

Date: 19 July 2021

The Secretary,
CENTRAL ELECTRICITY REGULATORY COMMISSION
3rd & 4th Chanderlok Building 36, Janpath Road, New Delhi, Delhi 110001
Tele No.: 011-23353503 Extension 260/ 7042604928
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Subject: Comments/suggestions on the Draft Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2021.

Reference: Draft Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2021, 29th May, 2021.

Dear Sir,

With regard to the aforementioned draft Regulations on which the CERC has invited comments/suggestions, we wish to make our submissions as given below:

About Us

Radiance Renewables Private Limited ("Radiance"), incorporated in 2018, is a developer of low-cost, renewable energy solutions for commercial, industrial, and residential customers helping them to simultaneously save money and achieve their sustainability goals. Radiance integrates in-house development, operational management, and asset financing expertise to optimise life cycle cost of ownership and competitiveness. It aims to develop 1.5 GW of solar, wind or storage capacity in the next three to five years under a build-own-operate-transfer (BOOT or Opex) model.

Radiance is one of the portfolio companies of EverSource Capital. EverSource was founded in 2018 as a joint venture between Lightsource BP and Everstone Capital to make green and sustainable investments in India.

Context

The draft Ancillary Services Regulations 2021 (hereinafter referred to as the 'Draft Regulations') is aimed to identify interventions to address the issues faced by the ancillary services framework in India. While the Draft Regulations addresses various issues associated with the ancillary services, we have restricted our comments primarily to issues impacting renewable energy sector.

1. Inclusion of RE and Energy Storage:

We welcome the inclusion of entities having energy storage resources and demand side resources in the ambit of these Regulations. Renewable energy sources combined with energy storage facilities can provide high quality ancillary services in the categories of tertiary, secondary and even primary reserve ancillary services. Renewable energy sources combined with energy storage facilities shall be able to

both increase active power injection and when required reduce or even withdraw active power from the grid. Further, integration of energy storage systems with renewable energy would reduce incidences of call for ancillary services. As the cost of energy storage systems decline, eventually most of the renewable energy generators would install such systems to benefit from their flexibility in balancing output from the plants. There should be provisions in the Draft Regulations to ensure the availability of such flexibility to the system operator. Further, in order to facilitate participation of renewable energy along with energy storage resources, we present the following comments.

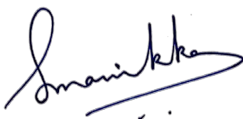
Our Observations/ Comments:

- a) Provide specific provisions for renewable energy sources so as to encourage participation of renewable energy sources in providing ancillary services.
- b) Encourage states to come up with their own ancillary regulations in order to facilitate participation of generators connected to the "Intra-state" transmission network.
- c) Renewable energy sources under open access should be allowed to provide ancillary services under the modalities of the current regulations.
- d) Clarifications are requested in case of battery storage plus renewable energy systems on whether the size of battery system needs to be a minimum of 1 MW.
- e) In case of upcoming energy storage technologies including batteries, it is requested that the criteria of minimum capacity of 1 MW be relaxed, as is in the case of developed electricity markets such as California where an exception has been made for storage resources and the minimum capacity for participation has been set at 100 kW. This would encourage establishment of such storage systems and benefit the system operators through ancillary services with swift response time.

We request CERC to favourably consider our comments and suggestions in the larger interests of the Stakeholders in the country.

Thanking you,

Yours Truly,



(Manikkan Sangameswaran)

Executive Director & CEO

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