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

Kind Attn.: Mr Sanoj Kumar Jha

Sub: Comment / Suggestion to the CERC Draft Regulation of (Deviation Settlement Mechanism and Related Matters), (Fifth Amendment), Regulation, 2019.

Ref: 1) CERC (Deviation Settlement Mechanism and Related Matters) Regulation, 2014.
2) CERC (Deviation Settlement Mechanism and Related Matters) Regulation, 2018.

Dear Sir,

With reference to the above cited subject matter of CERC Draft regulation, 2019 therein substituted Clause (10) of Regulation 7 of the Principal Regulations shall be substituted as under:

**Condition for sign change criteria:-**

(a) **Up to 31.03.2020,** if the sustained deviation from schedule continues for 12 time blocks, the regional entity (buyer or seller), shall correct its position by making the sign of its deviation from schedule changed or by remaining in the range of +/-10 MW with reference to its schedule, at least once, latest by 13th time block.

Provided that each violation of the requirement under this clause shall attract an additional charge of 10% on the time block DSM payable / receivable as the case may be.

(b) **From 01.04.2020,** if the sustained deviation from schedule continues for 6 time blocks, the regional entity (buyer or seller), shall correct its position, by making the sign of its deviation from schedule changed or by remaining in the range of +/- 10 MW with reference to its schedule, at least once, latest by 7th time block.

Provided that violation of the requirement under this clause shall attract an additional charge as specified in the table below:

<table>
<thead>
<tr>
<th>No. of violations in a Day</th>
<th>Additional Charge Payable</th>
</tr>
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<tbody>
<tr>
<td>From first to fifth violation</td>
<td>For each violation, an additional charge @ 3% of daily base DSM payable / receivable</td>
</tr>
<tr>
<td>From sixth to tenth violation</td>
<td>For each violation, an additional charge @ 5% of daily base DSM payable / receivable</td>
</tr>
<tr>
<td>From eleventh violation onwards</td>
<td>For each violation, an additional charge @ 10% of daily base DSM payable / receivable</td>
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</tbody>
</table>
Condition for not applicable of sign change criteria:-

1) Renewable energy generators which are regional entities.
2) Run of river projects without pondage.
3) Any infirm injection of power by a generating station prior to CoD of a unit during testing and commissioning activities, in accordance with the Connectivity Regulations.
4) Any drawal of power by a generating station for the start-up activities of a unit.
5) Any inter-regional deviations.
6) Forced outage of a generating station in case of collective transactions on Power Exchanges.

Our Comment/Suggestion/Objection are as under:-

We hereby oppose to levy of additional charges for failure to adhere sign change requirement for run of river project which are totally based on natural flow. In fact, in all ROR HEPs which are Run of River base, the power generation fluctuates due to variation in water inflow which is beyond our control. So we hereby request Hon’ble commission do not impose any additional penalty for sign changing criteria for run of river (ROR) based project irrespective of pondage facility.

Prayer:-

We hereby pray to Hon’ble commission to do not levy any additional charges for sign change criteria (as per regulation 7) to all run of river project irrespective of with pondage as well as without pondage facilities.

We shall be grateful if you would kindly consider our Comment/suggestion to incorporate the above in CERC Draft Regulation of (Deviation Settlement Mechanism and Related Matters), (Fifth Amendment), Regulation, 2019.

Thanking You
Yours Faithfully
For, IA HYDRO ENERGY PVT. LTD.

(S.K.GOYAL)
Chief Executive Officer

Encl: As above