



TELANGANA ELECTRICITY REGULATORY COMMISSION

‘Vidyut Niyantran. Bhavan, G.T.S.Colony, Kalyan Nagar, Hyderabad - 500 045

O.P. No. 51 of 2025

Dated: 19-05-2026

Present

Dr. Justice Devaraju Nagarjun, Chairman

Sri. Raghu Kancharla, Member (Technical)

Sri. Cherukuri Srinivasa Rao, Member (Finance)

Between:

M/s Sprng Transform Sun Energy Private Limited
Unit No.FF-48A, First Floor Omaxe Square,
Plot No.14, Jasola District Centre, New Delhi-110025

...Petitioner

AND

1. Telangana State Load Despatch Centre
Through its Chief Engineer
SLDC, Room No.611
TS TRANSCO, Vidyut Soudha
Hyderabad, Telangana-500082.
2. Transmission Corporation of Telangana Limited
Through its Chairman & Managing Director
Vidyut Soudha, Khairatabad, Hyderabad-500082
3. Southern Power Distribution Company of Telangana Limited
Through its Chairman & Managing Director
#6-1-50, Mint Compound,
Hyderabad, Telangana-500063

...Respondents

The petition has come up for hearing on 09.09.2025, 07.10.2025, 30.10.2025, 14.11.2025, 26.11.2025, 18.02.2026, 10.03.2026. Ms. Priya Dhankhar, Counsel for the petitioner is present on 09.09.2025, 07.10.2025, 14.11.2025 and 18.02.2026 Mr. Suhael Buttan, Counsel representing Priya Dhankhar, Counsel for the petitioner is present on

30.10.2025, Mr. Venkatesh, Counsel representing Priya Dhankhar, counsel for the petitioner is present on 14.11.2025, 26.11.2025. Learned Counsel Mr. N. Sreedhar Reddy, counsel representing Respondents is present 09.09.2025, 07.10.2025, 30.10.2025, 14.11.2025, 26.11.2025, 18.02.2026, 10.03.2026.

ORDER

The present petition is filed by M/s Sprng Transform Sun Energy Private Limited under 61(c) of the Electricity Act, 2003 read with Regulation 22.2 of the Telangana State Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters for Solar and Wind Generation Sources) Regulations, 2018 inter alia challenging the invoice dated 03.08.2024 bearing no. ZD2024000131 issued by the Respondent No. 1, i.e., Telangana State Load Despatch Centre ("TGS LDC"), for the Petitioner's 100 MW solar power project Baleedupally village, Addakal Mandal, District. Mahbubnagar ("Project") to the extent of the deviation charges levied from 01.04.2023 to 16.04.2023 on account of a 15-hour time drift.

FACTS OF THE CASE:

1. Petitioner is a generating company within the meaning of Section 2(28) of the Act having its office at A-001, Upper Ground, P-5 Pentagon Tower, Magarpatta City, Hadapsar, Pune, Maharashtra- 411013 and supplies the electricity generated therefrom to the Southern Power Distribution Company of Telangana Limited ("TGSPDCL"), in terms of the Power Purchase Agreement dated 25.02.2016 ("PPA"). The Petitioner has commissioned the Project on 23.06.2017 and supplying electricity generated from the Project to TGSPDCL.
2. On 30.05.2018, this Commission in exercise of the powers conferred under Section 32(3), Section 33(4), Section 86(1)(h), Section 181(2)(g), and Section 181(2)(zo) of the Act issued the DSM Regulations to provide a framework for forecasting, scheduling, and deviation for all wind and solar generators (excluding rooftop solar projects) in the State of Telangana connected to the intra-state transmission system and mentioned the relevant provisions of the DSM Regulations which are reproduced hereinbelow-

"2. DEFINITION AND INTERPRETATION

2.1. In this Regulation, unless the context otherwise requires: -

(a) "Absolute Error" means the absolute value of the error in the actual generation of wind or solar generator with reference to the scheduled generation and the 'Available Capacity' (AvC), as calculated using the following formula for each 15 minute time block (as amended thereoffrom time to time): $\text{Error (\%)} = 100 \times [\text{Actual Generation} - \text{Scheduled Generation}] / (\text{AvC})$;

....

(c) "Actual Drawl" in a time-block means electricity drawn by a 'buyer or a beneficiary, as the case may be, measured by the interface meters;

(d) "Actual Injection" in a time-block means the electricity generated or supplied by the seller, as the case may be, measured by the interface meters;

(e) "Available Capacity or AvC" for wind or solar generator means the cumulative capacity rating of the wind turbines or solar inverters that are capable of generating power in a given time-block;

...

(l) "Deviation" in a time-block for a seller means its total actual generation minus its total scheduled generation and for a buyer means its total actual drawl minus its total scheduled drawl:

8. ENERGY ACCOUNT, DEVIATION SETTLEMENT AND ELIMINATION OF GAMING

8.2. In the event of actual injection of a generating station or a pooling station, as the case may be, being less or more than the scheduled generation, the deviation charges for shortfall or excess generation shall be payable by the wind or solar generator through QCA, or generator(s) themselves, as the case may be, to the State Pool Account, as per the schedule specified in the table below:

Table: Deviation-Charges in case of under or over injection for sale/supply of power within the State

SI. No.	Absolute Error in the 15- minute time block	Deviation Charges payable by Wind and Solar generator through QCA or generator(s) themselves to State Pool Account
1	$\leq 15\%$	None
2	$> 15\% \text{ but } \leq 25\%$	At Rs. 0.50 per unit for the shortfall or excess energy for

		<i>absolute error beyond 15% and up to 25%</i>
3	<i>>25% but ≤35%</i>	<i>At Rs. 0.50 per unit for the shortfall or excess energy for absolute error beyond 15% and up to 25% +Rs.1.00 per unit for balance energy beyond 25% and upto 35%</i>
4	<i>>35%</i>	<i>At Re. 0.50 per unit for the shortfall or excess energy for absolute error beyond 15% and up to 25% +Rs. 1.00 per unit for balance energy beyond 25% and up to 35% +Rs. 1.50 per unit for balance energy beyond 35%</i>

15. DEVIATION ACCOUNTING.

15.1. Computation of deviation charge: *The deviation charges have to be calculated and notified to the concerned stakeholders in accordance with the provisions made in clauses (a) to (e) below:*

(a) Deviation charge (D) payable or receivable for the state as a whole at the state periphery shall be first computed by the SLDC.

(b) SLDC shall calculate Absolute Error occurred in the scheduled energy and actual energy and deviation reflected at state periphery for each pooling station and for each generator who is not a part of the pooling station feeding directly to the sub-station.

(c) The deviation charges (R) as specified in this Regulation shall be calculated by the SLDC for the pooling stations and for each generator who is not a part of the pooling station feeding directly to the sub-station.

(d) SLDC shall calculate the deviation for each pooling station and for each generator who is not a part of the pooling station feeding directly to the sub-station, assuming (i) the share out of state level deviation charge as 'D' and (ii) receipt of deviation charge from each pooling station and for each generator who is not a part

of the pooling station feeding directly to the sub-station based on the charges for deviation, as (R). Actual commercial impact for the state as a result of deviation of wind and solar generation would be D minus R.

(e) This amount D minus R shall be further allocated to each pooling station and for each generator who is not a part of the pooling station feeding directly to the sub-station in proportion to their deviation."

3. The deviation charges under the DSM Regulations are meant to be levied for the deviation between the energy actually injected into the grid and the energy scheduled to be injected into the grid, and that on 30.11.2022, this Commission approved the procedure to be followed by TGS LDC and all RE-Generators connected to the State Grid for implementation of the DSM Regulations.
4. TGTRANSCO vide its letter dated 28.12.2022 informed all solar and wind generators that the tentative effective date for commercial implementation of the DSM Regulations is 01.04.2023 and the trial run for the same would commence from 01.01.2023. Further TGTRANSCO vide its letter also informed about the necessary steps required to be taken by all stakeholders for effective implementation of the DSM Regulations.
5. The Respondents internally undertook calculation of the DSM charges for the month of April 2023 and found that the same were enormously high. Accordingly, TGS LDC vide its letter dated 09.02.2024 requested TSSPDCL and 122 RE-Generators operating in the State of Telangana (including the Petitioner) to check for time-drift errors in all the billing energy meters, rectify the time-drift immediately, and submit compliance to TGS LDC. Further, TGS LDC vide its letter also proposed the formation of a committee to address time-drift issues which were to be communicated to TGS LDC for rectification of charges. A true copy of TGS LDC's letter dated 09.02.2024.
6. Consequently, a meeting was held on 26.02.2024, wherein certain Qualified 14. Certified Agency ("QCAs") and the distribution licensees of Telangana were present. During the said meeting the issues regarding deviation charges for (a) the month of April 2023 were discussed and it was decided that:
 - (a) TGSPDCL and Telanagana State Northern Power Distribution Company Limited ("TSNPDCL") shall submit to the RE-Generators time-drift issues for the month of April 2023 duly certifying which meter data is to be considered

out of main/check/standby meters and how much time-drift is to be corrected by SLDC (in this case, TGSLDC) on or before 14.03.2024 at 17.00 hours, failing which the data as per actuals available with SLDC will be taken into consideration for the calculation of deviation charges; and

- (b) TGSPDCL and TGNPDCL to allow time-drift correction up to 31.03.2024, so that time-drift issues of RE-Generators shall be resolved. Accordingly, from 01.04.2024 onwards, the time-drift issues will not be considered while calculating the RE-DSM charges.

7. Thereafter, TGSPDCL vide its letter dated 07.03.2024 to all RE generators operating in the State of Telangana provided the provisional deviation charges computed in terms of the DSM Regulations and requested to resolve the time-drift issues as per the resolutions in the meeting held on 26.02.2024, in coordination with concerned departmental officials without any further delay.
8. The petitioner submits that it had noticed that in the data recorded by the Respondents for computation of DSM charges, there was generation recorded during the nighttime. Since the Petitioner owns and operates a solar project, which cannot generate electricity during night-time, the Petitioner realized there was a time drift error in computation of DSM charges.
9. The petitioner in tune with the resolutions in the meeting held on 26.02.2024 vide its letter dated 14.03.2024 informed TGSLDC stating that new meters have been installed at the Project site on 16.04.2023 to address the time-drift issues and requested TGSLDC to correct the time drift for 15 hours from 01.04.2023 to 16.04.2023 and revise the DSM charges levied upon the Petitioner. The Petitioner vide its letter dated 14.03.2024 also provided the documents supporting the replacement of meters to TGLDC. This was also confirmed by TGSPDCL vide its letter dated 18.03.2024 to TGLDC.
10. However, the TSTRANSCO on 03.08.2024 issued an invoice bearing no. ZD2024000131 levying DSM charges upon the Petitioner for the month of April 2023, which did not account for the 15 hour time-drift for the period from 01.04.2023 to 16.04.2023. The invoice dated 03.08.2024 for an amount of Rs. 79,45,957.35 towards DSM charges under Regulation 8 of the DSM Regulations and an amount of Rs. 5,12,56,568.23/- towards DSM charges under Regulation 15 of the DSM Regulations.

11. Petitioner submits that as on the basis of actual values as confirmed by the authorized representative of TSSPDCL the DSM charges leviable according to the petitioner under Regulation 8 of the DSM Regulations is approx. Rs. 4.17 Lakhs. The Petitioner has addressed letter dated 12.08.2024 to TGSPDCL, mentioning the steps taken by the Petitioner in accordance with the resolutions passed during the meeting held on 26.02.2024 and requested for correction of the time-drift of 15 hours for the period from 01.04.2023 to 16.04.2023. The petitioner has once again vide its letter dated 19.08.2024 to TGSLDC highlighted the time drift error in the invoice dated 03.08.2024 and duly informed that it is making payment of the Rs. 4,17,000/- towards DSM charges under Regulation 8 of the DSM Regulations as per the calculations undertaken by it on the basis of actual values of injection as confirmed by the authorised representative of the TGSPDCL.
12. Aggrieved by the invoice, the petitioner along with National Solar Energy Federation of India ("NSEFI") and its other members have filed W.P. No. 21949 of 2024 before the Hon'ble High Court of Telangana ("High Court") inter alia challenging the legality and validity of Regulation 15 of the DSM Regulations, which is currently pending adjudication. Further, along with W.P. No. 21949 of 2024, the Petitioner along with NSEFI also filed I.A. No. 1 of 2024 inter alia seeking stay on the operation of Regulation 15 of the DSM Regulations and a direction to the Respondents to not take any coercive action against the petitioners thereunder. The Hon'ble High Court vide its order dated 02.09.2024 in I.A. No. 1 of 2024 in W.P. No. 21949 of 2024 directed to not take coercive action against the petitioners, subject to payment of 50% of the state periphery deviation charges under Regulation 15 of the DSM Regulations.
13. Petitioner submits that being aggrieved by the aforesaid order dated 02.09.2024, the Petitioner along with NSEFI filed SLP(C) No. 3251 of 2025 before the Hon'ble Supreme Court inter alia challenging the order dated 02.09.2024 to the extent that the direction to not take coercive action has been made subject to the payment of 50% of the DSM charges under Regulation 15 of the DSM Regulations. Accordingly, the Hon'ble Supreme Court vide its order dated 31.01.2025 in SLP(C) No. 3251 of 2025 modified the interim order passed by the Hon'ble High Court directing the petitioners to deposit 50% of the DSM charges under Regulation 15 of the DSM Regulations to the extent that the

petitioners shall deposit 25% of the same, pending further orders of the Hon'ble Supreme Court. Accordingly the Petitioner on 25.03.2025 made payment of Rs. 1,28,14,142 (Rs. One Crore Twenty-eight) to TGSLDC, which is 25% (twenty-five percent) of Rs. 5,12,56,568 claimed by TGSLDC as per the invoice dated 03.08.2024.

14. However, on 13.06.2025 issued a notice for default in payment bearing Lr. No. CE/SLDC/F.RE DSM/D.No. 224/25, whereby the Respondents alleged that the Petitioner has not made payment of the invoice dated 03.08.2024 and threatened to stop despatch of power from the Petitioner's Project and encash the bank guarantee furnished by the Petitioner in case of non-payment of dues beyond 14 days from the date of the notice, i.e., by 27.06.2025.
15. Petitioner has made payment of the alleged outstanding amount of Rs. 75,28,587.35/- (Rupees Seventy Five Lakhs Twenty Eight Thousand Five Hundred Eighty Seven and Paise Thirty Five Only) to TGSLDC on 25.06.2025. The Petitioner vide its letter dated 26.06.2025 duly clarified that the payment of the aforesaid alleged outstanding amount was being made under protest and without admitting to any such liability solely to avoid stoppage of power evacuation from the Project. Accordingly, the respondent vide its email dated 30.06.2025 has acknowledged receipt of the payment from the Petitioner towards invoice dated 03.08.2024 and withdrawn the notice dated 13.06.2025.
16. The petitioner submits that without prejudice to the pendency of W.P. No. 21949 of 2024 and SLP(C) No. 3251 of 2025, the Petitioner has approached this Commission by way of the present Petition since despite repeated requests of the Petitioner, the respondents have failed to rectify the time-drift issue of 15 hours for the petitioner's Project.
17. Petitioner submits that the Respondents though acknowledged this technical difficulty in implementation of the DSM Regulations and despite repeated requests of the Petitioner and submission of requisite details within the prescribed timelines, the Respondents have not corrected the time-drift issue for the Petitioner's Project. It is further submitted that , in strict adherence to the requirement, replaced the faulty Secure make meters with L&T make meters on 16.04.2023, thereby ensuring full compliance with the regulatory framework , however, the Petitioner was unjustly penalized for an additional 15-hour time-drift whilst computing the deviation charges.

18. It is submitted that the Respondents by imposing deviation charges upon the Petitioner without correcting the time-drift issues for the period from 01.04.2023 to 16.04.2023 have derived benefits (i.e., additional levy of deviation charges) at the expense of the Petitioner, which is without any legal basis or justification. Therefore, imposing financial liability on the Petitioner for a deviation that did not materially exist violates the doctrine of unjust enrichment.

19. The petitioner has sought the Commission to,

- (a) To set aside the invoice dated 03.08.2024 bearing no. ZD2024000131 issued by the Respondent No. 1, i.e., Telangana State Load Despatch Centre, for the Petitioner's 100 MW solar power project Baleedupally village, Addakal Mandal, District. Mahbubnagar to the extent of the deviation charges levied from 01.04.2023 to 16.04.2023 on account of a 15 hour time drift;
- (b) To Direct the Respondent No. 1 to undertake calculation of DSM charges leviable upon the Petitioner under the Telangana State Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters for Solar and Wind Generation Sources) Regulations, 2018 after rectifying the 15 hour time-drift error from 01.04.2023 to 16.04.2023 for the Petitioner's 100 MW solar power project Baleedupally village, Addakal Mandal, District. Mahbubnagar;
- (c) To Direct the Respondent No. 1 to issue a revised invoice for the month of April 2023 after undertaking calculations rectifying the 15 hour time-drift error from 01.04.2023 to 16.04.2023 for the Petitioner's 100 MW solar power project Baleedupally village, Addakal Mandal, District. Mahbubnagar;
- (d) Direct the Respondent No. 1 to refund excess amounts paid by the Petitioner along with interest after deducting the amounts payable by the Petitioner towards DSM charges as per the revised invoice issued pursuant to prayer (c) above;

20. Respondent No. 2 / TGTRANSCO has filed their counter the contents of which in brief as follows –

- i. That, as per Electricity Act 2003 the electricity generated has to be despatched properly by following grid code. The generation of power from the natural sources such as solar and wind are not on firm basis and is dependent on nature. The DSM Regulations are aimed to promote grid discipline and security by enforcing the generators for accurate forecasting and scheduling. Therefore, necessity of

forecasting generation from these sources accurately and proper settlement for deviations has to be provided for as per the Deviation Settlement Mechanism (DSM) regulations given in 2018. Therefore, the deviation charges under the Deviation Settlement Mechanism (DSM) Regulations are levied for deviations between actual energy injection and scheduled energy injection.

- ii. That TGSLDC has conducted a meeting on 26.02.2024 regarding issues on time drift observed and deviation charges levied for the month of April 23 and it was also proposed that Discoms shall submit the RE generators time drift issues for the month of April-23 on or before 14.03.2024, 17:00 hrs, failing which the data as per actuals available with SLDC will be taken into consideration for the calculation of deviation charges and further time drift issues of RE generators shall not be considered from 01.04.2024 onwards. Subsequently, Discoms addressed the same matter to all the generators on 07.03.2024. On 14.03.2024, the Petitioner M/s Sprng Transform sun energy Pvt. Ltd. has submitted that with reference to TGSLDC letter Dt: 27.02.2024 & Discom Lr. Dt: 07.03.2024, the generator has replaced the old energy meters (secure make) with the new energy meters (L&T) on 16.04.2023. However, the compliance report by the Discoms was submitted to this office on 18.03.2024 which was later to the date mentioned by TGSLDC i.e., on or before 14.03.2024. The Petitioner had not brought to the notice of the Telangana State Load Despatch Centre (TGSLDC) in April 2023 itself about replacing the energy meters on 16.04.2023, instead, the information has been communicated to TGSLDC only after the series of correspondences as mentioned above.
- iii. Respondent states that the petitioner has arrived some deviation charges at PSS level on his own without submitting any proof and made payment accordingly. The petitioner has not paid any amount towards charges for actual commercial impact for the state as result of deviation i.e., (D-R). Hence, TGSLDC issued notice to pay outstanding deviation charges within 14 days vide notice Dt: 13.06.2025 from the date of issue of notice as per the regulations. Subsequently, the Petitioner paid the DSM charges for the month of Apr-23 & May-23 as per Supreme court orders i.e., 25% of the State Periphery charges (D-R) along with PSS level amount and now the Petitioner is claiming refund the excess amount paid on account of 16 days time drift in April 2023 which is not in the scope of TGSLDC.

- iv. The Notices Dated 13.06.2025 & 28.06.2025 were issued to all the applicable generators strictly in accordance with the regulations as per the clauses 14.13, 14.14, 14.17 & 14.18 of TGERC approved Procedure Dt: 30.11.2022 under RE DSM Regulation No.3 of 2018, Dt: 30.05.2018 under Default in payment of Deviation charges for the month of April 2023 & May 2023.
- v. In reply to para 30 of the petition the respondent submits that the explanation of "time-drift" and its impact on deviation calculations is acknowledged, it is essential to consider the responsibilities of the generator in ensuring accurate metering and scheduling. The occurrence of time-drift issues due to technical reasons is crucial to assess whether the generator has taken reasonable steps to maintain and calibrate the meters. Furthermore, as per clause 5.1 of the regulation as stipulated below-

5. METERING

5.1 The wind and solar generator shall install the meters in accordance with the CEA (Installation and Operation of Meters) Regulations, 2006 as amended from time to time.

5.2 The wind and solar generator shall also install appropriate telemetry / communication system and Data Acquisition System for transfer of required information for implementation of provisions of this Regulations so as to retrieve the same on real time basis by the SLDC.

11. METERING SPECIFICATIONS. Interface metering for intra-state entities shall be undertaken on an urgent basis. Every entity must be metered with Special Energy Meter (SEM) i.e. ABT compliant meter, capable of recording the energy in 15-minutes time block (with provision of 5-minutes integration).

12. ENERGY ACCOUNTING THROUGH METERING. 13. Every intra-state grid connected entity shall be metered with a Special Energy Meter (SEM), i.e. ABT compliant meter, capable of recording the energy in 15 minutes time block (with provision of 5 minutes integration) and the energy accounting for each such entity shall be done taking into consideration of such meter data.

21. In view of the above clauses, the contention of the petitioner that the recording of meter data due to wrong sync with internal clock or various technical reasons is not attributable to the RE generator is false.

22. The Petitioner asserts that it has complied with the regulatory requirements by replacing the faulty meters in accordance with the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, however, it is essential to examine the period preceding the replacement of the meters that whether the Petitioner took adequate measures to monitor and report the time-drift issue to the Respondents in a timely manner.
23. That while the doctrine of unjust enrichment is indeed a well-established principle aimed at preventing one party from benefiting at the expense of another without lawful justification, the charges imposed were strictly in accordance with the regulatory framework.
24. The regulations on deviations calculated based on the definition of 'deviation' implies that generators have a duty to maintain accurate metering systems. Given that the Petitioner has rectified the metering error, it is to state that the Petitioner's actions prior to the rectification were not in compliance with regulatory requirements. The imposition of financial liability is the result of Petitioner not meeting its metering obligations under the regulations. The doctrine of unjust enrichment do not apply as the Respondent's actions are in accordance with the regulatory framework.
25. That the Respondent's calculations were based on the data available at the time and in accordance with the applicable regulations. However, revising the invoice would require a thorough re-examination of the data and calculations, which could be a complex process as revising the invoice of one generator would impact on the D-R (State Periphery charges) charges of all the remaining generators. Further, as mentioned above, TGSLDC is working towards resolving the issue for all such generators collectively.
26. The petitioner has filed Rejoinder to the counter filed by the Respondent No. 1 TGTRANSCO on 15.11.2025 and submits as follows.
- i. that testing of all three new ABT-compliant meters procured by the Petitioner was conducted on 07.04.2023 at the NAB accredited laboratory of Yathva Energy Solutions Private Limited, and the testing process was duly witnessed by representatives of both TGSPDCL and TGTRANSCO.
 - ii. that for the month of April 2023, two separate Joint Meter Readings ("JMRs") were prepared instead of the usual single JMR, i.e., one for the period 01.04.2023

to 16.04.2023 (prior to replacement) and another for 17.04.2023 to 01.05.2023 (post replacement). The Divisional Engineer (Electrical), from TSSPDCL forwarded these JMRs vide letters dated 09.05.2023 bearing No. 200/23 and 201/23, to the Financial Adviser & Chief Controller of Accounts, Telangana State Power Coordination Committee ("TSPCC"), explicitly recording that new meters were installed on 16.04.2023.

- iii. The Petitioner had fulfilled the essential requirement by notifying TGSLDC within the prescribed cut-off date, and such compliance cannot be defeated on hyper-technical grounds. Accordingly, TGSLDC's plea that the Petitioner's communication was belated or defective is erroneous, contrary to record, and deserves to be rejected.
- iv. That the letters dated 09.02.2024 and 07.03.2024 and the meeting held on 26.02.2024 are admissions of TGSLDC expressly acknowledging that deviation charges are to be levied only for the difference between actual generation and scheduled generation.
- v. That the Regulations 24, 25, and 26 of the DSM Regulations empower this Commission to remove difficulties arising in implementation of the DSM Regulations. Therefore, even assuming that the DSM Regulations do not provide for correction of time drift errors (though the same is vehemently denied), this Commission is empowered to direct correction where metering discrepancies have distorted commercial settlement. A technical anomaly such as time-drift ought not to be treated as final or immune from correction merely due to the absence of express language in the DSM Regulations
- vi. That TGSLDC's stand that there is no provision for correction of time drift errors cannot be sustained being contrary to both the factual record and the statutory framework
- vii. that the Hon'ble Supreme Court has consistently held that restitution is a fundamental principle of justice and that no entity may retain money or advantage without authority of law. Applying these principles, TGSLDC is duty-bound to refund or adjust the excess amounts recovered from the Petitioner on account of the unrectified time-drift.

27. During the course of hearing the Respondent has filed additional affidavit on 19.02.2026 seeking to bring certain facts as below.

- a) that apart from M/s SPRNG TRANSFORM SUN ENERGY PVT LTD., other 08 generators also had meter issues impacting DSM charges of all solar and wind generators of 5 MW & above capacity for the period April 2023 to April 2024.
- b) Respondent submits that TGS LDC accepting the recommendations of DISCOM have recalculated the deviations once again by taking into consideration, the meter issues of 9 No.s Generators including the petitioner and has observed as under.
- i) Respondent submits that there are cases where the meter shows time correctly, but the year was mismatching. This had happened in case of M/s DRES Energy Pvt Ltd. Kamkole. .
 - ii) Respondent submits that due to non-replacement of batteries in the meters, the time drift error occurred in case of M/s Mytrah Abhinav power Pvt Ltd, Alampur.
 - iii) Respondent submits that in case of M/s photon Solar Power Pvt Ltd, 132 kvNarayankhed ss, the time drift error occurred due to non-correction of laptop's clock.
 - iv) Respondent submits that in case of M/s SPRNG TRANSFORM SUN ENERGY PVT LTD., M/s Parampujya solar Energy Pvt Ltd (DCR) II, M/s Mytah Abhinav Power Pvt. Ltd., Arvapally, M/s Mytrah Abhinav Power Pvt. Ltd. Gadwal & M/s Acme yamunagar Solar Power Pvt. Ltd. Kosgi, the time drift error occurred due to meter defect.
 - v) Respondent submits that the total deviation charges (R + (D-R)) are decreased by Rs. 7,36,91,759/- for 09 Nos generators having time drift issue and increased by Rs. 2,66,52,667/- for remaining 157 generators.

The details as per Calculations made are as follows

Description	Deviation Charges at Pooling Sub Station (PSS) level (R)			Deviation Charges at State Periphery level (D-R)		
	Before rectification (Rs.)	After rectification (Rs.)	Difference (Rs.)	Before rectification (Rs.)	After rectification (Rs.)	Difference (Rs.)
09 No.s generators including M/s Sprng Transform	1,95,81,158	79,26,291	-1,16,54,867	20,06,93,153	13,86,56,260	-6,20,36,893
Balance 157 No.s generators	18,11,24,734	18,11,24,734	0	2,65,45,35,967	2,68,11,88,634	2,66,52,668

c) Respondent submits that further, as per the regulation the formula for the % Absolute error

$$\% \text{ Absolute error} = (\text{Actual generation} - \text{Scheduled generation}) / \text{Available Capacity (Avc)} \times 100.$$

Respondent submits that if Avc is zero, the % Absolute error will be infinite. Hence, during software development logic is provided such that the % absolute error will be zero whenever Avc is zero. Hence, the deviation charges at PSS level without correcting time drift will be zero. Hence, D-R is increasing which in turn increases the D-R share of other generators.

d) Respondent submits that the deviation charges calculated for the period from April 2023 to April 2024 are not correctly reflecting the deviation charges.

e) Respondent submits that in view of the above, TGSLDC has taken a decision to issue debit/credit memos duly correcting time drift and other meter issues and is waiting for the directions of Hon'ble TGERC as the matter is in sub-judice.

f) Respondent submits that as the petitioner did not maintain meters properly, which lead to time drift which in turn affected the deviation charges of not only that particular generator but also the balance generators, it is prayed that this Hon'ble commission may impose exemplary penal charges.

- g) Respondent submits that it is submitted that there are similar issues as stated above even after May2024
- h) Respondent submits that the above issues are being brought to the notice of this Hon'ble commission for appropriate directions. Hence this additional counter.

ORDER:

28. Points for Consideration

Upon consideration of the material available on record and the submissions made by the parties, the following points arise for consideration:

29. Issue No 1

Whether the DSM charges levied upon the Petitioner through invoice dated 03.08.2024 bearing no. ZD2024000131 for the period from 01.04.2023 to 16.04.2023 are sustainable in view of the admitted time error of about 15 hours in the energy meter.

30. The "Time-drift" means that the internal clock of the meters employed at the project gradually becomes out of sync with the real time (like the time from a GPS satellite). As a result of time-drift issues, an RE generator's actual injection in a given 15 minute time block is recorded in a different 15 minute time block on account of the error in the meter. "Deviation" in a 15 minute time block is calculated as total actual injection by an RE generator minus its total scheduled generation. As the actual injection of electricity from the Project is recorded at an incorrect time, it leads to higher deviation from the schedule. In other words, if the meter's clock is off on balance, it records the wrong times at which the electricity is being injected, which leads to incorrect calculation of the "Deviation". This may happen due to various technical reasons, most of which are not attributable to the RE generator.
31. It is observed that the DSM framework is based on comparison of actual generation and scheduled generation in 15-minute time blocks. Energy meters record the quantum of energy along with time stamps using an internal clock. If this internal clock becomes inaccurate, the recorded data gets assigned to incorrect time blocks, resulting in a mismatch between actual generation and scheduled generation. Such data does not reflect actual physical generation and cannot be relied upon. The Commission is therefore of the

view that correct time synchronisation of energy meters is essential for accurate DSM computation.

32. In the present case, TGS LDC has admitted that the Petitioner's meter had a time error of about 15 hours during the relevant period. That on account of time error in the meter of the petitioner, the time-drift issues arose for the Petitioner's Project, thereby the Petitioner is being saddled with additional DSM liability for the period from 01.04.2023 to 16.04.2023. Admittedly there was a 15 hour time-drift at the Petitioner's Project during the period from 01.04.2023 to 16.04.2023. This 15 hour time drift is even more serious for the Petitioner's Project, which is a solar project generating electricity for 10-12 hours only during the day, as a result, the actual injection of electricity considered by the Respondents for computation of deviation for the Project is factually incorrect. Meaning thereby, even though the actual deviation by the Petitioner during the period from 01.04.2023 to 16.04.2023, based on which deviation charges are leviable under the DSM Regulations, is significantly less, the Petitioner is being saddled with additional liability towards deviation charges.
33. The issue of time-drift is a technical anomaly associated with the metering infrastructure used by the Petitioner to record the scheduled time for electricity generation, which is not due to any reason attributable to the Petitioner. Therefore, there exists no justifiable cause to impose deviation charges upon the Petitioner without correcting the time-drift error. Accordingly, the respondents are duty-bound, both in law and equity, to revise the invoice dated 03.08.2024 and correct the 15 hour time-drift for the Petitioner's Project during the period from 01.04.2023 to 16.04.2023.

34. Issue No 2

In the absence of an express provision in the DSM Regulations or Procedure for dealing with such time errors, what approach should be adopted for correction, particularly when multiple generators are affected.

35. It is observed that the DSM Regulations and the approved Procedure do not provide a specific mechanism for correction of time errors in meter data. At the same time, the Commission is vested with powers under Clauses 24, 25 and 26 of the DSM Regulations to remove difficulties and to issue appropriate directions for effective implementation of the regulatory framework. The Commission is of the view that the objective of DSM is to

reflect actual deviation from scheduled generation, which cannot be achieved if the underlying data itself is incorrect.

36. The Commission also notes that similar issues have been addressed by other State Commissions. The Maharashtra Electricity Regulatory Commission, in Case No. 66 of 2021 (Order dated 11.01.2022), permitted correction of time drift by adjustment of block-wise data to align actual generation with schedules for proper DSM computation. Similarly, the Madhya Pradesh Electricity Regulatory Commission, in Petition No. 63 of 2020 (Order dated 14.05.2021), allowed revision of deviation charges after examining meter data affected by time drift and directed re-computation to ensure correctness of settlement.
37. It is further noted that the issue is not confined to the Petitioner alone. As submitted by TGS LDC, time drift issues have been identified in respect of nine generators from April 2023 onwards, and similar issues have continued thereafter. It is also noted that correction of meter data in such cases has a cascading effect on DSM settlement, impacting the state periphery charges of about 157 other generators due to the pool-based nature of the mechanism. In view of the above, any correction in one case will have implications for others and must be carried out in a uniform and transparent manner. The Commission is of the view that TGS LDC, being the nodal agency for DSM accounting, is best placed to develop a suitable methodology for correction of such errors. However, since such correction has financial implications for multiple stakeholders, it is necessary that the proposed methodology is placed before all affected generators and their comments obtained before implementation. The Commission considers that this approach would ensure transparency, fairness and consistency in the process. This Order is confined to the issue of time error in meter data and other issues shall be governed by applicable legal proceedings.
38. As regards the prayer for penal charges, it is observed from the pleadings that the Petitioner had brought the issue of abnormal meter behaviour to the notice of the concerned authorities prior to commencement of DSM implementation, and had replaced the affected meter on 16.04.2023 in the presence of officials of TGSPDCL and TGTRANSCO. It is also noted that TGS LDC has attributed the time error to meter defect. In these circumstances, and in the absence of any material establishing negligence, the Commission is not inclined to impose any penalty.

39. Directions with regard to methodology for corrections

1. TGS LDC shall undertake correction of time errors in the meter data of all affected renewable energy generators from April 2023 onwards, subject to approval of the detailed methodology by the Commission.
2. TGS LDC shall, within a period of 30 days from the date of this Order, submit a detailed methodology covering identification of time errors, correction of affected data, re-computation of DSM charges, verification process, billing adjustments and measures to prevent recurrence.
3. The Commission shall communicate the proposed methodology to all affected generators and invite their comments. After considering such comments, the Commission shall approve the methodology with such modifications as may be necessary.
4. After approval, TGS LDC shall implement the corrections in a coordinated manner for all affected generators and issue revised bills and adjustment statements.
5. Any excess amount recovered or shortfall in recovery on account of correction of time error shall be duly adjusted in future bills of the respective affected generators.
6. Till completion of this process, no coercive action shall be taken in respect of DSM charges that are subject to revision due to time error, limited to the generators affected by such time drift.
7. The approved methodology shall thereafter form part of the DSM framework for dealing with such issues in future.

40. In the result,

- 1) The Petition is partly allowed. The DSM charges raised through invoice dated 03.08.2024 are not sustainable to the extent they are based on incorrect meter data affected by time error.
- 2) TGS LDC is permitted to carry out correction of such errors for all affected cases, subject to approval of the methodology by the Commission.
- 3) The prayer for imposition of penalty is rejected. The Petition stands disposed of accordingly.

This Order is typed to dictation, corrected and signed on this 19th day of May, 2026.

Sd/-
CHERUKURI SRINIVASA RAO
MEMBER (FINANCE)

Sd/-
RAGHU KANCHARLA
MEMBER (TECHNICAL)

Sd/-
Dr. JUSTICE DEVARAJU NAGARJUN
CHAIRMAN

//CERTIFIED COPY//