

Status of Restructuring of Korean Electric Industry

After restructuring plan of Korean electric industry was decided, generation part was divided from KEPCO (Korea Electric Power Corporation) at April of 2001 and 6 Generation companies (Gencos) were made. According to original plan, distribution part would be divided and wholesale competition market of two-way bidding be opened at April of 2003, and retail competition market would be introduced in 2009. This plan, however, will be delayed one year after, and privatization of Generation company will be delayed one year after too.

Korean government's basic plan to restructure the electric industry is not changed, but dividing time and method for distribution part will be decided through nationwide public acceptance and discussion among concerned parties.

KEPCO and Korean government will try to perform a simulated operation for division of distribution part from April of 2004 as a preparing process for division of distribution part, and will divide distribution part at April of 2005. Main processes of restructuring of electric industry such as opening of wholesale market and retail market will be proceeded continuously step by step.