

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.355/SM/2013**

**Coram:**

**Shri Gireesh B.Pradhan, Chairperson**

**Shri V.S.Verma, Member**

**Shri M. Deena Dayalan, Member**

**Shri A.K.Singhal, Member**

**Date of Order: 8.1.2014**

**In the matter of**

Introduction of new type of order in REC segment by PXIL for auction held on 27.11.2013

**And**

**In the matter of**

Power Exchange of India Limited

**Respondent**

**Order**

It has been brought to the notice of the Commission that Power Exchange of India Limited (PXIL) had issued a circular bearing No. PXIL/BD/2013-14/127 dated 26.11.2013 for introduction of a new type of order in the REC segment for the auction held on 27.11.2013. The said circular introduced changes in the allocation of RECs without corresponding charges to the matching methodology in the rules of PXIL.

2. The circular was reportedly withdrawn by PXIL after National Load Despatch Centre (NLDC) clarified that the changes would amount to change in the REC market design which would require prior approval of the Commission and advised PXIL to follow the existing methodology for the trading session on 27.11.2013.



3. Regulation 24 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2010 provides that the Power Exchanges shall function according to its Byelaws and Rules as approved by the Commission, which amongst other requirements, would cover price discovery and matching mechanism. Since introduction of new order type for REC would require modification to the price discovery and matching mechanism, the same can be introduced only after amendment to the Byelaws and Rules with the prior approval of the Commission.

4. Accordingly, we direct PXIL to follow the prescribed procedure of prior approval by the Commission as per the Power Market Regulations while introducing any changes to the price discovery and matching mechanism or any other matter which requires approval of the Commission.

<b>Sd/-</b>	<b>sd/-</b>	<b>sd/-</b>	<b>sd/-</b>
<b>(A.K.Singhal)</b> Member	<b>(M. Deena Dayalan)</b> Member	<b>(V.S.Verma)</b> Member	<b>(Gireesh B.Pradhan)</b> Chairperson

