





Workshop on "Power Market Development in India: Key Lessons Learnt" April, 2016 | Dhaka, Bangladesh

### "Role of Transmission, System Operators and Integration of Regional Grid in the Development of Indian Power Market: Key Challenges and Lessons Learnt"

By: S.K. Soonee CEO, POSOCO

#### **Electricity Market Ecosystem**

Solar

**Legislative** - Act, Policy, Reforms, Unbundling, De-licensing, Competition, Market Access, Institution & Capacity Building

**Regulatory** – Grid Code, Open Access, Licensing, Tariff, Loss Administration, Payment Security, Dispute Settlement

**Planning** – Medium Term, Long Term, Grant of Access, Protection Coordination, Standards, Metering

**System Operation** – Security, Reliability, Scheduling, Despatch, Congestion Mgmt., SCADA/EMS, Ancillary Service

**Stakeholders** - Generators, IPPs, Transmission Licensees, Distribution Licensees, Traders, Power Exchanges

#### End Consumer (Now Prosumer too !)

dim: 2







# **Distinctive Features of Transmission**

- Public Service
- Sunk Investment
- Natural Monopoly
- Common Carrier
- Vital Infrastructure
- Regulated Business
- Non-Divisible/Transferable
- Key to Competition

### Transmission is Infrastructure<sup>3</sup>







## **Evolution of the Grid**



## Harnessing Diversity - Regional Grids





# **Changed Scenario**

#### **Earlier**

- Generation is licensed
- Regional self-sufficiency with limited inter-regional allocation
- Predictable Transmission

#### Present

- Delicensed generation
- Relaxed connectivity merchant generators
- Open access across the nation
- Economic despatch of generation

#### Strong Transmission System....Key to Competition

- Reduce cost of power
- Brings in economy & efficiency
  - Replacing costly power by cost effective power
- Takes care of uncertainty in Generation & Distribution
- Risk levelizer

# **Potential Benefits of Transmission Investments**

Benefit Category	Transmission Benefit
1. Traditional Production Cost Savings	Production cost savings as traditionally estimated
1a-1i. Additional Production	a. Reduced transmission energy losses
Cost Savings	b. Reduced congestion due to transmission outages
	c. Mitigation of extreme events and system contingencies
	d. Mitigation of weather and load uncertainty
	<ul> <li>Reduced cost due to imperfect foresight of real-time system conditions</li> </ul>
	f. Reduced cost of cycling power plants
	<ul> <li>g. Reduced amounts and costs of operating reserves and other ancillary services</li> </ul>
	h. Mitigation of reliability-must-run (RMR) conditions
	<ul> <li>More realistic representation of system utilization in "Day-1" markets</li> </ul>
2. Reliability and Resource	a. Avoided/deferred reliability projects
Adequacy Benefits	b. Reduced loss of load probability or
	c. Reduced planning reserve margin

Source: A WIRES Report on The Benefits of Electric Transmission: Identifying and Analyzing the Value of Investments, 2013, The Brattle Group

# **Potential Benefits of Transmission Investments**

3. Generation Capacity Cost	a. Capacity cost benefits from reduced peak energy losses				
Savings	b. Deferred generation capacity investments				
	c. Access to lower-cost generation resources				
4. Market Benefits	a. Increased competition				
	b. Increased market liquidity				
5. Environmental Benefits	a. Reduced emissions of air pollutants				
	b. Improved utilization of transmission corridors				
6. Public Policy Benefits	Reduced cost of meeting public policy goals				
7. Employment and Economic	Increased employment and economic activity;				
Development Benefits	Increased tax revenues				
8. Other Project-Specific	Examples: storm hardening, increased load serving capability,				
Benefits	synergies with future transmission projects, increased fuel				
	diversity and resource planning flexibility, increased wheeling				
	revenues, increased transmission rights and customer congestion-				
	nedging value, and HVDC operational benefits				

*Source: A WIRES Report on The Benefits of Electric Transmission: Identifying and Analyzing the Value of Investments, 2013, The Brattle Group* 

# **Evolution of System Operator in India**



## **Overarching Regulatory Framework**

#### Government

#### • Electricity Act 2003

- Section 26 Constitution of National Load Despatch Centre
- Section 27 The Central Government shall establish a centre for each region to be known as the Regional Load Despatch Centre having territorial jurisdiction as determined by the Central Government in accordance with section 25 for the purposes of exercising the powers and discharging the functions under this Part.
- Section 28 Functions of Regional Load Despatch Centre
- Section 29 Compliance of directions
- Section 30 Transmission within a State
- Section 31 Constitution of State Load Despatch Centres
- Section 32 Functions of State Load Despatch Centres

#### CERC

- 17 Regulations
- Open Access in Inter-State Transmission
- Grant of Connectivity, LTA and MTOA
- Measures to relieve Congestion
- Grant of trading licence
- Renewable Energy Certificate
- Indian Electricity Grid Code
- Sharing of ISTS Charges & Losses
- Regulation of Power Supply
- Fixation of Trading Margin
- Intervening Transmission Facilities
- Standards of Performance
- Terms and Conditions of Tariff
- Power System Development Fund
- Deviation Settlement Mechanism
- Fees and Charges of RLDC
- Ancillary Services Operations

#### CEA

- 6 Standards
- Grid Standards
- Technical Standards for Connectivity to the Grid
- Installation and Operation of meters
- Technical Standards for Connectivity of the Distributed Generation Resources
- Measures relating to Safety and Electricity Supply
- Technical Standards for Construction of Electrical Plants and Electric Lines

# **Grid Management**



# **Grid Security: Collaborative Process**

S.No	Time horizon	Responsibility	Agencies involved
1	Perspective	Perspective Plan (15 years)	CEA
2	Long term	Five year plans - growth and uncertainties	CEA, CTU, STUs, DISCOMs
3	Medium term	3 months to 3 years involving Monitoring of new lines and generating units, annual maintenance schedule of generating units /transmission lines, defense plans	CEA, RPCs, CTU, STUs, DISCOMs, GENCOs
4	Operational Planning	Up to 3 months involving co-ordination of maintenance of generating units and transmission lines, assessment of transfer capability, contingency plans	RPCs, NLDC, RLDCs, SLDCs, DISCOMs, GENCOs
5	Scheduling	Day in advance to 1-1/2 hours ahead involving forecast of load and scheduling generation accordingly honoring transmission constraints	NLDC, RLDCs, SLDCs, DISCOMs and GENCOs
6	Real Time Operation	Real time; actions are automatic through protective relays and System Protection Schemes (SPS); operator has little control	All utilities

# **Hudhud Cyclone**

- Very Severe Cyclonic Storm(VSCS) named 'HUDHUD' - 07th Oct. 2014.
  - Eastern Seaboard
  - Wind speed of more than 200kmph.
  - 250,000 people, 320 villages affected
  - Number of Affected Elements:
    - 400 kV lines 19 nos.
    - 220 kV lines 29 nos.
    - 132 kV lines 85 nos.
    - Transformers 35 nos
    - Traction Sub-stations 12 nos.
- Accurate forecast by the IMD
- Timely & massive evacuation.
- Online monitoring through PMU
- Emergency Restoration System for the transmission system

#### First Shoot, Then Aim Philosophy !





# **Phailin Cyclone**

- Very Severe Cyclonic Storm(VSCS) named 'Phailin', 11<sup>th</sup> Oct 2013
  - Hit land near Gopalpur in Odisha
  - Wind speed of 200kmph.
- Over 12 million people affected
- Country's biggest evacuation in 23 years
- More than 800,000 residents moved inland
- More than 18,000 villages in 20 districts hit
- Crop areas > 600,000 hectares destroyed
- Power outages in more than 3,000 villages
  - 11 Nos of OPTCL Transmission lines badly damaged, 93 towers breakdown
  - Load Loss: 1900 MW
- 24-hour Operating Control Centre set up
- Curtailment of Market Trades
- Emergency Restoration Systems



#### **Settling Electricity Transactions**



- A Simple transaction
  - One buyer one seller, single part settlement
- Increasing Complexity
  - Multiple sellers to one buyer
  - Multiple sellers multiple buyers
  - Multiple trades at different rates

#### Solution: Schedule Transactions

- Multi part settlement (fixed, variable, deviations)
- Settle the scheduled quantum as deemed delivered
  - · Fixed charges based on availability
  - Variable charges as per schedule
- Settle imbalances/deviations from schedule separately

#### **Need for Deviation Settlement Mechanism !**

More than 5000 Interface Meters !

More than 100 Control Areas !

More than 2000 Market Participant !

### **Evolution of Power Market in India**



#### **Transparency and Information Dissemination**

		_	Inioctic	n Drofilo of Dhu	tan for :: 23/0	7/2015								
					17-2015 23:52 Hrs	<u> </u>							<u>/01/2016</u>	
			Bhut	- <b>n</b>						D n	nalad	ach		
			Dilut	.all						Do	iligiau	2211		
		Date: 2			utan 🗸	Revision : 9 V	Sho		Date: 11-01-2016		_		Revision : 6 ~	Sho
		Dutti 25 or	2010				(Download as csv)			_		(All figures ar	e in MW)	
(Download as csv)					(All figures are	in MW)	Block	Time	ISGS	LTA	MTOA	Bilateral	Total	
Block	Time	ISGS	<u>LTA</u>	<u>MTOA</u>	<u>Bilateral</u>	Total	73	18:00-18:15	222.93	0.00	245.90	0.00	468.82	
1	00:00-00:15	0.00	0.00	0.00	88.18	88.18	74	18:15-18:30	223.52	0.00	245.90	0.00	469.42	
2	00:15-00:30	0.00	0.00	0.00	88.18	88.18	75	18:30-18:45	224.13	0.00	245.90	0.00	470.02	
2	00:20-00:45	0.00	0.00	0.00	00.10	00.10	- 76	18:45-19:00	224.13	0.00	245.90	0.00	470.02	
3	00.30-00.45	0.00	0.00	0.00	00.10	00.10	77	19:00-19:15	224.13	0.00	245.90	0.00	470.02	
4	00:45-01:00	0.00	0.00	0.00	88.18	88.18	78	19:15-19:30	224.99	0.00	245.90	0.00	470.89	
5	01:00-01:15	0.00	0.00	0.00	88.18	88.18	79	19:30-19:45	225.82	0.00	245.90	0.00	471.72	
6	01:15-01:30	0.00	0.00	0.00	88.18	88.18	80	19:45-20:00	225.82	0.00	245.90	0.00	471.72	
7	01:30-01:45	0.00	0.00	0.00	88.18	88.18	81	20:00-20:15	225.82	0.00	245.90	0.00	471.72	
8	01:45-02:00	0.00	0.00	0.00	88.18	88.18	82	20:15-20:30	225.82	0.00	245.90	0.00	4/1./2	
0	02:00 02:00	0.00	0.00	0.00	00.10	00.10	83	20:30-20:45	225.98	0.00	245.90	0.00	4/1.8/	
9	02:00-02:15	0.00	0.00	0.00	88.18	88.18	84	20:45-21:00	225.98	0.00	245.90	0.00	471.87	
10	02:15-02:30	0.00	0.00	0.00	88.18	88.18	05	21:00-21:15	225.96	0.00	245.90	0.00	471.87	
11	02:30-02:45	0.00	0.00	0.00	88.18	88.18	97	21:20-21:45	225.98	0.00	245.90	0.00	471.87	
12	02:45-03:00	0.00	0.00	0.00	88.18	88.18	88	21:45-22:00	225.90	0.00	245.90	0.00	471.87	
13	03:00-03:15	0.00	0.00	0.00	88.18	88.18	89	22:00-22:15	226.60	0.00	245.90	0.00	472.50	
14	03:15-03:30	0.00	0.00	0.00	99.19	99.19	90	22:15-22:30	226.60	0.00	245.90	0.00	472.50	
14	03.15-03.30	0.00	0.00	0.00	00.10	00.10	91	22:30-22:45	226.60	0.00	245.90	0.00	472.50	
15	03:30-03:45	0.00	0.00	0.00	88.18	88.18	92	22:45-23:00	226.60	0.00	245.90	0.00	472.50	
16	03:45-04:00	0.00	0.00	0.00	88.18	88.18	93	23:00-23:15	226.60	0.00	245.90	0.00	472.50	
								chedule of NEP	Al for :: 11/01/201	6	1	i		

Long Term
12 – 25 Years

Medium Term 3 Year – 3 Months

Short Term
< 3 Months

			-						
						tate : NEPA	L ~	Revis	ion : 51
vnload as Block	<u>csv)</u> Time	ISGS	LTA	мтоа	Shared	Bilateral	IEX	PXIL	Tot
76	18:45-19:00	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
77	19:00-19:15	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
78	19:15-19:30	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33
79	19:30-19:45	6 56	0.00	0.00	0.00	26.96	0.00	0.00	33
80	19:45-20:00	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33 /
81	20:00-20:15	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
82	20:15-20:30	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
83	20:30-20:45	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
84	20:45-21:00	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
85	21:00-21:15	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
86	21:15-21:30	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
87	21:30-21:45	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
88	21:45-22:00	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
89	22:00-22:15	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
90	22:15-22:30	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
91	22:30-22:45	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
92	22:45-23:00	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
93	23:00-23:15	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
94	23:15-23:30	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.
95	23:30-23:45	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
96	23:45-24:00	6.56	0.00	0.00	0.00	26.96	0.00	0.00	33.5
		446.00	0.00	0.00	0.00	647.04	0.00	0.00	700

Nenal

ate/Time :: 11/01/2016 23:05 Hrs

Revision :: 51

Round-the-Clock 24X7 Intraday / Contingency Market Jul'15 Onwards

Show

### **Coordinated Multilateral Model**



## **Products in Different Time Frames**



24X7 Intraday / Contingency Market

## **Power Exchange Operations**

#### **Salient Features**

- Multiple Power Exchanges
  - Competition amongst Exchanges
- Voluntary participation
- Double sided bidding
- Uniform pricing
- Day-ahead exchange
- 15 Minute Bids
- Congestion management by market splitting



# **Congestion Management: Bid Areas**

Sr.	Bid		
No.	Area	Region	States covered under Bid Area
			Jammu and Kashmir, Himachal Pradesh,
1	N1	North Region	Chandigarh, Haryana
			Uttar Pradesh , Uttaranchal, Rajasthan,
2	N2	North Region	Delhi
3	N3	North Region	Punjab
4	E1	East Region	West Bengal, Sikkim, Bihar, Jharkhand
5	E2	East Region	Odisha
6	W1	West Region	Madhaya Pradesh
			Maharashtra, Gujarat, Daman and Diu,
7	W2	West Region	Dadar and Nagar Haveli, North Goa
8	W3	West Region	Chhattisgarh
			Andhra Pradesh, Telangana, Karnataka,
9	S1	South Region	Pondicherry (Yanam), South Goa
			Tamil Nadu, Kerala, Pondicherry
			(Puducherry), Pondicherry (Karaikal),
10	S2	South Region	Pondicherry (Mahe)
			Tripura, Meghalaya, Manipur, Mizoram,
11	A1	North East Region	Nagaland
12	A2	North East Region	Assam, Arunachal Pradesh



## **Declaration of Transfer Capability**

#### National Load Despatch Centre

**Total Transfer Capability for March 2016** 

Issue Date:29/02/2016

Issue Time: 1300 hrs

Revision No. 1

Corridor	Date	Time Period (hrs)	Total Transfer Capability (TTC)	Reliability Margin	Available Transfer Capability (ATC)	Long Term Access (LTA)/ Medium Term Open Access (MTOA) #	Margin Available for Short Term Open Access (STOA)	Changes in TTC w.r.t. Last Revision	Comments
NR-WR*	1st Mar 2016 to 31st Mar 2016	00-24	2500	500	2000	706	1294		
WR-NR*	1st Mar 2016 to 31st Mar 2016	00-24	7450	500	6950	6103	847		STOA Margin revised due to grant of LTA/MTOA
	Let Mar 2016 to	00-06	2000		1800	293	1507		
NR-ER*	31st Mar 2010 to	06-18"	2000	200	1800	358	1442		
	31st Mar 2016	18-24	2000		1800	293	1507		
ER-NR*	1st Mar 2016 to 31st Mar 2016	00-24	4800	300	4500	2431	2069		
	1st Mar 2016 to	00.24				No limit i	is being specified.		
W3-ER	31st Mar 2016	00-24				No Re-routing is	allowed via W3-EI	R-NR,	
ED WY	1st Mar 2016 to	00.24				No limit i	r baing Specified		
ER-W3	31st Mar 2016	00-24							
	Let Mar 2016 to	00-05	4000		3250	3250	0		Revised due to commissioning of new
WR-SR	31st Mar 2010 to	05-22	4000	750	3250	3250	0	800	transmission elements on WR-SR
	51st Mai 2010	22-24	4000		3250	3250	0		corridor.
SR-WR*	1st Mar 2016 to 31st Mar 2016	00-24				No limit i	s being Specified.		
							-		-
ER-SR	1st Mar 2016 to	00-06 18-24	2650	0	2650	2585	65		
	51st Mar 2010	06-18				2650	0		
SR-ER *	1st Mar 2016 to 31st Mar 2016	00-24				No limit i	s being Specified.		
	5131 1140 2010								
S1-S2	1st Mar 2016 to 31st Mar 2016	00-24	5	1-S2 corridor	TTC/ATC is u	ploaded on NLDC	website under Intr	a-Regional	Section in Monthly ATC.
		00.17							
ED NED	1st Mar 2016 to	00-17	1470		1425	210	1215		
ER-MER	31st Mar 2016	13.22	1420	40	1276	210	1164	4	
		17-23	1420		1375		1160	<u> </u>	
NED ED	1st Mar 2016 to	00-17	1300	45	1255		1255		
DEB-ER	31st Mar 2016	17.22	1240	45	1205	, v	1205	<u> </u>	-
		11-23	1340	43	1295		1495		· · · · · · · · · · · · · · · · · · ·
W3 zone Injection	1st Mar 2016 to 31st Mar 2016	00-24	No limit is be appearing in	eing specified the system, W					

# **Energy Accounting**

 Regional Power Committees (RPCs) prepare the following accounts as per provisions of Regulations:

- Weekly Deviation Settlement account
- Weekly Reactive Energy Charge account
- Monthly Regional Energy Account
- Monthly Regional Transmission Account
- Monthly Regional Transmission Deviation Account

# **Volume of Short Term Transactions**



## **Prices of Short Term Transactions**



# **Operational Feedback**

• Clause 4(j) of NLDC rules:

"Providing Operational feedback for national grid planning to the Authority and Central Transmission Utility."

- Quarterly Operational Feedback
- Need based Operational Feedback
- Prioritisation of Lines

http://nldc.in/documents/operational-feedback

## **Implementing Agency for PoC Framework**



# **Paradigm Shift in Operations**

- Classical despatch
  - Forecast your load; generation fleet has to follow load
- Renewable Generation: the first game changer
  - Forecast load as well as RE; Load-RE or Net Load more important
  - Conventional generation has to follow net load
- Storage/Distributed Generation/Electric Vehicles
  - Is load forecastable?? Is generation despatchable?
  - From consumers to prosumers
- A flexible power system
  - but one that does not break.

## **Growth of Renewables**



#### All India RE Installed Capacity – 42, 726 MW

### **Central Agency for REC Framework**



### **Renewable Energy Certificate**

#### Web Portal: www.recregistryindia.nic.in

REC F	नारतीय रिह्लाह्ल∭ह	अक्षय ऊर्जा BLE ENERGY CERTI	प्रमाणपत्र पंजीकरण FIC The Registry of India					Welcome Gues
मुख्य पृष्ठ / Home	आरईसी वे	त बारे में / About REC	संबंधित दस्तावेज़ / Reference Documents	कार्यप्रणाली / Procedures	आरई जेनरेटर / RE Generators	; राज्य एजेंसियां / State Agencies	रिपोर्ट / Reports सहायत	T/Help
हमसे संपर्क करें। 🗙	ontact Us	पंजीकरण/निर्गमन ज	ांच सूची / Registration / Issuance Checklist	पंजीकरण/निर्गमन शुल्क	/ Registration / Issuance Fee	क्षमता अभिवृद्धि / Capacity Building	मुख्य बिन्दु / Highlights	मानचित्र। Map
डाक प्रक्रिया / Dak P	rocedure	प्रतिक्रिया / Feedback						

#### What is REC?

The Electricity Act, 2003, the policies framed under the Act, as also the National Action Plan on Climate Change (NAPCC) provide for a roadmap for increasing the share of renewable in the total generation capacity in the country. However, Renewable Energy (RE) sources are not evenly spread across different parts of the country. Read More>>

#### Total Signed Up RE Generators Till Now - 2693

#### Steps for REC



The basic procedure for redemption of renewable energy certificates shall include following steps:

4 of 4 4

STEP 4: The Eligible Entity shall place for dealing of renewable energy certificates, both 'Solar' and 'Non-Solar' Certificates,

on any Power Exchange authorised to deal in renewable energy certificates by CERC. Read More >>



Opening Salance • REC Issued • REC Redeemed • Cosing Salance

#### REC Summary

Month,	Opening	REC	No. of REC R	ledeemed	Total	Closing
Year	Balance (A)	lssued (B)	RECs Redeemed through Power Exchanges (C)	RECs retained by RE Generators (D)	E=(C+D)	Balance (F=A+B- E)
Aug, 2014	9283398	702700	51844	-	51844	9934254
Sep, 2014	9934254	859795	24013	25000	49013	10745036
Oct, 2014	10745036	1074046	74381	20000	94381	11724701
Nov, 2014	11724701	731207	197162	25457	222619	12233289
Dec, 2014	12233289	1087197	337782	60400	398182	12922304
Jan, 2015	12922304	411590	569149	46085	615234	12718660
Feb, 2015	12718660	593085	792356	57747	850103	12461642
Mar, 2015	12461642	453091	723967	13543	737510	12177223
Apr, 2015	12177223	810257	64134	8563	72697	12914783
May, 2015	12914783	821264	339768	2879	342647	13393400
June, 2015	13393400	1420931	185493	45627	231120	14583211
Jul, 2015	14583211	203862		-	0	14787073
Total:		25097897	10005523	305301	10310824	

#### Password Log In » Forget/Resend Password Sign Up New RE Generators

#### Related Links

Log In

- MNRE
- MoP
- CERC
- FOR
- Central Agency/NLDC
- SERCs
- State Agencies
- Power Exchange
Visitor Number - 5337747 PhotoGallery

#### Draft CERC REC (fi

# **Nodal Agency for Ancillary Services Operations**

**Despatch & Withdrawal** Fixed charge, Variable charge Instructions through RLDCs by and any other statutory charges NLDC for merit order dispatch – Nodal Agency Monthly basis **Revising Schedules of RRAS Providers by RLDCs Preparation of RRAS Providers** Energy/ Deviation Accounts Reserves Regulation **Regional Power** Ancillary Committees Service (RRAS) Provider Fixed charge, Variable charge and

any other statutory charges

#### **Cross Border Scheduling and Despatch – Need for Nodal Agency**

- Power transfer between countries
- Need for Nodal Agency
  - Settle transactions and deviations in Indian Pool
  - Back to back arrangement with buying entities in other country
  - Coordinate day-to- day scheduling with Load Despatch in both Countries
  - Transactions feasible
    - Long term Access/ Medium Term Open Access
      - Schedule to the LDCs on Day ahead basis
      - Revision allowed
      - Effective from 6<sup>th</sup> Time block
    - Short Term Open Access
      - Bilateral transactions Revision as per Open Access regulations
- Net schedule datum for exchange of power through the link
- Deviations settled as per CERC Deviation Settlement Regulations

#### **Key Success Factors for Robust Electricity Market**

**Robust Transmission System** 

**Control Area Demarcation & Boundary Metering** 

**Streamlined Scheduling and Settlement Mechanism** 

**Assessment of Transfer Capability** 

**Congestion Management** 

**Imbalance Handling Mechanism** 

Methodology for Transmission Charge Sharing

**Treatment of Transmission Losses** 

**Transparent and Non-discriminatory Implementation** 

**Compliance Monitoring and Regulatory Oversight** 

#### **Cross Border Operational Coordination**

- System Security Aspects
- Protection
- Operating instructions
- Outage planning
- Recovery Procedures
- Event information
- Transfer Capability Assessment
- Scheduling and Despatch
- Congestion management
- Formation of coordination groups

### Way Forward

- Coordination amongst Planners, Regulators and Grid Operators
- Scheduling, Metering, Accounting and Deviations Settlement
- Stabilized bilateral transactions with multi buyer multi seller model
- Harmonized Cross-country scheduling and despatch procedures
- Application of (transmission & system operation) charges and losses
- Payment Security & Dispute Resolution Mechanism

Consensus on the legal, regulatory, technical and commercial aspects !

### **Future Grid Management Challenges**

Ramping Requirements, Peak-Shaving Dynamic Optimization of Grid Operation and Security Smart Grid, Self-Healing, Resilient, Storm Hardy Grid

Distributed Generation Resources Cyber-Security, Interoperable Protocols, CIM Micro-Grids, Demand Response, Prosumers

Energy Efficient, Climate Friendly Grid, Environmental Stewardship Digital information, Fast Communication ,Automated Real-Time Interactive Controls

Electricity Storage, Plug-in Hybrid Electric Vehicles

## System Operation



a **'mission critical activity'** for uninterrupted, secure, reliable and quality power supply in the country

a **'relentless pursuit'** for optimization of precious power generating resources and minimization of inherent system losses





a 'facilitator' for an efficient electricity market

a **'vehicle'** for equitable and fair use of the transmission infrastructure in the country



a **'vital link'** between the administrators, planners & regulators on one end and physical system on the other end

Decades back, Dr. R .Buckminister Fuller proposed interconnecting regional power system into a single, continuous world-wide electric energy grid as a number one solution to solve many of the world's pressing problems.

Fuller also saw power grid as the way to reduce human suffering, preserve environment besides creating economical power systems.

