



# Punjab State Power Corporation Limited

(Regd. Office: PSEB Head Office, The Mall, Patiala-147001, Punjab, India, Website: [www.pspcl.com](http://www.pspcl.com))  
Corporate Identity Number (CIN): U40109PB2010SGC033813, GSTIN: 03AAFCP5120Q1ZC

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To

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*Memo No - 796 Date - 05/09/24*

**Sub: Comments/ Suggestions of PSPCL on Draft Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024.**

Kindly refer to your Public Notice No. L-1 /268/2022/CERC dated 02.08.2024, vide which comments/suggestions/objections of the stakeholders and interested persons on the subject cited draft regulations were invited.

In this regard, comments/ suggestions of Punjab State Power Corporation Ltd. (PSPCL) are enclosed for kind consideration of Hon'ble Commission please.


  
Chief Engineer PP&R,  
PSPCL, Patiala

**Comments of PSPCL on Draft CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024**

Sr. No.	Regulations	Amendment Proposed in Draft Regulation	Suggestions/Comments	Rationale
10.4	<p><b>Sub-Clause 9</b> of <b>New Clause (G)</b> proposed in <b>Regulation 70</b></p>	<p><i>"The change in the schedule of power under the provisions of Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations, 2022 shall not be considered for compensation."</i></p>	<p>The sub-clause may be amended as under:-</p> <p><i>"The change in the schedule of power under the provisions of Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations, 2022 and under the Scheme issued by Ministry of Power for Flexibility in Generation and Scheduling of Thermal/ Hydro Power Stations through bundling with Renewable Energy and Storage Power, shall not be considered for compensation.</i></p> <p><b><i>Provided further that the Compensation for part load operation of a generating station or unit thereof brought on bar under SCUC shall be paid from the Deviation and Ancillary Services Pool Account and Part load compensation for reduction in schedule on account of SCED, in respect of a generating station or unit thereof whose tariff is determined under Section 62 of the Act shall be paid from the savings in the SCED Account."</i></b></p>	<p>The replacement of thermal energy under the Flexibility Scheme has been envisaged by operating thermal plants on technical minimum. By replacing the balance thermal capacity, with the must run renewable energy, the whole plant becomes must run insofar as the discoms/beneficiaries are concerned. The impact of this on grid security and the rise in cost due to operation of thermal plants on technical minimum and cost involved in the startup and shut down of thermal plant shall not be passed on to the discoms/beneficiaries. As such, Compensation on account of part load operations, due to RE integration needs to be exempted to beneficiary already having PPA with thermal plant.</p> <p>Further, the provisions in IEGC 2023 pertaining to payment of compensation in case of Security Constrained Unit Commitment (SCUC) and Security constrained Economic Despatch (SCED) needs to be incorporated in Tariff Regulations in order to avoid any ambiguity in this regard.</p>

**Comments of PSPCL on Draft CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024**

Sr. No.	Regulations	Amendment Proposed in Draft Regulation	Suggestions/Comments	Rationale
11.1	<b>Clause 4 of Regulation 71 (A)</b>	The NAPAF (%) of the station Karcham Wangtoo indicated in the last row of the table as "90" shall be substituted by "87".	The Normative Annual Plant Availability Factor (NAPAF) for Karcham Wangtoo Hydro Electric Power Plant may be retained at existing level of 90%.	<p>The average Monthly Plant Availability Factor (PAFM) of Karcham Wangtoo HEP for last 3 years (FY 2021-22 to FY 2023-24) is around 104.94%, which is already 15% higher than the existing NAPAF of 90%, allowing huge incentive on capacity charges to the HEP.</p> <p>Further reducing the NAPAF from 90% to 87%, shall further increase the incentive to Karcham Wangtoo HEP and cause financial implications to the beneficiaries/ discoms and their end consumers.</p>

  
**CE/PP&R,  
PSPCL/Patiala**