

Operating Procedures & Business Rules

**State Power Committee - Deviation Settlement Mechanism
(SPC-DSM)**

**Under the MSERC (Intra-State Deviation Settlement
Mechanism and Related Matters) Regulations, 2025**

1. Preamble

These Operating Procedures and Business Rules have been formulated by the State Load Despatch Centre (SLDC) in pursuance of Regulation 10.1 of the MSERC (Intra-State Deviation Settlement Mechanism and Related Matters) Regulations, 2025, for the constitution and functioning of the State Power Committee. To avoid possible overlapping of the name with other similar Committees in the Government, the SPC shall be named as State Power Committee – Deviation Settlement Mechanism (SPC-DSM).

2. Objectives of the SPC-DSM

The objectives of the State Power Committee (DSM) shall be to:

- (i) Facilitate efficient and optimal intra-state energy exchange;
- (ii) Ensure effective implementation of DSM Regulations;
- (iii) Promote grid discipline and compliance by State Entities;
- (iv) Address operational and implementation challenges;
- (v) Provide structured advisory support to SLDC and MSERC.

3. Legal Basis

The SPC-DSM is constituted under Regulation 10.1 of the MSERC (Intra-State DSM and Related Matters) Regulations, 2025, read with relevant provisions of the Electricity Act, 2003, Indian Electricity Grid Code (IEGC), and MSERC (State Grid Code).

4. Constitution of State Power Committee-DSM

4.1 Composition

The State Power Committee (DSM) shall comprise the following members:

- 1) Chairperson –Head of SLDC;
- 2) Member – Representative of State Transmission Utility (STU) not below the rank of Superintending Engineer;
- 3) Member – Representative(s) of Distribution Licensee(s) not below the rank of Superintending Engineer;
- 4) Member – Representative of State Generating Company / IPPs not below the rank of Superintending Engineer;
- 5) Member – Representative of Open Access Consumers / Traders (as applicable);
- 6) Convenor – Officer nominated by SLDC (not below the rank of Executive Engineer).

The State Power Committee - DSM may include additional member(s) or invite special invitees as deemed necessary.

4.2 Tenure

- (1) Members shall ordinarily have tenure of two (2) years;
- (2) Change in nominee shall be officially intimated to the SLDC.

5. Roles and Responsibilities of SPC – DSM

5.1 Coordination and Facilitation

- (1) Coordinate among State Entities for intra-state energy exchange;
- (2) Facilitate optimal utilisation of generation, transmission, and market resources.

5.2 Monitoring of Compliance

- (1) Monitor compliance with DSM Regulations, approved schedules, and deviation limits;
- (2) Review major deviation trends and systemic issues.

5.3 Advisory Role to the SLDC

- (1) Guide SLDC on modification of operating procedures to address implementation difficulties;
- (2) Recommend clarifications on scheduling, accounting, and deviation settlement.

5.4 Advisory Support to the Commission

- (1) Provide inputs to MSERC for issuance/modification of:
 - (a) Operating Procedures;
 - (b) Practice Directions;
 - (c) Amendments to DSM Regulations.
- (2) Recommendations shall be routed through SLDC.

6. Powers and Limitations

- (1) SPC-DSM shall be an advisory and facilitative body;
- (2) SPC-DSM shall not issue operational instructions overriding SLDC's statutory authority;
- (3) SPC shall not adjudicate disputes or impose penalties.

7. Meetings of SPC

7.1 Frequency

- (1) SPC-DSM shall meet at least once every quarter;
- (2) Emergency meetings may be convened by Chairperson as and when required.

7.2 Serving of Notice

- (1) Minimum seven (7) days' notice for regular meetings;
- (2) Shorter notice may be issued for emergent meetings.

7.3 Quorum

Quorum shall be fifty percent (50%) of members.

7.4 Mode of Meeting

Meetings may be conducted in physical/virtual/hybrid modes.

8. Decision-Making Process

- (1) Decisions shall be taken through consensus, as far as possible;
- (2) In absence of consensus, views of members shall be recorded;
- (3) Recommendations shall be documented and circulated.

9. Secretariat Support

- (1) SLDC shall provide the secretarial support;
- (2) Responsibilities include:
 - (a) Issuance of notices;
 - (b) Agenda preparation;
 - (c) Recording and circulation of minutes;
 - (d) Follow-up of agenda items.

10. Reporting and Documentation

- (1) Minutes of each meeting shall be circulated within seven (7) working days;
- (2) Action Taken Report (ATR) shall be placed in subsequent meetings;
- (3) Key recommendations may be submitted to MSERC through SLDC.

11. Confidentiality and Data Sharing

- (1) Members shall maintain confidentiality of commercially sensitive information;
- (2) Data sharing shall be limited to regulatory and operational requirements.

12. Review and Amendment

- (1) These Operating Procedures and Business Rules may be reviewed periodically.
- (2) Any amendment shall require approval of MSERC.

13. Effective Date

These Operating Procedures and Business Rules shall come into effect from the date of approval by the Meghalaya State Electricity Regulatory Commission.