

 <p>CIN - U40108CT2003SGC015820</p>	<p>CHHATTISGARH STATE POWER TRANSMISSION COMPANY LIMITED छत्तीसगढ़ राज्य विद्युत पारेषण कम्पनी मर्यादित (C.G. Govt. Undertaking) (छत्तीसगढ़ शासन का एक उपक्रम) CHHATTISGARH STATE LOAD DESPATCH CENTRE: RAIPUR छत्तीसगढ़ राज्य भार प्रेषण केन्द्र, रायपुर दूरभाष PHONE : 0771- 2574172 Website: www.sldccg.com फैक्स FAX NO. 0771-2574174 Email- sldc.cg.uib@gmail.com</p>
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Raipur, dtd.- 17 MAY 2019

To,

The Secretary,

Central Electricity Regulatory Commission,
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Sub: - Comments, suggestions and objections on draft CERC (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019.

Draft CERC (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019 has been notified on dtd. 18/04/2019 vide which Hon'ble CERC has invited Comments, suggestions and objections on the above draft regulations. Accordingly SLDC, Chhattisgarh submits following Comments/Suggestions/Objections in the subject matter:-

1. Clause 3 of Regulation 5 :-

As per the fourth amendment the cap rate for the charges for deviation for the generating stations whose tariff is determined by the Commission is equal to its energy charges as billed for the previous month, but in the draft Fifth Amendment, the cap rate is being considered as Rs. 303.04 Paise/KWh in place of energy charges. The existing provision is perfect measure to avoid "Gaming". But if the cap rate is being increased then there is need to widen the scope of "Gaming" and its detailed protocols needs to be elaborated in regulations for its detection/identifications. WRLDC/SLDC's responsibility should be limited to intimation of doubtful transactions to the CERC/STATE Commissions and thereafter appropriate commission should do necessary enquiry to establish gaming and thereafter it will also take suitable punitive action against such entity. Alternatively appropriate provision should be made in terms and condition of tariff regulations so that DSM charges collected due to over injection may be passed in tariff to the extent of 75-100% of total of such charges. The cap rate as proposed only for seller seems unfair for buyer; both buyers and sellers should be given level playing field under DSM mechanism without any discrimination, otherwise it will cause unnecessary financial burden to regional entity like CSPDCL, when embedded generator does under injection and they are liable to pay less DSM due to cap rates whereas CSPDCL have to pay normal DSM charges to WRLPC for over drawl of same.

Therefore following options are being proposed -

Option 1 - Retain cap rate for over injection "as energy charges" for all those Generators whose has long term contract for recovery of fix charges is guaranteed and no cap rate for under injection.

Or

Option 2 - **Differential cap rate** for over injection and under injection – may be as Rs. 2 per Kwh for over injection and Rs. 3 per Kwh for under injection.

Or

Option 3 – change the cap rate as proposed in this amendment regulation but at same time to discourage "gaming" appropriate provision should be made in terms and condition of tariff regulations so that DSM charges collected due towards "over injection" may be passed in tariff to the extent of 75-100% of total of such amount.

2. Clause 1 of Regulation 7 :-

The following Clause under Regulation 7 has been added by the fourth amendment:-

"Provided also that from a date not earlier than one year as may be notified by the Commission, 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."

The present provision certainly enhance the grid security, therefore it is proposed to explore the possibility of enhance the limit of deviation from 3% and 1% to 5% and 3% in spite of deletion of this provision.

3. Clause 10 of Regulation 7 :-

In draft CERC (DSM) (5th amendment) regulations, 2019, the number of sustained deviation from schedule of sign changes has been increased from 6 time-blocks to 12 time-blocks. This provision should be deleted, if possible as to meet this requirement SLDC has to do load shedding which causes unnecessary switching in transmission equipments and discomfort to public.

And if it is not possible then the remaining range for change of sign is proposed up to ± 10 MW with reference to its schedule, but there are cases when generating stations/sellers schedule 10 MW, then it may enjoy 100% of deviation therefore it should be linked with certain percentage of schedule as 10% of schedule.

Therefore it is requested range limit should be 10% of the schedule or ± 10 MW, whichever is lower.

Also it is proposed in fifth amendment to exempt these provisions to renewable energy generators, whereas it may be applicable for renewable energy generator except solar and wind generators, as the biomass and other generators may control their generation within their schedule.

4. Additional issues needs consideration:-

Date of Commercial Operation (CoD) of RE generators and definition of Absolute error requires consideration -

As per CERC (DSM and related matters) (2nd amendment) Regulation 2015, the RE generators (Wind & Solar) were brought under Deviation Settlement Mechanism, but their calculation of deviation charges differ from the conventional generators, which is being reproduced as under:-

Clause 1 (aa) of Regulation 2 of CERC (DSM and related matters) (2nd amendment) Regulation-

'Absolute Error' shall mean absolute value of the error in actual generation of wind and solar generators which are regional entities with reference to the scheduled generation and the 'Available Capacity' (AvC), as calculated using the following formula for each 15 minute time block:

$$\text{Error (\%)} = 100 \times [\text{Actual Generation} - \text{Scheduled Generation}] / \text{AvC}.$$

Clause 1 (r) of Regulation 2 of CERC (DSM and related matters) (2nd amendment) Regulation-

'Available capacity (AvC)' for wind or solar generator which are regional entities is the cumulative capacity rating of the wind turbines or solar inverters that are capable of generating power in a given time block.'

At present solar generators which are regional entities are being billed DSM Charges after allowing a tolerance band of +/-15% and beyond 15%, a gradient band is applicable as below:-

Abs Error (% of AvC)	Deviation Charge
Up to 15%	Nil
15%-25%	10% of PPA rate
25%-35%	20% of PPA rate
>35%	30% of PPA rate

The Hon'ble commission may appreciate that it is very difficult to get the authentic data of "available capacity" at regular interval of 15 minute without appointing a representative of beneficiary at the premises of the generator on 24x7x365 basis, or otherwise accept the data of available capacity of the generating units (solar cell and inverter) as provided by the generators. Online solutions are time consuming, not cost effective and unreliable.

In above provision, there is possibility of gaming as the data of the "available capacity" in each time block cannot be calculated by any meter with proper sealing it is being communicated by Generators (by ONLINE or any other means) but it is always doubtful.

Similarly there is an urgent need to specify the standard detailed procedure/protocol for COD of RE generator (SOLAR , WIND) like other Thermal and Hydel generators, this will help to ascertain its installed capacity as the installed capacity has great role in DSM charges calculations and which deteriorates every year.

In Chhattisgarh we have observed that one solar generator having registered Installed Capacity (IC) of 30Mw, generated maximum 26 Mw only, from date of installation. As the name plate rating of solar generating units are based on particular solar radiation intensity for which

it is designed and therefore the same should be considered as de-rated in Chhattisgarh as compared to the rated capacity. But unfortunately there is no such provision in regulation to consider de-rated capacity. Consequently the calculation of the available capacity, absolute error, and DSM charges as per cumulative capacity rating of solar units may result "undue financial gain" to the solar generators.

Therefore to avoid possibility of gaming and unnecessary compliance cost of evaluation of available capacity, capacity de-rating etc, it is requested to suitably amend the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2014 -

1. Include the definition/provision for the procedure of declaration of Date of Commercial Operation (CoD) of RE generators (especially for wind and solar generators) for capacity demonstration after successful trial run. Detailed standard protocols needs to be established in regulations for declaration of CoD.
2. Absolute error should be calculated on the basis of "declared capacity" in place of "available capacity" of solar cells/wind generators. So the Available Capacity may be redefined as-

"Available Capacity (AvC)" for wind and solar generators is the cumulative generating capacity in a given time-block and shall be same as the generator declare its capacity i.e. declared capacity (DC) in that time block.

$$\text{Error (\%)} = 100 \times [\text{Actual Generation} - \text{Scheduled Generation}] / \text{declared capacity}.$$

Submitted with a request to consider above suggestions.


Chief Engineer
SLDC, CSPTCL, Raipur

Copy to: - The Staff Officer, MD, CSPTCL, Vidhyut Sewa Bhawan, Daganiya, Raipur
- for information please.