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Sent: Wed, 24 Jul 2024 17:51:08 +0530 (IST)

Subject: Draft CERC (Indian Electricity Grid Code) (First Amendment) Regulations, 2024 -submission of comments/suggestions -Reg

Sir,

Comments/Suggestions on draft CERC IEGC Amendment 2024:

As per new sub clause proposed as regulation 49 clause 2 (a) (v-a), it is understood that regional entity generating station whose schedules are below the minimum turndown level shall be adjusted under Security constrained Economic Despatch (SCED) such that the schedule in all time blocks of the day is at least at the minimum turndown level. At present the schedules to the generating stations will be communicated on day ahead basis (surrender/requisitions) based on advance Load Generation Balance (LGB) planning by Discoms economically to handle surplus power or to replace costly power through power markets for cost optimization.

(Case-1)

Buyer has submitted full surrender due to less rates in power market. If buyer has surrendered higher variable charge tied up power and purchased power in the market at lesser price, again the buyer has to pay the energy charge in terms of Security Constrained Economic Despatch (SCED) which runs after gate closure which is not known to the original beneficiaries and has to pay the difference energy charge (variable charge - sced price) hence there is uncertainty to the beneficiaries for optimal utilisation of the available resources.

Eg: Power surrendered @5 (full surrender)

Power purchased @4

Possibility of price to be paid towards Security constrained Economic Despatch (SCED): @2 (assuming Security constrained Economic Despatch (SCED) generator supporting Rs:3 against total VC of 5)

Hence, buyer has to pay charges higher than the VC in some cases where SCED price margin is low incurring additional loss for optimization on day ahead.

Case-2)

Buyer has submitted full surrender in view of less projected demand and low power market prices. In this case the buyer has no obligation towards energy charge, but as per the draft amendment buyer has to pay some charge which is dependent on national level optimization Security

constrained Economic Despatch (SCED) which is not known which will impact the advance economic planning since the price to be paid towards Security constrained Economic Despatch (SCED) is known at later stage.

Further, it is understood that the day ahead planning and optimization will be effective only when the planning is carried out with margin of prices very high with known parameters in advance.

At present also the certain generators having schedule below minimum turn down level are adjusted by Security constrained unit Commitment/Security constrained Economic Despatch and payment is being made from the Deviation and Ancillary Services Pool Account / Security constrained Economic Despatch account within scope of optimization.

In view of uncertainty in advance planning of economic Load Generation Balance (LGB) by Discoms, it is requested to continue the existing procedure of Security constrained unit Commitment/Security constrained Economic Despatch (SCUC/SCED) and payment through Regional Pool account as impact on price for the quantity surrendered below 55% is not known to beneficiaries who surrendered on (D-1) Day.

Please consider the above comments/suggestions from TGSLDC/DISCOMs, we apologize for the delayed submission.

Regards,

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