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**FW: Reg. comments on Draft Staff Paper on " Methodology for computing 'Deterrent Charges' for maintaining lower coal stock**

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**From :** Harpreet Singh Pruthi <secy@cercind.gov.in> Mon, Jun 20, 2022 11:15 AM  
**Subject :** FW: Reg. comments on Draft Staff Paper on "  
Methodology for computing 'Deterrent Charges' for  
maintaining lower coal stock 📎 1 attachment  
**To :** Sunil Kumar Jain <sunil\_jain@nic.in>

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**From:** secy@cercind.gov.in <>  
**Sent:** 30 May 2022 09:39  
**To:** 'sunil\_jain@nic.in' <sunil\_jain@nic.in>  
**Cc:** 'sushanta chat' <sushanta\_chat@yahoo.com>  
**Subject:** FW: Reg. comments on Draft Staff Paper on " Methodology for computing 'Deterrent Charges' for maintaining lower coal stock

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**From:** [Shivansh.Dadhich@vedanta.co.in](mailto:Shivansh.Dadhich@vedanta.co.in) <>  
**Sent:** 27 May 2022 17:54  
**To:** Harpreet Singh Pruthi <[secy@cercind.gov.in](mailto:secy@cercind.gov.in)>  
**Cc:** [TSPL.PPA@vedanta.co.in](mailto:TSPL.PPA@vedanta.co.in)  
**Subject:** Reg. comments on Draft Staff Paper on " Methodology for computing 'Deterrent Charges' for maintaining lower coal stock

Dear Sir,

Please find attached comments on behalf of Talwandi Sabo Power Limited vide letter no. TSPL/MOP/AK/MAY-22/63 dated 27.05.2022 on Draft Staff Paper on " Methodology for computing 'Deterrent Charges' for maintaining lower coal stock by thermal generating stations" for your consideration.

*Regards,  
Shivansh Dadhich  
Talwandi Sabo Power Limited*





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 **63\_Reg. comments by TSPL on Draft Staff Paper on methodology of calculation of deterrent charges\_dated 27.05.2022.pdf**  
130 KB

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**Date: 27 May 2022**

**TSPL/MOP/AK/MAY-22/63**

**To,**  
Shri Harpreet Singh Pruthi,  
Secretary, CERC,  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chandralok Building,  
36, Janpath, New Delhi -110 001

**Subject: Comments on Draft Staff Paper on "Methodology for Computing 'Deterrent Charges' for maintaining lower coal stock by coal based thermal generating stations"**

**Reference:** CERC Notice dated 13.05.2022.

Dear Sir,

This is relation to the comments and suggestions sought by CERC from the stakeholders on Draft Staff Paper on "Methodology for Computing 'Deterrent Charges' for maintaining lower coal stock by coal based thermal generating stations". The aforesaid Methodology for Computing 'Deterrent Charges' is applicable for generating companies where the tariff has been determined under Section 62 of the Electricity Act, 2003.

**Comments/ Suggestions on behalf of Talwandi Sabo Power Limited (TSPL):**

**1. The Generators having inadequate linkages should be exempted from levy of any deterrent charges:**

In case of various power plants, the linkage available with the power plants are not sufficient to ensure generation of Contracted Capacity, for example:

TSPL a Section 63 (Case-2, Scenario 4) Power Project, wherein, in terms of Clause 3.2(I)(d) of the Competitive Bidding Guidelines, the procurer, i.e., PSPCL is responsible for the Fuel arrangement for the project. The quantum of linkage as provided to TSPL by PSPCL is only sufficient to ensure generation of ~50% of the Contracted Capacity.

Due the inadequate linkage, such generator is bound to face continued shortfall of coal as inevitably there remains an inherent shortfall in supply of coal. In such a situation, it is impossible for the generators to build coal stock as per the CEA stocking norms at the same time continue power generation. Thus, either



A) such generators should be absolved from levy of any deterrent charges till the time the generators are provided sufficient supply of coal to meet at least 85% PLF,

OR

B) the days of coal stock to be maintained should be reduced to the extent of maximum achievable PLF as per linkage quantum available with such generator and not 85% PLF as per the current Methodology.

**2. The Generators despite prudently taking all necessary measures fail to materialize coal due to non-availability of coal / rakes etc.:**

In various cases, generators who have prudently taken all necessary measures to procure linkage coal, are unable to get it materialized at plant site due to reasons beyond its reasonable control including but not limited to non-availability of coal / rakes. Due to the aforesaid, generators may fail to maintain coal stock as per CEA stocking norms. Therefore, such generators should be absolved from levy of any deterrent charges for any such period.

Request for your kind consideration, please.

Thanking You,  
Yours Sincerely,  
For Talwandi Sabo Power Ltd.



Arun Kumar  
Head Power Sales, Regulatory & Advocacy