



PUNJAB STATE POWER CORPORATION LIMITED

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

OFFICE OF CHIEF ENGINEER/PP&R,

D-3, Shakti Vihar, PATIALA -147001

Tele Fax 0175-2970894 email ce-ppr@pspcl.in

Corporate Identification Number (CIN) U40109PB2010SGC033813 Registration Number 33813

To

**Secretary, CERC
7th Floor, Tower B, World Trade Centre,
New Delhi- 110029**

Memo no 1490

Dated :- 04.11.2024

Sub: - Comments on Directions by the Commission to the Power Exchanges registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 – Draft order in the Suo-Motu Petition No. 8/SM/2024 thereof.

The point wise comments of PSPCL are as under:-

Point a) The proposed pre-specified slots on Power Exchanges for TAM contracts, while aiming to standardize procurement, significantly limit the flexibility of DISCOMs in managing real-time demand fluctuations. Fixed slots like Base/RTC, Peak, Off-Peak, and Night may not align with actual peaks of all States, leading to inefficiencies such as over- or under-procurement and higher costs in undesired periods. Additionally, this could affect cost optimization. We suggest the continuation of existing products alongside the proposed contracts for more flexibility in the procurement framework to better match DISCOMs' operational needs.

Point b) PSPCL agrees with the proposal

Point c) While the availability of the Real-Time Market (RTM) is acknowledged, the proposal to withdraw Intra-Day Contracts could reduce the flexibility for DISCOMs to secure power in advance reliably. In the RTM, if prices touches the ceiling price, the allocation of power is done on a partial basis, leading to shortfalls. Intra-Day Contracts allow DISCOMs to procure confirmed in advance, providing a level of certainty in meeting demand, while in RTM allocation mechanism, may not always guarantee. Removing Intra-Day Contracts will affect DISCOM ability to effectively plan and manage power procurement in a timely and cost-efficient manner.

Point d) PSPCL agrees with the proposal for better discovery of price.

Point e) i PSPCL agrees with the proposal

Point e) ii It has been observed that IEX has stopped displaying the area-wise bid price data on their website. CERC is requested to direct the exchanges to display the data as per the earlier practice.

Apart from the above, we propose a revision to the current practice of charging ISTS fees upfront for Exigency T-GNA applications, at least through exchanges, as they are much closer to actual delivery. Presently, if an application is only partially approved due to transmission constraints, the excess charges are refunded later, affecting liquidity and increasing administrative tasks. Instead, we request CERC to direct RLDCs to devise a mechanism whereby RLDCs may block the required funds from the wallet at the time of application for the applied quantum, but deduct charges based on the final approved quantum.


/ Dy.CE/PR
PSPCL, Patiala

CC: CE/PP&R for kind information please.