«The Kazakh Operator of Electric Power and Capacity Market» JSC (KOREM) is a Kazakhstan's platform for centralized trade and fulfillment of its potential in regional trade.

Kopenov Yedil Kudaibergenovich
Chairman of the Board of KOREM JSC

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About company:

«KOREM» JSC is an operator of centralized trade and essential part of electricity market infrastructure of the Republic of Kazakhstan.

The main activity areas of the Company are as follows:

- Organization and conducting of spot biddings involving electric power in «the day ahead» mode and spot trading during the operational days;
- Organization and conducting of biddings involving electric power for medium-term and long-term periods;
- Organization and conducting of biddings involving electric power produced by the water power plant during the environmentally friendly water passage;
- Within the limits of its competence, providing the electric power wholesale market entities with information on indicative prices for electric power established at centralized trading and other market information;
- organization and conduct of financial settlements on transactions concluded on spot-tenders.

The following functions will be provided by the company starting from 2018 :

- *Conducting of trading regarding the selection of renewable power source projects*
- *Conducting of trading at the electric capacity market.*

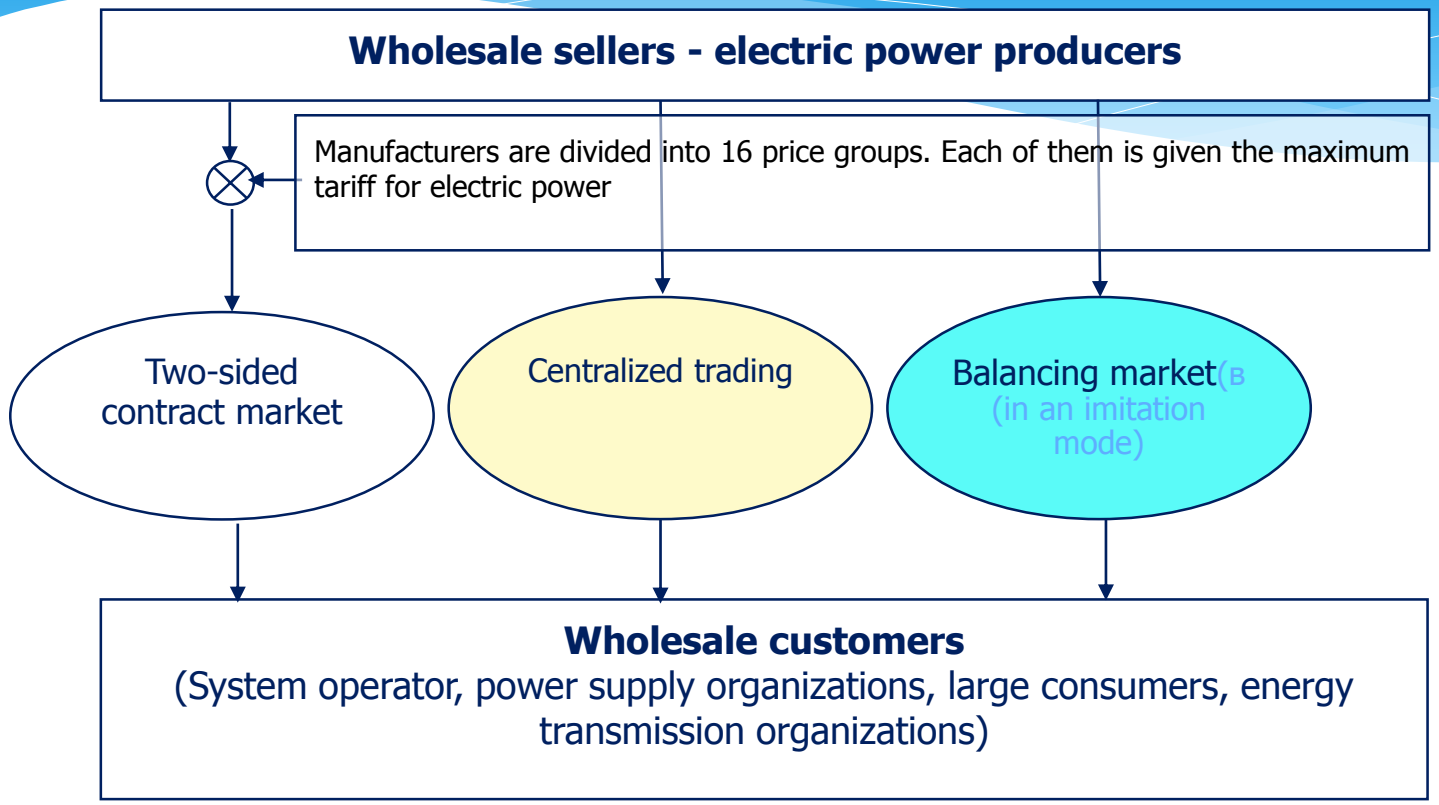
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Key dates

- **2000** – «KOREM» closed joint-stock company was established according the Decree of the Government of the Republic of Kazakhstan #606 «About additional measures to increase the efficiency of wholesale market of electric power and capacity» as of April 20, 2000;
- **February 18, 2002** – introduction of «the day ahead» spot biddings to the commercial usage;
- **2004** – New Law of the Republic Kazakhstan «About electric power», «Organization and operation rules for centralized trading involving electric power in Republic of Kazakhstan»;
- **September 28, 2004** - introduction of medium-term and long-term biddings to the commercial usage;
- **2010** – conducting of biddings with participation of «Electric stations» JSC (Kirgizstan)
- **November 15, 2010** – introduction of spot biddings during operational days to the commercial usage;
- **2018** – commission of electric capacity biddings;
- **2018** – commission of auction biddings regarding selection of renewable power source projects projects.

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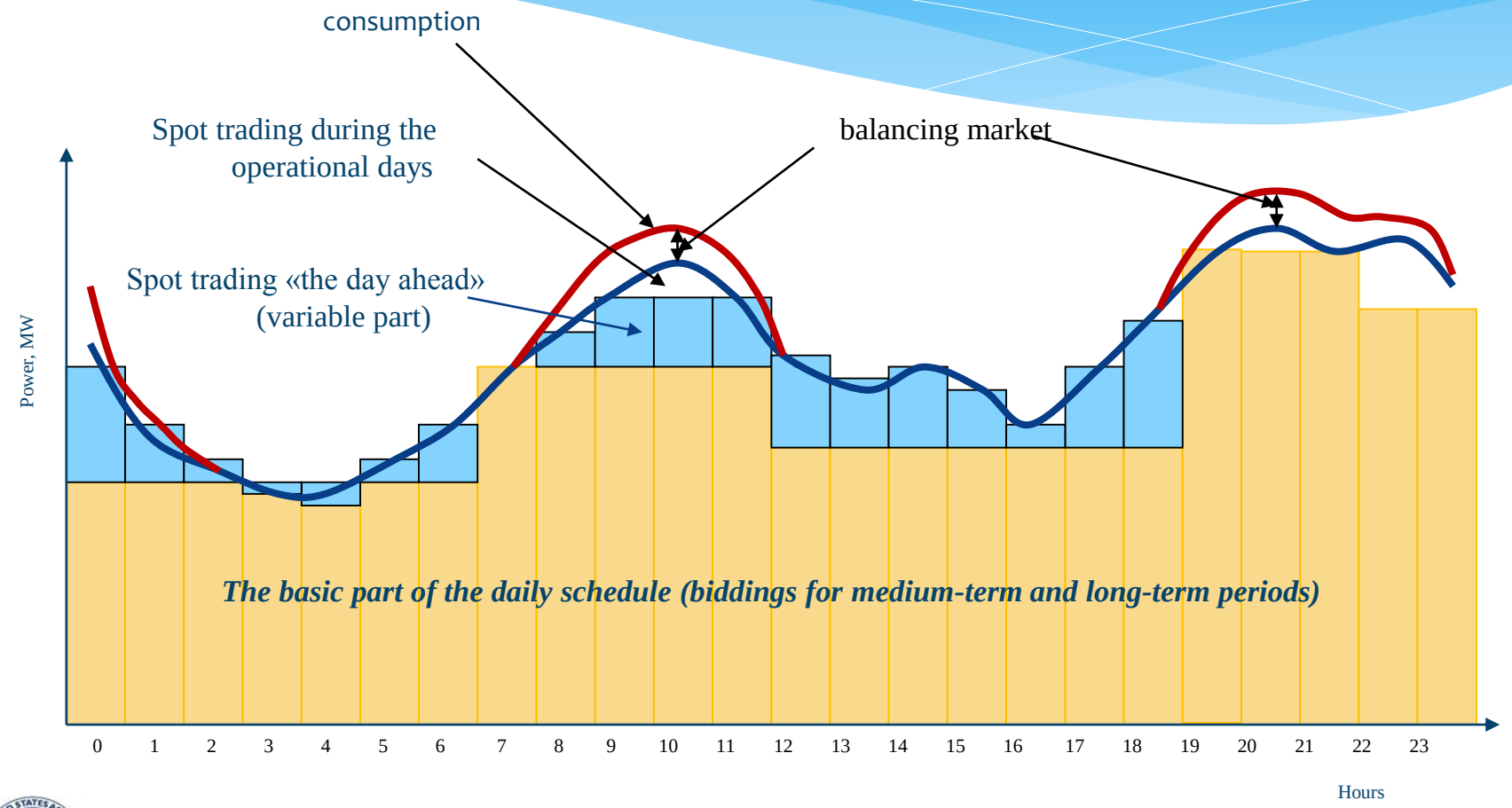
Electric power market segments



In 1996, Kazakhstan began to move from a vertically integrated monopoly to a competitive electricity market. Perfection of electric power market model continues today.

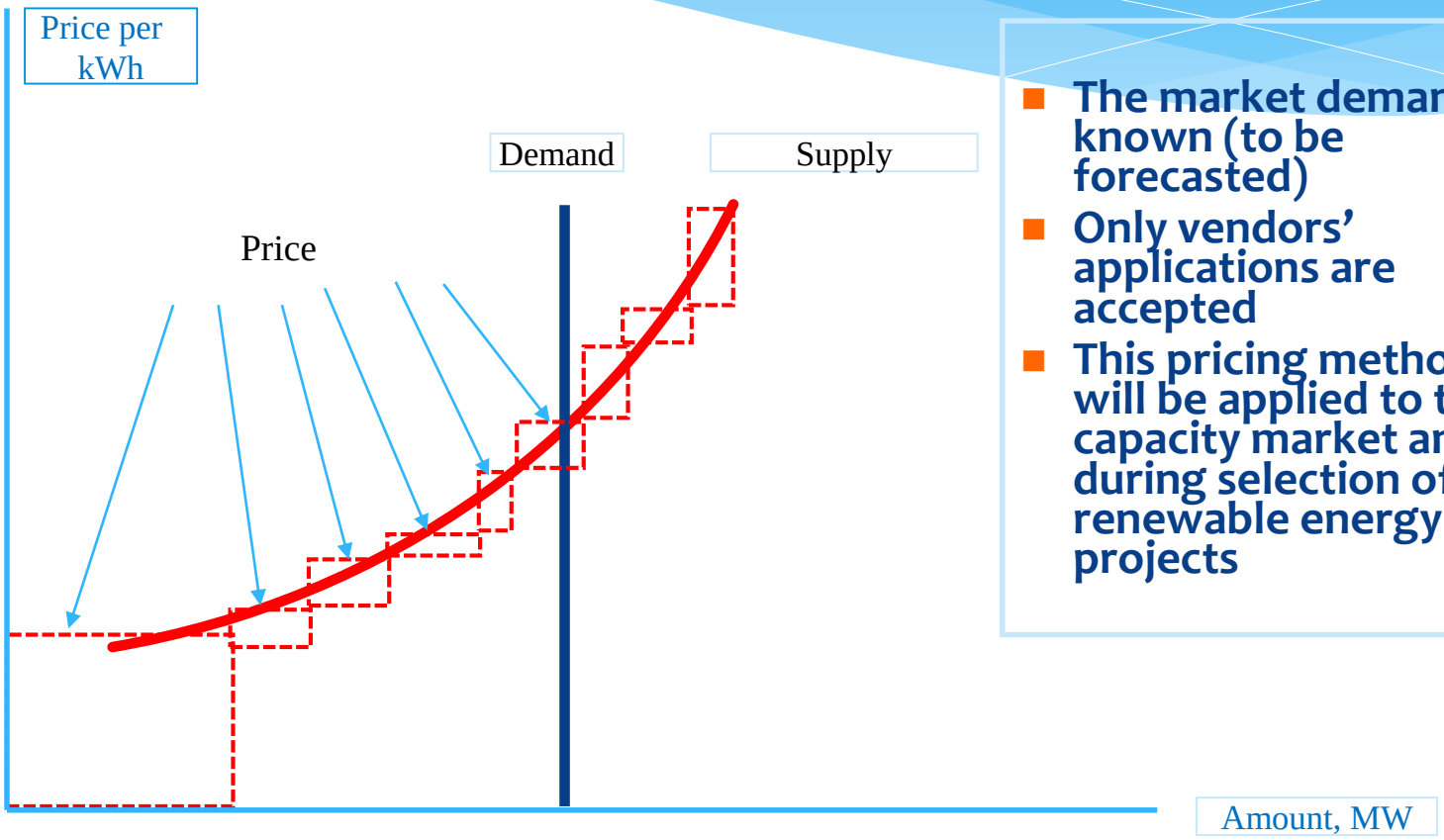
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Daily schedule planning based on centralized bidding



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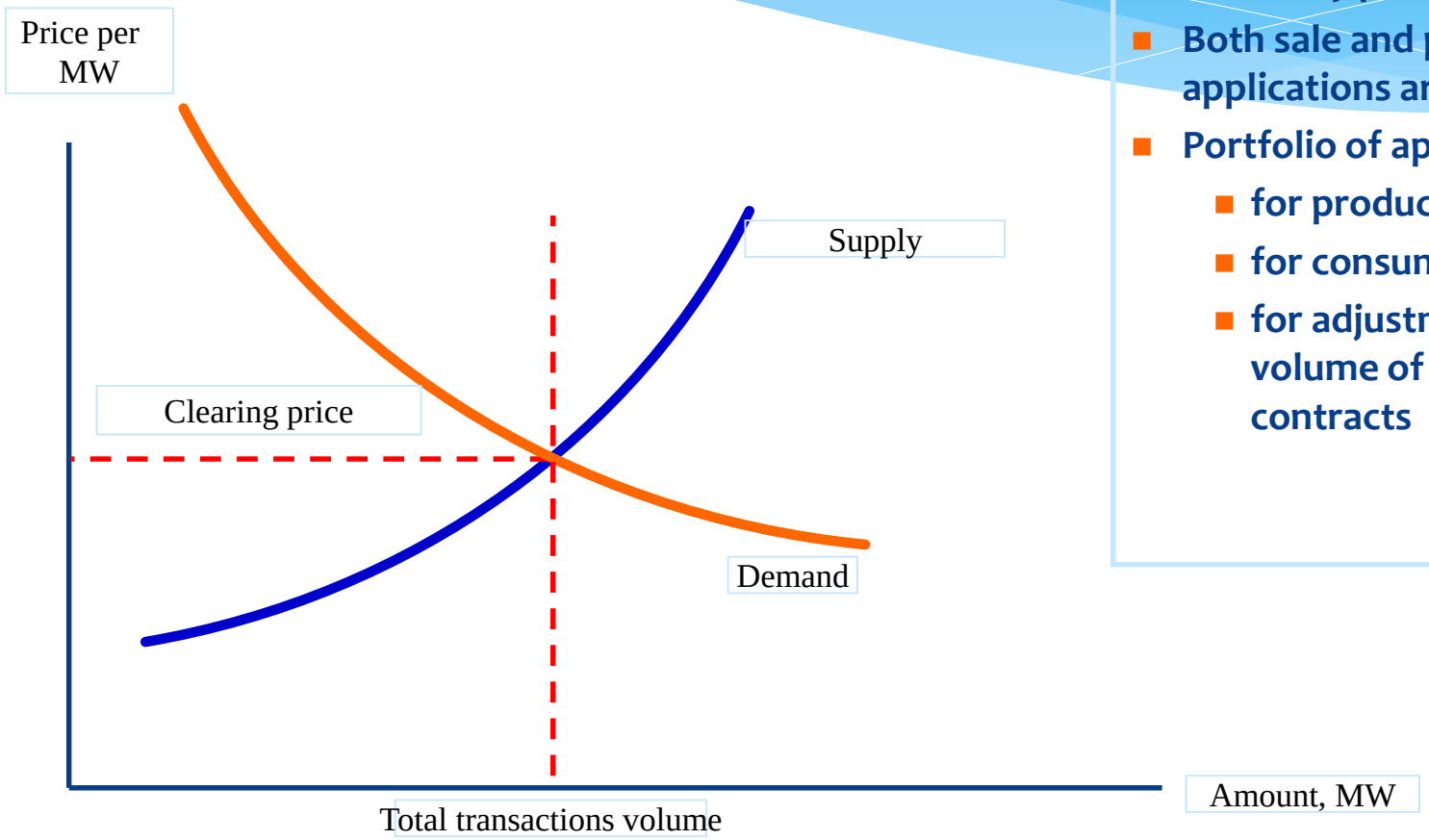
One-sided auction



- The market demand is known (to be forecasted)
- Only vendors' applications are accepted
- This pricing method will be applied to the capacity market and during selection of renewable energy projects

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Two-Sided Auction

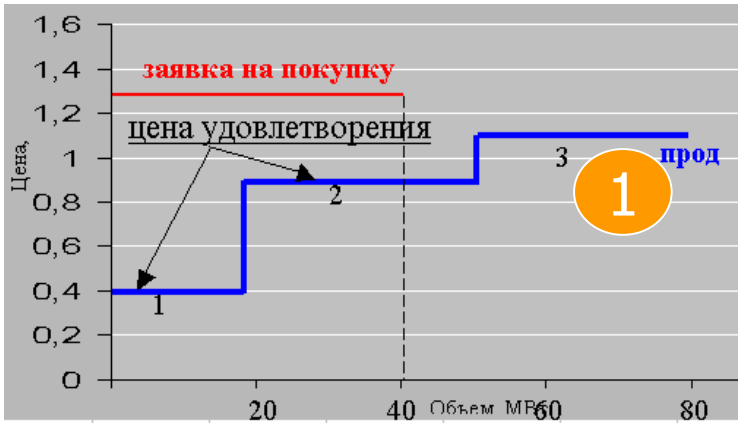


- Voluntary participation
- Both sale and purchase applications are accepted
- Portfolio of applications:
  - for production;
  - for consumption;
  - for adjustments to volume of two-sided contracts

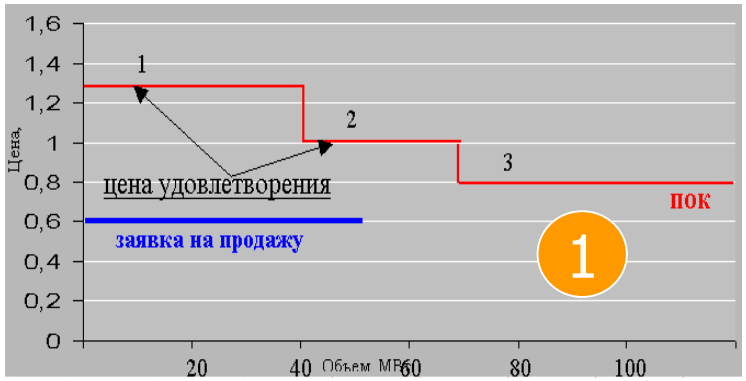
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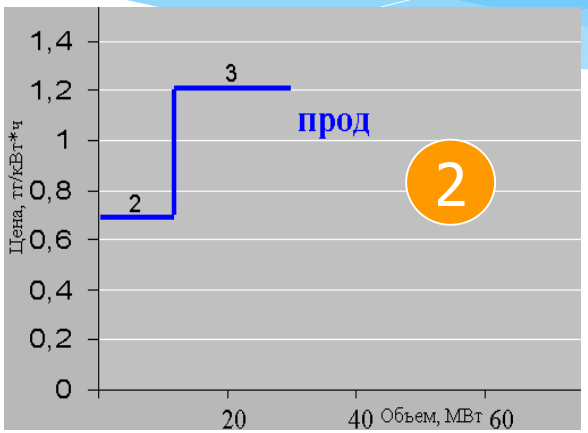
Continuous counter trading method

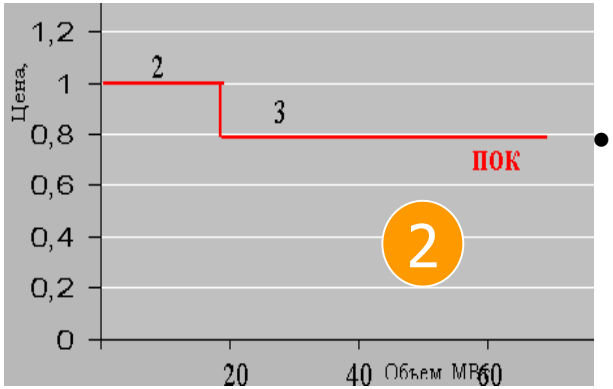
Fulfillment of the purchase application



Fulfillment of the sale application



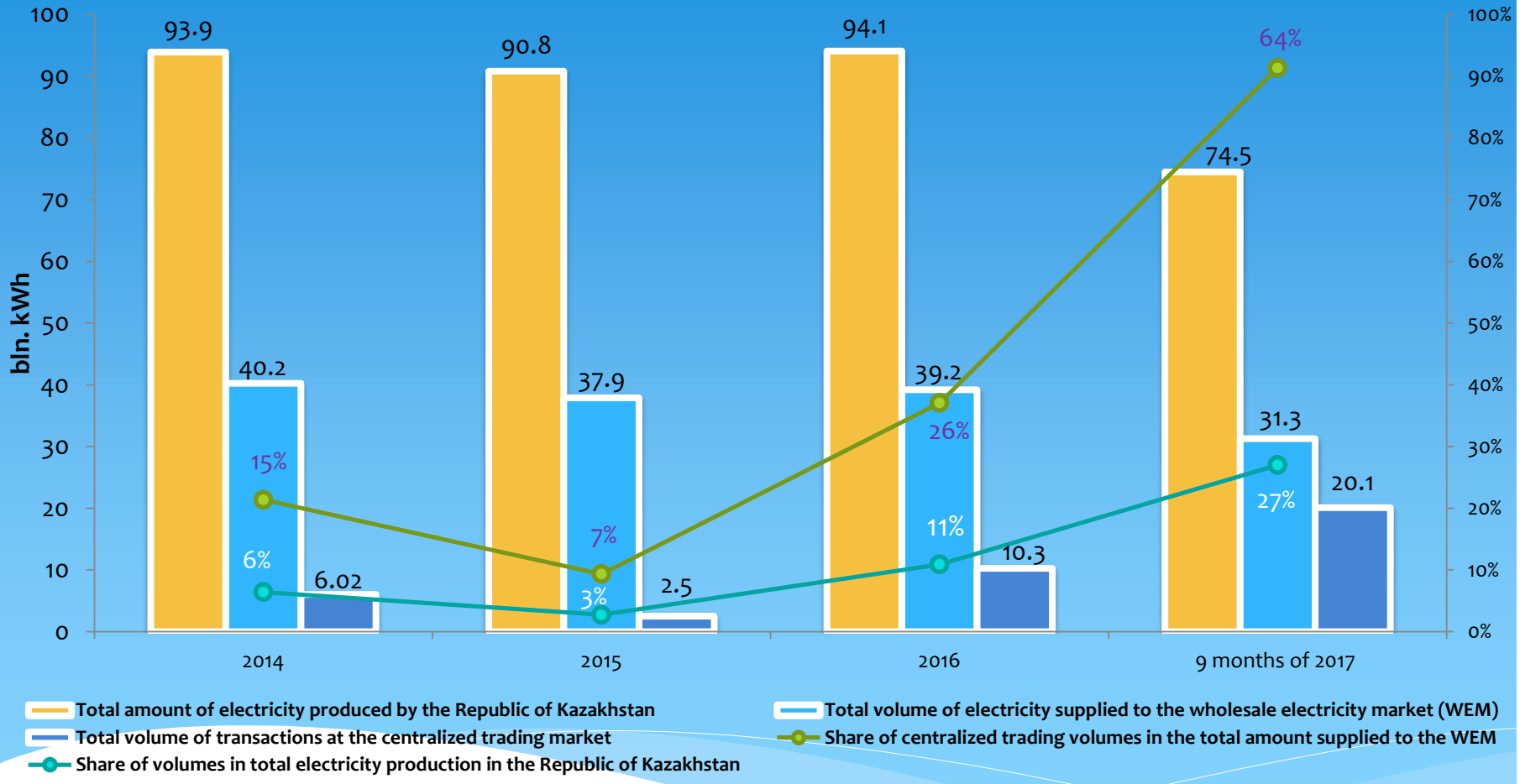




- Bilateral auction.
- Biddings are conducted continuously throughout the trading session.
- Sellers and buyers can observe the entire (except for the names of the seller and the buyer) the content (volumes and prices) of all submitted trade applications.
- An individual price is determined for every transaction.

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Dynamics of volumes of electric power centralized biddings



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What was achieved regarding formation of the Common electricity market of the Eurasian Economic Union

- ✓ **On the concept for the formation of the Common electricity market of the Eurasian Economic Union (adopted on 08/05/2016)**
- ✓ **Program of formation of the Common electricity market of the Eurasian Economic Union (adopted on 25.10.2016)**
- ✓ **Order "On the funding of measures to form a Common electricity market of the Eurasian Economic Union "**
- ✓ **Draft Agreement on the Common electricity market of the Eurasian Economic Union**
- ✓ **Draft rules for electric power mutual trade**

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Thank you for your attention!

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