



Petition No. 1474 of 2019

BEFORE

**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Date of Order: 04.05.2020

PRESENT:

Hon'ble Shri Raj Pratap Singh, Chairman

Hon'ble Shri Kaushal Kishore Sharma, Member

IN THE MATTER OF Under Regulation 14, Power to remove difficulties of UPERC (Terms and conditions of Generation Tariff Regulations) 2014, seeking modification in the adopted CERC Deviation Settlement Mechanism and related matters Regulations for taking care of U.P. State specific requirements.

UP Power Corporation Ltd. (Through its Chief Engineer),
14- Ashok Marg, Lucknow

..... **Petitioner**

Uttar Pradesh State Load Dispatch Centre, (Through its Director)
(UPSCLD),
Vibhuti Khand, Gomti Nagar, Lucknow.

..... **Respondent**

ORDER

1. The Petitioner has filed this Petition in the matter of Under Regulation 14, Power to remove difficulties seeking modification in



the adopted CERC Deviation Settlement Mechanism and related matters, with the following prayers:

- A. Modify the adopted CERC Deviation Settlement Mechanism and related matters Regulations, in exercise of Regulation 14 Power to remove difficulties under UPERC (Terms and conditions of Generation Tariff) Regulation, 2014, and in exercise of similar provisions contained in related Regulations to take care of State specific requirements as per the averments made in the present Petition.
- B. Bring all renewable plants under the adopted CERC Deviation Mechanism Settlement and related matters Regulations, by modifying applicable Regulations.
- C. To direct UPSLDC to maintain accounts for deviation and raise bills on pro-rata basis in respect of plants which are equal to or less than 400 MW capacity. According to the schedule and deviations, as and when necessary, in a situation.

Proceedings in the Matter:

2. The hearing in the matter was held on 5th Sept'19 wherein Sh. Rajiv Srivastava, Legal counsel of Petitioner submitted that the adopted Deviation Settlement Mechanism of CERC may be modified by the Commission to the specific requirement of the State. The Commission vide its order dated 12.09.2019 directed the Petitioner and the Respondent to discuss specific modification required in the adopted CERC DSM Regulations in view of recently notified CRE Regulations, 2019.



Commission's decision and analysis:

3. The Commission has noted that UPERC CRE Regulations, 2019 dated 25.07.2019 has held that provisions of Deviation Settlement Mechanism (DSM) shall be implemented for all Renewable Energy based Power Plants, except for Small hydro projects (SHP) and Municipal solid waste (MSW) plants, and the Generating Plants shall be subject to day ahead scheduling.
4. Commission has also observed that UPERC Generation Tariff Regulations, 2019 dated 11.09.2019 have following provisions regarding Deviation Settlement Mechanism:

"31. Metering and Accounting: *Deviation settlement procedures shall be governed by the orders of the Central Electricity Regulatory Commission, till UPERC DSM Regulations are notified.*

"36. Deviation Charges:

- (1) *Variations between actual net injection and scheduled net injection for the generating stations, and variations between actual net drawl and scheduled net drawl for the beneficiaries shall be treated as their respective deviations and charges for such deviations shall be governed by the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related matters) Regulations, 2014, till DSM Regulations of the Commission are notified....."*

5. Commission has noted the request of UPPCL to suitably modify the adopted CERC DSM Regulations to take care of state specific requirements and shall issue appropriate amendment to its



Generation and CRE Regulations 2019, as required, after State specific DSM Regulations are notified. The prevailing provisions of these Regulations shall continue to be in force till such time.

The Petition is Disposed of in terms of above.


(Kaushal Kishore Sharma)
Member


(Raj Pratap Singh)
Chairman

Place: Lucknow

Dated: 04.05.2020