

# **HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA**

## **Notification**

**HPERC-H(1)25/2023**

**Shimla, the 26<sup>th</sup> April, 2025**

**WHEREAS**, the Himachal Pradesh Electricity Regulatory Commission (hereinafter referred to as the 'Commission') notified the HPERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 on 20.05.2024, as published in the Rajpatra, Himachal Pradesh on 21<sup>st</sup> May, 2024 and amended vide notification dated 28<sup>th</sup> January, 2025 (hereinafter referred to as the "Principal Regulations");

**AND WHEREAS**, the Central Electricity Regulatory Commission has notified the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 on 5<sup>th</sup> August, 2024 and amended the same by notification dated 17<sup>th</sup> December, 2024 (hereinafter referred to as the CERC DSM Regulations, 2024) by repealing the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2022;

**AND WHEREAS**, the Commission, in order to align its Principal Regulations with the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024, proposes further to amend the Principal Regulations;

**NOW, THEREFORE**, in exercise of the powers conferred by sub-section (1) read with clause (zp) of sub-section (2) of section 181 of the Electricity Act, 2003 (36 of 2003) (hereinafter referred to as the Act), read with section 21 of the General Clauses Act, 1897 (10 of 1897), and all other powers enabling it in this behalf, the Commission proposes further to amend the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 and as required by sub-section (3) of section 181 of the Act and rule 3 of the Electricity (Procedure for Previous Publication) Rules, 2005, the Draft Amendment Regulations are hereby published for the information of all the persons likely to be affected thereby; and notice is hereby given that the said Draft Amendment Regulations will be

taken into consideration after the expiry of thirty (30) days from the date of publication of this Notification in the Rajpatra, Himachal Pradesh, together with any objections or suggestions which may within the aforesaid period be received in respect thereto.

The text of the aforesaid Draft Amendment Regulations is available on the website of the Commission i.e. <http://www.hperc.org>.

The objections or suggestions in this behalf should be addressed to the Secretary, Himachal Pradesh Electricity Regulatory Commission, Vidyut Aayog Bhawan, Block-37, SDA Complex, Kasumpti-171009(HP).

### **DRAFT RREGULATIONS**

**1. Short title and Commencement.**-(1) These Regulations may be called the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (Second Amendment) Regulations, 2025.

(2) These Regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

**2. Amendment of Regulation 2.**- In Regulation 2 of the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 (hereinafter referred to as the Principal Regulations), in sub-regulation (1),-

(i) for clause (k) , the following clause shall be substituted, namely:-

“(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, Rs/kWh tariff as determined or adopted or approved by the Appropriate 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 Exchange for the respective transaction; or
- (iii) 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; or

(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;” and

(ii) for clause (x), the following clause shall be substituted, namely:-

“(x) **‘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;”

**3. Amendment of Regulation 5.-** In Regulation 5 of the Principal Regulations, in key design parameter (I), for the letters, words, signs and figures “CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2022”, the letters, words, signs and figures “CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024” shall be substituted.

**4. Amendment of Regulation 7.-** In Regulation 7 of the Principal Regulations, for sub-regulations (1), (2) and (3), the following sub-regulations shall be substituted, namely:-

“(1) Charges for Deviation, in respect of a general seller (other than an RoR generating station) shall be as under:-

<b>Sr. No.</b>	<b>Deviation by way of over injection (Receivable by the Seller)</b>	<b>Deviation by way of under injection (Payable by the Seller)</b>
(1)	<b>For Deviation upto [10% DGS or 20 MW, whichever is less] and <math>f</math> within <math>f</math> band</b>	
(i)	@Reference Charge Rate (RR) when [49.97 Hz < $f$ < 50.03Hz]	(iv) @ Reference Charge Rate (RR) when [49.97Hz < $f$ < 50.03Hz]
(ii)	When [50.03 Hz < $f$ < 50.05Hz], for every increase in $f$ by 0.01 Hz, charges for	(v) When [50.03 Hz < $f$ < 50.05Hz], for every increase in $f$ by 0.01

	deviation for such seller shall be reduced by 30% of RR so that charges for deviation become 40% of RR when $f=50.05$ Hz.	Hz, charges for deviation for such seller shall be reduced by 2.5% of RR so that charges for deviation become 95% of RR when $f=50.05$ Hz.
(iii)	When $[49.97\text{Hz} > f \geq 49.90\text{Hz}]$ , for every decrease in $f$ by 0.01 Hz, charges for deviation for such seller shall be increased by 1.25% of RR so that charges for deviation become 108.75% of RR when $f=49.90$ Hz.	(vi) When $[49.97\text{Hz} > f \geq 49.90\text{Hz}]$ , for every decrease in $f$ by 0.01 Hz, charges for deviation for such seller shall be increased by 12% of RR so that charges for deviation becomes 184% of RR when $f=49.90$ Hz.
(II)	<b>For Deviation upto [10% DGS or 20 MW, whichever is less] and <math>f</math> outside <math>f</math> band</b>	
(i)	@ Zero when $[50.05 \text{ Hz} < f < 50.10\text{Hz}]$ : Provided that such seller shall pay @10% of RR when $[f \geq 50.10\text{Hz}]$	(iii) @ 95% of RR when $[f > 50.05\text{Hz}]$ ,
(ii)	@ 108.75% of RR when $[f < 49.90 \text{ Hz.}]$	(iv) @ 184% of RR when $[f < 49.90 \text{ Hz}]$
(III)	<b>For Deviation beyond [10% DGS or 20 MW, whichever is less] and <math>f</math> within and outside <math>f</math> band</b>	
	(i) @ Zero when $[f < 50.10\text{Hz}]$ : Provided that such seller shall pay @ 15% of RR when $[f \geq 50.10\text{Hz}]$	(ii) @ 110% of RR when $[f \geq 50.00\text{Hz}]$ (iii) @ 180% of RR when $[49.90\text{Hz} \leq f < 50.00\text{Hz}]$ ; and (iv) @ 220% of RR when $[f < 49.90\text{Hz}]$
Note: System frequency= $f$ and $f$ band = $[49.90\text{Hz} < f \leq 50.05\text{Hz}]$		

(2) Charges for Deviation, in respect of a general seller **being a RoR generating station**, shall be **without any linkage to grid frequency**, as under:-

	<b>Deviation by way of over injection (Receivable by the Seller)</b>	<b>Deviation by way of under injection (Payable by the Seller)</b>
(i)	@80% of RR deviation upto [15% DGS or 30 MW, whichever is less];	(iii) @105% of RR deviation upto [15% DGS or 30 MW, whichever is less];
(ii)	@Zero for deviation beyond [15% DGS or 30 MW, whichever is less].	(iv) @110% of RR deviation beyond [15% DGS or 30 MW, whichever is less] and upto [20% DGS or 40 MW whichever is less];
		(v) @120% of RR deviation beyond [20% DGS or 40 MW, whichever is less].

(3) Charges for Deviation, in respect of a **Buyer**, shall be receivable or payable as under:-

	<b>Deviation by way of under drawl (Receivable by the Buyer)</b>	<b>Deviation by way of over drawl (Payable by the Buyer)</b>
	<b>(v) For VLB (1) and <math>f</math> within <math>f</math> band</b>	
(i)	@90% of Normal Rate of Charge for Deviation (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 9% of NR so that charges for deviation become 45% of NR when $f= 50.05$ Hz;	(v) 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 5% of NR so that charges for deviation become 75% of NR when $f= 50.05$ 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 $f= 49.90$ 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 $f= 49.90$ Hz.
(VI)	<b>For VLB (1) and <math>f</math> outside <math>f</math> band</b>	
(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) @ 60% of NR when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$ ;
(ii)	@100% of NR when $[f < 49.90 \text{ Hz}]$	(iv) @Zero when $[f \geq 50.10 \text{ Hz}]$ ;
		(v) @160% of NR when $[f < 49.90 \text{ Hz}]$ .
(VII)	<b>For VLB (2) and <math>f</math> within and outside <math>f</math> band</b>	
(i)	@80% of NR when $[f \leq 50.00 \text{ Hz}]$ ;	(iv) @160% of NR when $[f < 50.00 \text{ Hz}]$
(ii)	@50% of NR when $[50.00 \text{ Hz} < f \leq 50.05 \text{ Hz}]$ ;	(v) @ 100% of NR when $[50.00 \text{ Hz} \leq f \leq 50.05 \text{ Hz}]$
(iii)	@ Zero when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$ : Provided that such buyer shall pay @10% of NR when $[f \geq 50.10 \text{ Hz}]$	(vi) @ 80 % NR when $[50.05 \text{ Hz} < f < 50.10 \text{ Hz}]$ ; @Zero when $[f \geq 50.10 \text{ Hz}]$
(VIII)	<b>For VLB (3) and <math>f</math> within and outside <math>f</math> band</b>	
	(i) @ Zero when $[f < 50.10 \text{ Hz}]$ : Provided such buyer shall pay @ 10% of NR when $[f \geq 50.10 \text{ Hz}]$	(ii) @200% of NR when $f < 50.00$ Hz
		(iii) @100% of NR when $[50.00 \text{ Hz} \leq f < 50.10 \text{ Hz}]$ @50% of NR when $[f \geq 50.10 \text{ Hz}]$ ;

<b>Note: Volume Limits for Buyer:</b>		
	<b>Buyer</b>	<b>Volume Limit</b>
	Buyer	VLB (1)=Deviation upto [10% DBUY or 100 MW, whichever is less]
		VLB (2)= Deviation [beyond 10% DBUY or 100 MW, whichever is less] and upto[15% DBUY or 200 MW, whichever is less].
		VLB (3)= Deviation beyond [15% DBUY or 200 MW]".

By order of the Commission

Sd/-  
**Secretary**