



Together, Let us light up our lives

ଓଡ଼ିଶା ବିଦ୍ୟୁତ୍ ନିୟାମକ ଆୟୋଗ
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, OERC ROAD, SHAILASHREE VIHAR, BHUBANESWAR -751021
TEL. No. 2721048, 2721049
E-MAIL: oerc@odisha.gov.in / orierc@gmail.com
WEBSITE: www.orierc.org

No. OERC/RA/DSM REG.- 31/2020/963

Dated- 29.07.2025

PUBLIC NOTICE

The Commission in exercise of the powers conferred under Section 181 (3) of the Electricity Act, 2003 (36 of 2003) has pre-published the draft OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2025. The said Regulations is available in Commission's Website www.orierc.org.

Interested persons may furnish their valuable views/suggestions on the said Regulations to the undersigned by **30.08.2025**. After considering the views and suggestions from the all the stakeholders, the Commission in appropriate case may bring about modification to the draft Regulations and finalize it for publication in the official Gazette.

By order of the Commission

Sd/-

SECRETARY

ODISHA ELECTRICITY REGULATORY COMMISSION

Deviation, Settlement Mechanism and Related Matters Regulations

_____, _____, 2025

NOTIFICATION

No. ____/____/2025/OERC - In exercise of the powers conferred under Section 181 of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, and after previous publication, the Odisha Electricity Regulatory Commission hereby makes the following regulations, namely:

1. Short title and commencement

- (1) These Regulations may be called the Odisha Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2025.
- (2) These regulations shall come into force on such date as may be notified by the Commission separately. Further, the Commission may issue separate Order for detailed procedures and mock trials as may be required for effective implementation of these regulations.
- (3) OERC Intra-State Availability Based Tariff (ABT) Regulation, 2007 will be repealed from the date these regulations shall come into force.

2. Objective

These regulations seek to ensure, through a commercial mechanism, that grid users do not deviate from and adhere to their schedule of drawal and injection of electricity in the interest of security and stability of the grid.

3. Scope

These Regulations shall be applicable to Seller(s) and Buyer(s) involved in the transactions of electricity using intra-state transmission or distribution system facilitated through open access, as the case may be subject to following conditions:

- A. Deviation Settlement Mechanism under these Regulations shall be applicable for all Seller(s) having installed generating capacity of 100 kW and above and scheduling their power through SLDC.
- B. Deviation Settlement Mechanism under these Regulations shall be applicable to all Buyer(s) including distribution licensee(s), deemed distribution licensee(s) located in the state and consumers connected to intra-state transmission system whose drawl is scheduled through SLDC:

Provided that, Deviation Settlement of consumers connected to intra-state transmission system and distribution network shall be in accordance with the provisions of Odisha Electricity Regulatory Commission (Terms and Conditions of Intra-State Open Access) Regulations, 2020 and Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023 as amended from time to time.

4. Definitions and Interpretation

- (1) In these regulations, unless the context otherwise requires:
 - (a) **'Act'** means the Electricity Act, 2003 (36 of 2003);
 - (b) **'Actual drawal'** in a time block means the electricity drawn by a buyer, measured by

the interface meters;

- (c) **'Actual injection'** in a time block means the electricity injected by the seller, measured by the interface meters;
- (d) **'Ancillary Services'** means the Ancillary Services as defined in the Ancillary Services Regulations;
- (e) **'Ancillary Services Regulations'** means the Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2022 as amended from time to time and shall include any re-enactment thereof;
- (f) **'Area Clearing Price'** or **'ACP'** means the price of electricity contract for a time-block transacted on a Power Exchange after considering all valid buy and sale bids in particular area(s) after market-splitting;
- (g) **'Available Capacity'** for generating station based on wind or solar or hybrid of wind-solar resources which are State entities, is the cumulative capacity rating of wind turbines or solar inverters that are capable of generating power in a given time block and shall be limited to the quantum of connectivity granted;
- (h) **'Buyer'** means a person/ entity such as Distribution Licensees, Captive Generating Plants, etc. purchasing electricity through a transaction scheduled in accordance with the Odisha Grid Code (OGC);
- (i) **'Central Commission'** means the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76 of the Act;
- (j) **'Commission'** means the Odisha Electricity Regulatory Commission referred to in sub-section (1) of section 82 of the Act;
- (k) **'Contract rate'** means (i) in respect of a WS seller or a MSW Seller or such other entity as applicable, whose tariff is determined or adopted or approved under Section 62 or Section 63 or Section 86(1)(b) of the Act, Rs/kWh tariff as determined or adopted or approved by the Commission; or (ii) in respect of a WS seller or a MSW Seller or such other entity as applicable, whose tariff is not determined or adopted or approved under Section 62 or Section 63 or Section 86(1)(b) of the Act, and selling power through power exchange(s), the price as discovered in the Power Exchange for the respective transaction; or (iii) in respect of a WS seller or a MSW seller or such other entity as applicable, selling power through open access to a third party or in case of captive consumption of a captive generating plant based on renewable energy sources, the weighted average ACP of the Integrated-Day Ahead Market segments of all Power Exchanges for the respective time block; (iv) in case of multiple contracts or transactions including captive consumption, the weighted average of the contract rates of all such contracts or transactions, as the case may be;
- (l) **'Day Ahead Contract'** means a contract wherein Collective Transactions occur on day (T) and delivery of electricity is on the next day (T+1);
- (m) **'Day Ahead Market (DAM)'** means a market where Day Ahead Contracts are transacted on the Power Exchange(s) and is governed by the Central Electricity Regulatory Commission (Power Market) Regulation, 2021 (as amended from time to time), the Rules and Bye-Laws of the Power Exchange as approved by the Central Commission;
- (n) **'Deviation'** in a time block for a seller of electricity means its total actual injection minus its total scheduled generation; and for a buyer of electricity means its total actual drawal minus its total scheduled drawal, and shall be computed as per Regulation 7 of these regulations;
- (o) **'General seller'** means a seller in case of a generating station based on other than wind or solar or hybrid of wind-solar resources;

- (p) **'GRIDCO'** means GRIDCO Limited registered under the Companies Act, 1956, which is a deemed licensee under the Act and is authorized to trade electricity for supplying to the Distribution Licensees. It can act as an intra-state trader.
- (q) **'Grid Code'** means the Odisha Grid Code (OGC) Regulations, 2015 specified by the Commission under clause (h) of sub-section (1) of Section 86 of the Act as amended from time to time;
- (r) **'Indian Electricity Grid Code'** (or **'IEGC'**) shall mean the Grid Code specified by the Central Electricity Regulatory Commission under section 79(1)(h) of the Act;
- (s) **'Integrated Day Ahead Market'** means a market where Day Ahead Contracts are transacted on the power exchanges, including collective transactions under Day Ahead Market (DAM), Green Day Ahead Market (Green DAM), and High Price Day Ahead Market (HP-DAM);
- (t) **'Interface meters'** means interface meters as defined under the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, as amended from time to time and any reenactment thereof;
- (u) **'Intraday Contract'** means a contract wherein Continuous Transactions occur on day (T) and delivery of electricity is on the same day (T), such that its delivery period does not overlap with the specified delivery period of the Real-time Contract transacted in the same bidding session as that of the Intraday Contract;
- (v) **'MSW seller'** means a seller in the case of a generating station based on Municipal Solid Waste and includes Refuse Derived Fuel (RDF) based MSW generating station;
- (w) **'Normal Rate of Charges for Deviation'** means the charges for deviation (in paise/kWh) as referred to in Regulation 0 of these regulations;
- (x) **'Open Access Regulations'** means the Odisha Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulation, 2020 and Odisha Electricity Regulatory Commission (Terms & Conditions of Determination of Tariff) Regulation, 2024 as amended from time to time and shall include any subsequent amendment thereof;
- (y) **'Qualified Coordinating Agency' or 'QCA'** shall have the same meaning as defined in the Grid Code;
- (z) **'Reference Charge Rate' or 'RR'** means (i) in respect of a general seller whose tariff is determined or adopted or approved under Section 62 or Section 63 or Section 86(1)(b) of the Act, Rs/ kWh energy charge as determined or adopted or approved by the Commission, or (ii) in respect of a general seller whose tariff is not determined or adopted or approved under Section 62 or Section 63 or Section 86(1) (b) of the Act, and selling power through power exchange(s), the price as discovered in the power exchange for the respective transaction; or (iii) in respect of a general seller selling power through open access to a third party or in case of captive consumption of a captive generating plant based on resources other than renewable energy sources, the weighted average ACP of the Integrated-Day Ahead Market segments of all the Power Exchanges for the respective time block; or (iv) in case of multiple contracts or transactions including captive consumption, the weighted average of the reference rates of all such contracts or transactions;
- (aa) **'Real-time Contract'** means a contract other than Day Ahead Contract or Intraday Contract or Contingency Contract, wherein Collective Transactions occur on day (T) or day (T-1) and delivery of electricity is on day (T) for a specified delivery period;
- (bb) **'Real Time Market (RTM)'** means a market where Real-time Contracts are transacted on the Power Exchange(s) and is governed by the Central Electricity Regulatory Commission (Power Market) Regulation, 2021 (as amended from time to time), the

Rules and Bye-Laws of the Power Exchange as approved by the Central Commission;

- (cc) **'Renewable Rich State' or 'RE-rich State'** means a state whose combined installed capacity of Solar and Wind generating stations under the control area of the State is 1000 MW or more but less than 5000 MW;
 - (dd) **'Renewable Super Rich State' or 'RE Super-rich State'** means a State whose combined installed capacity of solar and wind generating stations under the control area of the State is 5000 MW or more;
 - (ee) **'Run-of-River Generating Station' or 'RoR generating station'** means a hydro generating station which does not have upstream pondage;
 - (ff) **'Scheduled generation' or 'Scheduled injection'** for a time block or any period means the schedule of generation or injection in MW or MWh ex-bus including the schedule for Ancillary Services, if applicable, given by the State Load Despatch Centre;
 - (gg) **'Scheduled drawal'** for a time block or any period means the schedule of drawal in MW or MWh ex-bus including the schedule for Ancillary Services, if applicable, given by the concerned State Load Despatch Centre;
 - (hh) **'Seller'** means a person, including a generating station, supplying electricity through a transaction scheduled in accordance with the Grid Code;
 - (ii) **'State Aggregator'** refers to GRIDCO or any other state designated entity engaged in procuring power from generators/ power market and selling it to DISCOMs/ power market/ CGPs/ Open access consumers.
 - (jj) **'State Entity'** means a person whose metering and energy accounting are done at state level by SLDC;
 - (kk) **'State Load Despatch Centre'** means State Load Despatch Centre (SLDC) responsible for coordinating scheduling of the Buyers and the Sellers in accordance with the provisions of Grid Code;;
 - (ll) **'State Deviation Pool Account'** means the Account to be maintained and operated by the State Load Despatch Centre as per Regulation 10 of these regulations;
 - (mm) **'STU'** means the State Transmission Utility notified by the Government of Odisha under Section 39(1) of the Act. OPTCL has been notified as the STU.
 - (nn) **'Time Block'** means the time block as defined in the Grid Code;
 - (oo) **'WS seller'** means a seller in case of a generating station based on wind or solar or hybrid of wind-solar resources and shall include such solar or wind or hybrid generating station, with or without storage.
- (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 meaning assigned to them respectively in the Act or the IEGC or any other regulation as the case may be.

5. Adherence to Schedule and Deviation

- (1) For a secure and stable operation of the grid, every grid connected State entity shall adhere to its schedule as per the Grid Code and shall not deviate from its schedule.
- (2) Any deviation shall be managed by the State Load Despatch Centre and the computation, charges and related matters in respect of such deviation shall be dealt with as per the following provisions of these regulations.

6. Pre-conditions

- (1) All State Entities shall have equal and non-discriminatory treatment as regards the 'Deviation Settlement Mechanism' as specified in these Regulations.
- (2) GRIDCO and the State Entities shall inform the SLDC of all contracts they have entered into for exchange of energy.
- (3) SLDC shall take all decisions with regard to the despatching of power after evaluating all possible network parameters, constraints, congestions in the transmission network and in the eventuality of any such network aberration, the instructions of 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 Grid Code.
- (5) State Entities shall enter into Connection Agreement with the State Transmission Utility (STU), 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 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 State Entities to be aware of the energy exchanges taking place within the pool as well as exigency conditions, if any, with regard to the despatch of power.
- (7) All State Entities shall make necessary arrangements for putting up suitable meters, capable of recording energy flows at 15-minute intervals or any other time interval as specified by the Commission, at the points of injection or drawal.

7. Computation of Deviation

- (1) Deviation in a time block for general sellers shall be computed as follows:

Deviation-general seller (D_{GS}) (in MWh) = [(Actual injection in MWh) – (Scheduled generation in MWh)].

Deviation-general seller (D_{GS}) (in %) = $100 \times [(\text{Actual injection in MWh}) - (\text{Scheduled generation in MWh})] / [(\text{Scheduled generation in MWh})]$.

- (2) Deviation in a time block for WS sellers shall be computed as follows:

Deviation-WS seller (D_{WS}) (in MWh) = [(Actual Injection in MWh) – (Scheduled generation in MWh)];

Deviation-WS seller (D_{WS}) (in %) = $100 \times [(\text{Actual Injection in MWh}) - (\text{Scheduled generation in MWh})] / [(\text{Scheduled generation in MWh})]$;

- (3) Deviation in a time block for buyers shall be computed as follows:

Deviation- buyer (D_{BUY}) (in MWh) = [(Actual drawal in MWh) – (Scheduled drawal in MWh)].

Deviation- buyer (D_{BUY}) (in %) = $100 \times [(\text{Actual drawal in MWh}) - (\text{Scheduled drawal in MWh})] / [(\text{Scheduled drawal in MWh})]$.

8. Normal Rate of Charges for Deviations

- (1) The Normal Rate (NR) of charges for deviation for a particular time block shall be the highest of (A), (B) or (C), where (A), (B) and (C) are as follows:
- the weighted average ACP (in Paise /kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges;
 - the weighted average ACP (in Paise /kWh) of the Real Time Market segments of all the Power Exchanges;
 - the sum of:
 - 1/3 [Weighted average ACP (in paise/kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges];
 - 1/3 [Weighted average ACP (in paise/kWh) of the Real-Time Market segments of all the Power Exchanges]; and
 - 1/3 [Ancillary Service Charge (in paise/kWh) computed based on the total quantum of Ancillary Services (SRAS UP and TRAS UP) deployed and the net charges payable to the Ancillary Service Providers for all the Regions]:

Provided further that in case of non-availability of ACP for any time block on a given day, ACP for the corresponding time block of the last available day shall be considered:

- (2) The normal rate of charges for deviation shall be rounded off to the nearest two decimal places.

9. Charges for Deviation

- (1) Charges for Deviation, in respect of a general seller (other than an RoR generating station and a generating station based on municipal solid waste) shall be as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(I) For Deviation up to [10% DGS or 100 MW, whichever is less] and f within f band	
(i) @ RR when [49.97 Hz ≤ f ≤ 50.03 Hz]	(iv) @ RR when [49.97 Hz ≤ f ≤ 50.03 Hz]
(ii) When [50.03 Hz < f ≤ 50.05 Hz], for every increase in f by 0.01 Hz, charges for deviation for such seller shall be reduced by 25% of RR so that charges for deviation become 50% of RR when f = 50.05Hz	(v) When [50.03 Hz < f ≤ 50.05 Hz], for every increase in f by 0.01 Hz, charges for deviation for such seller shall be reduced by 7.5% of RR so that charges for deviation become 85% of RR when f = 50.05Hz
(iii) When [49.97 Hz > f ≥ 49.90 Hz], for every decrease in f by 0.01 Hz, charges for deviation for such seller shall be increased by 2.15% of RR so that charges for deviation become 115% of RR when f = 49.90Hz	(vi) When [49.97 Hz > f ≥ 49.90 Hz], for every decrease in f by 0.01 Hz, charges for deviation for such seller shall be increased by 7.15% of RR so that charges for deviation becomes 150% of RR when f = 49.90Hz
(II) For Deviation up to [10% DGS or 100 MW, whichever is less] and f outside f band	
(i) @ zero when [50.05 Hz < f < 50.10 Hz]: Provided that such seller shall pay @ 10% of RR when [f ≥ 50.10 Hz]	(iii) @ 85 % of RR when [f > 50.05 Hz]
(ii) @ 115 % of RR when [f < 49.90 Hz]	(iv) @ 150 % of RR when [f < 49.90 Hz]
(III) For Deviation beyond [10% DGS or 100 MW, whichever is less] and f within and outside f band	
(i) @ zero when (f < 50.10 Hz): Provided that such seller shall pay @ 10% of RR when [f ≥ 50.10 Hz]	(ii) @ RR when [f ≥ 50.00 Hz]; (iii) @ 150% of RR when [49.90Hz ≤ f < 50.00 Hz]; and (iv) @ 200% of RR when [f < 49.90 Hz]

Note: System frequency = f and f band = [49.90Hz ≤ f ≤ 50.05 Hz]

- (2) Charges for Deviation, in respect of a general seller being an RoR generating station, shall

be without any linkage to grid frequency, as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(i) @ RR for deviation up to [15% DGS or 150 MW, whichever is less];	(iii) @ RR for deviation up to [15% DGS or 150MW, whichever is less];
(ii) @ Zero for deviation beyond [15% DGS or 150 MW, whichever is less]	(iv) @ 105% of RR for deviation beyond [15% DGS or 150 MW, whichever is less] and up to [20% DGS or 200 MW, whichever is less];
	(v) @ 110% of RR for deviation beyond [20% DGS or 200 MW, whichever is less].

- (3) Charges for Deviation, in respect of a general seller being a generating station based on municipal solid waste, shall be without any linkage to grid frequency, as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(i) @ contract rate for deviation up to [20% DGS];	(iii) @ contract rate for deviation up to [20% DGS];
(ii) @ Zero for deviation beyond [20% DGS];	(iv) @ 110% of contract rate for deviation beyond [20% DGS].

- (4) Charges for Deviation, in respect of a WS Seller, including such generating stations aggregated at a pooling station through QCA shall be without any linkage to grid frequency, as under:

Deviation by way of over injection (Receivable by the Seller)	Deviation by way of under injection (Payable by the Seller)
(i) for VLWS (1) @ contract rate;	(i) for VLWS (1) @ contract rate;
(ii) for VLWS (2) @ 90% of contract rate	(ii) for VLWS (2) @ 110% of contract rate;
(iii) beyond VLWS (2) @ Zero;	(iii) beyond VLWS(2) @ 200% of contract rate'

Note-1: Volume Limits for WS Seller (VLWS):

- (i) Volume limits of a WS Seller for the period from the date of commencement of these regulations to 31.03.2026 shall be as under:

WS Seller)	Volume Limit
A generating station based on solar or a hybrid of wind –solar resources	VLWS (1) = Deviation up to 10% DWS VLWS (2) = Deviation beyond 10% DWS and up to 15% DWS
A generating station based on wind resource	VLWS (1) = Deviation up to 15% DWS VLWS (2) = Deviation beyond 15% DWS and up to 20% DWS

(ii) Volume limit of a WS Seller for the period from 01.04.2026 onwards:

WS Seller)	Volume Limit
A generating station based on solar or a hybrid of wind –solar resources	VLWS (1) = Deviation up to 5% DWS VLWS (2) = Deviation beyond 5% DWS and up to 10% DWS
A generating station based on wind resource	VLWS (1) = Deviation up to 10% DWS VLWS (2) = Deviation beyond 10% DWS and up to 15% DWS

Note-2: In case of aggregation of WS sellers at a pooling station through QCA.

- (a) the contract rate for the purpose of deviation shall be equal to the weighted average of the contract rates of all individual WS seller(s) opting for aggregation at the pooling station;
- (b) Available Capacity shall be equal to the cumulative capacity rating of wind turbines or solar inverters that are capable of generating power in a given time block;
- (c) de-pooling of deviation charges for WS seller(s) connected to the pooling station shall be as per the methodology mutually agreed upon between the QCA and such individual WS seller(s).

(5) Charges for Deviation, in respect of a Standalone Energy Storage System (ESS), shall be the same as applicable to a general seller (other than an RoR generating station and a generating station based on municipal solid waste) as specified in Clause (1) of this Regulation:

Provided that in the charging mode, deviation by way of over drawal shall be treated as under injection and deviation by way of under drawal shall be treated as over injection and the charges for deviation shall be settled accordingly:

Provided further that the charges for deviation including the formula for computation of Deviation, in respect of charging of a standalone ESS being pumped hydro storage plant shall be the same as applicable to a WS seller being a generating station based on solar resources, for the period from the date of commencement of these regulations to 31.03.2026.

(6) Charges for Deviation including the formula for computation of Deviation, in respect of a WS Seller with ESS connected at the same interconnection point shall be the same (i) as applicable to a WS seller of respective category during the period solar or wind or hybrid generating station is injecting power, (ii) as applicable to a standalone ESS as per sub-clause (5) of this Regulation, when only ESS is injecting power, and (iii) as applicable to a standalone ESS for drawl by ESS based on drawal schedule from the grid as per sub-clause (5) of this Regulation.

Note:

Each generator and ESS shall be metered with Special Energy Meter (SEM) so that individual actual injection/drawal can be captured.

(7) Charges for Deviation, in respect of a Buyer, shall be receivable or payable as under:

Deviation by way of under drawal (Receivable by the Buyer)	Deviation by way of over drawal (Payable by the Buyer)
(I) For VLB (1) and f within f band	
i) @ 90% of NR when $f = 50.00$ Hz;	iv) @ NR when $f = 50.00$ Hz;
ii) When $50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}$, for every increase in f by 0.01 Hz, charges for deviation for such buyer shall be decreased by 8% of NR so that charges for deviation become 50% of NR when $f = 50.05 \text{ Hz}$;	v) When $50.00 < f \leq 50.05 \text{ Hz}$, for every increase in f by 0.01 Hz, charges for deviation for such buyer shall be decreased by 5% of NR so that charges for deviation become 75% of NR when $f = 50.05 \text{ Hz}$;
iii) When $[50.00 \text{ Hz} > f \geq 49.90 \text{ Hz}]$, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased by 1 % of NR so that charges for deviation become 100% of NR when $f = 49.90 \text{ Hz}$;	vi) When $[50.00 \text{ Hz} > f \geq 49.90 \text{ Hz}]$, for every decrease in f by 0.01 Hz, charges for deviation for such buyer shall be increased by 5% of NR so that charges for deviation become 150% of NR when $f = 49.90 \text{ Hz}$.
(II) For VLB (1) and f outside f band	
(i) @ zero when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$: Provided that such buyer shall pay @ 10% of NR when $[f \geq 50.10 \text{ Hz}]$;	(iii) @ 50% of NR when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$;
(ii) @ NR when $[f < 49.90 \text{ Hz}]$;	(iv) @ zero when $[f \geq 50.10 \text{ Hz}]$;
	(v) @ 150 % of NR when $[f < 49.90 \text{ Hz}]$.
(III) For VLB (2) and f within and outside f band	
(i) @ 80% of NR when $f \leq 50.00 \text{ Hz}$;	(iv) @ 150% of NR when $f < 50.00 \text{ Hz}$;
(ii) @ 50% NR when $[50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}]$;	(v) @ NR when $[50.00 \text{ Hz} \leq f \leq 50.05 \text{ Hz}]$;
	(vi) @ 75% NR when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$.

(iii) @ zero when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$: Provided that such buyer shall pay @ 10% of NR when $[f \geq 50.10 \text{ Hz}]$;	Hz]; (vii)@ zero when $[f \geq 50.10 \text{ Hz}]$.
(IV) For VLB (3) and f within and outside f band	
(i) @ zero when $f < 50.10 \text{ Hz}$: Provided such buyer shall pay @ 10% of NR when $[f \geq 50.10 \text{ Hz}]$;	(ii) @ 200% of NR when $f < 50.00 \text{ Hz}$; (iii) @ NR when $[50.00 \text{ Hz} \leq f < 50.10 \text{ Hz}]$ (iv) @ 50% of NR when $[f \geq 50.10 \text{ Hz}]$.

Note: Volume Limits for Buyer:

Buyer	Volume Limit
Buyer other than (the buyer with a schedule less than 400 MW and the RE-rich State)	VLB (1) = Deviation up to [10% DBUY or 100 MW, whichever is less] VLB (2) = Deviation [beyond 10% DBUY or 100 MW, whichever is less] and up to [15% DBUY or 200 MW, whichever is less] VLB (3) = Deviation beyond [15% DBUY or 200 MW, whichever is less]
Buyer (with a schedule up to 400 MW)	VLB (1) = Deviation [20% DBUY or 40 MW, whichever is less] VLB (2) = Deviation beyond [20% DBUY or 40 MW, whichever is less]
Buyer (being an RE Rich State)	VLB (1) = Deviation up to 200 MW VLB (2) = Deviation beyond 200 MW and up to 300 MW VLB (3) = Deviation beyond 300 MW
Buyer (being Super RE Rich State)	VLB (1) = Deviation up to 250 MW VLB (2) = Deviation beyond 250 MW and up to 350 MW VLB (3) = Deviation beyond 350 MW

(8) Charges for injection of infirm power –

- (1) The charges for injection of infirm power shall be zero, except in cases specified under clauses (2) and (3) of this Regulation:
- (2) In case of thermal generating stations, the infirm power injected into the grid from the date of first synchronization of the unit up to the successful completion of the trial run shall be paid @ Normal Rate of Charges for Deviations for each time block, subject to a ceiling of ₹ 2.86/kWh.
- (3) If infirm power is scheduled after a successful trial run as specified in the Grid Code, the charges for deviation over the scheduled infirm power shall be as applicable for a general seller or WS seller, as the case may be.
- (4) Notwithstanding the provisions of clauses (2) and (3) of this Regulation, when the system frequency, $f > 50.05\text{Hz}$, the charges for injection of infirm power or for deviation of scheduled infirm power after the successful trial run by way of over injection by a general seller or WS seller, as the case may be, shall be zero."

(9) The charges for deviation for drawal of start-up power before the COD of a generating unit or for drawal of power to run the auxiliaries during the shut-down of a generating station shall be payable at the reference charge rate or contract rate or in the absence of reference charge rate or contract rate, the weighted average ACP of the Day Ahead Market segments of all Power Exchanges for the respective time block, as the case may be.

(10) Notwithstanding anything contained in Clauses (1) to (9) of this Regulation, in case of forced outage or partial outage of a seller, the charges for deviation shall be @ the reference charge rate for a maximum duration of eight (8) time blocks or until the revision of its schedule, whichever is earlier.

(11) For a Seller whose bids are cleared in the HP-DAM, the 'reference charge rate' for deviation by way of 'under-injection' for the quantum of power sold through HP- DAM shall be equal to the weighted average ACP of the HP-DAM Market segments of all the Power

Exchanges for that time block;

10. Accounting of Charges for Deviation Pool Account

- (1) By every Tuesday, the OPTCL shall provide the data for deviation calculation as per Regulation 7 of these regulations, for the previous week ending on Sunday mid-night to the SLDC or by AMR, as the case may be.
- (2) After receiving the data for deviation, SLDC shall prepare and issue the statement of charges for deviation prepared for the previous week, to all State entities by ensuing Friday/ Saturday.
- (3) Separate books of accounts shall be maintained for the principal component and interest component of charges for deviation by the SLDC.
- (4) There shall be a State Deviation Pool Account to be maintained and operated by the State Load Despatch Centre:

Provided that the Commission may by order direct any other entity to operate and maintain the State Deviation Pool Account.

- (5) The State Deviation Pool Account shall receive credit for:
 - (a) payments on account of charges for deviation referred to in Regulation 9 of these regulations and the late payment surcharge as referred to in Regulation 12 of these regulation;
 - (b) such other charges as may be notified by the Commission.
- (6) The State Deviation Pool Account shall be charged for:
 - (a) payment to seller for over injection as referred to in Regulation 9 of these regulations;
 - (b) payment to buyer for under drawal as referred to in Regulation 9 of these regulations;
 - (c) such other charges as may be notified by the Commission.
- (7) Inter State deviation charges applicable to GRIDCO (the State Aggregator) on account of State deviation as per ERPC's weekly report on Statement of Deviation Charges and additional deviation charges, if any.
- (8) The inter state and intra state deviation settlement account shall be maintained separately by SLDC.
- (9) The surplus amount in the State Deviation Pool Account at the end of the financial year shall be utilised for the purpose of improvements in power system operations, for undertaking such measures and studies for improvement in reliability, security and safety of grid operations, undertaking capacity building and training programs related to system operations and market operations and for such other purposes as may be specified by Commission or for other schemes as may be devised in consultation with NLDC or RLDC, with prior approval of the Commission. The SLDC shall prepare Scheme(s) and shall submit annual plan to the Commission before utilization of surplus fund. The Commission, if so desire, may invite proposals/ suggestions from various stakeholders for utilization of such surplus amount in the State Deviation Pool Account.

Provided that, the short fall in funds in the State Deviation Pool Account; if any, at the end of the weekly settlement period shall be recovered by levy of additional charge from the State Entities in proportion to Net Deviation Charges Payable by concerned State Entity for the applicable weekly settlement period through supplementary bills.

11. Deviation Accounting

- (1) A detailed energy accounting procedure shall be prepared by the SLDC as per Regulation 10 within Thirty (30) days of notification of these Regulations and shall be submitted to the Commission for approval.

Provided that, SLDC shall undertake stakeholder consultation by uploading the draft procedure on SLDC's website before submission of procedure to the Commission for approval.

- (2) A mock exercise of the deviation accounting and settlement shall be carried out by SLDC after the Commission's approval of the aforesaid procedure for a period not less than three (3) months and not exceeding six (6) months. There shall be no financial transaction during the mock exercise.
- (3) SLDC shall submit weekly report to the Commission on deviation accounting and settlement in the State Deviation Pool Account during the mock exercise based on which the Commission may suggest necessary modification in the procedure if required.
- (4) Deviation Settlement of Consumers connected to the Intra State Transmission System and consumers connected to the distribution network shall be in accordance with the provisions of Open Access Regulations and its amendments thereof.

12. Schedule of Payment of charges for deviation and Late Payment Surcharge

- (1) The payment of charges for deviation shall have a high priority and the concerned State entity shall pay the due amounts within 10 (ten) days of the issue of Statement of charges for deviation by the SLDC, failing which late payment surcharge @ 0.04% shall be payable for each day of delay.
- (2) If, any State entity, at any time during the previous financial year, fails 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 State Load Despatch Centre within a fortnight from the start of the current financial year.

Provided that the LC for the first year shall be equal to 110% of its average payable weekly liability for deviations in the mock exercise period.

- (3) In case of failure to pay into the State Deviation Pool Account within 10 (ten) days from the date of issue of Statement of charges for deviation, the State Load Despatch Centre shall be entitled to encash the LC of the concerned State entity to the extent of the default and the concerned State entity shall recoup the LC amount within 3 days.

13. Roles & Responsibilities of SLDC

- (1) The various roles and responsibilities of SLDC with regards to deviation settlement are as follows:
 - (a) Prepare and issue the statement of charges for deviation to all State entities.
 - (b) Co-ordinate and facilitate the intra-state energy exchange for ensuring optimal utilization of resources.
 - (c) Review energy accounting and billing for inter-utility exchange of power.
 - (d) Settlement of deviations amongst State Entities & State Aggregator in accordance with these Regulations.
 - (e) Monitor compliance of these Regulations by State Entities and submit annual

compliance report within thirty (30) days from close of finance year.

- (f) Provide necessary support and advice to the Commission for suitable modifications in the operating procedures, and amendment to the provisions of this Regulations, as may be necessary upon due regulatory process.

14. Constitution of Committee

A committee comprising of members from GRIDCO, SLDC, one of the DISCOMs, one generating company under the chairmanship of Director (Operations), OPTCL shall be constituted to resolve any issue raised by State Entity(ies)/ stakeholder(s) relating to deviation charge. The SLDC will be the Secretariat for assisting and implementing the decision of the Committee.

15. 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, may relax any of the provisions of these regulations on its own motion or on an application made before it by the affected party.

16. Power to Amend

The Commission, recording the reasons in writing, may, at any time, vary/ alter/ modify/ amend any of the provisions of these Regulations through an amendment.

17. Power to Remove Difficulty

If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, on its own motion or on an application filed by any affected party, issue such practice or directions or Order, make such provision not inconsistent with the provisions of the Act or provisions of other Regulations specified by the Commission as may appear to be necessary for removing the difficult in giving effect to the objective of these regulations.

18. Power to issue directions

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

19. Interpretation

If a question arises relating to the interpretation of any provision of these Regulations, the decision of the Commission shall be final.