

**«ЭЛЕКТР ЭНЕРГИЯСЫ МЕН ҚУАТЫ РЫНОГЫНЫҢ
ҚАЗАҚСТАНДЫҚ ОПЕРАТОРЫ» АҚ
JSC KAZAKHSTAN ELECTRICITY AND
POWER MARKET OPERATOR**

Holding auctions for selection of renewable energy sources projects



The Organizer of auctions for selection of renewable energy sources projects represented by the JSC KOREM invites all parties concerned (applicants) to the auction for selection of RES projects

Signing up in the trading system

www.korem.kz website

The applicant indicates information in personal account as follows:

- name;
- physical and legal address;
- initials;
- e-mail address.

Kazakhstani Applicants upload copies of documents corresponding to RK legislation:

- the Charter;
- certificate of state registration;
- decision on CEO appointment;
- power of attorney for representative.

Foreign Applicants upload the same documents notarially translated into Kazakh or Russian languages.

Procedure for admission to the auctions

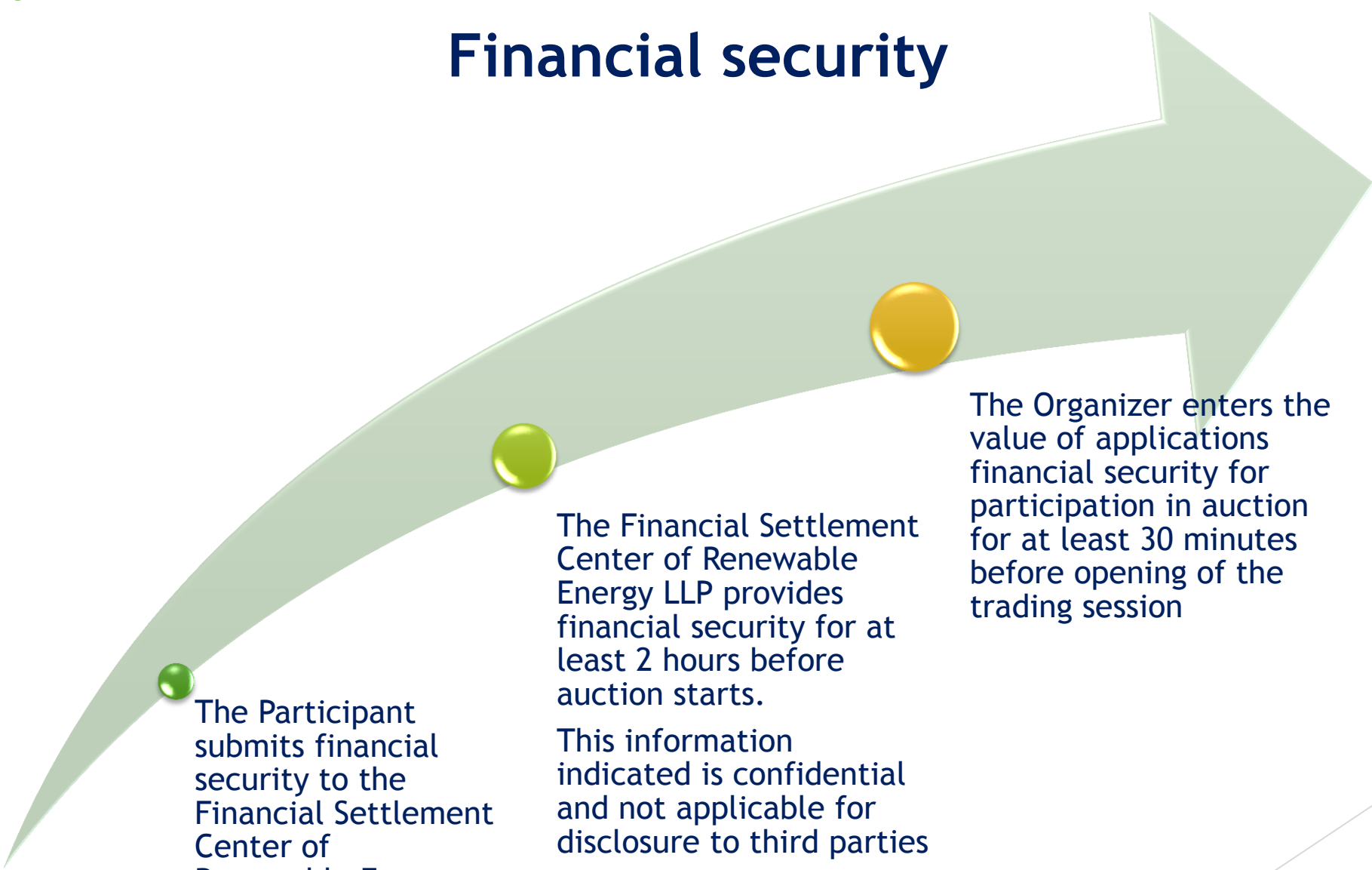
- ▶ The applicant signs up in the trading system;
- ▶ The Organizer considers constituent documents 2 working days and sends the draft Contract and an Services invoice to e-mail or by mail;
- ▶ The Applicant considers received draft Contract and sends to the Organizer a signed Contract by Fax or e-mail in 2 copies;
- ▶ Organizer stops accepting documents and making changes from Applicants for 5 working days before the auction starts;
- ▶ The Organizer assigns Participant status to Applicant after Contract signed and payment for Service arranged;
- ▶ The Participant can get through an instruction for working in the trading system;
- ▶ The Participant submits bank guarantee to the Financial Settlement Center of Renewable Energy LLP.

Training

- ✓ Full-time (Tuesday - 9:00 am to 11:00 am, Friday - 1:00 pm to 3:00 pm)
- ✓ Remote
- ✓ Independent

Start - August 1, 2018

Financial security



The Participant submits financial security to the Financial Settlement Center of Renewable Energy LLP.

The Financial Settlement Center of Renewable Energy LLP provides financial security for at least 2 hours before auction starts.

This information indicated is confidential and not applicable for disclosure to third parties

The Organizer enters the value of applications financial security for participation in auction for at least 30 minutes before opening of the trading session

Content of application

- ▶ Name of Participant;
- ▶ Price of electric energy per kWh without VAT in national currency of the Republic of Kazakhstan with number of significant digits after decimal place of not more than two;
- ▶ Volume of installed capacity not less than 100 kW, a multiple of 1 kW indicated in MW;
- ▶ Minimum permissible volume of installed capacity not less than 100 kW, a multiple of 1 kW indicated in MW;
- ▶ The land plot planned for construction of renewable energy sources facility and connection point to electrical grid (in the absence thereof);
- ▶ Type and amount of application financial security.

Participants submits application during trading session upon availability of application financial security

Condition apply

Participants without land plot and (or) connection point to electrical grid specify data relevant to the Schedule

Application prices indicated should not exceed the ceiling auction price

Applications with identical prices will not be accepted

The application volume should not exceed:

- volume of installed capacity;
- maximum permissible volume of capacity on connection points to electric grids;
- amount of application financial security.

During auction only price in the application can be changed and only downwards.

Responsibility for accuracy of data in application submitted lies with the Participant

Trading session



Auctions are held anonymously, remotely via Internet, through the trading system of the Organizer

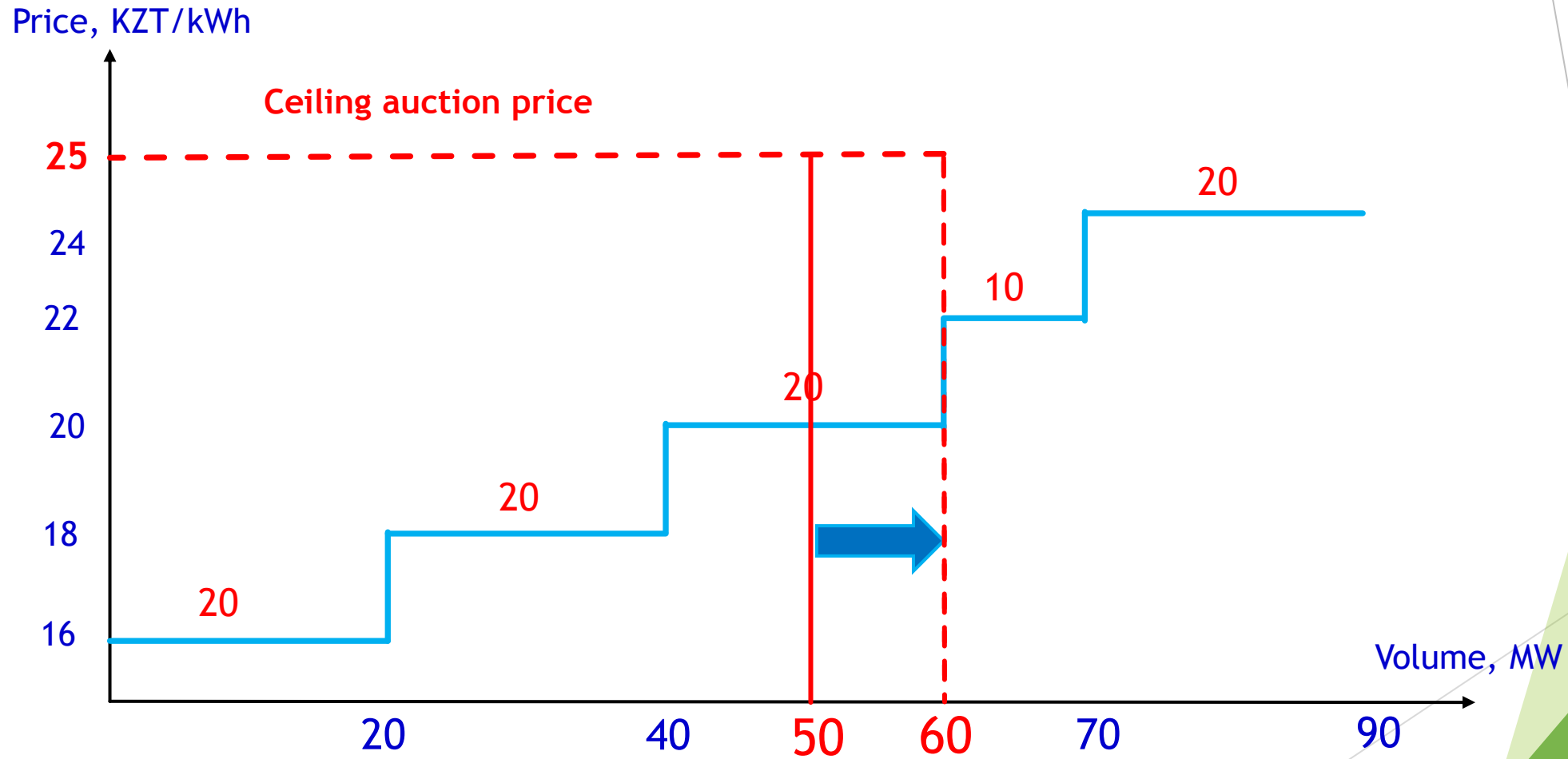
Trading session: 2:00 pm to 5:00 pm, Astana time

Applications from auctions participant are received since opening of the trading session. The Organizer from applications for participation in auctions compiles ranged schedule in ascending order of prices

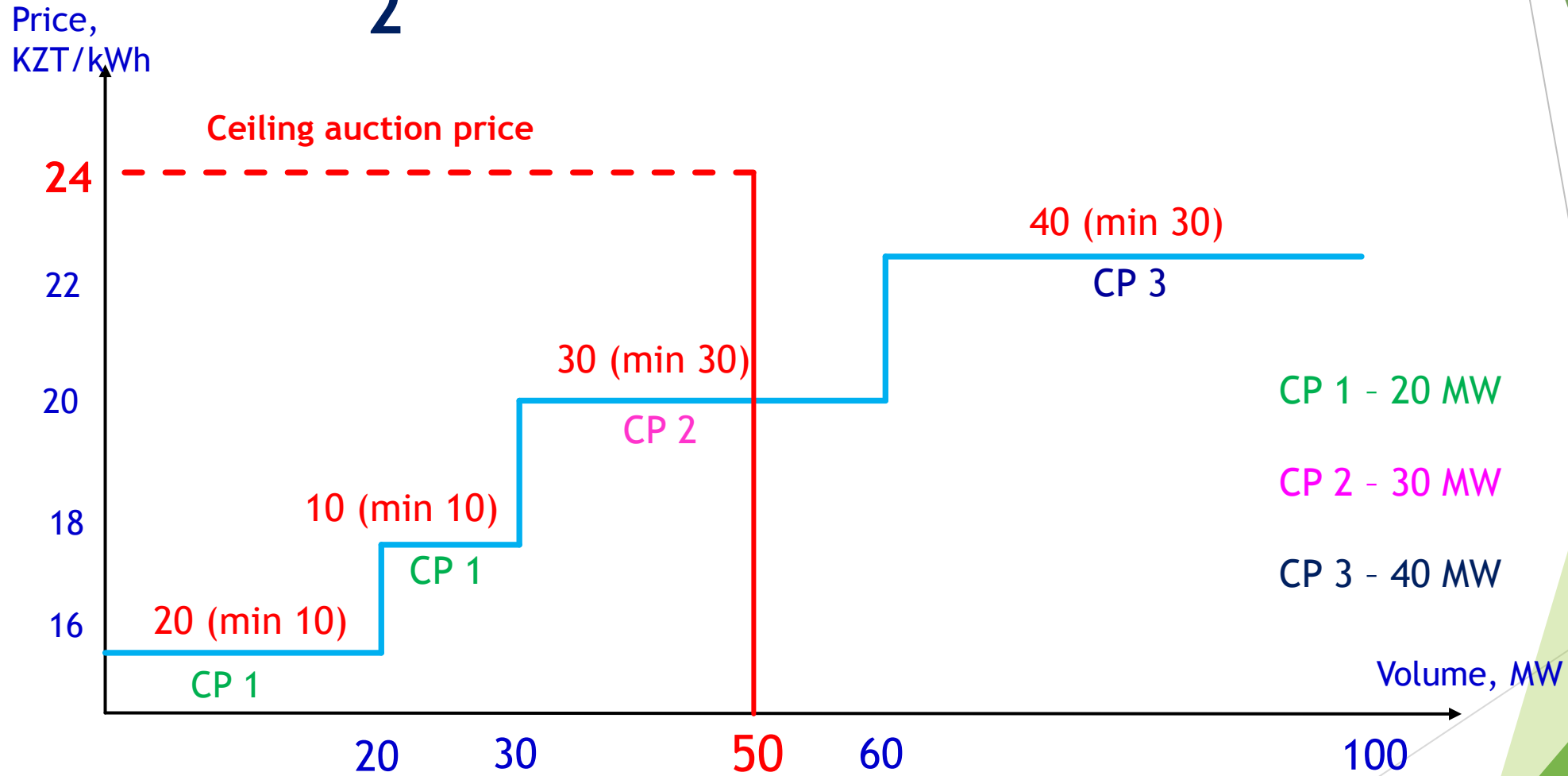
The Organizer calculates price under the following conditions:

- 1) total volume of installed capacity of sale applications for participation in auction - at least 130% of volume of demand of installed capacity;
- 2) number of participants who submitted sale applications for participation in auction - at least two.

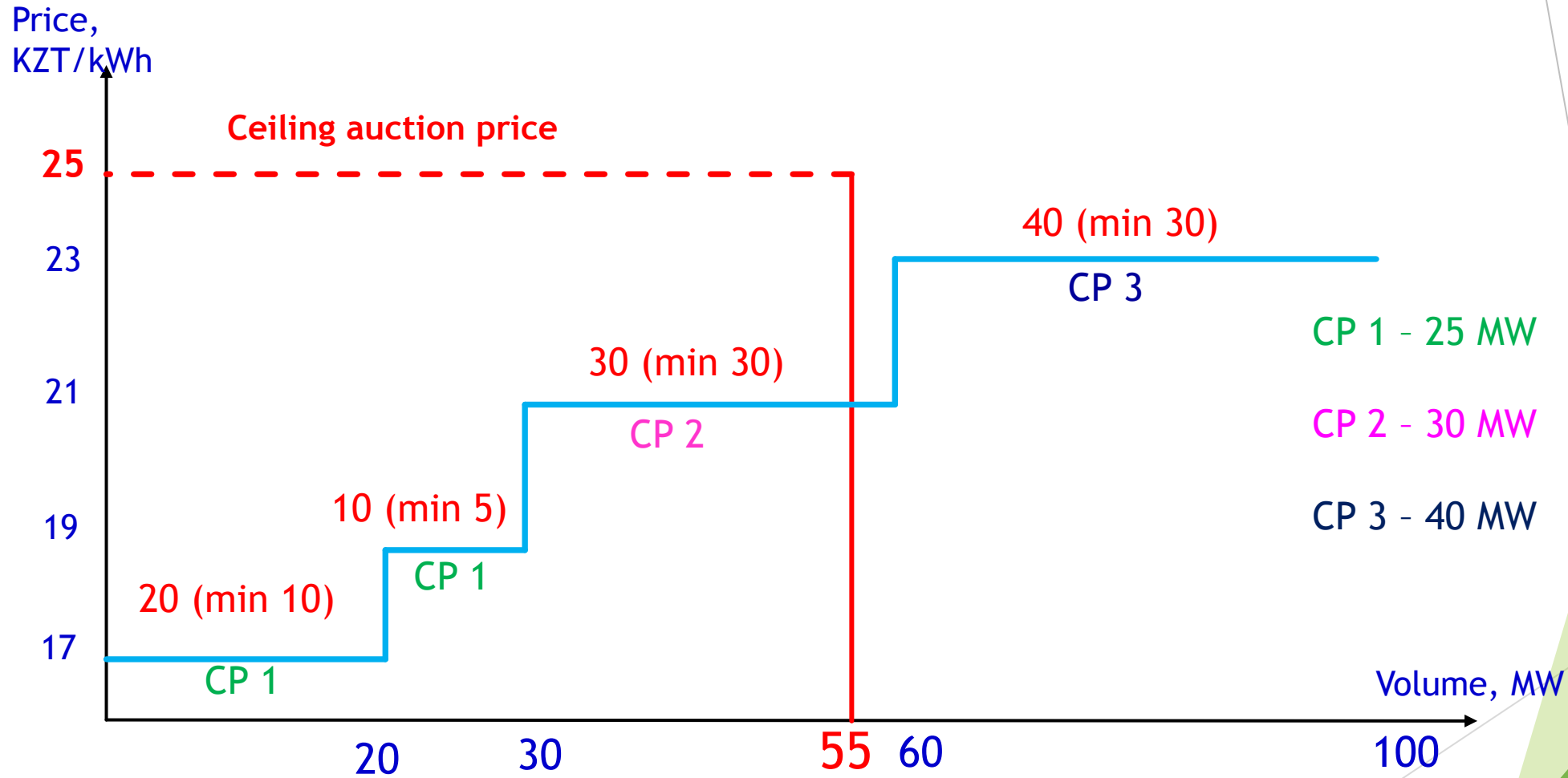
Price calculation example 1



Price calculation example 2



Price calculation example 3



Determination of the winners

Following the auction results, within 1 hour after the trading session is closed the Organizer sends notifications on last auction results to the Participants by email and publishes the register of auction winners on the official site

The Organizer shall, not later than 1 working day after the trading session is closed, compile and send to the ME of the RK results of auction held with interpretation of procedure of auction held and indicating complete information on all applications submitted to the trading system and the Register of Auction Winners

The ME of the RK within 5 working days since receipt of the Register of auction winners from the Organizer includes the auction winners in RES facilities layout and list of energy producing companies using RES

The auction winners submit applications for concluding PPA contract financial settlement center within 60 (sixty) calendar days after adding to list of power producing companies using RES

Observers

- during trading session the observers number should not exceed 8;
- checking continuity of the envelope, list of applicants with financial security;
- observation over actions of the auction Organizer;
- observation over the trading session process and determination of the auction winners;
- information concerning participants not included in the Register of winners following the results of auction held is confidential and cannot be disclosed to third parties.

**Thank you for your
attention!**