



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(LIC)/LAM-01/3547-67

April 30, 2025

## Chief Executive Officer

Independent System and Market Operator of Pakistan (Guarantee) Limited  
73 West, A.K. Fazl-ul-Haq Road, Blue Area, Islamabad

Subject: **DETERMINATION OF THE AUTHORITY IN THE MATTER OF REQUEST OF  
CENTRAL POWER PURCHASING AGENCY (GUARANTEE) LIMITED FOR  
TRANSFER OF ITS LICENCE FOR MARKET OPERATOR**

Reference: i). CPPA-G letter No. CPPA-G/2024/CEO/9669-71 dated 30.12.2024  
ii). ISMO letter no. ISMO/2024/CEO/13-18 dated 20.12.2024

Enclosed please find herewith Determination of the Authority in the matter of request of Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) for transfer of the Licence for Market Operator (No. MOL/01/2022 dated May 31, 2022) to Independent System and Market Operator of Pakistan (Guarantee) Limited (ISMO) alongwith revised Face Sheet of Market Operator Licence.

Enclosure: As Above

*Wasim Anwar Bhinder*  
(Wasim Anwar Bhinder)

## Copy to:

1. Secretary, Power Division, Ministry of Energy, 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Ministry of Planning & Development, Government of Pakistan, 'P' Block, Pak Secretariat, Islamabad
3. Secretary, Ministry of Finance, Government of Pakistan, 'Q' Block, Pak Secretariat, Islamabad
4. Secretary, Energy Department, Government of Punjab, EFU House, 8th Floor, 6-D Jail Road, Lahore
5. Secretary, Energy Department, Government of Sindh, State Life Building -3, Dr. Zia-ud-din Ahmed Road, Karachi
6. Secretary, Energy & Power Department, Government of Khyber Pakhtunkhwa, Block-A, 1<sup>st</sup> Floor, Abdul Wali Khan Multiplex, Civil Secretariat, Peshawar
7. Managing Director, NTDC, 414 WAPDA House, Lahore
8. Managing Director, Private Power & Infrastructure Board (PPIB), Ground & 2nd Floors, Emigration Tower, Plot No. 10, Mauve Area, Sector G-8/1, Islamabad
9. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, CPPA-G, Shaheen Plaza, 73-West, Fazal-e-Haq Road, Blue Area, Islamabad

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| <p>10. Chief Executive Officer<br/>Lahore Electric Supply Company (LESCO)<br/>22-A, Queen Road, Lahore</p>                                   | <p>11. Chief Executive Officer<br/>Gujranwala Electric Power Company (GEPCO)<br/>565/A, Model Town, G.T Road, Gujranwala</p>                     |
| <p>12. Chief Executive Officer<br/>Multan Electric Power Company (MEPCO)<br/>NTDC Colony, Khanewal Road, Multan</p>                          | <p>13. Chief Executive Officer<br/>Peshawar Electric Supply Company (PESCO)<br/>NTDC House, Shami Road, Peshawar</p>                             |
| <p>14. Chief Executive Officer<br/>K Electric Limited (KEL)<br/>KE House, 39 B<br/>Main Sunset Boulevard, DHA Phase-II,<br/>Karachi</p>      | <p>15. Chief Executive Officer<br/>Quetta Electric Supply Company (QESCO)<br/>Zarghoon Road, Quetta</p>  |
| <p>16. Chief Executive Officer<br/>Islamabad Electric Supply Company (IESCO)<br/>IESCO Head Office Street 40<br/>Sector G-7/4, Islamabad</p> | <p>17. Chief Executive Officer<br/>Faisalabad Electric Supply Company (FESCO)<br/>Abdullahpur, Canal Bank Road,<br/>Faisalabad</p>               |
| <p>18. Chief Executive Officer<br/>Sukkur Electric Supply Company (SEPCO)<br/>Old Thermal Power Station, Sukkur</p>                          | <p>19. Chief Executive Officer<br/>Hyderabad Electric Supply Company (HESCO)<br/>HESCO Headquarter<br/>WAPDA Complex, Hussainabad, Hyderabad</p> |
| <p>20. Chief Executive Officer<br/>Tribal Areas Electricity Supply Company (TESCO)<br/>213-NTDC House<br/>Shami Road, Peshawar</p>           |  |



**National Electric Power Regulatory Authority**  
**(NEPRA)**

**Determination of the Authority in the matter of**  
**Request of Central Power Purchasing Agency (Guarantee)**  
**Limited for Transfer of its Licence for Market Operator**

**April 30, 2025**  
**Case No. LAM-01**

(i). The Authority in terms of Section-23A of the Regulation of Generation, Transmission and Distribution of Electric Power Amendment Act, 1997 (the "NEPRA Act") as amended in 2018, granted a licence (No. MOL/01/2022 dated May 31, 2022) to Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) to act as the Market Operator (MO) for the electric power sector of the country.

(ii). CPPA-G through its letter dated December 30, 2024 submitted that the Federal Government had approved the establishment of Independent System and Market Operator to take over its functions of MO. In this regard, it requested the Authority to transfer the above-mentioned licence to the newly incorporated company i.e. Independent System and Market Operator of Pakistan (Guarantee) Limited (ISMO). Further, ISMO also approached the Authority, requesting for transfer of above-mentioned Licence in its favor to fulfil the regulatory requirements and to assume the designated responsibilities.

(iii). The Authority has observed that Section-27 of the NEPRA Act and Article-8 of the licence for MO prohibits the surrender, assignment or transfer of the licence to any person without its prior approval. Accordingly, the Authority has considered the request of ISMO and observed that the company/ISMO has provided: (a). its Certificate of Incorporation that Securities and Exchange Commission of Pakistan (SECP) has issued; (b). its Memorandum of Association; and (c). its Articles of Association.



(iv). The Authority has found that the company/ISMO is registered with the SECP under Section-16 of the Companies Act, 2017 (XIX of 2017) having Corporate Unique Identification No. 0277248 dated December 04, 2024. Further, being a guarantee limited company, it will be a non-profit organization without any capital share. According to the submissions made, the company/ISMO will carry out different functions as required under the Licence for MO which include: (a). organization, development, operation and administration of competitive electric power market in accordance with the NEPRA Act, rules, regulations, the market commercial code and other applicable documents; (b) draft or amend, from time to time, the market commercial code with approval of the Authority; and (c) any other function incidental or ancillary thereto.

(v). According to the information submitted, initially ISMO will have three (03) directors however, the same will not increase to more than eleven (11). The initial directors of the company are: (i). Mr. Muhammad Fakhre Alam, Secretary, Ministry of Energy (Power Division); (ii). Syed Zakria Ali Shah, Additional Secretary, Ministry of Energy (Power Division); and (iii). Mr. Sajjad Haider, Joint Secretary CF-II, Ministry of Finance whereas, one of directors i.e. Mr. Syed Zakria Ali Shah, has already been appointed as Chief Executive Officer of the company.

(vi). The Authority has observed that in its submissions, ISMO has referred to relevant provisions of the National Electricity Policy 2021 and National Electricity Plan 2023 which envisages restructuring of the MO in line with the approved design of the future market/CTBCM. It is pertinent to mention that in order to ensure seamless transition, ISMO has executed Business Transfer Agreement with CPPA-G for transferring of HR resources and associated assets of MO of CPPA-G. Further, it has executed Service Level Agreement with CPPA-G for a period of one (01) year to provide corporate services including Company Secretary Office, HR and IT support services etc.





(vii). About compliance with the relevant rules on eligibility criteria, the Authority has observed that the same envisages that an entity to have licence for MO is required to: (i). get registered with SECP; (ii). develop draft commercial code; (iii). have an adequate budget to demonstrate financial requirements etc.; (iv). shall fulfil minimum technical and human resource requirements. In this regard, the Authority observes that ISMO is already registered with SECP and there is an approved market commercial code in place. Further, the entire technical, IT and human resource, asset base and budget allocations of CPPA-G for its MO function will now be transferred to ISMO. In view of the said, the Authority is of considered opinion that ISMO complies with the provisions of the relevant rules and therefore, has a case to act as MO.

(viii). In view of the above, the Authority hereby approves the transfer of Licence for MO (No. MOL/01/2022 dated May 31, 2022) from CPPA-G to ISMO subject to following terms and conditions:

- (a). Any rights and liabilities incurred in favour or against the CPPA-G prior to transfer of this licence for MO shall remain intact and nothing in this authorization/approval shall absolve it from such liabilities;
- (b). After the transfer of the licence for MO, all rights and liabilities including the terms and conditions of the licence for MO shall now rest with ISMO which is required to adhere to the terms and conditions strictly in letter and spirit; and
- (c). CPPA-G shall comply with all applicable laws, rules and regulations, authorization and restrictions prescribed by relevant regulators and authority bodies, while transferring its market operations to ISMO.



(ix). The transfer of licence for MO will be subject to the provisions contained in the NEPRA Act, relevant rules and regulations framed there under.

**Authority:**

Maqsood Anwar Khan  
(Member)



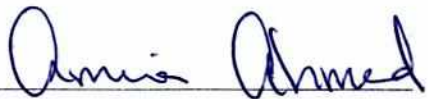
Rafique Ahmed Shaikh  
(Member)



Mathar Niaz Rana (nsc)  
(Member)

Did not attend

Amina Ahmed  
(Member)



Waseem Mukhtar  
(Chairman)







**National Electric Power Regulatory Authority  
(NEPRA)  
Islamabad – Pakistan**

<b>MARKET OPERATOR LICENCE</b>
<b><u>No. MOL/01/2022</u></b>

In exercise of the powers conferred upon under Section-27 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, the Authority hereby approves the transfer of the Licence for Market Operator (MO) from **Central Power Purchasing Agency (Agency) Limited to Independent System and Market Operator of Pakistan (Guarantee) Limited**. The details of changes on account of the above transfer are as below:

- (i). **Change of name** of the Licensee appearing in the above-mentioned Licence for MO (including the Face Sheet and Articles of the Licence for MO) from **Central Power Purchasing Agency (Guarantee) Limited to Independent System and Market Operator of Pakistan (Guarantee) Limited**;
- (ii). The **Certificate of Incorporation/Corporate Universal Identification No.** of Company given on the Face Sheet of the above Licence for MO may be read as 0277248 dated December 04, 2024, instead of 0068608 dated January 28, 2009;

This **Transfer of Licence** is given under my hand on <sup>th</sup>30 day of **April**  
**Two Thousand & Twenty Five.**

  
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Registrar



