

स्पीड पोस्ट द्वारा  
BY SPEED POST



दामोदर घाटी निगम  
DAMODAR VALLEY CORPORATION  
वाणिज्यिक विभाग/COMMERCIAL DEPARTMENT  
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No. Coml. / Tariff/ 551

Dated-20.06.2024

To  
The Secretary  
Central Electricity Regulatory Commission  
3<sup>rd</sup> and 4<sup>th</sup> Floor,  
Chanderlok Building, 36, Janpath, New Delhi - 110 001.

Subject: Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024'

Reference: - Public Notice vide no. 260/2021/CERC dated 30 April 2024.

Dear Sir,

This has reference to the above public notice, on the above subject posted on the CERC website, wherein comments /suggestions of the stakeholders were solicited.

Comments/suggestions, on the Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024, are enclosed herewith as **Appendix-I** for your kind perusal and consideration please:

It is our earnest hope and humble prayer that the Hon'ble Commission will recognize our concerns and make necessary modifications.

Thanking you,

Yours faithfully

*[Handwritten Signature]*  
20/06/24

Executive Director (Commercial)

Enclosure: - As stated above

**Comments of Damodar Valley Corporation on 'draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024' as notified by Central Electricity Regulatory Commission under Memo. L-1/260/2021/CERC dated 30.04.2024**

Based on the careful study of the 'Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024', drafted by the Hon'ble CERC, DVC would like to hereby humbly submit its comments on the draft regulations with the request to the Hon'ble Commission to consider these inputs during finalization of the regulations.

**1) Deviation and Ancillary Service Pool Accounts  
Draft Regulations:**

*"Regulation 9(7).....Provided that in case the surplus amount in the Deviation and Ancillary Service Pool Accounts of all other regions is not sufficient to meet such deficit, the balance amount shall be recovered from the drawee DICs - (i) for the period from the date of effect of these regulations till 31.03.2025, in the ratio of [50% in proportion to their drawal at the regional periphery] and [50% in proportion to their GNA]; and (ii) from 01.04.2025, in the ratio of the shortfall of reserves allocated by NLDC to such DICs in accordance with the detailed procedure to be issued in this regard by the NLDC with the approval of the Commission"*

**Comments of DVC:**

Since both Injecting & Drawee entities are equally responsible for a stable and reliable grid, any charges to meet shortages in the DSM pool should be incident on both entities, not just drawee DICs. Such charges may be recovered based on their injection/drawal quantum.

**2) Normal Rate of Charges for Deviations  
Draft Regulations:**

*"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]."*

**Comments of DVC:**

As the Ancillary Service charges are not available in real-time, the same may not be included in the computation of Normal Rate (NR). The inclusion of Ancillary charges will not reflect the real-time commercial implications (penalty & incentive) of steps taken by the system operator under the DSM regulation and hence impede the decision-making of the system operator in real-time.

Hence, 50% weightage IDAM & RTM each may be given in the computation of Normal Rate (NR).

### 3) Buyer (with a schedule up to 400 MW)

#### Draft Regulations:

"Regulation-8 Charges for Deviation.... (7) Charges for Deviation, in respect of a Buyer

.....

*Buyer (with a schedule up to 400 MW)*

*VLB (1) = Deviation [20% DBUY or 40 MW, whichever is less]*

*VLB (2) = Deviation beyond [20% DBUY or 80 MW, whichever is less]"*

#### Comments of DVC:

The 20% limit allowed to each such DISCOM (with a schedule up to 400 MW) can cause large aggregate deviation at the regional level. Moreover, there are adequate avenues (DAM, RTM etc) available for the DISCOMS to address envisaged deviations. Our submission is that all the buyers should be kept at par and provision for buyers having schedule up to 400 MW may kindly be dropped.

### 4) Deviation Charges for Deviation when $[f > 50.05 \text{ Hz}]$

#### Draft Regulations:

"Regulation-8 Charges for Deviation....

*(1) Charges for Deviation Charges for Deviation in respect of a general seller other than an RoR Generating station or a generating station based on municipal solid waste or WS seller  
..... Deviation by way of under-injection ( Payable by the Seller)*

*(iii) @ 85% of RR when  $[f > 50.05 \text{ Hz}]$ .*

*(7) Charges for Deviation in respect of a Buyer .....*

*Deviation by way of over drawl (Payable by the Buyer) (iii) For VLB (1) & f outside fband :*

*(iii) @ 50% of NR when  $[ 50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$ .*

*(iv) For VLB (2) & f outside fband : (iii) @ 75% of NR when  $[ 50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$ .*

*(iii) For VLB (3) & f outside fband : (iii) @ 110% of NR when  $[f \geq 50.10 \text{ Hz}]$ ."*

#### Comments of DVC:

It may be appreciated that when the frequency is outside the operating band and is above 50.05Hz, the over-drawing status of a buyer and under-generating status of a seller is helping the Grid in restoration of the frequency back to its nominal value. But, because of the above provision, a seller or a buyer is liable to get penalized for its deviation, despite helping the grid. Therefore, it is submitted to retain the existing mechanism of Deviation Settlement for frequency range above 50.05 Hz, Zero ('0') for both the cases of O/D by a buyer and U/I by a seller.



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Ref. No. ED/Comml./FGD/48/2024-25/556

Date: 21-06-2024

**Sub: Intimation regarding Completion of 72 hrs full load operation of Emission Control System in respect of Bokaro TPS A**

**Ref:** 1. DVC's letter No. ED/Comml./FGD/48/2024-25/117 dated 12.04.2024  
2. DVC's letter No. ED/Comml./FGD/48/2024-25/545 dated 18.06.2024

Dear Sir,

In reference to our earlier communication Ref. No. ED/Comml./FGD/48/2024-25/545 dated 18.06.2024, this is to inform you that 72 hours full load operation of Emission Control System (ECS) of Bokaro TPS A has been completed successfully on 13:00 hrs of 21st June'2024 and accordingly 'Date of Operation' (ODe) in respect of the emission control system (ECS) of Bokaro TPS A shall be declared w.e.f. 21.06.2024.

The supplementary fixed & variable charges will be claimed accordingly by DVC in terms of the relevant provisions of CERC Regulation.

This is for your kind information please.

Yours Sincerely,

Sr General Manager (Commercial)

**Distribution:**

1. The Chief Engineer (ISB), Punjab State Power Corporation Ltd., Office of Engineer in-Charge /PP & R/Inter State Billing, TI-A, Patiala., Pin-147001.

**Copy:**

1. The Chairperson CEA, Sewa Bhawan, Rama Krishna Puram, Sector-1, New Delhi-110066.
2. The Chairperson CERC, Central Electricity Regulatory Commission, 3 rd & 4 th Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001
3. The Member Secretary, Eastern Regional Power Committee, 14, Golf Club Road Tollygunje, Kolkata-700033
4. The Executive Director, ERLDC, 14, Golf Club Rd, Golf Gardens, Tollygunge, Kolkata, West Bengal 700033
5. The Sr. General Manager, SLDC DVC, DVC Towers, VIP Road, Kolkata-700054