

RPTCL/2021-22/CERC/027

29<sup>th</sup> June, 2021

**The Secretary,**  
Central Electricity Regulatory Commission,  
3<sup>rd</sup> & 4<sup>th</sup> Floor,  
Chanderlok Building,  
36 Janpath,  
New Delhi -110 001.

**Sub: - Comments/Suggestions on "Draft Central Electricity Regulatory Commission  
(Ancillary Services) Regulations,2021".**

Dear Sir,

This has reference to the Public notice No. RA-14026(11)/3/2019-CERC dated 29<sup>th</sup> May, 2021 for seeking comments or suggestions on "**Draft Central Electricity Regulatory Commission (Ancillary Services) Regulations,2021**" issued by Hon'ble Central Electricity Regulatory Commission.

Accordingly, in this regard, kindly find our observations/comments/suggestions enclosed as Annexure to this letter for your kind consideration.

Thanking You.

Yours faithfully,



Sushanta Basumatary  
Chief Manager

Enclosed: As stated above

## RPG Power Trading Company Limited Comments/Suggestions

### On Draft Central Electricity Regulatory Commission (Ancillary services) Regulations, 2021.

Sr.no	Clause no	Clause refers to	Comments/Suggestions
1	Regulation 6(3)	The requirement of SRAS shall be estimated on regional basis.	Hon'ble Commission may kindly examine if such estimate for requirement of SRAS on regional basis need to be published by nodal agency prior to start of bidding of TRAS in exchanges for information of participants.
2	Regulation 8(2)	The Area Control Error (ACE) for each region would be auto-calculated at the control centre of the Nodal Agency based on telemetered values, and the external inputs referred to in clauses (3) and (4) of this regulation, as per the following formula: $ACE = (Ia - Is) - 10 * Bf * (Fa - Fs) + Offset$	We request the Hon'ble Commission to bring more clarity to the formula of Area Control Error. The same may be done by including the definition of the term 'frequency bias', Actual Net Interchange and Schedule Net Interchange and substantiating it with proper example to understand the movement and sign of power flow(import/export) for maintaining the safety, stability and reliability of the Grid.
3	Regulation 9(2)	An SRAS Provider willing to participate in SRAS shall be required to provide standing consent to the Nodal Agency for participation, which shall remain valid till it is modified or withdrawn: Provided that standing consent cannot be modified or withdrawn without giving notice of at least forty-eight hours	In case of forced outage of a SRAS provider, Hon'ble commission may kindly like to examine if any suitable mechanism need to be put into place for modification of standing consent within 48 hours.  In the event of any technical issues by a SRAS provider, Hon'ble Commission may kindly examine if SRAS Generator(s) can be given the flexibility to switch over to TRAS arrangement on an immediate basis (i.e. bidding in TRAS mode).
4	Regulation 9(5)	The SRAS Providers that are generating stations, shall declare their variable charge upfront on monthly basis in the manner as stipulated in the Detailed	Hon'ble Commission may kindly like to clarify any methodology for declaration/consideration of variable cost by a participating generating station having sec 62, sec63 PPA's with different tariffs and also having part untied capacities.



5	Regulation 9(8)	Procedure. In case of the generating stations whose tariff is determined by the Commission under Section 62 of the Act, the Nodal Agency shall identify the generating stations for providing SRAS....	Hon'ble Commission may kindly like to detail the factors to be considered by nodal agency for identifying generating stations for providing SRAS. It also needs to clarified whether the process of participation in SRAS is VOLUNTARY and not MANDATORY.
6	Regulation 10(10)	The SRAS Provider shall share real-time data with NLDC and the concerned RLDCs as stipulated in the Detailed Procedure	The sharing of real time date by a willing SRAS Provider embedded in state grid needs to be clarified and whether these entities presently providing data to \$LDC instead of RLDC/NLDC will suffice.
7	Regulation 10(11)	Average of SRAS-Up and SRAS-Down MW data shall be calculated by the Nodal Agency for every 5 minutes in absolute terms using archived SCADA data at the Nodal Agency and reconciled with the data received at the control centre of the SRAS Provider and shall be used for payment of incentive as per Regulation 12 of these regulations.	Hon'ble Commission may kindly like to examine if reconciliation of energy for incentive payment proposed in 5 minute blocks should be in 15 minute blocks as is it being stipulated for payment of variable or compensation charges in reg. clause 10(12).
8	Regulation 11	Payment for SRAS	Hon'ble commission may please examine if payment of commitment charges to the generator can be allowed in case of SRAS if there is no actual despatch of the power, as is allowed in the case of TRAS.
9	Regulation 13(2)	Violation of directions of the Nodal Agency for SRAS under these Regulations shall make the SRAS Providers liable for penalties as per the provision of the Act	It is humbly submitted that said violations/deviations by any SRAS provider might occur due to any technical reasons not attributable to the service provider e.g communication/SCADA related issue for data exchange between the generator and Nodal Agency. Hon'ble Commission may suitably modify this clause with more clarity, so that SRAS participants are not unduly penalised for any uneventful violations for reasons not attributable to the SRAS provider.
10	Regulation 14	Eligibility for a TRAS Provider	Hon'ble Commission may please clarify if <del>SRAS</del> <b>SRAS</b> is a pooled entity



		<p>A generating station or energy storage resource or demand .....</p>	<p>shall be eligible to participate a TRAS provider or whether the embedded sources/assets within the DISCOM as separate entities shall be treated as individual TRAS provider(s). Also, clarification is required whether willing RE generators (wind, solar, bagasse, biomass, small hydro etc.) are also eligible to participate. Hon'ble commission may please clarify if URS power of any generator can also be bid in TRAS real time basis within Gate Closure period ending RTR for the beneficiary.</p>
11	Regulation 17	<p>(1)The price discovery for TRAS-Up shall be based on the principle of Uniform Market Clearing Price. (2) The highest Energy-Up bid corresponding to the requirement for TRAS-Up as intimated under clause (1) of Regulation 16 of these regulations, shall be the Market Clearing price for Energy-Up in the Day Ahead Market (MCP-Energy-Up-DAM) or in the Real Time Market (MCP-Energy-Up-RTM), as the case may be.</p>	<p>The Draft Regulation stipulates the price discovery for TRAS-Up based on the principle of Uniform Market Clearing Price. In view of the same, it is humbly submitted to Hon'ble Commission that considering the demand for tertiary reserve to be spread out across India, being monitored by system operator, it needs to be clarified by the Hon'ble Commission as to how will the allotment of reserve work in the present situation of more than one power exchange where discovered MCP usually varies, until the power sector moves towards market coupler mechanism.</p>
12	Regulation 19(2)	<p>TRAS-Up Provider shall receive commitment charges at the rate of ten percent of the MCP-Energy-Up-DAM or the MCP-Energy-Up-RTM, as the case may be, subject to the ceiling of 20 paise/kWh for the quantum of TRAS-Up cleared in the Day Ahead Market or the Real Time Market as the case may be, but not instructed to be despatched by</p>	<p>It is humbly submitted to Hon'ble Commission that, in order for keeping the system ancillary-service ready, the AS provider will incur a running cost for both up and down regulation readiness. Henceforth, in our humble opinion, the said provision of receiving a capped commitment charges for the quantum which is ready but not required to be despatched, even if the same was cleared, shall hold back the generator from profitably selling energy into spot energy markets, further incurring an additional opportunity cost, equal to the higher revenue foregone. The Hon'ble Commission may please remove the capping and increase the said charges for TRAS providers to allow</p>



the Nodal Agency.

larger participation of the said reserves.

