

Himachal Pradesh State Electricity Board Limited
(A State Govt. Undertaking)



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No. HPSEBL/ PR&ALDC/PC-12/2019-485
To

Dated: - 15/05/2019

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

Subject: Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019 - **Comments of HPSEBL (DISCOM) thereof**

Sir,

The comments of HPSEBL on draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019 are as appended below:

A. General Comments

1. Although the proposed amendments are quite beneficial/ favourable with grid distress point of view, however the regulations are not favorable in the event when the grid frequency is low and the generators/utilities are overinjecting/underdrawing the power to support the grid on one side and are under constraints on the other side to comply to the very provisions of zero crossings and under the circumstances when the low frequency persists, the above preposition becomes inverse and non-supportive to the grid. Similar situation also occurs when the high frequency persists.
2. It is a universal fact that numerous revisions are allowed to the ISGS. In spite of the efforts put up by the DISCOMs to keep themselves well within the ambit of the regulations provisions, makes the whole planning haywire when the ISGS resorts to the revisions. This very provision of revisions shows their abnormal effect on the real time power supply position of the DISCOM which not only changes the equation of the power transactions at that point of time but also puts huge financial implications on non-compliance to zero crossing. In view of the fact that such anomalies cannot be overruled and are per force in respect of the hydro dependent states like HP, it needs to be addressed that the extent of percentage of additional charges should be reduced to the minimum extent so that the hydro states could also feel it judicious both in the public interest as well as grid.
3. The above amended regulation does not support the sustained deviations in real time operations which hydro states has to face in the event when rise in silt contents occur in the rivers and affect the generation of the hydro generating stations and compels the DISCOM like HP to continue without complying to zero crossing mandate of the regulations and hence puts the State under exorbitant fiscal brunt under the provisions of levying additional charges on such deviations.
4. The regulation is debarred from the provisions of regulation of power in the event when during summer/monsoon months, all the hydro projects run on RTC basis and cannot be regulated being run-of-the-river/must run, hydro state like HP has to resort to disposal off power perforce to comply to the zero crossing provisions of the regulation. Hence, the DISCOM falls under the trap of two important anomalies i.e., if the DISCOM does not perforce dispose off its power it shall construe to be non-compliance to zero crossing vis-a vis has to bear financial implications owing to additional charges against the provisions or in case the DISCOM disposes off its power perforce in compliance to zero crossing mandate, the DISCOM may dispose its power at negligible rate which may otherwise affect the financial/social status of the commodity.

B. Point wise comments

1. Clause 2 of Draft Amendment:
Being insertion of new definitions for the sake of clarity, no comments are being offered by HPSEBL.
2. Clause 3 of Draft Amendment:
No comments.
3. Clause 4 of Draft Amendment:
In the said draft amendments, run of river projects without pondage and forced outage of a generating station in case of collective transactions on Power Exchanges are exempted from the applicability of additional charges on account of sustained deviations, however the States which are above 80% hydro dependent like HP are not exempted. It is, therefore requested that the States like HP which are above 80% hydro dependent (100% of which are run of the river projects) may also be exempted from applicability of additional charges on account of sustained deviations.
4. Clause 5 of Draft Amendment:
No comments from HPSEBL.

The above issues on the experience of real time operations need to be addressed by Hon'ble CERC so that such adverse impacts may be taken care of specifically during the period when the must run hydro projects in the summer/monsoon months cannot be regulated and the disposal of power becomes highly uneconomical especially for the States like HP.

Yours faithfully,


Chief Engineer (Sys. Op.)
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