

South Asia Regional Energy Partnership (SAREP)

Presentation

on

Updates on the planned Interventions of the SAREP Task Force-I on “Coordination of Policies, Legal and Regulatory Frameworks for Cross Border Electricity Trade (CBET)”

Session 3: Updates on the planned Interventions of the SAREP Task Force-I on “Coordination of Policies, Legal and Regulatory Frameworks for CBET”

11th Meeting of SAREP Task Force-I on “Coordination of Policies, Legal and Regulatory Frameworks for Cross Border Electricity Trade”
14.00 -15.00 Hrs., 9th October 2023 ,The Maitland State Room, Mount Lavinia Hotel, Colombo, Sri Lanka

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01

Objective of the Task Force-I on “Coordination of Policies, Legal and Regulatory Frameworks for Cross Border Electricity Trade”

Objective of the Task Force-I on “Coordination of Policies, Legal and Regulatory Frameworks for Cross Border Electricity Trade”

The key objective of TF-I is the **harmonization of policy, legal and regulatory issues** for fair allocation of costs and risks through **conductive policies, legal and regulatory instruments**, in order to create the **enabling systemic conditions** for a sustainable market for implementation and expansion of Cross Border Electricity Trade projects.

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



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03

Recap of Terms of Reference of Task Force-I

RECAP

Key Scopes:

1. Taking forward recommendations that emerged from the SARI/EI studies.
2. Evolve Regional Cross Border Energy Policy Outlook (RCEPO) with a 25 to 30-year time horizon in consultation with Policy makers for long term sustainability of CBET in the region based on common principles.
3. Identify any inconsistencies/gaps in acts, policies, regulations and agreements from the perspective of CBET and suggest/recommend corrective legal, policy and regulations measures.
4. Considering that different countries of South Asia are at different stages of power sector reform/evolution, regulation and policy framework developments, provide country specific need based technical support and assistance to relevant institutions for development of appropriate policy, legal and regulatory frameworks through SAREP Secretariat.

5. Evolve a Comprehensive Common/coordinated Regional Regulatory Framework and Regulation for CBET including trilateral trade covering various regulatory aspects of following subjects (but not limited to) :
 - 5.1. Transmission planning, execution and operation of cross border transmission interconnections.
 - 5.2. Connectivity, minimum common grid codes and Technical standards, system protection and communication for cross border transmission elements.
 - 5.3. Licensing modalities for CBET, trading licenses for Imports and Exports.
 - 5.4. Metering, Energy Accounting & Deviation settlement or imbalance charges, Principles for Transmission pricing rules /mechanisms.
 - 5.5. Payment of charges & payment security mechanism.
 - 5.6. Dispute Settlement and Resolution mechanism.
 - 5.7. Regional open access guidelines.
 - 5.8. Regulatory framework for development of regional power market.
6. Develop regional frameworks and guidelines to support regional infrastructure projects and power trade such as establishment of a regional dispute resolution mechanism, etc.
7. Knowledge exchange, study tours, executive exchange and capacity building activities.



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

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Key TOR Technical (New) Activities

04.1

Knowledge Study on *Long Term Regional Cross Border Energy Policy & Regulatory Vision* (RCEPRV) as a future outlook with a 25 to 30-year time horizon for long term Sustainability of CBET based on Common Principles. (Shall fulfil the point 2 of the TOR)

The Detailed TOR is being presented in upcoming session

04.2

Knowledge Study on *Developing Regional Dispute Settlement Framework, Mechanism* and associated procedure for Advancing Cross Border Electricity Trade in South Asian Region. (Shall fulfil the point 5.7 & 6 of the TOR)

The Detailed TOR is being presented in upcoming session

04.3

Knowledge Study on *Regional Policy and Regulatory Framework For Electricity Market Monitoring and Oversight* (Shall fulfil the point 5.8 of the TOR)

The Detailed TOR is being presented in upcoming session



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05

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

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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

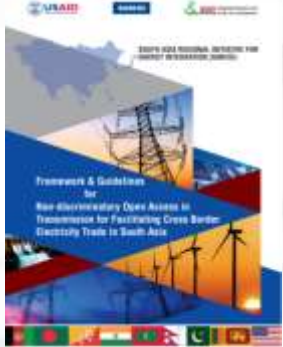
Connection Code

Operating Code

Scheduling & Despatch Code

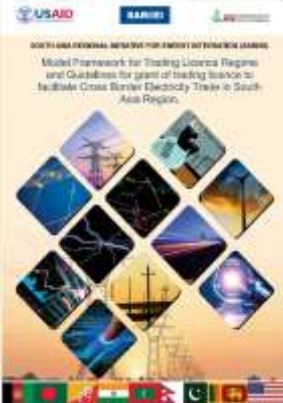
Administration of the Grid Code

Common Minimum Grid Code is under Advanced stage of development under SAFIR (Shall fulfil the point 5.2 of TOR)



- ❖ **Advocacy and Dissemination of Findings** of Task Force-I Report on “Model Framework & Guidelines for Non-discriminatory Open Access in Transmission for Facilitating Cross Border Electricity Trade” along with **updating with the recent changes.**

(Shall fulfil the point 5.7 of the TOR)



- ❖ **Advocacy and Dissemination of Findings** of Task Force-I Report on “Model Framework for Trading Licence Regime and Guidelines for grant of trading licence to facilitate Cross Border Electricity Trade in South Asia Region” along with **updating with the recent changes.**

(Shall fulfil the point 5.3 of the TOR)

Thank You



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