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ODISHA ELECTRICITY REGULATORY COMMISSION

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NOTIFICATION

The 7th October 2026

No. 1610---OERC.-11011(13)/1/2026-ENG-DIV-OERC---In exercise of the powers conferred under Section 181 of the Electricity Act, 2003 (No. 36 of 2003), and all other powers enabling it in this behalf, the Odisha Electricity Regulatory Commission hereby makes the following Regulations, namely:

1. Short Title, Extent and Commencement

1.1 These Regulations may be called the Odisha Electricity Regulatory Commission (Grid Support Charges for Captive Generating Plants) Regulations, 2026.

1.2 These Regulations shall extend to the whole of the State of Odisha.

1.3 These Regulations shall come into force on the date of their publication in the Official Gazette.

2. Definitions

2.1 **"Act"** means the Electricity Act, 2003 (36 of 2003).

2.2 **"Base MVA"** means the minimum dependable grid support capacity availed by a Captive Generating Plant (CGP) at the Point of Common Coupling (PCC) for safe and reliable parallel operation and represents the portion of the CGP's installed capacity that inherently depends upon the grid for stability and fault-level support during parallel operation.

2.3 **“Captive Generating Plant”** means a power plant set up by any person to generate electricity primarily for his own use and includes a power plant set up by any co-operative society or association of persons for generating electricity primarily for the use of members of such co-operative society or association, as defined under Section 2(8) of the Electricity Act, 2003 and subject to the provisions of Rule 3 of the Electricity Rules, 2005, as amended from time to time.

2.4 **“Co-located Captive Generating Plant (CGP)”** means a Captive Generating Plant which is situated within, or electrically interconnected with, the same electrical system or industrial premises as the captive load for which it is established, and which operates in parallel with the grid through the Point of Common Coupling (PCC).

2.5 **"Commission"** means the Odisha Electricity Regulatory Commission referred to in sub-section (1) of Section 82 of the Act.

2.6 **“Grid Support Charges (GSC)”** means the fixed monthly charge payable by a Captive Generating Plant (CGP) operating in parallel with the grid, to compensate the Transmission Licensee for the grid support services including but not limited to fault-level support, voltage/frequency support, reactive power support, harmonics absorption support, no-load losses support and availability provided by the grid to ensure safe, stable and reliable operation of the CGP.

2.7 **“Licensee”** means a person who has been duly authorised or granted a licence under the provisions of the Act.

2.8 **"Parallel Operation"** means operation of a CGP connected with the grid such that it can draw power from or inject power into the grid.

2.9 **“Point of Common Coupling (PCC)”** means the point on the electric supply system of the licensee where the captive generating plant is connected and is the point of interface between the grid and the CGP for the purpose of interconnection, metering, power quality assessment and determination of fault contribution and shall be the reference point for the application of all Grid Support Charges under these Regulations

3. Applicability and Objective

3.1 Applicability

a) These Regulations shall apply to all co-located Captive Generating Plants (CGPs) connected to and operating in parallel with the grid of the intra-State transmission system voltage level of 33 kV and above.

b) These Regulations shall apply to co-located generating plants designed and installed as Captive Generating Plants (CGPs), irrespective of whether their current status continues to be captive generating plants on a year-to-year basis, under Rule 3 of the Electricity Rules, 2005, as amended from time to time.

c) The Renewable Energy-based Captive Generating Plants shall be exempted from the applicability of these Regulations to the extent and in the manner as may be specified by the Commission by Order.

4. Objective

The objectives of these Regulations are to compensate the Transmission Licensee for grid support services extended to CGPs operating in synchronism/parallel with the grid, ensuring safety, security and reliability for the operation of CGPs and to provide a transparent, uniform and technically sound framework for the levy of Grid Support Charges.

4.0 Determination of Grid Support Charges

4.1 The Grid Support Charge (GSC) shall be computed based on the Base MVA Support Method, which takes into consideration the base MVA support at the Point of Common Coupling (PCC), considering the contribution to and benefits derived from the system by the Captive Generating Plant (CGP) due to parallel operation.

4.2 The Grid Support Charge (GSC) per month to be levied on each Captive Generating Plant (CGP) shall be calculated using the following formula:

$$GSC = (Base\ MVA) \times (\mathrm{GSC_{MVA}})$$

Where:

- GSC= Grid Support Charge payable by the CGP (₹/month)
- Base MVA= Base MVA of the CGP
- $\mathrm{GSC_{MVA}}$= Rate of Grid Support Charge per MVA per month (₹/MVA/month)

Base MVA:

The Base MVA represents the minimum grid support capacity availed by the CGP and shall be computed as:

$$\text{Base MVA} = \mathrm{A} - \mathrm{B} - \mathrm{E}$$

Where:

- A= Rated installed capacity of the CGP in Odisha (in MVA)
- B= Contract Demand of the CGP (in MVA)
- E= Scheduled export by CGP under Long Term contract (in MVA)
  Scheduled export under Long Term in MW shall be divided by 0.9 to arrive at the figure in MVA

Provided that the Base MVA shall not be negative, where the calculated value is less than zero, it shall be considered as zero.

Grid Support Charge (GSC_{MVA}): *(₹/MVA/month)*

The Rate of Grid Support Charge per MVA per month shall be calculated for each CGP as:

$$GSC_{MVA} = \frac{0.9 \times G \times C}{12 \times S \times D}$$

Where:

G= Fifty percent (50%) of the approved Aggregate Revenue Requirement (ARR) of the Transmission Licensee, excluding Miscellaneous Receipts (₹);

S= Total installed generation capacity of Odisha (in MW), including the installed capacities of CGPs and Inter-State Generating Stations in the State.

C= Fault contribution by the System/Grid at the Point of Common Coupling (PCC) of the CGP (MVA)

D= Total fault level at the PCC of the CGP with the Grid (MVA)

Provided that the value of parameter G may be modified by the Commission, prospectively, by order and for reasons to be recorded in writing.

4.3 The State Load Despatch Centre (SLDC) shall act as the Nodal Agency and shall furnish to the Transmission Licensee & Distribution Licensee the list of co-located Captive Generating Plants (CGPs) connected with the intra-State Transmission system at voltage level of 33 kV and above.

4.4 The SLDC shall collect the requisite information from all co-located Captive Generating Plants (CGPs), the Transmission Licensee and the Distribution Licensee, and shall carry out the necessary system studies for the determination of Grid Support Charges.

4.5 The SLDC shall furnish the requisite information to the Transmission Licensee & Distribution Licensee by 31st October of each financial year, including, but not limited to, the following:

a. Installed capacity and Contract Demand of each co-located CGP (in MVA);

b. Scheduled export by each CGP under Long Term contract (in MVA);

c. Fault level contribution by the Grid and the CGP at the Point of Common Coupling (PCC);

d. Total fault level at the PCC of the concerned CGP.

The information specified under clauses (a) and (b) above shall also be furnished by the SLDC to the Transmission Licensee and the concerned Distribution Licensee on monthly basis by the 20th day of the succeeding month.

4.6 Based on the information furnished by the SLDC, the Transmission Licensee shall compute the Grid Support Charges (GSC) applicable to each Captive Generating Plant in accordance with these Regulations and shall furnish the same to the concerned Distribution Licensee by the 25th day of the succeeding month for the purpose of billing and recovery.

4.7 For the financial year 2026-27, the SLDC shall furnish the requisite information required for determination of GSC to the Transmission Licensee and the concerned Distribution Licensees within one month from the date of publication of these Regulations in the Official Gazette. The Transmission Licensee and the concerned Distribution Licensees shall thereafter raise the bills towards GSC in accordance with Regulation 5.1.

4.8 The revenue realised from the levy of Grid Support Charges shall be treated as Non-Tariff Income. The treatment of such Non-Tariff Income shall be in accordance with the applicable Tariff Regulations of the Commission.

5.0 Billing and Payment:

5.1 a) The Distribution Licensee shall raise monthly bills towards Grid Support Charges (GSC) on eligible Captive Generating Plants (CGPs) which are the consumers of the Distribution Licensee. The Grid Support Charges shall be shown as a separate line item in the electricity bill issued to such consumers and shall be recovered along with the applicable electricity dues.

b) The Transmission Licensee shall raise monthly bills towards Grid Support Charges (GSC) on eligible Captive Generating Plants (CGPs) which are not consumers of the Distribution Licensee. The Grid Support Charges shall be shown as a separate line item in the transmission bill issued to such consumers and shall be recovered along with the applicable transmission charges.

5.2 The Distribution Licensee shall, within ten (10) days of collection of Grid Support Charges:

i. retain one percent (1%) of the GSC amount collected as collection and administrative charges; and

ii. remit the balance amount, along with any Late Payment Surcharge (LPS), to the designated bank account of the Transmission Licensee.

5.3 In case of delay in remittance of the Grid Support Charges by the Distribution Licensee beyond the period specified under Regulation 5.2, the Distribution Licensee shall be liable to pay a Late Payment Surcharge at the rate of 1.25% per month, on the delayed amount to the Transmission Licensee.

6.0 Delayed Payment by Captive Generating Plant

6.1 In case of delayed payment of Grid Support Charges by a Captive Generating Plant beyond the due date specified in the bill, the Distribution Licensee or Transmission Licensee, as the case may be, shall levy a Late Payment Surcharge at the rate of 1.25% per month on the outstanding amount for the period of delay.

6.2 Non-payment of Grid Support Charges shall be treated as non-payment of electricity dues or transmission charges, as applicable, and recovery action may be initiated in accordance with the applicable provisions of the Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019, as amended from time to time, and other applicable Regulations, Codes and legal provisions, as the case may be.

Miscellaneous

7.0 Power to remove difficulties

If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, do anything not being inconsistent with the provisions of the Act, which appears to it to be necessary or expedient for the purpose of removing the difficulties.

8.0 Power to Relax

The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an interested person.

9.0 Power to Amend

The Commission, for reasons to be recorded in writing, may at any time vary, alter or modify any of the provisions of these Regulations by amendment.

10.0 Interpretation

If a question arises relating to the interpretation of any provision of these Regulations, the decision of the Commission shall be final.

11.0 Saving of Inherent Powers of the Commission

Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission from adopting a procedure which is at variance with any of the provisions of these Regulations, if the Commission, in view of special circumstances of the matter or class of matters and for the reasons to be recorded in writing, deems it necessary or expedient to depart from the procedure specified in these Regulations.

BY ORDER OF THE COMMISSION

UPENDRA KUMAR PATI
SECRETARY

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