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SARI/EI



South Asia Regional Initiative for Energy Integration (SARI/EI)

SARI/EI Dinner meeting
on

**Catalysing Cross Border Electricity Trade in South Asia:
South Asia Forum of Electricity Regulators (SAFER)**

Wednesday, August 5th, 2015 at 6.30 pm



South Asia Regional Initiative for Energy Integration (SARI/EI)

1. SARI/E is a long standing program of USAID started in the year 2000.

2. Program has consistently strived to address energy security in South Asia by focusing

- 1) Cross Border Energy Trade
- 2) Energy Market Formation and
- 3) Regional Clean Energy Development.

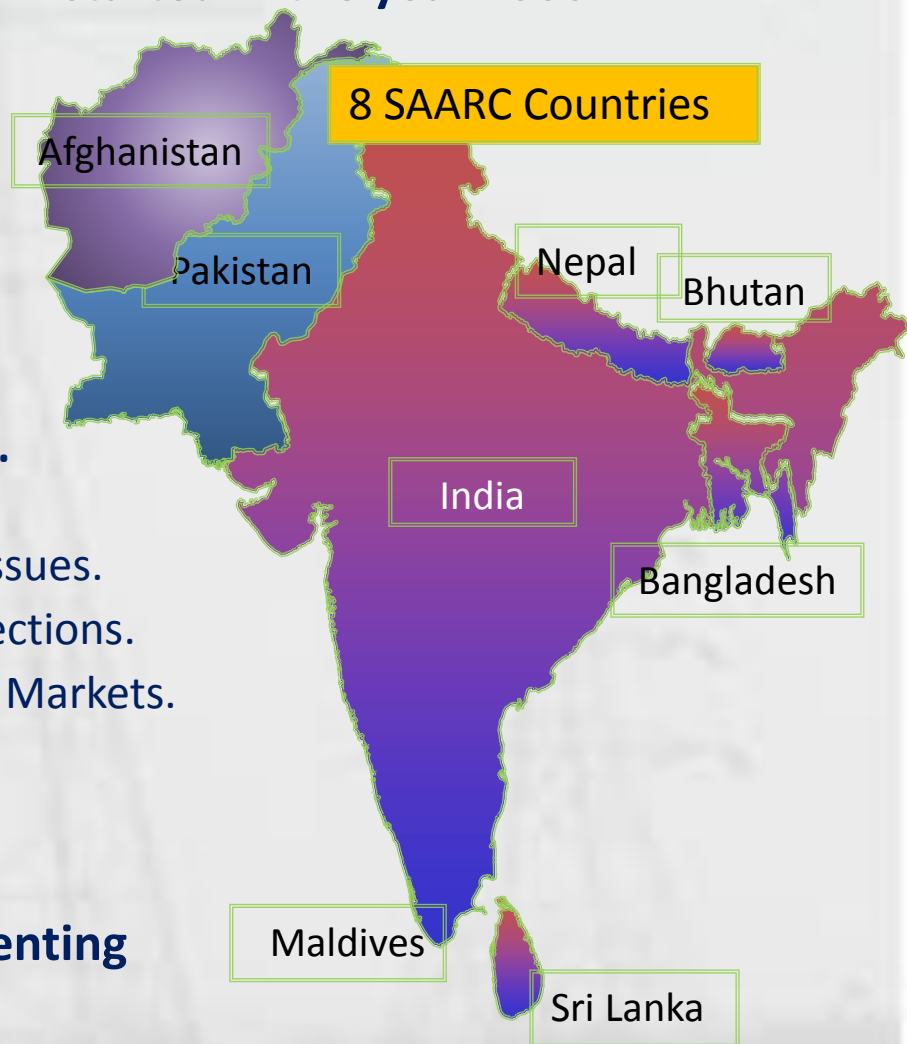
3. SARI/EI–Phase IV (2012-2017): Key Outcomes.

Three Key Development Outcomes:

1. Coordinate policy, legal and regulatory issues.
2. Advance transmission system interconnections.
3. Establish South Asia Regional Electricity Markets.

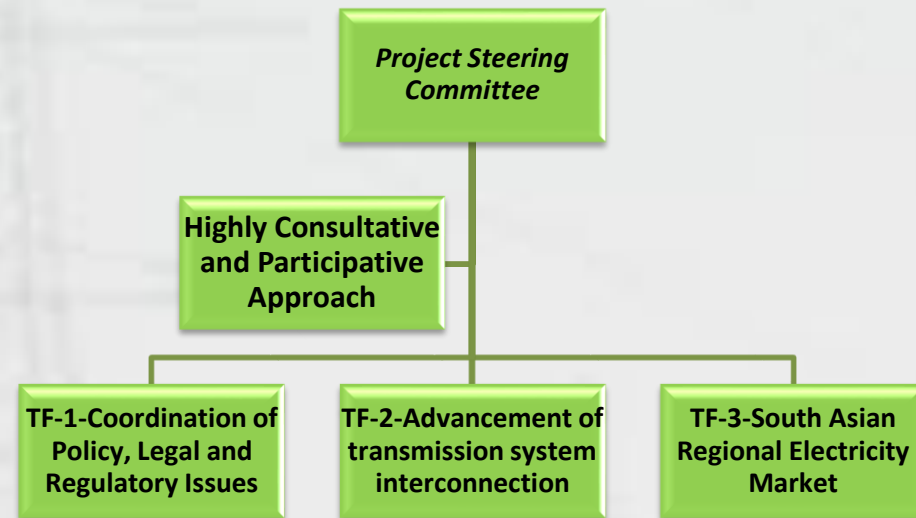
4. Demand Driven ‘Bottom Up’ Approach

5. IRADe, a regional organization, is implementing partner



SARI/EI Framework

- **Project Steering Committee (PSC)** is the apex body of the program and provides overall strategic directions.
- PSC members consist of **Senior level officials from the country governments, SAARC, ADB, Independent Energy Experts/Diplomats.**
- Task Forces are **represented by Government Nominated members from SA countries.**



➤ **TF1: Coordination of Policy, Legal and Regulatory issues**



➤ **TF-2: Advancement of transmission system interconnection**



➤ **TF 3: South Asian Regional Electricity Market**



SARI/EI : Major Activities

Successfully organised high level Inaugural conference of SARI/EI: Launched SARI/EI Program, Background Paper

Successfully Organised study tour to European Regional Power Market to Amsterdam & Paris.

Successfully Organised Investors workshop on Cross Border Electricity Trade: Concept Paper, Provided a platform for Investor, developers and Lenders .

Regularly organising Task Force and PSC Meeting (11) . Various demand driven studies were initiated.

Program Outreach: Annual Update, Quarterly Update, News Mailer etc.

Demand Driven Studies /Exercises to Achieve the Deliverables of Task Forces as Defined in the Terms of Reference of Task Forces



TF-1 :

1. **Study -1 :** Ongoing study on review of the study on review of policies, regulations and laws, preparation regulations etc. (Draft Final Report finalized)

2. **Study-2:** on Investment policies/guidelines for SA countries (to be initiated)



TF-2 :

1. **Study 1:** Ongoing Study to Assessment of Trading Potential of South Asian Countries (Draft Interim has been prepared)

2. **Study 2:** Harmonization of Grid Codes (Draft Report Prepared)



TF-3 :

1. **Study 1:** "Assessment and recommendation of commercial terms & conditions for Cross Border Electricity Trade (CBET) and suggesting the model Of Power Exchange in South Asian region" (Draft Report Prepared)

2. **Study 2:** Study on Market Rules and Pilot Market design. (to be initiated)

Key Outputs of the Draft Final Report of the TF-1 Study on review of the “Study on review of policies, regulations and laws, preparation regional regulatory guidelines”

Analysis of Electricity Laws, Regulations and policies of SA countries.

Identified minimum requirements/critical ingredients required to facilitate CBET. .

Review of international power pools and regional trade arrangements and recommendations for South Asia.

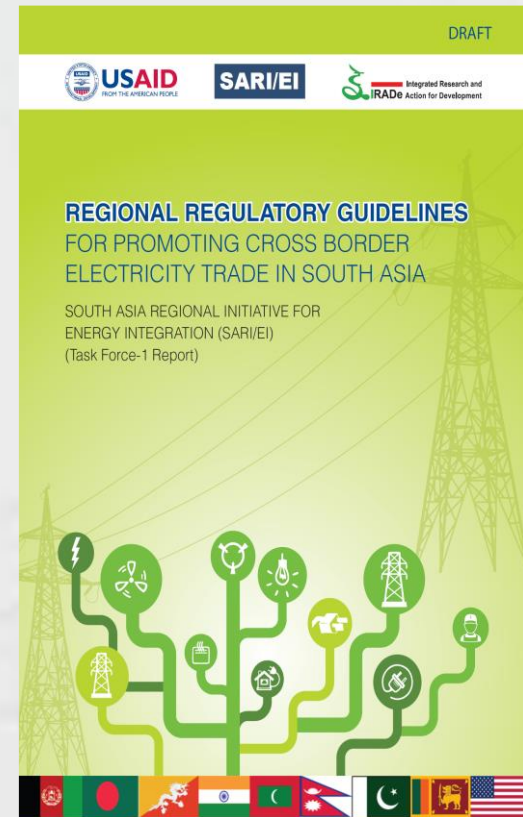
Analysis of Key risk areas in CBET and mitigation measures adopted in power pools/regions

Regional Regulatory Guidelines for Harmonization/coordination of Regulations along with the **Statement of Reason**.

Proposed **South Asian Forum of Electricity Regulators (SAFER)** to manage implementation process in close coordination with various regional bodies.

Proposed Changes and amendments in Electricity Laws, Policies and Regulations of South Asian Countries for promoting CBET in South Asian Countries.

Country wise Short Term, Medium Term and Long-term Road Map



Why South Asia Forum of Electricity Regulator (SAFER) ?

Various Power Pools and CBET schemes have created/established Regional Regulatory institution for managing the process of regulatory harmonization/coordination.

To sustain CBET in long run , it is necessary to establish regional institutions/Mechanism.

Various Models of Institutions . No one size FIT for all.

Regional Electricity Regulatory Association (RERA) provides a platform for effective regulatory cooperation in **Southern Africa**.

The **Agency for the Cooperation of Energy Regulators (ACER)** in the **Europe** is a pivotal body that issues non-binding opinions and recommendations to national energy regulators, transmission system operators, and the EU institutions on CBET.

Currently electricity regulators in SAARC countries have different function and do not necessarily looks after CBET.

Trade is expected to increase in coming future, therefore there is a need for harmonization/coordination of regulations.

SAARC IGFA suggests to develop the structure, functions, and institutional mechanisms to resolve regulatory issues related to electricity exchange and trade.

TF-1 Study has come out with **Regional Regulatory Guidelines for harmonization/coordination of Regulations**. It's implementation needs appropriate institutional set up. .

To manage the process of harmonization/coordination of regulation, SAFER is proposed in the above context.

Name of the Scheme	Regional Electricity Regulatory Institutions
SAPP	Regional Electricity Regulators Association of Southern Africa (RERA)
SEE	Coordination through the South East Europe Electricity Regulation Forum
SIEPAC	Comisión Regional de Interconexión Eléctrica (CIRE)-Regional Regulator
Europe	Agency for the Cooperation of Energy Regulators(ACER).

Thank You

