

**ARUNACHAL PRADESH
STATE ELECTRICITY REGULATORY COMMISSION
(Deviation Settlement Mechanism and Related Matters) Regulations, 2025**

DRAFT REGULATION

In exercise of the powers conferred under sub-section (3) of Section 32, sub-section (4) of Section 33, sub-section (1) of Section 86 and Section 181 of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, and after previous publication, the Arunachal Pradesh State Electricity Regulatory Commission hereby makes the following regulations, namely **Arunachal Pradesh State Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2025**.

1. Short title and commencement

- (i) These Regulations may be called the **Arunachal Pradesh State Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2025**.
- (ii) These Regulations shall apply to all Intra-State Entities in Arunachal Pradesh State in a manner as specified in these Regulations.
- (iii) These Regulations except commercial arrangements, Deviation Charges, and penal action shall come into force from the date of Notification in Official Gazette of Arunachal Pradesh.

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. Definitions and Interpretation

In these regulations, unless the context otherwise requires:

- (a) **'Act'** means the Electricity Act, 2003 (36 of 2003);
- (b) **'Ancillary Services'** means the Ancillary Services as defined in the Ancillary Services Regulations notified by CERC.
- (c) **'Actual injection'** in a time block means the electricity injected by the seller, measured by the interface meters;
- (d) **'Actual drawal'** in a time block means the electricity drawn by a buyer, measured by the interface meters;
- (e) **'Area Clearing Price'** or **'ACP'** means the price of electricity contract for a time-block transacted on a Power Exchanges after considering all valid buy and sale bids in particular area(s) after market-splitting;
- (f) **'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.

- (g) **'Buyer'** means a person purchasing electricity through a transaction scheduled in accordance with the APERC State Grid Code (APSEGC)
- (h) **'Connectivity Regulations'** means the provisions of State Grid Code as amended from time to time and APERC (Terms and Conditions of Intra-State Open Access) Regulation, 2025 as amended from time to time.
- (i) **'Commission'** means the Arunachal Pradesh State Electricity Regulatory Commission referred to in sub- section (1) of section 82 of the Act;
- (j) **'Central Commission'** means the Central Electricity Regulatory Commission referred to in sub- section (1) of section 76 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, in Rs/kWh 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 Exchanges 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 Market (DAM)'** means a market where physical delivery of electricity occurs on the next day(T+1) of the date of transaction (T) and is governed by the Central Electricity Regulatory Commission (Power Market) Regulations, 2022 (as amended from time to time), the Rules and Bye-Laws of the Power Exchanges as approved by the Central Commission.
- (m) **'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 in that time block and shall be computed as per Regulation 7 of these regulations;
- (n) **'Deviation Rate or Deviation Charge'** shall mean the charges for deviation for applicable time block as stipulated under the Regulation 9 of these Regulations.
- (o) **'Full Open Access Consumer'** Shall mean Open Access Consumer connected to a transmission system or distribution system but not having any contract demand with the distribution licensee within the state.
- (p) **'General seller'** means a seller in case of a generating station based on other than wind or solar or hybrid of wind-solar resources;
- (q) **'Gaming'** in relation to these Regulations, shall mean an intentional mis-declaration of declared capacity by any Seller or intentional mis-declaration of drawal schedule by any Buyer in order

- to make an undue commercial gain through Charge for Deviations;
- (r) **‘Grid Code’** means APERC (State Grid Code) as specified by the Commission under clause (h) of sub-section (1) of Section 86 of the Act.
 - (s) **‘Indian Electricity Grid Code’ (or ‘IEGC’)** means the Grid Code specified by the CERC under clause (h) of sub-section (1) of Section 79 of the Act;
 - (t) **‘Infirm Power’** means electricity injected into the Intra-State Grid prior to the date of commercial operation of a unit of the generating station in accordance with the APERC State Grid Code.
 - (u) **‘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);
 - (v) **‘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/or any re- enactment thereof;
 - (w) **‘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;
 - (x) **‘Normal Rate of Charges for Deviation’** means the charges for deviation (in paise/kWh) as referred to in Regulation 8 of these regulations;
 - (y) **‘NERPC’** means North Eastern Regional Power Committee;
 - (z) **‘Open Access Regulations’** means the Arunachal Pradesh State Electricity Regulatory Commission (Terms and Conditions of Intra-State Open Access) Regulation, 2025 as amended from time to time;
 - (aa) **‘Partial Open Access Consumer’** shall means Open Access Consumer connected to transmission system and having part of his contract demand with the distribution licensee within the state;
 - (bb) **‘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).
 - Responsible for coordination with STU/SLDC for metering, data collection/ transmission, communication.
 - 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.
 - QCA shall be treated as a State Entity and shall be registered with SLDC.
 - (cc) **‘Regional Entity’** means a person whose metering and energy accounting are done at the regional level by the Regional Load Despatch Centre;

- (dd) **‘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 Appropriate 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 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.
- (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 given by the concerned 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 given by the concerned Load Despatch Centre;
- (hh) **‘SDSMA’** means State Deviation Settlement Account,
- (ii) **‘Seller’** means a person, including a generating station, supplying electricity through a transaction scheduled in accordance with the APERC (State Grid Code) .
- (jj) **‘State Load Despatch Centre’ (SLDC)** means State Load Despatch Centre (SLDC) of Arunachal Pradesh.
- (kk) **‘State Deviation Pool Account’** means the Account to be maintained and operated by the State Load Despatch Centre as per Regulation 11 of these regulations;
- (ll) **‘State Entity’** means such person who is in the SLDC control area and whose metering and energy accounting is done at the state level;
- (mm) **‘STU’** means the State Transmission Utility notified by the Government of Arunachal Pradesh State under Section 39(1) of the Act.
- (nn) **‘Time Block’** means the time block as defined in the State 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.

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 State Grid Code or the Indian Electricity Grid Code notified by CERC or any other Regulations of this Commission shall have the meaning assigned to them respectively in the Act or any other regulation.

4. Scope

- (i) These Regulations shall apply to the transactions of conveyance of electricity for all buyers including distribution licensee, deemed distribution licensee including open access consumer using intra-state transmission system and / or distribution system of distribution licensee,
- (ii) Deviation Settlement Mechanism under these Regulations shall also be applicable for all Seller(s) having installed generating capacity **1 MW and above**, including renewable energy generators, open access generators, captive generators (excluding in-situ captive generators) connected to intra-state transmission/ distribution system as the case may be :

Provided that, the revision in the threshold capacity limit shall be separately notified by the Commission in stages over the period considering implementation aspects and based on report to be submitted by SLDC:

5. Adherence to Schedule and Deviation

- (i) For a secure and stable operation of the grid, every grid connected Intra-State entity shall adhere to its schedule as per the State Grid Code and shall not deviate from its schedule.
- (ii) 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 given provisions in these regulations.

6. Duties of State Load Despatch Centre and State Entities.

- (i) These Regulations aim to govern the functioning of various State Entities in a way that discipline is maintained with regard to the injection and drawal of energy by such State Entities and the reliability and integrity of the power system is maintained.
- (ii) To meet these objectives, the necessary preconditions and covenants for participation by the State Entities shall be as under:
 - (a) The State Entities shall provide details of all contracts, along with the contract rate, to SLDC that they have entered into for the exchange of energy.
 - (b) The State Entities shall operate their equipment and loads in a manner that is consistent with the provisions of the applicable regulations specified by the Central Electricity Authority, Indian Electricity Grid Code, 2023 and the Arunachal Pradesh state Grid Code, as amended from time to time and shall include any re-enactment thereof.
 - (c) The State entities shall enter into Connection Agreement/Open Access Agreement with the concerned transmission licensee, which shall specify physical and operational requirements for reliable operation and gain physical access and connection to the intra-State transmission system (In STS) or enter into Connection Agreement/Open Access Agreement with concerned Distribution Licensee for use of distribution system, as the case may be in accordance with the APSPERC (Terms and Conditions of Intra-State Open Access) Regulations, 2025 as amended from time to time and shall include any re-enactment thereof and the provisions of the APSPERC State Grid Code.

- (d) The State Transmission Utility (STU) shall make necessary arrangements for putting up suitable meters along with Automated Meter Reading (AMR) facility as per the provisions of the metering code under the state grid code, capable of recording energy flows at 15-minute intervals or any other time interval as specified by the Commission, at the points of injection and drawal. The time synchronization of the metering system shall be through the Global Positioning System with counter check from the State Energy Accounting Centre within the SLDC.
- (e) SLDC shall take all decisions regarding the despatch of stations after evaluating all the possible network parameters, constraints, and congestions in the transmission network and in the eventuality of any such network aberration, the instructions by the SLDC relating to despatch and drawal shall be binding on all State Entities.
- (iii) 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 with regard to despatch of power.

7. Computation of Deviation

- (i) Deviation in a time block for general sellers shall be computed as follows: Deviation-general seller (*DGS*) (in MWh) = [(Actual injection in MWh)– (Scheduled generation in MWh)].
Deviation-general seller (*DGS*) (in %) = $100 \times \frac{[(\text{Actual injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(\text{Scheduled generation in MWh})]}$.
- (ii) Deviation in a time block for WS sellers shall be computed as follows:
 - (a) **For the period from the date of commencement of these regulations to 31.03.2026**
Deviation-WS seller (*DWS*) (in MWh) = [(Actual Injection in MWh) – (Scheduled generation in MWh)];
Deviation-WS seller (*DWS*) (in %) = $100 \times \frac{[(\text{Actual Injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(\text{Available Capacity})]}$;
 - (b) **For the period from 01.04.2026 onwards**
Deviation-WS seller (*DWS*) (in MWh) = [(Actual Injection in MWh) – (Scheduled generation in MWh)];
Deviation-WS seller (*DWS*) (in %) = $100 \times \frac{[(\text{Actual Injection in MWh}) - (\text{Scheduled generation in MWh})]}{[(X\% \text{ of Available Capacity}) + (100-X) \% \text{ of Scheduled Generation}]}$;
Provided 'X' shall be stipulated by the Commission through separate order(s) after public consultation if need arises.
- (iii) Deviation in a time block for buyers shall be computed as follows:
Deviation- buyer (*DBUY*) (in MWh) = [(Actual drawal in MWh) – (Scheduled drawal in MWh)].
Deviation- buyer (*DBUY*) (in %) = $100 \times \frac{[(\text{Actual drawal in MWh}) - (\text{Scheduled drawal in MWh})]}{[(\text{Scheduled drawal in MWh})]}$.
- (iv) **Scheduling Period** — The scheduling period shall comprise 96-time blocks [or such other number of time blocks as may be stipulated through separate order from time to time], each of 15-minute duration [or such other time duration as may be stipulated through separate order from time to time]

starting from 00:00 hours (IST) ending with 24:00 hours (IST). The first-time block of scheduling period shall commence from 00:00 hours (IST) to 00:15 hours (IST), second time block of scheduling period shall commence from 00:15 hours (IST) to 00:30 hours (IST) and so on or such other period as may be specified by the Commission.

- (v) **Guiding Principles for Scheduling and Despatch** — All the General Sellers, RoR hydro sellers, MSW Sellers, WS Sellers and Buyers under these Regulations shall be guided by the scheduling and despatch code and procedure formulated by the SLDC in accordance with the provisions of applicable APERC State Grid Code and amendment thereof. The MoD principles as specified in the State Grid Code, and the scheduling and despatch procedure thereon shall be governed by following principles:
- (a) For the purpose of load generation balance during day ahead scheduling, Buyer/Utility-wise MoD principle shall be followed.
 - (b) Wheeling transactions of captive users and open access consumers shall be despatched as contracted subject only to transmission constraints and system emergency conditions.
 - (c) During real time operation, in case the grid parameters including frequency, voltage parameters and transmission line loading and substation loading conditions deviate beyond permissible operating range specified in the State Grid Code or IEGC, SLDC shall take suitable measures in the interest of reliable and safe grid operations or to ensure compliance of RLDC instructions in conformity with the provisions of the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 and the amendments thereof. Accordingly, SLDC shall issue necessary despatch or curtailment instructions in accordance with MoD principles for the state as whole, so as to maintain the load- generation balance and comply with conditions stipulated under IEGC and State Grid Code.
 - (d) SLDC shall maintain and publish separate accounts of such actions initiated by SLDC in the interest of grid operation or in compliance of RLDC instructions in conformity with CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024. SLDC shall publish weekly reports of exchange of power capacity, if any, amongst the State Entities resulting on account of such SLDC interventions.
 - (e) The time block wise settlement of such power exchange on account of such action initiated by SLDC shall be settled at the applicable Energy Charge rate of concerned generating station, for the respective time block.

8. Normal Rate of Charges for Deviations

- (i) 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:
- (a) the weighted average ACP (in Paise /kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges;
 - (b) the weighted average ACP (in Paise /kWh) of the Real Time Market segments of all the Power Exchanges;
 - (c) the sum of:

- (i) 1/3 [Weighted average ACP (in paise/kWh) of the Integrated-Day Ahead Market segments of all the Power Exchanges];
- (ii) 1/3 [Weighted average ACP (in paise/kWh) of the Real-Time Market segments of all the Power Exchanges]; and
- (iii) 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.

- (ii) 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 50 MW, whichever is less] and f within f band [f=System frequency and fband = [49.90Hz ≤ f ≤50.05 Hz] | |
| (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 50 MW, whichever is less] and f outside fband | |
| (i) @ zero when [50.05 Hz < f < 50.10 Hz]: Provided that such seller shall pay @ 10% of RR when [f ≥ 50.10 Hz] | (i) @ zero when [50.05 Hz < f < 50.10 Hz]: Provided that such seller shall pay @ 10% of RR when [f ≥ 50.10 Hz] |
| (ii) @ 115 % of RR when [f < 49.90 Hz] | (ii) @ 115 % of RR when [f < 49.90 Hz] |
| (III) For Deviation beyond [10% DGS or 50 MW, whichever is less] and f within and outside fband | |

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|---|---|
| (i) @ zero when (f < 50.10 Hz): Provided that such seller shall pay @ 10% of RR when [f ≥ 50.10 Hz] | (i) @ zero when (f < 50.10 Hz): Provided that such seller shall pay @ 10% of RR when [f ≥ 50.10 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% DRoR or 2 MW, whichever is less]; | (iii) @ RR for deviation up to [15% D RoR or 2 MW, whichever is less]; |
| (ii) @ Zero for deviation beyond [15% D RoR or 2 MW, whichever is less] | (iv) @ 105% of RR for deviation beyond [15% D RoR or 2 MW, whichever is less] and up to [20% D RoR or 4 MW, whichever is less]; |
| | (v) @ 110% of RR for deviation beyond [20% D RoR or 4 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; | (iv) for VLwS (1) @ contract rate; |
| (ii) for VLwS (2) @ 90% of contract rate | (v) for VLwS (2) @ 110% of contract rate; |
| (iii) beyond VLwS (2) @ Zero; | (vi) beyond VLwS (2) @ 200% of contract rate' |

- (i) **Note-1: Volume Limits for WS Seller (VLwS): 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 |
|------------|--------------|
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| 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 |

(iii) **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.
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 | |
| [VLB= Volume limit for Buyer] | |
| 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 $f = 50.05 \text{ Hz}$; | iv) 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 fband | |
| (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 $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$; (iv) @ zero when $[f \geq 50.10 \text{ Hz}]$; |
| (ii) @ NR when $[f < 49.90 \text{ Hz}]$; | (v) @ 150 % of NR when $[f < 49.90 \text{ Hz}]$. |
| (III) For VLB (2) and f within and outside fband | |
| (i) @ 80% of NR when $f \leq 50.00 \text{ Hz}$; (ii) @ 50% NR when $[50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}]$; (iii) @ zero when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$: Provided that such buyer shall pay @ 10% of NR when $[f \geq 50.10 \text{ Hz}]$; | (iv) @ 150% of NR when $f < 50.00 \text{ Hz}$; (v) @ NR when $[50.00 \text{ Hz} \leq f \leq 50.05 \text{ Hz}]$; (vi) @ 75% NR when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$: @ zero when $[f \geq 50.10 \text{ Hz}]$. |
| (IV) For VLB (3) and f within and outside fband | |
| (i) @ zero when $f < 50.10 \text{ Hz}$: Provided such buyer shall pay @ 10% of NR when $[f \geq 50.10 \text{ Hz}]$; | @ 200% of NR when $f < 50.00 \text{ Hz}$; @ NR when $[50.00 \text{ Hz} \leq f < 50.10 \text{ Hz}]$ @ 50% of NR when $[f \geq 50.10 \text{ Hz}]$. |

Volume Limits for Buyer:

| Buyer | Volume Limit |
|--------------|---------------------|
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|---|---|
| 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] |
|---|---|

8. Charges for injection of infirm power –

- (a) The charges for deviation by way of injection of infirm power shall be zero:

Provided that if infirm power is scheduled after trial run as specified in the State 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.

- (b) Notwithstanding the provisions of clauses (1) and (4) 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. Drawal of Start-up Power before COD by a generating unit shall be treated as deviation for the purpose of commercial settlement. 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 Sub-Regulation (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.

10. State DSM Account (SDSMA)

The State Load Despatch Centre shall prepare and issue (to all Sellers/Buyers) SDSMA charges to all Sellers/ Buyers as per the modalities and timelines as under:

- (i) **Billing Cycle:** The SDSMA billing cycle for all Sellers/ Buyers shall be monthly (calendar month wise).
- (ii) **Meter Reading:** Meter Reading shall be automatically read and communicated to SLDC.
- (iii) **Implemented Schedule:** For preparation of SDSMA Statement, the SLDC shall consider implemented schedule as available in the NERLDC and SLDC websites and implemented schedule received from Power Exchanges through E-Mail. SLDC shall be responsible for timely (as per APERC State Grid Code) updating and uploading of the implemented schedule in respect of all Sellers/ Buyers in the SLDC website.
- (iv) **Frequency:** For preparation of SDSMA Statement, SLDC shall consider frequency as considered by NERPC in the DSM Statement issued to Distribution licensee, as available in NERPC or as declared by NERLDC in its website.
- (v) **Confirmation of Meter-reading and Schedule:** Since meter reading and implemented schedule data are received in encrypted softcopy, so to minimize the possibility of error, before processing

of the SDSMA bill, SLDC shall again verify data of schedule and energy injection/drawal from the concerned Sellers/ Buyers and concerned metering Division of Transmission licensee and Distribution licensee. The Sellers/ Buyers and the concerned metering Division of Transmission licensee and Distribution licensee shall verify and confirm the required information within 2 (two) working days from the date of receipt of such data from SLDC through email.

- (vi) **Processing of SDSMA Bill:** SLDC shall prepare SDSMA bill within five (5) working days after the receipt of all related data from all concerned as above. Further, SLDC shall issue the SDSMA bill to all concerned through hardcopy and softcopy. The softcopy of the SDSMA bill shall be made available by publishing it on the SLDC website from the date of issue of SDSMA bill. The soft copy of the SDSMA shall broadly contain the following information:
- (a) Details of Deviation Settlement Method Tariff Structure currently in force;
 - (b) Details of Block-wise, Day-wise and total Deviation transactions for each Entity (details shall include Scheduled Energy, actual Energy, Charges for Deviation along with net amount payable/receivable by them);
 - (c) Details of transmission constraints and Grid disturbances;
 - (d) Any other details which State Load Despatch Centre feels necessary to complete the Deviation Settlement Method Account.

11. Accounting of Charges for Deviation Pool Account

- (i) A statement of Charges for Deviations including Additional Charges for Deviation levied under these Regulations shall be prepared by the SLDC on weekly basis by the Thursday of the week and shall be issued to all constituents by Tuesday, for seven-day period ending on the penultimate Sunday mid-night.
- (ii) 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 "State Deviation Pool Account", which shall be maintained and operated by the SLDC in accordance with the provisions of these Regulations.

Provided that—

- (a) The Commission may by Order direct any other entity to operate and maintain 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 the SLDC.
 - (c) The State entities shall comply with statutory requirements for payment of applicable statutory levies, including but not limited to Goods and Service Tax (GST), Tax deduction at source (TDS).
 - (d) The State entities shall facilitate SLDC in meeting with the reporting requirements of Statutory Authorities, as necessary.
- (iii) 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 11 of these regulations.

- (b) Receipt, from Deviation and Ancillary Services Pool Account- Regional, towards Reactive energy exchange, DSM etc. issued for the State by NERPC in accordance with IEGC/CERC DSM Regulations.
- (c) Such other charges as may be notified by the Commission.
- (iv) The State Deviation Pool Account shall be charged for:
 - (a) Any cost of expense or other charges incurred on recovery of Charges for Deviation.
 - (b) Over dues or penal Interest, if applicable
 - (c) Normal Interest
 - (d) Regional Deviation Pool Account
 - (e) Charges for Deviation and Additional Charges for Deviation.
 - (f) Such other charges as may be notified by the Commission.
- (v) The Settlement Account for Inter-State Deviation of the State as well as that for Intra-State Deviation shall be maintained separately by SLDC.
- (vi) 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 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.

Provided that SLDC shall submit the Annual statement of SDSM Account to Commission for information .

12. State Energy Accounting

- (i) A detailed energy accounting procedure shall be prepared by the SLDC as per Regulation 9 along with methodologies for the computation of Charges for Deviation for each state entity in line with the provisions of these Regulations within three months 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 and methodology on SLDC's website before submission of procedure to the Commission for approval.

- (ii) The SLDC shall prepare a statement of State Energy Account including Reactive Energy Account

for each time block for the Buyers and Sellers on a monthly basis. Data required for the billing of partial open access consumers shall be passed on to the billing centre of the distribution licensee by SLDC.

- (iii) The charges for over-drawal/under-injection and under-drawal/over-injection of electricity shall be computed by the SLDC in accordance with the methodology used for preparation of "State Energy Accounts".
- (iv) The SLDC shall, on weekly basis, prepare and publish on its website the records of the Deviation Accounts, specifying the quantum of over-drawal/under-injection and the corresponding amount of Charges for Deviation payable/receivable for each Buyer and Seller for all the time-blocks.

13. Schedule of Payment of charges for deviation

- (i) 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.
- (ii) All Payment to the entities entitled to receive any amount on account of Charges for Deviation shall be made within two working days of the receipt of payments in the "State Deviation Pool Account".
Provided that –

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 receiving 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 State Deviation Pool Account.

- (iii) 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.
- (iv) 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.

Provided that, if the entity is defaulting continuously, for delay/ non-payment of DSM charges, after encashing the LC, the SLDC shall approach the Commission with the recommendation for initiating the penal action against the default entity for the persistence default, under Section 142 of EA 2003.

14. Reactive Energy Management and Accounting

SLDC will be responsible for managing the Reactive Energy Requirement as per the Clause 10.7 of

Arunachal Pradesh State Electricity Regulatory Commission (State Grid Code) Regulations, 2025 as amended from time to time. The settlement of Reactive Energy Pool Account shall be in accordance with the procedures defined in State Grid Code.

Provided that, till the time the separate Reactive Energy Pool Account for the intra state entities are created and operationalized by the SLDC, the amount available in the State Deviation Pool Account may also be utilized by SLDC for payment to the Regional Pool account on temporary basis.

15. Compliance with the Instructions of State Load Despatch Centre

Notwithstanding anything specified in these Regulations, the Sellers and the Buyers shall strictly follow the instructions of the SLDC on injection and drawl in the interest of grid security and grid discipline.

16. Transition Period for implementation of these Regulations

- (i) The Regulations shall come into force from the date of its publication in the Official Gazette and remain in force unless amended, varied, altered, or modified by the Commission.
- (ii) SLDC shall develop and submit detailed procedures in accordance with these regulations within 3 months of the notification of these regulations.
- (iii) SLDC shall prepare the required software and shall run mock trial within six months in accordance with these regulations.
- (iv) The State Power Committee constituted under State Grid Code shall provide necessary support to SLDC in finalizing the procedures mentioned under these Regulations and also support the Commission for suitable modifications/issuance of operating procedures, practice directions, and amendment to the provisions of this Regulations, as may be necessary, time to time.

17. Treatment of Gaming:

- (i) The Commission, either suo-motu or on a Petition made by the SLDC, or any affected party, may initiate proceedings against any General Seller or any Buyer on charges of gaming and if required, may order an enquiry to be made by such officer of the Commission or such other party as the Commission may deem fit. The enquiry officer or such other party so appointed shall submit the findings after enquiry in the matter within such time as may be fixed by the Commission and such investigating officer or such other party shall exercise all powers as envisaged under Section 128 of the Act.
- (ii) If in the proceedings initiated by the Commission or in the enquiry made in this regard under Clause (1) above, it is proved that any General Seller or any Buyer has indulged in gaming, the Commission may without prejudice to any other action under the Act or Regulation made thereunder, disallow any Charges for Deviation to such Seller or Buyer during the period of such gaming.

18. 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.

19. 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.

20. Power to Remove Difficulty

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 practice directions as may be considered necessary in furtherance of the objective of these regulations.

21. Interpretation

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

Sd/-

Secretary