

South Asia Regional Energy Partnership (SAREP)

Presentation

on

Updates on the planned Interventions of the SAREP Task Force-3 on “South Asia Regional Electricity Market”

Session 3: Updates on the planned Interventions of the SAREP Task Force-3 on “South Asia Regional Electricity Market”

11th Meeting of SAREP Task Force-3 on “South Asia Regional Electricity Market”
14.30 -15.15 Hrs., 11th October 2023 ,The Maitland State Room, Mount Lavinia Hotel, Colombo, Sri Lanka

Presented by
Ms. Namrata Mukherjee, Deputy Chief of Party & Mr. Rajiv Ratna Panda, Power Market Specialist, SAREP

Content

- 01 Objective of Task Force -3
- 02 Philosophy of Task Forces
- 03 Recap of TOR of the Task Force -3
- 04 Key TOR Technical (New) Activities- Annual Work Plan for Next Year
 - 04.1 Knowledge Study on “Learnings from International Experiences on undertaking Power Market Reforms in a country and its role in Development of Regional Power Market including suggested Regional Electricity Market Vision along with Roadmap and Action Plan for South Asia”
- 05 Key TOR Technical (*Updating of Past Work/Ongoing*) Activities- Annual Work Plan for Next Year
 - 05.1 Common Minimum Grid Code (CMGC)
 - 05.2 Suggesting a Framework for Ancillary Service Market in the South Asia Region
 - 05.3 Implementing SARI/EI Study recommendations- Creation of South Asia Forum for Electricity Market (SAFEM)



USAID
FROM THE AMERICAN PEOPLE

01

Objective of the Task Force-3 on “South Asia Regional Electricity Market”

Objective of the Task Force-3 on “South Asia Regional Electricity Market”

The key objective of TF-3 is to **create enabling environment** for creation of **South Asia Regional Power Market** for accelerating market based **Cross Border Electricity Trade (CBET)** transactions.

Philosophy of Task Force



SAREP'S CROSS BORDER ELECTRICITY TRADE TASK FORCES

1. Task Forces are envisaged to be the Heart of SAREP's Cross Border Electricity Trade (CBET) interventions.
2. Will assist in generating evidence based informed recommendation through technical assessments/ studies* on CBET and building consensus.
3. Focused, structured, consultative and participative approach will be followed across three key areas.
4. Continuous engagement (preferably a meeting in a quarter).
5. Members will be owners of the Task Force and its outcomes.
6. Joint TF meetings will be conducted – enabling institutionalisation and synergies among Task Forces.

* If members wants a particular study to be carried out for the Task force, they may request for the same, SAREP will provide necessary assistance.



USAID
FROM THE AMERICAN PEOPLE

03

Recap of Terms of Reference of Task Force-3

RECAP

Key Scopes:

1. Taking forward recommendations that emerged from the SARI/EI studies.
2. Framework for energy scheduling, accounting and deviation settlement mechanism for power trade in South Asian region.
3. Designing a regional balancing market, framework for ancillary services, spinning reserve sharing in the SA region.
4. Review of best international practices in regional electricity market for efficient ways of handling congestion and market-based instruments, in cross border context.
5. Analysis of existing market monitoring & oversight mechanism, tools and market surveillance in the region and review of best international practices, developing the guidelines for regional market monitoring and oversight from the perspective of CBET.
6. Evaluation of market-based risks in the context of regional power trade, Bringing countries to a similar understanding of power markets development and strengthening institutional capacities.
7. Support in creation of regional institution to support the development of competitive South Asia Forum of Electricity Market i.e., SAFEM and implementation of various technical activities under SAFEM.
8. Strategy and modalities of building a Regional Power Exchange in South Asia.
9. Knowledge exchange, study tours, executive exchange and capacity building activities.



USAID
FROM THE AMERICAN PEOPLE

04

Key TOR Technical (New) Activities Annual Work Plan for Next Year

L
A
N

Knowledge Study on “Learnings from International Experiences on undertaking Power Market Reforms in a country and its role in Development of Regional Power Market and electricity market integration including suggested Regional Electricity Market Vision along with Roadmap and Action Plan for South Asia” (*Shall fulfil the point 4,6,8 of the TOR*)

❖ The Detailed TOR is being presented in upcoming session



USAID
FROM THE AMERICAN PEOPLE

05

Key TOR Technical (Updating of Past Work/Ongoing) Activities Annual Work Plan for Next Year

L
A
N

05.1

Common Minimum Grid Code for Facilitating CBET

Objective of Common Minimum Grid Code



Facilitation of cross border trading of power, while ensuring secure, reliable, economic and efficient operation of the grid.

Facilitation of the coordinated optimal operation of the South Asian Grid.

Facilitation of coordinated and optimal maintenance planning of generation and transmission facilities in the South Asian grid.

Key Sections of Common Minimum Grid Code

Connection Code

Operating Code

Scheduling & Despatch Code

Administration of the Grid Code

Common Minimum Grid Code is under Advanced stage of development under SAFIR (Shall fulfil the point 2 of TOR)

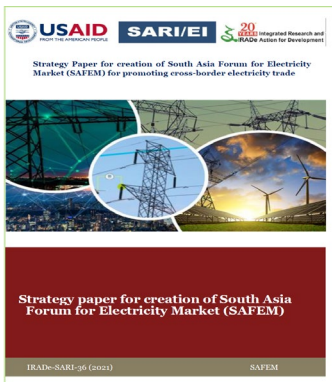
Assessing the Potential Benefits of Cross Border Electricity Trade for Affordable Supply of Electricity, Facilitating Grid Balancing of Renewable Energy Integration, and **Suggesting a Framework for Ancillary Service Market in the South Asia Region**

SAFIR Working Group on 'Regulatory Cooperation to facilitate Knowledge-sharing, addressing Cross-cutting Energy/ Electricity Regulatory Issues and Capacity Building in South Asia'

Under the above working Group

A study on Assessing the Potential Benefits of Cross Border Electricity Trade for Affordable Supply of Electricity, Facilitating Grid Balancing of Renewable Energy Integration, and **Suggesting a Framework for Ancillary Service Market in the South Asia Region** is being conducted.

It is under advanced stage of development under SAFIR (Shall fulfil the point 3 of TOR)



A Strategy Paper for creation of South Asia Forum for Electricity Market (SAFEM) for promoting cross-border electricity trade was prepared.

- ❖ **SAREP is working on to implement the roadmap and recommendations for the paper.**

(Shall fulfil the point 7 of the TOR)



May 30, 2023, SAFEM Virtual Consultation with Perspective Members

- ❖ **Prospective members of SAFEM—power market participants from Bhutan, Bangladesh, India, Nepal, and Sri Lanka participated.**
- ❖ **Workshop/Meeting with Perspective Host Institution will be organised shortly.**

(Shall fulfil the point 7 of the TOR)

Thank You



This Photo by Unknown Author is licensed under [CC BY-ND](#)

Contact: rpanda@sarep-southasia.org
rajivratnapanda@gmail.com
+91-9650598697

Disclaimer

The data, information and assumptions (hereinafter ‘data-set’) used in this document are in good faith and from the source to the best of SAREP (the program) knowledge. The program does not represent or warrant that any data-set used will be error-free or provide specific results. The results and the findings are delivered on “as-is” and “as-available” data-set. All data-set provided are subject to change without notice and vary the outcomes, recommendations, and results. The program disclaims any responsibility for the accuracy or correctness of the data-set. The burden of fitness of the data-set lies completely with the user. In using the data-set data source, timelines, the users and the readers of the report further agree to indemnify, defend, and hold harmless the program and the entities involved for all liability of any nature.