

## Green Day Ahead Market (GDAM) launched

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Union Minister of Power & New and Renewable Energy, launched the new market segment- Green Day Ahead Market (GDAM).



[Ref: Regan Power]

### **About Green Day Ahead Market (GDAM):**

- National Load Despatch Centre (NLDC), POSOCO is the Nodal Agency for facilitating the Green Day Ahead Market.
- The Green Day-ahead market will **operate in an integrated way** with the **conventional day-ahead market**.
- The Exchanges will **offer the market participants to submit bids together** for both conventional and renewable energy through the separate bidding windows.
- The clearance will take place in a sequential manner - **renewable energy bids will be cleared first** in accordance with the must run status of the renewables, **followed by conventional segment**.
- This mechanism will allow **renewable energy sellers to subsequently bid in the conventional segment** should their bids remain uncleared in the green market.
- There will be **separate price discoveries for the both** the conventional and renewables.

### **Salient features of Green Day Ahead Market (GDAM):**

- This **will deepen the green market and will provide competitive price signals**, besides offering an opportunity to the market participants **to trade in green energy**, in the most transparent, flexible, competitive, and efficient manner.
- The market-based competitive prices will **provide option to renewable generators** to sell power **as well as accelerate the renewable capacity addition** towards the Government's vision of building India as a sustainable and efficient energy economy.
- The distribution utilities would be **able to sell surplus renewable power** generated in their area.
- The **obligated entities** (distribution licensee, open access consumers and captive power consumers) would also be able **to meet the RPO target by directly buying green power** from the power exchange.
- The **non-obligated entities** will be able to buy power on voluntary basis and help increasing the share of green power.

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**Significance:**

- The introduction of GDAM is expected **to create a domino effect that will lead to a gradual shift from PPA based contract** to market-based models which will build and deepen the markets to the next level, paving the way for India **to meet its ambitious target of 450 GW green capacity by 2030.**
- The GDAM participation would be reduction of curtailment of green power, unlocking untapped renewable energy potential, ensuring instant payment to RE generators i.e., on the day of delivery itself.