



एनएलसी इंडिया लिमिटेड

(भारत सरकार का 'नवरत्न' उद्यम)

NLC INDIA LIMITED

(A 'NAVRATNA' Govt. of India Enterprise)

मुख्य महा प्रबंधक / वाणिज्यिक का कार्यालय

OFFICE OF THE CHIEF GENERAL MANAGER / COMMERCIAL



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Lr. No. NLCIL/CGM/ Comml & PT/ASR/comments/2200-3 b./2021- 94 date:30.06.2021

To
The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th floor, Chanderlok Building,
36, Janpath Marg,
NEW DELHI - 110 001.

Sir,

Sub: Draft Central Electricity Regulatory Commission (Ancillary Services)
Regulations-2021 - NLCIL comments -submission - Reg.

Ref: Public Notice No.RA-14026(11)/3/2019-CERC Dated 29.05.2021

Pursuant to the communication of Draft Central Electricity Regulatory
Commission (Ancillary Services) Regulations-2021 vide ref cited above, seeking
comments of the stakeholders, NLCIL is hereby submitting its comments.

The comments have also been mailed to secy@cercind.gov.in and advisor-re@cercind.gov.in.

Thanking you,

Yours faithfully,

for NLC India Limited


30/06/2021

Chief General Manager / Commercial

Encl : As above

**NLCIL Comments on Draft Central Electricity Regulatory
Commission (Ancillary Services) Regulations, 2021**

Regulation 12. Clause (3)

Performance of SRAS Provider and incentive:

SRAS Provider shall be eligible for incentive based on the performance measured as per clause (2) of this Regulation and the 5-minute MWh data calculated for SRAS-Up and SRAS Down as per clause (11) of Regulation 10 of these regulations and aggregated over a day, as under:

Actual performance vis-a-vis secondary control signal for an SRAS Provider	Incentive Rate (paise/kWh)
Above 95%	(+) 40
70-95 %	(+) 30
45-70%	(+) 20
20-45%	(+) 10
Below 20%	0

NLCIL's Comment

- In draft regulation there are different Incentive Rates are proposed for SRAS provider based on their performance and maximum ceiling is (+) 40 (paise/kWh) which is lower than current markup amount of 50 paise/unit for each RRAS-Up schedule, generating stations are getting.
- Hence, the maximum ceiling of Incentive Rates may be enhanced to (+) 50 (paise/kWh) for SRAS provider.

Regulation 20. Clause (4)

Incentive for TRAS Provider:

The generating stations as referred to in clause (1) of this Regulation, whose URS is despatched for TRAS-Up, in the event of short-fall in procurement of TRAS-Up through the Market, shall be paid at the rate of their variable charges for the quantum of TRAS-Up despatched.



NLCIL's Comment

- Presently for each RRAS-Up schedule, generating stations are getting a markup amount of 50 paise/unit apart from Fixed & Variable costs (Fixed cost will be returned back to original beneficiaries).
- In the proposed draft Regulation, there are no incentive/commitment charges for generators whose URS power available for TRAS-Up / TRAS-Down scheduling, in the event of short-fall in procurement of TRAS-Up/TRAS-Down through the Market/emergency use by Nodal agency.
- Hence, the incentive of 50 paise/unit may be paid to generating stations whose URS power would be used for TRAS-Up/ TRAS-Down scheduling during shortfall / emergency condition for the interest of grid security.

Regulation 19. Clause (2).

Commitment charges for TRAS-down Provider:

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 the Nodal Agency.

NLCIL's Comment

- In the proposed draft Regulation, TRAS provider would receive a commitment charges for the quantum of TRAS-Up cleared in the Market and there are no commitment charges for for the quantum of TRAS-Down cleared in the Market.
- As, the TRAS provider also committed for providing TRAS-down scheduling, the commitment charges shall also be given to TRAS provider for the quantum of TRAS-Down cleared in the Market in a similar way as given for TRAS-up quantum.



Regulation 20, Clause (5):

The generating stations as referred to in clause (1) of this Regulation, if despatched for TRAS-Down, shall pay back at the rate of their variable charges, corresponding to the quantum of TRAS-Down despatched.

NLCIL's Comment

- **As payment mechanism during Down regulation is linked to variable charge of generators, while implementing SRAS-Down / TRAS-Down scheduling only beneficiary scheduled quantity (ISGS Schedule + URS Reallocation) shall be considered subject to technical constraints of generators.**
- **In case of full station schedule is considered during SRAS-Down / TRAS-Down, then quantity under Short Term Open Access (STOA) markets (DAM & RTM) also will come into account. As these quantities cleared in market are not linked to Variable charges, hence quantum cleared in market shall be excluded while SRAS-Down / TRAS-Down scheduling.**

Regulation 20. Clause (1)

Shortfall in Procurement of SRAS and TRAS or Emergency Conditions:

All generating stations, whose tariff is determined by the Commission under Section 62 of the Act and having URS power after Gate Closure, shall be deemed to be available for use by the Nodal Agency for SRAS-Up or SRAS-Down or TRAS-Up or TRAS-Down, subject to technical constraints of such generating stations.

NLCIL's Comment

- **Since introduction of Real Time Market (RTM) from 01.06.2020, after gate closure also currently generating stations are having opportunity to sell available URS power in RTM.**
- **After gate closure, actual URS capacity available with any generating station will vary based on clearance of generator's bid quantity in RTM.**
- **Hence, in order to avoid any schedule disturbance, while doing SRAS-Up / TRAS-Up, final available URS power after implementation of RTM quantity in Generator's schedule may be considered, subject to technical constraints of such generating stations.**

