



# TRANSMISSION COMPANY OF NIGERIA(TCN)

## INDEPENDENT SYSTEM OPERATOR

Order No: TCN/ISO/MO/003

### 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

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. That Enugu Electricity Distribution Company (EEDC) is under suspension through Market Operator issued Order TCN/ISO/MO/002.
2. That Enugu Electricity Distribution Company (EEDC) has been suspended from the Market Operator Administered Market due to an **EVENT OF DEFAULT** that was not remedied. EEDC was notified of this EVENT OF DEFAULT by a **NOTICE OF EVENT OF DEFAULT** (NED/2019/002) dated May 24, 2019.
3. In line with Section 45.3.7 of the Market Rules EEDC was issued a "Notice of Intent to Issue Suspension Order (NIISO/2019/002)" dated May 31<sup>st</sup>, 2019 indicating the intention of the Market Operator to suspend EEDC from the Market Operator Administered Market and restrict some of its rights in the Market Operator Administered Market. EEDC was also reminded of its right pursuant to Section 45.3.8 to request a hearing before the Market Operator to show cause why the Market Operator should not issue a Suspension Order or Disconnection Order against it.
4. EEDC responded to the "Notice of Intent to Issue Suspension Order (NIISO/2019/002)" dated May 31<sup>st</sup>, 2019 within the 5 days or 2 Business Days stipulated by the Market Rules and requested for a hearing before the Market Operator to show cause why the Suspension Order, the Disconnection Order, or both, as the case may be, should not be issued.
5. The Market Operator constituted a three member panel of Market Operator Institution staff, the Market Operator Enforcement Panel (MOEP), to adjudicate at the hearing requested by EEDC.
6. The hearing was conducted on June 13, 2019 where a team of Market Operator Compliance Officers argued before the MOEP for the suspension of EEDC based on EEDC being in default of Market Rules 45.3.1 (d) and not remedying it within the stipulated time.
7. EEDC also argued before the MOEP stating the cause why it should not be issued a Suspension Order.
8. The MOEP reviewed the submissions of both Market Operator Compliance Officers and EEDC and thereafter recommended the suspension of EEDC from Market Operator Administered Market.
9. Market Rules 45.3.9 states that:  
Where the Participant does not, or notifies the Market Operator

that it will not, request a hearing pursuant to Rule 45.3.9, or in the event that it requested a hearing, then upon the conclusion of such hearing in accordance with Rule 45.3.10 the Market Operator may:

- (a) issue 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) issue the Suspension Order referred to in Rule 45.3.9(a) and issue, with notice to the Participant, a Disconnection Order to the TSP or any other Transmitter or Distributor to whose system the Participant is connected, directing Disconnection of the relevant Facilities or equipment of the Suspended Participant from the Transmission System or the Distribution System to which they are connected; or
- (c) make such other order as it considers appropriate.

And Market Rules 45.3.13 also states:

45.3.13 Upon issuing a Disconnection Order to any Transmitter or any Distributor pursuant to Rule 45.3.9(b), the Market Operator, or the Transmitter or Distributor to whose system the Facilities or equipment of the Participant is connected, shall upon the later of the date and time specified in the Disconnection Order or the expiry of the period specified in Rule 43.3.2, and subject only to Rules 45.3.14 to 45.3.17, disconnect the Facilities or equipment of the Suspended Participant to whom the Disconnection Order applies. The Transmitter or Distributor, as the case may be, shall not reconnect such Facilities or equipment until such time as it receives the notice referred to in Rule 45.3.18, and shall reconnect such Facilities or equipment on the date and at the time specified in such notice. No costs associated with Disconnection and reconnection shall be borne by the Market Operator.

10. Based on Market Rules 45.3.9, and 45.3.13, the Market Operator hereby orders as follows:

**A. That the Transmission Service Providers should disconnect the following interface facilities from the Grid until the Event of Default stated in NIISO/2019/002 is remedied.**

#### Facilities to be disconnected

Transmission Station	33kV Feeders
NEW HAVEN	KINGSWAY I
NEW HAVEN	KINGSWAY II

BY THE ORDER OF THE MARKET OPERATOR

DATED THIS 25<sup>th</sup> OF JUNE 2019

Engr. E.A. EJE  
MARKET OPERATOR