

GMR Comments on CERC Staff Paper on RTM

S.No	Reference	Provided in Staff Paper	Suggestions / clarification
1.	5.7	<p>Scenario 3: Case of generators and discoms tied up in a long term PPA:</p> <ul style="list-style-type: none"> ○ If a discom does not requisition / schedule power on day-ahead and until the gate closure, from a generator (with whom it has entered into a long term contract and has committed to pay fixed cost), such generator can sell the un-requisitioned surplus in the Real Time Market. ○ The net revenue earned by such generator, over and above its variable cost, shall be shared with the discom in the ratio of 50:50. However, the fixed cost liability in respect of such generator shall continue to be borne by the discom as per the existing contract. ○ Before the Gate Closure for any hourly transactions, the discom itself could also choose to sell in the RTM, the un-requisitioned power from the generator 	<ul style="list-style-type: none"> • As per provisions of long term PPA, a generator is allowed to sell URS power only after consent from beneficiary DISCOM. For Real time Market operation, required changes to be made in agreement so as deemed approval is to be considered after the Gate closure period. • Consider a case, when Discom does not requisition the long term PPA and asks generator to sell the URS power in real time. However, due to pricing/congestion in real time market uneven quantum of power gets cleared in different blocks. This will create a very volatile schedule and adversely impact the generating machine. Therefore rampup/down of a generating station must be safeguarded under URS power sale. • If a generator is not able to generate scheduled capacity on account of any reason and buys power from Real time Market at a price lesser than Energy Charge of Long term PPA, will 50:50 sharing to be made to the applicable Discom?
2.	5.5	The real time market shall be conducted once in every hour for delivery in four fifteen minute blocks in each hour.	<ul style="list-style-type: none"> • As scheduling shall be finalised for each hour/block basis, the application fee of RLDC/SLDC along with operating charges should be kept at bare minimum or Nil.
3.	5.6	For operationalizing real time markets, the schedules decided at the end of RTM clearing have to be both financially and physically binding. For this, the concept of Gate Closure is to be introduced. For each fifteen minute block in one hour, those with demand for	<ul style="list-style-type: none"> • Clarification is required whether Gate Closure for disallowing the schedule revision is applicable for transaction made under Real Time Market only or for all the schedules viz. under Long term and Medium Term (LTA/MTOA), Short term (Advance/Day ahead) also?

		<p>electricity or discoms or traders will assess in advance what the demand will be. They'll then place their bids in the RTM for that volume of electricity. Similarly generators / traders will place their offers. To ensure firmness of such bids and offers, the gate for schedule revision will close before the start of the auction</p> <p>In this illustration, the gate for schedule revision for the hourly trade for 00.00 – 01.00 Hrs closes at 22.30 Hrs of the previous day.</p>	<ul style="list-style-type: none"> As per current practice, schedule revision is allowed from 4th time block after forced outage of generating unit. Illustration: A unit get forced outage at 22:30, schedule can be revised from 23:30 hrs onwards. Whereas per Gate closure concept, schedule can be revised after 01:00 hr of next day. i.e. after 10 time blocks. Considering the revised DSM regulation, this will heavily impact a generator in case of forced outage. Therefore, Forced outage condition may be suitably addressed. Relevant amendment would be required in IEGC (Indian Electricity Grid Code) for enclosure of Gate Closure Concept and other terms of Real Time Market operation.
4.	5.6	<p>For each fifteen minute block in one hour, those with demand for electricity or discoms or traders will assess in advance what the demand will be. They'll then place their bids in the RTM for that volume of electricity. Similarly generators / traders will place their offers.</p>	<ul style="list-style-type: none"> As per current practice, a trader is required to have Member-Client agreement for placing Bid on behalf of Discom/Generator on Day-ahead and Intra-day market. The agreement is hectic in process and having large commercial implication and regulatory requirement for placing such Bid on Real Time Market. With the implementation of National Open Access Registry (NOAR) and other automation, approval/consent from entity on real time to be construed as qualification for a trader to Bid in Real Time Market. This is very essential for bringing liquidity in Real Time Market. Considering the risk and challenges against power transaction under Real Time Market for a trading licensee, capping of trading margin should be removed under Real time Market trading.
5.	5.7	<p>Real Time Markets must, therefore, be such that they allow generators / discoms to correct their positions in</p>	<ul style="list-style-type: none"> If a generator buy power in real time, whether additional transmission charges shall be payable against such

		the real time markets, but with financial commitment for each such transaction.	purchase? • Consider a case wherein a generator is operating at 300 MW scheduled load. Due to some constraint, the generator is able to generate only 250 MW and hence buys 50 MW from real time market. The final schedule for generator shall be 250 MW only, however transmission charges would likely to payable for 350 MW (300 MW for sale and 50 MW for buy)
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