



भारत सरकार

Government of India

विद्युत मंत्रालय

Ministry of Power

उत्तर क्षेत्रीय विद्युत समिति

Northern Regional Power Committee

सेवा में/ To

Secretary, Central Electricity Regulatory Commission
3rd floor, Chanderlok Building
36, Janpath, New Delhi- 110001

Subject: Draft CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024- comments by NRPC Secretariat -reg.

Reference: CERC notice no. L-1/260/2021/CERC dated 30th April, 2024.

महोदय,

Kindly find enclosed herewith comments from NRPC Secretariat on Draft CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 for kind consideration, please.

अनुलग्नक – यथोपरि ।

भवदीय,

(V. K. Singh)
Member
Secretary

**Comments on Draft
CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024**

Regulation	Regulation as per Draft	Modification suggested	Reason/Comment
Regulation 6 (3): Computation of Deviation-WS-Seller	Deviation-WS seller (DWS) (in %) = $100 \times \frac{[(\text{Actual Injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(\text{Available Capacity})]}$	Deviation-WS seller (DWS) (in %) = $100 \times \frac{[(\text{Actual Injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(\text{Scheduled generation})]}$	<ol style="list-style-type: none"> For calculation of Deviation-WS seller (in %), Available Capacity may be replaced with Scheduled generation. For solar based WS sellers, Scheduled generation generally remains in range of 0-90% of Available Capacity for more than 50% time-blocks during solar hours. Currently, % Deviation defined in draft regulations may not accurately reflect actual deviations in % terms during solar hours, leading to underestimation of deviation charges, consequently deviation charges remain in lower % block for charges calculations. Adjusting the calculation method will address this discrepancy.
Regulation 8 (1): Charges for Deviation-General seller other than an RoR generating station or a generating station based on municipal solid waste or WS seller	<p>Deviation by way of under injection:</p> <p>I) For Deviation up to [10% DGS or 100 MW, whichever is less] and f within f_{band}:</p> <p>v) When $[50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}]$, charges for deviation for such seller shall be reduced by 3% of RR so that charges for deviation become 85% of RR when $f = 50.05 \text{ Hz}$.</p>	<p>For all pondage based RoR Hydro Generating stations only:</p> <p>v) When $[50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}]$, receivable amount for such seller shall be zero when $f=50.00 \text{ Hz}$ and it shall be increased by 3% of RR for every increase in f by 0.01 Hz, so that charges for deviation become 15% of RR when $f = 50.05 \text{ Hz}$.</p>	<ol style="list-style-type: none"> Deviation charges payable by a General Seller for under-injection when the frequency is within f_{band} seem designed to account for fuel cost savings for the generator and energy charges received from the buyer at the reference rate. By paying back in deviation pool for under-injection at 85-100% of reference rate, the generator is incentivized with 0-15% of the reference rate for supporting the grid in over-voltage conditions through under-injection. However, during high flow seasons, pondage-based RoR generating stations do not save on fuel costs as there is no water savings in this season due to high inflows coupled with limited storage. Consequently, this mechanism, intended to incentivize under-injection, when frequency is within the f_{band}, at 0-15% of reference rate, ends up penalizing these generators at upto 100% of reference rate.