



## Regional Quarterly Update – July to Sept 2007

The USAID/SARI/Energy program promotes energy security in South Asia through three activities areas: (1) cross border energy trade, (2) energy market formation, and (3) regional clean energy development. Through these activities SARI/Energy facilitates more efficient regional energy resource utilization, works toward transparent and profitable energy practices, mitigates the environmental impacts of energy production, and increases regional access to energy. SARI/Energy countries include: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka.

### Energy Markets:

**New Delhi: Peer Exchange on India’s Current Market Structure**, July 16 – 20. The sixth executive peer exchange focused on current market & transmission structures took place in New Delhi, India, July 16-20, 2007. During the five-day exchange, representatives from government and private sector organizations of Bangladesh, Bhutan, Nepal, and Sri Lanka visited with the key market participants and policy makers in New Delhi and discussed India’s current energy market and policies that may affect bilateral trading between India and its neighbors.



The program included meetings with the Central Electricity Regulatory Commission who is responsible for creation of market rules and regulation of energy trading, National

Thermal Power Corporation who produces power for sale into the Indian power market, PTC India Limited who is the largest energy trader in India with sole authority to purchase power from neighbouring countries, Reliance Energy Trading, Power Grid Corporation of India Limited responsible for national grid operations, Central Electricity Authority responsible for transmission planning in India, the independent power producer Malana Power, and PricewaterhouseCoopers.

**Pakistan: Development of Competitive Power Markets Seminar**, September 10-11, 2007. The National Electric Power Regulatory Authority (NEPRA) sponsored a two-day Seminar on Development of Competitive Power Markets in Muree, Pakistan on September 10 and 11. PA provided a resource speaker to lead a presentation and discussion on Reliability Issues in Competitive Power Markets. The presentation was designed to familiarize stakeholders with the issues surrounding system reliability and present power market structuring to address these issues.



The Seminar was attended by approximately 75 participants who represent a wide range of stakeholders within Pakistan, including NEPRA, utility companies, transmission system executives, and other GoP officials, all of whom will play a key role in the market transformation.

**SARI/E trip to Afghanistan:** SARI/Energy Regional Program Manager, S. Padmanaban and Deputy Manager Sarbinder Singh visited Kabul from September 16-20, 2007. The trip focused on key areas where SARI/Energy may be able to support Afghan power sector development. These include:

- a. Corporatization and commercialization of the Afghan power sector institution - DABM
- b. Last mile power distribution
- c. Cross -border power imports
- d. Expanding rural energy access through DG systems



## Regional Quarterly Update – July to Sept 2007

### Clean Energy:

**Afghanistan: HOMER Training for Policymakers and Energy Managers**, September 3-7, 2007. National Renewable Energy Laboratory (NREL) supported this workshop in Agra, India, which was the third and final in a series of renewable energy for rural electrification workshops that NREL has been conducting for Afghanistan. Paul Gilman, who also conducted the previous two workshops, led this final workshop.

The workshop included the following components:

- HOMER user training with exercises, hands-on work, advanced topics sessions, and participant analysis presentations;
- HOMER train-the-trainer sessions with participant practice teaching sessions;
- Practical use of the Geospatial Toolkit and data from the NREL resource data CD developed for Afghanistan;
- Sessions facilitated by Indian renewable energy professionals on small hydro and wind power technologies and project development.



### Cross Border Infrastructure:

Sarbinder Singh visited Nepal from September 9-12, 2007. Among various meetings he had with private and public sector stakeholders, and the Mission, he met with the Clean Energy Development Bank (CEDB) to discuss the modalities of establishing an Equity Fund for hydropower development in Nepal and possible SARI/Energy assistance to structure such a fund. The CEDB has expressed its desire to act as the fund manager and work to

bring in other financial institutions and high net work individuals to participate in the fund.

### South Asia, Regional:

**New SARI/Energy Program Brochure** is under development and will be available end October 2007. SARI/Energy will provide copies of the brochure to all USAID missions for local distribution.

**South Asia Regional Energy Security Quarterly** is a new publication that will summarize key energy security and sector performance indicators for decision makers at energy companies, policy makers and local and regional energy analysts. The inaugural issue will be rolled out in November 2007.

### SARI/Energy activity plan for Oct-Dec 2007

#### Afghanistan

SARI/Energy Management and NREL have agreed to support a **wind measurement activity** in Afghanistan by providing components for wind measurement systems to be installed by Tony Woods, an independent consultant from New Zealand, working under an ADB subcontract. Towers installation should be completed by the end of the year.

SARI/Energy plans to organize a **visit to India by a USAID/Afghanistan mission team** in November or December. The team will include the responsible official from ICE/MoEW. The trip will involve:

- Meetings with the Ministry of External Affairs, Govt. of India. Separate meetings with the Ministry of Power, GoI.
- Visit to key corporate management training centers and utilities to discuss governance and corporatization training for senior MoEW and DABM executives
- Visits to select DRUM training institutions to assess the possibility of organizing distribution reform training programs for various levels of DABM officials.
- Meetings with key utilities in Delhi, Mumbai and/or Kolkata to discuss prospects of twinning arrangements for the purpose of providing hands-on training and practical exposure to Afghan



## Regional Quarterly Update – July to Sept 2007

---

power sector officials on key corporate, business and utility technical functions.

### Bhutan

**Analysis of a Successful Cross Border Power Project: the Bhutan – India Experience**, October 29 – November 3. Energy executives from Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka will participate in an executive exchange to Bhutan October 29 – November 3 to examine the intergovernmental process and agreements leading up to the Tala Hydroelectric project in Bhutan – the first successful cross border electricity exchange project in South Asia. Delegates will examine the formation of the joint venture, the financing and contracting that supported the cross border electricity exchange, along with the management and operations, including the load dispatch center in Bhutan that controls the power flow to India. By examining the Bhutan – India cross border exchange of electricity, executives will gain a better understanding of the mechanisms and policies necessary for a successful exchange of electricity in South Asia. After learning in depth about the organization, operation and development impacts of the individual players in the Bhutan – India exchange, the delegates will have the opportunity to identify potential actions and practices that might be applicable to the power sectors of their own South Asian countries.

### India

**Electricity Planning and Portfolio Management.** Two-day training program that will provide an introduction to planning functions, mechanisms, and portfolio management in open and competitive electricity markets. Training will be held in Delhi in November, and will be open to attendees from all SARI/Energy countries.

### Nepal

**Workshop on India's Current Market Structure**, December 2007. Executives from Nepal utilities, regulatory agency and government will participate in a two-day workshop to review India's current electricity market structure discuss policies that may affect bilateral trading between India and Nepal. Presentations will be provided by Central Electricity Regulatory Commission; National Thermal Power Corporation, and Power Grid Corporation of India Limited.

### Sri Lanka

**Workshop on India's Current Market Structure**, December 2007. Executives from Sri Lanka utilities, regulatory agency and government will participate in a two-day workshop to review India's current electricity market structure and discuss policies that may affect bilateral trading between India and Sri Lanka. Presentations will be provided by Central Electricity Regulatory Commission; National Thermal Power Corporation, and Power Grid Corporation of India Limited.

### Regional

**Seminar on Global Energy Markets, December 2007.** The seminar will focus on global oil and gas markets, how they affect South Asia's economies, and how the countries can coordinate to insulate themselves against shocks in the global market. The event is tentatively planned for December 2007 in New Delhi.

**For more information:** [www.sari-energy.org](http://www.sari-energy.org)

Regional Program Manager: S.Padmanaban:  
[spadmanaban@usaid.gov](mailto:spadmanaban@usaid.gov)  
Regional Program Administration: Mercy  
Thomas, [methomas@usaid.gov](mailto:methomas@usaid.gov)

Telephone: 91 11 2419 8000  
Fax: 91 11 2419 8612  
American Embassy,  
Shantipath,  
Chanakyapuri,  
New Delhi 110021