

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 13/SM/2022

Coram:

Shri I.S. Jha, Member

Shri Arun Goyal, Member

Shri P.K. Singh, Member

Date of Order: 29th September, 2022

IN THE MATTER OF:

Directions by the Commission to the Power Exchanges registered under the Power Market Regulations, 2021

ORDER

The Commission vide its Order dated 06.05.2022 in Petition No. 05/SM/2022 (Suo Motu) had in exercise of powers under Regulation 51(1) of the Power Market Regulations 2021 (PMR 2021) directed the Power Exchanges, from the date of issue of the Order till 30th June 2022, to redesign their software in such a way that members can quote price in the range of Rs.0/kWh to Rs.12/kWh in DAM (including GDAM), RTM, Intra-day, Day Ahead Contingency and Term-Ahead (including GTAM) Contracts. The applicability of the said directions was further extended for the period of three months, i.e., from 1st July 2022 to 30th September 2022 vide Order dated 30.06.2022 in Petition No. 09/SM/2022 (Suo-Motu).

2. The Commission has reviewed the situation in the power market, and other related factors having impact on the demand and supply of electricity. Based on the data provided by the Power Exchanges, POSOCO and as available on the website of CEA, the following points have emerged:

- a) The peak demand has been fluctuating and touched 199 GW on 07.09.2022. Based on the past trend, it is expected that the peak demand (morning & evening peaks) would remain significant due to lighting and heating load in the winter months.
- b) During the last 3 months, Market Clearing Price (MCP) of Rs.12/kWh in DAM has generally been discovered during the evening hours from 18:30 hrs onwards.



- c) From 15th September 2022 onwards, morning & evening peaks in MCP are being observed in DAM at IEX. These peaks are anticipated to become steeper during the winter season.
- d) As per the emerging demand-supply situation in the power sector, it is expected that despite the fall in temperature, high demand for electricity particularly from household and industrial consumers is likely to continue over the next few months mainly due to festive season, and pressure emanating from lighting and heating load. Moreover, agricultural load will persist over the next few months on account of harvesting of kharif crops and sowing of winter crops.
- e) Domestic coal stock seems to be well positioned as compared to last year's period from Oct'21 to Dec'21. However, as per the past trend, it is expected that generation from hydro and wind would start decreasing from October onwards, which is likely to exert pressure on coal stock.

3. Regulation 51 of the PMR 2021 provides as under:

“51. Other circumstances requiring intervention (1)The Commission may, on being satisfied that a situation of abnormal increase or decrease in prices or volume of electricity in the Power Exchange exist or is likely to occur in the market, by an order, give such directions as may be considered necessary.”

4. In exercise of the aforesaid powers under Regulation 51(1) of the PMR 2021 and in view of the analysis of the market trends discussed in para 2 above, the Commission, with a view to protect consumer interests, has decided to extend the applicability of the directions in its Order dated 06.05.2022 in Petition No. 05/SM/2022 (Suo Motu) till 31st December, 2022. Accordingly, in continuance of the earlier Order, the Commission hereby directs all the operational Power Exchanges that for the period from 1st October, 2022 till 31st December, 2022 they shall continue to operate their software in such a way that members can quote price in the range of Rs.0/kWh to Rs.12/kWh in DAM (including GDAM), RTM, Intra-day, Day Ahead Contingency and Term-Ahead (including GTAM) Contracts.

5. The Petition No. 13/SM/2022 is disposed of in terms of the above direction.

Sd/-
(P.K. Singh)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(I. S. Jha)
Member

