

# **TRANSMISSION COMPANY OF NIGERIA (TCN)**

INDEPENDENT SYSTEM OPERATOR

## **Notice of Lifting Suspension Order**

**(Order: TCN/ISO/MO/2019/004)**

**Issued against Ikeja Electricity Distribution Company 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. Ikeja Electricity Distribution Company (IKEDC) was suspended from the Market Operator Administered Market due

## Lifting of Suspension Order against IKEDC

Written by Onem Public Affairs

Wednesday, 03 July 2019 21:19 - Last Updated Thursday, 04 July 2019 04:49

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to  
an  
EVENT  
OF  
DEFAULT.  
IKEDC  
was  
noticed  
of  
this  
EVENT  
OF  
DEFAULT  
by  
a  
NOTICE  
OF  
EVENT  
OF  
DEFAULT  
(NED/2019/003)  
dated  
May  
24,  
2019.

2. In line with Section 45.3.7 of the Market Rules IKEDC was issued a “Notice of Intent to Issue  
S  
uspension  
Order  
(NIISO/2019/003)”  
dated  
May  
31  
st  
,

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2019  
indicating  
the  
intention  
of  
the  
Market  
Operator  
to  
suspend  
IKEDC  
from  
the  
Market  
Operator  
Administered  
Market  
and  
restrict  
some  
of  
its  
rights  
in  
the  
Market  
Operator  
Administered  
Market.  
IKEDC  
was  
also  
reminded  
of  
its  
right  
pursuant  
to  
Section  
45.3.8  
to  
request  
a  
hearing  
before  
the

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Market  
Operator  
to  
show  
cause  
why  
the  
Market  
Operator  
should  
not  
issue  
a  
Suspension  
Order  
or  
Disconnection  
Order  
against  
it.

3. IKEDC responded to the “Notice of Intent to Issue Suspension Order (NIISO/2019/003)”date  
d May 31st, 2019 with  
in th  
e  
5  
days  
or  
2  
Business  
Days  
stipulated  
by  
the  
Market  
Rules  
by  
forwarding  
a  
Bank  
Guarantee  
issued  
on  
its

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behalf  
by  
Zenith  
Bank  
on  
June  
3,  
2019.  
The  
Bank  
Guarantee  
dated  
June  
3,  
2019  
was  
received  
on  
June  
6,  
2019.

4. The Market Operator deemed the Bank Guarantee issued by Zenith Bank on behalf of IKEDC  
C  
ufficient  
and  
this  
which  
was  
communicated  
to  
IKEDC.  
The  
Market  
Operator  
requested  
IKEDC  
to  
provide  
an

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adequate  
Security  
Cover  
within  
a  
specified  
period  
in  
a  
letter  
dated  
June  
13,  
2019  
or  
risk  
suspension.

5. IKEDC did not provide an adequate Security Cover within the stipulated time.

6. Based on Markets Rules 45.3.9, 45.3.12 and 45.3.13, the Market Operator suspended IKEDC from Market Operator Administered Markets.

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7. IKEDC has now forwarded a new Bank Guarantee, issued on its behalf by Zenith Bank, to the Market Operator.  
The Bank Guarantee dated June 27, 2019 was received on July 1, 2019.

8. The Market Operator deems the Bank Guarantee adequate.

9. Market Rules 45.3.11 states that:

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“The Market Operator shall lift a Suspension Order issued pursuant to Rule 45.3, if the Event of Default in respect of which it was issued is remedied and there are no other subsisting Events of Default with respect to the Suspended Participant, provided that the Market Operator may



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y  
,  
upon  
lifting  
the  
Suspension  
Order  
r  
,  
impose  
such  
conditions  
on  
the  
authorisation  
of  
the  
Participant  
to  
participate  
in  
the  
Market  
Operator  
Administered  
Market  
as  
it  
deems  
appropriate  
including,  
but  
not  
limited  
to:

(a) establishing a lower trading limit in respect of the Participant than would otherwise be applicable to the

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Participant  
under  
these  
Rules;

(b) establishing a more frequent continuing schedule of payments than would otherwise be applicable to the Participant under these Rules;  
or

(c) Imposing more stringent Prudential Requirements than would otherwise be applicable to the Participant under Rule 15.3.”

10. Based on Market Rules 45.3.11, the Market Operator hereby notices the Transmission Service Provider of the Transmission System Operator,  
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other  
P  
articipants  
and  
the  
General  
Public  
that:

**(a) the Market Operator Order TCN/ISO/MO/004 suspending Ikeja Electricity Distribution Company from the Market Operator Administered Markets is hereby lifted.**

**BY THE NOTICE OF THE MARKET OPERATOR DATED THIS 2nd DAY OF JULY 2019**

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

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