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Ref: RA/2018-19/01/A/ 337

Date: 21-Aug-18

To,
The Secretary
Central Electricity Regulatory Commission
3 rd & 4 th Floor, Chanderlok Building,
36, Janpath, New Delhi- 110001

Sub: Suggestions/comments/objections on the Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fourth Amendment) Regulations, 2018

Ref.: Public notice of Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fourth Amendment) Regulations, 2018

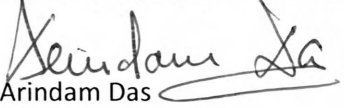
Dear Sir,

We refer the Hon'ble Commission's above mentioned notice Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fourth Amendment) Regulations, 2018. Please find attached our comments attached as **Annex-1**.

We hope that the same shall be considered by the Hon'ble Commission while finalizing Regulations.

Thanking You,

Yours faithfully
For BSES Rajdhani Power Limited


Arindam Das
DGM- Regulatory Affairs

Encl: As above

Automatic meter reading (AMR) for ABT meter

Issue:

- Data from faulty / Suspected RTUs results in incorrect Scheduling.
- On many occasions the duration of incorrect data is more than 24 hours as damaged fiber optic cable requires significant time for detection and jointing.
- This leads to incorrect display of drawal data and imposition of UI charges.

Requirement:

- Installation of AMR at ABT meters installed at inter-exchange points to facilitate on-line data availability which shall be useful for the following
 - a) Availability of real time actual power demand which helps in better scheduling
 - b) Slot wise energy accounting
 - c) Ensuring proper meter health
 - d) Optimal Energy and demand assessment

Request:

- Hon'ble Commission may consider the above aspect and may provide the suitable direction for the implementation of AMR for ABT meter across states.

**BSES Rajdhani Power Limited (BRPL) comments on Draft CERC
Deviation Settlement Mechanism and related matters (Fourth
Amendment) Regulations 2018**

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1. Clarification on Calculation of Area Clearing Price

- As per CERC Notification dated 29.06.2018, Regulation 2.1(ca) defines Area Clearing Price as follows:

“(ca) “Area Clearing Price (ACP)” means the price of 15-minute time block electricity contract established on the Exchange arrived at after considering all valid purchase and sale bids in particular area(s) determined after market splitting, i.e. dividing the market across constrained transmission corridor(s).”

- However, in the explanatory memorandum it is provided that Average ACP modified to include transmission charges and losses shall be considered. The relevant extract is reproduced below:

***10.e.ix.** The DSM rate vector should be dynamic and slope determined by joining the identified price points at 50 Hz. (**daily average ACP modified to include transmission charges and losses**), low frequency of 49.85 Hz (Rs. 8 per unit) and 50.05 Hz (zero) on a daily basis i.e. dual pricing, bringing in the desired hysteresis..*

BSES Comments : Hon’ble Commission to clarify whether the modified ACP shall be considered for determining the DSM price vector

2. Limit of 3% for deviation in excess of schedule

- As per CERC Notification dated 29.06.2018, a new proviso for limit in deviation from schedule is added as reproduced below:

“Provided also that the total deviation from schedule in energy terms during a day shall not be in excess of 3% of the total schedule for the drawee entities and 1% for the generators and additional charge of 20% of the daily base DSM payable / receivable shall be applicable in case of said violation.”

Issue:

- In case of outage / tripping, 4 slots are not always provided to drawee / discoms to factor in the impact.
- The ramp up of other generation takes time leading to heavy deviation during those slots.
- During peak summer season, even if 4 slots are provided to drawee/ discoms, it might not be possible to arrange power within such a short notice due to outage/tripping in any large unit /plant .

2. Limit of 3% for deviation in excess of schedule (Cont'd)

➤ Demand Forecasting systems are not very accurate due to various parameters:

- Forced outage & Restoration are not reliable and uncertain.
- Real-time data is not 100%.
- Huge weather variations.
- Technology upgrades to streamline the gap between Actual Demand and Real-time schedule.

BSES Comments : Hon'ble Commission may kindly consider to exemption the limit in view of the instances mentioned above which are beyond the control of discoms.

3. Definition of Base DSM

- As per CERC Notification dated 29.06.2018, the levy of additional surcharge of 20% in each case is proposed for following:
 - a) Deviation beyond limit from schedule &
 - b) Reversal of sign of deviation

Issue:

- The levy of additional surcharge is applicable on the base DSM payable / receivable. However, in the notification / explanatory memorandum the base DSM is not defined.
- In case of more than one violation of sign reversal, then what would be the applicable additional surcharge.

BSES Comments : Hon'ble Commission may clarify on the above.

4. Additional Surcharge on Violation of Sign Reversal

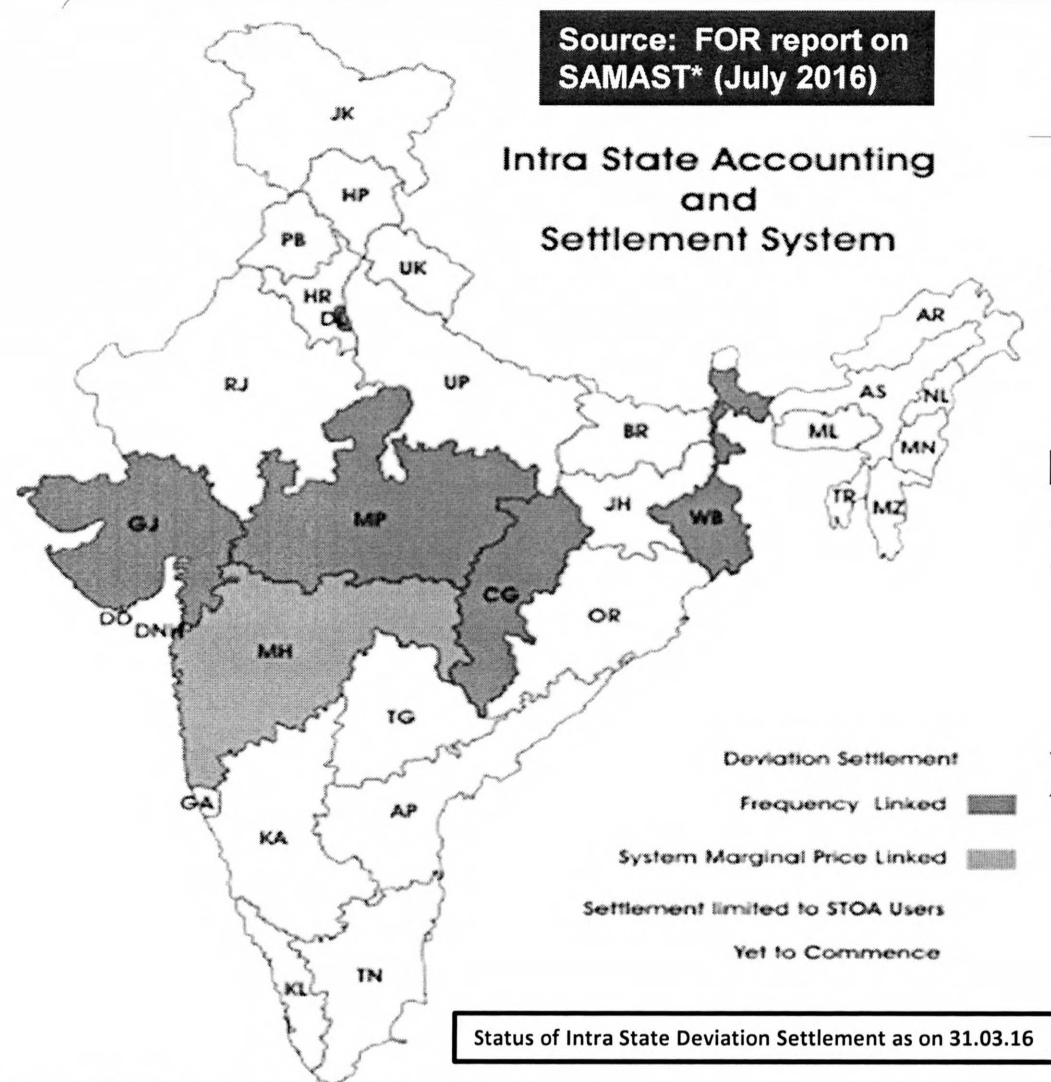
- As per CERC Notification dated 29.06.2018, the levy of additional surcharge of 20% in each case is proposed for following:
- 4.19. Clause (10) of Regulation 7 of the Principal Regulations shall be substituted as under:

“In the event of sustained deviation from schedule in one direction (positive or negative) by any regional entity, such regional entity (buyer or seller) shall have to make sign of their deviation from schedule changed, at least once, after every 6 time blocks.”

Provided that violation of the requirement under this clause shall attract an additional surcharge of 20% on the daily base DSM payable / receivable as the case may be.”

BSES Comments : UD/OD by Discoms should not attract an additional surcharge of 20% of deviation from schedule in one direction for time blocks till the entity draws within its prescribed limit.

5. Implementation of DSM across Pan India



- SAMAST FOR Report highlights the status of Intrastate Deviation Settlement mechanism (DSM) across different states of India.
- Only 5 States having Frequency Linked DSM.

Request:

- Hon'ble Commission may consider the applicability of DSM regulation across Pan India.
- Hon'ble Commission may provide suitable direction for development of uniform online scheduling platform which shall be commonly used across all states / SLDC / RLDC.

*SAMAST – Scheduling, Accounting, Metering and Settlement of Transactions in Electricity