

**A Study on The Economic Status of Hydropower Plant
in The National Energy Sales Market**

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Abstract :

In the last decade, the power industry in most countries has undergone fundamental changes and has gradually shifted from a non-competative/governmental structure to a more private and competitive market. This has been largely due to the pressure imposed by non-governmental investors in order to enter the exclusively monopolized power market, and that imposed by the consumers, in order to decrease the tariffs for power consumption via free enterprise and non-exclusivity of national energy sales markets. Other imposed pressures have been through the lack of resources to finance the daily increase in power demands and the Supreme Dominance of The Marketing mechanisim theory vs the Centralized Programming Mechanisim theory.

In the Iranian National Power Industry, the need for inducing and encouraging private investment in the Energy Market to meet the daily rise in power consumer's demands - which is predicted to be double its current rate in another ten years - and the necessity of improving operational management has brought about a change in the current infrastructure. In 2003 the National Competative Energy Sales Market of Iran was inaugurated and it was surmised that within its framework producers and consumers would trade energy at competitive prices, yet since Thermal Power Plants encompass a large share of the energy market, the Competative Energy Sales Market regulations were structured to fit these specific power stations. This paper focuses on the present and future impacts of Energy Sales Market on the hydropower plant and the subsequent economic status of these powerplants in comparison to Thermal Power Plants. The obtained results show that with due consideration to the existing tariffs and regulations of the Energy Sales Market The Hydroelectric Power Stations within the country will have a lower economic status than their Thermal counterparts and this indicates that a closer reappraisal of the Energy Sales Market indices is required.

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