

ODISHA ELECTRICITY REGULATORY COMMISSION
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PUBLIC NOTICE

Sub: Previous publication of OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2015.

In exercise of the powers conferred under Section 181 of the Electricity Act, 2003 (36 Of 2003) and all other powers enabling it in that behalf, the Odisha Electricity Regulatory Commission has prepared a draft Regulations named OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2015, for implementation of the said Regulation in the State of Odisha. The text of the aforesaid draft Regulations is available in the Commission's website www.orierc.org. The copy of the draft Regulations may be obtained from the office of the Commission on payment of Rs. 20/- in cash to be deposited with the Accounts Officer, OERC.

The Commission hereby publishes the proposed OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2015 for information of the general public u/S 181 (3) of the Electricity Act, 2003.

Any persons/institutions/organizations interested to offer their views/suggestions / objections on the aforesaid draft Regulations may submit the same to the undersigned in the above address by hand / fax / post within 30 days of publication of this notice.

After considering the responses received, the Commission may, in appropriate cases, bring the necessary modifications, if any to the proposed Regulations and finalize the same for publication in Official Gazette.

By Order of the Commission

**Sd/-
SECRETARY**

Bhubaneswar.

Date: 23rd September, 2015

OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2015



ODISHA ELECTRICITY REGULATORY COMMISSION

September, 2015

ODISHA ELECTRICITY REGULATORY COMMISSION
UNIT – VIII, BHUBANESWAR – 751012

No. XXXXXX- In exercise of the powers conferred under sub-sections (2) (zd) and (2) (zp) of Section 181 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it on that behalf, the Odisha Electricity Regulatory Commission hereby makes the following Regulations to maintain grid discipline and grid security as envisaged under the Odisha Grid Code, through the Deviation Settlement mechanism for drawal and injection of electricity by the users of the state grid.

1. Short title, Commencement and Extent

- 1.1 These Regulations shall be called **“Odisha Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2015”**.
- 1.2 These Regulations shall extend to the whole of the State of Odisha.
- 1.3 These Regulations shall come into force from the date of publication in the Official Gazette.
- 1.4 OERC (Intra-State ABT) Regulations, 2007 is hereby repealed.

2. Definitions and Interpretation

2.1 In these Regulations, unless the context otherwise requires-

- (a) **“Absolute Error”** shall mean the absolute value of the error in the actual generation of wind or solar generators which are intra-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:

$$\text{Error (\%)} = 100 \times [\text{Actual Generation} - \text{Scheduled Generation}] / (\text{AvC})$$

- (b) **“Act”** means the Electricity Act, 2003 (36 of 2003) and any amendments thereto;
- (c) **“Actual Drawal”** in a time-block means electricity drawn by a buyer, as the case may be, measured by the interface meters;
- (d) **“Actual Injection”** in a time-block means electricity generated or supplied by the seller, as the case may be, measured by the interface meters;
- (e) **“Available Capacity (AvC)”** for wind or solar generators which are intra-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;
- (f) **“Beneficiary”** means a person purchasing electricity generated from a generating station;
- (g) **“Buyer”** means a person, including beneficiary, purchasing electricity through a transaction scheduled in accordance with the applicable regulations;
- (h) **“Deviation”** in a time-block for a seller or supplier means its total actual injection minus its total scheduled generation and for a buyer means its total actual drawal minus its total scheduled drawal;
- (i) **“Gaming”** in relation to these regulations, shall mean an intentional mis-declaration of declared capacity by any seller or buyer in order to make an undue commercial gain through Charge for Deviations;
- (j) **“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.

- (k) **“Intra-State Deviation Charges”** shall mean charges for deviation as specified by these Regulations;
- (l) **“Intra-State Generating Station”** shall mean a generating station or a captive generating plant (CGP) which is not an Inter-State generating station and is operating and supplying entire electricity generation within the State;
- (m) **“Open Access Regulations”** means the Odisha Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulation, 2005 and Odisha Electricity Regulatory Commission (Determination of Open Access Charges) Regulations, 2006 as amended from time to time and shall include any subsequent amendment thereof.
- (n) **“Scheduled Drawal”** at any time block means schedule of despatch in MW or MWh ex-bus given by the SLDC;
- (o) **“Scheduled Generation”** at any time block means schedule of generation in MW or MWh ex-bus given by the SLDC;
- (p) **“Seller”** or **“Supplier”** means any generating company or licensee from whose system, electricity flows into the system of another generating company or licensee or consumer, through a transaction scheduled in accordance with the regulations;
- (q) **“SLDC”** means the State Load Dispatch Centre under sub-section (1) of section 31 of the Act;
- (r) **“Specified Network”** means intra-state transmission and distribution network of 33 kV and above voltage level owned and operated by the transmission and distribution licensee(s) of the State;
- (s) **“State Transmission Utility (STU)”** means the utility notified by the Government of Odisha under Section 39(1) of the Act;
- (t) **“State”** means the state of Odisha;
- (u) **“Time Block”** means block of 15 minutes each, for which Special Energy Meters record values of specified electrical parameters with first time block starting at 00.00 Hrs;
- (v) **“User”** shall mean generating station including CGP, distribution licensee or any other licensee, trading licensee and open access customers, within the state utilizing specified network;
- (w) **“Year”** means a financial year.

2.2 Words and expressions used in these Regulations and not defined but defined in the Act or the Regulations issued by the Central Commission or any other regulations issued by the Commission shall have the same meaning assigned to them respectively in the Act or such Regulations issued by the Central Commission or by the Commission.

2.3 All proceedings under these Regulations shall be governed by the OERC (Conduct of Business) Regulations, 2004 as amended from time to time through Deviation Settlement Mechanism.

3. Objective

3.1 The objective of these regulations is to maintain grid discipline and grid security as envisaged under the Indian Electricity Grid Code and Odisha Grid Code.

4. Scope of Regulations and Extent of their Application

4.1 These Regulations shall be applicable to users those are required to give daily schedules to SLDC, unless excluded from the applicability of Deviation Settlement Mechanism under

these Regulations:

Provided that the applicability of these Regulations shall remain suspended for the period of Grid disturbance, islanded mode of grid operation as intimated by SLDC, as per provisions of the Odisha Grid Code, as amended from time to time.

- 4.2 These Regulations shall apply to all Generating Stations (including Solar and Wind Generators) in the state of Odisha, except the Inter-state Generating Stations (including Solar and Wind Generators) connected to Inter-State Transmission system:

Provided that these regulations shall be applicable to all CGPs in the state of Odisha, with capacity of 5 MVA and above:

Provided further that Power Plants of capacity below 5 MW shall not fall under the scope of these Regulations:

Provided further that the Power Plants of Odisha Hydro Power Corporation Limited shall not fall under the scope of these Regulations.

- 4.3 These Regulations shall apply to all Distribution/Trading Licensees in the state of Odisha. These Regulations shall also apply to all Open Access Customers (Above 5 MW) in the state of Odisha, only in respect to the electricity supplied to them by the Intra-State generating station including CGP/licensee to the extent of such supply only.

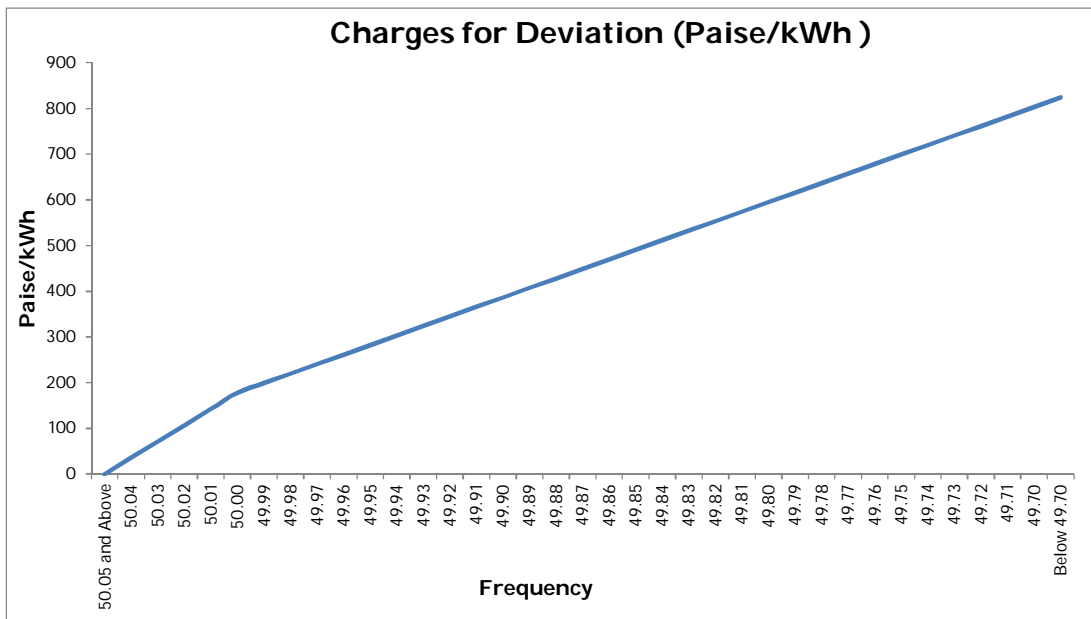
5. Charges for Deviations

- 5.1 The charges for the Deviations for all the time-blocks shall be payable for over drawal by the buyer and under-injection by the seller and receivable for under-drawal by the buyer and over-injection by the seller, except for intra-state Wind and Solar Generators. This shall be worked out on the average frequency of a time-block at the rates specified in the table below as per the methodology specified in Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2014 and amendments thereto:

Average Frequency of the time block (Hz)		Charges for Deviation
Below	Not Below	Paise/kWh
	50.05	0.00
50.05	50.04	35.60
50.04	50.03	71.20
50.03	50.02	106.80
50.02	50.01	142.40
50.01	50.00	178.00
50.00	49.99	198.84
49.99	49.98	219.68
49.98	49.97	240.52
49.97	49.96	261.36
49.96	49.95	282.20
49.95	49.94	303.04
49.94	49.93	323.88
49.93	49.92	344.72
49.92	49.91	365.56
49.91	49.90	386.40
49.90	49.89	407.24
49.89	49.88	428.08
49.88	49.87	448.92
49.87	49.86	469.76

Average Frequency of the time block (Hz)		Charges for Deviation
Below	Not Below	Paise/kWh
49.86	49.85	490.60
49.85	49.84	511.44
49.84	49.83	532.28
49.83	49.82	553.12
49.82	49.81	573.96
49.81	49.80	594.80
49.80	49.79	615.64
49.79	49.78	636.48
49.78	49.77	657.32
49.77	49.76	678.16
49.76	49.75	699.00
49.75	49.74	719.84
49.74	49.73	740.68
49.73	49.72	761.52
49.72	49.71	782.36
49.71	49.70	803.20
49.70		824.04

(Charges for deviation for each 0.01 Hz step is equivalent to 35.60 Paise/kWh in the frequency range of 50.05-50.00 Hz, and 20.84 Paise/kWh in frequency range 'below 50 Hz' to 'below 49.70 Hz')



Provided that the charges for the Deviation for the under draws by the buyer in a time block in excess of 5% of the schedule, shall be zero:

Provided further that the charges for the Deviation for the over-injection by the seller in a time block in excess of 5% of the schedule shall be zero, except in case of injection of infirm power, which shall be governed by the Clause 5.5 of this Regulation, and except for wind and solar generators which are regional entities, which shall be governed by Clause 5.2 and 5.3 below.

- 5.2 The Wind or Solar Generators which are intra-state entities shall pay the deviation charges for shortfall in generation to the Odisha Deviation Pool Account fund as given in table below:

Deviation Charges in case of under injection		
Sl. No.	Absolute Error in the 15-minute time block	Deviation Charges payable to Odisha Deviation Pool Account
1	<=15%	At the fixed rate for the shortfall energy for absolute error up to 15%
2	>15% but <=25%	At the fixed rate for the shortfall energy for absolute error up to 15% + 110% of the Fixed Rate for balance energy beyond 15% and up to 25%
3	>25% but <=35%	At the fixed rate for the shortfall energy for absolute error up to 15% + 110% of the Fixed Rate for balance energy beyond 15% and up to 25% + 120% of the Fixed Rate for balance energy beyond 25% and up to 35%
4	>35%	At the fixed rate for the shortfall energy for absolute error up to 15% + 110% of the Fixed Rate for balance energy beyond 15% and up to 25% + 120% of the Fixed Rate for balance energy beyond 25% and up to 35% + 130% of the Fixed Rate for balance energy beyond 35%

Provided that where the Fixed Rate 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 SLDC supported by copy of the PPA:

Provided further that the 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 GRIDCO level, as determined by the Commission from time to time.

- 5.3 The Wind or Solar generators which are intra-state entities shall be paid the deviation charges for the excess generation from the Odisha Deviation Pool Account fund as given in table below:

Deviation Charges in case of over injection		
Sl. No.	Absolute Error in the 15-minute time block	Deviation Charges payable to Odisha Deviation Pool Account
1	<=15%	At the fixed rate for the excess energy up to 15%
2	>15% but <=25%	At the fixed rate for the excess energy up to 15% + 90% of the Fixed Rate for excess energy beyond 15% and up to 25%
3	>25% but <=35%	At the fixed rate for the excess energy up to 15% + 90% of the Fixed Rate for excess energy beyond 15% and up to 25% +80% of the Fixed Rate for excess energy beyond 25% and up to 35%
4	>35%	At the fixed rate for the excess energy up to 15% + 90% of the Fixed Rate for excess energy beyond 15% and up to 25% +80% of the Fixed Rate for excess energy beyond 25% and up to 35% +70% of the Fixed Rate for excess energy beyond 35%

Provided that where the Fixed Rate 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 SLDC supported by copy of the PPA:

Provided further that the 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 GRIDCO level, as determined by the Commission from time to time.

- 5.4 The Charges for Deviation may be reviewed by the Commission from time to time and shall be re-notified accordingly:

Provided that the Commission will be guided by the relevant CERC regulations and amendments thereto, while determination of the Charges for Deviation.

- 5.5 The infirm power injected into the grid by a generating unit of a generating station during the testing, prior to COD of the unit shall be paid at Charges for Deviation for infirm power injected into the grid, for a period not exceeding 6 months or the extended time allowed by the Commission, subject to ceiling of Cap rates corresponding to the main fuel used for such injection as specified below:

Domestic coal/ Lignite/Hydro: Rs. 1.78 / kWh sent out

Imported Coal: Rs. 3.03 / kWh sent out

6. Declaration, scheduling and elimination of gaming

- 6.1 The provisions of the Odisha Grid Code, as amended from time to time, shall be applicable for declaration of capacity for scheduling.

Declaration

- 6.2 The generating stations shall be required to demonstrate their declared capability as and when directed by the SLDC:

Provided that in the event of a generating company failing to demonstrate the declared capacity, the capacity charges due to the generator shall be reduced proportionately and in case of persistent failure to prove the declared capacity, the same shall be dealt as per the Odisha Grid Code.

Scheduling

- 6.3 The eligible suppliers and users shall comply with the scheduling and dispatch requirements as specified in the Orissa Grid Code and as per the instructions given by SLDC.

- 6.4 SLDC shall aggregate the requisitions of drawl of power from the Discoms and traders and prepare the dispatch schedule keeping in view the merit order of dispatch. The SLDC shall issue the following which shall form the basis of Deviation Settlement Mechanism:

- (i) Drawl schedule to ERLDC against state's entitlement for communication to the Central Generating Stations.
- (ii) Dispatch schedule to the State Generators.
- (iii) Dispatch schedule to Others (IPPs/CGPs).
- (iv) Drawl schedule to the Discoms/Open Access Customers/Traders.

Elimination of Gaming

- 6.5 The Commission, either suo motu or on a petition made by SLDC, or any affected party, may initiate proceedings against any seller or buyer on charges of gaming and if required, may order an inquiry in such manner as decided by the Commission.

Provided that 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 seller or buyer during the period of such gaming.

- 6.6 Any Generating Stations generating up to 105% of the declared capacity in any time block of 15 minutes and averaging up to 101% of the average declared capacity over a day shall not be construed as gaming and the generator shall be entitled to Charges for Deviation for such excess generation above the scheduled generation.

Provided that for any generation beyond the prescribed limits, the SLDC shall investigate so as to ensure that there is no gaming, and if gaming is found, the corresponding Charges for Deviation due to the generating station on account of such extra generation shall be reduced to zero and the amount shall be adjusted in Charges for Deviation account of users in the ratio of their capacity share in the generating station.

- 6.7 Any Discom or any person under Section 13 or under 8th proviso of Section 14 of the Act draws less power than the scheduled drawl in spite of availability of power as per schedule and at the same time has load shedding in his area of supply, then the action shall be construed as gaming and no Charges for Deviation shall be receivable by him. Charges for Deviation amount shall be adjusted in the Charges for Deviation account of users as provided in Section 5 above.

Provided that if such incidence occurs due to any direction by SLDC, then Charges for Deviation may be applicable for the concerned Discom.

- 6.8 Any significant deviation of more than 5% shall be treated as gaming and may be disallowed by SLDC.

7. Limits on Deviation volume and consequences of crossing limits

- 7.1 The overdrawal/underdrawal of electricity by any buyer during the time block shall not exceed 5% of its scheduled drawal, when grid frequency is “49.70 Hz and above” and “below 50.10 Hz”:

Provided that no overdrawal of electricity by any buyer shall be permissible when grid frequency is “below 49.70 Hz” and no underdrawal of electricity by any buyer shall be permissible when grid frequency is “50.10 Hz and above”.

Provided that the limits on deviation volume and consequences for crossing these limits (including the additional charges for deviation) as stipulated under these regulations, shall not apply to wind and solar generators which are intra-state entities.

- 7.2 The under-injection / over-injection of electricity by a seller during a time-block shall not exceed 5% of the scheduled injection of such seller when grid frequency is “49.70 Hz and above” and “below 50.10 Hz”:

Provided that no under injection of electricity by a seller shall be permissible when grid frequency is “below 49.70 Hz” and no over injection of electricity by a seller shall be permissible when grid frequency is “50.10 Hz and above”:

Provided further that any infirm injection of power by a generating station prior to COD of a unit during testing and commissioning activities shall be exempted from the volume limit specified above for a period not exceeding six months or the extended time allowed by the

Commission:

Provided further that any drawal of power by a generating station prior to COD of a unit for the startup activities shall be exempted from the volume limit specified above when grid frequency is “49.70 Hz and above”.

- 7.3 In addition to Charges for Deviation as stipulated under Section 5 of these regulations, Additional Charge for Deviation shall be applicable for over-drawal as well as under-injection of electricity for each time block in excess of the volume limit specified in Clause 7.1 and 7.2 of this regulation when average grid frequency of the time block is “49.70 Hz and above” at the rates specified in the table A & B below in accordance with the methodology specified in this regulation.

TABLE-A

(i)	For over drawal of electricity by any buyer in excess of 5% and up to 15% of the schedule in a time block	Equivalent to 20% of the Charge for Deviation corresponding to average grid frequency of the time block.
(ii)	For over drawal of electricity by any buyer in excess of 15 % and up 20% of the schedule in a time block	Equivalent to 40% of the Charge for Deviation corresponding to average grid frequency of the time block.
(iii)	For over drawal of electricity by any buyer in excess of 20 % of the schedule in a time block	Equivalent to 100% of the Charge for Deviation corresponding to average grid frequency of the time block.
(iv)	For under injection of electricity by any seller in excess of 5% and up to 15% of the schedule in a time block	Equivalent to 20% of the Charge for Deviation corresponding to average grid frequency of the time block.
(v)	For under injection of electricity by any seller in excess of 15% and up to 20% of the schedule in a time block	Equivalent to 40% of the Charge for Deviation corresponding to average grid frequency of the time block.
(vi)	For under injection of electricity by any seller in excess of 20% of the schedule in a time block	Equivalent to 100% of the Charge for Deviation corresponding to average grid frequency of the time block.

Provided that any drawal of power by a generating station prior to COD of a unit for the startup activities shall be exempted from the levy of additional Charges of Deviation.

- 7.4 In addition to Charges for Deviation as stipulated under Section 5 of these regulations, Additional Charge for Deviation shall be applicable for over-injection/under drawal of electricity for each time block by a seller/buyer as the case may be when grid frequency is “50.10 Hz and above” at the rates equivalent to Charge for Deviation corresponding to the grid frequency of “below 50.01 Hz but not below 50.0 Hz”.
- 7.5 Methodologies for the computation of Charges for Deviation and Additional Charges for Deviation for each entity for crossing the volume limits specified for the under-drawal /over-injection and for over-drawal and under-injection in Clause 7.3 of this regulation shall be as per Annexure - I and II of these Regulations respectively.

Provided that for GRIDCO Limited, the Charges for Deviation and Additional Charges for Deviation receivable from Discoms or their successors as calculated based on the methodologies provided above shall not be less than the Bulk Supply Price applicable for that Discom or its successor(s), as per the Commission order from time to time.

Explanation: If the Charges for Deviation and Additional Charges for Deviation receivable from a Discom or its successor(s) calculated as per these regulations lower than the Bulk Supply Price applicable for that Discom or its successor(s), then GRIDCO is entitled to receive equivalent to the Bulk Supply Price applicable for that Discom or its successor(s)

against the Charges for Deviation and Additional Charges for Deviation. Similarly, if the Charges for Deviation and Additional Charges for Deviation receivable from a Discom or its successor(s) calculated as per these regulations higher than the Bulk Supply Price applicable for that Discom or its successor(s), then GRIDCO is entitled to receive the Charges for Deviation and Additional Charges for Deviation calculated based on the methodologies provided above.

- 7.6 In addition to Charges for Deviation as stipulated under Section 5 of these Regulations, Additional Charge for Deviation shall be applicable for over-drawal or under-injection of electricity when grid frequency is “below 49.70 Hz” in accordance with the methodology specified in this regulation and the same shall be equivalent to 100% of the Charge for Deviation corresponding to the grid frequency of “below 49.70 Hz”.
- 7.7 Sustained deviation from schedule in one direction (positive or negative) by any intra-state entity shall not be allowed for more than 12 time blocks.
- 7.8 Payment of Charges for Deviation under Section 5 and the Additional Charges for Deviation under Clauses 7.3 and 7.4 of these regulations, shall be levied without prejudice to any action that may be considered appropriate by the Commission under Section 142 of the Act for contravention of the limits of over-drawal/ under drawal or under-injection /over-injection as specified in these regulations, for each time block or violation of provision of these regulations.
- 7.9 The charges for over-drawal/ under-injection and under-drawal/ over-injection of electricity shall be computed by the SLDC.
- 7.10 The SLDC shall, on monthly basis, prepare and publish on its website the records of the Deviation Accounts, specifying the quantum of over-drawal/ under-injection and corresponding amount of Charges for Deviation payable/receivable for each buyer and seller for all the time-blocks based on the corresponding frequency levels.
- 7.11 Notwithstanding anything specified in these Regulations, the sellers and the buyers shall strictly follow the instructions of the SLDC on injection and drawal in the interest of grid security and grid discipline.

8. Metering and Energy Accounting

Metering arrangements and Meter reading

- 8.1 Where the entry and exit points are connected to the network of STU/Discoms or their successors then STU/Discoms or their successors shall be responsible for the metering arrangements, including installation, testing and operation and maintenance of meters and data acquisition required for accounting of energy exchanges at average frequency of 15 minute time block basis.
- 8.2 Metering arrangements, including installation, testing and maintenance of meters shall be the responsibility of the State Transmission Utility for the transmission network and individual Discoms or their successors for their distribution network on payment basis. Collection and transportation of raw data to SLDC shall be the responsibility of individual licensee. Processing of the data required for accounting of energy exchanges and Charges for Deviation account based on average frequency of 15-minute time block shall be done by the SLDC. Initial time synchronization of the meters and further checking and time synchronization, as and when required, shall be done by State Transmission Utility/Discoms or their successors in co-ordination with the SLDC. All concerned entities (in whose premises the ABT compliant special energy meters are installed), shall fully cooperate with the State Transmission Utility/Discoms or their successors and extend necessary assistance to State Transmission Utility/Discoms or their successors for taking weekly meter readings and transmitting them to the SLDC. On the basis of processed data of meters along with data

relating to declared capacity and schedules etc., the SLDC shall issue the State Energy Accounts for energy on monthly basis as well as Charges for Deviation and Reactive Energy Charges Accounts on weekly basis. Charges for Deviation accounting procedures shall be governed by the Orders of the Commission. In case of any dispute, the matter shall be referred to the GCC for decision and in case the same is not resolved in GCC, the matter shall be referred to the Commission for decision which shall be final.

- 8.3 The cost of metering shall be borne by the owners of the meters. Regarding the ownership of meters and its accessories, the entities involved shall adhere to the CEA (Installation & operation of meters) Regulation 2006 and amendment thereto.
- 8.4 ABT compliant meters as per CEA (Installation & operation of meters) Regulation 2006 and amendment thereto, shall be provided at the points of injection/drawl, by the respective users who shall also ensure communication of data to SLDC. The time synchronization of the metering system shall be through Global Positioning System (GPS) with counter check from State Energy Accounting and Billing Centre. Respective users shall bear their own expenses.
- 8.5 For the purpose of Deviation Settlement Mechanism, the existing metering CTs and PTs/CVTs installed and operated in the system shall be valid until these are replaced by those of specified accuracy and class as specified by CEA in its Regulations.
- 8.6 Metering and Accounting shall be as per the Orissa Grid Code as amended from time to time.

Energy Accounting Mechanism

- 8.7 SLDC shall be the agency responsible for implementation of Intra State Deviation Settlement Mechanism. It shall coordinate with ERLDC for application of Inter-State Deviation Settlement Mechanism in consultation with generators, transmission licensees, traders, Discoms or their successors and open access customers. SLDC shall process the metering data received from all the stations and maintain energy account on regular basis and shall take all measures necessary to prevent gaming.
- 8.8 The SLDC shall establish Sub Load Dispatch Centres (SubLDCs) to monitor and control their drawl of power, injection/ drawl of open access customers on real time basis and shall set up communication links with SLDC so as to have effective and efficient operation. The Discoms or their successors shall set up their own Distribution System Operation & Control Centres (DSOCCs). The DSOCCs shall take appropriate action in response to grid warnings as decided by the Distribution Licensees and convey suitable instructions to their operating staffs. The DSOCCs shall also take timely action in response to grid warnings as per standard instructions laid down by the Distribution Licensees in this regard and if necessary, issue appropriate instructions in addition to a particular situation so warrants. The SLDC/SubLDC shall intimate the Distribution Licensees through DSOCCs, regarding significant deviations of final schedules of State Generators and Central Generating Stations (CGSs) on overall merit order. The DSOCCs shall undertake suitable load management and curtailment in their respective areas of operation.
- 8.9 All expenses to upgrade necessary software, hardware, human resources for real time operations and communication of data to SLDC etc. shall be recovered as allowed by the Commission from time to time.
- 8.10 All stake-holders shall comply with the directions of SLDC and provide required assistance on timely and regular basis for smooth operation. SLDC is authorized to impose penalty on users in accordance with the provisions of the Act for non-compliance of any directions. In case of persistent failure to adhere to such directions of SLDC, the same shall be dealt as per the Odisha Grid Code.

Accounting of Charges for Deviation

- 8.11 A monthly State Energy Account for billing and settlement of “Capacity Charge” and “Energy Charge” and weekly accounts on “Charges for Deviations” and “Reactive Charge” shall be prepared by the SLDC.
- 8.12 The weekly account on “Charges for Deviations” shall contain statement of Charges for Deviations including Additional Charges for Deviation levied under these regulations, for seven day period.
- 8.13 All payments on account of Charges for Deviation including Additional Charges for Deviation levied under these regulations and interest, if any, received for late payment shall be credited to the funds called the “Odisha Deviation Pool Account Fund”, which shall be maintained and operated by the SLDC in accordance with provisions of these regulations.
- Provided that the Commission may by order direct any other entity to operate and maintain the respective “Odisha Deviation Pool Account Fund”.
- Provided further that separate books of accounts shall be maintained for the principal component and interest component of Charges for Deviation and Additional Charges for Deviation by the SLDC.
- 8.14 All payments received in the “Odisha Deviation Pool Account Fund” shall be appropriated in the following sequence:
- (i) First towards any cost or expense or other charges incurred on recovery of Charges for Deviation.
 - (ii) Next towards over dues or penal interest, if applicable.
 - (iii) Next towards normal interest.
 - (iv) Lastly, towards charges for deviation and additional charges for deviation.
- 8.15 All Accounting Calculations carried out by SLDC shall be open to all intra-state entities for any checking / verification, for a period of 15 days. In case any mistake is detected, the same must be intimated to SLDC within the said period. Subsequently, SLDC shall forthwith make a complete check and notify the mistakes.
- 8.16 SLDC shall table the complete statement of the “Odisha Deviation Pool Account Fund” and the State Reactive Energy account in the GCC’s Commercial Committee meeting, on a quarterly basis, for audit by the latter.
- 8.17 SLDC shall forward the necessary data/schedules to regional level in accordance with Regulations formulated by the Central Electricity Regulatory Commission.

Commercial Settlement

- 8.18 The users shall pay to the respective generating companies capacity charges corresponding to plant availability and energy charges for the scheduled dispatch. The calculation of capacity charges and energy charges shall be based on OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 as amended from time to time or orders passed by the Commission from time to time, as applicable. The bills for these charges shall be issued by the respective generating companies to each user on monthly basis based on State Energy Accounts (SEA) issued by SLDC.
- 8.19 In case of energy drawn by an open access customer in excess of its drawl schedule given by SLDC, such excess drawl for each time block shall be deemed to have been supplied by GRIDCO. In case of over frequency, the Discom or their successors shall be paid for by the customer at Deviation Settlement Charges depending on frequency prevailing at that 15-minute time block. In case of over drawl during under frequency, such excess drawl shall be

billed at Deviation Settlement Charges depending on the frequency prevailing at that 15-minute time block.

8.20 The payment of charges for Deviation shall have a first priority as per tariff order issued from time to time and the concerned intra-state entity shall pay the indicated amounts within 10 (ten) days of the issue of statement of Charges for Deviation including Additional Charges for Deviation by the SLDC into the “Odisha Deviation Pool Account Fund”.

8.21 If payments against the Charges for Deviation including Additional 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, the defaulting intra-state entity shall have to pay simple interest @ 0.04% for each day of delay.

8.22 All payments to the entities entitled to receive any amount on account of charges for Deviation shall be made within two working days of receipt of the payments in the “Odisha Deviation Pool Account Fund”:

Provided that in case of delay in the Payment of charges for Deviations into the Odisha Deviation Pool Account Fund and interest there on if any, beyond 12 days from the date of issue of the Statement of Charges for Deviations the intra-state entities who have to receive payment for Deviation or interest thereon shall be paid from the balance available if any, in the Odisha Deviation Pool Account Fund. In case the balance available is not sufficient to meet the payment to the intra-state entities, the payment from the State Deviation Pool Accounts Fund shall be made on pro rata basis from the balance available in the Fund:

Provided further that the liability to pay interest for the delay in payments to the “Odisha Deviation Pool Account Fund” shall remain till interest is not paid; irrespective of the fact that intra-state entities who have to receive payments have been paid from the “Odisha Deviation Pool Account Fund” in part or full:

8.23 All intra-state entities which had at any time during the previous financial year failed to make payment of Charges for Deviation including Additional 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 State Load Despatch Centre within a fortnight from the date these Regulations come into force:

Provided that if any intra-state entity fails to make payment of Charges for Deviation including Additional 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.

Provided that Letter of Credit amount shall be increased to 110% of the payable weekly liability for Deviation in any week during the year, if it exceeds the previous weekly liability for Deviation by more than 50%.

Illustration: If the average payable weekly liability for Deviation of an intra-state entity during 2014-15 is INR 10 Crore, the SLDC shall open Letter of Credit for INR 11 crore in 2015-16. If the weekly payable liability during any week in 2015-16 is INR 20 Crore which is more than 50% of the previous financial years average payable weekly liability of INR 15 Crore, the concerned intra-state entity shall increase the LC amount to 22 Crore (1.1*20) by adding INR 11 Crore.

8.24 In case of failure to pay into the “Odisha Deviation Pool Account Fund” within the specified time of 12 days from the date of issue of statement of charges for Deviations, the State Load Despatch Centre shall be entitled to encash the LC of the concerned intra-state entity to the extent of the default and the concerned intra-state entity shall recoup the LC amount within

three days.

- 8.25 The Surplus amount, if any in the Deviation pool Account Fund as on last day of the months shall be utilized as directed by the Commission

9. Miscellaneous

Inconsistency with other Regulations/ Orders of the Commission

- 9.1 Notwithstanding anything contained in other Regulations / orders of the Commission, this Regulation shall have overriding effect. However, any action already taken before the effective date of this Regulation under any other orders/Regulations of the Commission shall remain valid.

Issue of orders and practice directions

- 9.2 Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, either on suo motu basis or on a Petition filed by the applicant, issue orders and practice directions in regard to the implementation of these Regulations.

Power to remove difficulties

- 9.3 If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, do anything not being inconsistent with the provisions of the Act, which appears to it to be necessary or expedient for the purpose of removing the difficulties.

Power to Relax

- 9.4 The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an interested person.

Power to Amend

- 9.5 The Commission, for reasons to be recorded in writing, may at any time vary, alter or modify any of the provisions of these Regulations by amendments.

Saving of Inherent Powers of the Commission

- 9.6 Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission from adopting a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of special circumstances of the matter or class of matters and for the reasons to be recorded in writing, deems it necessary or expedient to depart from the procedure specified in these Regulations.

Methodologies for the computation of Charges of Deviation and Additional Charges for deviation for each intra-state entity for crossing the volume limits specified for the over-drawal/under injection by Buyer/Seller respectively

1. When the grid frequency is 49.70 Hz and above

A. When D_{tb} i.e. Deviation from schedule in a time block in MW is less than (+/-)5% of the schedule in MW in each time block, D_{tb} will be payable by the intra-state entity at normal Charges for Deviation

B. When D_{tb} i.e. Deviation from schedule in a time block in MW is more than (+/-)5% of the schedule in MW

(i) $D_{tb} = D_0 + D_{5\%}$

Where

$$D_0 = (+/-)5\% \text{ of Scheduled Generation (SG),}$$

$$D_{5\%} = \text{Deviation in excess of (+/-)5\% of the SG in each time block}$$

(ii) $D_{5\%} = D_{tb} - D_0$

() The Charges for Deviation corresponding to D_{tb} shall be payable by the intra-state entity at normal Charges of Deviation; In addition, graded Additional Charges for the Deviation for $D_{5\%}$ shall be payable by the intra-state entity for over drawal/under injection for crossing the volume limit on the basis of percentage term or MW terms as the case may @ 20%, 40%, 100% of Charge of Deviation for the incremental deviation in each slab.

2. When the grid frequency is below 49.70 Hz

The charges for deviation corresponding to D_{tb} shall be payable by the intra-state entity at 1648.08 Paise/kWh including additional charges for the deviation payable by the intra-state entity at 824.04 Paise/kWh.

ANNEXURE-II

Methodologies for the computation of Charges of Deviation and Additional Charges for deviation for each intra-state entity for crossing the volume limits specified for the under drawal/ over-injection by Buyer/Seller respectively

- A. When D_{tb} i.e. Deviation from schedule in a time block in MW is less than (+/-)5% of the schedule in MW in each time block, D_{tb} to be receivable by the intra-state entity at normal Charges for Deviation;
- B. When D_{tb} i.e. Deviation from schedule in a time block in MW is more than (+/-)5% of the schedule in MW in each time block
- (i) $D_{tb} = D_0 + D_{5\%}$
Where
 $D_0 = (+/-)5\%$ of SG,
 $D_{5\%} =$ Deviation in excess of (+/-)5% of SG in each time block
- (ii) $D_{5\%} = D_{tb} - D_0$
() The Charges for Deviation corresponding to D_0 shall be receivable by the intra-state entity at normal Charges of Deviation or the ceiling rate whichever is lower; the intra-state entity shall not be entitled to any receivable for $D_{5\%}$.
- C. Additional Charges for the Deviation D_{tb} shall be payable by the intra-state entity for under drawal/ over injection when grid frequency is 50.10 Hz or above in accordance with these Regulation