

Ref: L-1/257/2020/CERC

Dated- 11 November, 2024

To,

Sub- Directions by the Commission to the Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 –Draft Order in the Suo-Motu Petition No. 8/SM/2024 thereof.

Respected Sir,

We, Manikaran Power Limited ("MPL"), are a Category 1 trading licensee under Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licensee and other related matters) Regulations, 2020.

This is in reference to the (Power Market) Regulations, 2021–Draft Order in the Suo-Motu Petition No. 8/SM/2024. Suggestions/feedback on the draft regulation has been sought from the stakeholders.

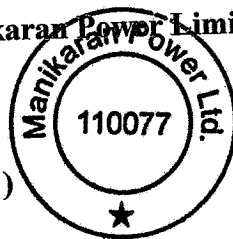
In view of the same, we hereby submit our comments and suggestions on the proposed draft regulation(s).

We humbly request you to consider our comments and suggestions while finalizing the said amendments.

Thanking you,

For and behalf of Manikaran Power Limited,


(Authorized Signatory)



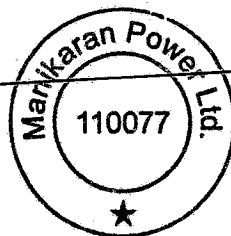
MANIKARAN POWER LIMITED

Corp. Office: 301, 3rd Floor, D21, Corporate Park, Sector-21, Dwarka, New Delhi - 110077, T: 011-4040 8000
CIN - U45208JH2005PLC011713 | E: contactus@manikaranpowerltd.in | www.manikaranpowerltd.in

MPL's comments and suggestions upon (Power Market) Regulations, 2021-Draft Order in the
Suo-Motu Petition No. 8/SM/2024.

Order	Proposed Order	MPL's Comment/ Suggestion
24(a)	<p>All Power Exchanges shall allow only the established pre-specified slots on the exchange platform for TAM contracts (including HP-TAM). These pre-specified slots shall include Base/RTC, Peak, Off-Peak (other than peak), and Night, wherein the peak period would be as defined by the NLDC. In the case of G-TAM, Power Exchanges shall have the liberty to pre-specify slots based on the generation profile of different technologies, as provided by the sellers. Exchanges should submit the pre-specified contracts for approval of the commission.</p>	<p>Clarification:</p> <p>In this present order, Honorable Commission has proposed to introduce pre-specified slot wise bidding for TAM contracts which includes Base/RTC, Peak, Off-Peak (other than peak), and Night and in case of G-TAM contracts same will be specified by respective Power Exchange depending upon generation profile and source of the generator. Now in our Country there are currently three Power Exchanges and if these three exchanges come up/derive with three different time slots for G-TAM contracts. This might create confusion/uncertainty among the market participants. We wish to seek clarity on how Honorable Commission intends to address this concern.</p>

Rishi



We also seek clarification on whether bidding under G-TAM contracts will be source wise segregated or not.

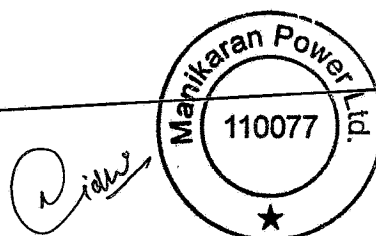
24(b)

All Power Exchanges shall follow the timelines for different stages of ADSS contracts, including the bid receiving window/submission of interest quantity by seller, IPO auction. Reverse Auction and bid acceptance window as follows.

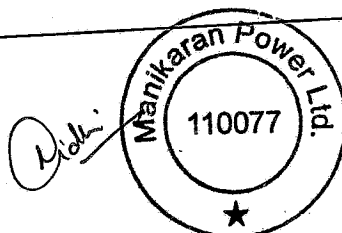
Bid Receiving Window	Max 2 days(48 hours)
IPO Auction	Max 2 days(120 mins)
Reverse Auction	Max 2 days(120 mins) with an extension up to 24:00 Hrs of auction day
Acceptance Window	Max 2 days(48 hours)

Suggestion:

Requesting the Commission to limit the acceptance window from max 2 days to max 1 day. Generally when a utility issues the IPO and the price is discovered through e-RA on Power Exchanges which is already a transparent process, the utility simultaneously may issue another IPO on the same day of price discovery to check for lesser price availability in the market since the utility are given 2 days window to accept the price. This process blocks the generator quantum participating in the first IPO and if the price discovered in the 2nd IPO is less, then the utility generally would cancel the 1st IPO which is unfair for the



		generators whose quantum was booked.
24 (c)	In view of the very low liquidity in Intra Day Contracts since its introduction, the availability of the alternative Real-Time Market, and to avoid market fragmentation, it is proposed to withdraw Intra-Day Contracts in all the Power Exchanges from a pre-specified date, in terms of Regulation 25(3) of PMR 2021:-	In this order Honorable Commission has proposed to withdraw intraday contract from the market because of absence of liquidity. However intraday contract provides market participants an opportunity of trading power at their desired price with the assurance of availability of power, this opportunity won't be available in absence of Intraday Contracts. Also there will be no options available for the market participants if real time market (RTM) ever loses its liquidity. So we request the Commission to re-consider their decision of withdrawing Intraday contract.



24 (d)	It is proposed to modify the price discovery mechanism in the case of Contingency Contracts to Uniform Price Step Auction from the existing Continuous matching. The Commission proposes to issue amendment(s) in PMR 2021 to this effect.	Suggestion: As Honorable Commission is proposing to change the price discovery mechanism under the day ahead contingency contract which might affect the demand supply settings of the market. We humbly suggest to keep a six months trial period for the same before final implementation of the proposed order.
New Suggestion(s) Proposed	<ol style="list-style-type: none"> 1. As per PMR 2021, one of the basic foundation of the power exchange is transparency and the principle of profitability to all. To ensure that exchange has always display price publicly which also helped the participants to evaluate the market condition(s) & liquidity. We request the Honorable Commission to instruct the power exchange to bring back this transparency to view price and cleared volume information at their public domain, which is not available right now. 2. As per the existing practice, utilities are major participants of LDC contracts especially any day single sided contracts, have a tendency, to float multiple requisition for same duration in different exchanges which eventually restrict the generator(s) to participate against those requirements. Which creates a hindrance for successful market operations, due to this we request the Honorable Commission not to restrict the market participants to participate in multiple LDC for the same duration before acceptance window. 	

