



## NABHA POWER LIMITED

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Ref: NPL/LCR/19-20/6867

Date: 03.05.2019

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

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

Dear Sir/Madam,

With reference to the Draft **Central Electricity Regulatory Commission  
(Deviation Settlement Mechanism and related matters), (Fifth  
Amendment) Regulations, 2019**, please find enclosed comments on the same on  
behalf of Nabha Power Limited having 2X700MW Coal fired Thermal Power Plant at  
Rajpura, Punjab.

This is for your kind consideration

Yours faithfully

For Nabha Power Limited

**(Authorized Signatory)**

**Encl: As Above.**

**Wholly Owned by L&T**

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## Comments on CERC (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019

Sr. No.	Clause as per Draft Regulation	Suggestion	Rationale
	<p><b><u>Draft Regulation 4.5</u></b></p> <p>Provided also that payment of additional charge for failure to adhere to sign change requirement as specified under clauses (a) &amp; (b) of this regulation shall not be applicable to:</p> <p>a. renewable energy generators which are regional entities.</p> <p>b. run of river projects without pondage</p> <p>c. any infirm injection of power by a generating station prior to CoD of a unit during testing and commissioning activities, in accordance with the Connectivity Regulations.</p> <p>d. any drawal of power by a generating station for the start-up activities of a unit.</p> <p>e. any inter-regional deviations.</p> <p>f. forced outage of a generating station in case of collective transactions on Power Exchanges.</p>	<p>Two additional conditions to be included on which no additional charges should be applicable due to violation of sign change as given below:</p> <p>g. <i>RGMO intervention in 7th block subverting the mandatory sign change requirement after 12th/6th Block.</i></p> <p>h. <i>In case of revision in Despatch schedule, the violation should not be considered till stabilisation of load.</i></p>	<p>Slow, steady and continuous changes in scheduled generation by the Discoms may lead to unintentional violation of sign change requirement. Moreover, during ramp-up and ramp-down situation it is difficult to monitor actual energy exported to the grid on a realtime basis.</p>
2	<p>4.5 Clause (10) of Regulation 7 of the Principal Regulations shall be substituted as under:</p> <p>"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.</p>	<p>RGMO intervention in 7th block subverting the mandatory sign change requirement after 12th/6th Block should not be considered as violation.</p>	<p>If the sign change occurs in the block where RGMO gets initiated, then the resultant export may not be conclusive for penalty calculations.</p>





**Comments on CERC (Deviation Settlement Mechanism and related matters) (Fifth Amendment) Regulations, 2019**

3	2.1 A new sub-clause shall be added after sub-clause (ga) of clause (1) of Regulation 2 of the Principal Regulations, as under :-  “(gb) “Daily Base DSM” means the sum of charges for deviations for all time blocks in a day payable or receivable as the case may be, excluding the additional charges under Regulation 7”.	The payable amount by SLDC must not be brought into purview of base charges calculation used for penalty calculation.	As over-injection limits are already specified in the DSM regulation, hence if a unit operates within stipulated range gets paid for over-injection. This profitability is taken away when the penalty calculation is done on the total base charge being in use now.
4	4.5 Clause (10) of Regulation 7 of the Principal Regulations shall be substituted as under:  "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.	In case of revision in Despatch schedule, the violation should not be considered till stabilisation of load	During revision in schedule, either on load ramp-up and ramp-down. The sign change in itself doesn't provide a firm guideline. For e.g. if a station is operating on negative side for some blocks. During a change in revision for continuous ramp-up, for the station to change sign one needs to move towards higher positive than schedule, which is sometimes not feasible due to ramping rate constraints. This is valid both during load ramp-up and ramp-down schedule.
5	4.3 The clause 4 of regulation 7 of the principal regulations shall be substituted as under:  “(4) In addition to Charges for Deviation as stipulated under Regulation 5 of these regulations, Additional Charge for Deviation shall be applicable for over-injection / 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."	Appropriate provision to monitor time drift of interface meter shall be laid down in case of deviation with respect to meter time drift. Mechanism to counter time drift in meter is not effective and no provision for deviation on account of time drift is available in current UI DSM / Metering regulation. It shall also be clearly stated in case of time drift in meters, the methodology for UI calculation to be followed.	As payments related to energy charges are purely based on schedule. Later UI charges are levied on interface meters only. In case of time drift in meter, the station losses heavily due to unrelated time record fetched from the meter.
6	Realtime access to the commercial meter which is being used to calculate DSM charges are to be provided to generators to maintain generation as per schedule without any major deviations. This will minimize the differences in the SCADA data used for decision making and the actual accounting data.		
7	Implementation of this 5th amendment should be made retrospectively from the date of applicability of the 4th amendment and all the previous accounts issues should be revised accordingly as the generator have incurred huge penalty under violation of sign change due to frequent changes in Schedule made by the Discoms to avoid their own violations.		

