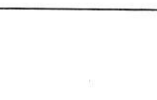




## Comments / Observations on Draft CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024

Sl. No.	Clause No.	Provisions as per CERC's Draft Regulation	Proposed Suggestions/Amendments	Rationale/Remark
1	Clause 8.1 Charges for Deviation	Deviation by way of over injection (Receivable by the Seller) (ii) For Deviation up to [10% DGS or 100 MW, whichever is less] and f outside f band (i) @ zero when [ 50.05 Hz < f < 50.10 Hz]; Provided that such seller shall pay @ 10% of RR when [ f ≥ 50.10 Hz]	Variation in Generation due to FGMO shall be compensated to the Generator. No penalty shall be levied for variations on account of FGMO.  Therefore, it is requested to Hon'ble commission that if there is over-injection due to FGMO there should be an incentive not any penalty.	PRAS (Primary Reserve Ancillary Services) is provided through governing action of generator and not in control of the generators as the Regulations requires that the Governing system of the Generators has to be kept in services at all time. This can cause machines to deviate from the schedule for grid security.
2	Clause 8.12 Charges for Deviation	Notwithstanding anything contained in Clauses (1) to (5) of this Regulation, in case of forced outage of a seller, the charges for deviation shall be @ the reference charge rate for a maximum duration of eight-time blocks or until the revision of its schedule, whichever is earlier.	In case of Forced outage due to any false signal/ technical abnormality which can be rectify within/next time block then there should be provision of schedule revision so that support/stability can be provided to Grid and lessen the burden of deviation charges on Generators.	In the case of a unit tripping, generator can revise its schedule only from the 7th/8th time block. As per the proposed DSM Regulations, even in case of unit trip, the generator would have to pay penalties for under injection for maximum duration of Eight-time blocks. Such events of unit trip are entirely uncontrollable for any generator and sometimes unit trip due to any false signal which

**राजेश शर्मा / RAJESH SHARMA**  
सहायप्रबंधक (वाणिज्यिक)  
General Manager (Commercial)  
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश  
THDC India Limited, Rishikesh

		<p>can be rectify within a time block. The current regulation does not have any provisions for early revision in schedule. In such scenario, even though the generator is willing to revise its schedule, it is literally forced to deviate from the schedule and additionally pay penalty on the same.</p>	
<p><b>3</b></p> <p><b>Clause 8.8 Charges for Deviation</b></p>	<p>Infirm power is to be compensated at a cap rate through deviation settlement mechanism without any scheduling. As injection of infirm power at zero charge shall not reduce the capital cost, therefore, the same is not beneficial for DISCOMs.</p>	<p>The charges for deviation for injection of infirm power shall be zero: Provided that the charges for deviation for such power shall be as applicable for a general seller or WS seller, as the case may be.</p>	<p>It is difficult for generating company to assess the scheduling of infirm power. As such, there is high possibility that generating company has to pay the DSM charges which ultimately increase the tariff of the DISCOMs. Compensation of infirm power through DSM shall reduce the capital cost as well as tariff.</p>
<p><b>4</b></p> <p><b>Clause 8.9 Charges for Deviation</b></p>	<p>The charges for deviation for drawal of start-up power before the COD of a generating unit or for drawal of power to run the auxiliaries during the shut-down of a generating station shall be payable at the reference charge rate or contract rate or in the absence of reference charge rate or contract rate, the weighted average ACP of the Day Ahead Market segments of all Power Exchanges for the respective time block, as the case may be.</p>	<p>The draft Regulation provides that charges for deviation for injection of infirm power shall be zero while the charges for deviation for drawal of start-up power to run the auxiliaries during the shut-down of a generating station shall be payable at the reference charge rate or contract rate or in the absence of reference charge rate or contract rate, the weighted average ACP of the Day Ahead Market segments of all Power Exchanges for the respective time block, as the case may be.</p> <p>Therefore, it is requested to Hon'ble Commission that for start-up power drawn from the grid by generating stations, the deviation charges should be capped.</p>	<p>when Unit goes under shutdown (Forced/Planned shut-down), the seller (Generator) requires to draw power from Grid to run various auxiliaries /loads like control system, water pumping system, battery charging system, safety equipment, various air and oil pressure systems, station lighting loads etc which are necessary to be kept operational during plant shutdown. In case of shutdown of single Unit out of the multiple units in the Power House/ Generating Station, the consumption of that unit can be met through the generation of other units, however in case of total plant shutdown or station where single Unit is installed, the plant needs to draw power from grid.</p>
<p style="text-align: right;">   <b>राजेश शर्मा / RAJESH SHARMA</b>          महाप्रबन्धक (व्यावसायिक)          General Manager (Commercial)          टीएचडीसी इंडिया लिमिटेड, ऋषिकेश          THDC India Limited, Rishikesh       </p>			



5	<p><b>Clause 10.1 Schedule of Payment of charges for deviation</b></p>	<p>The payment of charges for deviation shall have a high priority, and the concerned regional entity shall pay the due amounts within 7 (seven) days of the issue of the statement of charges for deviation by the Regional Power Committee, failing which late payment surcharge @ 0.04% shall be payable for each day of delay. However, in case the last day is an official holiday, the due date of payment shall be construed as the immediate succeeding working day.</p>	<p>The payment of charges for deviation shall have a high priority, and the concerned regional entity shall pay the due amounts within 7 (seven) days of the issue of the statement of charges for deviation by the Regional Power Committee, failing which late payment surcharge @ 0.04% shall be payable for each day of delay. However, in case the last day is an official holiday, the due date of payment shall be construed as the immediate succeeding working day.</p>	<p>This relaxation for due date is also provided in CERC Tariff Regulations.</p>
---	--	--	--	--



**राजेश शर्मा / RAJESH SHARMA**  
 महाप्रबन्धक (वाणिज्यिक)  
 General Manager (Commercial)  
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश  
 THDC India Limited, Rishikesh