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.

-P K JENA (ADDL. GM, NVVNL)
<table>
<thead>
<tr>
<th>Year</th>
<th>Import from Bhutan(MU)</th>
<th>Export To Nepal(MU)</th>
<th>Export to Bangladesh</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Through Bihar</td>
<td>Through NVVN</td>
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<tr>
<td>2014-15</td>
<td>4926.04</td>
<td>1009.79</td>
<td>0</td>
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<tr>
<td>2015-16</td>
<td>5427.04</td>
<td>1210.57</td>
<td>76.00</td>
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<td>2016-17</td>
<td>5810.27</td>
<td>1197.00</td>
<td>666.00</td>
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<td>2017-18</td>
<td>5072.08</td>
<td>1362.87</td>
<td>944.74</td>
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<td>2018-19</td>
<td>4395.87</td>
<td>1335.62</td>
<td>1340.43</td>
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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 framework 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!