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भारतसरकार केंद्रीयविद्युतप्राधिकरण दक्षिणक्षेत्रीयविद्युतसमिति 29, रेसकोर्स क्रॉस रोड बेंगलूर -560 009	 सत्यमेव जयते	Government of India Central Electricity Authority Southern Regional Power Committee 29, Race Course Cross Road Bengaluru - 560 009
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सं/No. SRPC/MS/2021-22/1873	दिनांक /Date	05 th October 2021

सेवा में / To

सचिव/The Secretary,

केन्द्रीय विद्युत विनियामक आयोग/Central Electricity Regulatory Commission

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नई दिल्ली/ New Delhi- 110001

Subject: Comments of SRPC Secretariat on the draft CERC (DSM & Related Matters) Regulations 2021 - Reg.

Ref: CERC Notice no. E-1/260/2021/CERC dated 07.09.2021

Sir,

Kindly find enclosed the comments of SRPC secretariat on the Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2021 for your kind consideration please.

Yours faithfully,

संलग्नक: यथोपरि/ Encl: As above

NRLK

(एन आर एल क प्रसाद / N R L K Prasad)

सदस्य सचिव (प्रभारी)/ Member Secretary(I/c)

SOUTHERN REGIONAL POWER COMMITTEE
BENGALURU

SRPC Secretariat's Comments on the Draft CERC (DSM & Related Matters) Regulations 2021

Sl. No	Regulation	Regulation as per Draft	Suggestion	Reason/Comment
1	Regulation 3	(g) 'Available Capacity' for power projects based on wind or solar which are regional entities, is the cumulative capacity rating of wind turbines or solar inverters that are capable of generating power in a given time block;	This may be modified as below: (g) 'Available Capacity' for power projects based on wind or solar or hybrid wind-solar which are regional entities, is the cumulative capacity rating of wind turbines and/or solar inverters that are capable of generating power in a given time block;	Hybrid Wind- Solar plants may also come up in future.
2	Regulation 3	(k) 'Deviation' in a time block for a seller of electricity means its total actual injection minus its total scheduled generation <u>including the schedule for Ancillary Services</u> ; and for a buyer of electricity means its total actual drawal minus its total scheduled drawal including the schedule for Ancillary Services, and shall be computed as per Regulation 6 of these regulations;	This may be modified as below: (k) 'Deviation' in a time block for a seller of electricity means its total actual injection minus its total scheduled generation including the schedule for Ancillary Services ; and for a buyer of electricity means its total actual drawal minus its total scheduled drawal including the schedule for Ancillary Services , and shall be computed as per Regulation 6 of these regulations;	Definition 3(w) Scheduled Generation & 3(x) Scheduled Drawal have explicitly taken care of schedule for Ancillary Services.
3	Regulation 3	(m) 'General seller' means a seller in case of a power project based on other than wind or solar resources.	This may be modified as below: (m) 'General seller' means a seller (including the thermal generators under the scheme for Flexibility in Generation and Scheduling of Thermal Power Stations to	Some of the Thermal Generators are developing the Solar Projects in their premises under the MoP scheme for Flexibility in

			<p>reduce emissions as per MoP letter dated 05.04.2018) in case of a power project based on other than wind or solar resources.</p>	<p>Generation and replacing thermal Power with RE power to reduce emissions.</p> <p>In SR, 25 MW Floating Solar plant at NTPC Simhadri STPS is in operation under flexibility scheme. In case RSD/Outage of Station this RE power may be sold through STOA/PX. In such scenario, under which category of Seller (i.e General Seller or WS Seller), the charges for Deviation of RE power would be computed?</p> <p><i>Suitable provision may be included for such scenarios.</i></p>
4	Regulation 3	(aa) 'WS seller' means a seller in case of a power project based on wind or solar energy.	<p>This may be modified as below:</p> <p>(aa) 'WS seller' means a seller in case of a power project based on wind or solar or hybrid wind-solar energy</p>	Hybrid Wind- Solar plants may also come up in future.
5	Regulation 7	<p>Normal Rate of Charges for Deviations</p> <p>(1) The normal rate of charges for deviation for a time block shall be equal to the Weighted Average Ancillary Service Charge (in paise/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>This may be modified as follows:</p> <p>The normal rate of charges for deviation for a time block shall be equal to the Weighted Average Ancillary Service Charge (in paise/kWh) computed based on the total quantum of Ancillary Services deployed (SRAS Up + TRAS Up) and the total charges payable to the Ancillary Service Providers (SRAS Up + TRAS Up) for all the Regions for that time block:</p>	The rate of charges for Deviation may be arrived based on the total UP (SRAS+TRAS) instruction quantum and corresponding amount payable to SRAS up & TRAS up Providers only.

			<p>The following proviso may be added under 7(1):</p> <p>Provided further that in case of non-deployment of (SRAS Up + TRAS Up) for any time block on a given day, the rate for the corresponding time block of the last available day shall be considered:</p>	
			<p>The following proviso may be added under 7(1):</p> <p>NLDC shall publish at its website the block wise Normal Rate of Charges for Deviations based on the Weighted Average Ancillary Service Charge (in paise/kWh) as per Regulation 7(1).</p>	<p>Normal Rate of Charges for Deviations (Block wise) has to be provided by NLDC since the rate needed to be arrived 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>
6	First Provision of Regulation 7	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	<p>The following proviso may be added under the first Proviso of 7(1):</p> <p>NLDC shall publish at its website the block wise Normal Rate of Charges for Deviations as per the first Proviso of Regulation 7(1).</p>	<p>Normal Rate of Charges for Deviations (Block wise) has to be provided by NLDC since the rate</p>

		<p>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: Provided further that in case of non-availability of ACP for any time block on a given day, ACP for the corresponding time block of the last available day shall be considered:</p>		<p>needed to be arrived based on the data of all the Regions for that time block.</p> <p><i>There may be a cap rate for Deviation charge since ACP of power exchanges have been exorbitant for some time blocks due to supply-demand mismatch which is intermittent and are very low volume transactions.</i></p>
7	Regulation 8	<p>Charges for Deviation</p> <p>For a general seller other than an RoR generating station or a generating station based on municipal solid waste</p> <p><u>Deviation by way of under injection</u></p> <p>(i) @ normal rate of charges for deviation up to 2% Deviation-general seller (in %);</p>	<p>This may be modified as below:</p> <p>.....</p> <p><u>Deviation by way of under injection</u></p> <p><i>@ normal rate of charges for deviation Zero upto 1% Deviation-general seller (in %) and @ normal rate of charges for deviation for beyond 1% and up to 2% Deviation-general seller (in %);</i></p> <p><i>Provided that such seller shall pay back to the Deviation and Ancillary Service Pool Account for the total shortfall in energy against its</i></p>	<p>1. In Explanatory Memorandum of CERC, it is mentioned that metering errors, inadvertent deviations from schedule may occur on account of operation of governor control (RGMO/ FGMO) etc. that need to be factored in while accounting for deviation of generators. Hence, for upto 2% over injection, the charges for deviation for such generators would be zero. On the similar lines, the charges for deviation for under injection (at least for 1%) may be made zero. <i>Also in the sub-committee meetings of SRPC, Generators have been reporting that there</i></p>

			<p>schedule in any time block due to under injection, (a) at the contract rate at which it has been paid based on schedule, or (b) in the absence of a contract rate at the rate of <u>Weighted Average Area Clearing Price of the Day Ahead Market of all Power Exchanges</u> for the respective time block.</p>	<p>were inevitable deviations from the schedule due to AGC and Ramping schedules which are resulting in adverse commercial impact on DSM.</p> <p>2. Seller shall pay back to the pool account for the total short fall in energy against schedule at the rate as per (a) & (b)</p>
8	Regulation 8	<p>For WS seller</p> <p><u>Deviation by way of under injection</u></p> <p>Provided that such seller shall pay back to the Deviation and Ancillary Service Pool Account for the total shortfall in energy against its schedule in any time block due to under injection, (a) at the contract rate at which it has been paid based on schedule, or (b) in the absence of a contract rate at the <u>rate of the Area Clearing Price</u> of the Day Ahead Market for the respective time block.</p>	<p>For WS seller</p> <p><u>Deviation by way of under injection</u></p> <p>Provided that such seller shall pay back to the Deviation and Ancillary Service Pool Account for the total shortfall in energy against its schedule in any time block due to under injection, (a) at the contract rate at which it has been paid based on schedule, or (b) in the absence of a contract rate at the rate of <u>Weighted Average Area Clearing Price of the Day Ahead Market of all Power Exchanges</u> for the respective time block.</p>	<p>Since more than one power exchanges exist.</p>

				<p>In some cases, the drawee entity i.e Buyer may get injection schedule in some time blocks by virtue of net schedule. In that case, the computation of charges of deviation payable would be based on the block wise schedule (Injection/Drawal) status of the entity i.e Buyer or Seller.</p> <p>Suitable provision may be included for such scenarios</p>
9	Regulation 8	(4) The charges for inter-regional deviation and for deviation in respect of cross-border transactions, caused by way of over-drawal or under-injection shall be payable at the normal rate of charges for deviation.	<p>This may be modified as below:</p> <p>(4)</p> <p>(a) There shall not be charges for inter-regional deviation.</p> <p>(b) The charges for cross-border transactions, caused by way of over-drawal shall be payable at the normal rate of charges for deviation.</p>	<p>Inter-regional deviations need not be computed because the constituent wise (Buyer/Seller) deviations in the region are computed and as per 9(7) of draft DSM Regulations, in case of deficit in the pool account of a region, the same is adjusted with the surplus in the other regions.</p>
10	Regulation 9	(1) By every Thursday, the Regional Load Despatch Centers shall provide the data for deviation calculated as per Regulation 6 of these regulations, for the previous week ending on Sunday mid-night to the Secretariat of the respective Regional Power Committees.	<p>This may be modified as below:</p> <p>(1) By every Thursday, the Regional Load Despatch Centers shall provide the implemented schedules of concerned regional entities and the actual net injection / drawal of concerned regional entities, block-wise, based on the Interface Energy Meter (IEM) readings along with the processed data of meters for the previous week ending on Sunday mid-night to the Secretariat of the respective Regional Power Committees.</p>	<p>The responsibility of RLDC is to furnish the implemented schedules and actual injection/drawal data. RPC shall prepare the statement of charges for deviation based on the Regulation 6.</p>

11	Regulation 9	(2) After receiving the data for deviation from the Regional Load Despatch Centre, the Secretariat of the Regional Power Committee shall prepare and issue the statement of charges for deviation prepared for the previous week, to all regional entities by ensuing Tuesday:	This may be modified as below: (2) After receiving the data for deviation from the Regional Load Despatch Centre, the Secretariat of the Regional Power Committee shall prepare and issue the statement of charges for deviation prepared for the previous week, to all regional entities by ensuing Tuesday:	The responsibility of RLDC is to furnish the implemented schedules and actual injection/drawal data. RPC shall prepare the statement of charges for deviation based on the Regulation 6.
12	Regulation 9	(5)The Deviation and Ancillary Service Pool Account shall receive credit for: (a) payments on account of charges for deviation referred to in Regulation 8 of these regulations:	This may be modified as below: (5)The Deviation and Ancillary Service Pool Account shall receive credit for: (a) payments on account of charges for deviation referred to in Regulation 8 of these regulations along with the late payment surcharge, if any.	Interest amount due to late payment surcharge @0.04%/day shall also be credited to the Pool account.
13	Regulation 10	(1)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.	This may be modified as below: The payment of charges for Deviation shall have a high priority and the concerned regional entity shall pay the due amounts within 10 (ten) days of the issue of statement of Charges for Deviation by the Secretariat of the respective Regional Power Committee into the “Deviation and Ancillary Service Pool Account” of the concerned region, failing which late payment surcharge @0.04% shall be payable for each day of delay	The regional entities require time to process the payments. The entities have expressed concern in Commercial Sub-Committee Meetings in this regard. Hence the existing provision of 10 days may be continued.
14	The following may be added in the		Application of Surplus fund collected through Deviations The surplus amount, if any, in the Deviation and	Surplus funds, if any, may be

	Regulations:		Ancillary Service Pool Account as on last day of the financial year, shall be transferred to a separate fund namely "Power Systems Development Fund" specified by the Commission by end of the next month and shall be utilized, for the purpose specified by the Commission.	utilized for system improvement.
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