



# AYANA

POWERING THE NATION. EMPOWERING THE PEOPLE.

24-05-2024

To,  
**The Secretary,**  
Central Electricity Regulatory Commission,  
3rd and 4th Chander Lok Building,  
36, Janpath Road,  
New Delhi - 110001

**Subject:** Comments and Suggestions on the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 (hereinafter referred to as “**Draft Regulation**”).

Respected Sir,

We, Ayana Renewable Power Private Limited, are a utility-scale renewable energy platform dedicated to expanding India’s renewable energy footprint, helping it to achieve its 500 GW renewable energy target by 2030. Currently holding an operational capacity of 2 GW Wind & Solar Assets across India, Ayana has 2.6 GW under pipeline and also aims to add 2 GW of renewable power in India every year, which includes a combination of wind, solar, hybrid, and RTC projects.

This is in reference to the above cited subject and we as a concerned party and, as a stake holder have a few comments and suggestions on the Draft Regulation provided on your website. Accordingly, please find the Comments and Suggestions on the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024.

We shall be grateful if this Hon’ble Commission considers our succinctly drafted comments and suggestions in this regard and the same are attached herewith for your perusal.

Sincerely thanking you,

On behalf of **Ayana Renewable Power Private Limited**

For AYANA RENEWABLE POWER PVT. LTD.

*P.S. Anand*

Authorised Signatory

**Ayana Renewable Power Private Limited**

**Registered & Corporate Office:** S 2904, 29th Floor, World Trade Center, Brigade Gateway Campus, #26/1, Dr. Rajkumar Road, Rajajinagar, Bangalore – 560055, IN | **CIN: U40106KA2017FTC101000**  
+91 080 48511001 | contact@ayanapower.com | www.ayanapower.com




# AYANA

POWERING THE NATION. EMPOWERING THE PEOPLE.

.No.	Regulation Ref.	Regulation Extract	Comments/ Observations
1	8 (4)	<p>8. Charges for Deviation</p> <p>(4) Charges for Deviation, in respect of a WS Seller being a generating station based on wind or solar or hybrid of wind-solar resources, including such generating stations aggregated at a pooling station through QCA shall be without any linkage to grid frequency, as under:</p> <p>.....</p>	<p>It is to be noted that the rate of deviation charges (as % of contract rate) for WS seller has been proposed to modify significantly from CERC DSM regulations 2022 (read with CERC suo-motu directions 2023) to CERC draft DSM regulations 2024, as elaborated below –</p> <p>For WS Seller based on solar or hybrid of wind-solar resources, Over-injection (receivable by Seller) - Decreased from 100% to 90% and 90% to 50% in the deviation bands of 5% to 10% D<sub>WS</sub> and 10% to 15% D<sub>WS</sub> respectively. Under-injection (payable by Seller) - Increased from 100% to 110%, 110% to 150% and 150% to 200% in the deviation bands of 5% to 10% D<sub>WS</sub>, 10% to 15% D<sub>WS</sub> and beyond 20% D<sub>WS</sub> respectively.</p> <p>For WS Seller based on wind resources, Over-injection (receivable by Seller) - Decreased from 100% to 90% and 90% to 50% in the deviation bands of 10% to 15% D<sub>WS</sub> and 15% to 20% D<sub>WS</sub> respectively. Under-injection (payable by Seller) - Increased from 100% to 110%, 110% to 150% and 150% to 200% in the deviation bands of 10% to 15% D<sub>WS</sub>, 15% to 20% D<sub>WS</sub> and beyond 25% D<sub>WS</sub> respectively.</p> <p>Such abrupt increase in the deviation charges shall be detrimental to the RE sector as a whole and shall adversely affect the Govt's ambitious sustainability goals under the Panchamrit action plan.</p> <p>In the explanatory memorandum published by Hon'ble Commission, it has been explained that with the introduction of aggregation PSS wise deviation percentage will reduce, that is the sole reason behind shrinking the deviation bands. In this context we would like to apprise that aggregation of PSS has not been implemented yet and whatever impact is being foretold is just a mere prediction.</p> <p><u>Suggestion:</u> It is suggested that Hon'ble Commission let the existing band to continue for a year to understand the impact of aggregation and then bring changes if necessary.</p>

### Ayana Renewable Power Private Limited

**Registered & Corporate Office:** S 2904, 29th Floor, World Trade Center, Brigade Gateway Campus, #26/1, Dr. Rajkumar Road, Rajajinagar, Bangalore – 560055, IN | **CIN: U40106KA2017FTC101000**  
+91 080 48511001 | contact@ayanapower.com | www.ayanapower.com

For AYANA RENEWABLE POWER PVT. LTD.  
  
Authorized Signatory



# AYANA

POWERING THE NATION. EMPOWERING THE PEOPLE.

			<p>Solar Existing DSM Band :</p> <p>Under Injection</p> <table border="1"> <tr> <td>0-10%</td> <td>10-15%</td> <td>&gt;15%</td> </tr> <tr> <td>No Penalty</td> <td>10% of PPA</td> <td>50% of PPA</td> </tr> </table> <p>Over Injection</p> <table border="1"> <tr> <td>0-10%</td> <td>10-15%</td> <td>&gt;15%</td> </tr> <tr> <td>No Penalty</td> <td>10%of PPA</td> <td>100% of PPA</td> </tr> </table> <p>Hence, it is requested to restore the deviation charges for WS Seller to the previous DSM regime.</p> <p>In the wind sector, we are respectfully asking the Honourable Commission to revert to the previous band, as it is unlikely that aggregation will help reduce penalties.</p> <p>Suggested Wind DSM Band :</p> <p>Over &amp; Under Injection :</p> <table border="1"> <tr> <td>0-15%</td> <td>15-25%</td> <td>25-35%</td> <td>&gt;35%</td> </tr> <tr> <td>No penalty</td> <td>10% of PPA</td> <td>20%PPA</td> <td>30% of PPA</td> </tr> </table>	0-10%	10-15%	>15%	No Penalty	10% of PPA	50% of PPA	0-10%	10-15%	>15%	No Penalty	10%of PPA	100% of PPA	0-15%	15-25%	25-35%	>35%	No penalty	10% of PPA	20%PPA	30% of PPA
0-10%	10-15%	>15%																					
No Penalty	10% of PPA	50% of PPA																					
0-10%	10-15%	>15%																					
No Penalty	10%of PPA	100% of PPA																					
0-15%	15-25%	25-35%	>35%																				
No penalty	10% of PPA	20%PPA	30% of PPA																				
2	8 (5), 8 (6)	<p>8. Charges for Deviation</p> <p>(5) Charges for Deviation, in respect of a Standalone Energy Storage System (ESS), shall be at par with the charges for Deviation for a general seller other than an RoR generating station or a generating station based on municipal solid waste or WS seller as specified in Clause (1) of this Regulation</p> <p>(6) Charges for Deviation, in respect of an ESS co-located with WS Seller(s) connected at the same interconnection point, shall be as follows</p> <p>.....</p>	<p>We would like to apprise this Hon'ble Commission that the whole purpose of installing energy storage system ("ESS") which is co-located with WS sellers is to reduce the variability of the wind solar technology and make the grid more stable, now if, the deviation of ESS is treated separately and in line with general seller it will increase the impact of deviation charge. ESS itself is a very costly investment and this huge impact of deviation charge will in no way encourage the RE developers to include ESS in their system.</p> <p><u>Suggestions:</u></p> <p>So, the deviation of ESS co-located with WS sellers should be at par with WS deviation band.</p>																				

**Ayana Renewable Power Private Limited**

**Registered & Corporate Office:** S 2904, 29th Floor, World Trade Center, Brigade Gateway Campus, #26/1, Dr. Rajkumar Road, Rajajinagar, Bangalore – 560055, IN | **CIN: U40106KA2017FTC101000**  
 +91 080 48511001 | contact@ayanapower.com | www.ayanapower.com

For AYANA RENEWABLE POWER PVT. LTD.  
  
 Authorised Signatory



# AYANA

POWERING THE NATION. EMPOWERING THE PEOPLE.

3	3	Normal Rate of Charges for Deviations shall be equal to the sum of: 1/3 of Integrated DAM, 1/3 of Real Time Market and 1/3 of Ancillary Services	The Normal Rate of charges for deviation should be capped to ₹ 12/kwh like earlier regulation
4	7(5)	Charges for Deviation, in respect of a Standalone Energy Storage System (ESS), shall be at par with the charges for Deviation for a general seller other than an RoR generating station or a generating station based on municipal solid waste or WS seller as specified in Clause (1) of this Regulation	There should be specific DSM guidelines for Pumped Storage Projects as the size of Pumped Storage Projects are comparatively higher than that of the Battery Energy Storage System.
5	8(2) 4	Charges for Deviation, in respect of a WS Seller being a generating station based on wind or solar or hybrid of wind-solar resources, including such generating stations aggregated at a pooling station through QCA shall be without any linkage to grid frequency, as under....	<p>As the slab of Solar or Hybrid is different than that of Wind power project and the slab of aggregation is linked to the Solar project or Hybrid project which has Stricker band than that of Wind Project.</p> <p>Ideally, the aggregation band has to be linked to the substation which has the maximum penetration of Solar or Wind Project. If the Substation with capacity of 2500 MW has 1250 MW and above solar project connected to it than the band of Solar should be considered and if the substation has 1250 MW and above Wind power project connected to it than band of Wind should be considered.</p> <p>As mentioned the charges for the Deviation with respect to WS Seller or Hybrid of wind-solar resources will be settled through QCA but at regional level registration procedure of QCA or procedure of aggregation has not been established yet. Therefore it is requested to Hon'ble Commission that to implement the Aggregation at ISTS level after the procedure is finalized and then bring the QCA in the ecosystem of settlement of deviation charges at regional level.</p>

## Ayana Renewable Power Private Limited

**Registered & Corporate Office:** S 2904, 29th Floor, World Trade Center, Brigade Gateway Campus, #26/1, Dr. Rajkumar Road, Rajajinagar, Bangalore – 560055, IN | **CIN: U40106KA2017FTC101000**  
+91 080 48511001 | [contact@ayanapower.com](mailto:contact@ayanapower.com) | [www.ayanapower.com](http://www.ayanapower.com)

For AYANA RENEWABLE POWER PRIVATE LIMITED  
*P.S. Arulkumar*  
Authorized Signatory