



DANS ENERGY PRIVATE LIMITED

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17th May, 2019

DEPL/CERC/2019-2020/01

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

Sub: Comments on Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019 - reg.

Dear Sir,

We DANS Energy Pvt. Ltd., a hydro generating company having its project Jorethang Loop HEP in Sikkim with an installed capacity of 96 MW (2x48MW) hereby summing our comments on the draft CERC Deviation Settlement Mechanism and related matters (Fifth Amendment) Regulations, 2019 for your kind consideration.

Enclosed with this letter.

Thanking you,

Yours Sincerely,

for DANS Energy Pvt. Ltd.

Authorized Signatory

Registered Office

207, Chiranjeev Tower, 43 Nehru Place, New Delhi-110019

Corporate Identity No.

U72900DL2003PTC119047

Comments on Draft Amendment on CERC Deviation Settlement Mechanism and related matters
(Fifth Amendment) Regulations, 2019

S No.	Clause No. (As per draft amendment)	Current Clause	Comments / Rationale
1.	Clause No. 4.5 (b) third Proviso	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 (buyer or seller), such entity shall correct its position in the manner as specified under clauses (a) and (b) of this Regulation. Provided also that payment of additional charge for failure to adhere to signchange requirement as specified under clauses (a) & (b) of this regulation shall not be applicable to: - renewable energy generators which are regional entities - run of river projects without pondage - 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. - any drawal of power by a generating station for the start-up activities of a unit - any inter-regional deviations. - forced outage of a generating station in case of collective transactions on Power Exchanges.	We note that during Forced Transmission Outage of ISTS line, the generator selling under STOA have to bear the Deviation charges and also Additional Deviation Charges (both for volume limit & sign change) for the time gap between line outage and revision of schedule in Power Exchange / Short Term Bilateral. You would appreciate that the generators are obliged to bear the DSM charges for no fault of their as forced transmission outages are a forced majeure event where the generators have no control on it. We would request that <i>No Additional Deviation Charge (both for volume limit and sign change)</i> may be levied upon generators, especially for Hydro generating stations where they have to spill water beyond the storage capacities on such conditions vis-à-vis paying penalty for no fault of theirs. <u>Modified clause for consideration to CERC:</u> Request the following new proviso for your consideration after third proviso as: <u>Provided further that during forced outage of a transmission line (ISTS). Additional Deviation Charges (both for Volume limit & Sign change) shall not be levied</u>



			in case of Short Open Access (for both collective transactions on Power Exchange and Short Term Bilateral transactions).
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