

November 1, 2024

To,
The Secretary
6th, 7th & 8th Floors, Tower B,
World Trade Centre,
Nauroji Nagar, New Delhi- 110029

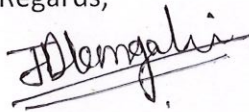
Sub: Comments/Suggestions on Draft Order on Directions by Hon'ble Commission –
CERC(Power Market) Regulations, 2021

Dear Sir,

This has reference to the draft order dated 4th October, 2024 circulated by the Hon'ble Commission in the matter of directions by the Hon'ble Commission to the Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2021.

In this regard, we are pleased to enclose herewith our comments/suggestions at Annexure. We request the Hon'ble Commission to kindly give due consideration to our comments before finalization of the draft order.

Regards,



Jignesh Langalia
Vice President (Regulatory Affairs)

Encl: As above.

TPL- Comments/Suggestions on Draft Order dated 4th October, 2024- CERC (Power Market) Regulations 2021

Cl. No.	Draft Order	Draft Changes	Comments
24.a	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.	All Power Exchanges shall allow only both the established pre-specified slots & user 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 also 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.	<ul style="list-style-type: none"> ▪ Every entity has requirement of power based on its demand profile which may not always be consistent with pre-specified slots. ▪ Hence, it is suggested that existing system of user specific time slot should also be continued as demand & supply profile differs for different distribution licensees. ▪ The flexibility allowed in the current scenario should be continued. ▪ Hence, the draft needs to be amended as suggested.
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	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	<ul style="list-style-type: none"> ▪ Low liquidity in intra Day contracts since previous couple of months is not singularly attributable to alternative RTM option but also due to various other reasons like availability of DAC/LDC options. ▪ Therefore, we propose to continue Intra-Day Contracts and amend the draft accordingly.

Cl. No.	Draft Order	Draft Changes	Comments
	Regulation 25(3) of PMR 2021.	Regulation 25(3) of PMR 2021.	
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.	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.	<ul style="list-style-type: none"> ▪ Due to prevailing low liquidity, Continuous matching system should be continued instead of mandating for uniform pricing. ▪ This will ensure better realization rate for sellers and buyers. ▪ Accordingly, draft may be amended as suggested.