



Pan-India Real Time Market for Electricity

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Why in News

Recently, the government has launched a **pan-India real-time market of electricity** to enable the buyers and sellers pan-India to **meet their energy requirement closer to real time** of operation.

It is expected that **shorter bidding time, faster scheduling, and defined processes** will enable the participants to access resources throughout the all India grid, promoting competition.

Key Points

- **Description:**
 - The real time market of electricity is an **organized market platform** which will bring required flexibility to provide real time balance while ensuring optimal utilization of the available surplus capacity in the system.
 - The real-time market would **open for 30 minutes in a day**, and buyers and sellers would have the option of placing **buy or sell bids for each 15-minute** time block.
 - It will also help **manage diversity in the demand pattern in the country** with a market at national level.

- **Benefits:**
 - **Penetration of Renewable Energy:**
 - The Government of **India's target of 175 GW RE Capacity by 2022** is driving accelerated renewable penetration pan-India.
 - The real time market would help to mitigate challenges of grid management and help to integrate higher amounts of renewable energy resources into the grid.
 - **Discoms:**
 - It would provide an alternate mechanism for Discoms **to access larger markets at competitive prices.**
 - These are also expected to manage their power purchase portfolio more optimally with this market and likely to result in **cost optimisation of power purchase.**
 - **Consumers:**
 - It would lead to **cost optimization of power purchase** and serving the consumers with **reliable supply** as any last minute requirement of power can easily be bought from the Real Time market.
 - Earlier regime of managing the grid by load shedding due last minute changes will be avoided.

Way Forward

- The real time market is the **win-win for all stakeholders** which includes generators having opportunity to sell their surpluses, better management of variability of RE generation, better utilization of transmission systems, opportunity for discoms to buy or sell power and finally consumers getting reliable power supply.
- The launch of a real-time electricity market has marked the **second reform in the power sector** after the announcement of the plans for privatisation of the all electricity distribution companies (discoms) in the union territories.

Source:PIB