

Date : 03-06-2024

To,

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

**Subject:** Submission of comments on Draft Central Electricity Regulatory Commission Deviation Settlement Mechanism and Related Matters) Regulations, 2024

**Ref:** - File No:- L-1/260/2021/CERC dated 30th April, 2024

Sir,

This is in reference to the above subject Hon'ble Central Electricity Regulatory Commission invites comments on Draft Central Electricity Regulatory Commission Deviation Settlement Mechanism and Related Matters) Regulations, 2024.

Thus, Bharat Aluminium Company Limited as both general seller and buyer is submitting suggestions for the same as Annexure-A.

Submitted for your kind consideration.

Thanking You,

Yours faithfully

For: Bharat Aluminium Company Limited

  
Authorised Signatory

**ANNEXURE-A**

Sr no.	Draft Amendment paper	Suggested change	Remarks												
1.	<p>8. Charges for Deviation</p> <p>(1) 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 shall be as under:</p> <table border="1" data-bbox="280 678 862 1356"> <tr> <td colspan="2" data-bbox="280 678 862 813">(III) For Deviation beyond [10% DGS or 100 MW, whichever is less] and f within and outside f band</td> </tr> <tr> <td data-bbox="280 813 571 1013">Deviation by way of over injection  (Receivable by the Seller)</td> <td data-bbox="571 813 862 1013">Deviation by way of under injection  (Payable by the Seller)</td> </tr> <tr> <td data-bbox="280 1013 571 1356">i) Such seller shall be paid back @ zero when (f &lt; 50.10 Hz):  Provided that such seller shall pay @</td> <td data-bbox="571 1013 862 1356">(ii) Such seller shall pay @ RR when [ f ≥ 50.00 Hz];  (iii) @ 150% of RR when [49.90Hz ≤ f &lt;50.00 Hz]; and</td> </tr> </table>	(III) For Deviation beyond [10% DGS or 100 MW, whichever is less] and f within and outside f band		Deviation by way of over injection  (Receivable by the Seller)	Deviation by way of under injection  (Payable by the Seller)	i) Such seller shall be paid back @ zero when (f < 50.10 Hz):  Provided that such seller shall pay @	(ii) Such seller shall pay @ RR when [ f ≥ 50.00 Hz];  (iii) @ 150% of RR when [49.90Hz ≤ f <50.00 Hz]; and	<p>8. Charges for Deviation</p> <p>(1) 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 shall be as under:</p> <table border="1" data-bbox="958 678 1541 1356"> <tr> <td colspan="2" data-bbox="958 678 1541 813">(III) For Deviation beyond [10% DGS or 100 MW, whichever is less] and f within and outside f band</td> </tr> <tr> <td data-bbox="958 813 1249 1013">Deviation by way of over injection  (Receivable by the Seller)</td> <td data-bbox="1249 813 1541 1013">Deviation by way of under injection  (Payable by the Seller)</td> </tr> <tr> <td data-bbox="958 1013 1249 1356">i) Such seller shall be paid back @ zero when (f &lt; 50.10 Hz):  <b>Provided such seller shall be paid back @ 115% of RR when (f &lt; 50Hz):</b></td> <td data-bbox="1249 1013 1541 1356">(ii) Such seller shall pay @ <b>50% of RR</b> when [ f ≥ 50.00 Hz];  (iii) <b>@ RR when [49.90 Hz ≤ f &lt;49.95 Hz]; and</b></td> </tr> </table>	(III) For Deviation beyond [10% DGS or 100 MW, whichever is less] and f within and outside f band		Deviation by way of over injection  (Receivable by the Seller)	Deviation by way of under injection  (Payable by the Seller)	i) Such seller shall be paid back @ zero when (f < 50.10 Hz):  <b>Provided such seller shall be paid back @ 115% of RR when (f &lt; 50Hz):</b>	(ii) Such seller shall pay @ <b>50% of RR</b> when [ f ≥ 50.00 Hz];  (iii) <b>@ RR when [49.90 Hz ≤ f &lt;49.95 Hz]; and</b>	<p>i. General seller shall be paid back @ 115% of RR in case of over injection beyond 10% or 100 MW whichever is less when the frequency is &lt;50.00 Hz.</p> <p>ii. It is pertinent to note that, in a day there are instances wherein frequency in a time block goes below 50 Hz, during such instances sellers will provide support to bring the frequency back to normal range (i.e 50 HZ). Thus, it is requested that irrespective of the deviation volume, general seller should get paid back for over injection for supporting the grid.</p> <p>iii. Further, as per the proposed DSM Regulations, the payable amount by general seller is @ RR in case of under injection beyond 10% or 100 MW whichever is less when the frequency is above 50.00 Hz. It is pertinent to note that, in a day there are instances wherein frequency in a time block goes above 50 Hz, during such instances general seller should be incentivized for under injection irrespective of</p>
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10% of RR when [ f ≥ 50.10 Hz]	(iv) @ 200% of RR when [f < 49.90 Hz]						
Provided that such seller shall pay @ 10% of RR when [ f ≥ 50.10 Hz]	(iv) @ <b>150% of RR when [49.95Hz ≤ f &lt; 50.00 Hz]; and</b>  (iv) @ 200% of RR when [f < 49.90 Hz]						

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2.	<p>(7) Charges for Deviation, in respect of a Buyer, shall be receivable or payable as under:</p> <table border="1" data-bbox="280 416 862 1150"> <tr> <td colspan="2" data-bbox="280 416 862 475">(II) For VLB (1) and f outside f band</td> </tr> <tr> <td data-bbox="280 475 566 655">Deviation by way of under drawal (Receivable by the Buyer)</td> <td data-bbox="566 475 862 655">Deviation by way of over drawal (Payable by the Buyer)</td> </tr> <tr> <td data-bbox="280 655 566 1150">           (i) @ zero when [ 50.05 Hz &lt; f &lt; 50.10 Hz]:             Provided that such buyer shall pay @ 10% of NR when [ f ≥ 50.10 Hz];             (ii) @ 95% of NR when [f &lt; 49.90 Hz];         </td> <td data-bbox="566 655 862 1150">           (iii) @ 50% of NR when [ 50.05 Hz &lt; f &lt; 50.10 Hz]:             (iv) @ zero when [f ≥ 50.10 Hz];             (v) @ 150 % of NR when [f &lt; 49.90 Hz].         </td> </tr> </table>	(II) For VLB (1) and f outside f band		Deviation by way of under drawal (Receivable by the Buyer)	Deviation by way of over drawal (Payable by the Buyer)	(i) @ zero when [ 50.05 Hz < f < 50.10 Hz]:  Provided that such buyer shall pay @ 10% of NR when [ f ≥ 50.10 Hz];  (ii) @ 95% of NR when [f < 49.90 Hz];	(iii) @ 50% of NR when [ 50.05 Hz < f < 50.10 Hz]:  (iv) @ zero when [f ≥ 50.10 Hz];  (v) @ 150 % of NR when [f < 49.90 Hz].	<p>(7) Charges for Deviation, in respect of a Buyer, shall be receivable or payable as under:</p> <table border="1" data-bbox="952 416 1534 1054"> <tr> <td colspan="2" data-bbox="952 416 1534 475">(II) For VLB (1) and f outside f band</td> </tr> <tr> <td data-bbox="952 475 1238 655">Deviation by way of under drawal (Receivable by the Buyer)</td> <td data-bbox="1238 475 1534 655">Deviation by way of over drawal (Payable by the Buyer)</td> </tr> <tr> <td data-bbox="952 655 1238 1054">           (i)   <b>Provided that such buyer shall receive @ 50% of NR when [ f ≥ 50.05 Hz];</b>             (ii) @ 95% of NR when [f &lt; 49.90 Hz];         </td> <td data-bbox="1238 655 1534 1054">           (iii) @ 50% of NR when [ 50.05 Hz &lt; f &lt; 50.10 Hz]:             (iv) @ zero when [f ≥ 50.10 Hz];             (v) @ 150 % of NR when [f &lt; 49.90 Hz].         </td> </tr> </table>	(II) For VLB (1) and f outside f band		Deviation by way of under drawal (Receivable by the Buyer)	Deviation by way of over drawal (Payable by the Buyer)	(i)  <b>Provided that such buyer shall receive @ 50% of NR when [ f ≥ 50.05 Hz];</b>  (ii) @ 95% of NR when [f < 49.90 Hz];	(iii) @ 50% of NR when [ 50.05 Hz < f < 50.10 Hz]:  (iv) @ zero when [f ≥ 50.10 Hz];  (v) @ 150 % of NR when [f < 49.90 Hz].	
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3	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	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	The occurrence of grid disturbance is attributed to the actions of both drawee and injecting entities,												

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	<p>for settlement of payment under clause (6) of this Regulation:</p> <p>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.</p>	<p>for settlement of payment under clause (6) of this Regulation:</p> <p>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 <b>all the DICs (including drawee &amp; injecting)</b> - (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.</p>	<p>therefore, they will both bear the financial responsibility for it.</p>