

 **POWER PURCHASE****» CERC ORDERS DISCOM TO REFUND PENALTY ON SHORTFALL IN AVAILABILITY OF CONTRACTED CAPACITY**

- CERC directed Uttar Pradesh Power Corporation Limited (UPPCL) to refund the charges deducted due to shortfall in availability achieved by KSK Mahanadi Power Company Limited (KSKMPL).
- KSKMPL filed a Petition before CERC to verify the availability charges computed by UPPCL.
- KSKMPL stated that UPPCL computed the charges for shortfall in availability of the contracted capacity on a monthly basis, while the PPA clearly mentions that charges are to be calculated on a yearly basis.
- UPPCL in its reply stated that its position has been held by UPERC, which is the Appropriate Commission for this dispute. UPPCL stated that the present issue is not under the jurisdiction of CERC.
- CERC stated that it has jurisdiction over generating companies having composite scheme for generation and sale of electricity in more than one State. Hence this case falls well within the purview of CERC.
- CERC in its Order directed UPPCL to refund the charges deducted by them in violation of clause 4.2.5 of Schedule 4 of the PPA, along with late payment surcharge from the date of deduction till payment date.

**⚡ POWER PURCHASE**

- ⊙ CERC Orders Discom to refund penalty on shortfall in availability of contracted capacity

**⚡ RENEWABLES**

- ⊙ Rise in generation from Rooftop Solar power in Maharashtra.
- ⊙ VGF for BESS projects with capacity of 4000 MWh
- ⊙ Renewable Sector allocation in Union Budget of FY 2023-24

**⚡ POLICY And REGULATORY**

- ⊙ MoP seeks comments on expansion of SCED
- ⊙ Electricity (Promoting Renewable Energy Through Green Energy Open Access) Amendment Rules, 2023
- ⊙ CEA (Flexible Operation of Coal based Thermal Power Generating Units) Regulations, 2023



 **RENEWABLES**

» **RISE IN GENERATION FROM ROOFTOP SOLAR POWER IN MAHARASHTRA**

- MSEDCL stated that the generation from Rooftop Solar Power increased to 1,300 MW in 2022, which is a sudden rise as compared to 20 MW of generation 6 years ago.
- MSEDCL stated that since inception of Solar Rooftop Scheme in FY 2016-17, the number of consumers has increased from around 1,000 to above 76,000.
- The major contributors are large housing societies in the State's major cities. Further, industrial consumers have also started generating power through these rooftop solar installations.
- Under this scheme, consumers receive huge subsidies of around 40% to install rooftop solar panels and the energy generated can reduce the need of electricity, thereby reducing the bills of the consumers.



- MSEDCL will appoint regional Nodal officers to ensure that agencies appointed by the consumers to install the rooftop solar can smoothly get their share of money assured from the Government.



**RENEWABLES**

» **VGF FOR BESS PROJECTS WITH CAPACITY OF 4000 MWH**

- The Union Budget to further its objective of achieving 'net zero' emissions by 2070, has announced Viability Gap Funding (VGF) for Battery Energy Storage Systems (BESS) project with capacity of 4000 MWh
- A total of Rs. 35,000 Crore of investment was announced to aid in the transition to green energy, energy security and net-zero objectives. The funding will spur companies and state agencies to come up with more battery storage projects in India and support higher renewable adoptions for the grid.
- The VGF in BESS will aid in bringing down the prices of battery storage installations.

» **RENEWABLE SECTOR ALLOCATION IN UNION BUDGET OF FY 2023-24**

- The budgetary allocation for Solar Power Industry announced at Rs. 7,237 Crore, which is a 48% rise over the previous allocation.



- Allocation includes Rs. 1,996 crores for PM- KUSUM projects and Rs. 361 crores for Solar off-grid projects.
- The plan also includes installation of 6 lakh Solar Street lights, distribution of 25 lakh solar study lamps and installation of a cumulative 100 MWp capacity of solar power packs.
- Furthermore, the Government will undertake 20 MW of new Concentrated Solar Thermal Projects
- The National Green Hydrogen Mission which propagates green hydrogen as a fuel source was allocated Rs. 279 crores, while the Wind Energy sector allocation was reduced from Rs. 1,413 Crore to Rs. 1,214 crores.

**POLICY AND REGULATORY**

**» MOP SEEKS COMMENTS ON EXPANSION OF SCED**

- The Security-Constrained Economic Dispatch (SCED) Program is a dispatch optimization system to minimize the total generation cost while ensuring the reliability and security of the power system.
- The pilot phase of the program has been in operation since April 2019 with about 50 inter-state generation stations having 60,000 MW generation capacity, which has reduced variable cost by Rs. 2,300 crores.
- The Ministry of Power (MoP) is proposing to expand the SCED program by including all regional entities and intra-state thermal generators.



**» ELECTRICITY (PROMOTING RENEWABLE ENERGY THROUGH GREEN ENERGY OPEN ACCESS) AMENDMENT RULES, 2023**

- The Ministry of Power (MoP) has amended the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules which were released last year. As per the amended rules, Consumers can elect to purchase green energy for their entire consumption or up to a certain percentage.
- Licensee consumers may place separate requisitions for solar or non-solar power and their distribution licensee shall procure the green energy and supply it to the consumers.
- Credit for banked energy will be settled in the same banking cycle and will not be allowed to be carryforwarded to subsequent banking cycles. The licensee will be able to get Renewable Energy Certificate for banked energy.



 **POLICY AND REGULATORY**

## » CEA (FLEXIBLE OPERATION OF COAL BASED THERMAL POWER GENERATING UNITS) REGULATIONS, 2023

- CEA issued the (Flexible Operation of Coal based Thermal Power Generating Units) Regulations on 25th January, 2023 which will come into immediate effect. Following are few of the extracts of the Regulations.
- These Regulations are applicable to generating units owned by Central/State Governments and Private Companies. According to these Regulations, coal based thermal units shall be capable of providing the flexible operation i.e. generating power at specified levels based on the requirement of the grid.
- The implementation of flexible operation shall be as per the phasing plan specified by the CEA from time to time. Generating units should be designed or suitably retrofitted to comply with these regulations, with all equipment/systems installed complying with the provisions of statutes, regulations and safety codes.
- The coal based thermal generating units will have to develop a flexible operation capability with minimum power level of 40%, with ramp rate capabilities of minimum 3% per minute for operation between 70% to 100% of maximum continuous power rating or minimum 2% per minute for operation between 55% to 70% of maximum continuous power rating.

