

Table-1: Frequency-based Charges for Deviation

Average Frequency of the time block (Hz)		Charges for Deviation
Below	Not Below	Paise/kWh
49.96	49.95	
49.95	49.94	
49.94	49.93	
49.93	49.92	
49.92	49.91	
49.91	49.90	
49.90	49.89	
49.89	49.88	
49.88	49.87	
49.87	49.86	
49.86	49.85	
49.85		800.00

*The daily simple average Area Clearing Price (ACP) in Paise/ kWh shall be as discovered in Day-Ahead Market Segment of Power Exchange for N2 - North Region as considered by NLDC for declaring daily DSM rates on its website.

Note:-

- The Deviation Settlement Mechanism (DSM) rate vector will have a dynamic slope determined by joining the identified price points at 50 Hz. (daily simple average ACP), frequency of 49.85 Hz (Rs. 8 per unit) and 50.05 Hz (zero) on a daily basis.
- The maximum ceiling limit applicable for the average Daily ACP discovered in the DAM segment of Power Exchange at 50.00 Hz shall be 800 Paise/kWh.
- Charges for deviation for each 0.01 Hz step shall be equivalent to the Slope determined by joining the price at 'Not below 50.05 Hz' and 'identified price at 50.00 Hz' in the frequency range of 50.05-50.00 Hz, and to the Slope determined by joining the 'price identified at 50.00 Hz' and price at 'below 49.85 Hz' in frequency range 'below 50 Hz' to 'below 49.85 Hz'.
- The daily simple average ACP of the Power Exchange having a market share of 80% or more in energy terms on a daily basis shall be taken into consideration for linking to the DSM price vector. If no single Power Exchange is having a market share of 80% or more, the weighted average day-ahead price shall be used for linking to the DSM price.

- v. Daily simple average Area Clearing Prices (ACP) in the day-ahead market (exclusive of any transmission charges and transmission losses) shall be used as the basis for market linked DSM price at 50 Hz.

Provided that based on a review of the above mechanism within one year or in such time period as may be decided by the Commission, if the Commission is satisfied that the market conditions permit, the basis for market linked DSM price shall be substituted, by the time-block-wise ACP in the day ahead market or as and when the real time market is introduced, by the hourly ACP or the ACP of such periodicity as may be considered appropriate by the Commission.

- vi. In case of non-availability of daily simple average ACP due to no-trade on a given day, daily simple average ACP of the last available day shall be considered for determining the DSM charge.

- vii. Deviation price shall be rounded off to nearest two decimal places.

- viii. An illustration to the DSM price vector specified in table above, is provided as Annexure-I

- ix. The National Load Despatch Centre (NLDC) shall act as the Nodal Agency to declare the daily DSM rates and shall display all relevant information on its website."

- (2) In Sub-regulation (3) of Regulation 5 of the Principal Regulations, the words "RLNG Rs. 8.24 / kWh sent out" shall be substituted by "RLNG Rs. 8.00/kWh sent out".

4. Amendment of Regulation 7 of the Principal Regulations:

- (1) In Sub-regulation (1) of Regulation 7 of the Principal Regulations, the words "49.70 Hz and above and below 50.10 Hz" shall be substituted by the words "49.85 Hz and above and below 50.05 Hz".

- (2) In first proviso to Sub-regulation (1) of Regulation 7 of the Principal Regulations, the words "below 49.70 Hz" shall be substituted by the words "below 49.85 Hz" and the words "50.10 Hz and above" shall be substituted by the words "50.05 Hz and above".

- (3) In Sub-regulation (2) of Regulation 7 of the Principal Regulations, the words "49.70 Hz and above and below 50.10 Hz" shall be substituted by the words "49.85 Hz and above and below 50.05 Hz".

- (4) In first Proviso to Sub-regulation (2) of Regulation 7 of the Principal Regulations, the words "below 49.70 Hz" shall be substituted by the words "below 49.85 Hz" and the words "50.10 Hz and above" shall be substituted by the words "50.05 Hz and above".