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# Workshop on “Power Market Development in India: Key Lessons Learnt”

## Agenda



21<sup>st</sup> April 2016

Mukti Hall, Power Division

Ministry of Power Energy and Mineral Resources (MPEMR)

Government of Bangladesh

Dhaka, Bangladesh

*held under the aegis of  
South Asia Regional Integration/Energy Initiative (SARI/EI)*





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| 9:30 Hrs -09:50 Hrs  | Registration   |  |
| 09.50 Hrs -10.30 Hrs | <b>Inaugural Session-1</b>   |  |
|                      | <p>Welcome Address: Mr. Mohammad Hossain, Director General, Power Cell<br/> Opening Remarks: Dr. Jyoti Parikh, Executive Director, IRADe<br/> Address : Dr.Karl Wurster, Deputy Director, Economic Growth Office, USAID, Bangladesh<br/> Address by the Chair: Mr. Monowar Islam ndc, Secretary, Power Division, MEMPR, Bangladesh<br/> Address by Special Guest: Mr. Md. Abul Kalam Azad, Principal Secretary to the Hon’ble Prime Minister, Govt. of Bangladesh<br/> Address by Chief Guest: Mr. Nasrul Hamid,MP, Hon’ble State Minister, MPEMR, Govt. of Bangladesh<br/> Vote of Thanks: Mr. V. K. Kharbanda, Project Director, SARI/EI, IRADe</p>  |  |
|                      | <b>Launch of Suggested Changes/Amedments in electricity Policies/Regulations/laws of SAC to promote CBET</b>   |  |
| 10:30 Hrs -10.45 Hrs | <b>Group Photograph and High Tea</b>   |  |
| 10:45 Hrs -12:45Hrs  | <p><b>Session-2: Evolution of Indian Power Sector and Development of Competitive Power Market in India: Key Laws, Policies, and Regulations.</b><br/> <b>Session Chair: Dr. Ahmad Kaikus, Addl. Sec, Power Division, MEMPR, Bangladesh</b><br/> <b>Session Co Chair: Mr. Tareq Md. Ariful Islam, DG, South Asia, MOFA, Bangladesh</b></p>  |  |
| 10.45 Hrs-10.50 Hrs. | <b>Opening Remarks by Session Chair</b>  | <b>Dr. Ahmad Kaikus, Addl. Sec, Power Division</b> |
|                      | <p>Power Sector in India has grown significantly across the value chain since independence, both in terms of generation capacity and transmission &amp; distribution (T&amp;D) system. The total power generating capacity of utilities &amp; non utilities has grown from a meagre 1362 MW in 1947 to 267 GW at the end of March 2015. The per capita electricity consumption, which was mere 16.3 kWh in1947 has increased to 1010 kWh in 2014-15. This journey was possible due to various reform initiatives in legislations, policy and regulatory and was accompanied by institutional evolution to transit from vertically integrated market to a competitive power market structure. The Electricity Act, 2003 was a path breaking development in the history of the Indian power sector. The Act consolidates the erstwhile laws relating to generation, transmission, distribution, trading and use of electricity. The Act also promotes power trading and development of competitive markets, and mandates policy and regulation to promote the same. Fundamentals of power trading such as licensing for electricity traders and ensuring open, non-discriminatory access to transmission services, market regulations etc. were put into place. This session will have three paper presentation of 30 minutes each followed by open discussions.</p> |  |
| 10.50 Hrs -11.20 Hrs | <p><b>“History, Evolution and Institutional Structure of Indian Power Sector: Pre &amp; Post Reform era “by Mr. Mohan Menon, CEO, Balsa Consulting, New Delhi.</b></p> <p>The presentation will cover: a) History and Evolution of Indian power sector; b) Institutional Structure; c) Development of electricity sector value chain, i.e. Generation, Transmission and Distribution; d) Transition from a vertically integrated market to competitive power market; and e) Growth of Renewable Energy.</p>  |  |
| 11.20 Hrs -11.50 Hrs | <p><b>“Development of Competitive Power Market in India: Key Laws, Policies a Regulations” by Mr. M N Ravi Shankar, CEO &amp; Head India Power, Queensland Coal Corporation, Delhi.</b></p> <p>The presentation will cover a) Key Laws, Policies and Regulations pre and post reform era; b) Highlights of Electricity Act 2003 and its role in promoting competition in the Indian power market, Introduction of non-discriminatory open access in the electricity sector for enhancing competition in the market; c) Evolution of Regulatory framework; and d) Various key regulations.</p>  |  |



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| 11.50 Hrs -12.20 Hrs | <b>“Competitive Bidding Framework in India” by Mr. Mohan Menon, CEO, Balsa Consulting, New Delhi.</b><br>The presentation will cover a) Competitive Bidding Framework guidelines covering both Case-I and Case-II as well as the newly introduced Design-Build-Finance-Own-Transfer (DBFOT) or Build-Own-Operate-Transfer (BOOT); b) National Tariff Policy; c) Key issues and challenges with Competitive Bidding Framework; d) Impact of Competitive Bidding on the tariff and development of the power sector and e) Important terms and conditions of PPAs and PSAs.  |   |
| 12.20 Hrs -12.40 Hrs | Open Discussions  |   |
| 12.40 Hrs -12.45Hrs  | <b>Closing Remarks by Session Co-Chair: Mr. Tareq Md. Ariful Islam, DG, South Asia, MOFA, Bangladesh</b>  |   |
| 12.45 Hrs -13.45 Hrs | Lunch   |   |
| 13.45 Hrs -16.20 Hrs | <b>Session 3– Role of Transmission Agencies and Power Exchanges in the development of Indian Power Market</b><br><b>Session Chair Dr. Salim Mahmud, Member, BERC, Bangladesh</b><br><b>Session Co chair Md. Rakib Hossain, AddlSecy, Plg&amp;RE, Power Division, MPEMR, GOB</b>   |   |
| 13.45 Hrs-13.50 Hrs  | <b>Opening Remarks by Session Chair</b>   | <b>Dr. Salim Mahmud, Member, BERC, Bangladesh</b> |
|                      | Indian Power system for planning and operational purposes is divided into five regional grids. The integration of regional grids, and thereby the establishment of a national grid, was conceptualized in the early nineties. By the end of 11th plan, India had total inter-regional transmission capacity of about 28,000 MW, which is expected to be enhanced to about 65000 MW at the end of XII plan. Synchronization of all regional grids helped in optimal utilization of scarce natural resources by the transfer of power from resource centric regions to load centric regions and paving the way for the establishment of the vibrant electricity market. Long term power markets have historically dominated the Indian power sector. However, as long term contracts could not meet the full requirements of the market participants, it leads to trade on Power Exchanges. The exchanges provide a platform where counterparty risk is taken care of, and the price is discovered in a more transparent manner. The exchanges are designed with an idea to make electricity markets more transparent, efficient and competitive. This session will have three paper presentation of 30-40 minutes each followed by open discussions. |   |
| 13.50 Hrs-14.30 Hrs  | <b>“Role of Transmission and System Operators and integration of Regional Grid in the development of Indian Power Market: Key Challenges and Lessons Learnt”, by Mr. S. K. Soonee, Chief Executive Officer, Power System Operation Corporation Limited (POSOCO), India</b><br><br>The presentation will cover: a) Transmission activities under pre and post reform era; b) Establishment of transmission agencies and system operators; c) Key challenges and learnings in integration of regional grids; e) Key policies/regulations in development of Regional Transmission System; f) Role of Transmission System Operator/Load despatch centres in design and development of Power market; g) Institutional arrangement of integrated grid planning and operation; and h) Challenges and opportunities in grid integration in the SA region for Cross Border Electricity Trade.  |   |
| 14.30 Hrs-14.45 Hrs  | Tea   |   |
| 14.45 Hrs-15.15 Hrs  | <b>“Role of Power Traders in India and opportunity for Cross Border Power market: Basic Concepts, Power Procurement Planning, Governing Regulations and Practices (Long, Medium and Short Term)”, by Mr. Harish Saran, Executive Director, PTC Limited.</b><br><br>The presentation will cover a) Evolution of power trading in India; b) Challenges faced in establishing and promoting the power trading organisation; c) Basics power trading concepts; d) Governing policies, regulations, guidelines and standard practices for Long, Medium and Short Term trading; e) Criteria for trading licenses; g) Power procurement Planning and statics on power trading in India; h) Challenges faced by power trading companies; and i) Opportunities in cross border electricity trade in South Asia Region.   |   |



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| 15.15 Hrs-15.45 Hrs | <p><b>“Role of Power Exchanges in India: Basics Concepts, Products, Exchange operations” by Mr. Rajesh Kumar Mediratta, Director, India Energy Exchange Limited.</b></p> <p>The presentation will cover a) Evolution of power exchange in India; b) Factors leading to establishment of power exchanges in India; c) Challenges faced in establishing and promoting the power exchanges; d) Regulatory framework for power exchange in India; e) Power exchange products; e) Price discovery mechanism, clearing, settlement and risk mitigation in Indian power exchanges; g) contribution of power exchange to Indian power sector such as improvement in market efficiency, price etc; and h) Opportunity in Cross Border Electricity Trade.</p> |
| 15.45 Hrs-16.15 Hrs | Open Discussions  |
| 16.15 Hrs-16.20 Hrs | <b>Closing remarks by Session Co-Chair Mr. Md. Rakib Hossain, Addl. Sec, Plg &amp; RE, Power Division, MPEMR, GOB.</b>  |
| 16.20 Hrs-17.00 Hrs | <p><b>High Level Panel Discussion: Way forward for development of Bangladesh Power Market and Cross Border Electricity Market in SA region.</b><br/> <b>Chaired by Mr. Tawfiq-e-Elahi Chowdhury* B.B. Hon’ble Adviser to Prime Minister of the People's Republic of Bangladesh on PEMR Affairs</b></p>  |
|                     | <p><b>Mr. A.R Khan, Chairman, BERC.</b><br/> <b>Mr. Shamsul Hasan Mia, Chairman, BPDB, Bangladesh</b><br/> <b>Mr. S.K. Soonee, COO, POSOCO,India</b><br/> <b>Mr. V.K. Kharbanda, Project Director, SARI/EI/IRADE</b></p>  |

\*to be confirmed

