

October 11<sup>th</sup>, 2023

Ref: EG/CERC/SPMC/01/23

**To,**  
**The Secretary,**  
**Central Electricity Regulatory Commission**  
**3rd & 4th Floor, Chanderlok Building,**  
**36, Janpath, New Delhi – 110 001**  
**E-mail: [secy@cercind.gov.in](mailto:secy@cercind.gov.in) / [ashutosh.sharma@nic.in](mailto:ashutosh.sharma@nic.in)**

**Subject: Comments on the Staff Paper on “Market Coupling”**

Dear Sir,

We are thankful and appreciate the Hon'ble Central Electricity Regulatory Commission (CERC) efforts to notify the *Staff Paper on “Market Coupling”*. Earlier Hon'ble CERC notified the Power Market Regulations to promote competition and adopt transition to market-based mechanisms. Also, under the provisions of the said regulations market coupling among the Power Exchanges is key provision which is yet to be brought into effect.

Power Market regulations are laid on the principle that power exchanges play a crucial role in achieving efficient price determination and optimizing economic benefits in the short-term market. The diversified range of products available at power exchanges platform provides market participants the essential flexibility to establish and adjust their positions, enhancing the overall vitality of the sector.

At present, three power exchanges (PXs) operates in India which trade power in the Day Ahead Market (DAM), Term Ahead Market (TAM) and Real Time Market (RTM) but DAM is mostly taking place on one PX and on the other hand TAM market share is distributed in all the PXs. This highlights a gap in the market design that favors the established exchange.

Once finalized, Market Coupling will act as a key milestone in the development of the Indian Power Market that will enable a more robust price discovery in the collective market segments, supporting the **One Nation, One Grid, One Price** mission of the government. The Staff Paper explains how to enable provisions for Market Coupling and discuss the key issues in the implementation of market coupling. However, there are a few concerns on a few points and more clarity is required. In this regard, we are submitting our comments on the Staff Paper attached here as Annexure- A.

**About the Company:** Enfinity Global is a global sustainability platform focused on developing, financing, building, operating and owning renewable energy assets including energy storage and alternative fuels. As on date, Enfinity Global has a committed pipeline of over 17.2 GW of renewable energy projects across the regions of the United States of America, Europe, United Kingdom, Japan, and India, with approximately 190 management employees spread across 7 offices around the world. Enfinity Global, is one of the fastest growing sustainability organizations in the world.

We are setting up 3,000 MW Solar, Wind, Hybrid power plants and 1 MMTPA Green Hydrogen and Ammonia Production plant across India.

**Our Request:**

In lieu of the aforesaid, we request to consider our comments on the Staff Paper on “Market Coupling” while finalization of the regulations.

Thank You for your consideration,  
Yours sincerely,

A handwritten signature in blue ink, appearing to read "Antriksh Singh Bisht", with a horizontal line underneath.

Antriksh Singh Bisht  
For **Enfinity Global**

Encloser: Annexure - A

## Annexure-A

- 1) It is important to note that many RE developers are setting up merchant capacities which will be traded through power exchanges / power traders. At present, most of the buyers & sellers trading their power on a single power exchange. Relying on a single power exchange to trade their power will not align well with the evolving power market dynamics. As a RE power generator, we firmly believe that market coupling will provide RE generators a better price discovery by selecting any power exchanges.
- 2) Monopoly in any market inherently restricts innovation which is not suitable for the market as a whole, whereas competition by its very nature promotes innovation. In the context of the power markets, we feel that competition through market coupling would help in bringing innovative products that will cater to the specific needs of RE players. Competition would inherently compel the multiple exchanges in the country to forge closer relationships with market participants and acquire market share through their innovative contributions to the overall development of the power market.
- 3) It is understood that liquidity in one power exchange is much more than the other power exchanges in DAM segment is due to the anxiety of price difference and uncertainty of clearance of power, which restricts market participants to participate in other Exchanges and thus a market design which was envisaged for a competitive market ends up in creating a monopoly which is not good for a national interest.
- 4) Indian Power market is growing at a fast pace and to cater to the needs of the growing demand, lots of market-based instruments is to be launched soon like Capacity market, Market Based Economic Despatch, CFD contracts etc. to increase the depth of the collective segment. Presently India is running in multiple Exchange model, and the efficacy of competition can be achieved only when the price reference barrier is lifted through market coupling. Therefore, it is the right time to implement Market coupling so that the Exchange market can evolve during this transformation.
- 5) **Market coupling Operator (MCO):** we suggest MCO can be:
  - a. Grid-India: As Grid-India is already working as a Nodal Agency for TRAS procurement through the market.
  - b. Super-Exchange: A super-exchange may be formed by CERC for better operation & transparency.
  - c. Exchanges on Collective basis: all power exchanges can work together to form a Super-Exchange.
  - d. Any other entity, joint venture of Exchanges / Transmission System Operator can also be explored as market coupling operator.