



# GRIDCO Limited

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CIN: L40109OR1995SGC003960

No. Sr.GM (PP)-87/2018/

1895<sup>(2)</sup>

Dtaed. 16/05/19

To

Mr. Sanoj Kumar Jha, Secretary  
Central Electricity Regulatory Commission,  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building,  
36, Janpath, New Delhi-110001.  
E-mail:secy@cercind.gov.in

**Sub: Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019: Reg.**

**Ref: CERC Public Notice No. L-1/132/2013-CERC dated 18.04.2019.**

Sir,

With reference to the subject cited above, it is to mention here that GRIDCO does not have any specific views on draft CERC (Deviation Settlement Mechanism and related matters) (5<sup>th</sup> Amendment) Regulations, 2019. However, it is to bring to your kind notice that as per Clause 7(i) of the Principal CERC DSM Regulation, 2014, the Normal Deviation Rate (DSM Rate) is applicable for a particular block w.r.t. a constituent for vol. limit of 12% of the schedule in the respective block and beyond the said limit if the constituent overdraws then additional deviation charge is applicable depending on the quantum of over drawl in that particular block. Under such circumstances, when embedded entities of a constituent through Open Access (OA) are involved, the volume limit for normal deviation gets reduced to the tune of Open Access quantum, from the schedule of the constituent. The said fact is explained in the enclosure attached herewith.

In view of above, it is requested to consider the schedule of a particular constituent, without the OA schedules of embedded entities, towards calculation of the vol. limit where the normal deviation rate is applicable, in the forthcoming 5<sup>th</sup> Amendment DSM Regulation of CERC.

Thanking you,

Yours faithfully,

Encl: As above

MKT Dae  
16.05.2019  
Director (Commercial)

Cc:

EA to CMD, GRIDCO/OPTCL for kind information to CMD.

ofc

## Reduction in volume limit for Normal Deviation Charge of a constituent due to Open Access

### Schedule of Embedded Customers

As per Clause 7(i) of the Principal CERC DSM Regulation, 2014, the Normal Deviation Rate (DSM Rate) is applicable for a particular block w.r.t. a constituent for volume limit of 12% of the schedule in the respective block and beyond the said limit if the constituent overdraws then additional deviation charge is applicable depending on the quantum of over drawl in that particular block. Under such circumstances, when embedded customers of a constituent, are allowed to sale power through Open Access (OA) , then the volume limit for normal deviation gets reduced to the tune of Open Access quantum, from the schedule of the constituent.

### An Illustrative Example Showing the reduction in volume limit due to Open Access (OA) of the Embedded Customers w.r.t. a constituent under Clause 7 (i) of the Principal CERC (DSM and Related Matter ) Regulation,2014

Suppose Schedule of a constituent = 1000 MW

Volume Limit Eligible for Normal DSM Rate = 12% of 1000 MW = 120 MW

Let the Quantum of OA of the Embedded Customers of the Constituent = 200 MW

The net schedule w.r.t. the Constituent considering the

Open Access quantum of Embedded Customers =  $(1000-200) = 800$  MW

The Volume limit eligible for Normal DSM Rate considering the

Open Access quantum of Embedded Customers =  $800 \times 12\% = 96$  MW

Reduction of Volume Limit due to Open Access Customers =  $(120-96) = 24$  MW

**Note:** In an instant case when schedule of a constituent matches with its Open Access (OA) schedule, the volume limit for Normal Deviation Charge will be reduced to Zero & heavy additional charge will be imposed on the constituent which will ultimately be borne by the consumer of the state.

In view of above, it is proposed to consider the schedule of a particular constituent as requisitioned by that particular constituent for import of power at State Boundary for calculation of Deviation without the Open Access Schedule (for export of power at state boundary). Deviation (12%) on netting should not be taken for DSM Calculation.