

L.No. 1/IWL/Anc.Srv. Draft/FY15

Date: 29th May 2015

To

Shri Sushanta K. Chatterjee
Joint Chief (Regulatory Affairs)
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi- 110001.

Subject: Suggestions on "Draft Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations, 2015. Notice No. 18/1/2013-Reg. Aff. (AS Reg.)/CERC."

Dear Sir,

This is with reference to the above mentioned subject & a public notice by Hon'ble CERC wherein suggestions from various stakeholders were invited.

We, INOX Wind Limited (IWL), have an installed/under execution capacity of more than 700 MW spread across the states of Madhya Pradesh, Maharashtra, Rajasthan, Gujarat & Tamilnadu and have plans to put up around 5000 MW capacity over next few years.

Our suggestions are submitted hereunder for your kind consideration:

Suggestion of IWL on Regulation 3 & 4:

On the onset, we appreciate the Hon'ble Commission for initiating this public consultation process on a proactive Ancillary Services Operation, Regulation 2015; under the increasing contribution of through an ambitious target of Hon'ble Power Ministry for adding 175GW of Renewable Energy (including 60GW of Wind Energy) by 2022.

It is stated that, in order to restore secure and stable grid operation under stable frequency regime; wind energy generators are required to undertake scheduling and forecasting activities along with an appointment of a co-ordinating agency as per the Hon'ble Commission's previous regulation on RRF-Mechanism (being practised by many states). This technical service which requires financial and skilled human capital, have not been kept as part of capital and/or O&M cost norms for deciding generic tariff norms for energy generated from wind turbines by many SERCs. So the present Draft regulation; having its objective "to restore the frequency level at desired level and to relieve the congestion in the transmission network" which is akin to the objective desired to be achieved by RRF-Mechanism, may be considered an umbrella

regulation to smoothly arrest the deviation in real time through ancillary services at Regional Level and/or State level through nodal agencies. So a central mechanism for centralised forecasting and scheduling may be worked out by the Hon'ble Commission for large scale grid integration of wind farms.

So we submit before the Hon'ble Commission to issue advisory/guidelines to State ERCs to operationalise the centralised Forecasting and Scheduling mechanism through their respective State LDC/nodal Agencies. It is also submitted that cost of these centralised Forecasting and Scheduling mechanism, will be better in accuracy and lesser than the cost (which may be funded through NCEF and or Power System Development Fund) incurred by individual wind generators at local level as the major fluctuations a would be arrested by these proposed ancillary services operations. The SLDC being incharge of the state's schedules for demand/supply, its real-time monitor and being in-close co-ordination with the RLDC/NLDC; would be in a better position to handle the dynamic variability in the grid and help the RLDC/NLDC to effectively operationalise the proposed ancillary services regulation 2015.

It is also submitted that these draft regulation is silent on the inclusion of Wind Energy or Wind-Solar Hybrid) Generators, which are connected to the central transmission units (CTU), which are out-off merit order dispatch principle and under must-run-status, which could provide some ancillary services support in some areas. So the Hon'ble Commission is requested to include appropriate detailed regulation/s on their eligibility and/or participation in the proposed draft regulation.

Keeping in view the above aspects and concerns of the wind energy generators, we submit to the Hon'ble commission that the proposed draft regulation may be reviewed and modified accordingly.

We would be happy to submit any other information, if your good office desires so.

Thanking you!
Yours Truly,
For: Inox Wind Limited



Pradeep Dheer
Manager-Regulatory Affairs