

# South Asia

*Strategy for Transitioning South Asia from Bilateral to Trilateral to Multilateral Power Trade & Development of Competitive Regional Power Market in South Asia Region.*

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## *Cross Border Power Trade Figures*

Year	Import from Bhutan(MU)	Export To Nepal(MU)		Export to Bangladesh
		Through Bihar	Through NVVN	
2014-15	4926.04	1009.79	0	3346.60
2015-16	5427.04	1210.57	76.00	3764.00
2016-17	5810.27	1197.00	666.00	3782.00
2017-18	5072.08	1362.87	944.74	3964.30
2018-19	4395.87	1335.62	1340.43	4808.11

## Current Status

- Total Power Transaction is around 1% of India's gross generation
- Adequacy of transmission system is still to be achieved.
- Per capita consumption is much below than desired
- Commercial & financial instruments are case specific
- Common Regulatory frame work is absent.
- Power Flow is mostly Unidirectional & except isolated cases.
- Asynchronous mode of operation
- Absence of proper market mechanism

# Issues & Challenges

- **Cultural Issues**
- **Technical Issues**
- **Economics & Commercial Issues**
- **Institutional Issues**

# Cultural Issues

- Population of 1.891 Billion
- Diversity in the Culture, Religion & ethnicity
- 650 Languages are spoken
- Respecting Regions unique circumstances
- Country specific Priorities
- Lack of Trusts & non co-operations
- Diversified Priorities

# Technical Issues

- **Technical health of Discoms**
- **Uniformity in Regulations**
- **Harmonisations of Technical Standards (Grid Codes)**
- **Adequacy in wheeling Capacity & Uniformity in Wheeling Charges**
- **Third Party Access to External Resources**
- **Transparency in Data & Sharing**
- **Multi point Dispatching with smaller wheeling capacities.**

# Commercial Issues

- Diversity in Economic standards
- Poor Billing & Collection efficiencies
- Weak Financial Health of Discoms.
- Securities & Guarantees
- Lack of Demand
- Lack of growth Avenues

# Institutional

- Single Institutional arrangement are yet to be in place
- Robust & uniform settlement & Payment mechanism
- Standard Dispute resolution Mechanism



# Way Forward

- Building the trust among Governments & People.
- Comprehensive growth Strategy- Creating Demand
- Robust Institutional frame works
  - Harmonising Bilateral models
  - Providing a Secondary Trading model
- Designated Authorities & Settlement Nodal Agencies
- Transmission & Distribution network augmentations
- Exploitation of Diversified Natural Resources
- Removing Bottlenecks in third party investments.
- Capacity Buildings
- Creating an dynamic & Vibrant Power Market
- Proper framework for Addressing Grid Security issues
- Mitigation of Commercial Issues
- Common Regulatory Frameworks for regulations & Dispute redressal

*A good Neighbour is a luck  
But a Prosperous Neighbour  
is bliss.*

*Thank You!*