

**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**In the matter of**

**Removal of Difficulty in Implementation of Commercial Arrangement under  
MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019**

**Order**

**Date: 28 March, 2020**

1. In accordance with first proviso of Regulation 1(2) of MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019, notified on 1 March, 2019, the Commission is required to notify the date separately through Order for coming into force of Commercial Arrangements specified under Clause (9) and (10) of these Regulations and the related provisions regarding Deviation Charges, Additional Charge for Deviation and penal actions. Such date for coming into effect of Commercial Arrangement shall not be later than 1 April 2020.
2. In order to facilitate, guide the implementation, address difficulties, if any, and to monitor progress of several implementation activities related to DSM Regulations, the Commission has constituted a Working Group on 7 January 2019. From time to time review taken by the Working Group, it is observed that the development of DSM software is lagging behind the scheduled timeframe for completion. The Commission in its review taken on implementation of DSM Regulations on 6 March, 2020 also observed that MSLDC has initiated the state entity registration activities but yet to conduct the trail run of integrated operation of various software modules, such as Scheduling, Meter Data Management and DSM Settlement and Accounting, being developed for implementation of DSM in the State of Maharashtra. MSLDC is also required to conduct training cum workshop for stakeholders before the commercial arrangement of DSM is to be commenced. Further, MSLDC which is the implementation agency for implementation of DSM Regulations and also a member of the Working Group, vide its email dated 24 March, 2020 in reply to seeking status of DSM implementation, informed that in view of the outbreak of COVID-19, minimum staff had been deployed in MSLDC Office. It was

further informed that a detailed discussion regarding comments received from Distribution Licensees was underway and would be finalized and submitted at the earliest.

3. The Commission is aware that all out efforts are afoot to contain the rapid spread of Coronavirus Disease (COVID-19) epidemic in the Country including Maharashtra. The Central Government and the State Government of Maharashtra have advised people to stay indoors and maintain social distancing. Restrictions have been placed on movement of public and opening of offices and establishments etc. by the State Governments and vide order dated 24.03.2020 of Ministry of Home Affairs, Government of India to contain the spread of the COVID-19 pandemic in the country. Due to this, the Government has imposed strict restrictions on the movement of general public. Electricity being essential service, is exempted from such restrictions, however the concerned Offices of the State Government are mandated to work with minimum number of employees.
4. Completion of balance activities for implementation of DSM Regulations from 1 April, 2020 onwards would require to conduct training cum workshop of stakeholders to understand the operation of DSM implementation and analysis of trail run and modification , if any, in the software modules being developed by MSLDC. These activities would require physical meeting/discussion of the stakeholders which would not be possible in the present restriction of COVID-19.
5. In view of the above, in exercise of the power conferred by Regulation 19 and in pursuance of first proviso of Regulation 1 (2) of the MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019, it is notified that the date for coming into force of Commercial Arrangement of these Regulations shall be 1 June 2020 (Monday) or such other date as may be notified by the Commission depending upon review of the status by the Commission on 15 May, 2020.
6. Till such time these notifications come into force, the existing provisions relating to payment of Energy Charges based on actual generation under MYT Regulations 2015 and Energy Accounting framework of Final Balancing and Settlement Mechanism (FBSM) under relevant Orders of the Commission shall be continued.

**Sd/-**  
**(Mukesh Khullar)**  
**Member**

**Sd/-**  
**(I. M. Bohari)**  
**Member**

