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KARNATAKA POWER TRANSMISSION CORPORATION LIMITED

Corporate Identity Number (CIN):U40109KA1999SGC025521
Registered Office of the Company, Corporate Office, Kaveri Bhavan, K.G Road, Bengaluru -560009.

No. KPTCL/B36/56215/2024-25/821 Date : 17-10-2025
Encl: As per letter- Pages

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

Sir,

Sub: Determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 onwards under the provisions of the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024- *Furnishing Comments Regarding*

Ref: 1. CERC Public Notice No.: L-1/260/2021/CERC dated :10.09.2025
2. CERC public Notice No.: l-1/260/2021/CERC dated: 01.10.2025- *Extension of due date regarding*

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Central Electricity Regulatory Commission (CERC) vide Public Notice Dated :10.09.2025 cited under reference has sought comments / suggestions / objections on proposal for Determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 onwards under the provisions of the Central Electppricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024.

In this regard, I am directed to enclose herewith the comments/suggestions of SLDC on proposal for determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 for new and w.e.f 01.04.2027 onwards for existing with a request to kindly place the same before the Hon'ble Commission for incorporating the suggestions made by KPTCL.

" Approved by
the Managing Director, KPTCL."

Yours faithfully,

Financial Advisor
Regulatory Affairs

Comments of SLDC in Petition No. 9/SM/2025(Suo-Motu) in the matter of "determination of value of "x" for computation of the deviation (in %) for wind and solar (WS) sellers from 01.04.2026 onwards under the provisions of the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024"- Regarding

1.Challenges in the grid due to improper forecasting from RE

The Draft Order acknowledges that the Renewable Energy (RE) Generators particularly wind and solar have now matured in terms of technology, scale, and forecasting capabilities.

With RE forming nearly 50% of installed capacity and contributing substantially to grid dynamics, it is no longer justified to extend exceptional treatment in deviation settlement.

From an operational viewpoint, most frequency excursions and grid disturbances are attributable to unpredictable RE deviations. These challenges can only be mitigated by bringing RE generators at par with conventional generators under Deviation Settlement Mechanism.

2.On the Proposed Trajectory for "X" (Para 22 of the Petition)

Most frequency excursions and grid disturbances are attributable to unpredictable deviations from RE schedules.

In 2024–25, Karnataka SLDC observed the following deviations:
Wind: Deviations >250 MW from schedule occurred over 60% of the time; but with respect to AvC, only 26%.
Solar: Deviations >250 MW from schedule occurred 37% of the time; but with respect to AvC, only 2.6%.
The data of deviation observed for the year 2024-25 (month-wise) is enclosed as **Annexure-1** for reference.

However, since the deviations for RE plants are calculated based on the AvC, the RE plants are not impacted commercially and hence are not putting efforts to avoid these kinds of deviations.

This undue advantage of considering the AvC instead of schedule has become burden to both DISCOMs as well as the Grid. These deviations are leading to huge frequency fluctuations in the Grid which is hampering the stability as well as necessitates the deployment of high-cost ancillary services and the DISCOMs are paying for these deviations via DSM at a high rate due to deployment of these ancillary services.

Hence, the proposed gradual trajectory (X = 100% from 01.04.2026, reducing in steps to 0% only by 2031) is too lenient and prolonged.

Such slow reduction, delays the discipline needed from RE generators, allowing continued operational stress on the grid and financial burden on DISCOMs for another six years.

SLDC strongly recommends that the treatment of existing RE generators as general sellers should be advanced. Instead of waiting until 2031, the transition should be completed by 01.04.2027 itself.

The petition proposes that only new RE projects (post 01.04.2026) be treated on par with general sellers, while existing projects get exemption until 2031.

SLDC emphasizes that existing should be brought under the same framework from 01.04.2027, ensuring a level playing field and fairness to conventional generators who have been complying from the beginning.

3.Frequency Management and Over-injection Control

The petition proposal (Para 25(c)) to stop payments for over-injection when system frequency is ≥50.05 Hz is strongly supported.

RE over-injection during high frequency has repeatedly led to operational stress, risk of grid collapse, and forced curtailment of conventional generation.

This measure should be extended with strict enforcement and penalties for repeated violations, ensuring RE generators take responsibility for real-time grid discipline.

4.Role of Aggregation and Forecasting

While the Grid-India study highlights the benefits of aggregation at pooling station level through QCA, in practice, compliance has been mixed.

SLDC supports mandatory aggregation of RE generators connected at a pooling station, as it significantly reduces deviation impact.

Further, stringent accuracy standards for forecasting must be introduced, with regular review of forecasting performance by REMCs and SLDCs.

5. Suggestions:

Based on SLDC's operational experience, the following are recommended:

a) Advance Implementation: To treat all RE projects (existing from 01.04.2027 and new from 01.04.2026) at par with general sellers under DSM, not 2031.

b) Tighten Trajectory: Remove the gradual X-reduction approach and directly adopt the scheduled generation denominator from April 2027 for existing RE Generators.

c)Frequency-linked Curtailments: Enforce no-payment for over-injection above 50.05 Hz with possible penalties for repeated occurrences.

d)Mandatory Aggregation: Implement compulsory QCA-based aggregation at pooling stations to minimize deviations.

e)Forecasting Discipline: Enforce stricter compliance standards for forecasting accuracy with monitoring by SLDC/REMC.

In this regard, the Karnataka SLDC respectfully urges the Hon'ble Commission to consider the comments/suggestions and amend the Draft Order to ensure uniform treatment of all RE generators, uphold grid stability, and protect DISCOMs from undue financial burden.

The proposed measures would establish a level playing field across generation sources while strengthening the reliability of India's Power System.

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Annexure-1

WIND	DAYAHEAD	NO OF BLOCKS WITH DEVIATION w.r.t SCHEDULE					NO OF BLOCKS WITH DEVIATION BEYOND 15% w.r.t AvC	
MONTH	NO OF BLOCKS	DEVIATION 250-500MW	DEVIATION 500-750MW	DEVIATION >750MW	TOTAL DEVIATION >250MW	% OF DEVIATION	NO OF BLOCKS	% OF DEVIATION
Apr-24	2880	884	460	209	1553	53.92	200	6.94
May-24	2976	673	235	525	1433	48.15	540	18.15
Jun-24	2880	835	434	639	1908	66.25	668	23.19
Jul-24	2976	188	245	2448	2881	96.81	2472	83.06
Aug-24	2976	448	277	1439	2164	72.72	1440	48.39
Sep-24	2880	481	487	1380	2348	81.53	1374	47.71
Oct-24	2976	672	205	87	964	32.39	83	2.79
Nov-24	2880	730	510	476	1716	59.58	1	0.03
Dec-24	2976	512	70	0	582	19.56	0	0.00
Jan-25	2976	609	512	1089	2210	74.26	1068	35.89
Feb-25	2688	492	342	848	1682	62.57	829	30.84
Mar-25	2976	686	403	719	1808	60.75	704	23.66
TOTAL	35040	7210	4180	9859	21249	60.64	9379	26.77

SOLAR	DAYAHEAD	NO OF BLOCKS WITH DEVIATION w.r.t SCHEDULE					NO OF BLOCKS WITH DEVIATION BEYOND 15% w.r.t AvC	
MONTH	NO OF BLOCKS	DEVIATION 250-500MW	DEVIATION 500-750MW	DEVIATION >750MW	TOTAL DEVIATION >250MW	% OF DEVIATION	NO OF BLOCKS	% OF DEVIATION
Apr-24	1560	427	128	50	605	38.78	39	2.50
May-24	1612	324	143	95	562	34.86	76	4.71
Jun-24	1560	229	32	3	264	16.92	1	0.06
Jul-24	1612	313	171	208	692	42.93	147	9.12
Aug-24	1612	409	131	100	640	39.70	55	3.41
Sep-24	1560	332	115	128	575	36.86	85	5.45
Oct-24	1612	367	150	51	568	35.24	18	1.12
Nov-24	1560	344	98	16	458	29.36	2	0.13
Dec-24	1612	289	196	123	608	37.72	23	1.43
Jan-25	1612	332	391	152	875	54.28	34	2.11
Feb-25	1456	428	264	80	772	53.02	17	1.17
Mar-25	1612	397	96	9	502	31.14	1	0.06
TOTAL	18980	4191	1915	1015	7121	37.52	498	2.62

COMBINED	DAYAHEAD	NO OF BLOCKS WITH DEVIATION w.r.t SCHEDULE					NO OF BLOCKS WITH DEVIATION BEYOND 15% w.r.t AvC	
MONTH	NO OF BLOCKS	DEVIATION 250-500MW	DEVIATION 500-750MW	DEVIATION >750MW	TOTAL DEVIATION >250MW	% OF DEVIATION	NO OF BLOCKS	% OF DEVIATION
Apr-24	2880	911	499	297	1707	59.27	144	5.00
May-24	2976	699	315	644	1658	55.71	385	12.94
Jun-24	2880	761	433	727	1921	66.70	274	9.51
Jul-24	2976	179	268	2427	2874	96.57	1726	58.00
Aug-24	2976	499	346	1442	2287	76.85	1070	35.95
Sep-24	2880	456	496	1387	2339	81.22	955	33.16
Oct-24	2976	754	363	209	1326	44.56	42	1.41
Nov-24	2880	682	558	618	1858	64.51	0	0.00
Dec-24	2976	672	205	187	1064	35.75	0	0.00
Jan-25	2976	612	590	1204	2406	80.85	842	28.29
Feb-25	2688	580	494	1081	2155	80.17	712	26.49
Mar-25	2976	773	525	776	2074	69.69	639	21.47
TOTAL	35040	7578	5092	10999	23669	67.55	6789	19.38

WIND	INTRADAY	NO OF BLOCKS WITH DEVIATION w.r.t SCHEDULE					NO OF BLOCKS WITH DEVIATION BEYOND 15% w.r.t AvC	
MONTH	NO OF BLOCKS	DEVIATION 250-500MW	DEVIATION 500-750MW	DEVIATION> 750MW	TOTAL DEVIATION >250MW	% OF DEVIATION	NO OF BLOCKS	% OF DEVIATION
Apr-24	2880	475	98	16	589	20.45	15	0.52
May-24	2976	530	207	100	837	28.13	104	3.49
Jun-24	2880	835	434	639	1908	66.25	668	23.19
Jul-24	2976	1204	818	302	2324	78.09	305	10.25
Aug-24	2976	728	524	154	1406	47.24	151	5.07
Sep-24	2880	849	265	46	1160	40.28	43	1.49
Oct-24	2976	195	18	0	213	7.16	0	0.00
Nov-24	2880	291	64	1085	1440	50.00	1083	37.60
Dec-24	2976	512	70	0	582	19.56	0	0.00
Jan-25	2976	934	164	11	1109	37.26	9	0.30
Feb-25	2688	622	90	8	720	26.79	8	0.30
Mar-25	2976	663	102	5	770	25.87	3	0.10
TOTAL	35040	7838	2854	2366	13058	37.27	2389	6.82

SOLAR	INTRADAY	NO OF BLOCKS WITH DEVIATION w.r.t SCHEDULE					NO OF BLOCKS WITH DEVIATION BEYOND 15% w.r.t AvC	
MONTH	NO OF BLOCKS	DEVIATION 250-500MW	DEVIATION 500-750MW	DEVIATION> 750MW	TOTAL DEVIATION >250MW	% OF DEVIATION	NO OF BLOCKS	% OF DEVIATION
Apr-24	1560	416	58	22	496	31.79	16	1.03
May-24	1612	391	116	16	523	32.44	6	0.37
Jun-24	1560	355	72	31	458	29.36	19	1.22
Jul-24	1612	366	174	139	679	42.12	88	5.46
Aug-24	1612	394	131	30	555	34.43	14	0.87
Sep-24	1560	346	80	28	454	29.10	8	0.51
Oct-24	1612	342	74	32	448	27.79	9	0.56
Nov-24	1560	297	41	2	340	21.79	0	0.00
Dec-24	1612	405	108	31	544	33.75	1	0.06
Jan-25	1612	450	253	53	756	46.90	16	0.99
Feb-25	1456	530	160	45	735	50.48	8	0.55
Mar-25	1612	274	37	5	316	19.60	0	0.00
TOTAL	18980	4566	1304	434	6304	33.21	185	0.97

COMBINED	INTRADAY	NO OF BLOCKS WITH DEVIATION w.r.t SCHEDULE					NO OF BLOCKS WITH	
MONTH	NO OF BLOCKS	DEVIATION 250-500MW	DEVIATION 500-750MW	DEVIATION> 750MW	TOTAL DEVIATION >250MW	% OF DEVIATION	NO OF BLOCKS	% OF DEVIATION
Apr-24	2880	684	124	26	834	28.96	11	0.38
May-24	2976	715	339	155	1209	40.63	82	2.76
Jun-24	2880	793	466	747	2006	69.65	307	10.66
Jul-24	2976	915	756	685	2356	79.17	178	5.98
Aug-24	2976	729	512	331	1572	52.82	55	1.85
Sep-24	2880	871	286	151	1308	45.42	12	0.42
Oct-24	2976	521	122	31	674	22.65	0	0.00
Nov-24	2880	305	56	1094	1455	50.52	910	31.60
Dec-24	2976	649	173	97	919	30.88	0	0.00
Jan-25	2976	1053	258	65	1376	46.24	9	0.30
Feb-25	2688	977	231	58	1266	47.10	0	0.00
Mar-25	2976	936	116	7	1059	35.58	1	0.03
TOTAL	35040	9148	3439	3447	16034	45.76	1565	4.47