



F. No.09/11/2021-RCM
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, the 28th September 2022

To

1. ACS/Principal Secretaries/Secretaries (Power/Energy) of all State Governments/UTs.
2. CMD/MDs of State Gencos/ Discoms
3. All Central Power Sector Utilities

Subject: Amendment to the Scheme for Flexibility in Generation and Scheduling of Thermal/ Hydro Power Stations through bundling with Renewable Energy and Storage Power dated 12th April 2022 – Deletion of Paras 9.2 and 9.4.3 -reg.

Sir/Madam,

Ministry of Power vide letter dated 05th April 2018 introduced a detailed mechanism for allowing Flexibility in Generation and Scheduling of Thermal Power Stations. The detailed mechanism was further revised vide letters dated 15th November 2021 and 12th April 2022 (copy enclosed) to comprehensively cover replacement of thermal and hydro power with renewable energy established on a standalone basis or in combination with a Battery Energy Storage System (BESS).

2. The objective of this mechanism is to enhance utilization of renewable energy that has become cheaper over the years by substituting part of costlier thermal/hydro energy. This enables energy transition to meet the commitments made by India at COP26 and reduces emissions. It facilitates DISCOMs to meet Renewable Purchase Obligation (RPO) within the same PPA, that is existing. It will also result in reducing the cost of power under the existing PPA.

3. It has been brought to the notice of the Government that certain procedures laid down in the Scheme are redundant and are delaying the implementation of the Scheme. The procedures have been reviewed and it has been noted that Para 9.2 is redundant as the scheme stands as an independent policy document, and there is no need to annex it with the PPA. Similarly Para 9.4.3 is redundant, as the mix for bundling is determined on technical considerations taking into account grid stability. The obligation

of the generator is to supply electricity to the procurer at a price equal to or less than that laid down in the PPA, and this obligation will need to be adhered to-with the generator and the procurer sharing the gains as laid down in the scheme. Therefore, in order to fast track the implementation of the scheme and considering the importance of clean energy transition, the national goal of 500 GW and the need for reducing carbon emission, it has been decided to delete Para 9.2 and Para 9.4.3 of the scheme dated 12th April 2022.

4. This issues with the approval of Hon'ble Minister of Power and New & Renewable Energy.

Yours sincerely,

Hemant
28/09/22

(Hemant Kumar Pandey)
Chief Engineer (R&R)
Tel. No. 011-23710389

Copy to:

1. Secretary, Ministry of New & Renewable Energy, New Delhi
2. Secretary, Ministry of Coal, New Delhi
3. The Chairperson, CEA, New Delhi
4. The Secretary, CERC, Chanderlok Building, Janpath, New Delhi
5. Secretaries of All State Electricity Regulatory Commissions/JERCs

Copy for information to:

1. PS to Hon'ble Minister of Power and NRE
2. PS to Hon'ble Minister of State for Power and Heavy Industries
3. Sr. PPS to Secretary(P)/ PPS to JS (Thermal)/ PPS to JS (Hydro)/ PPS to JS (R&R)/ PSO to CE(R&R)/PPS to Director (RCM), Ministry of Power