

Concept Paper

Webinar on "Cross-border Electricity Trade in SAARC Countries" – Second Session

Background:

South Asian countries which are facing challenges in meeting growing electricity demand, can benefit from increase in cross-border electricity cooperation and trade by harnessing complementarities in electricity demand patterns, diversity in resource endowments for power generation and gain from larger market access. It is important for SAARC member states to have power interconnections with neighboring countries for stable base load supply, energy diversification and climate change mitigation.

There is vast potential for regional energy cooperation which would improve the utilization of existing resources, development of future energy resources and regional energy security. Countries could benefit by developing their generation capacities in an integrated manner. Regional trade in electricity would benefit in optimal utilization of regional electricity generating resources, enhance grid security and electricity trade arising from diversity in peak demand and seasonal variations. Currently, most of the power transmission and trade are bilateral in nature, however the trend is shifting towards involvement of private sectors as well. Some trade in electricity sector is happening among some member states but these cooperation needs to be widened up throughout SAARC member states i.e. multilateral.

Introduction:

SEC, under its thematic area of "Program on Energy Trade between SAARC countries" (PENT), conducted a webinar on "Cross Border Electricity Trade in SAARC Countries" in March 2020. However, given the importance of the subject, SEC is organizing the second webinar on this topic. The webinar will be two hours activity and will consist of presentations from experts from inside and outside SAARC region who will share their experience on cross border electricity trade outside SAARC region.

In this webinar experts will share on current status, barriers, absence of cross border regulatory commissions, importance of SAARC power exchanges, impact of national electricity sector policies, transmission pricing, energy metering, accounting, clearing and payments. The webinar will share suitability, viability and other aspects of the regional trade with reference to businesses, government officials, investors, and project developers. The motive is to educate participants on cross border trade of electricity among the South Asian countries.

Objectives:

The objective of the webinar is to share the information on the Cross-Border Electricity Trade in South Asia to the participants and sensitize the policy / decision makers on the importance and benefits of such trade.

Major Aspects /Topics to be covered during the Webinar:

The following aspects of CBET shall be covered in the webinar:

1. Dissemination of the knowledge on cross border electricity trade
2. Discuss the operation of power exchanges and way forward for regional power exchanges
3. Energy trade in short, medium and long term

4. Discussion on optimal utilization of regional electricity generating resources, enhance grid security, and electricity trade arising from diversity in peak demand and seasonal variations
5. Expected challenges and their solutions
6. Knowledge sharing and interactive discussions

Relevance, Coherence and Sustainability:

The proposed webinar is relevant to the primary objectives of SEC to promote cross border electricity trade in the region. SEC, in the past, had conducted a training workshop on “Simulated Power Market System/Power Exchange”. Through this webinar, SEC shall enhance knowledge of participants on the concept of cross border electricity trade. This will in turn give multiple benefits i.e., create awareness among the participants on the existing cross border trade in electricity in the region. Expectation is high to have a very good discussion and analysis on this important energy issue facing the region. The webinar will also cover the discussion on potential for future network expansion and ways to overcome energy shortages, enhance grid security and future expected challenges on cross border electricity trade.

Potential Professional Resource:

The experts/speakers having experience in cross border electricity trade from the region shall be engaged during the webinar. They shall deliver their presentations during the webinar and respond to questions by the participants.

Venue of the Webinar:

The Webinar shall be broadcasted from the office of SAARC Energy Centre on 11th August, 2020.