

**Comments on CERC draft order dated 04.10.2024 regarding directions to power exchanges:**

- 1- Standardization of contracts by power exchanges as per the NLDC declared peak hours (All Power Exchanges shall allow only the established pre-specified slots on the exchange platform for TAM contracts (including HP-TAM)).**

**BYPL'sview:** DailyDiscom's load profile varies widely because of change in consumer behaviour and weather conditions. Further different portfolio-mix of thermal, hydro, solar,wind necessitates daily variations in power supply. Real time basis force majeure events also result in reduction in availability from long term plants. Therefore,**any standardization of contracts (peak/off-peak/RTC) by exchange would result in imbalance in the Grid, which will burden the end consumers. So, in the interest of consumers at large existing methodology should continue.**

- 2- Proposal of withdrawal of Intra-Day Contracts in all the Power Exchanges.**

**BYPL'sView:**

Often it is observed that due to scarcity of power availability during peak hours, the average clearance in RTM market is 4% (table depicting RTM clearance for few days).

Duration	13-08-2024				14-08-2024			
	Purchase Bid (MW)	Sell Bid (MW)	MCV (MW)	% Clearance of Buy Bid	Purchase Bid (MW)	Sell Bid (MW)	MCV (MW)	% Clearance of Buy Bid
19:15-19:30	14024	1398	1398	10%	26327	1359	1359	5%
19:30-19:45	29535	1285	1285	4%	35938	1424	1424	4%
19:45-20:00	27963	1158	1158	4%	36610	1246	1246	3%
20:00-20:15	38791	1374	1374	4%	40631	1669	1669	4%
20:15-20:30	38747	1336	1336	3%	39425	1709	1709	4%
20:30-20:45	40822	1619	1619	4%	38835	1817	1817	5%
20:45-21:00	41010	1656	1656	4%	40294	1869	1869	5%

Duration	13-08-2024				14-08-2024			
	Purchase Bid (MW)	Sell Bid (MW)	MCV (MW)	% Clearance of Buy Bid	Purchase Bid (MW)	Sell Bid (MW)	MCV (MW)	% Clearance of Buy Bid
21:00-21:15	40524	1664	1664	4%	48581	1183	1183	2%
21:15-21:30	40624	1571	1571	4%	48881	1217	1217	2%
21:30-21:45	40506	1164	1164	3%	48834	1172	1172	2%
21:45-22:00	39651	1113	1113	3%	48590	1209	1209	2%
22:00-22:15	44250	1105	1105	2%	51517	1058	1058	2%
22:15-22:30	44138	1141	1141	3%	51363	942	942	2%
22:30-22:45	48031	1253	1253	3%	47947	1085	1085	2%
22:45-23:00	48130	1223	1223	3%	48199	1031	1031	2%
23:00-23:15	49691	1381	1381	3%	45536	1223	1223	3%
23:15-23:30	47605	1509	1509	3%	45295	1248	1248	3%
23:30-23:45	44727	1486	1486	3%	37173	1972	1972	5%
23:45-24:00	44284	1713	1713	4%	36794	2483	2483	7%

Source: IEX Website

Whenever in real time basis there is any unforeseen circumstances or force majeure events or DC revision in plants and less clearance in DAM power markets, especially during peak hours, DISCOM's have to arrange power in advance so as to ensure 100% supply. Availability of Intra Day Contracts gives flexibility option to DISCOM's and Gencos in arranging/supplying power for the consumers during such events. Though volume of such transactions is traded less, but such types of markets give option to flexibility and confidence to DISCOM's and Gencos for real time operations and grid management.

### **3- Proposal for modification of price discovery mechanism in the case of Contingency Contracts to Uniform Price Step Auction from the existing Continuous matching.**

**BYPL'sView:**

Under the current price discovery mechanism of continuous matching, there is a transparency of price by the seller so that buyer can make informed decision of buying the particular power. In case of Uniform price step auction model the behaviour of buyers will be biased towards getting the quantum irrespective of rates and based on the perceived risk of getting the quantum overall price will be jacked up thereby impacting the market as a whole. **In view of above our suggestion is to kindly consider the existing model of continuous matching and for better transparency of prices commission may direct exchanges to display the price and volume in Term Ahead Market.**

**4- Gestation period is required before implementation of new mechanism:****BYPL'sView:**

It is suggested that the Honourable Commission before launching any new mechanism may consider at least 3-4 months for reviewing and observe the price/volume trend.

It is suggested that any new mechanism or changes/modification should facilitate optimum purchase quantum and price without creating any surplus/shortage on the DISCOM side to avoid burdening of consumer.

Accordingly, BYPL request the Honourable Commission to consider our above points before making any changes in the existing mechanism.