

Issues of Public Hearing in the matter of
Final Test Run (FTR) Report Submitted by the Market Operator for approval of the Authority
along with proposed amendments in the Market Commercial Code

1. Whether the twenty-four actions items approved by the Authority in the Competitive Trading Bilateral Contract Market (CTBCM) test-run plan have been successfully completed by the Market Operator, System Operator and other entities or otherwise?
2. Whether the IT infrastructure deployed by NTDC and CPPA-G for CTBCM transactions has been tested and certified as successfully implemented? Additionally, whether backup or alternative measures are available in case of system failure during market transactions, and whether the absence of SCADA will impact the successful implementation of the market?
3. Whether any delay in the implementation of central economic dispatch of the entire country will have any impact on the implementation of CTBCM?
4. Whether the CTBCM transactions including settlements of energy and capacity of bilateral contracts for prospective market participants (generators and bulk power consumers) have been simulated during the test-run?
5. Whether the planned mechanism to shift capacity invoices based on commercial allocation factors along with operationalization of BMC as per the provisions of the National Electricity Plan is justified? What are the bottlenecks of shifting capacity invoices from the existing mechanism to coincidental system demand-based mechanism immediately after CMOD?
6. Whether the proposal to shift to a new mechanism for calculating firm capacity certification based on an annual dependable capacity test instead of generation contribution in critical peak hours is justified? What were the challenges faced in the approved methodology and are they addressed in the proposed methodology?
7. Whether the proposed changes in the formulae of Total Demand, Capacity Obligation, Firm Capacity and Ancillary Services etc. in approved market commercial code are justified and have they been tested during the test run?
8. Whether the proposal to defer compensation for ancillary services until the identification of congested zones by the System Operator is justified? Should transitory provisions for compensation of ancillary services for existing zones i.e. NTDC and K.E. be retained in the market commercial code until the identification of congested zones by the System Operator?
9. Whether the proposed labels in the Market Commercial Code to tag generators operated due to different system operations considerations are justified? and What is impact of the same on the marginal price determination as well as market settlements?
10. Whether transmission and distribution constraints will have any impact on the CTBCM transactions especially on the bilateral contracts between bulk power consumers and generators/suppliers? What measures have been put in place by NTDC and CPPA-G in this regard?
11. Whether the proposal to reduce the number of separate bank accounts for Market Operator functions and proposed changes in the payment system is justified? Has the Market Operator ensured that transparency in transactions is not compromised due to the proposed changes?
12. Whether the rationale behind the nomenclature changes, including the redefinition of various terms and renaming of specific terms in the market commercial code is justified?

13. Whether Renewable Energy power plants that are not capable of providing ancillary services should be allowed to participate in the CTBCM as merchant power plants?
14. Whether the provisions added in the proposed market commercial code related to captive generation are justified? Should captive generators register as market participants for the purpose of wheeling of electric power for self-use?
15. Whether the dispute resolution mechanism provided in the Market Commercial Code is adequate to settle disputes among market participants or otherwise?
16. Whether the proposed delay of the legal separation of the CPPAG as MO and SPA for 5 years as opposed to the licensed obligation of 1 year is in violation of the terms and conditions of the license of MO? Whether the same will have any implications for CTBCM considering conflicts of interest between two functions?
17. Whether the restructuring of System Operator as obligated in its licence has been carried out? Whether any delay in the legal separation of NTDC as System Operator and Transmission Network Operator will have any impact on the CTBCM?
18. Whether the recommendation to deal with excess transmission losses of transmission companies outside of the market commercial code as opposed to the provision of the approved market commercial code is justified?
19. Whether the Market Commercial Code adequately addresses the settlement treatment of excess transmission losses by NTDC and DISCOs, as well as treatment of inter-DISCO losses considering the fact that UoSC shall be charged on uniform basis?
20. Whether the auxiliary consumption of NTDC grids should be treated as a purchase from the DISCOs as SOLRs or continued to be settled by CPPA-G as per practice in vogue?
21. Whether the requirement of the market commercial code for Secured Metering System (SMS) installation on both primary and backup meters at all metering points has been fulfilled or otherwise?
22. Whether the settlement of PESCO and TESCO is being performed currently in the absence of SMS between their boundaries and what are its potential implications regarding imbalances and capacity obligations of both DISCOs? What measures are being taken by PESCO and TESCO in this regard?
23. Whether the System Operator is ready to shift the current merit order mechanism from a fortnightly basis to a daily basis? Additionally, whether the daily demand forecast prepared by System Operator required from DISCOs for efficient central economic dispatch is streamlined as required under applicable documents?
24. Whether the necessary tools and capacity building has been undertaken by System Operator to prepare the daily load forecast for the efficient system operations as required under applicable documents?
25. Any other issue with the approval of the Authority.
