

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Suo Motu Petition No. 209/2011

**Dr. Pramod Deo, Chairperson
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

Date of Order: 30.11.2011

In the matter of

Implementation of the Renewable Regulatory Funds mechanism under Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010

And in the matter of

- 1 EE (SLDC-EO), U.P. Power Corporation Ltd. Shakti Bhawan, Lucknow, Uttar Pradesh
- 2 DGM (SO)SLDC, Virbhadra, Rishikesh, PITCUL, Uttrakhand
- 3 SE (SLDC) Haryana Vidyut Prasaran Nigam Ltd, Shakti Bhawan, Panchkula, Haryana.
- 4 General Manager (SLDC) Delhi Transco Ltd, New Delhi
- 5 Director (PR & CERC) Himachal Pradesh State Electricity Board, Shimla
- 6 Chief Engineer (SO & C) State Load Dispatch Centre, SLDC Complex, PSTCL, Patiala
- 7 Chief Engineer (S&F) SLDC, Jammu
- 8 Chief Engineer (LD) Electricity Department, UT, Chandigarh, Chandigarh
- 9 Chief Engineer (LD), SLDC, Madhya Pradesh Power Transmission Company Ltd. Jabalpur,
- 10 Chief Engineer (LD) SLDC,MSETCL, Mumbai
- 11 Chief Engineer (LD) SLDC,Gujarat Energy Transmission Corporation .Ltd, Vadodara
- 12 Chief Engineer (LD) Chhatisgarh State Power Transmission Co. Ltd., SLDC, Raipur
- 13 Chief Executive Engineer, Goa Electricity Department, Panaji, Goa
- 14 Executive Engineer, Electricity Department, Daman & Diu, Power House, Bldg-2, Nani Daman- 396210
- 15 Executive Engineer (LD), Electricity Department, Dadar & Nagar Haveli, Silvasa- 396230

- 16 Chief Engineer (Electricity), Karnataka Power Transmission Corporation Ltd. SLDC, Bangalore
- 17 SE (LD) SLDC, TANTRASCO, Chennai
- 18 Chief Engineer (System Operation), Kerala State Electricity Board, Ernakulam, Kerala
- 19 SE (GO) Transmission Corporation of Andhra Pradesh Ltd., SLDC, Hyderabad
- 20 EE(System Control Centre) Electricity Department, Puducherry
- 21 Chief Engineer ,SLDC, Bihar State Electricity Board, Patna
- 22 Chief Engineer, West Bengal State Transmission Corporation Ltd. Howrah
- 23 Chief General Manager, SLDC, Orissa Power Transmission Corporation Ltd., Bhubaneswar
- 24 General Manager-cum-CE(SLDC) Jharkhand State Kusai Colony, Ranchi
- 25 Chief Engineer, Power Deptt. Govt. of Sikkim, Gangtok
- 26 Chief Engineer, (CLD) SLDC, Damodar Valley Corporation, Dhanbad, Jharkhand
- 27 Chief General Manager, SLDC, AEGCL, Guwahati
- 28 Superintending Engineer (SLDC), Electricity Department, Govt. of Manipur, Imphal
- 29 Superintending Engineer (SLDC), Power & Elect. Deptt, Govt. of Mizoram, Aizawl
- 30 Executive Engineer, (SLDC), Electricity Deptt, Govt. of Nagaland, Dimapur
- 31 CMD, TSECL, Govt. of Tripura, Agartala
- 32 Executive Engineer, SLDC, Deptt. of Power, Govt. of Arunachal Pradesh, Itanagar
- 33 Superintending Engineer (SLDC), Director Distribution office, Shillong

...Respondents

ORDER

Clauses (5) and (7) of Complementary Commercial Mechanism at Annexure-I to the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010, as amended from time to time (hereinafter "Grid Code") provide as under:

"5. The wind generators shall be responsible for forecasting their generation upto an accuracy of 70%. Therefore, if the actual generation is beyond +/- 30% of the schedule, wind generator would have to bear the UI charges. For actual generation within +/- 30% of the schedule, no UI would be payable/receivable by Generator, The host state, shall bear the UI charges for this variation, i.e within +/- 30%. However, the UI charges borne by the host State due to the wind generation, shall be shared among all the States of the country in the ratio of their peak demands in the previous month based on the data published by CEA, in the form of a regulatory charge known as the Renewable Regulatory Charge operated

through the Renewable Regulatory Fund (RRF). This provision shall be applicable with effect from 1.1.2011, for new wind farms with collective capacity of 10 MW and above connected at connection point of 33 KV level and above, and who have not signed any PPA with states or others as on the date of coming into force of this IEGC. Illustrative calculations in respect of above mechanism are given in Appendix.

6. A maximum generation of 150% of the schedule only, would be allowed in a time block, for injection by wind, from the grid security point of view. For any generation above 150% of schedule, if grid security is not affected by the generation above 150%, the only charge payable to the wind energy generator would be the UI charge applicable corresponding to 50- 50.02 HZ .

7. In case of solar generation no UI shall be payable/receivable by Generator. The host state shall bear the UI charges for any deviation in actual generation from the schedule. However, the net UI charges borne by the host State due to the solar generation, shall be shared among all the States of the country in the ratio of their peak demands in the previous month based on the data published by CEA, in the form of regulatory charge known as the Renewable Regulatory Charge operated through the Renewable Regulatory Fund as referred to in clause 5 above.. This provision shall be applicable, with effect from 1.1.2011, for new solar generating plants with capacity of 5 MW and above connected at connection point of 33 KV level and above and, who have not signed any PPA with states or others as on the date of coming into force of this IEGC. Illustrative calculations in respect of above mechanism are given in Appendix.”

2. As per the above quoted provisions, the UI charges borne by the host State due to wind generation within certain limits and due to solar generation shall be shared among all the States in the country in the ratio of their peak demands in the previous month based on the data published by the Central Electricity Authority in the form of regulatory charge known as Renewable Regulatory Charge operated through the Renewable Regulatory Fund (RRF) w.e.f. 1.1.2011. The Commission vide Notification No. No. L-1/18/2010-CERC dated 14.1.2011 specified the revised date of implementation of Renewable Regulatory Charge and Renewable Regulatory Funds with effect from 1.1.2012 in order to put in place the procedure and mechanism required for their implementation. The Commission in its order dated 18.2.2011 had accorded

approval to the "Procedure for implementation of the mechanism of Renewable Regulatory Fund" submitted by the National Load Despatch Centre in compliance with the provisions of clause 9 of Annexure 1. In the said order, the Commission had directed National Load Despatch Centre to arrange for mock exercise as per the Detailed Procedure with effect from 1.7.2011.

3. The Detailed Procedure provides that the wind farms and solar generating plants shall furnish the information regarding their connectivity to the Regional Power Committee, Regional Load Despatch Centres and National Load Despatch Centres through their respective State Load Despatch Centres in accordance with the provisions of para 2.1 and 3.2 of the Detailed Procedure. Para 8.2 of the Detailed Procedure further provides that the State Load Despatch Centres/Control Centres of the States where the wind farms or solar generators are located shall submit 15 minute block-wise data of scheduled and actual generation from the wind farm/solar generating plants as recorded in the Special Energy Meters to the concerned Regional Load Despatch Centre or Regional Load Despatch Centres on weekly basis which shall be processed and furnished to the respective Regional Power Committee for preparation of energy accounts related to accounting of energy from wind farm and solar generation on a weekly basis.

4. National Load Despatch Centre (NLDC) in its letter 13/10/2011 has brought to our notice that despite the communications sent to the SLDCs through the respective RLDC to furnish details regarding connectivity declaration from Wind farms/Solar

generating plants, contract details and processed data i.e. Schedule generation and deviations of generation within different blocks to RLDCs /NLDC, the requisite details have not been received. This has seriously affected the schedule of mock exercise as directed by the Commission in order dated 18.2.2011. It has been submitted that since the target date for implementation of RRF procedure is 1.1.2012, directions be issued to the State Load Despatch Centers to submit the required data to NLDC immediately.

5. Accordingly, we direct all State Load Despatch Centers to submit the requisite data to National Load Despatch Centre by 15.12.2011 failing which they shall be liable for appropriate actions under section 142 of the Electricity Act, 2003. Based on the data received, NLDC shall submit the compliance position before the Commission with copies to all SLDCs.

6. The matter shall be listed for hearing and further directions on 22.12.2011.

7. Officers-in-charge of the Regional Load Despatch Centers or their representatives shall be present on the date of hearing to assist the Commission in the proceedings.

(M.DEENA DAYALAN)
MEMBER

(V.S.VERMA)
MEMBER

(Dr. PRAMOD DEO)
CHAIRPERSON