

Central Electricity Regulatory Commission

Notification

New Delhi, the ___ March, 2015

No. _____. - In exercise of the powers conferred under Section 178 of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations to amend the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2014 (hereinafter referred to as the "Principal Regulations") namely: -

1. Short title and commencement - (1) These regulations shall be called the **Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Second Amendment) Regulations, 2015,**

(2) These regulations shall come into force with effect from the date of their publication in the Official Gazette.

2. **Amendment of Regulation 5 of Principal Regulations:** In clause (1) of Regulation 5 of the Principal Regulations, the words “and over-injection by the seller and 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 clause (2) of this regulation” shall be substituted by the words “and over-injection by the seller, except for the wind and solar energy generators whose scheduling is done by the RLDCs, and 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 clause (2) of this regulation”.

3. **Amendment of Regulation 5 of Principal Regulations:** Sub-clause (iv) to clause (1) of Regulation 5 of the Principal Regulations, shall be substituted as under

“the charges for the Deviation for the over-injection by the seller in a time block in excess of 12% of the schedule or 150 MW, whichever is less, shall be zero, except in case of injection of infirm power, which shall be governed by the clause (5) of this Regulation and except for wind and solar energy generators whose scheduling is done by RLDCs, which shall be governed by sub-clauses (v) to (vii) below:

4. **Insertion of new proviso under clause (1) under Regulation 5:** After sub-clause (iv) to clause (1) of Regulation 5 of the Principal Regulations, new sub-clauses (v), (vi) and (vii) shall be added as under:-

(v) If the actual generation is in the range 88% to 100% of schedule, the wind and solar generator would pay to the Regional DSM Pool, for the shortfall energy at a fixed rate as may be determined by the Commission

from time to time through separate order. In addition, the wind and solar energy generator will buy the Renewable Energy Certificates (RECs), equivalent to the shortfall energy and transfer them to the buyer to enable it to fulfil its RPO obligation.

(vi) If the actual generation is below 88% of the schedule, the wind and solar energy generator would pay to the Regional DSM Pool, for the shortfall energy below 88% at such fixed rate as may be determined by the Commission from time to time through separate order. In addition, the wind and solar energy generator will buy RECs (equivalent to the shortfall energy) to ensure that equivalent renewable energy has been injected into the grid to enable the buyer to fulfil its renewable purchase obligations. The RECs so purchased shall be extinguished as per the provisions of the prevailing Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, as amended from time to time, and the detailed procedure issued thereunder.

(vii) If the actual generation is in the range of 100% to 112% of schedule, the wind and solar energy generator would be paid from the DSM Pool for such excess generation at such fixed rate as may be determined by the Commission from time to time. In addition, the wind and solar energy generator would also be issued RECs for such excess generation. For actual generation beyond 112% of the schedule, the wind and solar energy generator would be compensated by way of issuance of RECs only.

5. **Amendment of Regulation 5 of Principal Regulations:** In clause (2) of Regulation 5 of the Principal Regulations, the words “The Charge for Deviation shall be determined in accordance with the following methodology” shall be substituted by the words “The Charge for Deviation, except for wind and solar energy generators whose scheduling is done by the RLDCs, shall be determined in accordance with the following methodology”.

6. **Insertion of a new proviso to clause (1) under Regulation 7:** After the existing proviso to clause (1) of Regulation 7 of the Principal Regulations, a new proviso shall be added as under:-

"Provided that the limits on deviation volume and consequences for crossing these limits (including the additional charges for deviation) as stipulated under Regulation 7 shall not apply to wind and solar energy generators whose scheduling is done by the RLDCs"

(Shubha Sarma)
Secretary

Note: The Principal Regulations were published on 7.1.2014 in the Gazette of India, Extraordinary, Part III, Section 4, Serial No. 06, corrigendum thereof was published (on 17.2.2014) in the Gazette of India,

Extraordinary, Part III, Section 4 at Serial No.52 and the first amendment to the Principal Regulations were published in the Gazette of India, Extraordinary, Part-III, Section 4 on 18th December, 2014.