

MB POWER (MADHYA PRADESH) LIMITED

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Ref. No: MBPMPL/2019-20/CERC/124

Dated: 17.05.2019

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

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

Ref: CERC Notification No. L-1/132/2013-CERC dated 18th April 2019

Dear Sir,

This is with reference to the above notification published by Hon'ble CERC regarding "Draft Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019" wherein Hon'ble CERC has invited comments /suggestions / objections from the stakeholders and interested persons on the above mentioned draft regulations.

Since MB Power (Madhya Pradesh) Ltd. is an IPP directly connected to the CTU network, it is one of the stakeholders and will be directly affected by these regulations. Hence we would like to provide some comments/ suggestions on the draft DSM regulations published via notice mentioned above. Our comments / suggestions on the same are enclosed with this letter.

We request you to kindly consider our comments / suggestions favourably.

Thanking you,

Yours faithfully,
For **MB Power (Madhya Pradesh) Limited**



Rahul Sharma
GM (Business Development)

Comments/ Suggestions on DRAFT AMENDMENT to Deviation Settlement
Mechanism and related matters Regulations, 2014

S. No.	Clause Reference	Comments/ Suggestions
1.	3.1:- "(e) The charges for inter-regional deviation and for deviation in respect of cross border transactions shall be computed on the basis of the unconstrained market clearing price in Day Ahead Market.	(e) It is not clarified how deviation in respect of cross border transaction will be calculated. In case a generating station is supplying power to various entities including cross border supply, how will it be ascertained that the deviation is due to cross border supply.
2.	4.3 "(4), Additional Charge for Deviation shall be applicable for overinjection /under-drawal of electricity for each time block by a buyer/seller as the case may be when grid frequency is '50.10 Hz and above' at the rates equivalent to charges of deviation corresponding to the grid frequency of 'below 50.01 Hz but not below 50.0 Hz', or cap rate for deviation of 303.04 Paise/kWh whichever is lower."	<ul style="list-style-type: none">• Cap rate of 303.04 paise/kwh shall be additional DSM charges for under injection by seller when grid frequency is between 49.84 to 49.70 Hz.• Additional DSM charges 800 paise/kwh shall be applicable for under injection by seller when grid frequency is below 49.70 Hz.
3.	4.5 (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.	10 MW may be a very big quantum for a small industrial unit and very insignificant quantum for a big discom, hence instead of restricting quantum at 10 MW, the quantum may be linked with total schedule, like say 5% of the total schedule.