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PROPOSED AMENDMENTS TO THE COMMERCIAL CODE OF THE CENTRAL POWER PURCHASING AGENCY (GUARANTEE) LIMITED (“CPPA-G”)**1. BACKGROUND**

Pursuant to Clause 3.4 of the Commercial Code of CPPA-G (the “Code”) the Commercial Code Review Panel in its meeting held on 21st November 2017 approved the following amendments to the Code for submission of the same before NEPRA for approval.

2. PROPOSED AMENDMENTS

SR.NO	PROVISION OF THE CODE	ORIGINAL TEXT OF THE CODE	AMENDED/ADDITION TEXT PROPOSED	REASON FOR AMENDMENT
1.	Clause 1(10a) Definitions	“Energy Purchase Agreement (EPA)” means an energy purchase agreement: (a) signed by NTDC with an IPP (to procure power on behalf of Distribution Companies); (b) signed or to be signed, by CPPA-G, (to procure power on behalf of Distribution Companies) with an IPP during the transition period of two years mentioned in rule 5 of the Market Rules and (c) any agreement signed by and or to be signed by CPPA-G in furtherance of an agreement signed by the Islamic Republic of Pakistan and another State.”	“Energy Purchase Agreement (EPA)” means an energy purchase agreement: (a) signed by NTDC with an IPP (to procure power on behalf of Distribution Companies); (b) signed or to be signed, by CPPA-G, (to procure power on behalf of Distribution Companies) with an IPP and; (c) any agreement signed by and or to be signed by CPPA-G in furtherance of an agreement signed by the Islamic Republic of Pakistan and another State.”	The definitions of EPA have been amended to provide legal cover to CPPA-G for signing the Energy Purchase Agreement for the period from June 2017 till the date of registration of CPPA-G as Market Operator in terms of Rule-3 of NEPRA Market Operator (Registration, Standards and procedure) Rules, 2015.

<p>2.</p>	<p>Clause 1(26) Definitions</p>	<p>“Power Purchase Agreement (PPA)” means a power purchase agreement (a) signed by WAPDA with an IPP under or prior to the 1994 Policy; (b) signed by NTDC (to procure power on behalf of Distribution Companies) with an IPP; (c) signed by NTDC with a GENCO and WAPDA Hydel; (d) signed or to be signed by CPPA-G (to procure power on behalf of Distribution Companies) with an IPP or GENCO during the transition period of two years mentioned in rule 5 of the Market Rules and; (e) any agreement signed by and or to be signed by CPPA-G in furtherance of an agreement signed by the Islamic Republic of Pakistan and another State."</p>	<p>“Power Purchase Agreement (PPA)” means a power purchase agreement (a) signed by WAPDA with an IPP under or prior to the 1994 Policy; (b) signed by NTDC (to procure power on behalf of Distribution Companies) with an IPP; (c) signed by NTDC with a GENCO and WAPDA Hydel; (d) signed or to be signed by CPPA-G (to procure power on behalf of Distribution Companies) with an IPP or GENCO and; (e) any agreement signed by and or to be signed by CPPA-G in furtherance of an agreement signed by the Islamic Republic of Pakistan and another State."</p>	<p>The definitions of pPA have been amended to provide legal cover to CPPA-G for signing the Power Purchase Agreement for the period from June 2017 till the date of registration of CPPA-G as Market Operator in terms of Rule-3 of NEPRA Market Operator (Registration, Standards and procedure) Rules, 2015.</p>
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