

Power Market Analysis: July'16

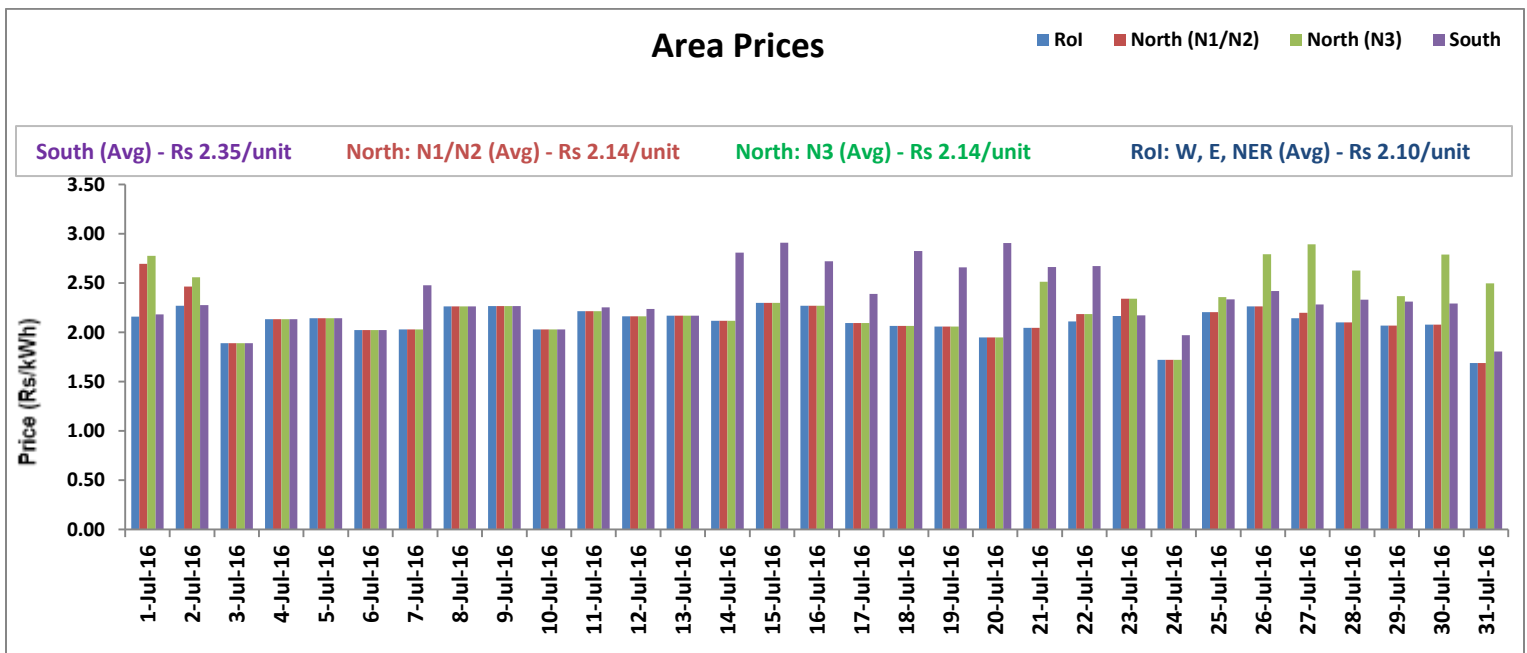
Spot Power Market sees highest ever monthly trade with MCP at Rs 2.16 per unit

This July, 3,581 MUs were transacted through IEX Day-Ahead Market, the highest ever. This was higher by 14% over 3,147 MUs traded in June'16. On a daily average basis, close to 116 MUs were traded, 10% increase over 105 MUs traded last month. The market saw average daily purchase bids of 5,360 MW and average daily sell bids of 9,061 MW. With the sell bids far exceeding the buy bids, the market remained favorable to buyers.

The average Market Clearing Price (MCP) in July was Rs 2.16 per unit, 7% less over Rs 2.31 per unit in June'16. Increased hydel generation due to the monsoon season and easing of Inter-State transmission congestion were the key factors that led to price reduction. Average Area Clearing Price (ACP) - the price at which settlement takes place, came down across all States and varied from Rs. 2.10 per unit to Rs. 2.35 per unit during the month.

Due to higher transmission and generation availability in South, for 8 days the market cleared at single-price through the day, the highest ever in a month. In the first half of the month, there was very little transmission congestion across corridors. However, in the second half of the month, the transmission congestion was witnessed in Southern and Northern regions.

- **ACP in North-East, East and West:** Rs 2.10 per unit, 6% decrease over June
- **ACP in North:** Rs 2.14 per unit, 18% decrease over June
- **ACP in South:** Rs 2.35 per unit, at par with June



* 1 MU = 1 Million kWh (GWh)

Volumes:

The key highlights for July'16 are as below:

- Total Sell bids: 6,741 MUs
- Total buy bids: 3,988 MUs
- Total Cleared Volume: 3,581 MUs
- Northern & Southern States: Net Buyers
- Western, Eastern & North-Eastern States: Net Sellers

The table below gives the average daily buy-sell picture at regional level for July'16 vis-à-vis June'16:

REGION	Average Daily BUY (MW)			Average Daily SELL (MW)			NET
	July'16	June'16	Change (%)	July'16	June'16	Change (%)	
North East	82.16	79.24	↑ 4%	387.94	305.85	↑ 27%	SELL
East	320.89	292.67	↑ 10%	1050.50	651.38	↑ 61%	SELL
North	1964.67	1680.57	↑ 17%	1304.07	1376.19	↓ -5%	BUY
West	1421.14	1453.48	↓ -2%	1508.43	1379.17	↑ 9%	SELL
South	1023.68	864.83	↑ 18%	561.60	658.20	↓ -15%	BUY

Congestion:

About 68 MUs were lost due to transmission congestion in July, as compared to 100 MUs lost in the previous month. On a daily basis, about 2 MUs were lost.

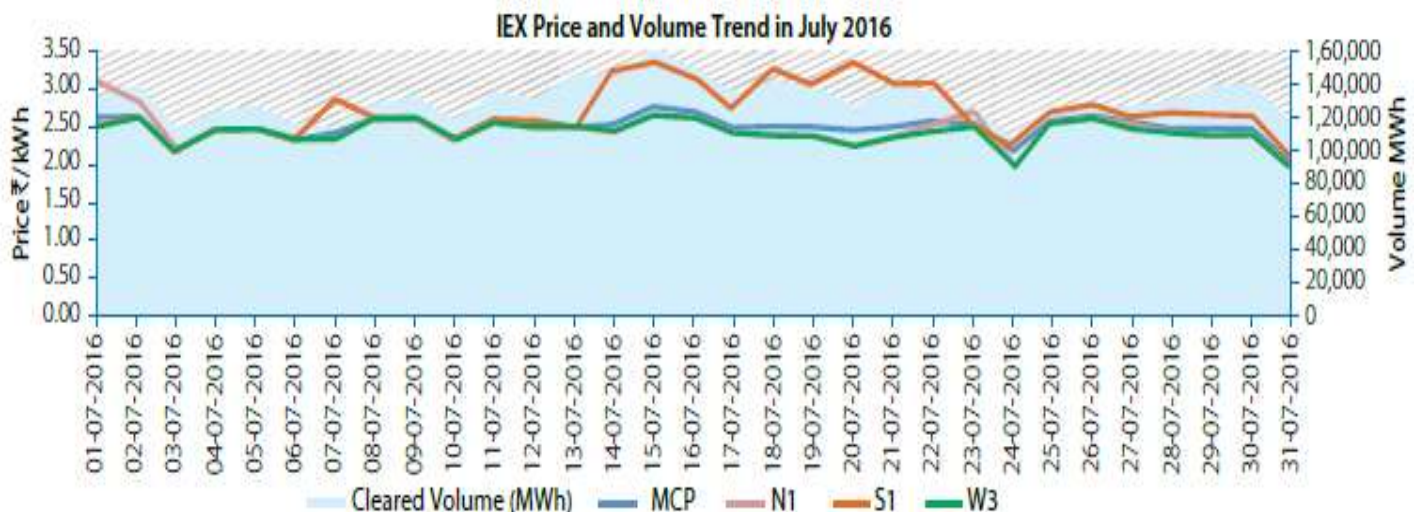
- ER->SR and WR->SR interconnections were congested 33% of the time during the month.
- ER->NR and WR->NR interconnections remained congested 4% of the time during the month.

Participation:

1,285 participants traded in the spot market on an average daily basis. The highest participation was on 21 July, 2016 when 1,369 participants traded on the Exchange.

Term-Ahead Market:

About 26 MUs were scheduled in July'16 in Intraday and Day Ahead Contingency contracts.



Average Hourly Market Clearing Volume and Price for the Month

