West Bengal State Electricity Transmission Company Limited
(A Govt. of W.B. Enterprise)

WBSETCL

Office of the Chief Engineer
State Load Despatch Centre (W.B.),
PO: Danesh Sk. Lane, Howrah – 711 109.

Memo No : SLDC/HOW/R-02/2025-26/660 Dated : 2/10/2025

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

Sub : Comments/Suggestions of SLDC,WBSETCL on the proposal in the matter of 'Determination of value of 'X' in CERC Suo-Motu petition 9/SM/2025 dated 10.09.25

Madam/Sir,

In reference to the above, please find enclosed the comments/suggestions on the proposal in the matter of '**Determination of value of 'X'** in CERC Suo-Motu petition **9/SM/2025** dated 10.09.25 from SLDC/WBSETCL for your kind consideration.

Thanking you.

Yours faithfully,
1/10/25
C.E., SLDC, WBSETCL

Comments on Suo Motu order of the Hon'ble CERC 09/SM/2025 dated 10th September,2025:

Clause No.	As per Draft Regulation	Amendment proposed	Reason
2.	**Volume Limit of WS sellers:** "As per Clause (4) of Regulation 8 of the DSM Regulations, 2024, the revenue-neutral tolerance band for Solar/ Wind-Solar Hybrid Generating Stations will reduce from +/- 10% to +/- 5% and for Wind Generating Stations it will reduce from +/- 15% to +/- 10% from 01.04.2026 onwards."	As per Clause (1) of Regulation 8 of the DSM Regulations, 2024, the volume limit of the general sellers (conventional generators) should be reduced to 5% or 50 MW whichever is less from 01.04.26 onwards	The tightening of tolerance band i.r.o. of WS sellers from 01.04.26 is much-needed to facilitate grid stability especially considering the frequent spurt in frequency over 50.10 Hz throughout this year. As per Clause 24 of the 9/SM/2025 ,the Hon'ble commission has rightfully stressed on the equitable treatment of all grid connected generators. In line with this spirit and changed volume limit for Solar generators, the Volume limit of General Sellers should also be reduced.
22.	**Determination of 'X' value** "Therefore, it is proposed that for the Existing Projects (WS Sellers), the trajectory for reduction of "X" shall be as follows: **With Effect From (w.e.f.) — Value of "X"** 01.04.2026 to 31.03.2027 — 100% 01.04.2027 to 31.03.2028 — 80% 01.04.2028 to 31.03.2029 — 60% 01.04.2029 to 31.03.2030 — 40% 01.04.2030 to 31.03.2031 — 20% 01.04.2031 onwards — 0%"	We propose the following trajectory for the value 'X': **With Effect From (w.e.f.) — Value of "X"** 01.04.2026 to 31.03.2027 — 100% 01.04.2027 to 31.03.2028 — 75% 01.04.2028 to 31.03.2029 — 50% 01.04.2029 to 31.03.2030 — 25% 01.04.2030 onwards — 0%	This is to fast-track the energy transition and will facilitate in stabilizing the grid within 2030 perfectly aligning with India's ambitious goal of achieving 500GW installation target of Renewable Energy Generators by 2030.

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General Observations:

1. Since inception of CERC DSM Regulations 2024 from 16.09.24, All DIC's of the country have been made to pay a cumulative total amount of INR 2927,14,09,326 as Deficit recovery of net Deviation and Ancillary pool accounts as follows:

Sl. No.	Period	Amount (INR)
1.	Legacy dues before 16.09.24	2592,19,48,714
2.	From 16.09.24 to 22.12.24	190,65,78,848
3.	From 16.09.24 to 24.08.25	144,28,81,764

2. It can be observed, that despite changing of DSM regulations and various amendments, the Net Deviation & Ancillary Pool Accounts are **facing major deficits within a year of effective date**.

3. The Hon'ble commission may please appreciate that the **burden of the deficit is solely lying on the DIC's.** SLDC, WBSETCL had highlighted the issue in the comments submitted to Hon'ble CERC on Draft DSM regulations 2024 and proposed that the **net deficit should be distributed among all pool participants which includes all buyers and sellers**. This would have ensured a lesser burden on the drawee DICs. Similar method is being followed in West Bengal in respect to intra-state Deviation settlement Mechanism (Ref : Hon'ble **WBERC Suo-Motu order SM-32/22-23 dated 10.03.23)**. The Hon'ble CERC may please review this appeal to promote equitable treatment among the pool participants.

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