

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 219/Suo-Motu/2012

Coram:

1. Dr. Pramod Deo, Chairperson
2. Shri S.Jayaraman, Member
3. Shri V.S.Verma, Member
4. Shri M.Deena Dayalan, Member

DATE OF ORDER: 3.9.2012

In the matter of

Delivery and Settlement of Day ahead transactions on Power Exchange on 30.7.2012 and 31.7.2012 due to event of grid failure.

**And
In the matter of**

Indian Energy Exchange, New Delhi
Power Exchange of India, Mumbai
Power System Operation Corporation Limited, New Delhi
Northern Regional Power Committee, New Delhi
Western Regional Power Committee, Mumbai
Eastern Regional Power Committee, Kolkata
Southern Regional Power Committee, Bangalore
North Eastern Regional Power Committee, Shillong

....Respondents

ORDER

Day ahead transactions on Power Exchange could not be effected for certain hours due to grid failure on 30.7.2012 at about 2.30 hours. Similarly, after grid failure on 31.7.2012 at about 13 hours, the schedules were revised by NLDC. However, due to the time lag in communicating the revision of schedule by NLDC/RLDC to Power Exchanges and by the Power Exchanges to the market participants, the participants continued to adhere to their older schedules and

as a result, the market participants are liable pay at the rate of UI deviation settlements. The Commission has received certain communications in this regard from the Indian Energy Exchange in which it has been requested to issue detailed guidelines to handle such force majeure situations.

2. We direct the Indian Energy Exchange, Power Exchange of India Limited, Power System Operation Corporation Limited and Regional Power Committees of the concerned Region to explain in detail, on affidavit latest by 24.9.2012 how the financial clearing settlements of the transactions were affected on account of grid disturbance on 30.7.2012 and 31.7.2012 and how physical settlements of affected contracts have been carried out.

3. From the perspective of long-term system improvement to take care of the eventualities in future, the Commission invites suggestions / improvements from POSOCO, CTU/STUs Power Exchanges and market participants including traders to devise appropriate procedures/guidelines and to make changes in the relevant Regulations, if required. The suggestions/ improvements are invited by 30.9.2012.

SD/-
(M.DEENA DAYALAN)
MEMBER

SD/-
(V.S.VERMA)
MEMBER

SD/-
(S.JAYARAMAN)
MEMBER

SD/-
(Dr. PRAMOD DEO)
CHAIRPERSON