

# Green Term Ahead Market

September 4, 2020

As a first step towards **Greening the Indian short term power**, the central government has launched pan-India Green Term Ahead Market (GTAM) in electricity. The introduction of GTAM platform would **lessen the burden on RE-rich States and incentivize them to develop RE capacity beyond their own RPO**. This would promote RE merchant capacity addition and help in achieving RE capacity addition targets of the country.

## Green Term Ahead Market

The GTAM platform will lead to an increase in the number of participants in the renewable energy sector. It will **benefit buyers of RE through competitive prices and transparent and flexible procurement**. It will also **benefit RE sellers by providing access to the pan-India market**. The Government of India's target of 175 GW RE Capacity by 2022 is driving accelerated renewable penetration pan-India.

Green Term Ahead Market contracts will allow additional avenues to the RE generators for sale of renewable energy; enable obligated entities to procure renewable power at competitive prices to meet their Renewable Purchase Obligations (RPO); and provide a platform to environmentally conscious open access consumers and utilities to buy green power.

## Key features of GTAM:

- Transactions through GTAM will be bilateral in nature with clear identification of corresponding buyers and sellers, there will not be any difficulty in accounting for RPO.
- GTAM contracts will be segregated into Solar RPO & Non-Solar RPO as RPO targets are also segregated.
- Further, within the two segments GTAM contracts will

have Green Intraday, Day Ahead Contingency, Daily and Weekly Contracts

- Green Intraday Contract & Day Ahead Contingency Contract – Bidding will take place on a 15-minute time-block wise MW basis.
- Daily & Weekly Contracts – Bidding will take place on MWh basis. Both buyers and sellers can submit the bid, however the seller will provide a profile in terms of 15-minute time block wise quantity (MW) along with the price (Rs/MWh). After the contract gets executed scheduling will take place as per the profile. In case of multiple buyers, the profile will get allocated on a pro-rata basis.
- Price discovery will take place on a continuous basis i.e. price time priority basis. Subsequently, looking at the market conditions open auction can be introduced for daily & weekly contracts.
- Energy scheduled through GTAM contract shall be considered as deemed RPO compliance of the buyer.