

TPL/SUGEN/COMMERCIAL/20-21/041

August 11, 2020

The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi - 110 001

**SUGEN
MEGA POWER PROJECT**

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Sub: Comments and Suggestions on draft Power Market Regulations, 2020

Dear Sir,

At the outset, we would like to thank you for your support and guidance provided to us on an ongoing basis

With reference to your Public Notice No. L-1/257/2020/CERC dated 18th July 2020; we would like to submit our comments and suggestions on the Central Electricity Regulatory Commission (Power Market) Regulations, 2020.

We look forward to your positive consideration of our suggestions.

Yours faithfully,
For **Torrent Power Limited**


Authorised Signatory



Encl: Annexure-1

Annexure -1

Sr. No.	Proposed Regulation	Comments/Suggestions
1.	<p>Regulation 5(2)(b) Scheduling and delivery: <i>(i) The scheduling and delivery of transactions for Intraday Contracts and Contingency Contracts shall be in coordination with the system operator and in accordance with relevant provisions of the Grid Code and the Open Access Regulations and the Procedure issued thereunder</i></p>	<ul style="list-style-type: none"> • Considering improvements in IT infrastructure and adoption of automation / integration among power exchanges and NLDC / RLDC`s and experience of RTM market, we suggest that the intra-day contracts / contingency contracts should also be facilitated for automatic scheduling (like DAM/ RTM). • Accordingly, there shall not be any requirement for separate application process by power exchanges if the quantum is within the standing NOC granted for the day/term. In other words, it shall be Standing NOC quantum based and not contract based.
2.	<p>Regulation 7 (1) Price discovery: <i>The price and other terms of contract in the OTC Market shall be determined either through mutual agreement between the buyer and the seller or through competitive bidding process or as determined by the Appropriate Commission</i></p>	<ul style="list-style-type: none"> • Registration on OTC platform should be made mandatory so as to make it more beneficial and transparent for buyers and sellers. • Information such as name, location, energy purchase through OTC platform may be captured and updated on monthly basis on DEEP / similar portal.
3.	<p>Regulation 23 Power Exchange transaction fee <i>No Power Exchange shall charge transaction fee exceeding such fee as approved by the Commission:</i></p> <p><i>Provided that the Power Exchanges which have been granted registration by the Commission prior to the date of notification of these regulations shall be required to obtain approval of the transaction fee to be charged by the Power Exchange within a period of three months of the date of notification of these regulations</i></p>	<ul style="list-style-type: none"> • Existing Power Exchanges shall also be required to follow the same transaction fee as for the new registration. • This is to be done to ensure even playing field for all.
4.	<p>Additional Point</p>	<ul style="list-style-type: none"> • All types of short term power transactions are governed by the Power Market Regulations. Hence, it is imperative that other mechanism which are currently acting as alternate market for supply of power i.e. Ancillary Services Market, SCED etc. should be transacted only through market based products as facilitated by these Regulations. • This would ensure true discovery of prices of electricity without any intervention by the grid operator. • Additionally, we suggest that reactive energy contracts may also be introduced.