

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

No. L-1/260/2021/CERC

Dated: 25.08.2026

NOTIFICATION

In exercise of the powers conferred under Section 178 of the Electricity Act, 2003 and all other powers enabling it in this behalf and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations to amend the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 (hereinafter referred to as the "Principal Regulations"), namely: -

1. Short Title and Commencement

1.1 These regulations may be called the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (Third Amendment) Regulations, 2026.

1.2 These regulations shall come into force with effect from 31.08.2026.

2. Insertion of a new clause after clause (4) of Regulation (8) of the Principal Regulations:

2.1 A new clause shall be inserted after clause (4) of Regulation (8) of the Principal Regulations, as under:

“(4A) Notwithstanding the provisions of clause (4) of this Regulation, the charges for Deviation, in respect of a WS Seller, shall be treated at par with General Sellers in the following cases:

(a) for projects under bidding route, with tendering or bid submission dates on

- or after 01.01.2027; and
- (b) for projects, other than those covered under sub-clause (a), having date of commercial operation on or after 01.01.2029.

3. Insertion of a Note after clause (5) of Regulation (8) of the Principal Regulations:

- 3.1 A Note shall be inserted after clause (5) of Regulation (8) of the Principal Regulations, as under:

“Note: The charges for deviation in respect of a standalone ESS being a pumped hydro storage plant under Section 62 of the Act shall be computed at the energy charge rate as specified under Clause 3 of Regulation 66 of the CERC (Terms and Conditions of Tariff) Regulations, 2024, as amended from time to time.”

4. Amendments to Clause (8) of Regulation (8) of the Principal Regulations:

- 4.1 In sub-clause 8(1) of Regulation 8 of the Principal Regulations, the words “The charges for injection of infirm power shall be zero, except in cases specified under clauses (2) and (3) of this Regulation” shall be read as “The charges for injection of infirm power shall be zero, except in cases specified under clauses (2), (2A) and (3) of this Regulation”.

- 4.2 A new clause shall be inserted after sub-clause 8(2) of Regulation (8) of the Principal Regulations, as under:

“(2A) In case of Standalone Energy Storage System (ESS), the infirm power injected into the grid from the date of first synchronization of ESS up to the successful completion of the trial run shall be paid @ Normal Rate of Charges for Deviations for each time block, subject to a ceiling of ₹ 2.00/kWh.”

- 4.3 In sub-clause 8(4) of Regulation 8 of the Principal Regulations, the words “Notwithstanding the provisions of clauses (2) and (3) of this Regulation,” shall be read as “Notwithstanding the provisions of clauses (2), (2A) and (3) of this

Regulation,”.

5. Amendment to Regulation 10 (Schedule of Payment of Charges for deviation) of the Principal Regulations:

- 5.1 In clause (1) of Regulation 10 of the Principal Regulations, the words “or within such timeline as stipulated in the Detailed Procedure for implementation, maintenance and operation of the National Deviation and Ancillary Services Pool Account, as approved by the Commission,” shall be inserted after the words “The payment of charges for deviation shall have a high priority, and the concerned regional entity shall pay the due amounts within 10(ten) days of the date of issuance of charges for deviation by the Regional Power Committee” and before the words “failing which late payment surcharge @ 0.04% shall be payable for each day of delay”.
- 5.2 In clause (3) of Regulation 10 of the Principal Regulations, the words “or within such timeline as stipulated in the Detailed Procedure for implementation, maintenance and operation of the National Deviation and Ancillary Services Pool Account, as approved by the Commission ” shall be inserted after the words “In case of failure to pay into the Deviation and Ancillary Services Pool Account within 10(ten) days from the date of issuance of charges for deviation,” and before the words, “the Regional Load Despatch Centre shall be entitled to encash the Letter of Credit of the concerned regional entity to the extent of the default, and the concerned regional entity shall recoup the Letter of Credit amount within 3 (three) days”.

Sd/-

(Harpreet Singh Pruthi)

Secretary

Note:

- (i) The Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 were published in Part III, Section 4, No. 642 of the Gazette of India (Extraordinary) dated

21.08.2024.

- (ii) The Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (First Amendment) Regulations, 2024 were published in Part III, Section 4, No. 1030 of the Gazette of India (Extraordinary) dated 24.12.2024.
- (iii) The Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (Second Amendment) Regulations, 2025 were published in Part III, Section 4, No. 473 of the Gazette of India (Extraordinary) dated 25.06.2025.