

SPEED POST

PXIL/L&SD/2942015/70

29th April, 2015

The Secretary

Central Electricity Regulatory Commission
3rd and 4th floor, Chanderlok Building,
36 Janpath,
New Delhi – 110 001.

Sub: Proposed Framework on “Forecasting, Scheduling & Imbalance Handling for Renewable Energy (RE) Generating Stations based on wind and solar at Inter-State Level”.

Dear Ma'am,

Kindly take reference of the public notice no. 1/14/2015-Reg. Aff. (FSDS)/CERC dated 31st March, 2015, vide which the Hon'ble Commission invited comments of the stakeholders and interested persons on the proposed framework on “Forecasting, Scheduling & Imbalance Handling for Renewable Energy (RE) Generating Stations based on wind and solar at Inter-State Level.”

In this connection, Power Exchange India Limited (PXIL) would like to submit as under:

1. The proposed framework seeks to establish RE generators in developing the forecasting and scheduling methods for RE generators that would help distribution licensees in managing their power procurement from a portfolio of conventional and renewable based sources. Procurement of renewable energy will help comply with RPO targets and indirectly lead to promotion of renewable energy in India.
2. The international experience in this regard is that most countries such as USA, Germany, and Norway etc have developed scheduling on a day ahead basis and integrated renewable energy in well suited continuous intraday market. Most countries have schedules closer to delivery at real time on an exchange based platform.

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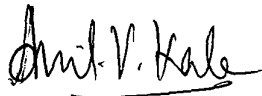
3. The proposed framework in **Clause 3.2 Scheduling** (at page 5) stated that there may be a maximum of 16 revisions for each fixed one and half hour time slot starting from 00:00 hours during the day [as against 8 revisions currently allowed as per the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010]. We would like to submit that this increase in number of revisions is a welcome step considering infirm nature of these generating sources and it would help the wind and solar generators to submit revised scheduled based on change in meteorological parameters.
4. The proposed framework specifies purchase/issuance of RECs for under / over injection by the source and this purchase/issuance is based on energy injection reports to be issued by RLDC. Due to infirm nature of generation the wind/solar generator is likely to over / under inject during the month, hence, it's proposed that RLDCs should undertake netting of over/under injection for the period and issue the final statement.
5. In **Clause 3.4 Imbalance Handling** (at page 6), the mechanism proposes to compensate / penalize the wind / solar generator for over injection/under injection by issuance/purchase of REC's. In this regard, we propose to the Hon'ble Commission that in case of under injection the wind/solar generator should purchase RECs in the month in which the energy accounts are released by RLDCs. Further, a penalty can be levied on the RE generator in case of non compliance in timely purchase of RECs.
6. In **Clause 4. Fulfillment of RPO** (at page 9), the framework proposes that incase of under injection the wind and solar generators have to buy RECs and transfer them to beneficiaries of the scheduled power. Since the RECs are extinguished when it's purchased by any entity, the transfer of RECs by the Wind/Solar generator to the beneficiary may not be necessary for RPO as the concerned beneficiary of wind/solar energy is already fulfilling his RPO based on scheduled energy as accounted by concerned RLDC. In this regard, we request the Hon'ble Commission to specify a procedure wherein the process of transferring the RECs and its eventual utilisation by beneficiaries will help in meeting their RPO targets
7. We wish to inform the Hon'ble Commission that the framework adversely effects wind/solar generators during under injection as penalty is levied for such

circumstances. It is proposed that abrupt changes in weather conditions may result in sudden fall of generation vis-a-vis its anticipation, such abrupt changes due to acts of god may be treated as a force majeure event.

To conclude, PXIL humbly submits that the market based approach, as specified in the new framework, would help in large scale integration of renewable based power and help promote investment in Renewable energy based projects in the country.

Thank you.

For and on behalf of
Power Exchange India Limited



Authorised Signatory