

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri R. Krishnamoorthy, Member**
- 3. Shri S Jayraman, Member**
- 4. Shri V.S. Verma, Member**

Petition No.223/2009

In the matter of

Revision of Minimum Volume Quotation for the Day Ahead Transactions

And in the matter of

Power Exchange India Limited, New Delhi.

.... Petitioner

ORDER

The Commission in its order dated 30.9.2008 in Petition No. 21/2008 had granted approval to the Petitioner to start day ahead trading in electricity. Para 30 of the said order reads as under:

"30. In accordance with "in principle" approval granted vide order dated 27.5.2008, the PX shall start as a platform for scheduled, day-ahead trading of electricity. All trades cleared by the PX, within the available transfer capacity as advised by the National Load Despatch Centre, shall be compulsorily submitted for scheduling. There shall be no fictional trading in the PX. The day-ahead trading for hourly contracts shall be based on voluntary simultaneous participation by buyers and sellers on a nation-wide electronic platform."

2. The Petitioner in its letter No.PXIL/SPD/090909/0 dated 9.9.2009 has submitted that the power exchange has commenced operations from 22.10.2008 and has been operating successfully. The volumes and participants coming into the exchange have shown an increasing trend. It has been submitted that trading is done on a Minimum Tradable Volume(MTV) of 1 MW and Minimum Volume Quotation(MQV) step of 1 MW which means that an entity has to put a minimum bid of 1 MW and any bid has to be in steps of 1 MW again such as 2 , 3, 4 MW etc. However, this does not accommodate the small quantities of surplus capacities, usually in fractional values, available with the smaller entities like captive power plants.

3. The Petitioner has prayed for permission to allow participants on its day-ahead trading platform to trade in electricity with MTV of 1 MW and MQV steps of 0.01 MW in line with the appropriate Open Access Regulations and procedure for scheduling of collective transactions. The Petitioner has submitted that the detailed procedure for scheduling of transactions by the Load Despatch Centres including NLDC allow MVQ steps in the multiples of 0.01 MW. It has been further pointed out that the Commission in its order dated 31.8.2009 has granted approval for term-ahead transactions in the MTV of 1 MW and MQV steps of 0.01 MW.

4. We direct that the letter be treated as a petition and accordingly, we proceed to dispose of the same.

5. We have considered the request of the Petitioner. We are of the view that permitting the Petitioner to allow its trading platform for day-ahead trading with the MTV of 1 MW and MQV steps of 0.01 MW would encourage the small entities like captive power plants to participate in trading of their available capacities which will in turn make more power available in the market to meet the consumer demands. Accordingly, the Petitioner is granted permission to start day-ahead transaction of MTV of 1 MW and MQV steps of 0.01 MW or higher in its exchange. The Petitioner is directed to make necessary amendments to its business rules.

6. The petition is disposed in terms of the above.

Sd/- (V.S. VERMA) MEMBER	Sd/- (S. JAYARAMAN) MEMBER	Sd/- (R KRISHNAMOORTHY) MEMBER	Sd/- (DR. PRAMOD DEO) CHAIRPERSON
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New Delhi, dated the 3rd November 2009