

## Power Market Analysis: October'16

**Spot Power Market sees average daily trade of 116 MU with MCP at Rs 2.46 per unit**

October saw attractive and competitive price in IEX Spot Power Market with average Market Clearing Price (MCP) at Rs 2.46 per unit, 19% less than MCP of Rs 3.03 per unit in the same month last year. The average Area Clearing Prices (ACP) ranged from Rs 2.40 to Rs 2.75 per unit across regions.

The market remained liquid with average daily sell bids of 235 MUs and purchase bids of 139 MUs. During October'16, 3,609 MUs were traded which on a daily average basis is 116 MUs, about 10% increase over 105 MUs traded in the same month last year. The open access consumers accounted for almost 60% of the cleared volume, mainly due to competitive price.

However, the congestion on the inter-state transmission network increased, affecting import of power in the Southern and Northern regions. About 3.6 MUs were lost on a daily average basis. The Southern corridor was congested about 42% of the time and the congestion was mainly due to increase in demand for power in South. Congestion in the Northern corridor was experienced for about 16% of the time during the month.

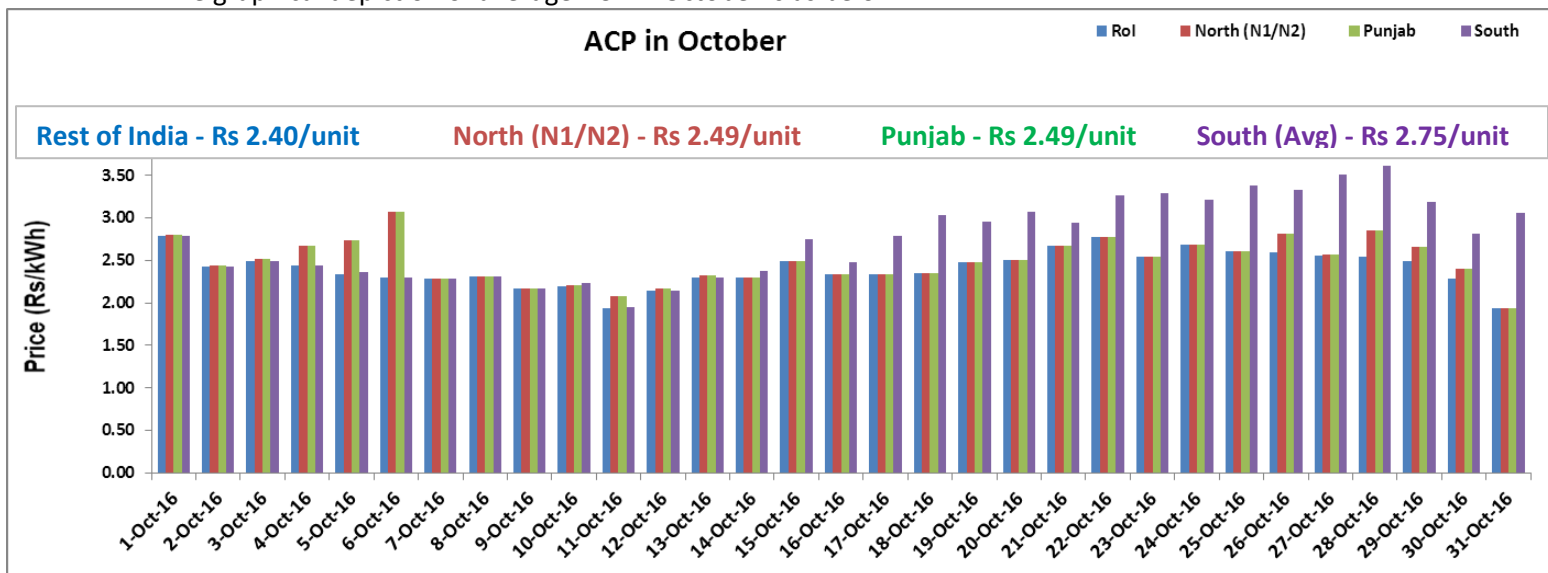
The Term-Ahead Market remained vibrant and over 93 MUs were traded, about 220% increase over 29 MUs traded last month, owing to increase in demand due to the festive season.

The market cleared at single-price on three days – 7<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> October, achieving the One Nation, One Grid and One Price aspiration of the Government.

**The average Area Clearing Prices (ACP) across regions in October are as below:**

- **North-East, East and West:** Rs 2.40 per unit
- **North:** Rs 2.49 per unit
- **South:** Rs 2.75 per unit

The graphical depiction of average ACP in October is as below:



\* 1 MU = 1 Million kWh (GWh)

**Volumes:**

The key highlights of the month are as below:

- **Total Sell bids: 7,270 MUs**
- **Total buy bids: 4,294 MUs**
- **Total Cleared Volume: 3,609 MUs**
- **Northern and Southern States: Net Buyers**
- **Western, Eastern & North-Eastern States: Net Sellers**

The Eastern and Western States were selling power in October'16 and the sell quantum of these regions was 2,392 MUs. The Northern and Southern regions were buying power through the month and the buy quantum of these regions was 2,265 MUs.

**Participation:**

1,149 participants traded in the spot market on an average daily basis. The highest participation was on 27 October, 2016 when 1,269 participants traded on the Exchange.

