

**KARNATAKA ELECTRICITY REGULATORY COMMISSION**

No. 16 C-1, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052.

**NOTIFICATION (DRAFT)****KERC/WS(DSM) /2025-26/1299, Dated:10.12.2025**

**Draft Karnataka Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement Mechanism and related matters for Sellers and Buyers of Wind, Solar and RE-Hybrid Generation sources) Regulations, 2025.**

**Preamble:**

The Karnataka Electricity Regulatory Commission, in exercise of the powers conferred under the clause (h) of sub-section (1) of Section 86, read with clause (zp) of sub-section (2) of Section 181 of the Act, has notified the Karnataka Electricity Grid Code (KEGC) 2025 on 21.07.2025, in line with CERC (Indian Electricity Grid Code )2023, Regulations.

The revision of schedule and its applicability for Wind -Solar sources shall be as per KEGC 2025. This has necessitated issue of amendments to some of the clauses of Karnataka Electricity Regulatory Commission (Forecasting, Scheduling, Deviation settlement and related matters for Wind and Solar Generation sources) Regulations, 2015 and its amendments thereof.

Karnataka Electricity Regulatory Commission in exercise of powers conferred under section 181 of the Electricity Act, 2003, read with clause (c) of sub-section (1) of section 86, has notified the Karnataka Electricity Regulatory Commission (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2025 on 22.07.2025. In the said Regulations, all renewable energy-based power generating stations having installed capacity of more than 5 MW (excluding Wind, Solar and WS Hybrid) were covered.

Karnataka is one of the Super Rich Renewable Energy States in the Country with estimated RE potential of 1,55,074 MW. The RE generation installed capacity is about 15,942.98 MW (as on June, 2025). The break up capacity for Wind, WS-Hybrid and Solar sources is about 6839.61 MW, 396.20 MW and 8701.17 MW respectively. To achieve this, the State Regulatory mechanism has provided effective and robust framework for maintaining demand-supply balance under credible contingencies and an enabling framework for transition to clean energy sources such as solar, wind, solar-wind hybrid and ESS, biomass, co-generation, Waste to Energy, Small Hydro, Hydro PSP and other Renewable Energy Technologies.

Increase in the share of RE capacity over the years and the rise of RE penetration leads to challenges in maintaining grid stability. In order to balance the demand and supply chain and to ensure the power system stability, an effective mechanism needs to be framed for settlement of the deviation by tightening the tolerance for error bandwidth and associated DSM charges for WS generation.

Further, the issues and challenges from capacity addition in respect of Wind-Solar Hybrid, with or without ESS also needs to be addressed.

The error in forecasting and scheduling of energy generation from such sources and also an intentional mis-declaration of scheduled generation by any generator/QCA in order to make an undue commercial gain, through Charges for Deviation, increases burden on the end consumers.

The Commission, after carefully considering the above facts has decided to publish **Draft Karnataka Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement Mechanism and related matters for Sellers and Buyers of Wind, Solar and RE-Hybrid Generation sources) Regulations, 2025** to invite comments / views / suggestions / objections from the stakeholders, general public and interested persons.

The Stakeholders, interested persons may file their comments / views / suggestions / objections, if any, on the said Regulations, **on or before 13.01.2026**, before the Secretary, KERC, # 16C-1, Millers Tank Bed Area, Vasanth Nagar, Bengaluru 560 052.

### **NOTIFICATION (DRAFT)**

In exercise of the powers conferred under(zp) of Section 181(2) of the Electricity Act, 2003 (36 of 2003) read with sub-section (2) of Section 32, sub-section (1), (2), (4) & (5) of Section 33, Clauses (c) of sub-section (1) of Section 86 and all other powers hereunto enabling, the Karnataka Electricity Regulatory Commission hereby makes the following regulations, namely:

#### **1. Short title and commencement:**

- (1) These Regulations may be called the **Karnataka Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement Mechanism and related matters for Sellers and Buyers of Wind, Solar and RE-Hybrid Generation sources) Regulations, 2025.**
- (2) These Regulations shall come into force from the date of their publication in the Karnataka Gazette.

#### **2. Definitions and Interpretation:**

In these regulations unless the context otherwise requires:

<b>Sl. No.</b>	<b>Particulars</b>	<b>Definition</b>
1	<b>Act</b>	the Electricity Act, 2003 (36 of 2003);
2	<b>Actual injection/generation</b>	in a time block means the electricity injected by the generator, measured by the interface meters;
3	<b>Buyer</b>	a person including distribution licensee or deemed distribution licensees or consumer including open access consumers or captive users or any company located within the State, receiving power by using the State-grid including such system when it is used in conjunction with inter-State transmission system and whose scheduling and / or metering and energy accounting is done by the SLDC in accordance with the State Grid Code. (definition modified in line with 2025 KERC DSM Regulations).
4	<b>CERC</b>	the Central Electricity Regulatory Commission referred to in sub-section (1) of Section 76 of the Act;