





SOUTH ASIAN NATIONS CONVENE TO ADVANCE CROSS BORDER ENERGY TRADE REGULATIONS

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) WORKSHOP IN PARTNERSHIP WITH BANGLADESH ENERGY REGULATORY COMMISSION (BERC)

WASHINGTON, DC – As part of USAID's South Asia Regional Initiative for Energy (SARI/Energy), the Bangladesh Energy Regulatory Commission and the U.S. Energy Association recently hosted the *South Asia Regional Workshop on the Regulatory Role of Promoting Cross Border Energy Trade* in Dhaka, Bangladesh. The workshop convened over 30 policy and regulatory experts from eight nations to discuss the best policies and regulations to expand energy trade and increase regional cooperation throughout South Asia.

USAID's SARI/Energy program promotes energy security in South Asia by encouraging cross border energy trade, energy market formation, and regional clean energy development. This workshop, which built upon progress made at a larger conference in New Delhi in February 2012, provided a platform for energy regulators from Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka to discuss their current activities, future plans, and ways forward with a focus on regulatory cooperation to facilitate energy trade.



Over 30 delegates from eight nations gather in Dhaka, Bangladesh at the start of USAID's SARI/Energy *South Asia Regional Workshop on the Regulatory Role of Promoting Cross Border Energy Trade*. Attendees seated from left to right are: U.N. Panjiar of the Bihar Electricity Regulatory Commission in India; Srinivasan "Padu" Padmanaban of USAID/India; Syed Hossain of BERC; Paul Sabatine of USAID/Bangladesh; Engr. Md. Emdadul Haque of BERC; and Salim Mahmud of BERC.

WORKSHOP HIGHLIGHTS

The two-day workshop featured a combination of national and regional presentations focused on the regulation of energy and cross border trade. Mr. Elijah Sichone, Executive Secretary of the Regional Electricity Regulators Association of Southern Africa (RERA), provided a crucial perspective on the significant progress achieved in the Southern Africa Power Pool (SAPP) via its focus on interconnections to enhance power pooling and electricity trading. The development of trading platforms that enhanced competition in the region were described, while the advantages of the "Day Ahead" market for pricing were emphasized. Sichone noted that RERA promotes cross-border electricity transactions that are fair to both sellers and buyers, while consistent with least-cost sector development and security of supply.

As a co-host of the workshop, the **Bangladesh Energy Regulatory Commission** provided key inputs throughout the sessions. Mr. Md. Zakir Mazmuder, Director of Petroleum and Power with BERC, highlighted the ongoing cooperation of Bangladesh and India in power sector development, and progress made toward eventual grid connectivity for the trading of 500 megawatts or more between the two countries. He noted that security of supply, availability of supply, and cooperation were the three biggest obstacles to furthering cross border energy trade.

The **Power Grid Company of Bangladesh** supported BERC's presentation with important details, such as target interconnection locations, projected import capacities, and expressed support for future joint ventures to build upon the established Bangladesh-India Memorandum of Understanding (MOU) and the MOU between India's NTPC and the Bangladesh Power Development Board (BPDB).



Mahmud Salim, Member of the Bangladesh Energy Regulatory Commission, provides remarks during the Inaugural Ceremony of the Workshop, which was widely attended by members of the Bangladesh energy community, and which received extensive media coverage.



The Chairman of the Bangladesh Energy Regulatory Commission, Syed Yusuf Hossain, provides a South Asian perspective during the special presentation by Elijah Sichone of the Regional Energy Regulators Association of Southern Africa (standing at right).

Indian representation at the workshop was strong and key to the event's success. Presentations were delivered by India's Central Electricity Regulatory Commission, Central Electricity Authority, Bihar Electricity Regulatory Commission, West Bengal Electricity Regulatory Commission, and PTC India Ltd., reflecting India's unique status as current importer of electricity from Bhutan, and potential future exporter to Bangladesh and Pakistan.

Following presentations by Bhutan, Nepal, Pakistan, and Sri Lanka on their regulatory approaches to energy trade, Elijah Sichone of RERA moderated a roundtable session to discuss common objectives, next steps, and timetables. It was agreed by the meeting participants that a proposal would be drafted outlining the requirements and objectives of a regional regulatory body for cross border trade, to be submitted to the national governments of the South Asian nations.

WORKSHOP RESULTS

As a result of this program, the participants:

- Exchanged best practices on the regulation of energy trade while building relationships;
- ➤ Identified the policies, legislation and regulations that best promote cross-border trading, focusing on terms and conditions for access to transmission capacity and cross-border tariffs;
- Noted the existing policy and regulatory obstacles to cross border energy sector investment and implementation, while discussing solutions;
- > Improved understanding of each South Asian country's current needs and interests in cross border trade; and
- Enhanced the economic, technical and policy skills of the delegates required to design and manage sustainable regulatory systems for cross border trade.

WORKSHOP PARTICIPANTS

Bangladesh

Mr. Mahboob Sarwar-E-Kainat Director General, Power Cell, Power Division Ministry of Power, Energy & Mineral Resources

Mr. A T M Mustafa Kamal Deputy Secretary, Energy & Mineral Resources Ministry of Power, Energy & Mineral Resources

Mr. Md. Aminur Rahman Managing Director Gas Transmission and Distribution Company

Mr. Md. Zakir Hossain Mazumder Director (Petroleum) & Director (Power) Bangladesh Energy Regulatory Commission

Ms. Mahbooba Panna Deputy Director Bangladesh Energy Regulatory Commission

Md. Harunur Rashid Deputy Director (Power) Bangladesh Energy Regulatory Commission

Mr. Nishit Kumer Assistant Director (Rules) Bangladesh Energy Regulatory Commission

Ms. Jebbunnesa Lecturer, Jahangirnagar University Mr. Md. Mustafizur Rahman Deputy Director Manager Bangladesh Power Development Board

Mr. Md Mizanur Rahman Director of System Planning Bangladesh Power Development Board

Mr. Md. Luthfar Rahman Director Account Bangladesh Power Development Board

Engineer. Nowshad Islam General Manager, Development & Planning

Mr. Md. Najim Uddin Director (P & D) Power Grid Company of Bangladesh Ltd.

Mr. Md. Mokhleshur Rahman General Manager (Project) Power Grid Company of Bangladesh Ltd.

Mr. Kazi Ashan Shafique General Manager (P & D) Power Grid Company of Bangladesh Ltd.

Mr. Arun Kumar Shaha Deputy General Manager (Planning) Power Grid Company of Bangladesh Ltd. Mr. Md. Abdus Salam
Deputy General Manager (Project)
Power Grid Company of Bangladesh Ltd.

Bhutan

Mr. Nima Tshering Acting Chief, Licensing & Technical Division Bhutan Electricity Authority

<u>India</u>

Mr. Shri Vijay Menghani Joint Chief (Engineering) Central Electricity Regulatory Commission

Mr. K K Arya Chief Engineer I/C (SP and PA) Central Electricity Authority

Mr. U.N. Panjiar Chairman Bihar Electricity Regulatory Commission

Mr. Tapan Kumar Chakrabarti Jt. Advisor (Enggn.) West Bengal Electricity Regulatory Commission

Mr. Rakesh Kumar Executive Vice President PTC India Ltd.

Nepal

Mr. Kalpa Mohan Soti

Senior Divisional Engineer Ministry of Energy

Pakistan

Mr. Sajid Akram Deputy Director (Tariff) National Electric Power Regulatory Authority

Sri Lanka

Mr. M.G. Abeywickrama Goonetilleke Director (Technical) Ministry of Power & Energy

Southern Africa

Mr. Elijah Sichone Executive Secretary Regional Electricity Regulators Association of Southern Africa

United States

Mr. Srinivasan "Padu" Padmanaban Director, South Asia Regional Initiative for Energy U.S. Agency for International Development/India

Mr. Amol Bhutad Project Management Specialist South Asia Regional Initiative for Energy U.S. Agency for International Development/India

Mr. Mathew Gebert Senior Program Coordinator U.S. Energy Association



The roundtable discussion following the presentation on the Southern Africa experience with cross border energy trade featured vigorous discussion and debate between the delegates from several South Asian countries.

For additional information on the workshop or SARI/Energy, contact USEA's Matt Gebert at mgebert@usea.org or +1-202-312-1271.