छत्तीसगढ़ स्टेट पॉवर डिस्ट्रीब्यूसन कम्पनी लिमिटेड
CHHATTISGARH STATE POWER DISTRIBUTION COMPANY LTD.
(A Government of Chhattisgarh Undertaking) (A Successor Company of CSEB)
(CIN : U40108CT2003SGC015822)

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No.02-02/ 840

Raipur, Dt: 31/05/2024

Speed post

To,

The Secretary,
Central Electricity Regulatory Commission,
6th, 7th & 8th Floors, Tower B, World Trade Centre,
Nauroji Nagar, New Delhi- 110029

Subject- Comments on the draft CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024

Hon'ble CERC has issued Draft **CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024**. The Regulations are applicable from the date of its notification. Comments of Chhattisgarh State Power Distribution Co. Ltd. (CSPDCL) on the Draft Regulations are as enclosed herewith which may kindly be incorporated while finalizing the Regulations.

Executive Director (RA&PM)
CSPDCL, RAIPUR

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Sub: Comments on the draft CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024

The **draft CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024** has been gone through. The comments of Chhattisgarh State Power Distribution Company (CSPDCL) on the above draft are as under :-

SrNo	Clause No	Comments
1	**6. Computation of Deviation** 2) Deviation in a time block for WS sellers shall be computed as follows: Deviation-WS seller *(Dws)* (in MWh) = [(Actual Injection in MWh) – (Scheduled generation in MWh)]. Deviation-WS seller *(Dws)* (in %) = 100 x [(Actual Injection in MWh) – (Scheduled generation in MWh)] / [(Available Capacity)]	It is to mention that in case of Wind –Solar (WS) Generators, for computation of percentage deviation , the denominator should be considered as "Scheduled Generation" and not "Available Capacity" as the % deviation should be calculated with reference to one of the terms in the numerator (here Scheduled Generation) and not any third term.
2	**7. Normal Rate of Charges for Deviations** (1) The Normal Rate (NR) for a particular time block shall be equal to the sum of: (a) 1/3 [Weighted average ACP (in paise/kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges]; (b) 1/3 [Weighted average ACP (in paise/kWh) of the Real-Time Market segments of all the Power Exchanges]; and (c) 1/3 [Ancillary Service Charge (in paise/kWh) computed based on	The capping rate of Rs 12 /Kwh for Ancillary services as applicable today , should continue . Accordingly, for computation of Normal Rate for Deviation , the component (c) i.e. 1/3rd of the Ancillary services should be computed considering capping rate of Rs 12/Kwh or actual , which ever is less.

<table>
<tr><td></td><td>the total quantum of Ancillary Services deployed and the net charges payable to the Ancillary Service Providers for all the Regions].
Provided that in cases where there is no despatch of Ancillary services in a time block or where the net charges for Ancillary services are receivable in Deviation and Ancillary Service Pool Account, the Ancillary Service Charge shall not be considered for computation of Normal Rate (NR). Further, 50% weight shall be considered for ACP (in paise/kWh) of the Integrated-Day Ahead Market segments, and 50% weight shall be ACP (in paise/kWh) of the Real-Time Market segments of all the Power Exchanges</td><td></td></tr>
<tr><td>3</td><td>8. Charges for Deviation –
(7) Charges for Deviation, in respect of a Buyer, shall be receivable or payable as under –
<table>
<tr><th>Deviation by way of under drawal
(Receivable by the Buyer)</th><th>Deviation by way of over drawal
(Payable by the Buyer)</th></tr>
<tr><td colspan="2">(I) For VLB (1) and f within f band</td></tr>
<tr><td>i) @ 85% of NR when f =50.00 Hz;</td><td>iv) @ NR when f =50.00 Hz;</td></tr>
<tr><td>ii) When 50.00 Hz < $f \leq$50.05 Hz , for,every increase in f by 0.01 Hz, charges for deviation for such buyer shall be decreased by 7% of NR so that charges for deviation become 50% of NR when f = 50.05Hz</td><td>v) When 50.00< $f \leq$50.05 Hz , for every increase in f by 0.01 Hz, charges for deviation for such buyer shall be reduced by 5% of NR so that charges for deviation become 75% of NR when f = 50.05Hz;</td></tr>
<tr><td>When 49.90 $\leq f <$ 50.00 Hz, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased by 1 % of NR so that charges for</td><td>vi) When 49.90 $\leq$ f < 50.00 Hz, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased by 5% of NR so that charges for</td></tr>
</table></td><td>It may be mentioned that in case of under drawl by a Discom when frequency is above 50.10 Hz, there should not be any penalty on the drawal because under drawl by a Discom at this frequency is not intentional. There could be sudden load crash because of sudden change in weather conditions or any other reason which might be beyond its control. Moreover a Discom will not get any benefit by under drawing at this frequency, as such it will not be justified to penalize a Discom @ of 10% of normal rate for any under drawal beyond 50.10 Hz.

Further, the charges payable by a buyer for over drawal, for different set of Volumes Limits i.e VLB (1) , VLB (2) and VLB(3) are exorbitant. Looking to the precarious position of the finances of the Discoms the charges has to be reasonable which could be paid by a Discom and should not be a burden on the finances of a Discom.

As such the charges for over drawl under deferent conditions are proposed as under : -</td></tr>
</table>

deviation become 95% of NR when f = 49.90Hz	deviation become 150% of NR when f = 49.90Hz.
(II) For VLB (1) and *f outside f* band	
(i) @ zero when [50.05 Hz < f < 50.10 Provided that such buyer shall pay @ 10% of NR when [$f \geq$ 50.10 Hz];	(i) @ zero when [50.05 Hz < f < 50.10 (iv) @ zero when [f ≥ 50.10 Hz];
(ii) @ 95% of NR when [f < 49.90 Hz];	(v) @ 150 % of NR when [f < 49.90 Hz].
(III) For VLB (2) and *f within* and outside *f* band	
(i) @ 80% of NR when $f \leq$ 50.00 Hz; (ii)@ 50% NR when [50.00 Hz < $f \leq$ 50.05 Hz]; @ zero when [50.05 Hz < f < 50.10 Hz]: Provided that such buyer shall pay @ 10% of NR when [$f \geq$ 50.10 Hz];	(iii) @ 150% of NR when $f \leq$ 50.00 Hz; (iv) @ NR when [50.00 Hz ≤ f ≤ 50.05 Hz]; @ 75% NR when [50.05 Hz < f < 50.10 Hz]; @ zero when [$f \geq$ 50.10 Hz].
(IV) For VLB (3) and *f within* and outside *f* band	
(i) @ zero when f < 50.10 Hz: Provided such buyer shall pay @ 10% of NR when [$f \geq$ 50.10 Hz];	(ii) @ 200% of NR when f <50.00 Hz; (iii) @ 110% of NR when [$f \geq$ 50.00 Hz].

Note: Volume Limits for Buyer :

Buyer Volume Limit

Buyer **other than** (the buyer with a schedule less than 400 MW and the RE-

Deviation by way of over drawal (Payable by the Buyer)
(I) **For VLB (1) and *f* within *f* band**
vi) When 49.90 ≤ f < 50.00 Hz, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased **by 0.25 %** of NR so that charges for deviation become **125 % of** NR when f = 49.90Hz.
(II) For VLB (1) and *f outside f* band
(ii) @ zero when [50.05 Hz < f < 50.10 (iv) @ zero when [f ≥ 50.10 Hz];
(v) @ **125 %** of NR when [f < 49.90 Hz].
(III) For VLB (2) and *f within* and outside *f* band
(iii) @ **125 %** of NR when $f \leq$ 50.00 Hz; (iv) @ NR when [50.00 Hz ≤ f ≤ 50.05 Hz]; @ 75% NR when [50.05 Hz < f < 50.10 Hz]; @ zero when [$f \geq$ 50.10 Hz].
(IV) For VLB (3) and *f within* and outside *f* band
(ii) @ **150** % of NR when f <50.00 Hz; (iii) @ **75** % of NR when [$f \geq$ 50.00 Hz].

	rich State) $VL_B(1)$ = Deviation up to [10% D_{BUY} or 100 MW, whichever is less] $VL_B(2)$ = Deviation [beyond 10% D_{BUY} or 100 MW, *whichever is lower*] and up to [15% D_{BUY} or 200 MW, *whichever is lower*] $VL_B(3)$ = Deviation beyond [15% D_{BUY} or 200 MW, whichever is less] **Buyer (with a schedule up to 400 MW)** $VL_B(1)$ = Deviation [20% D_{BUY} or 40 MW, whichever is less] $VL_B(2)$ = Deviation beyond [20% D_{BUY} or 80 MW, whichever is less] **Buyer (being an RE Rich State)** $VL_B(1)$ = Deviation up to 200 MW $VL_B(2)$ = Deviation beyond 200 MW and up to 300 MW $VL_B(3)$ = Deviation beyond 300 MW **Buyer (being Super RE Rich State)** $VL_B(1)$ = Deviation up to 250 MW $VL_B(2)$ = Deviation beyond 250 MW and up to 350 MW $VL_B(3)$= Deviation beyond 350 MW	
4	**9. Accounting of Charges for Deviation and Ancillary Service Pool Account -** (7) In case of deficit in the Deviation and Ancillary Service Pool Account of a region, the surplus amount available in the Deviation and Ancillary Service Pool Accounts of other regions shall be used for settlement of payment under clause (6) of this Regulation	It is submitted that if any surplus is available in a Region after meeting all the obligations of the that Region , then only the surplus could be utilized for meeting deficit in any other Region's "Deviation and Ancillary Service Pool Account" .

It is requested to kindly consider the above comments of CSPDCL while finalizing the proposed CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 please.

Executive Director (RA &PM)
CSPDCL : Raipur

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