
Comments on Draft Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024

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 1 attachment

Subject : Comments on Draft Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024

To : Harpreet Singh Pruthi <secy@cercind.gov.in>, Manish Chaudhari <mmchaudhari@cercind.gov.in>

Cc : Rajul Agarwal <Rajul.Agarwal@relianceada.com>

Dear Sir,

Please find attached BRPL's comments on Draft Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024.

We hope the same will be considered while finalizing the same.

Warm Regards

Kanishk (कनिष्क)
Regulatory Affairs

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BRPL's comments on Draft CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024.

S.No.	Regulation	Draft	Comments																																																							
1	Regulation 70 (G) (Compensation for the operation of generating station below normative plant availability factor)	<p>“(G) Compensation for the operation of generating station below normative plant availability factor</p> <p>(1) The generating stations whose tariff is determined by the Commission under Section 62 of the Act shall be compensated for degradation of station heat rate and auxiliary energy consumption, consumption of additional secondary fuel oil due to loading below the normative plant availability factor specified under Regulation 70(A) of these regulations.</p> <p>(4) For the purpose of compensation under regulation (1) of this regulations, the degradation of gross station heat rate (SHR) over and above the norms specified under Regulation 70(B) of these regulations shall be considered as under:-</p> <p>a) For coal or lignite based generating stations:-</p> <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Unit loading as a % of Installed Capacity of the Unit</th> <th>Increase in SHR (for sub-critical units) %</th> <th>Increase in SHR (for super critical units) %</th> </tr> </thead> <tbody> <tr><td>1.</td><td>85 -100</td><td>Nil</td><td>Nil</td></tr> <tr><td>2.</td><td>80 - <85</td><td>2.1</td><td>1.8</td></tr> <tr><td>3.</td><td>75 - <80</td><td>3.0</td><td>2.5</td></tr> <tr><td>4.</td><td>70 - <75</td><td>4.0</td><td>3.3</td></tr> <tr><td>5.</td><td>65 - <70</td><td>5.1</td><td>4.1</td></tr> <tr><td>6.</td><td>60 - <65</td><td>6.1</td><td>4.9</td></tr> <tr><td>7.</td><td>55 - <60</td><td>7.6</td><td>6.0</td></tr> <tr><td>8.</td><td>50 - <55</td><td>9.2</td><td>7.1</td></tr> <tr><td>9.</td><td>45 - <50</td><td>11.3</td><td>8.3</td></tr> </tbody> </table>	Sr. No.	Unit loading as a % of Installed Capacity of the Unit	Increase in SHR (for sub-critical units) %	Increase in SHR (for super critical units) %	1.	85 -100	Nil	Nil	2.	80 - <85	2.1	1.8	3.	75 - <80	3.0	2.5	4.	70 - <75	4.0	3.3	5.	65 - <70	5.1	4.1	6.	60 - <65	6.1	4.9	7.	55 - <60	7.6	6.0	8.	50 - <55	9.2	7.1	9.	45 - <50	11.3	8.3	<p>1. Sub-clause (4) of new clause (G) imposes an increased burden by up to 400% on the beneficiaries as new norms are significantly higher than the compensation already being charged in terms of Heat Rate (SHR)</p> <p>Whereas earlier in terms of Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Fourth Amendment) Regulations, 2016 the Heat Rate (SHR)</p> <table border="1"> <thead> <tr> <th>Unit loading as a % of Installed Capacity</th> <th>Increase in SHR (for supercritical units) (%)</th> <th>Increase in SHR (for sub-critical units) (%)</th> </tr> </thead> <tbody> <tr><td>85 -100</td><td>Nil</td><td>Nil</td></tr> <tr><td>75-84.99</td><td>1.25</td><td>2.25</td></tr> <tr><td>65-74.99</td><td>2</td><td>4</td></tr> <tr><td>55-64.99</td><td>3</td><td>6</td></tr> </tbody> </table> <p>2. Sub-clause (5) of new clause (G) imposes an increased burden by up to 300% on the beneficiaries as new norms are significantly higher than the compensation already being charged in terms of auxiliary energy consumption (AEC).</p> <p>Whereas earlier in terms of Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Fourth Amendment) Regulations, 2016 the auxiliary energy consumption (AEC)</p>	Unit loading as a % of Installed Capacity	Increase in SHR (for supercritical units) (%)	Increase in SHR (for sub-critical units) (%)	85 -100	Nil	Nil	75-84.99	1.25	2.25	65-74.99	2	4	55-64.99	3	6
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		<p>(5) For the purpose of compensation under regulation (1) of this regulations, the degradation of auxiliary energy consumption (AEC) over and above the norms specified under Regulation 70(E) of these regulations shall be considered as under:- a) For coal or lignite based generating stations:-</p> <table border="1"> <thead> <tr> <th>Sr. No</th> <th>Unit loading as a % of Installed Capacity</th> <th>% degradation in AEC admissible</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>85 -100</td> <td>Nil</td> </tr> <tr> <td>2.</td> <td>80 - <85</td> <td>0.5</td> </tr> <tr> <td>3.</td> <td>70 - <80</td> <td>1.1</td> </tr> <tr> <td>4.</td> <td>60 - <70</td> <td>1.8</td> </tr> <tr> <td>5.</td> <td>50 - <60</td> <td>2.5</td> </tr> <tr> <td>6.</td> <td>40 - <50</td> <td>3.2</td> </tr> </tbody> </table>				Sr. No	Unit loading as a % of Installed Capacity	% degradation in AEC admissible	1.	85 -100	Nil	2.	80 - <85	0.5	3.	70 - <80	1.1	4.	60 - <70	1.8	5.	50 - <60	2.5	6.	40 - <50	3.2	<p>3. Thermal Generating stations are already being compensated as per the Hon'ble CERC' notification for compensation dated 06.04.2016 & CERC order dated 05.05.2017. It is proposed to keep the compensation mechanism as per CERC order dated 05.05.2017.</p> <p>4. Hence, we request the Hon'ble Commission to allow compensation on account of less generation/running of units, after taking into account of low O&M and working capital cost. Suitable amendments should be made to capture passing of off-benefit accrued due to savings in O&M because of low running of plant.</p>
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2	Regulation 70 (E) (Auxiliary Energy Consumption)	In the table of clause 70(E) (a), the numbers and expressions "300/ 330/ 350/ 500 MW and above" shall be substituted as "500 MW and above" at Sr.No.2 of the table;				As per this amendment, the Auxiliary energy consumption for the plants of 300 MW to < 500 MW is not mentioned. It is proposed to keep the Aux consumption level of 300 MW to <500 MW similar to "500 MW and above"																					
3	Regulation 70(E) clause (b) (Auxiliary Energy Consumption)	In table of Clause (b), the value of auxiliary consumption as "9.50%" in second row in table in respect of Chandrapur TPS (2x250 MW) (DVC) shall be substituted as "9.80%".				As per this amendment, the Auxiliary energy consumption for Chandrapur TPS (2x250 MW) (DVC) has been increased. This will increase the additional financial burden on Discoms. It is proposed to keep the present Aux level.																					