

# Snapshot of El Salvador's Energy Sector

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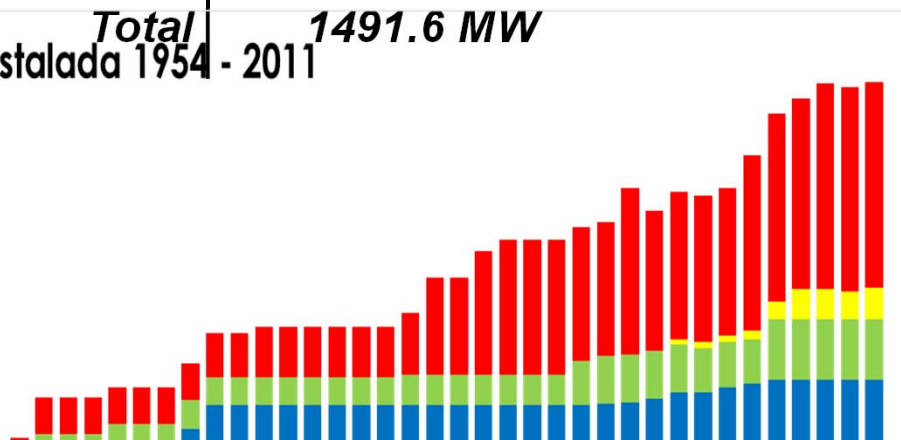
# Energy status in El Salvador

## Capacity per resource

Technology	Installed Capacity (MW)
Coal	472
Oil	204.4
Natural Gas	691.2
(Sugarcane waste)	109.5
Small Hydro	14.5

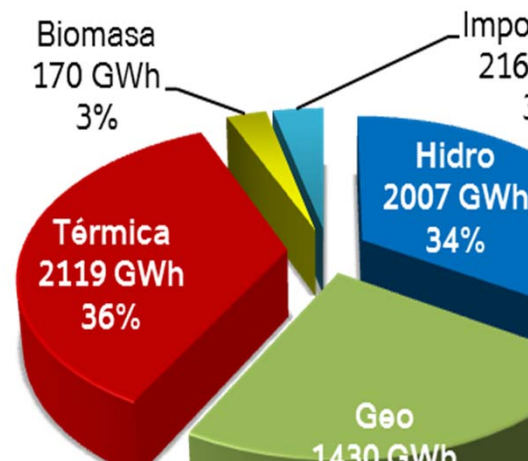
Evolución de la capacidad instalada 1954 - 2011 **Total 1491.6 MW**

TERMICO  
BIOGAS  
EOLICO  
HIDRO



## General Information

Maximum Demand 2012	975
Residential customers	1.38 m
Non residential	115
Electrification coverage	91.0
Population	6.3 m



# Energy Policy of El Salvador Strategic guidelines

Optimization of energy matrix and fostering of  
diverse energy sources

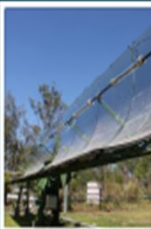
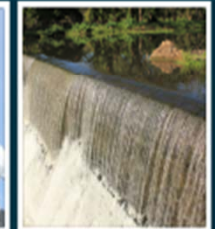
Strengthening of the energy sector institutions and  
public advocacy

Promotion of energy efficiency and energy savings

Technological innovation and development

Universal Electricity Integration

Expansion of service coverage and reduced tariffs for  
rural areas



## POLÍTICA ENERGÉTICA NACIONAL



Consejo Nacional de Energía -CNE-

# Renewable Energy Development

Identification of barriers

Models for fostering RE

Legal Framework

Other Actions

Identified barriers in local legislation that hinder fostering of RE

- Lack of long term contracts
- Regulatory gap for self producers connecting to distribution grid
- Deficiencies regarding firm power
- Gaps in special criteria for power delivery
- Lack of information for project developers
- Lack of special connection requirements

# Renewable Energy Development

Identification of barriers

Models for fostering RE

Legal Framework

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To overcome barriers and implement a model to foster RE, modifications were made to the Regulation of the General Law (RLGE) as well as to the Applicable Regulation of Market Activities (\*) incorporating the following measures:

- Special procedure of auto dispatch of renewable energies
- No commitment requested to guarantee firm power
- Long-term contracts for private producers injecting their surplus into the distributor network
- Bidding for hiring long term renewable technology for new and existing RE permitted without stipulations to participate in the wholesale market
- Distributors with obligation to allow the passageway of energy coming from renewable generators and no toll payments
- CNE adopted the Renewal Portfolio Standard (RPS) for cost recovery and pricing, to meet the needs of the country

# Renewable Energy Development

Tender for small scale RE program estimated to be bid at end of 2012  
April 2013

Sources identified included: Hydroelectric up to 20MW, Eolic, Photovoltaic, Concentrated Thermal Solar, Biomass and Biogas\*

Potential bidders has been identified as:

- Individuals and community organizations possessing water resources
- Textile. Photovoltaic Technology (PV)

# Energy Efficiency

Energy efficiency in the use of energy is the fundamental component of the energy policy for El Salvador

The National Energy Commission (CNE) elaborated and submitted a draft energy efficiency law to the Technical Secretariat for approval and subsequent presentation to Congress

The "El Salvador Saves Energy" Program promotes, strengthens and consolidates the rational, efficient and rational use of electricity. The Program is coordinated by the CNE

The National Council for Quality has two entities (OSN & OSART) responsible for the creation and implementation of standards and technical regulations

Currently there are five mandatory standards which apply to compact and fluorescent lamps, AC engines, domestic and commercial self-contained refrigeration equipment, and high intensity discharge (HID) lamps

## Final remarks

generation deficit (shortages and high prices of electrical energy expected for year 2017)

the development of the MER (firm contracts and transmission rights necessary to meet imports required to fulfill demand via contracts with generators installed in other countries)

solving the deficit and growth of demand by installing bunker based thermal generation, solves only supply security but not price stability



## nal remarks

- The strategy of diversification of the energy matrix of El Salvador continue, incorporating Renewable Energy
- Equal importance should be given to the strengthening of su Energy Efficiency programs
- It is of the utmost importance the continuation and wide cooperative programs by USG, USAID and other donors, USAID Regional Clean Energy Initiative, being implemented in a challenging 6 country environment to develop the Central Regional Energy Market.

