



## **Mittal Processors Pvt Ltd**

**Energy & Power Trading Division**

CIN : U17113DL1997PTC089292

Registered Office : Unit No. 1002, 10th Floor, Antriksh Bhawan, 22 KG Marg, Connaught Place,  
New Delhi-110001 India, T/F : +91 11 66666999

MPPL/DEL/PT/CP/CERC/13919

Dated: 20/02/2019

To,  
The Secretary  
Central Electricity Regulatory Commission  
3<sup>rd</sup> and 4<sup>th</sup> Floor, Chanderlok Building  
36, Janpath, New Delhi-110001

**Subject:** Discussion paper on "Market Based Economic Dispatch (MBED) of Electricity:  
Re- designing of Day-Ahead Market (DAM) in India".

**Reference:**

1. Public Notice No. RA-14026(11)/3/2018-CERC dated 31/12/2018
2. Public Notice No. RA-14026(11)/3/2018-CERC dated 31/01/2019

**Respected Sir,**

This has reference to the above referred public notice no. issued by Hon'ble CERC, wherein, comments and suggestions on the discussion paper "Market Based Economic Dispatch (MBED) of Electricity: Re- designing of Day-Ahead Market (DAM) in India" were invited.

For your kind consideration, please find enclosed our comments on the subject matter as an annexure to this letter.

Thanks & Regards,

  
**Navneet Misra**  
AVP

**Enclosed:** Annexure

## Annexure

Comments from Kreate Energy (I) Pvt. Ltd. (Formerly known as Mittal Processors Pvt. Ltd.) on the Discussion Paper on “Market Based Economic Dispatch of Electricity: Re-designing of Day-Ahead Market (DAM) in India”

We appreciate and welcome the initiative taken by staff of Hon'ble Central Electricity Regulatory Commission (CERC) for introducing Discussion Paper on Market Based Economic Dispatch (MBED) principal. It discusses about Re-designing of Day Ahead Market (DAM) in India with schedule and dispatch of all generation purely on economic principles, subject to technical constraints.

We are hereby submitting below comments and observations which we feel, will help in achieving economical and straightforward DAM operations:

- After study of the discussion paper it is understood that the framework has been designed considering European Electricity Market with Multiple Market Operators working for DAM and their ARR is not regulated.
- We have achieved One Nation – One Grid. Now, after over the years' experience in Short Term Open Access market, we should develop a framework which help us in developing One DAM Price by One Market Operator. DAM Price Discovery should be regulated, transparent and it should be under the supervision of a regulatory agency like RBI does in banking transactions.
- DAM Congestion & Real time Curtailment management are taken care by POSOCO. Thus in current DAM, multiple operators like POSOCO, Power Exchanges and Power Traders are involved. Objective of framework should be to develop a quick response time for both price discovery and congestion management.
- As per clause (28) 3(e) of Electricity Act 2003, RLDC shall:

*e) be responsible for carrying out real time operations for grid control and despatch of electricity within the region through secure and **economic operation** of the regional grid in accordance with the Grid Standards and the Grid Code.*

Presently, POSOCO operates the National Load Despatch Centre (NLDC) and Regional Load Despatch Centres (RLDCs)

- We suggest that POSOCO, the system operator should also be responsible for Market Operation limited to the discovery Area Clearing Price (ACP) for DAM. This clearing price should be visible in real time to all potential market participants.
- As the ARR of POSOCO is approved by Hon'ble CERC, States will include the regulated financial impact of DAM price discovery in their ARR.
- The role of Market Aggregator will be similar to Qualified Coordinating Agency or QCA as defined in Forum of Regulators "Model Regulations on Forecasting, Scheduling and Deviation Settlement of Wind and Solar Generating Stations at the State level".

**PROPOSED STRUCTURE FOR DAM**

