MAHATRANSCO
Maharashtra State Electricity Transmission Co. Ltd.
MAHARASHTRA STATE ELECTRICITY TRANSMISSION CO.LTD.
CIN NO. U40109MH2005SGC153646
Maharashtra State Load Dispatch Center
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Office of The Chief Engineer
Maharashtra State Load Dispatch Center
Thane-Belapur Road, P.O. Airoli
Navi Mumbai Pin – 400 708.

Ref. No. CE/MSLDC/DSM/ No 00988 **Date:** 22 MAY 2024

To,
The Secretary,
Central Electricity Regulatory Commission (CERC),
3 rd & 4 th Floor, Chanderlok Building,
36, Janpath, New Delhi- 110001

Sub: - Draft Notification of Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 and comments thereof.

Ref: Draft Notification Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024.

Respected Sir,

With reference to the Draft Notification of Central Electricity Regulatory Commission on (Deviation Settlement Mechanism and Related Matters) Regulations, 2024, notified on 30.04.2024, Hon'ble CERC invited comments/suggestions/objections from the stakeholders and interested persons on or before 24.05.2024.
In line with the above please find comments/suggestions/objections by Maharashtra SLDC attached with this letter.

Submitted for information and needful please.

With Regards,
Encl: As above

Yours faithfully,
24/05/24
(Mahesh Bhagwat)
Chief Engineer,
MSLDC, Kalwa

Copy s. w. rs. to: -
1) The Chairman & Managing Director, MSETCL, Mumbai
2) The Secretary, MERC, Mumbai
3) The Director (Operations), MSETCL, Mumbai
4) The Executive Director, MSLDC, Airoli

SLDC Maharashtra's comments/suggestions/objections to Draft Notification of Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024

Sr. No.	Proposed provision in Regulation	SLDC- Maharashtra Suggestion
1	**Regulation 3. Definitions and Interpretation:** a) **'Renewable Rich State' or 'RE Rich State'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is 1000 MW or more but less than 5000 MW; b) **'Renewable Super Rich State' or 'RE Super Rich State'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is more than 5000 MW but less than 10000MW.	Inclusion of two more definition in relation to RE State in addition to 'Renewable Rich State' or 'RE-rich State' and 'Renewable Super Rich State' or 'RE Super-rich State' as follows: a) **'Renewable Rich State' or 'RE Rich State'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is 1000 MW or more but less than 5000 MW; b) **'Renewable Super Rich State' or 'RE Super Rich State'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is more than 5000 MW but less than 10000MW. c) **'Renewable Most Rich State-1' or 'RE Most-rich State-1'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is more than 10000 MW but less than 15000MW. d) **'Renewable Most Rich State-2' or 'RE Most-rich State-2'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is 15000 MW or more.
	Rationale: As per the achievement enlisted by MNRE, GoI, India has added record RE capacity addition of 65 GW in last 5 years. In addition to this MoP, GoI has set target of capacity addition of 500GW by 2030, considering these things above definitions shall be added.	

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2	**Regulation 6. Computation of Deviation** **Proposed provision in Regulation** Deviation corresponding to WS component shall be charged at the same rates as applicable for WS Seller being a generating station based on solar or hybrid of wind-solar resource in accordance with clause (4) of this regulation;	**Option 1:** TAMIL NADU ELECTRICITY REGULATORY COMMISSION vide its notification No. TNERC/F&S Wind & Solar /21-1/2024 Dt. 22-01-2024 notified the Tamil Nadu Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement and related matters for Wind and Solar Generation) Regulations, 2024. In this regulation TNERC defined Absolute Error as per clause no. 2.1(a) reproduced as below, *2. Definitions* *2.1 In these Regulations, unless the context otherwise requires,* *(a) "Absolute Error" means the difference between the actual generation injected and the scheduled generation of Wind or Solar Energy Generators in relation to their scheduled generation in each time block, and may be computed in percentage terms by applying the following formula:* $$\textit{Absolute Error (\%)} = 100 \times \frac{[\textit{Actual Generation} - \textit{Scheduled Generation}]}{\textit{Scheduled Generation}}$$ *Where, scheduled generation ≠ 0* In line with the F&S Regulation notified by TNERC, the computation of Deviation WS Seller (D_{WS}) (in %) in 6.2 needs to be modified as 1) $$\text{Absolute Error (\%)} = 100 \times \frac{[\text{Actual Generation} - \text{Scheduled Generation}]}{\text{Scheduled Generation}}$$ Where, scheduled generation ≠ 0 **OR** **Option 2:** 2)The computation can be done as weights to Available Capacity and Scheduled generation in denominator of the computation instead of solely using Available Capacity only in denominator. Deviation-WS seller (DWS) (in %) = 100 x [(Actual Injection in MWh) – (Scheduled Generation in MWh)] / **[X % of scheduled generation in Mwh + Y % of Available Capacity)].** Where, Summation of X and Y shall be 100%

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3	**Regulation 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 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: Provided further that in case of non-availability of ACP for any time block on a given day, ACP for the corresponding time block of the last available day shall be considered. (2) The normal rate of charges for deviation shall be rounded off	The Normal Rate of Charges for Deviation computed as per regulation 7 shall be capped to Rs. 10 per kWh. As such the following proviso shall be added in the Regulations: ***"Provided further that the normal rate of Charges for Deviation shall be subject to a ceiling of Rs. 10 per kWh".*** And shall be computed as follows, (1) The Normal Rate (NR) for a particular time block shall be equal to the sum of weighted average of: (a) The scheduled quantum of power in Integrated-Day Ahead Market segments of all the Power Exchanges and the corresponding rates; (b) The scheduled quantum of power in the Real-Time Market segments of all the Power Exchanges; and the corresponding rate (c) The total quantum of Ancillary Services deployed and the net charges payable to the Ancillary Service Providers for all the Regions.

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	to the nearest two decimal places.	
	Rationale: The normal rate may not be given equal weightage to DAM, RTM and Ancillary Services. The normal rate shall be decided based on the capacity which would be utilized for meeting the deviation. The quantum of DAM, RTM and Ancillary Services utilized shall be the deciding factor for computation of normal rate. The rate shall therefore be derived based on the weighted average quantum utilized during deviation.	
4.	**Regulation 8. Charges for Deviation:** **a) Buyer (being 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 **b) Buyer (being Super 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	Based on the additional definitions for RE rich States as mentioned above, the Volume Limits for these categories shall be as under: **a) Buyer (being 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 **b) Buyer (being Super 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 **c) Buyer (being Super RE Most Rich State-1)** VL_B (1) = Deviation up to 300 MW VL_B (2) = Deviation beyond 300 MW and up to 400MW VL_B (3) = Deviation beyond 400 MW **d) Buyer (being Super RE Most Rich State-2)** VL_B (1) = Deviation up to 350 MW VL_B (2) = Deviation beyond 350 MW and up to 450 MW VL_B (3) = Deviation beyond 450 MW