Ancillary Service Charge of all the regions] for that time block: This will ease the burden on the end consumers.</p>

3.	9(5)	<p>(5) The Deviation and Ancillary Service Pool Account shall receive credit for:</p> <p>(a) Payments on account of charges for deviation referred to in Regulation 8 of these regulations:</p> <p>(b) payments made by:</p> <p>(i). SRAS Provider for the SRAS-Down despatched under the Ancillary Services Regulations; and</p> <p>(ii). TRAS Provider for the TRAS-Down despatched under the Ancillary Services Regulations.</p>	<p>The role of Discoms in the providing ancillary service must be explained in more detailed manner, as stated in the ancillary draft regulation “Compensation charge means the price declared by an SRAS Provider other than a generating station for participation on SRAS.</p> <p>Being a Discom as a SRAS provider there will be two possible scenarios which is illustrated below:</p> <p>1) In case of SRAS-UP condition, Discom will have to be under drawl. Then there will be no DSM charges to be levied and discom will get compensation charges as per Proposed regulation.</p> <p>2) In case of SRAS down condition, Discom must be in overdrawing from the grid and will get compensation charge on one hand and DSM penalty on the other hand.</p>
4.	9(6)	<p>(6) Deviation and Ancillary Service Pool Account shall be charged for:</p> <p>(i). the full cost of despatched SRAS-Up including the variable charge or the energy charge or the compensation charge, as the case may be, for every time block on a regional basis as well as the incentive for SRAS, payable to the concerned SRAS Provider as referred in the Ancillary Services Regulations;</p> <p>(ii). The full cost towards TRAS-Up including the charges for the quantum cleared and despatched and the commitment charge for the quantum cleared but not despatched as referred in the Ancillary Services Regulations.</p>	<p>Further, more clarity is required on the functioning of the Deviation and Ancillary pool account and how deviation charges will be levied against its stakeholders. Deviation and ancillary service pool account for SRAS/TRAS up/down shall be illustrated with examples.</p>

5.	10(1)	<p>The payment of charges for deviation shall have a high priority and the concerned regional entity shall pay the due amounts within 7 (seven) days of the issue of statement of charges for deviation by the Regional Power Committee, failing which late payment surcharge @0.04% shall be payable for each day of delay.</p>	<p>As per existing DSM regulation the due date for the payment of the DSM charge for the concerned entity is 10 days and the penalty for late payment surcharge is levied after 12 days. Hence it is requested to keep the due date and LPS in line with existing regulation..</p>
6.		<p><u>General comments</u></p>	<ol style="list-style-type: none"> 1. A maximum ceiling for each time block at which normal DSM charges are to be imposed, needs to be included in the draft regulation. 2. No reduction in TIME blocks definition from existing 15 minutes to 5 minutes. This is because the SRAS provider mentioned in the draft Ancillary regulation, becomes operational after 30 seconds and sustains up to 15 minutes. Hence, 5 minutes time block would require the generators to have a very high ramp rate (MW/Min) which is not feasible at present.. 3. The very prime objective of introducing the new DSM regulation is to discourage Discoms from overdrawing as the same poses serious threat to the grid security, however so far charges were being levied on Discoms for sustained same sign drawl which clearly indicates that the same was not in the interest of the Grid security and should not have been introduced.

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