

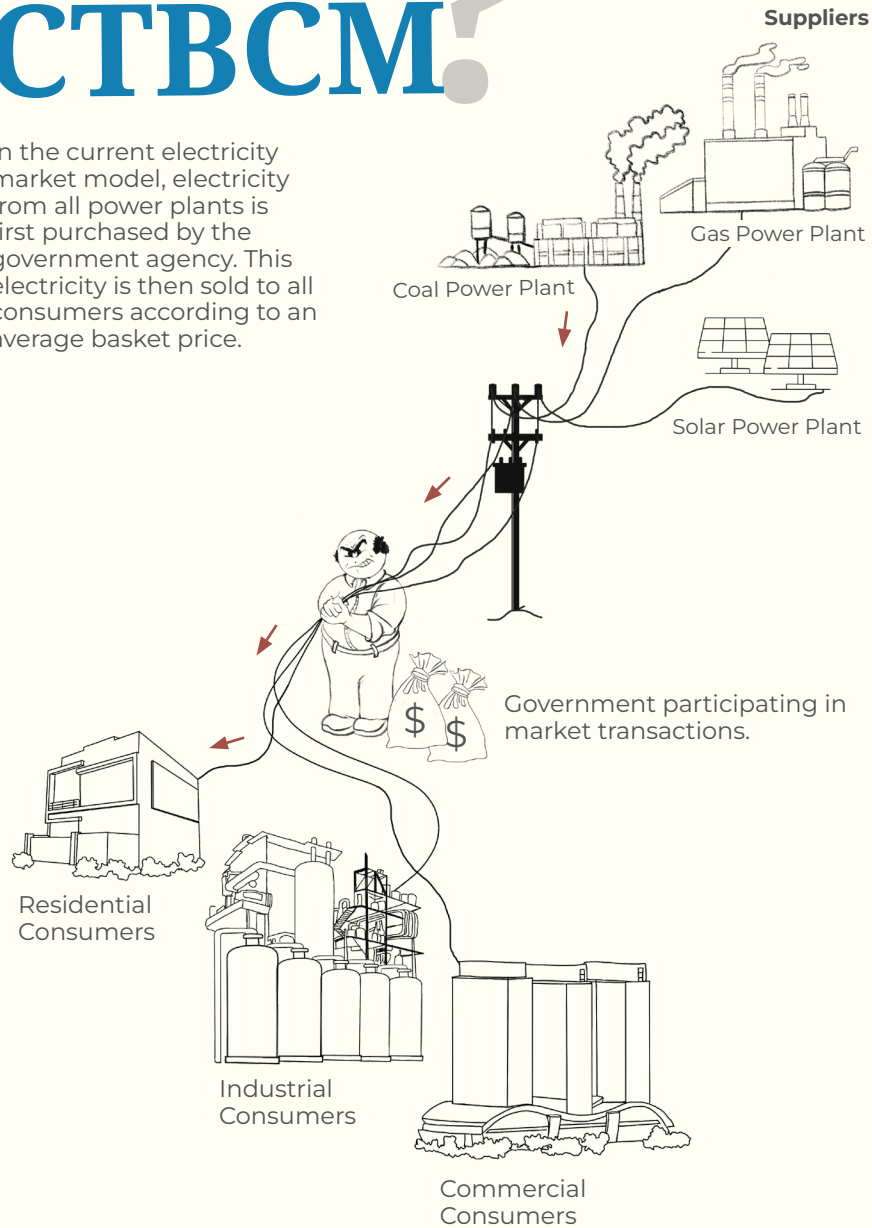
Introduction to CTBCM



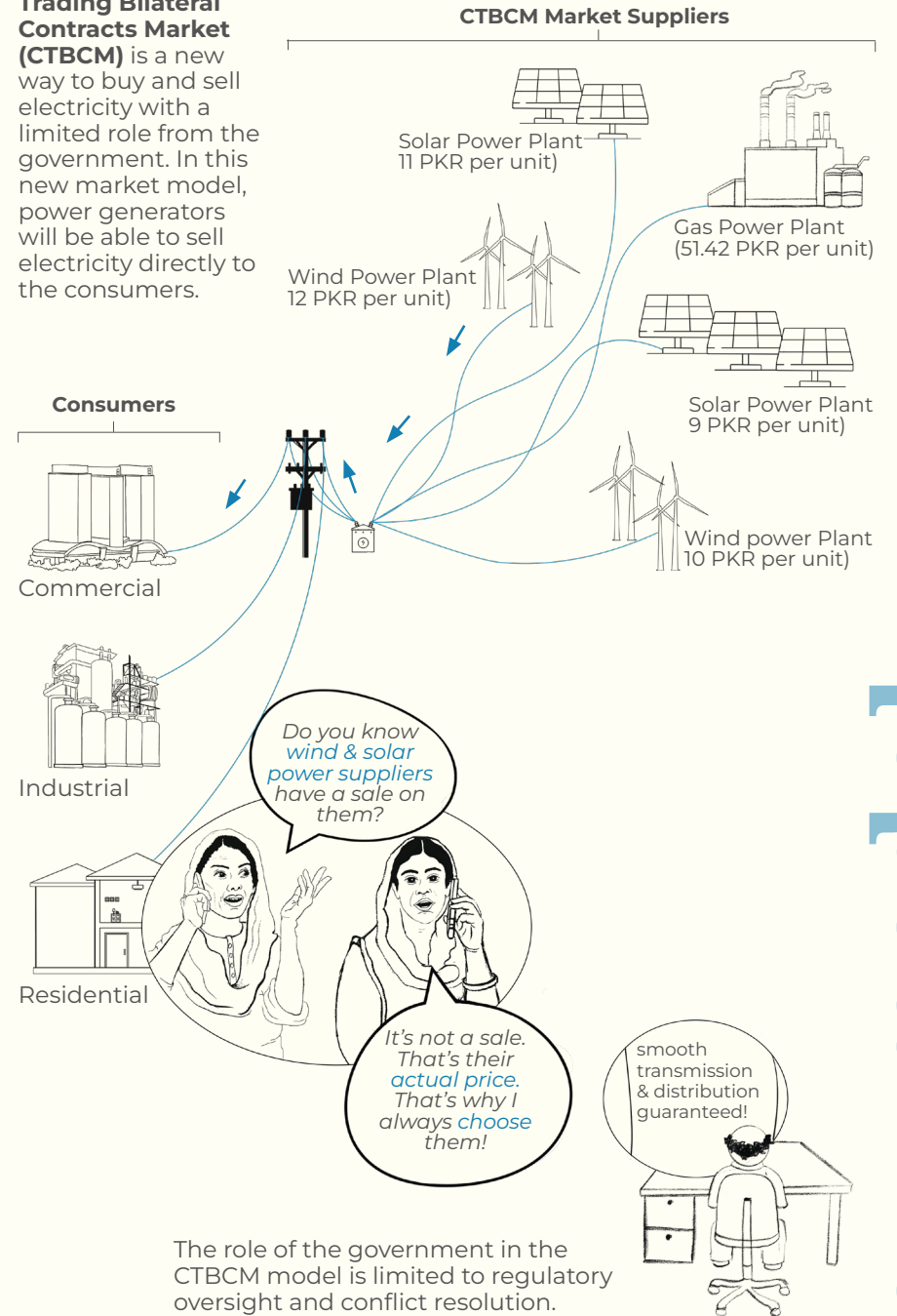
Generation → Transmission → Distribution → Consumption

What is CTBCM?

In the current electricity market model, electricity from all power plants is first purchased by the government agency. This electricity is then sold to all consumers according to an average basket price.



Competitive Trading Bilateral Contracts Market (CTBCM) is a new way to buy and sell electricity with a limited role from the government. In this new market model, power generators will be able to sell electricity directly to the consumers.



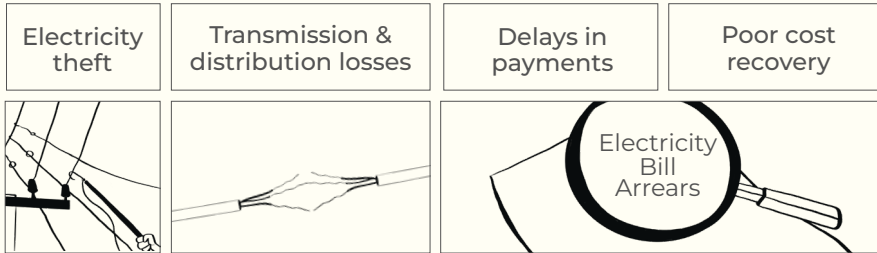
old model

new model

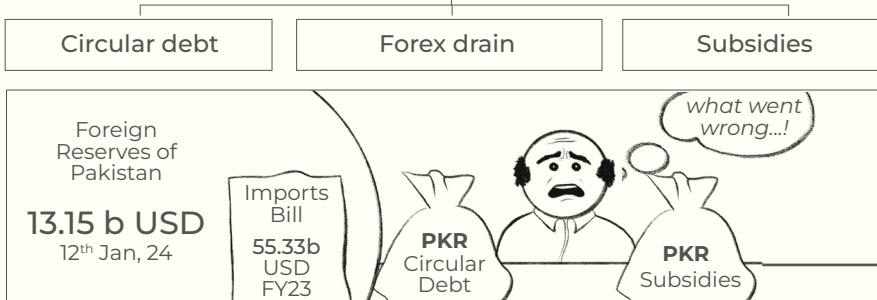
Why is CTBCM important?

Demerits of the Existing System

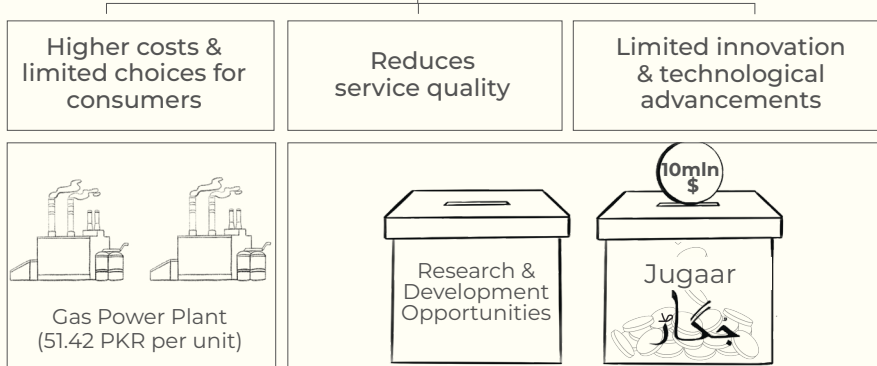
1. Inefficiencies



2. Govt. Liabilities



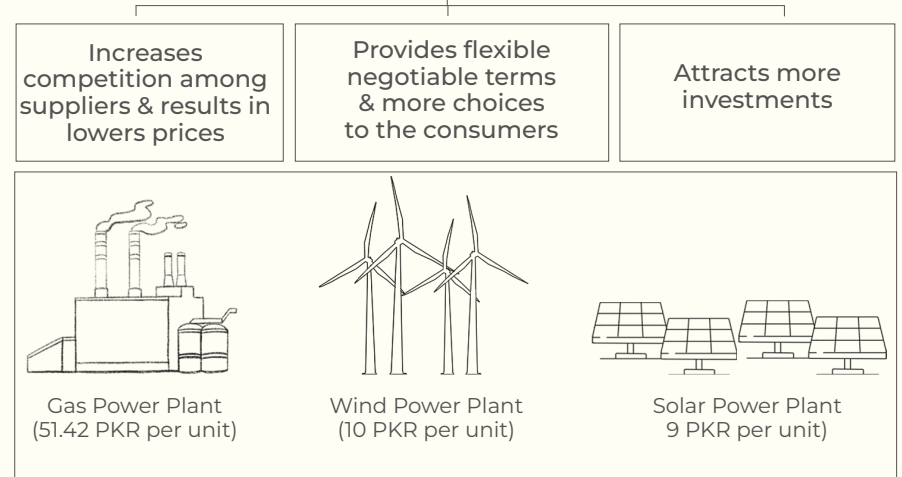
3. Lack of Competition



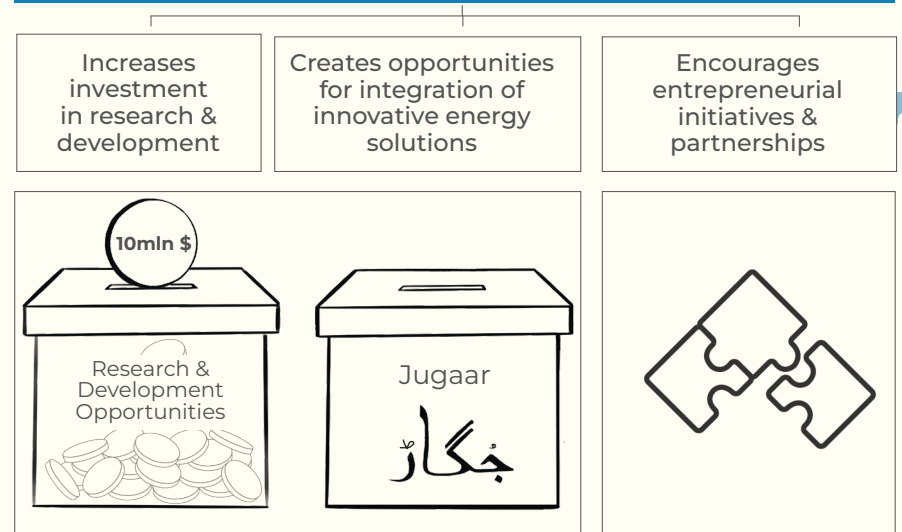
old model

Merits of the CTBCM Model

1. Competition & Choices



2. Innovation & Technological Advancements



new model

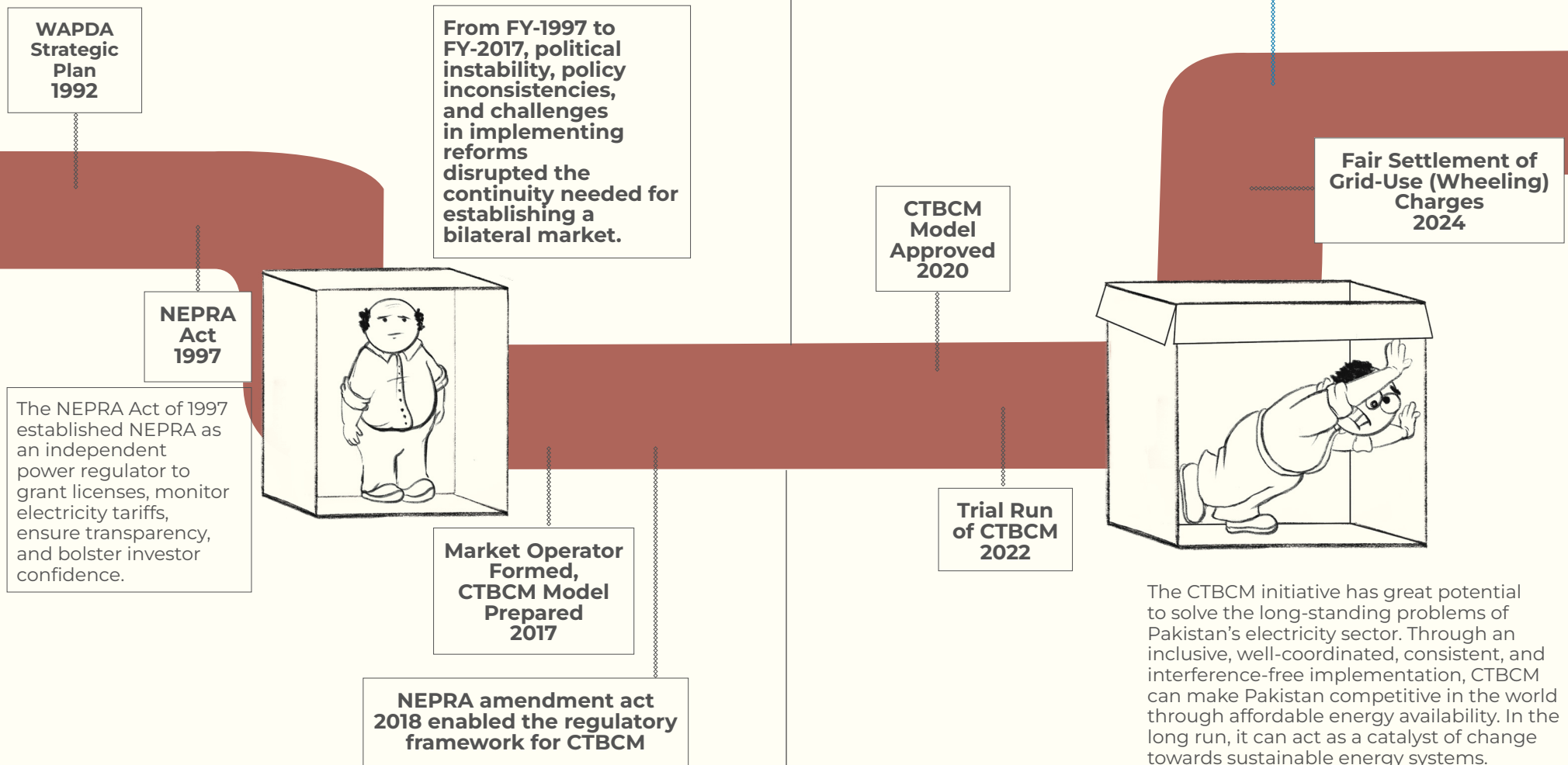
How will the market **shift** to CTBCM?

The idea of a bilateral market was first proposed in 1992 in the WAPDA Strategic Plan. Since then, Pakistan has come a long way on its journey of progress towards a competitive electricity market, with multiple reforms shaping its path over the last 30 years.

The success of this initiative, however, depends upon free and fair competition, transparency and grid accessibility to foster market participation.

The operational success of CTBCM will depend upon:

- ◆ Consistency in policies
- ◆ Stakeholder confidence
- ◆ Transparency & fairness
- ◆ Accessibility & inclusivity
- ◆ Low cost of participation
- ◆ Long-term economic & political stability



Renewables First is an energy and environment policy think-tank. Our work addresses issues critical to energy and natural resource that intends to make energy and climate transitions just and inclusive towards a sustainable future.

We aim to drive energy transition through impactful research, advocacy and strategic partnerships with a focus on inclusivity and immediate action.

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