

Issues for Public Hearing in the matter of Application filed by CPPA-G for Registration as “Market Operator”

Capacity to act as market Operator

1. Whether CPPA-G has contractual arrangements in place, particularly novation of existing long terms agreement between NTDC and IPPS?
2. Whether CPPA-G has adequate technical, organisational and human resources available to perform market operations in an efficient manner?
3. Whether IT related infrastructure to enable CPPA-G to carry out its market operations for future competitive market and reporting requirements have been adequately established?
4. Whether CPPA-G has the financial strength to operate the competitive market and taken measure to establish any escrow account, settlement guarantee fund, revolving fund to ensure balance of payment?
5. Whether CPPA- G has sufficient capability for billing, settlement, management of cash flow, treasury management and other relevant banking arrangement for the purpose of collection and disbursement as per the Commercial Code?
6. How does the CPPA-G intend to cater to the interests of the provinces, the industry and the private sector while nominating its Board of Directors?

Performance of CPPA-G under Market Rules

7. Whether CPPA-G have submitted to Authority annual reports and other reports as required under the NEPRA (Market Operator Registration, Standards and Procedure) Rules, 2015 and the Commercial Code?

8. Whether CPPA-G during the period of “Deemed Authorised Market Operator” has complied with the applicable laws and directions of the Authority?

Amended Commercial Code

9. Whether the Commercial Code submitted by CPPA-G along with its market operator application sufficiently provides the settlement procedure for Single Buyer Plus Model?
10. Whether the Commercial Code submitted by CPPA-G along with its market operator application caters for the future competitive market operations?
11. What measures have been taken by CPPA-G to ensure transparency and participation of stakeholders to carry out amendments in the Commercial code?

Market Operator Functions

12. Whether CPPA-G still continues to procure electric power on behalf of the DISCOs including import of power from other countries after the transition period (2015-2017)? If yes, whether such functions of CPPA-G are in conflict with the functions of the market operator?
13. Whether CPPA-G has carried out any reorganisation of its business structure, if yes, whether such re-organisation is in line with the functions of market operator under the provisions of the NEPRA (Market Operator Registration, Standards and Procedure) Rules, 2015?

Competitive Market Model Development

14. What steps have been taken CPPA-G to develop power market (Single Buyer Plus and Competitive Market) as envisaged in Schedule I of the NEPRA (Market Operator Registration, Standards and Procedure)

Rules, 2015?

15. Whether CPPA-G will be able to meet the timelines provided in the Schedule 1 of the Rules to develop competitive market by 2020 and what measures have been taken on this regard?
16. Whether the commercial procedures have been developed to address the peculiar features of existing long terms power purchase agreements, in the design of the future competitive power market?
17. Whether CPPA-G has carried out any process of consultation with the power producers who are the key stakeholders of power sector in Pakistan, on the upcoming Competitive Trading Bilateral Trading Market Model?
18. Whether it is in the interest of public to register CPPA-G as market operator?