

Ref. No: IPCL/CERC/24-25/30

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The Secretary
Central Electricity Regulatory Commission
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**Subject: Comments/ Suggestions on draft Central Electricity Regulatory Commission
(Indian Electricity Grid Code) (First Amendment) Regulations, 2024**

Reference: L-1/265/2022/CERC dt: 12-06-2024

Sir,

With reference to L-1/265/2022/CERC dt: 12-06-2024, we furnish our comments/suggestions on the above draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (First Amendment) Regulations, 2024 for your kind consideration. We shall be grateful if the Hon'ble Commission recognizes our concerns and makes necessary modifications.

Yours faithfully,

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Comments on Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (First Amendment) Regulations, 2024

India Power Corporation Limited (IPCL) is a distribution licensee operating in the state of West Bengal. Comments/ suggestions of IPCL on the draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (First Amendment) Regulations, 2024 is placed herein below for kind consideration of the Hon'ble Commission.

Clause	Draft Regulation	IPCL Comments
2 (1)	<p>19 (2) “(b) Injection of infirm power shall not exceed one year from the date of first synchronization for generating stations other than REGS and ESS. (c) Injection of infirm power shall not exceed 45 days from the date of FTC approval for REGS and ESS.”</p>	<ul style="list-style-type: none">• Suggestion: The proposed limits on the injection of infirm power should include provisions for extension in exceptional cases, ensuring that contracted beneficiaries have the first right of refusal.• Modification: “(b) Injection of infirm power shall not exceed one year from the date of first synchronization for generating stations other than REGS and ESS. Provided that, if the Project got extension, the first right of refusal has lied with the Contracted Beneficiaries only and the rate of the power may be decided on mutually agreed rate subjected to upper ceiling of tariff rate. (c) Injection of infirm power shall not exceed 45 days from the date of FTC approval for REGS and ESS. Provided that, if the Project got extension, the first right of refusal has lied with the Contracted Beneficiaries only and the rate of the power may be decided on mutually agreed rate subjected to upper ceiling of tariff rate.



2 (2)	<p>19 (3) "Provided that for REGS and ESS, extension of period for injection of infirm power beyond the stipulated period may be allowed (a) for a period up to six months by respective RLDC on an application(s) made by such generating station or ESS to respective RLDC along with detailed reasons, at least 10 days in advance of the completion of the stipulated period, (b) for a period beyond six months by the Commission on an application(s) made by such generating station or ESS along with detailed reasons, at least 30 days in advance of the completion of the stipulated period".</p>	<p>Comments: While flexibility in allowing extensions for injection of infirm power is essential, the proposed durations and notice periods need to be balanced to ensure grid stability and protect the interests of DISCOMs. Shortening the allowed extension period and notice requirements can help maintain tighter control over power scheduling and planning, thereby reducing potential financial and operational disruptions for DISCOMs. Suggested Modifications: "Provided that for REGS and ESS, extension of period for injection of infirm power beyond the stipulated period may be allowed (a) for a period up to three months by respective RLDC on an application(s) made by such generating station or ESS to respective RLDC along with detailed reasons, at least 7 working days in advance of the completion of the stipulated period, (b) for a period beyond three months by the Commission on an application(s) made by such generating station or ESS along with detailed reasons, at least 30 days in advance of the completion of the stipulated period".</p>
4 (5)	<p>27 (2) "(where D is the date when a generating station intimates the commercial operation of the generating station or unit thereof)"</p>	<ul style="list-style-type: none"> • Objection: If the generating station fails to commence commercial operation as intimated, there should be clear guidelines on the treatment of such scenarios to avoid discrepancies in scheduling and DSM penalties. • Modification: Include provisions to address the failure of generating stations to commence operations as scheduled. Ensure that re-submission of CoD is managed efficiently within the D+2 time period.



5 (1)	<p>45 (12) "Provided further that the regional entity thermal generating stations whose tariffs are adopted under Section 63 of the Act shall be compensated for part load operation, that is, for generation below the normative level of operation, in terms of the provisions of the contract entered into by such generating stations with the beneficiaries or buyers, or in the absence of such provision in the contract, as per the mechanism already in force under the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010:</p> <p>Provided further that the thermal generating stations whose tariffs are determined under Section 62 of the Act by the Commission, shall be compensated for part load operation as per the provisions of applicable Tariff Regulations."</p>	<ul style="list-style-type: none"> • Objection: The regulation allowing generators to operate below the minimum turndown level and receive compensation can lead to higher costs for DISCOMs. The compensation mechanism should be balanced to protect the financial interests of DISCOMs. • Modification: Introduce a compensation mechanism for DISCOMs that takes into account the additional costs incurred due to part-load operations of generators. Ensure that any relaxation granted to generators is matched by appropriate support for DISCOMs.
6 (1)	<p>49 (1) (1) The generating station whose tariff is determined under Section 62 of the Act, may sell its un-requisitioned surplus as available at 9.45 AM in the day ahead market, without the consent of beneficiary(ies). The sharing of net savings shall be as per provisions of Tariff Regulations and until a provision is made in the Tariff Regulations, in accordance with the detailed procedure to be prepared by NLDC and approved by the Commission.</p>	<ul style="list-style-type: none"> • Suggestion: While selling un-requisitioned surplus in the day-ahead market without beneficiary consent can optimize resource utilization, the right to recall within 2 hours should be carefully managed. Allowing recall may create market uncertainties and affect the reliability of day-ahead market operations. • Modification: Implement a structured recall mechanism with specific conditions under which recall can be exercised to ensure minimal market disruption.



6 (4)	49 (4) (b) (ii) "Provided that downward revision of schedules by the buyers for 'D' day, after 1430 hrs on 'D-1' day in the generating station shall not be allowed below their respective share of minimum turndown level in the generating station."	<ul style="list-style-type: none"> • Suggestion: Allowing downward revision at any time block provides flexibility to the buyers, which is crucial for managing demand efficiently. However, the restriction after 1430 hrs on 'D-1' day should be reconsidered. This restriction can hinder the ability of DISCOMs to adapt to sudden changes in demand or unexpected RE generation fluctuations. Consider extending the revision window to improve operational flexibility. • Modification: Introduce a mechanism for exceptional circumstances where downward revision below the minimum turndown level could be allowed with prior approval from SLDC/RLDC to ensure grid stability and energy security to the DISCOMs.
6 (5)	<p>49 "(7-a) Revision of Declared Capacity and schedule of a generating station or ESS (as an injecting entity) shall be allowed only in case of bilateral transactions and not in case of collective transaction as per following details:</p> <p>(a) The generating station (other than lignite, gas based thermal generating station, and hydro generating station) or ESS (as an injecting entity), shall be allowed a maximum of 4 (four) revisions of Declared Capacity and schedule in a day subject to a maximum of 60 (sixty) revisions during a month, due to reasons such as a partial outage of the unit or variation of fuel quality or any other technical reason to be recorded in writing.</p> <p>(b) The generating station based on lignite, gas or hydro generating station shall be allowed 6(six) revisions of Declared Capacity and schedule in a day subject to a maximum of 120 (One hundred twenty) revisions during a month, due to reasons such as partial outage of the unit or water availability for hydro generating stations or fuel quality or variations in supply of gas for gas generating stations or any other technical reason to be recorded in writing."</p>	<ul style="list-style-type: none"> • Objection: Limiting revisions only to bilateral transactions and not collective transactions can create operational challenges. DISCOMs participate in both types of transactions and should have the flexibility to revise schedules in response to forced outages irrespective of the transaction type. • Modification: Allow revisions of Declared Capacity and schedules for collective transactions as well, with a reasonable limit on the number of revisions to maintain grid discipline and energy security.

