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(Commercial Unit)



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No. 482 /CE(Comml.)/UNL/ABT

Dated. October, 07 2021

Secretary,  
Central Electricity Regulatory Commission,  
3<sup>rd</sup> & 4<sup>th</sup> floor, Chanderlok Building,  
36, Janpath, New Delhi-110001

**Subject-Suggestion on Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulation, 2021.**

Sir,

Kindly refer to CERC Public Notice No. L-1/260/2021/CERC, dt. 07.09.2021 on the subject matter. In Draft Regulation-2021 Clause-8 (para-1, sub-para-1&2 and para-3, sub-para-a&b) are given as below-

1. Clause-8, para-1, sub-para-1&2:

Entity	Charges for deviation payable to Deviation and Ancillary Service Pool Account	
	Deviation by way of over injection	Deviation by way of under injection
For a general seller other than an RoR generating station or a generation station based on municipal solid waste	(i) Zero up to 2% Deviation-general seller (in %)  (ii) @ 10% of the normal rate of charges for deviation beyond 2% Deviation-general seller (in%)	(i) @ normal rate of charges for deviation up to 2% Deviation-general seller (in %)  (ii) @ 110% of the normal rate of charges for deviation beyond 2% Deviation-general seller (in %)

2. Clause-8, para-3, sub-para-a&b:

3- (a): The charges for deviation for injection of infirm power shall be zero.

(b): The charges for deviation for drawal of start-up power before COD of a generating unit or for drawal of power to run the auxiliaries during shut-down of a generating station shall be payable at the normal rate of charges for deviation.

**UPRVUNL Comments on Clause-8 (para-1, sub-para-1&2 and para-3, sub-para-a&b)**

In CERC proposed DSM Regulation-2021, the Clause mentioned above would need modification to encourage Generator to provide opportunity in restoring grid frequency within the permissible operating band under their technical parameters and commercial aspects. It is also given in explanatory memorandum that "Generator have much better control over their generation" but it is not considered that at the time when



thermal backing would be imposed or lifted by SLDC, the revised Generator schedule is to be implemented after one time block of 15 minutes. It may happens many times in a day. In that situation and many other technical restraint in coal based thermal generation, many times Generator deviate from their schedule upto 2% or more to their given schedule in a time block.

### UPRVUNL Suggestions

In view of above, UPRVUNL suggestions regarding Clause-8 (para-1, sub-para-1&2 and para-3, sub-para-a&b) **is attached in anexure-A.**

### **3. Suggestions regarding provision of cap-rate for the charges for deviation-**

CERC DSM Principle Regulation, 2014 in Clause-3 of Regulation 5, there is a provision of cap-rate for the charges for deviation for the generating station regulated by the commission under Administrated Price Mechanism (APM) but in the newly proposed Draft DSM Regulation-2021 there are no such type of provisions incorporated. UPRVUNL humble request to the Hon'able Commission that make a provision of cap-rate for the charges for deviation for the generating stations, whose terriff is regulated by the Commission shall not exceed 303.04 paisa/per kwh. Presently it is provided by Hon'able Commission in current DSM Regulation.

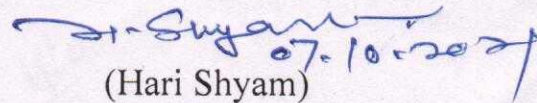
Above suggestions are to incourage Generator to stick with their schedule and also provide opportunity to restoring grid frequency within the permissible operating limit without deviating their technical parameters and commercial aspects.

Therefore, it is requested to Hon'ble Commission to incorporate above suggestions in proposed DSM Regulation, 2021.

Enclosure: Anexure-A

Thanking You,

Respectfully

  
(Hari Shyam)

Superintending Engineer (Commercial)

No. /CE(Comml.)/UNL/ABT

Dated. October, 2021

Copy forwarded to following for kind information-

1. Director (P&C), UNL, 8<sup>th</sup> Floor, Shakti Bhawan Extn. Lucknow.
2. Director (Technical), UNL, 8<sup>th</sup> Floor, Shakti Bhawan Extn. Lucknow.
3. Chief Engineer (T.O.), UNL, 14<sup>th</sup> Floor, Shakti Bhawan, Extn. Lucknow.

(Hari Shyam)

Superintending Engineer (Commercial)



**Anexure-A: UPRVUNL suggestions regarding Clause-8 (para-1, sub-para-1&2 and para-3, sub-para-a&b)**

<b><u>Charges for deviation payable to Deviation and Ancillary Service Pool Account</u></b>				
<b>1. <u>Draft Regulation proposed by CERC on Clause-8 (para-1, sub-para-1&amp;2)</u></b>			<b>1. <u>UPRVUNL Suggestions on Clause-8 (para-1, sub-para-1&amp;2)</u></b>	
<b>Seller</b>	<b>Deviation by way of over injection</b>	<b>Deviation by way of under injection</b>	<b>Deviation by way of over injection</b>	<b>Deviation by way of under injection</b>
For a general seller other than an RoR generating station or a generation station based on municipal solid waste	<p>(i) Zero up to 2% Deviation-general seller (in %)</p> <p>(ii) @ 10% of the normal rate of charges for deviation beyond 2% Deviation-general seller (in %)</p>	<p>(i) @ normal rate of charges for deviation up to 2% Deviation-general seller (in %)</p> <p>(ii) @ 110% of the normal rate of charges for deviation beyond 2% Deviation-general seller (in %)</p>	<p>(i) Normal rate of Deviation charges up to 2% Deviation-general seller (in %)</p> <p>(ii) @ 60% of the normal rate of charges for deviation beyond the limit of 2% Deviation &amp; up to the limit of 5% Deviation-general seller (in %)</p> <p>(iii) @ 20% of the normal rate of charges for deviation beyond 5% Deviation-general seller (in %)</p>	<p>(i) @ 40% of the normal rate of charges for deviation or @ energy charges up to 2% Deviation-general seller (in %)</p> <p>(ii) @ 80% of the normal rate of charges for deviation beyond 2% &amp; upto the limit of 5% Deviation-general seller (in %)</p> <p>(iii) @ 110% of the normal rate of charges for deviation beyond 5% Deviation-general seller (in %)</p>
<b>2. <u>Draft Regulation proposed by CERC on Clause-8, para-3, sub-para-a&amp;b</u></b>			<b>2. <u>UPRVUNL Suggestions on Clause-8, para-3, sub-para-a&amp;b</u></b>	
For a general seller other than an RoR generating station or a generation station based on municipal solid waste	<p>(a): The charges for deviation for injection of infirm power shall be zero.</p> <p>(b): The charges for deviation for drawl of start-up power before COD of a generating unit or for drawl of power to run the auxiliaries during shut-down of a generating station shall be payable at the normal rate of charges for deviation.</p>		<p>(a): The charges for deviation for injection of infirm power shall be equal to charges for deviation for drawl of start-up power before COD.</p> <p>(b): The charges for deviation for drawl of start-up power before COD of a generating unit or for drawl of power to run the auxiliaries during shut-down of a generating station shall be payable at the rate of energy charges or @ 40% of the normal rate of charges for deviation.</p>	

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07.10.2024