

GMR Energy: Comments on Draft CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024

From : Abhishek Jaiswal <Abhishek.Jaiswal@gmrgroup.in> Sat, Sep 07, 2024 03:15 AM
Subject : GMR Energy: Comments on Draft CERC (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024  1 attachment

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Dear Sir,

On behalf of GMR Ltd., attached are the comments on the Draft CERC Terms & Conditions of tariff (First Amendment) regulations 2024.

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

S.no.	Proposed revision	Objections/Suggestions	Rationale
10.3 (a)	a) In table of clause (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;	The proposed amendment should not be implemented and existing provisions must continue	<p>The proposed amendment shall leave a void and would cause confusion re. the Norms applicability for 330 /350 MW units.</p> <p>CERC has not provided any specific reason for the proposed amendment neither has prescribed what would be the Norms applicable for the 330 Or 350 MW units post amendment of the current regulations.</p> <p>Therefore, the proposed amendment should not be implemented and existing provisions must continue.</p> <p>Alternatively, the commission should specify the separate Norms for the 330 & 350 MW unit sizes.</p>
10.4	<p>Clause (G) shall be added after Clause (F) of Regulation 70 of the Principal Regulations as follows:-</p> <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</p>		

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	<p>availability factor specified under Regulation 70(A) of these regulations.</p> <p>(2) The compensation for degradation under regulation (1) of this regulation shall be borne by the entity which has caused the plant to be operated at schedule lower than the corresponding Normative Plant Availability Factor.</p> <p>(3) The compensation for the station heat rate and auxiliary energy consumption shall be worked out in terms of energy charge rate.</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 style="padding-left: 40px;">a) For coal or lignite based generating stations:-</p> <table border="1" data-bbox="226 987 861 1421"> <thead> <tr> <th data-bbox="235 993 304 1104">Sr. No.</th> <th data-bbox="304 993 493 1104">Unit loading as a % of Installed Capacity of the Unit</th> <th data-bbox="493 993 682 1104">Increase inSHR (for sub-critical units) %</th> <th data-bbox="682 993 856 1104">Increase iSHR (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> </tbody> </table>	Sr. No.	Unit loading as a % of Installed Capacity of the Unit	Increase inSHR (for sub-critical units) %	Increase iSHR (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	<p>The proposed compensation Norms at para 4 & 5 must be reviewed periodically based on the actual experiences.</p> <p>Therefore, appropriate enabling provisions must be added in order to facilitate periodic review of the Norms.</p>	<p>Periodic review of Norms is essential because the commission has proposed blanket Norms for all the stations & Limited Availability of Operational data corresponding to plant Operation at lower PLF.</p>
Sr. No.	Unit loading as a % of Installed Capacity of the Unit	Increase inSHR (for sub-critical units) %	Increase iSHR (for super critical units) %																																				
1.	85 -100	Nil	Nil																																				
2.	80 - <85	2.1	1.8																																				
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S.no.	Proposed revision				Objections/Suggestions	Rationale																					
	9.	45 - <50	11.3	8.3																							
	10.	40 - <45	13.8	9.9																							
	<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:-</p> <p>a) For coal or lignite based generating stations:</p> <table border="1" data-bbox="233 675 850 1081"> <thead> <tr> <th data-bbox="233 675 310 743">Sr. No.</th> <th data-bbox="310 675 583 743">Unit loading as a % of Installed Capacity</th> <th data-bbox="583 675 850 743">% degradation in AEC admissible</th> </tr> </thead> <tbody> <tr> <td data-bbox="233 743 310 802">1.</td> <td data-bbox="310 743 583 802">85 -100</td> <td data-bbox="583 743 850 802">Nil</td> </tr> <tr> <td data-bbox="233 802 310 859">2.</td> <td data-bbox="310 802 583 859">80 - <85</td> <td data-bbox="583 802 850 859">0.5</td> </tr> <tr> <td data-bbox="233 859 310 915">3.</td> <td data-bbox="310 859 583 915">70 - <80</td> <td data-bbox="583 859 850 915">1.1</td> </tr> <tr> <td data-bbox="233 915 310 972">4.</td> <td data-bbox="310 915 583 972">60 - <70</td> <td data-bbox="583 915 850 972">1.8</td> </tr> <tr> <td data-bbox="233 972 310 1029">5.</td> <td data-bbox="310 972 583 1029">50 - <60</td> <td data-bbox="583 972 850 1029">2.5</td> </tr> <tr> <td data-bbox="233 1029 310 1081">6.</td> <td data-bbox="310 1029 583 1081">40 - <50</td> <td data-bbox="583 1029 850 1081">3.2</td> </tr> </tbody> </table> <p>(6) The additional compensation for secondary fuel oil consumption shall be permissible over and above seven (7) start / stop in a year for the generating station under Unit Shutdown in terms of Regulation 47 of the Grid Code Regulations 2023.</p>				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>The proposed amendment for additional compensation the cost</p>	<p>The generators identified for participation in SCUC (<i>Security Constrained Unit commitment</i>) under regulation 47 of Grid Code 2024 must be</p>
Sr. No.	Unit loading as a % of Installed Capacity	% degradation in AEC admissible																									
1.	85 -100	Nil																									
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6.	40 - <50	3.2																									

S.no.	Proposed revision	Objections/Suggestions	Rationale																			
	<p>For the purpose of compensation under regulation (1) of this regulation, the secondary fuel oil consumption per start up shall be considered based on the following norms or actual, whichever is lower:-</p> <table border="1" data-bbox="231 418 850 678"> <thead> <tr> <th data-bbox="231 418 420 527" rowspan="2">Unit Size (MW)</th> <th colspan="3" data-bbox="420 418 850 495">Secondary fuel oil consumption per starts up (Kl)</th> </tr> <tr> <th data-bbox="420 495 541 527">Hot</th> <th data-bbox="541 495 682 527">Warm</th> <th data-bbox="682 495 850 527">Cold</th> </tr> </thead> <tbody> <tr> <td data-bbox="231 527 420 600">200/210/250 MW</td> <td data-bbox="420 527 541 600">20</td> <td data-bbox="541 527 682 600">30</td> <td data-bbox="682 527 850 600">50</td> </tr> <tr> <td data-bbox="231 600 420 641">500 MW</td> <td data-bbox="420 600 541 641">30</td> <td data-bbox="541 600 682 641">50</td> <td data-bbox="682 600 850 641">90</td> </tr> <tr> <td data-bbox="231 641 420 678">660 MW</td> <td data-bbox="420 641 541 678">40</td> <td data-bbox="541 641 682 678">60</td> <td data-bbox="682 641 850 678">110</td> </tr> </tbody> </table>	Unit Size (MW)	Secondary fuel oil consumption per starts up (Kl)			Hot	Warm	Cold	200/210/250 MW	20	30	50	500 MW	30	50	90	660 MW	40	60	110	<p>of secondary fuel oil for only above 7 Start/stop sessions is unjustified.</p>	<p>allowed to recover additional oil cost for each event of Start/STOP of the generating unit.</p> <p>Alternatively, the commission must reduce the number of Start/STOP events beyond which the Generator shall be eligible for Additional compensation towards Secondary fuel oil consumption.</p>
Unit Size (MW)	Secondary fuel oil consumption per starts up (Kl)																					
	Hot	Warm	Cold																			
200/210/250 MW	20	30	50																			
500 MW	30	50	90																			
660 MW	40	60	110																			
8	<p>There shall be a reconciliation of the compensation at the end of the financial year considering actual weighted average operational parameters of station heat rate, auxiliary energy consumption and secondary oil consumption.</p>	<p>The proposed revision can be rephrased as follows:</p> <p><i>“There shall be a reconciliation of the compensation at the end of the financial year considering actual weighted average operational parameters of station heat rate, auxiliary energy consumption and secondary oil consumption. The shortfall in compensation (if any) shall be paid to the affected party with in 90 days of completion of reconciliation. “</i></p>	<p>Shortfall of compensation (if any) should be payable to the affected party in a time bound manner. Therefore, the proposed revision may be modified accordingly.</p>																			