



MP POWER MANAGEMENT COMPANY LIMITED

C.I.N.: U40109MP2006SGC018637

(MP GOVT. UNDERTAKING)

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No. CGM/Reg./ 73

Jabalpur, Dated: 14/05/19

To,

The Secretary

Central Electricity Regulatory Commission

3rd and 4th Floor, Chanderlok Building

36, Janpath

New Delhi – 110 001.

Sub: Submission of MPPMCL in respect of your Public Notice dated 18.04.2019.

Dear Sir,

A Public Notice No. L-1/132/2013-CERC dated 18.04.2019 was posted on the CERC Website inviting suggestions/comments on Draft Central Electricity Regulatory Commission (Demand Side Management and Related Matters) (Fifth Amendment) Regulations, 2019.

Accordingly, please find attached herewith the comments of MPPMCL as approved by competent authority.

Encl: As above.

(Rajeev Kumar Gupta)
Sr. GM (Regulatory)

MPPMCL Comments on Draft CERC (DSM and Related matters) (Fifth Amendment) Regulations 2019:-

MPPMCL humbly submits following for kind consideration of Hon'ble Commission in respect of various clauses of explanatory memorandum:

- 1. Clause 2.7 compares Indian grid with large grids like US and Continental Europe -This is inappropriate as condition of grids in different countries is different. Comparison can only be made in identical conditions.**

- 2. Clause 2.8 has clearly observed that any mismatch between the SCADA and SEM meter must be resolved by coordinating with the entity responsible for maintaining such infrastructure- As Discom is neither responsible for SCADA nor for Installation of SEM meter, it will be appropriate to exempt Discom from levy of any additional charges on account of variation in data mismatch between the SCADA and SEM meter.**

The real time operations of power system are managed with data fetched from SCADA system which are found inaccurate

many a times. SCADA data visibility might get disturbed due to one or more reason such as non-availability of connectivity of SCADA system, Non-linking of generators etc. on many occasions. Further RE generation which mainly contribute to DISCOM deviation is not yet covered fully under SCADA visibility system.

RLDC prepares the DSM account on the basis of actual meter reading received after 2 to 3 days which is different from as received from SCADA, as both are monitored by separate systems. Generator schedule is also changed by Regional Load Dispatch Centre suo-moto to ensure technical minimum support to station and also considering requisition from all beneficiaries in that particular station. This results in unexpected change in total schedule from central sector as compared to expected rise or drop in schedule. RLDC also revises the schedule of APM, Liquid, RLNG, NAPM, Atomic and hydel based generators post facto which differs the actual quantum of schedule during real time operation. Imposition of Post facto revision by RLDC to entities after the real time operation is beyond the control of Discom and additional charges imposed due to such revision are not justifiable. It is prayed to Hon'ble Commission that any post facto revision of schedule and mismatch between the SCADA and SEM meter should not be considered for making the sign change of its deviation from scheduled change.

3. **Clause 2.9 clearly reiterates the need for maintaining reserve to meet contingent requirement and has relied upon deficit scenario for meeting the same** - MP is not only power surplus state but also have major share of RE power in the POWER MIX. The nature of RE power is infirm as well as unpredictable. It is, therefore, not possible for the RE rich state like MP to correct its position by making the sign changed in every 6th time Blocks.
4. **Clause 2.10 indicates that security of the grid is of paramount importance** - It is submitted that for stability of grid, there must be load generation balance in the grid and to maintain such balance strictly for grid security, the deviation in schedule should be allowed irrespective of limitation of sign change for maintaining the grid frequency. For example if the frequency of grid is 50.0 Hz and tends to increase due to the low demand/drawl, then in that case utility/utilities may have positive/negative deviation until the frequency is established thereby securing grid stability. Therefore, it is utmost necessary that deviation should be linked to grid frequency for maintaining the grid stability.

5. **Clause 2.11 proposes to introduce allowable range of +/-10 MW from schedule, which would be a subset of the existing deviation flexibility of 150 MW/200MW/250MW as provided under Regulation 7(1) &7(2) - MPPMCL is having a total RE installed capacity of approx. 4383 MW as on 08.03.2019. Further, as per Govt of MP Policy, the total installed capacity from RE sources would be around 12000 MW at the end of FY 2022. This RE capacity is having major share in the MP POWER MIX and nature of RE power is infirm as well as unpredictable in nature.**

Hon'ble Commission vide notification dated 07.08.2015 has notified the second amendment of deviation settlement mechanism and related matters regulation, 2015 with effect from 01.11.2015 under which deviation charges for under/over injection from the wind/solar generators which are regional entities has been prescribed. Similarly, the Madhya Pradesh Electricity Regulatory Commission vide notification dated 20.07.2018 has notified the scheduling and Forecasting Regulation for Renewable Generation which is in line with the Central Regulation. As per provisions of the said regulation Deviation Charges error limit of 15% without any additional charge to RE generators are allowed. Therefore it will be appropriate if RE rich state (like MP) is allowed a range of 15% to correct its position.

6. **Clause 2.11 indicates that From 1st April, 2020, in case of sustained deviation in one direction beyond the range of +/- 10 MW from schedule, the entity shall correct its position by remaining within the allowable range or change the sign of deviation at least once, after 6 time blocks of sustained deviation. Further, an additional charge at the rate of 3%, 5% and 10% of the daily base DSM payable/receivable for first to fifth, sixth to tenth, and eleventh & above violations respectively shall be charged** –In view of conditions narrated above it is submitted that proposal for effecting the sign change after six time blocks proposed to come into force from 01.04.2020 be amended to effect after twelve time blocks only till a proper match of SCADA and SEM meter reading is arrive upon.

Further, imposition of additional charge on daily based DSM payable/receivable will lead to double burden on the entities as payment shall be liable for those time blocks also where no violation has been made. It is therefore prayed that proposed proviso of imposition of additional charge on violation of time block basis (proposed for the period up to 31.03.2020) be continued.

PRAYER

This Hon'ble Commission is humbly prayed that;

- a. Humble submissions made by MPPMCL in above paras may be considered while finalizing the said Fifth Amendment Regulations keeping in view the welfare of end consumers of the State; and
- b. The proposed regulations may be made effective w.e.f. 01.01.2019 (i.e. retrospectively) in the interest of justice as most of the provisions of the fourth amendment have been proposed to be modified in the proposed fifth amendment and the excess amount paid may be adjusted in future DSM bills.