



PUNJAB STATE POWER CORPORATION LIMITED

(Regd. Office: PSEB Head Office, The Mall Patiala. Website: www.pspcl.in)

OFFICE OF CHIEF ENGINEER/ PP&R,

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Corporate Identification Number (CIN): U40109PB2010SGC033813 Registration Number: 33813

To

The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Chanderlok Building, 36, Janpath,
New Delhi-110001

Tele No. 011-23353503/23753918,
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Memo No. :- 1223/24

Dated:-16.09.19

Sub: - Comments on Draft regulation for Procedure, Terms and Conditions for grant of trading license, and other related matters) Regulations, 2019.

Ref.: Your notification No. ECO- 14/06/2019-CERC Dated: 24th July, 2019

In reference to subject cited context, the comments of PSPCL on draft regulations are as under:-

"Banking is a barter transaction on energy to energy settlement basis. Banking transactions are instrumental for the utilities helping their financial health as they manage to balance their seasonal loads to optimize the demand and cost for procurement of power. At times Utilities with their limited reach & access to the market information are unaware of certain peculiarities involved to carry out the various activities under banking transactions.

Involvement of trader results in following value addition to the transaction:

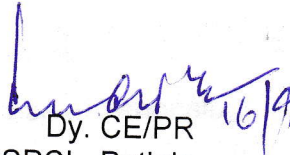
- Traders are helpful in finding the best counter-part utility for banking transaction by continuous communication with most of the utilities on PAN India basis and nodal agencies has readily available information regarding the surplus/deficit scenario of various utilities.
- Extending credit services for Open Access corridor bookings particularly in case of Utilities.

- Updated reports corridor margin available for booking of open access.
- Traders involvement for various activities like coordination with utilities and the nodal agencies like RLDCs/SLDCs, booking of OA corridor, timely payment of transmission charges to RLDCs/SLDCs, billing, reconciliation of energy etc.
- Traders also carry out activities like submission of bid in physical and various electronic platform, submission of EMDs/CPGs, participation in e-bidding for transmission corridor on behalf of utilities.
- Traders offer services like 24X7 control room, thus managing the curtailments, if any, on contingency basis.

Traders successfully helped to optimize the banking concept.

As such, may be left to the Distribution Utilities to evaluate and decide whether to enter a Banking Transaction 'Directly' with other DISCOMs or through a trading licensee."

This is for your information & further necessary action please.


Dy. CE/PR 16/9
PSPCL, Patiala.

CC: CE/PP&R, PSPCL, Patiala for information please.