

# Rajasthan Electricity Regulatory Commission

**Petition No. RERC/2369/2025**

**Suo Motu**

In the matter of compensation for part load operation for the generating stations below the normative level of operation.

**Coram:**

**Dr. Rajesh Sharma, Chairman**

**Sh. Hemant Kumar Jain, Member**

Date of hearings : 20.01.2026

Present :

1. Sh. Amitabh Gupta, Representative
2. Sh. L. N. Nimawat, Stakeholder.
3. Sh. Kamal Deep Tuli, OIC for the RVUNL.
4. Sh. Abhay Singhal, Addl. OIC for the RVUNL.
5. Sh. Amitabh Gupta, OIC for the RUVITL.
6. Sh. D. D. Agarwal, Stakeholder.

**Order Date: 06.03.2026**

**Background:**

1. The Rajasthan Electricity Regulatory Commission ('RERC' or the 'Commission') in exercise of the powers conferred under Section 181 read with section 86(1)(h) of the Electricity Act, 2003 (Act 36 of 2003) and all other powers enabling it in this behalf had notified the Rajasthan Electricity Regulatory Commission (Rajasthan Electricity Grid Code) Regulations, 2024 and published in Official Gazette on January 29, 2025.

2. The Regulation 51 of Rajasthan Electricity Regulatory Commission (Rajasthan Electricity Grid Code) Regulations, 2024 is reads as under:

*“51 Minimum Turndown Level for Operation of State Thermal Generating Stations.*

.....

*Provided also that the thermal generating stations whose tariffs are determined under Section 62 or Section 63 of the Act, shall be compensated for part load operation, that is, for generation below the normative level of operation, in terms of the provisions of the contract entered into by such generating stations with the beneficiaries or buyers, or in the absence of such provision in the contract, as per the mechanism to be specified by the Commission through separate Order.”*

3. In exercise of powers conferred under Regulation 51 of RERC (Rajasthan Electricity Grid Code) Regulations, 2024, The Commission framed the *Draft Order on “Compensation for part load operation for the generating stations below the normative level of operation”* and invited the suggestion/comments from the interested persons before finalizing them.
4. Accordingly Petition was published in the following news papers:

**Table: Details of Newspapers**

<b>Sr. No.</b>	<b>Name of News Paper</b>	<b>Date of publishing</b>
(i)	Times of India	21.11.2025
(ii)	Dainik Bhaskar	21.11.2025
(iii)	Rajasthan Patrika	21.11.2025

5. Suggestion/comments were received from following stakeholders upto due date:
- (i) Sh. L. N. Nimawat
  - (ii) Rajasthan Rajya Vidyut Utpadan Nigam Ltd.

- (iii) Adani Power Limited
  - (iv) Rajasthan Urja Vikas Nigam Ltd.
  - (v) JSW Energy (Barmer) Limited.
6. Matter was finally heard on 20.01.2026, wherein respective stakeholders made their submissions.
  7. Commission after hearing the stakeholders, directed all the thermal generating stations of the Rajasthan State to submit their exact part load operation in terms of the percentage as well as the quantity within a week time. Commission also granted liberty to all the stakeholders for filing their written submissions within a week time, if they wish to do so. Accordingly Rajasthan Rajya Vidyut Utpadan Nigam Ltd. and Adani Power Limited submitted the written submissions
  8. The main comments and views expressed by the stakeholders through their written submissions as well as during the hearing and the Commission's views thereon have been summarized in the following paragraphs. It may be noted that all the suggestions given by the stakeholders have been considered, and the Commission has attempted to elaborate the suggestions as well as the Commission's decisions on the suggestions in the Statement of Reasons, however, in case any suggestion is not specifically elaborated, it does not mean that the same has not been considered. Further, some stakeholders have suggested changes on Syntax/phrase/addition of word(s)/rewording related changes, which have been suitably incorporated, wherever necessary.

**Summary of objections/comments/suggestions received from various Stakeholders**

9. The Suo-motu petition has been considered by the Commission in recognition of the fact that when a generating unit is advised to operate

or remain on bar at load levels below its normal operating range, it entails additional capital and operational expenditure. Such operation results in higher specific coal consumption, increased oil support, higher auxiliary consumption, reduced efficiency, and increased maintenance costs.

10. In this context, the initiative of the Commission is a welcome step. During arguments in earlier petitions concerning the requirement of Round-the-Clock (RTC) power, it was also suggested that such operating conditions be permitted for State generating stations in order to maintain grid discipline at an affordable cost.
11. The proposed regulations clearly indicate that the State of Rajasthan has sufficient, and at times surplus, renewable energy availability during specific time blocks. In such circumstances, instead of shutting down State-owned thermal generating units, it would be prudent to operate them at their technical minimum levels to facilitate the absorption of low-cost renewable energy, while keeping the maximum number of units in hot standby mode to address system contingencies. If this position is correct and is duly supported by the DISCOMs, RUVIT, and the State Load Dispatch Centre, then there would be no requirement for procurement of RTC power for at least the next ten years.
12. However, if the requirement of RTC power is not withdrawn, there would be no justification for imposing an additional financial burden on State consumers through increased costs of thermal power generation arising from the implementation of these regulations.

#### **COMMENT 1: DATE OF IMPLEMENTATION OF THE ORDER**

13. The Draft Order does not specify the effective date for implementation of this compensation mechanism. The date of implementation shall be made

effective retrospectively from the date of issuance of the Rajasthan Electricity Grid Code (REGC), 2024, i.e. 29.01.2025.

**COMMENT 2: DELETION OF COMPENSATION DISQUALIFICATION CLAUSE (Clause 1 - Proviso)**

14. The proviso clause stated below creates operational contradictions and shall be deleted:

*"Provided that no compensation shall be admissible for the generating units which fails to comply with the minimum turndown level for operation in respect of a unit of a state thermal generating station, as specified in the RERC (Rajasthan Electricity Grid Code) Regulations, 2024, as amended from time to time."*

15. This proviso is redundant and operationally contradictory and shall be deleted entirely to avoid creating disputes and litigious situations.

**COMMENT 3: HEAT RATE DEGRADATION COMPENSATION (Clause 4)**

16. The heat rate compensation values proposed in the Draft Order are lower than those recommended by the Central Electricity Authority (CEA) and previously endorsed by CERC, particularly at lower unit loading levels where efficiency degradation is most severe.

17. The Heat Rate Compensation values for unit loading below 55% shall be aligned with CEA recommendations to reflect actual operational degradation and ensure equitable compensation.

**Comparison: Draft Values vs. CEA Recommendations**

**For Sub-critical Units**

Unit Loading	Draft Order (Sub-critical)	CEA Recommendation	Variance
85-100%	Nil	Nil	—
80-<85%	2.1%	2.1%	Aligned
75-<80%	3.0%	3.0%	Aligned
70-<75%	4.0%	4.0%	Aligned
65-<70%	5.1%	5.1%	Aligned

60-<65%	6.1%	6.1%	Aligned
55-<60%	7.6%	7.6%	Aligned
<b>50-&lt;55%</b>	<b>9.2%</b>	<b>9.35%</b>	<b>-0.15%</b>
<b>45-&lt;50%</b>	<b>11.3%</b>	<b>11.9%</b>	<b>-0.6%</b>
<b>40-&lt;45%</b>	<b>13.8%</b>	<b>14.2%</b>	<b>-0.4%</b>

**For Super-critical Units:**

Unit Loading	Draft Order	CEA Recommendation	Variance
85-100%	Nil	Nil	—
80-<85%	1.8%	1.8%	Aligned
75-<80%	2.5%	2.5%	Aligned
70-<75%	3.3%	3.3%	Aligned
65-<70%	4.1%	4.1%	Aligned
60-<65%	4.9%	4.9%	Aligned
55-<60%	6.0%	6.0%	Aligned
<b>50-&lt;55%</b>	<b>7.1%</b>	<b>7.7%</b>	<b>-0.6%</b>
<b>45-&lt;50%</b>	<b>8.3%</b>	<b>10.7%</b>	<b>-2.4%</b>
<b>40-&lt;45%</b>	<b>9.9%</b>	<b>13.2%</b>	<b>-3.3%</b>

**COMMENT 4: SECONDARY FUEL OIL (SFO) CONSUMPTION (Clause 6)**

18. The secondary fuel oil consumption norms specified in the Draft Order are insufficient to cover actual start-up requirements, and regulatory ambiguity exists regarding applicability.

**A. Actual vs. Normative SFO Consumption**

19. The Draft specifies generic norms that do not align with documented actual consumption. The SFO norms shall be revised to match demonstrated actual consumption patterns from recent operational years.

## Documented Actual Consumption (FY 2024-25)

For 200/210/250 MW Units:

Start Type	Draft Order (KL)	Actual Consumption (KL)	Gap Analysis
Hot	20	29	-9 KL (45% short)
Warm	40	45	-5 KL (12.5%)
Cold	60	93	-33 KL (55% short)

### B. Seven Start-Up Exemption Shall Not Apply

20. The Draft Order exempts 7 start-ups per annum from SFO compensation. This exemption inappropriately reduces SFO compensation for start-ups mandated by SLDC backing-down instructions.
21. The 7 start-up exemption appears to be intended for:
  - Routine maintenance-related starts
  - Planned maintenance outages
  - Standard unit cycling under normal dispatch
22. However, when SLDC issues backing-down instructions, forcing unit shutdown and subsequent restart, these are:
  - Not planned by the generating station
  - Operationally inefficient by design
  - Mandated by system requirements
  - Distinct from routine maintenance
23. Therefore, start-ups mandated through LD (Load Dispatch) box instructions shall be counted separately and not be subject to the 7 start-up exemption.

### COMMENT 5: FINANCIAL GAINS SHARING MECHANISM (Clause 7)

24. Clause 7 mandates sharing of financial gains arising from part-load compensation in a 1:1 ratio between generating stations and beneficiaries. This creates double-charging and violates established regulatory principles.

### COMMENT 6: ANNUAL RECONCILIATION OF COMPENSATION (Clause 8)

25. Clause 8 proposes annual reconciliation of compensation based on weighted average operational parameters. This approach dilutes part-load compensation and fails to account for timing-specific degradation losses.

26. Compensation should be computed and settled on a **monthly basis** (based on SLDC certification) rather than annual reconciliation, as the annual averaging approach dilutes compensation and prevents recovery of time-specific losses.

### COMMENT 7: TIMELINE FOR SLDC PROCEDURE ISSUANCE (Clause 10)

27. Clause 10 mandates that SLDC issue a detailed procedure for computing compensation but does not specify a timeline. In the absence of a defined timeline, implementation may be delayed.

28. RERC shall prescribe a **specific deadline** for SLDC to issue the detailed procedure, with a defined process for approval and dispute resolution.

### SUMMARY TABLE OF RECOMMENDATIONS

Comment No.	Issue	RVUN Recommendation	Regulatory & Legal Basis
1	Implementation Date	Retrospective from 29.01.2025	CERC Order dated 04.02.2025
2	Disqualification Clause	Delete proviso regarding minimum turndown non-compliance	REGC Regulation 51; CERC Order dated 14.07.2025; APTEL Appeal No. 108 of 2018
3	Heat Rate Compensation	Revise to align with CEA recommendations for 40-55% loading range	CEA File No. CEA-TH-17-13/1/2019-TETD (19.12.2023)

4A	SFO Consumption Norms	Revise to match actual consumption (29/45/93 KL for 210/250 MW units)	Operational data FY 2024-25; APTEL Appeal No. 222 of 2015 (CSPGCL)
4B	Regulation Reference	Specify "Regulation-52" in Clause 6 opening	Regulatory clarity and billing procedure alignment
5	Financial Gains Sharing	Delete Clause 7 to avoid double-charging	RERC Tariff Regulations 2025, Regulation 55
6	Reconciliation Basis	Change from annual to monthly basis	CEA and CERC practice; Physics of thermal degradation;
7	Timeline for Procedure	Specify 20-day milestones for SLDC procedure	

29. Clause 1 - Proviso: Change Proposed for Clause 1 proviso

1.

...

*Additional compensation in terms of additional CAPEX & Modification, will be provided for super critical units required for achieving lower minimum load below 55%.*

30. 40% Technical Minimum cannot be achieved without technical modifications for which CAPEX is required. Hence, it is necessary to clarify that operation below 55% and up to 40% shall come in to force subject to approval of necessary CAPEX, and only after such capital works are carried out for that specific project.

31. Clause 6: Change Proposed for Compensation for secondary fuel oil consumption per start up:

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....

*Additional specific secondary fuel oil consumption of 0.5-1.0 ml/kWh shall be provided for units operating below 55% unit loading*

32. Thermal station running below 55% unit loading are vulnerable to tripping of boilers due to improper flame conditions in case of poor coal quality or tripping of any mills at 55% loading. Due to this additional oil support will be required for flame stabilization to avoid tripping of Unit thereby ensuring

reliability of power supply. The oil required for such incidences is not considered for any compensation in this order and compensation is only considered for solely attributable to reserve shut-downs.

33. Clause 8: reconciliation of the compensation

*8. There shall be reconciliation of the compensation at the end of financial Year considering **block wise** actual weighted average operational parameters of station heat rate, auxiliary energy consumption and secondary oil consumption.*

34. The generator operates the unit based on LDC instructions and has no control on overall demand. The financial loss incurred due to operational inefficiencies caused by partial loading affects the generator only.

35. The proposed compensation mechanism for partial load operation considers a complete financial year as one block to determine the eligibility for compensation.

36. Loss incurred by the generator due to degradation of operational parameters on account of partial load operation during one time block cannot be recovered even with full load operation in subsequent time blocks.

37. Actual weighted average of operational parameters will not take in account the losses occurred in block wise time frame. As there is no compensation for PLF above 85% , a part of loss occurred below 85% cannot be recovered. When compensation will calculated in cumulative basis at year end it will get nullified by the time blocks when PLF was above 85%. Additionally, station with shortage of 100% FSA and using imported coal, compensation for impact of high moisture imported coal to be considered while calculating compensation.

38. Clause 10: Timeline for Procedure

*"10. Procedure stipulating the mechanism to work out the compensation for degradation of heat rate, auxiliary consumption, and secondary fuel oil consumption due to part load operation and multiple start and stop of units of the generating station shall be issued by the SLDC separately with the approval of the Commission. The SLDC shall issue this procedure within 1 month of this Order."*

39. Additional Clause: Effective date for compensation

*Procedure to be issued by SLDC shall be effective from 29.10.2024 (i.e. notification of Rajasthan Electricity Grid Code, 2024 by Hon'ble RERC).*

40. Without a clear framework for attribution of part-load operation, disputes over responsibility shall be inevitable. RUVITL has requested the Commission to prescribe a transparent and objective methodology for identifying the causative entity, supported by verifiable data and a dispute resolution mechanism. This will ensure fairness and prevent undue financial burden on beneficiaries.

41. The draft order refers to norms specified under the RERC Tariff Regulations, 2025 or those contained in the respective Power Purchase Agreements (PPAs). However, it does not clarify which set of norms will prevail in cases of divergence between the two. The Commission may clarify in this regard.

42. The PPA's under Sec 63 of Electricity Act 2003 where there AEC and SHR are not defined in the contract, the Commission is requested to provide the clarity how the compensation of these plant will be determined.

43. The draft order also mentions that no compensation shall be admissible for the generating units which fail to comply with the minimum turndown level. In this regard it is submitted that a mechanism to check the same on regular intervals may also be prescribed and failure to demonstrate shall be considered as gaming and adequate penalties for the same may also be notified.

44. The Commission may consider introducing appropriate caps or ceilings on the total compensation payable under this mechanism to ensure predictability and avoid undue financial burden on distribution licenses. Additionally, where DISCOMs are required to pay such compensation to generators, they should be permitted to recover the same through tariff through automatic pass-through mechanism.
45. In the Proposed Order Commission has only considered the compensation for Secondary fuel oil consumption per starts up (KL) for units size from 200 MW and above. As the unit size of JS WEL is 135 MW hence units below 200 MW may also be included for specific oil consumption compensation.

### **Commission's view and decision**

46. The Commission has considered the submissions/suggestions/comments of the stakeholders and their written submissions. The draft order have been finalized after detailed analysis and due consideration of the various issues raised.
47. The main issues raised during the public consultation process and the Commission's analysis and decisions on the main issues are given in the subsequent paragraphs.

### **Issue 1: Date of implementation of the Order**

48. It is observed that some stakeholders submitted that the Draft Order does not specify the effective date for implementation of this compensation mechanism. The date of implementation should be retrospectively from the date of issuance of the Rajasthan Electricity Grid Code (REGC), 2024, i.e. 29.01.2025.
49. The Commission clarifies that it is a well-settled principle of law that generally compensation, taxes, or levies should not be given retrospective

effect. Accordingly, the date of applicability of such compensation shall be expressly specified in the procedure to be issued by the SLDC after due approval of the Commission.

**Issue 2: Deletion of compensation disqualification clause (Clause 1 - Proviso)**

50. It is observed that some stakeholders requested for deletion of compensation disqualification clause arising due to non compliance of grid code, whereas RUVNL insisted for strict compliance of the same.

51. RUVNL submitted that as per draft order no compensation shall be admissible for the generating units which fail to comply with the minimum turndown level. In this regard, RUVNL further submitted that a mechanism to check the same on regular intervals may also be prescribed and failure to demonstrate shall be considered as gaming and adequate penalties for the same may also be notified.

52. The Commission observes that the above clause was introduced in the draft order with a view to ensuring compliance by generating stations and units with the prescribed minimum turndown level of operation, for availing compensation for part-load operation. In view of the above, the Commission considers it appropriate to retain the said clause. The SLDC shall certify the compliance after which compensation is admissible, the methodology for which shall be prescribed by SLDC in the draft procedure.

**Issue 3: Heat rate degradation compensation, Secondary fuel oil (SFO) consumption, secondary fuel oil consumption over and above seven (7) starts/stops**

53. Stakeholders submitted that the heat rate compensation values and secondary fuel oil consumption norms proposed in the Draft Order are lower than those recommended by the Central Electricity Authority (CEA)

and previously endorsed by CERC, particularly at lower unit loading levels where efficiency degradation is most severe.

54. The stakeholders further submitted that the Draft specifies generic norms that do not align with documented actual consumption. The SFO norms shall be revised to match demonstrated actual consumption patterns from recent operational years.
55. The stakeholders also submitted that the Draft Order exempts 7 start-ups per annum from SFO compensation. This exemption inappropriately reduces SFO compensation for start-ups mandated by SLDC backing-down instructions.
56. The stakeholders requested to insert the Regulation Reference in the Clause 6 opening sentence.
57. The Commission deems it appropriate to insert the Regulation Reference in the Clause 6 and has made suitable modifications as under:

*“Compensation for secondary fuel oil consumption per start up:  
6.The additional compensation for secondary fuel oil consumption shall be permissible over and above seven (7) starts/stops in a year for the generating station under Unit Shutdown in terms of **Regulation 52 of Rajasthan Electricity Regulatory Commission (Rajasthan Electricity Grid Code) Regulations, 2024.....”***

58. With regard to heat rate degradation compensation, secondary fuel oil (SFO) consumption, and secondary fuel oil consumption over and above seven (7) starts/stops, the Commission observes that the above norms are in line with the existing norms specified by the CERC which were issued after considering the CEA's recommendations. Accordingly, the Commission deems it appropriate to retain the same as provided in the

draft order, being in conformity with the CERC Regulations for compensation.

#### **Issue 4: Financial gains sharing mechanism (Clause 7)**

59. It is observed that some stakeholders have submitted that Clause 7 mandates sharing of financial gains arising from part-load compensation in a 1:1 ratio between generating stations and beneficiaries, and that such sharing may result in double charging and is contrary to established regulatory principles.
60. The Commission observes that the sharing provision has been incorporated in line with the provisions relating to part-load compensation stipulated under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2025. Accordingly, the Commission considers it appropriate to retain the said provision.

#### **Issue 5: Annual Reconciliation of Compensation (Clause 8)**

61. It is observed that some stakeholders have submitted that as per Clause 8 annual reconciliation of compensation has been proposed based on weighted average operational parameters. This approach dilutes part-load compensation and fails to account for time specific degradation losses.
62. The stakeholders have further submitted that compensation should be computed and settled on a monthly basis, based on certification by the SLDC, instead of annual reconciliation, as the annual averaging approach dilutes compensation and prevents recovery of time-specific losses. Some stakeholders have requested for blockwise reconciliation of compensation.
63. The Commission notes that the matter relating to computation and settlement of compensation will be addressed through the procedure to be issued by the SLDC with the approval of the Commission.

### **Issue 6: specific deadline for SLDC to issue the detailed procedure (Clause 10)**

64. Some stakeholders requested that a specific deadline be prescribed for the State Load Dispatch Centre (SLDC) to issue the detailed procedure, along with a defined process for approval and dispute resolution.
65. The Commission has considered the above submission and, accordingly, has stipulated a timeline of 30 days for submission of the detailed procedure by SLDC. Upon receipt, the Commission shall initiate the process for approval of the said procedure.

*"10.Procedure stipulating the mechanism to work out the compensation for degradation of heat rate, auxiliary consumption, and secondary fuel oil consumption due to part load operation and multiple start and stop of units of the generating station shall be submitted by the SLDC to the Commission within 30 days of issuance of this order and for the approval of the Commission."*

### **Issue 7: compensation for Secondary fuel oil consumption per starts up (KL) for units size below 200 MW**

66. It is observed that one stakeholder has requested that units below 200 MW may also be included for specific oil consumption compensation.
67. The Commission has considered the above submission and, accordingly, made suitable modifications in the order.

### **Issue 8: Dispute resolution process**

68. Some of the stakeholders requested for a dispute resolution mechanism to be incorporated in the procedure stipulating the mechanism to work out the compensation for part load operation.
69. In this regard, the Commission directs the SLDC to take into account all issues raised by the stakeholders, including the dispute resolution mechanism, while framing the procedure for part load compensation.

70. Accordingly, after incorporating the above changes, the Commission issues the final order as under:

**“Compensation for part load operation for the generating stations below the normative level of operation.”**

This compensation for part load operation for generating stations below the normative level of operation is issued in accordance with Regulation 51 of Rajasthan Electricity Regulatory Commission (Rajasthan Electricity Grid Code) Regulations, 2024. All applicants shall abide by the provisions of the Regulations, as amended from time to time.

In terms of Regulation 51 of RERC (Rajasthan Electricity Grid Code) Regulations, 2024 the thermal generating stations whose tariffs are determined under Section 62 or Section 63 of the Act, shall be compensated for part load operation, that is, for generation below the normative level of operation, in terms of the provisions of the contract entered into by such generating stations with the beneficiaries or buyers, or in the absence of such provision in the contract, as following:

1. The thermal generating stations whose tariffs are determined under Section 62 or Section 63 of the Act shall be compensated (in the absence of such provision in the contract) for degradation of station heat rate and auxiliary energy consumption, consumption of additional secondary fuel oil due to loading below the normative plant availability factor specified under Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of tariff) Regulations, 2025 or the contract as the case may be.

Provided that no compensation shall be admissible for the generating units which fails to comply with the minimum turndown level for operation in respect of a unit of a state thermal generating station, as

specified in the RERC (Rajasthan Electricity Grid Code) Regulations, 2024, as amended from time to time.

2. The compensation for degradation under para (1) shall be borne by the entity that has caused the plant to be operated at a schedule lower than the corresponding Normative Plant Availability Factor.
3. The compensation for the station heat rate and auxiliary energy consumption shall be worked out in terms of energy charge rate.

**Compensation for the degradation of gross station heat rate (SHR):**

4. For the purpose of compensation as per para (1), the degradation of gross station heat rate (SHR) over and above the norms specified under Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of tariff) Regulations, 2025 or the contract as the case may be shall be considered as under:-

(a) For coal or lignite based generating stations:-

S.N.	Unit loading as a % of Installed Capacity of the Unit	Increase in SHR (for sub-critical units) %	Increase in SHR (for super critical units) %
1.	85-100	Nil	Nil
2.	80-<85	2.1	1.8
3.	75-<80	3.0	2.5
4.	70-<75	4.0	3.3
5.	65-<70	5.1	4.1
6.	60-<65	6.1	4.9
7.	55-<60	7.6	6.0
8.	50-<55	9.2	7.1
9.	45-<50	11.3	8.3
10.	40-<45	13.8	9.9

(b) For gas or liquid fuel based generating stations:-

(i) Module/ plant operating in Combined cycle mode:

S.N.	Module/ plant loading as % of installed capacity	Increase in SHR (for module/ plant) (%)
1.	85-100	Nil
2.	80-<85	2.5
3.	70-<80	5
4.	60-<70	8
5.	50-<60	12

(ii) Module/ plant operating in Open Cycle mode:

S.N.	Module/ plant loading as % of installed capacity	Increase in SHR (for module/ plant) (%)
1.	85-100	Nil
2.	80-<85	3
3.	70-<80	7
4.	60-<70	11
5.	50-<60	16

**Compensation for the degradation of auxiliary energy consumption (AEC):**

5. For the purpose of compensation as per para (1), the degradation of auxiliary energy consumption (AEC) over and above the norms specified under Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of tariff) Regulations, 2025 or the contract as the case may be shall be considered as under:-

(a) For coal or lignite based generating stations:

S.N.	Unit loading as a % of Installed Capacity	% degradation in AEC admissible
1.	85-100	Nil
2.	80-<85	0.5
3.	70-<80	1.1
4.	60-<70	1.8
5.	50-<60	2.5
6.	40-<50	3.2

(b) For gas or liquid based generating stations:

S.N.	Module/ plant loading as % of installed capacity	% degradation in AEC admissible
1.	85-100	Nil
2.	80-<85	0.25
3.	70-<80	0.50
4.	60-<70	0.80
5.	50-<60	1.20

**Compensation for secondary fuel oil consumption per start up:**

6. The additional compensation for secondary fuel oil consumption shall be permissible over and above seven (7) starts/stops in a year for the generating station under Unit Shutdown in terms of Regulation 52 of Rajasthan Electricity Regulatory Commission (Rajasthan Electricity Grid Code) Regulations, 2024. For the purpose of compensation as per para (1), the secondary fuel oil consumption per start up shall be considered based on the following norms or actual, whichever is lower:

Unit Size (MW)	Secondary fuel oil consumption per start up (Kl)		
	Hot	Warm	Cold
Up to 250 MW	20	40	60
500 MW	30	60	100
660 MW	45	75	130
800 MW	60	80	150

Additional specific secondary fuel oil consumption of 0.2 ml/ kWh shall be provided for units operating below 55% unit loading and for Supercritical or ultra-supercritical units, a 10% extra quantity of start-up oil shall be provided for a period of 3 years from the Date of Commercial Operation (CoD), due to teething or stabilization issues.

7. The financial gains computed, after taking into account compensation, over and above the actual energy charges shall be shared between the generating station and the beneficiaries in the ratio of 1:1 in

accordance with the procedure to be issued by SLDC with the approval of the Commission.

8. There shall be a reconciliation of the compensation at the end of the financial year considering actual weighted average operational parameters of station heat rate, auxiliary energy consumption and secondary oil consumption.
  9. The change in the schedule of power under the provisions of Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations, 2022 shall not be considered for compensation.
  10. Procedure stipulating the mechanism to work out the compensation for degradation of heat rate, auxiliary consumption, and secondary fuel oil consumption due to part load operation and multiple start and stop of units of the generating station shall be submitted by the SLDC to the Commission within 30 days of issuance of this order and for the approval of the Commission."
71. A copy of this Order may be sent to the SLDC for compliance and to the stakeholders for reference.
72. The petition is disposed of accordingly.

(Hemant Kumar Jain)  
Member

(Dr. Rajesh Sharma)  
Chairman