

पावर सिस्टम ऑपरेशन कारपोरेशन लिमिटेड  
(पावरग्रिड की पूर्ण स्वामित्व प्राप्त सहायक कंपनी)  
**POWER SYSTEM OPERATION CORPORATION LIMITED**  
(A wholly owned subsidiary of POWERGRID)



पंजीकृत एवं केन्द्रीय कार्यालय : बी-9, कुतुब इंस्टीट्यूशनल एरिया, कटवारिया सराय, नई दिल्ली-110 016  
Registered & Corporate Office : B - 9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110 016  
Website : www.nldc.in, www.nldcindia.in Tel : 011-26536832, 26524522, Fax : 011-26524525, 26536901

Ref: POSOCO/

Date: 14<sup>th</sup> July 2011

To,

The Chief Engineer (SP&PA),  
Central Electricity Authority,  
R K Puram, New Delhi

The Executive Director (SEF),  
Power Grid Corporation of India Ltd  
Gurgaon

**Subject: Interaction of market and operational issues with planning process**

Sir,

Various CERC regulations such as IEGC, Open Access, Connectivity, LTA & MTOA etc. provide for 3 categories of power transaction i.e. Long Term, Medium Term and Short Term. Highest priority in scheduling is given to long term transactions, followed by medium term and short term transactions. The order of curtailment for different type of approved transactions in case of a transmission constraint is given by CERC (Short Term Open Access in Inter-State Transmission) Regulations, 2009.

Treatment of loss is also different for these three categories of transactions and it is done as per the procedure for sharing of Inter-state Transmission System Losses, approved by CERC. Moreover, Power Exchanges are operational which adopt market splitting in case of congestion.

A variety of issues in system operation and market operation are thus deeply interwoven with the priority attached to these three types of transactions. A proposal to create any sub-category within these three categories or any change in the precedence of these transactions is likely to infringe on power system operation and market operation.

It is hoped that any decision regarding scheduling priority and treatment of loss is in line with the provisions of the Regulations in vogue.

Thanking You,

Yours Faithfully

V. V. Sharma

General Manager, NLDC

Copy to: The Secretary, CERC