

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
13th floor, Centre No.1, World Trade Centre, Cuffe Parade, Mumbai-400 005
Tel. No. 022-22163964/65/69, Fax No. 022-22163976
E-mail: mercindia@merc.gov.in
Website: www.merc.gov.in

**NOTIFICATION OF OPERATIONALISATION OF PRINCIPLES FOR MERIT
ORDER STACK AND PROVISIONS OF TECHNICAL MINIMUM AT 55% ALONG
WITH COMPENSATION MECHANISM AS SPECIFIED UNDER MERC (STATE GRID
CODE) REGULATIONS, 2020**

NOTIFICATION

Date: 25 September 2020

1. In accordance with the provisions of Regulation 1.5 and Regulation 33.13 of MERC (State Grid Code) Regulations, 2020 (MEGC, 2020), notified in the Official Gazette on 2 September, 2020, the Commission is required to notify the date separately for operationalisation of principles for Merit Order Dispatch stack (MOD stack) as specified under these Regulations. Similarly, in accordance with the provisions of Regulation 1.5 and Regulation 34.7 of MEGC, 2020, the Commission is required to notify the date of operationalisation of provisions of Technical Minimum at 55% along with compensation mechanism as specified under these Regulations.
2. The Commission in MEGC, 2020 had specified that, provisions of MOD stack preparation and Technical Minimum of 55% along with compensation mechanism specified in the MEGC, 2020 shall also be applicable for preparation of MOD stack under existing Final Balancing and Settlement Mechanism (FBSM) framework subject to operational governing principles and commercial settlement mechanism under FBSM regime and the transitory period of at least one month from the date of notification of MEGC, 2020 shall be provided to all the stakeholders for implementation of these provisions.
3. In this context, the Commission notes that Maharashtra State Load Despatch Centre (SLDC) which is the implementation agency for Operation Code under MEGC, 2020, vide its email dated 24 September 2020 has confirmed that with its existing scheduling and billing software, operationalisation of provisions of Technical Minimum at 55% can be implemented and requested the Commission to notify the operationalization of MOD principles and Technical Minimum of 55% as specified in MEGC 2020.
4. In view of the above, the Commission notifies that:

- i. The principles for MOD stack specified in the Regulation 33 of MEGC, 2020 shall be operationalised under existing FBSM framework subject to operational governing principles and commercial settlement mechanism under FBSM regime from the month of October, 2020.

Accordingly, the timelines specified in the Regulation 33 of MEGC, 2020 for submission of required information by sellers to buyers and from buyers to SLDC shall be operationalised by all stakeholders and SLDC. SLDC shall prepare and publish the MOD stack on its website in the specified formats on 15th day of every month from the month of October, 2020, which would be effective from the 16th day of the month till the 15th day of the subsequent month unless revised by Maharashtra State Load Despatch Centre (MSLDC).

- ii. Provisions of Technical Minimum of 55% along with compensation mechanism as specified in the Regulation 34 and Annexure-4 of MEGC, 2020 shall be operationalised under existing FBSM framework subject to operational governing principles and commercial settlement mechanism under FBSM regime from the month of October, 2020.

Accordingly, the provisions of Regulation 34 and Annexure-4 of MEGC, 2020 shall be implemented by SLDC while scheduling of Generating Units from the 16th day of month of October, 2020 and appropriate compensation shall be payable to the Generating Units as specified in the Regulation 34 and Annexure-4 of MEGC, 2020.

Sd/-
(Mukesh Khullar)
Member

Sd/-
(I. M. Bohari)
Member