

**GOVERNMENT OF PUDUCHERRY**

**ELECTRICITY DEPARTMENT**

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Lr.No: 99/ED/SE-HOD/ SCC/F-11.B/2019-20

Puducherry, dated. 17-05-19

To

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

Sir,

Sub: Electricity Department - Puducherry - Draft Central  
Electricity Regulatory Commission (Deviation Settlement  
Mechanism and related matters) (Fifth Amendment)  
Regulations, 2019 - Difficulties faced - Reg.

Ref: Public Notice No. L-1/132/2013-CERC Dated:18th April, 19

This has reference to the Public notice cited above inviting comments/suggestions/objections on the draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019.

The Union Territory of Puducherry is spread over an area of 492 Sq.Kms., which consists of the four non-contiguous enclaves of Puducherry, Karaikal, Mahe and Yanam regions, all erstwhile French establishments. The first two regions viz. Puducherry and Karaikal are located within Tamil Nadu while Mahe is located at about 653 Kms. west of Puducherry, on the west-coast between Kozhikode and Kannur districts of Kerala. Similarly, Yanam region is located 840 Kms north east of Puducherry, on the east-coast near Kakinada in Andhra Pradesh.

The Electricity Department of Government of Puducherry is a deemed licensee under Section 14 of Electricity Act, 2003 and is carrying on the business of Transmission, Distribution and retail supply of Electricity in Puducherry, Karaikal, Yanam and Mahe Regions of the Union Territory of Puducherry. Power requirement of all the four regions are met with the allocation of 529 MW from Central Generating Stations (CGS) by MOP and is covered under the Regional energy accounting (REA) of Southern Regional Power Committee (SRPC). Apart from these, Karaikal region has a 32.5 MW Combined cycle Gas based power plant owned by Puducherry Power Corporation Ltd an undertaking of Government of Puducherry. The peak demand of UT of Puducherry is in the order of 470 to 480 MW.



A state of the art State Load Despatch Centre is functioning round the clock in the Electricity Department, Puducherry for monitoring and control of the Puducherry Grid embedded with in the Southern Regional Grid.

Consequent to the implementation of the CERC (Deviation settlement Mechanism and related matters) (fourth amendment) Regulations 2018 with effect from 01-01-2019, each regional entity shall have to make the sign of their deviation changed at least once, after every 6 time blocks. About 94 % of the peak demand of UT of Puducherry is met entirely from the Central Generating Stations. With the meagre availability of 32.5 MW (5 to 6% of Peak Demand) from its own generation at Karaikal, UT of Puducherry is handicapped to manage the 6 time block deviation sign change stipulation. The only possible option available to Puducherry is to adjust the schedule allocated from the CGS by way of surrendering desired quantum of power once in every six time blocks so as to result in overdrawal i.e. in the event of sustained Underdrawal, which is not materialising completely due to a numerous reasons. During low demand periods, when the generators are operating at their technical minimum owing to large scale surrender by other constituents, the quantum of surrender of power sought in a particular generator is not materialising resulting in non-realisation of the intended sign change leading to forced violation inspite of the best efforts to comply with the regulation.

Similarly, during instances of reduced allocation due to forced outages and as well as during the Reserve Shut Down caused at times of large scale surrender by neighbouring Utilities, which deprives Puducherry's opportunity to avail its quantum of power allocation from RSD units, there are instances of marginal continuous positive deviation being experienced. In those instances even though the deviation might be within the IEGC prescribed volume limits, owing to the zero crossing violation clause, Puducherry is forced to shed loads and bring down the deviation to negative as there is no sizeable own generation available to make up for the loss of generation in the CGS. Undeclared load shedding during 6 time block cycles in a day is attracting public criticism as UT of Puducherry is very sensitive to power interruptions.

Further, it is also to highlight that the average deviation from schedule in respect of Puducherry at any given time is in the range of 20 to 30 MW only which is a meagre quantity and has only a negligible impact considering the all India peak demand of 177834 MW experienced during the month of May 2019.



As per the present Deviation Settlement Regulations, the average deviation quantum has been narrowed down subjecting Puducherry to manoeuvre its deviation under tight band. As such the impact to the grid on account of the deviation of such meagre quantum in respect of Puducherry, is very negligible or zero and hence sign change is unlikely to have impact on the grid.

Under these circumstances the draft CERC (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019 has been published. Wherein the following provision has been proposed to be made in relaxation of the present deviation mechanism

*"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.*

*(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:*

*....."*

Though relief has been given in the Fifth amendment Deviation Regulations 2019 to certain extent, it is submitted that meagre availability of own generation capacity and other real-time operational difficulties enumerated above may kindly be taken into consideration and it is proposed that either

- I. Exemption may be given to Utilities having State owned generation capacity less than 7 to 8% of its peak demand from Clause (10) of Regulation 7 of the Principal Regulations.
- OR
- II. Increase the tolerance range of "+/- 10 MW" to "+/- 30 MW" from schedule



This would save the small Utilities like UT of Puducherry from the burden of implication under the proposed Fifth Amendment Deviation Regulations 2019.

Though the intention of the Deviation Regulations fifth amendment is to encourage the reliance on scheduled interchange through the available price signals and by enforcement of the deviation volumes cap as mandated in the CERC regulations on Unscheduled Interchanges, the smaller Utilities having very meagre impact on the grid shall not be overstretched to adhere at the cost of the maintenance of 24x7 power supply and financial burden on account of additional charges. Hence the request may kindly be considered as a special case in view of its unique nature.

Yours faithfully.

  
(D. RAVI)

1/3 Superintending Engineer cum HOD