

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION

WHEREAS the Madhya Pradesh State Electricity Regulatory Commission has published in the Madhya Pradesh Government Gazette on different dates the following, namely:-

Madhya Pradesh Electricity Regulatory Commission (MPERC), ((Forecasting, Scheduling, Deviation Settlement Mechanism and related matters of Wind and Solar generating stations) Regulations, 2018; (Notification No. : 513/2018/MPERC, Dated: 12.04.2018)

A. Madhya Pradesh Electricity Regulatory Commission (MPERC), ((Forecasting, Scheduling, Deviation Settlement Mechanism and related matters of Wind and Solar generating stations) Regulations, 2018 (First Amendment), 2019; (Notification No. : 1322/MPERC/2019, Dated: 25.09.2019)

- Inserted/ Replaced matter is shown as []^A at appropriate place; wordings inserted/ replaced shown within square brackets;
 - In both of above cases; -^A ; superscript A implies that change is caused by Amendment '1';
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Bhopal Dated : 12th April, 2018

No. **513/2018/MPERC**- In exercise of the powers conferred by Section 181 of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, the Madhya Pradesh Electricity Regulatory Commission, hereby, makes the following Regulations, namely:

Madhya Pradesh Electricity Regulatory Commission

(Forecasting, Scheduling, Deviation Settlement Mechanism and related matters of Wind and Solar generating stations) Regulations, 2018.

1. Short title, extent and commencement

1. These Regulations may be called the Madhya Pradesh Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement Mechanism and related matters of Wind and Solar generating stations) Regulations, 2018.
2. They shall extend to the whole of the State of Madhya Pradesh.
3. They shall come into force from the date of publication of this notification in the Madhya Pradesh Gazette.

2. Definitions , -

- (1) In these Regulations, unless the context otherwise requires-
 - (a) '**Act**' means the Electricity Act, 2003 (36 of 2003);

- ¹(b) ~~'Actual drawal' in a time-block means electricity drawn by a buyer, as the case may be, measured by the interface meters;]~~^A
- (c) **'Actual injection'** in a time-block means electricity generated or supplied by the seller, as the case may be, measured by the Interface meters;
- (d) **'Available Capacity (AvC)'** for wind or solar generators which are state entities, is the cumulative capacity rating of the wind turbines or solar inverters that are capable of generating power in a given time-block;
- ²(e) ~~'Buyer' means a person, including distribution licensee or open access consumer, purchasing electricity through a transaction scheduled in accordance with the regulations applicable for short-term open access, medium-term open access and long-term open access;]~~^A
- (f) **'Commission'** means the MP. Electricity Regulatory Commission referred to in sub-section (1) of section 82 of the Act;
- (g) ³~~'Deviation' in a time block for a Seller means its total actual injection minus its total scheduled generation and for a Buyer means its total actual drawal minus its total scheduled drawal, and shall form part of the State Energy Accounts to be prepared by SLDC.~~
- 'Deviation' in a time block for a Seller means its total actual injection minus its total scheduled generation.]^A*
- (h) **'Deviation-RE (also termed as Absolute Error)'** shall mean the absolute value of the error in the actual generation of wind or solar generators which are state entities with reference to the scheduled generation and the 'Available Capacity' (AvC), as calculated using the following formula for each 15 minute time block: $\text{Error (\%)} = 100 \times [\text{Actual Generation} - \text{Scheduled Generation}] / (\text{AvC})$
- (i) **'Existing RE Project'** shall mean Wind Generating Project or Solar Generating Project that has been commissioned prior to date of notification of these Regulations and the term Existing Wind/Solar Generator shall be construed accordingly;
- (j) ⁴~~'Gaming' in relation to these regulations, shall mean an intentional mis-declaration of declared capacity by any seller in order to make an undue commercial gain through Charge for Deviations;~~
- 'Gaming' in relation to these regulations, shall mean an intentional mis-declaration of available capacity by any seller in order to make an undue commercial gain through Charges for Deviations;]^A*
- (k) **'Grid Code'** means the M.P. Electricity Grid Code specified by the Commission under clause (h) of sub-section (1) of Section 86 of the Act;

¹ Omitted clause (b) of sub-Regulation 1 of Regulation 2, vide First amendment (A), 2019.

² Omitted clause (e) of sub-Regulation 1 of Regulation 2, vide First amendment (A), 2019.

³ Omitted clause (g) of sub-Regulation 1 of Regulation 2, vide First amendment (A), 2019.

- (l) **'Interface meters'** means interface meters as defined by the Central Electricity Authority under the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, as amended from time to time;
- (m) **'Interconnection Point'** means the HV side of the pooling station (line isolator of the outgoing feeder of the HV side of the pooling S/S), which shall be the same level at which forecast and schedule need to be prepared by wind and solar generating stations for onward submission to SLDC;
- (n) **'State Load Despatch Centre'** means Load Despatch Centre of the State established under sub-section (1) of section 31 of the Act, responsible for coordinating scheduling of the Buyers and the Sellers in accordance with the provisions of state Grid Code;
- ⁵ [(n-i) **'MRI'** means Meter Reading Instrument used for downloading and storage of data from Special Energy Meters;]^A
- (o) **'New RE Project'** shall mean Wind Generating Project or Solar Generating Project that has been commissioned subsequent to date of notification of these Regulations and the term New Wind/Solar Generator shall be construed accordingly; (p) Open Access Regulations' means the M.P. Electricity Regulatory Commission (Terms and Conditions for intra-state Open Access in Madhya Pradesh) Regulations, 2005 as amended from time to time and shall include any subsequent amendment thereof.
- (q) ⁶ [~~**'Pool Account'**~~ **'State Deviation Pool Account'**]^A means state account for receipts and payments on account of deviation by buyers or sellers including wind and solar generators;
- (r) **'Tooling Station'** means the sub-station where pooling of generation of individual wind generators or solar generators is done for interfacing with the next higher voltage level:

Provided that where there is no separate pooling station for a wind/solar generator and the generating station is connected through common feeder and terminated at a sub-station of distribution company/STU/CTU, the sub-station of distribution company/STU/CTU shall be considered as the pooling station for such wind/solar generator, as the case may be. ⁷ [However, in case the multiple common feeders of same developers are connected to the Grid Substation, then every individual feeder shall be treated as a separate pooling station;]^A

- (s) **'Qualified Coordinating Agency (QCA)'**: means the agency coordinating on behalf of Wind/Solar Generators connected to a pooling station. QCA may be one of the generators or any other mutually agreed agency for the following purposes:
- Coordinate for schedules with periodic revisions on behalf of all the Wind/Solar Generators connected to the pooling station(s).

⁴ Omitted clause (j) of sub-Regulation 1 of Regulation 2, vide First amendment (A), 2019.

⁵ Inserted a new clause (n-i) after clause (n) of sub-Regulation (1) of Regulation 2, vide First amendment (A), 2019.

⁶ Omitted and inserted wordings in clause (q) of sub-Regulation (1) of Regulation 2, vide First amendment (A), 2019.

⁷ Omitted and inserted wordings in the end of proviso of clause (r) of sub-Regulation (1) of Regulation 2, vide First

- Responsible for coordination with STU/SLDC for ^{A⁸} ~~metering, data collection/ transmission, communication.~~ *metering & AMR, data collection / transmission, telemetry & communication.*^A
- Undertake commercial settlement on behalf of the generators of such charges pertaining to generation deviations only including payments to the Regional/State Deviation Pool Accounts through the SLDC.

Undertake de-pooling of payments received on behalf of the generators from the State Deviation Pool Account and settling them with the individual generators.

- Undertake commercial settlement of any other charges on behalf of the generators as may be mandated from time to time.
 - QCA shall be treated as a State Entity and shall be registered with SLDC;
- (t) **'Scheduled Generation'** at any time or for a time block or any period means schedule of generation in MW or MWh *ex-bus* given by the concerned Load Despatch Centre;
- ^{A⁹} ~~(u) **'Scheduled Drawal'** at any time or for a time block or any period time block means schedule of despatch in MW or MWh *ex-bus* given by the concerned Load Despatch Centre;~~]^A
- (v) **'Seller'** means a person, including a generating station, supplying electricity through a transaction scheduled in accordance with the Regulations applicable for short-term open access, medium-term open access and long-term open access;
- (w) **'State Entity'** means such person who is in the SLDC control area and whose metering and energy accounting is done at the state level;
- (x) **'Time-Block'** means a time block of 15 minutes, for which specified electrical parameters and quantities are recorded by special energy meter, with first time block starting at 00.00 hrs;

Provided that time block shall be revised to 5 minutes from the date to be notified by the Commission. (2) Save as aforesaid and unless repugnant to the context or the subject-matter otherwise requires, words and expressions used in these Regulations and not defined, but defined in the Act, or the Grid Code or any other Regulations of this Commission shall have the same meaning assigned to them respectively in the Act or the Grid Code or any other Regulation.

3. Objective and Scope

- ^{A¹⁰} (1) ~~The objective of these Regulations is to maintain grid discipline and grid security as envisaged under the Grid Code through the commercial mechanism for Deviation Settlement through drawal and~~

amendment (A), 2019.

⁸ Omitted and inserted wordings in clause (s) of sub-Regulation (1) of Regulation 2, vide First amendment (A), 2019.

⁹ Omitted clause (u) of sub-Regulation 1 of Regulation 2, vide First amendment (A), 2019.

¹⁰ Omitted and inserted Regulation 3, vide First amendment (A), 2019.

injection of electricity by the users of the grid.

~~(2) These Regulations shall be applicable to Seller(s) and Buyer(s) involved in the transactions facilitated through short-term open access or medium-term open access or long-term open access in intra-state transmission or distribution of electricity (including intra-state wheeling of power), as the case may be, in respect of all wind generators having a combined installed capacity of 10 MW and above and solar generators with an installed capacity of 5 MW and above including those connected via pooling stations and selling power within or outside the State.~~

(1) *The objective of these Regulations is to maintain grid discipline and grid security as envisaged under the Grid Code through the commercial mechanism for Deviation Settlement through injection of electricity by the users of the grid.*

(2) *These Regulations shall be applicable to Seller(s) involved in the transactions facilitated through short-term open access or medium-term open access or long-term open access in intra-state transmission or distribution of electricity [including intra-state wheeling of power], as the case may be, in respect of all wind power generators having a combined installed capacity of 10 MW & above and solar power generators having installed capacity of 5 MW & above including those connected via pooling stations and selling power within the State:*

Provided that these Regulations shall also be applicable to all wind & solar generators selling power outside the State under open access and having combined installed capacity of 1 MW and above.]^A

4. Pre-conditions for participation in Deviation Settlement Mechanism:

These Regulations aim to govern the functioning of the various State Entities in a way that discipline is maintained with regards to the injection ^A[¹¹ and drawal]^A of energy by such State Entities and the reliability and integrity of power system is maintained.

In order to meet these objectives, necessary preconditions and covenants for participation by State Entities shall be as under:

- (1) All State Entities shall have equal and non-discriminatory treatment as regards the 'Deviation Settlement mechanism as specified in these Regulations.
- (2) The State Entities shall inform the SLDCs of all contracts they have entered into for exchange of energy.
- (3) SLDC shall take all decisions with regard to the despatching of stations after evaluating all possible network parameters, constraints, congestions in the transmission network and in the eventuality of any such network aberration, the instructions by the SLDC with regard to despatch and drawal shall be binding on all State Entities.
- (4) State Entities shall operate their equipment and loads in a manner that is consistent with the provisions of the Indian Electricity Grid Code and the M.P. Electricity Grid Code.

¹¹ Omitted and inserted wordings in Regulation 4, vide First amendment (A), 2019.

- (5) State Entities shall enter into BPTA (Bulk Power transmission agreement) and Connection Agreement with the concerned transmission licensee, which shall specify the physical and operational requirements for a reliable operation and gain physical access and connection to the intra-State transmission system (InSTS) or enter into Connection and Use Agreement with concerned Distribution Licensee for use of distribution system, as the case may be.
- (6) SLDC shall publish all such information as required for all other State Entities to be aware of the energy exchanges taking place within the pool as well as exigency conditions, if any.
- (7) ^{A[12]} ~~All State Entities shall make necessary arrangements for putting up suitable meters, capable of recording energy flows at 15-minutes intervals, at the points of injection and drawal.~~

All State Entities shall make necessary arrangements for putting up suitable meters, capable of recording energy flows at 15-minutes intervals, at the points of injection and providing AMR facility for data downloading remotely at SLDC.]^A

^{A[13]} (8) *All wind or solar generators including those connected via pooling station shall have to appoint a common QCA which may be one of the generator or mutually agreed agency. If generators fail to appoint a common QCA within a period of two months from the date of issue of notice by SLDC, then SLDC shall advise the concerned licensee for disconnection of defaulting generators. The licensee shall take action accordingly under intimation to SLDC.*

(9) *In case more than 50% of the installed capacity of wind or solar generators including those connected via pooling station have consented for a particular QCA, then remaining generators shall have to appoint same agency as a QCA. In case of non-compliance, SLDC shall advise the concerned licensee to disconnect the defaulting generators from the Grid. The licensee shall comply with the instructions of SLDC under intimation to SLDC.]^A*

5. Principles for Operationalising Deviation Settlement Mechanism:

^{A[14]} ~~The framework for Deviation Settlement Mechanism shall cover the following key design parameters, viz. (a) Scheduling period (b) Deviation (c) Settlement period (d) Measurement unit for State Deviation Pool Account (e) Deviation Pool Price Vector (f) Deviation Volume Limit (g) Premise for allocation of losses.~~

(a) ~~Scheduling Period: The scheduling period shall comprise of 96 time blocks, each of 15-minutes duration starting from 00:00 hours (1ST) ending with 24:00 hours (1ST), the first time block of scheduling period shall commence from 00:00 hours (1ST) to 00:15 hours (1ST), second time block of scheduling period shall commence from 00:15 hours (1ST) to 00:30 hours (1ST) and so on.~~

~~Provided that from the date to be notified by the Commission, the scheduling period shall be revised to 288 time blocks, each of 5-minutes duration starting from 00:00 hours (1ST) ending with 24:00 hours (1ST). Accordingly, the Interface Metering, Energy Accounting and Deviation Settlement should be capable to undertake transactions with 5-minutes duration. All future resource~~

¹² Omitted and inserted sub-Regulation (7) of Regulation 4, vide First amendment (A), 2019.

¹³ Inserted two new sub-Regulations (8) and (9) after Regulation (7), vide First amendment (A), 2019.

¹⁴ Omitted and inserted Regulation 5, vide First amendment (A), 2019.

planning, IT and communication system requirement and infrastructure development shall be undertaken to cater to this requirement.

Based on the availability schedule forecasted by generating stations (Sellers) and load requirement forecasted by Buyers, the SLDC shall draw up the least cost despatch schedule on Day Ahead basis for the State Entities in accordance with the merit order principles approved by the Commission from time to time;

~~Provided that wheeling transactions of captive users and open access consumers shall be despatched as contracted subjected to transmission constraints and system emergency conditions.~~

- (b) ~~Deviation: For the purposes of Deviation settlement "amongst State Entities, the SLDC shall work out the 'Deviation Pool Accounts' comprising over-drawal/under-drawal and over-injection and under-injection for each State Entity corresponding to each Scheduling period in accordance with the provisions of these Regulations.~~
- (c) ~~Settlement Period: Preparation and settlement of 'Deviation Pool Accounts' shall be undertaken on weekly basis coinciding with mechanism followed for regional energy accounts. Measurement Unit for **Deviation Pool Account**: The measurement unit for Deviation Pool Volume (Over-drawal/under-drawal and Over-injection/under-injection) preparation shall be kilo-Watt hours (kWh). Measurement unit for Deviation Pool Value (Payable and Receivable) preparation shall be Indian Rupees (INR). The decimal component of the energy unit (kWh) and amount (INR) shall be rounded off to nearest integer value.~~
- (d) ~~**Deviation Pool Price Vector**: The charges for Deviation shall be in accordance with the Deviation Price Vector to be notified by the Commission from time to time. Separate treatment for pricing of Deviation of Buyers/Sellers and Wind/Solar Generators, as stipulated under Regulation 6 shall be applicable. Further, additional condition for a change in sign of the deviation shall be met once every 6 time blocks by Buyer/Seller except for Wind or Solar Generator(s), failing which additional charges @10% of the deviation charges applicable shall be levied for the duration of continuance of violation.~~
- (e) ~~**Deviation Volume Limit**: In order to ensure grid discipline and grid security, conditions for Deviation Volume Limit and consequences for exceeding such Deviation Volume Limit by way of levy of Additional Deviation Charges as specified under Regulation 8 shall be applicable.~~
- (f) ~~**Premise for allocation of losses**: For the purpose of Deviation Pool accounting, intra-State transmission system losses as approved by the Commission shall be allocated amongst the State Entities in proportion to the actual drawal by each State Entity.~~

~~Provided that State Load Despatch Centre shall maintain account of actual intra-state transmission system loss for each time block and publish reconciliation statement of 52 weekly average loss vis-a-vis approved loss by the Commission on its website.~~

The framework for Deviation Settlement Mechanism shall cover the following key design parameters, viz. (a) Scheduling period (b) Deviation (c) Settlement period (d) Measurement unit for State Deviation Pool Account

(e) Deviation Pool Price Vector

- (a) **Scheduling Period:** *The scheduling period shall comprise of 96. time blocks, each of 15-minutes duration starting from 00:00 hours (1ST) ending with 24:00 hours (1ST). The first time block of scheduling period shall commence from 00:00 hours (1ST) to 00:15 hours (1ST), second time block of scheduling period shall commence from 00:15 hours (1ST) to 00:30 hours (1ST) and so on:*

Provided that the scheduling period may be revised to 288 time blocks, each of 5-minutes duration starting from 00:00 hours (1ST) ending with 24:00 hours (1ST) and accordingly, the Interface Metering, Energy Accounting and Deviation Settlement need to be capable to undertake transactions with 5-minutes duration. All future resource planning, IT and communication system requirement and infrastructure development may be undertaken to cater to this requirement

- (b) **State Deviation Pool Account:** *For the purposes of Deviation settlement amongst qualified Wind and Solar Generators, the SLDC shall work out the 'Deviation Pool Accounts' comprising over-injection and under-injection for each qualified Wind and Solar Pooling Station, or solar/wind generators, as the case may be, corresponding to each Scheduling period in accordance with the provisions of these Regulations.*

- (c) **Settlement Period:** *Preparation and settlement of 'Deviation Pool Accounts' shall be undertaken on weekly basis coinciding with mechanism followed for regional energy accounts. Till such time, the complete weekly ABT meter data starts to flow through AMR System or manual data download by MRI, the State Load Despatch Centre shall prepare and issue Deviation Charges Account on monthly basis which shall be allowed maximum up to 3 months from the date of the notification of these Regulations.*

- (d) **Measurement Unit for Deviation Pool Account:** *The measurement unit for Deviation Pool Volume (Over-injection/under-injection) preparation shall be kiloWatt hours (kWh). Measurement unit for Deviation Pool Value (Payable and Receivable) preparation shall be Indian Rupees (INR). The decimal component of the energy unit (kWh) and amount (INR) shall be rounded off to nearest integer value.*

- (e) **Deviation Pool Price Vector:** *The charges for Deviation shall be in accordance with the Deviation Price Vector to be notified by the Commission from time to time. Separate treatment for pricing of Deviation of Wind/ Solar Generators, as specified under Regulation 6 shall be applicable.]^A*

6. Forecasting, scheduling and elimination of gaming

(a) Procedure :-

- (1) ~~The provisions of the Grid Code and the M.P. Electricity Regulatory Commission (terms and Conditions for intra-state open access in Madhya Pradesh) Regulations, 2005 as amended from time to time, shall be applicable for declaration of capacity, scheduling and elimination of gaming.~~

- (2) ~~The generating station, as far as possible, shall generate electricity as per the day-ahead~~

generation schedule finalized by the State Load Despatch Centre in accordance with the Grid Code.

~~Provided that the revision in generation schedule on the day of operation shall be permitted, in accordance with the procedure specified under the Grid Code and M.P. Electricity Regulatory Commission (terms and Conditions for intra-state open access in Madhya Pradesh) Regulations, 2005 as the case may be.~~

- ~~(3) The wind and solar generator or the QCA, as the case may be, shall have the option of accepting the concerned SLDC's forecast for preparing its schedule or provide the concerned SLDC with a schedule based on its own forecast, and such schedule shall be used as reference for deviation settlement.~~
- ~~(4) The QCA shall coordinate the aggregation of schedules of all generators connected to a pooling station and communicate it to the SLDC. The QCA shall undertake all commercial settlement on behalf of the wind or solar generator(s) connected to the respective pooling station(s).~~
- ~~(5) The plan for data telemetry, formats of forecast submission and other details in this regard shall be provided in the Detailed Procedure to be prepared by SLDC and approved by the State Commission.~~
- ~~(6) The Commission, either suo-motu or on a petition made by SLDC, or any affected party, may initiate proceedings against any generating company or seller on charges of gaming and if required, may order an inquiry in such manner as decided by the Commission. When the charge of gaming is established in the above inquiry, the Commission may, without prejudice to any other action under the Act or Regulations thereunder, disallow any charges for Deviation received by such generating company or the seller during the period of such gaming.~~
- ~~(7) The charges for deviation for wind and solar generators which are state entities undertaking inter-state or intra-state transactions, shall be governed as per the provisions outlined under the following sub-clauses of this regulation.~~

***Procedure:-** The provisions of the Madhya Pradesh Electricity Grid Code and the M.P. Electricity Regulatory Commission (Terms and Conditions for intra-state open access in Madhya Pradesh) Regulations, 2005 as amended from time to time, shall be applicable for declaration of capacity, scheduling and elimination of gaming and the detailed operating procedure in this regard is annexed as Annexure-I.*

- (b) The wind or solar generators which are state entities undertaking intra/inter-state transactions shall be paid as per schedule generation.
 - (i) In the event of actual generation being lesser than the scheduled generation, the deviation charges for shortfall in generation shall be payable by such wind or solar generator which are state entities into State Deviation Pool Account as given in Table -I of Schedule.

- (ii) In the event of the actual generation being more than the scheduled generation, the Deviation Charges for excess generation shall be payable to the wind or solar generators which are state entities undertaking inter-state transactions from State Deviation Pool Account as given in Table - II of Schedule.
 - (iii) The wind or solar generators which are state entities undertaking intra-state transactions, shall be paid as per actual generation.
 - (iv) In the event of actual generation of a generating station or a pooling station, as the case may be, being less or more than the scheduled generation, the deviation charges for shortfall or excess generation shall be payable by the wind and solar generator or the QCA, as the case may be, to the State Deviation Pool Account, as given in Table - 7/7 or Table-TV of Schedule. as the case may be.
- (c) In case of wind or solar generators as state entities undertaking intra-state transactions and inter-state transactions shall be allowed provided that such generators are connected to separate feeders at LV side of the Pooling Substation and metering, scheduling, energy accounting and deviation settlement account for such wind or solar generators are maintained separately.
- (d) Where the Fixed Rate referred under Table-I and Table-II of Schedule is the PPA rate as determined by the Commission under section 62 of the Act or adopted by the Commission under section 63 of the Act. In case of multiple PPAs, the weighted average of the PPA rates shall be taken as the Fixed Rate. The wind and solar generators shall furnish the PPA rates on affidavit for the purpose of Deviation charge account preparation to concerned SLDC supported by copy of the PPA.
- (e) Fixed Rate for Open Access participants selling power which is not accounted for RPO compliance of the buyer, and the captive wind or solar plants shall be the Average Power Purchase Cost (APPC) rate at the National level, as may be determined by the Central Commission from time to time through a separate order.
- (f) With regard to inter-state wheeling transactions of Wind and Solar Generating stations as State Entities, for balancing of deemed renewable purchase obligation (RPO) compliance of buyers with respect to schedule, deviations by all wind and solar generators which are state entities shall first be netted off for the entire pool on a monthly basis and any remaining shortfall in renewable energy generation must be balanced through purchase of equivalent solar and non-solar Renewable Energy Certificates (RECs), as the case may be, by SLDC by utilising funds from the Pool Account. For positive balance of renewable energy generation, equivalent notional RECs shall be credited to the DSM Pool and carried forward for settlement in future.
- (g) State Load Despatch Centre [or the Secretariat of State Power Committee, as the case may be] shall maintain separate records and account of time-block wise schedules, actual generation and deviations for all generators, including wind and solar generators.
- (h) Once the accounting procedures as above are put in place, all Wind and Solar generators shall

be treated together as a virtual pool within the State Deviation Pool Account. Deviations for and within this virtual pool could be settled first at the rates and methodology stipulated above for wind and solar generators.

¹⁵ 7. **Compliance with instructions of Load Despatch Centre**

~~Notwithstanding anything specified in these Regulations, the sellers and the buyers shall strictly follow the instructions of the State Load Despatch Centre on injection and drawal in the interest of grid security and grid discipline.~~

8. **Accounting of Charges for Deviation**

- (1) ~~A statement of Charges for Deviations levied under these Regulations shall be prepared by SLDC [or by the Secretariat of the State Power Committee, as the case may be] on weekly basis based on the data provided by SLDC by the Thursday of the week and shall be issued to all constituents by next Tuesday, for seven day period ending on the penultimate Sunday mid-night.~~
- (2) ~~All payments on account of Charges for Deviation levied under these Regulations and interest, if any, received for late payment shall be credited to the funds called the "State Deviation Pool Account" which shall be maintained and operated by the concerned State Load Despatch Centre in accordance with provisions of these regulations. Provided that-~~
 - (a) ~~the Commission may by order direct any other entity to operate and maintain the respective "State Deviation Pool Account":~~
 - (b) ~~separate books of accounts shall be maintained for the principal component and interest component of Charges for Deviation and Additional Charges for Deviation by SLDC (or by the Secretariat of the respective State Power Committee, as the case may be).~~
- (3) ~~All payments received in the "State Deviation Pool Account" shall be appropriated in the following sequence:~~
 - (a) ~~First towards any cost or expense or other charges incurred on recovery of Charges for deviation.~~
 - (b) ~~Next towards over dues or penal interest, if applicable.~~
 - (c) ~~Next towards normal interest.~~
 - (d) ~~Next dues towards Regional Deviation Pool Account~~
 - (e) ~~Lastly, towards charges for deviation and additional charges for - deviation.~~

9. **Schedule of Payment of Charges for Deviation**

- (1) ~~The payment of charges for Deviation shall have a high priority and the concerned constituent shall~~

¹⁵ Omitted Regulations 7, 8 and 9, vide First amendment (A), 2019.

~~pay the indicated amounts within ten days of the issue of statement of Charges for Deviation by SLDC [or by the Secretariat of the State Power Committee, as the case may be] into the "State Deviation Pool Account".~~

~~(2) If payments against the Charges for Deviation are delayed by more than two days, i.e., beyond twelve (12) days from the date of issue of the statement by the SLDC (or the Secretariat of the State Power Committee, as the case may be), the defaulting constituent shall have to pay simple interest @ 0.04% for each day of delay.~~

~~(3) All payments to the entities entitled to receive any amount on account of charges for Deviation shall be made within 2 working days of receipt of the payments in the "State Deviation Pool Account".~~

~~Provided that -~~

~~(a) in case of delay in the Payment of charges for Deviations, into the [State] Deviation Pool Account and interest there on if any, beyond 12 days from the date of issue of the Statement of Charges for Deviations, the State Entities who have to receive payment for Deviation or interest thereon shall be paid from the balance available in the [State] Deviation Pool Account. In case the balance available is not sufficient to meet the payment to the State Entities, the payment from the State Deviation Pool Accounts shall be made on pro rata basis from the balance available in the Deviation Pool Account.~~

~~(b) the liability to pay interest for the delay in payments to the "State Deviation Pool Account" shall remain till interest is not paid; irrespective of the fact that constituents who have to receive payments, have been paid from the "State Deviation Pool Account" in part or full.~~

~~(4) All State Entities which had at any time during the previous financial year failed to make payment of Charges for Deviation within the time specified in these Regulations shall be required to open a Letter of Credit (LC) equal to 110% of its average payable weekly liability for Deviations in the previous financial year, in favour of the SLDC within a fortnight from the date these Regulations come into force. Provided that -~~

~~(a) if any State entity fails to make payment of Charges for Deviation by the time specified in these Regulations during the current financial year, it shall be required to open a Letter of Credit equal to 110% of weekly outstanding liability in favour of State Load Despatch Centre within a fortnight from the due date of payment.~~

~~(b) LC amount shall be increased to 110% of the payable weekly liability for Deviation in any week during the year, if it exceeds the previous LC amount by more than 50%.~~

Illustration: ~~If the average payable weekly liability for Deviation of a State entity during [2016-17] is Rs. 2.0 crore, the State entity shall open LC for Rs. 2.2 crore in [2017-18]. If the weekly payable liability during any week in [2017-18] is Rs. 3.5 crore which is more than 150% of the previous financial year's average payable weekly liability of Rs 2.0 Crore, the concerned state entity shall increase the LC amount to Rs. 3.85 Crore (1.1*3.50) by adding Rs. 1.65 Crore (3.85~~

~~-2.2). (5) In case of failure to pay into the "State Deviation Pool Account" within the specified time of 12 days from the date of issue of statement of charges for Deviations, the SLDC shall be entitled to encash the LC of the concerned constituent to the extent of the default and the concerned constituent shall recoup the LC amount within 3 days.]^A~~

10. Governance Structure and constitution of State Power Committee

- (1) ~~^A[¹⁶ Within three months from date of notification of these Regulations, the State Load Despatch Centre shall formulate Operating Procedures and Business Rules for constitution of State Power Committee, which shall be approved by the State Commission.~~

Within two months from the date of notification of these Regulations, the State Load Despatch Centre shall formulate a "State Power Committee" and after obtaining approval from the Commission, issue the necessary order.]^A

- (2) The State Power Committee shall:
- (a) Co-ordinate and facilitate the intra-state energy exchange for ensuring optimal utilisation of resources.
 - (b) Review energy accounting and billing for inter-utility exchange of power
 - (c) Ensure settlement of deviations amongst State Entities in accordance with these Regulations.
 - (d) Monitor compliance of these Regulations by State Entities.

11. Power to Relax.

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected by grant of relaxation, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.

12. Power to issue directions:-

If any difficulty arises in giving effect to these Regulations, the Commission may on its own motion or on an application filed by any affected party, issue such directions as may be considered necessary in furtherance of the objective and purpose of these Regulations.

13. Repeal and Savings:-

- (1) Nothing in these Regulations shall be deemed to limit or otherwise effect the inherent power of the Commission to make such orders as may be necessary for ends of justice to meet or to prevent abuses of the Process of the Commission.

¹⁶ Omitted and inserted sub-Regulation (1) of Regulation 10, vide First amendment (A), 2019.

- (2) Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act a procedure, which is at Variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.
- (3) Nothing in these Regulations shall, expressly or impliedly, bar the 'Commission dealing with any matter or exercising any power under the Act for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in manner it thinks fit.

By order of the Commissioner,
SHAILENDRA SAXENA, Commission Secretary.