



Regional Quarterly Update – July to Sept 2008

The USAID/SARI/Energy program promotes energy security in South Asia through three activity 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 towards 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. SARI/Energy Implementing Partners include PA Consulting Group (PA), The United States Energy Association (USEA) and National Renewable Energy Laboratory (NREL).

SARI/Energy provides support to partners and stakeholders on pre-feasibility studies, technical assistance, advisory services, training, peer exchanges, mapping and project development in each of the three core areas.

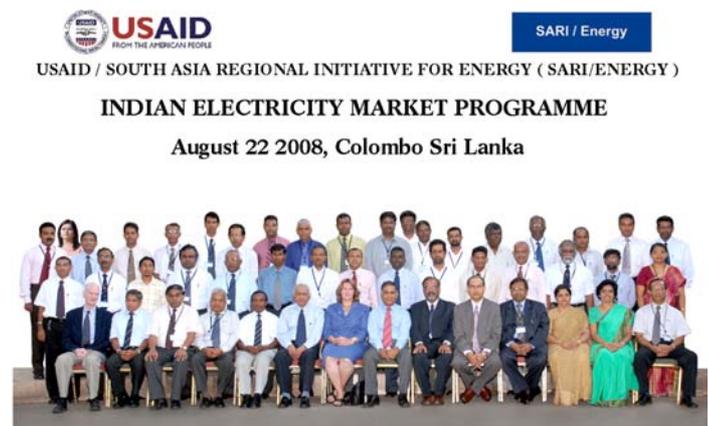
Electricity Market Development Program (EMDP)

This introductory program to Electricity Market Development was conducted in Nepal, Bangladesh, and Sri-Lanka in August. A wide range of participants were exposed to the basic topics essential for sound electricity market structure and design. Key topics included: competition, market power, transparency and governance, wholesale electricity trading, and connecting market prices or power procurement costs with end-user tariffs. The main objective was to develop participants' understanding of basic concepts related to electricity market design such as pricing and contracts, energy and reserve markets, capacity mechanisms, creation of enabling environments for investments in generation, commercial decisions and trading, system operation and coordination of a multi-participant sector, market administration and short term energy markets, priority of reliability and quality of service over independent commercial arrangements, settlement, and compatibility between end consumer tariff regulation and wholesale market prices and efficient procurement costs. The program was delivered by the Energy Market Group (EMG), USA.

EMDP, 18 – 20 August, Bentota, Sri Lanka



A supplementary one-day program on the India Electricity Market was conducted in Nepal and Sri Lanka; jointly organized by PA CONSULTING and USEA and presented by Indian speakers from Power Grid Corporation of India Limited (POWERGRID), Central Electricity Regulatory Authority (CERC) and Power Trading Corporation (PTC).



Nepal Social Merchant Bank Model Reconnaissance Study

Small Scale Sustainable Infrastructure Development Fund (S3IDF) conducted a reconnaissance mission to Nepal during August to develop the concept for adapting the S3IDF Social Merchant Bank Model for Nepal. In cooperation with the Centre for Rural Technology, Nepal (CRT/N), a report of findings was issued and is currently being reviewed by various stakeholders.



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Regulatory and Policy Framework for Market Development for Renewable Energy – Bangladesh Attendees

PA facilitated (3) delegates from Bangladesh to attend the two day Regulatory and Policy Framework for Market Development for Renewable Energy program conducted by World Institute of Sustainable Energy (WISE) in New Delhi India, 23-24, July, 2008



SARI/Energy Program Brochure

PA is updating the next year SARI/Energy Program Brochure which would highlight the events of 2008. This is expected to be published by the end of 2008

Energy Security Quarterly Report (ESQ) II, July edition

PA published the second edition of ESQ II in July 2008. The report is focused on Coal as a resource. Coal being relatively abundant resource in South Asia, and is a widely utilized fuel for power generation, thus coal is at the center of potential cross-border trade in electricity in South Asia. The ESQ was briefly discussed at the Regional Clean Coal Partnership Program at Kolkata.

Nepal Hydro Equity Fund Launch

PA continued providing technical assistance to the Clean Energy Development Bank (CEDB) on the design and structure of the proposed hydro equity fund. The Bank is planning to roll out the fund to investors later this year.

Regional Centre for Excellence in Energy Efficient Lighting, Sri Lanka

PA, along with staff from the Lighting Research Center Rensselaer Polytechnic Institute (LRC-RPI) conducted a week long field trip to Colombo to meet with stakeholders and define the establishment of a Regional Centre for Excellence in Energy Efficient Lighting in Colombo Sri Lanka. A report of findings was issued and is currently being reviewed by Stakeholders. Staff from the Sustainable Energy Authority (SEA) traveled to the LRC-RPI to work on a final business plan for the Centre.

India - Sri Lanka Submarine Cable

USAID and PA met with the Ceylon Electricity Board (CEB) and discussed technical assistance to CEB for a transmission interconnection system stability study. SARI/Energy will be providing this technical assistance to CEB once the MOU between India and Sri Lanka is in place.



Signing of MOU between USAID and Royal Government of Bhutan, July 10, 2008

An MOU was signed between USAID/SARI/Energy and the Royal Government of Bhutan to implement Solar and Wind Resource Assessment Project in Bhutan. The signing ceremony was held at Thimphu on July 10, 2008 by the USAID/India Mission Director, and Department of Energy, Ministry of Economic Affairs, Bhutan. This Project will help Bhutan to identify and obtain wind and solar measurement data.





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Regional Clean Coal Partnership Program

16 -19 Sept, 2008, Kolkata, India

The program focused on establishing a Regional Clean Coal Partnership (RCCP) in South Asia. The RCCP Program was a 4 day event comprising a 2 day workshop followed by 2 days of field visits to coal mines, coal research institutions and coal power utilities. Participants came from major coal producing and consuming countries, the US Embassy, US Department of Energy (USDoE), the US Office of Surface Mining Reclamation & Enforcement, Ministry of Coal, Government of India, Coal India Ltd., The Energy & Resources Institute (TERI), National Thermal Power Corporation Ltd, Neyveli Lignite Corporation Limited, and private sector participants such as Calcutta Electricity Supply Corporation (CESC) Ltd.



CASA 1000 Pakistan Advisory Services

PA provided ongoing technical assistance to the Government of Pakistan with evaluation of the proposed CASA 1000 high voltage transmission project from Central Asia. The formal Inter-Governmental Agreement was signed in August and PA has assembled an advisory team of technical, financial, and legal advisors to assist the Pakistan working group, constituted under the Ministry of Water and Power. A project kick-off meeting with MoWP and PA advisors was held in Islamabad in September.

Executive Exchange on Coordinated Cross Border Transmission of Electricity – an Examination of the European Union, September 22 – 26, 2008. Brussels, Belgium

Executives from Bangladesh, India, Nepal, Pakistan, and Sri Lanka participated in this five-day program to examine the cross border exchange of electricity in the European Union. Delegates examined standards for system

operation, procedures to monitor the compliance of standards in order to ensure that the TSO community keeps credible in its commitment to reliable operation of the interconnected system, mechanisms for synchronous interconnection, and techniques for maintaining security and reliability of an interconnected system. Delegates met with the Union for the Co-ordination of Transmission of Electricity (UCTE) who coordinates the interests of transmission system operators in 24 European countries and the European Commission Directorate-General Energy and Transport responsible for transport and energy policies, and financial support programs for the trans European networks. Presentations were also provided by utilities, regulators, market operators, and support organizations that facilitate electricity trade and cross border connection in the region



Solar and Wind Resource Assessment for Bhutan

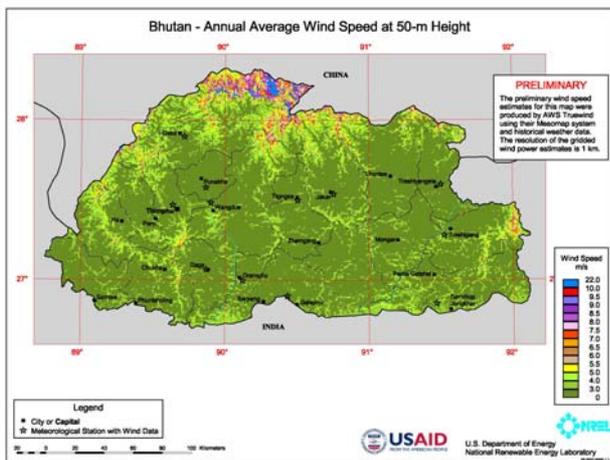
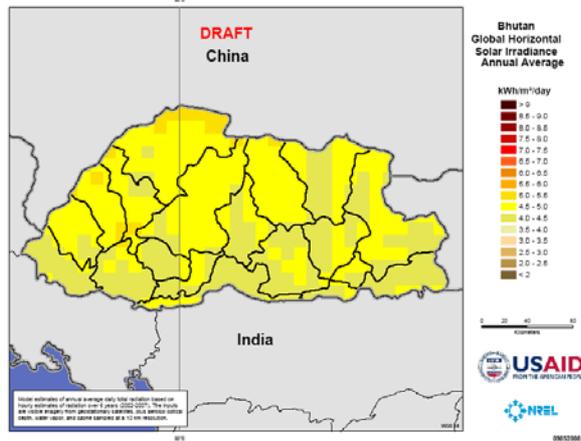
The US Department of Energy's National Renewable Energy Laboratory has developed preliminary maps of the solar and wind resources available in Bhutan. These results were developed using numerical models by NREL partner agencies State University of New York at Albany and AWS True Wind. These preliminary results will be validated by NREL resource assessment experts in the coming months and the final maps will be released by the end of this year. These products will increase understanding of wind and solar resources available in Bhutan for off-grid and grid-tied applications. This data will be the basis for a Geospatial Toolkit (GsT) for Bhutan, which allows policy makers, developers, and others to investigate the wind and solar resources in relation to other geospatially relevant features. The GsT also links the solar and wind resource data to HOMER, NREL's micro power optimization model. The data and tools will serve as the basis for a NREL-led training event to be held next year with Bhutanese stakeholders.



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Forthcoming SARI/Energy activities

SOUTH ASIA WOMEN IN ENERGY (SAWIE) 17 – 19, Nov, 2008, Dhaka Bangladesh

The next Women in Energy workshop will be organized and sponsored by the Bangladesh Renewable Energy Association in Dhaka. Four working committees have been formed by SAWIE to set the agenda for the program:

- Gender Streamlining/Gender Auditing Committee.
- Micro Finance/Income Generation Committee
- Capacity Building/Best Practices/Information Sharing Committee
- Renewable Energy Technology And Green Architecture Committee

Representatives from all participating SARI/Energy countries are expected at this regional event. The full program is posted on the SARI/Energy website.

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