



TRANSMISSION COMPANY OF NIGERIA(TCN) MARKET OPERATIONS

ORDER NO: TCN/ISO/MO/2023/001

BEFORE THE MARKET OPERATOR, INDEPENDENT SYSTEM OPERATOR, TRANSMISSION
COMPANY OF NIGERIA

IN THE MATTER OF NON-COMPLIANCE WITH THE CONDITIONS OF MARKET RULES
AND MARKET PARTICIPATION AGREEMENTS.

WHEREAS:

1. The Market Operator, on behalf of the Nigerian Electricity Market (NEM), entered into a Market Participation Agreement with the under-listed Market Participants (MPs):
 1. Abuja Electricity Distribution Company Limited (AEDC)
 2. Ajaokuta Steel Company Limited (ASCL)
 3. APL Electric Company Limited, Aba (APLE)
 4. Benin Electricity Distribution Company Limited (BEDC)
 5. Enugu Electricity Distribution Company (EEDC)
 6. Ibadan Electricity Distribution Company Limited (IBEDC)
 7. Ikeja Electricity Distribution Company Limited (IKEDC)
 8. Jos Electricity Distribution Company Limited (JEDC)
 9. Kaduna Electricity Distribution Company Limited (KAEDCO)
 10. Kano Electricity Distribution Company Limited (KEDCO)
 11. Niger Delta Power Holding Company (NDPHC)
 12. Paras Energy and Natural Resource Development Limited (PENDRL)
 13. Port-Harcourt Electricity Distribution Company Limited
2. Whereas, the above Market Participants (MPs) agreed and committed to comply with the Market Participation Agreement (MPA), at all times especially with the provisions of **Clause 3.2** of the MPA, reproduced below:

"The Participant shall in accordance with the provisions of the Market Rules, Grid Code, Metering Code and the Market Procedures, be compliant at all times with MPA." Of particular importance here, is clause 3.2.(111) of the MPA.
3. The above listed MPs have failed to comply with the MPA (clause 3.2.iii), thereby in breach of the MPA voluntarily signed by them.

4. The above MPs were formally notified of the default of their **MPA** and the Market Rules (**MR**) and also citing sections: **17.1.d** and **45.3-7**, dealing with remedial actions and sanctions.
5. *The MPs may want to note that, if an Event of Default is not remedied within the time specified in the Default Notice or within such longer period as may be agreed by the Market Operator, the Market Operator may issue the Transmitters and Distributors to whose systems the Participant is connected, a notice indicating its intention to issue:*
 - (a) *a Suspension Order to the Participant, suspending or restricting all or any of the Participant's rights to participate in the Market Operator Administered Market;*
 - (b) *a Disconnection Order to TSP or any other Transmitter, or Distributor to whose Transmission System or Distribution System the Participant is connected, directing the disconnection of the relevant Facilities or equipment of the Suspended Participant.*
6. The Market infractions committed by these MPs is threatening the operations and sustenance of all the Service Providers in the Nigerian Electricity Market, including the Regulator.
7. **In line with the provisions of the MR, the MO hereby gives a graceful time-line of 14 working days from the date of this publication, within which all MPs must fully remedy their MPA/MR breach with respect to clause 3.3.(iii) of the MPA or face full Market Sanction in line with the MR.**
8. The MO is committed to NEM stability and sustenance, the failure of the Service Providers will precipitate to Market failure. All MPs must be guided by the Market ruling documents and agreements they have committed to. Market discipline is all we need to sustain the Nigerian Electricity Market.

**BY THE ORDER OF THE MARKET OPERATOR
DATED THIS 20th DAY OF MARCH 2023**



**Engr. Dr. E.A. EJE
MARKET OPERATOR**