

ELECTRICITY MARKET

Day-Ahead Market

Day-Ahead-Market (DAM) is for trading in physical delivery of electricity from midnight to 24 hours ahead. The price and quantum of electricity traded is determined through a double sided closed auction bidding process.

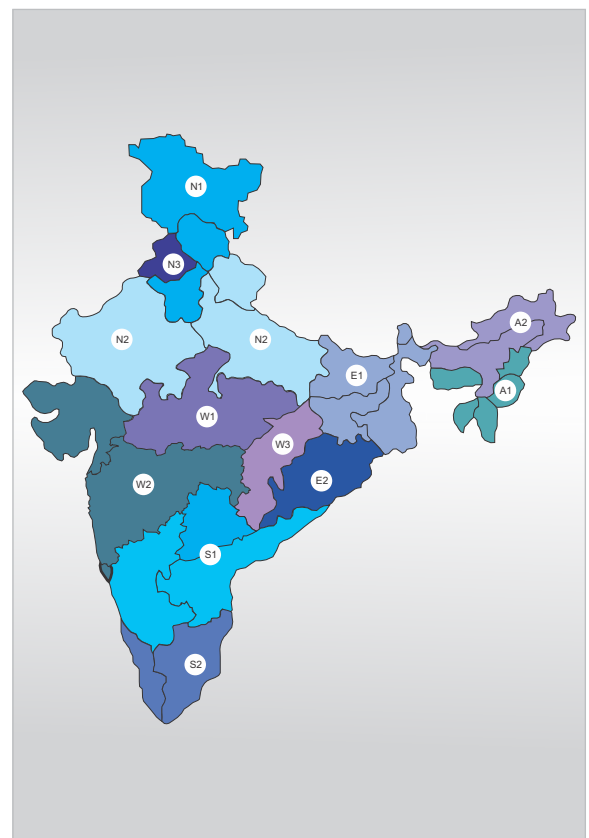
FEATURES OF DAY-AHEAD-MARKET

- **Trading of 15 minute contracts**
- **Double-sided closed anonymous bidding process**
- **Clearance** obtained from State Load Despatch Centre (SLDC) by buyers and sellers based on availability of network and ABT meters.
- **Bids** can be placed at regional periphery through portfolio orders or block orders:
 - **Portfolio Orders:** 15-minute bids for different price and quantity pairs. Partial execution is possible.
 - **Block Orders:** Relational block bid for 15-minute block for the same day. No partial execution possible (all or none).
- **Market Clearing Price (MCP)**, common for selected buyers and sellers is determined as a function of demand and supply.
- **Scheduling** of the cleared trade as per "Procedure for Scheduling of Collective Transactions" notified by Central Electricity Regulatory Commission (CERC).
- **Congestion Management** through market splitting and determining the Area Clearing Price (ACP) specific to a bid area. MCP & ACP prices available on IEX website: www.iexindia.com.

DAM TIMELINE

| D-1 (one day before delivery) | |
|-------------------------------|--|
| Time (IST) | Activities |
| 09:30 Hrs | Initial Margin Check |
| 10:00 - 12:00 Hrs | Bid-Call Session <ul style="list-style-type: none"> • Double sided closed bidding. • Member can submit, edit, modify or delete buy and sell bids. |
| 12:00 - 13:00 Hrs | <ul style="list-style-type: none"> • Exchange calculates MCP and provisional obligations of the members. • Communication of unconstrained solution to National Load Despatch Centre (NLDC). • Communication to bank to confirm and block the funds for pay-in from buyer member's settlement account. |
| 13:00 - 14:00 Hrs | NLDC checks for transmission availability on ISTs. In case of congestion, NLDC intimates the period for congestion and available margins. |
| By 14:30 Hrs | Buyers pay to IEX (Pay-in) |
| By 15:00 Hrs | IEX calculates ACP based on transmission network availability and sends 'scheduling request' to NLDC. |
| By 17:30 Hrs | NLDC confirms acceptance. IEX sends detailed schedule to SLDCs. |
| By 18:00 Hrs | RLDCs/SLDCs incorporate collective transactions in the daily schedule |
| D+1 (one day after delivery) | |
| Time (IST) | Activities |
| By 14:00 Hrs | IEX makes payments to seller (Pay-outs) |

IEX BID AREAS



IEX Electricity Market Key Statistics*

- 97% Market Share

- Discoms from 29 States and 5 UTs

- 3,900+ Participants

- 3,400+ Open Access Participants

- 300+ Private Generators

- 1,042: Average participants on a single day

- >150 BUs: Cumulative Cleared Volume

- 107,160 MWh: Average Daily Volume

- 136,913 MWh: Highest DAM Volume (Delivery day-16th September, 2015)

*Statistics for FY 2016-17 as on 30th June 2016

Term-Ahead Market

Term-Ahead-Market (TAM) encompasses a range of contracts varying from same day to one week in advance to help participants manage their electricity portfolio.

TERM-AHEAD MARKET SEGMENT:

| | |
|------------------------------|--|
| Intraday | <ul style="list-style-type: none"> • Duration : Twenty hourly contracts for the same day • Bid Matching : Continuous trading • Trading Time : 00:30 to 20:00 Hrs; every day • Delivery Period : 04:00 to 24:00 Hrs; same day |
| Day Ahead Contingency | <ul style="list-style-type: none"> • Duration : Twenty-four hourly contracts for the following day • Bid Matching : Continuous trading • Trading Time : 15:00 to 23:00 Hrs; every day • Delivery Period : All hours of the following day |
| Daily | <ul style="list-style-type: none"> • Duration : All or block of hours in a single day • Bid Matching : Continuous trading • Trading Time : 12:00 to 15:00 Hrs; every day • Delivery Period : For rolling seven days; starting after 4th day |
| Weekly | <ul style="list-style-type: none"> • Duration : All or block of hours in a week • Bid Matching : Double sided open auction • Trading Time : 12:00 to 16:00 Hrs; every Wednesday and Thursday • Delivery Period : Next week (week starts from Monday to Sunday) |

OTHER FEATURES:

- **Regional contracts**
- **Firm Delivery**
- **Delivery Period:** Round-the-clock (RTC), Day, Night, Peak and Hourly.
- **Delivery Point:** Seller's state periphery
- **Scheduling:** As per "Procedure for Scheduling of Bilateral Transactions" notified by CERC
- **Pay In:** Delivery day – 1 (1 day before delivery)
- **Pay Out:** Delivery day + 1 (1 day after delivery)
- **Losses and Charges:**
 - **Seller:** Seller's Point of Connection (POC) & intra-state charges and losses
 - **Buyer:** Buyer's Point of Connection (POC) and intra-state charges and losses.

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