

Dear Member,

Sub: Engagement of QCA for FY 2023-24

1. The Tamil Nadu Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement and related matters for Wind and Solar Generation) Regulations, 2019 came into effect on 20th March 2019, the date on which it was published in the Tamil Nadu Government Gazette. The only part not given effect to was the commercial arrangements in respect of DSM penalties. **Forecasting of wind turbine power supply in respect of every WEG in Tamil Nadu is thus, mandatory and has to be done through a QCA.**
2. Subsequently, vide Lr. No. TNERC/DE/DDEI/F.DSM Procedure/D. No. 915/20 dated 3rd October 2020 the Tamil Nadu Electricity Regulatory Commission published the approval granted by it for the "Procedure for implementation of Forecasting, Scheduling and Deviation Settlement of Wind and Solar Generation." Clause 1.5 of the Procedure reads, "... TNSLDC shall ensure that the necessary infrastructure to implement the Deviation Settlement Mechanism is put in place before the commencement of the commercial mechanism.
3. Chairman, TNERC has since been reviewing the progress made by SLDC as well as the QCA from time to time, the last such review having taken place on 21st April 2023. At the said meeting, Chairman TNERC indicated that the trial period for State level forecasting has come to an end in March 2023, and that the Commission is in the process of revising the DSM Regulations. However, three months have since elapsed after the meeting, and it is learnt that the Hon'ble Commission is likely to take some more time for release of the revised regulations.
4. Notwithstanding the delay, at the request of IWPA and other Associations, Leap Green Energy Private Limited has continued to provide state level Wind power generation forecasts to enhance evacuation still further. This entails their having to engage qualified staff, investment in renewal of annual subscriptions for weather modules from international agencies, plus maintaining and upgrading infrastructure in order to provide high quality and near accurate wind generation forecasts.
5. In order to defray their expenses, Leap Green Energy Private Limited has been in dialogue with IWPA and other Associations with regard to the fee payable by WEGs. **After considerable negotiation, it has been agreed to restrict the Service Charge per MW to Rs 4,200.00 + GST for FY 2023-24.**
6. For the information of members, Leap Green Energy, in its role as QCA, has been presenting data relating to its performance on the basis of standards set in the Regulations. The standards set in Regulation 7.2 are:

Deviation Charge for under or over injection, for sale or self-consumption of power within Tamil Nadu		
Sl. No.	Absolute Error in % terms in 15-minute time block	Deviation Charge payable to State Deviation Pool Account (Wind and Solar)
1	<= 10%	None
2	>10% but <=20%	At Rs. 0.25 per unit
3	>20% but <=30%	At Rs. 0.25 per unit for the shortfall or excess beyond 10% and up to 20% + Rs. 0.50 per unit for the balance energy beyond 20% and up to 30%
4	>30%	At Rs. 0.25 per unit for the shortfall or excess beyond 10% and up to 20% + Rs. 0.50 per unit for the balance energy beyond 20% and up to 30% + Rs. 1.00 per unit for the balance energy beyond 30%

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As against these standards, the actual performance in respect of the forecasts furnished by Leap Green Energy to TNSLDC is as under:

FY 2023												
Absolute Error	No of Slots											
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<=10%	2844	2789	2613	2850	2850	2794	2935	2880	2967	2976	2688	2962
>10% but <=20%	36	167	252	122	122	86	38	0	9	0	0	14
>20% but <=30%	0	10	15	4	4	0	3	0	0	0	0	0
>30%	0	10	0	0	0	0	0	0	0	0	0	0
Total	2880	2976	2880	2976	2976	2880	2976	2880	2976	2976	2688	2976

The formula used here is Absolute Error = $100 \times \frac{(\text{Actual Generation} - \text{Scheduled Generation})}{\text{Available Capacity}}$

In other words, had the commercial arrangements come into force there would have been no deviation charge payable during FY 2022-23.

7. In addition to the formula prescribed in the Regulations, TNERC had advised Leap Green to also calculate the Absolute Error on the basis of scheduled power. Against this method, the actual performance in respect of the forecasts provided by Leap Green to TNSLDC is as under:

FY 2023																						
Absolute Error	No of Slots																					
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<=10%	235	8.2%	1245	41.8%	1328	46.1%	1624	54.6%	1683	56.6%	1653	57.4%	748	25.1%	400	25.1%	667	22.4%	1007	33.8%	826	30.7%
>10% but <=20%	275	9.5%	747	25.1%	755	26.2%	612	20.6%	594	20.0%	590	20.5%	530	17.8%	379	17.8%	623	20.9%	796	26.7%	669	24.9%
>20% but <=30%	327	11.4%	453	15.2%	361	12.5%	264	8.9%	215	7.2%	312	10.8%	387	13.0%	357	13.0%	484	16.3%	511	17.2%	514	19.1%
>30%	2043	70.9%	531	17.8%	436	15.1%	476	16.0%	484	16.3%	325	11.3%	1311	44.1%	1744	44.1%	1202	40.4%	662	22.2%	679	25.3%
Total	2880	2976	2880	2976	2976	2880	2976	2880	2976	2880	2976	2880	2976	2880	2976	2880	2976	2976	2688	2976	2688	2976

The formula used here is Absolute Error = $100 \times \frac{(\text{Scheduled Power} - \text{Actual Power})}{\text{Scheduled Power}}$

Under this formula, the average DSM penalty works out to Rs. 0.037 per KWh.

8. **Members are requested to make payment of Service Charge at the rate of Rs 4,200.00 per MW + GST for FY 2023-24.**

9. The necessary invoice will be received from M/s. Leap Green Energy Private Ltd.

Thanking you,

Yours faithfully
For Indian Wind Power Association

Ajay Devaraj
Secretary General

Indian Wind Power Association

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