ALL INDIA DISCOMS ASSOCIATION

Public Hearing on CERC Proposal "Determination of X-Value under DSM (2024 Regulations)"

Public Hearing – 03 December 2025

Collaboration | Innovation | Excellence

AIDA's submission

CERC proposes trajectory for determination of value "X" for Wind & Solar sellers under DSM Regulations 2024.

AIDA submitted its responses (*vide letter no. RA-11/AIDA-2025 on 3rd October, 2025*)

• **CERC Proposal**	• **AIDA Submission**
1. For existing WS Projects: 5-year trajectory for reduction of X-Factor to zero (01.04.2026 to 31.03.2031)	1. Consider 3-year trajectory (01.04.2026 to 31.03.2029)
2. For New WS Projects: Treated at par with General Sellers on or after 01.04.2026.	2. Agreed.
3. No payment for over injection at or above system frequency of 50.05 Hz.	3. Tighten step-wise frequency band to 50.02 Hz.

X - Impact: Karnataka Example

Study for Apr 2024 to Mar 2025 (%age Deviation)

	DAM		Intra-Day	
	Available Capacity	**Scheduled Capacity**	**Available Capacity**	**Scheduled Capacity**
Wind	26.77	60.64	6.82	37.27
Solar	2.62	37.52	0.97	33.21
Hybrid WS	19.38	67.55	4.47	45.76

- **Actual deviation** is more than double
- **No financial impact** on WS sellers and hence not much initiative by developers
- Impacts **grid security**
- Requires **additional TRAS**

Rapid Improvement in Weather Forecasting

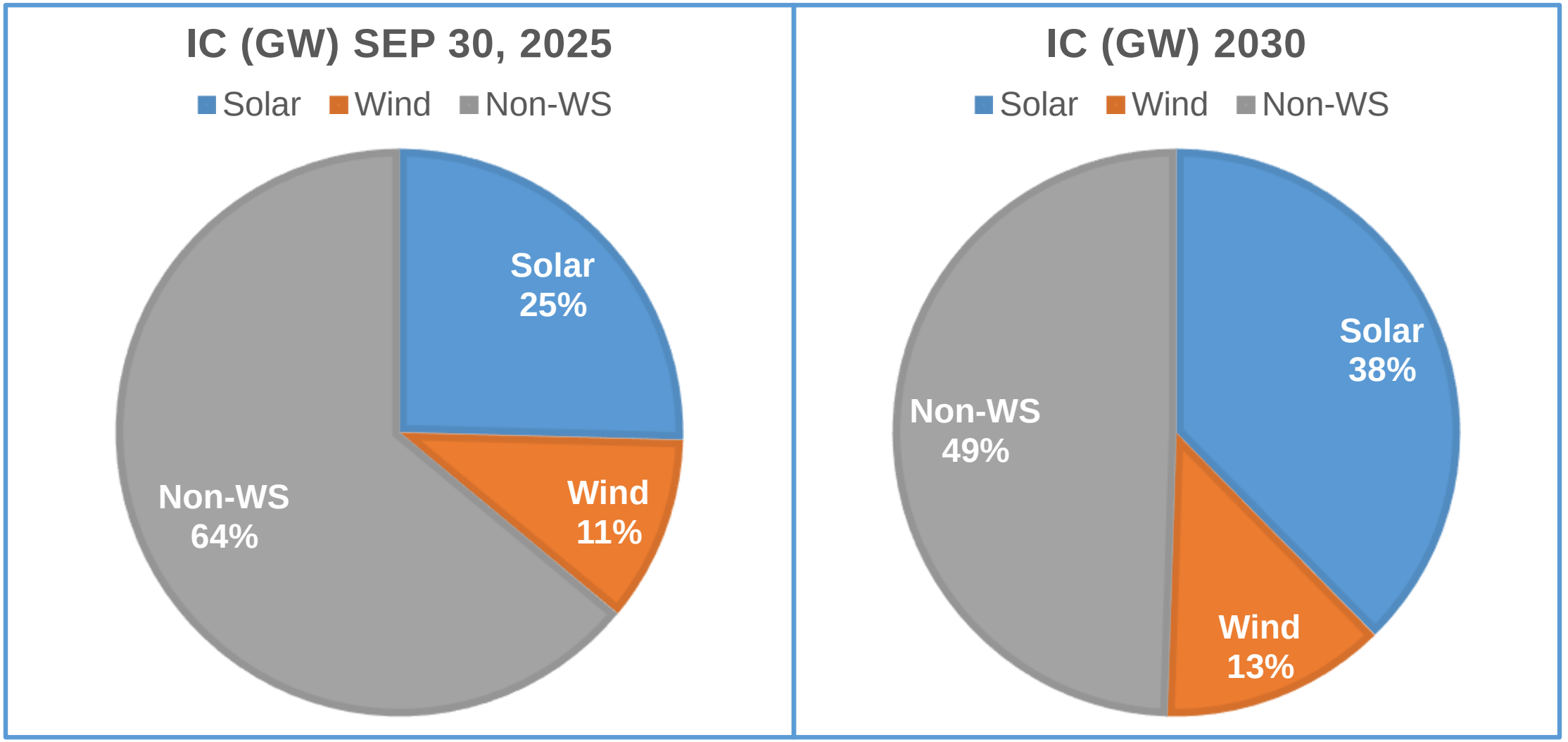
A Statement given by Hon'ble Union Minister of State (Independent Charge) for Science & Technology and Earth Science in Rajya Sabha on 5th Dec 2024	- There has been **40 to 50 percent improvement** in the forecast accuracy of all weather events - Ministry **continuously enhances and upgrades** meteorological observations, communications, modelling tools, and forecasting systems - IMD **uses latest tools and technologies** to predict severe weather events

MSEDCL: Demand forecasting & the Grid

1. Demand forecasting too depends on weather data
    1. Deviation limit: 0.83 % (Peak Demand= 30GW; Deviation Volume limit= 250MW)
2. Forecasting Accuracy Level for Apr 23 to Mar 24:
    1. Tolerance Band: +/- 10% (Solar); +/-15% (Wind)
    2. Accuracy level below 10%:
        1. Solar average: 73.5%
        2. Wind average: 67.5%

- With same set of weather data, **if Discoms are required** to forecast below 1% error, the WS also should do
- The mismatch creates **difficulties for Discoms** in load forecasting, planning resource adequacy, scheduling and maintaining grid security at state level
    - Ramping up and down of thermal stations
    - Curtailment of own RE sources
    - Higher incremental cost
- With technology availability, **accuracy level is enhancing** at rapid pace

A Dominant player with Matured technology



Aggregation at Pooling station by WS Sellers

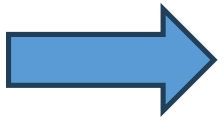
Grid India Study on Aggregation of WS Sellers at a Pooling Station through Qualified Co-ordination Agency (QCA) (period: 16.09.24 to 29.06.25)

RE Type	Plants Nos	Savings at X=100	Savings at X=0
Solar	2	25.84 %	21.13 %
	5	67 %	49 %
Wind	2	19.95 %	8.30%

- Reduced Deviation
- Reduced payable DSM Charges
- More plants joining will further reduce DSM charges

Summary

1. Weather forecasting is NOT dependent on age of the plants but forecasting technology available and used
2. Enough time given to the developers: being discussed since 2017
3. Adds cost to Discoms and thus end consumers
    1. Larger relaxation means more AS need
    2. Marginal AS providers are costlier
4. A grown-up & matured technology should be allowed to walk and compete
5. With rising RE penetration, Grid is at Risk



- Make DSM provisions for WS at par with Conventional plants
- Push for better forecasting technology
- Push to more aggregation through QCA

THANK YOU

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