

Competitive Bilateral Trading Market (CTBCM)

THE OVERVIEW OF MARKET
MODEL



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Timeline for CTBCM

1992

Envisioning Competition in Electricity Market followed by WAPDA Unbundling

1997

NEPRA Act with mandate to promote development of a market

2002

NTDC mandated to introduce CTBCM

2015

CPPA G separated from NTDC

2019

NEPRA Approved High Level design of CTBCM

2020

ECC Extends COD for CTBCM by May 2022

2020

NEPRA Approved detailed design of CTBCM

2021

National Electricity Policy highlighting role of CTBCM

2022

CPPA issued MO License and dry run of CTBCM

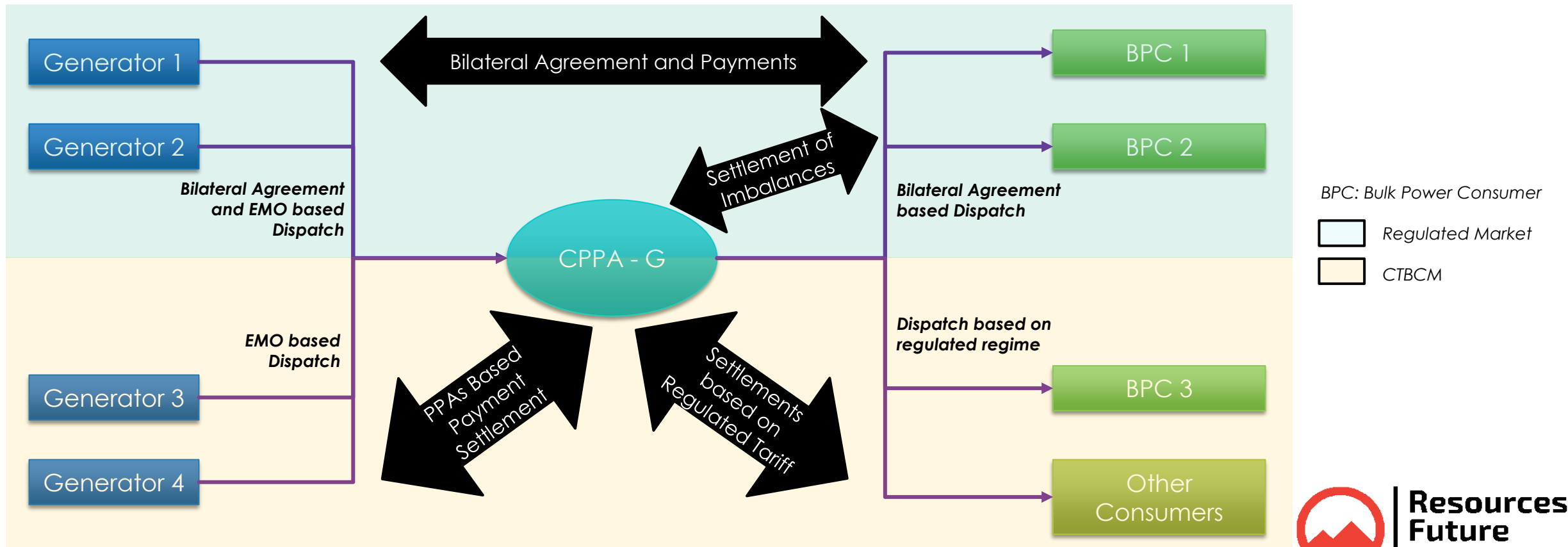
2023

Operational CTBCM including real-time settlements of transactions



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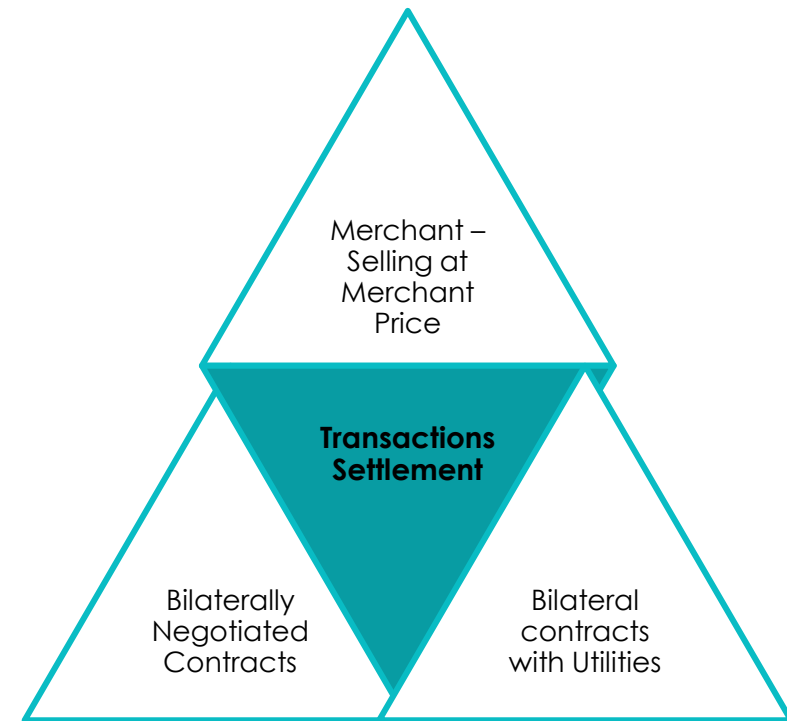
Market Model



Regulatory Framework

- ▶ NEPRA Act Amendments
- ▶ NE Policy 2021
- ▶ Regulations by NEPRA
- ▶ Rules by MOE (PD)
- ▶ Market Commercial Code
- ▶ Grid Code
- ▶ Distribution Code
- ▶ Connection Agreements
- ▶ Market Contracts / Single Procurement Documents (SPDs)
- ▶ Service Provider Agreement (SPA) Code

Key Opportunities



Key Risks

- ▶ Transfer of paying customers into CTBCM resulting in high tariff on regulated customers. This may render additional burden on already financially unsustainable DISCOs.
- ▶ Possible gaming of the market by conglomerates of large enterprises entering into consumer and supply businesses.
- ▶ Possible high cost pertaining to settlement imbalances associated with higher marginal cost for BPCs.
- ▶ Cyber security vulnerability for completely digitized market settlement system.



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For more information an insights on CTBCM, reach out to us.

Contact

Associate Consultant – Muhammad Basit Ghauri

Basit@resourcesfuture.com