



20.10.2021
CFI-LRA-REN-LETR-0011

The Secretary
Central Electricity Regulatory Commission
3rd & 4th Chanderlok Building
36, Janpath, New Delhi- 110 001

Subject: Comments on “Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2021”

Dear Sir,

This is in reference to the “Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2021” issued on 30.09.2021 and our comments submitted on 08.10.2021.

In this regard, please find enclosed our additional comments on the Draft Regulation for your perusal and consideration.

Thanking you,
Yours sincerely,
For **Tata Power Company Limited**

(Paramita Sahoo)
Head - Advocacy

TATA POWER

The Tata Power Company Limited
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Additional Comments of Tata Power on “Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2021”

S.No.	Clause No & Details	Comments/Suggestions	Rationale for Suggestions
1.	<p>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</p>	<p>We propose that there should be a provision for raising disputes on DSM bill. The Nodal Agency may be asked to settle the dispute within a specified period (say within 7 business days). During this period, the disputing party should have a right to withhold the payment. Delayed payment charges shall be applicable in case the dispute is dismissed.</p>	<p>There may be a situation when incorrect DSM bill may have been raised. For example, an incorrect schedule has been punched for a generator which has led to excessive DSM billing. There is no mechanism in proposed Regulations to dispute this excess bill.</p>
2.	<p>General Comment</p>	<p>The proposed DSM Regulation completely overhauls the current method of deviation settlement (Entities will no longer be allowed to deviate from its schedule and any deviations will be managed by system operator)</p> <p>In view of the above it is suggested that before implementing the current regulation, a pilot may be conducted to ascertain that there are no technical issues while implementing the regulation. The pilot may help in determining that system operator is able to balance the gid in real-time, communication protocols are in place etc.</p>	