

Minutes of the first meeting (Virtual) of SAFIR Joint Working Group (JWG) “To study, formulate and recommend for facilitating Power trade development in South Asia” held on 21st August 2020 at 5.00 PM

The following were present:

1. Mr P.K.Pujari, Chairperson, Central Electricity Regulatory Commission, India
2. Mr I.S.Jha, Member, Central Electricity Regulatory Commission, India
3. Mr SamdrupThinley, CEO, Bhutan Electricity Authority
4. Professor Kithsiri M Liyanage, Chairman, Public Utilities Commission of Sri Lanka
5. Mr Mohammad Bazalur Rahman, Member, Bangladesh Energy Regulatory Commission
6. Mr Dilli Bahadur Singh, Chairperson, Electricity Regulatory Commission of Nepal
7. Mr. RV Shahi, Sr Energy Advisor, World Bank
8. Dr. S K Chatterjee, Chief (Regulatory Affairs), Central Electricity Regulatory Commission, India
9. Mr. Gailius J. Draugelis, Lead Energy Specialist, Energy Sector Unit South Asia Infrastructure, The World Bank, Washington, DC Office
10. Ms. Rashmi Nair, Deputy Chief (Regulatory Affairs), Central Electricity Regulatory Commission, India
11. Mr. Arun Kumar, Assistant Secretary, FOR, India
12. Mr.Firoz Zaman, Dy Director BERC

Mr. Gailius J. Draugelis, representative of World Bank welcomed all members to the first meeting (Virtual) of SAFIR Joint Working Group (JWG) on the said subject and provided a brief about the agenda of JWG Meeting and requested Shri P K Pujari, Chairperson of CERC and Guest speaker to give his opening remarks .

Mr P.K.Pujari, Chairperson, CERC stated that SAFIR is a good platform to concretize co-operation among SAFIR members and emphasized the need for extending bilateral cooperation into a multilateral cooperation in the electric and power sector. He thanked Mr R V Shahi , Sr Advisor of the World Bank for bringing in the support of World Bank to this Joint Working Group. He recalled the genesis of this initiative of World Bank which stemmed from the World Bank supported Round Table of Power Secretaries of neighbouring countries and stated that large possibilities could be opened up for development of regional power market in South Asia. He also emphasized on the need to harmonize rules and regulations of individual countries to a level which facilitates cooperation and puts in place a minimum institutional framework for implementation. He suggested that SAFIR member countries should take full advantage of natural resources and market complementarities which exist among different countries of the region. He further added that despite geo political issues, the Regulators could agree to work individually and collectively. He thanked the Joint Working Group for inviting him to the meeting.

Item No/Agenda No. 1: Decision on Chairman and Convener for the Joint Working Group

- Mr. Gailius J. Draugelis of the World Bank sought suggestions for Chairman and Convener of the working group. Mr. Mohammad Bazalur Rahman, Member, Bangladesh Energy Regulatory Commission proposed Professor Kithsiri M Liyanage, Chairperson of Public Utilities Commission of Sri Lanka (PUCSL) to be the Chairman of the Joint Working Group. Similarly, Mr. I.S. Jha, Member, CERC proposed Dr S K Chatterjee, Chief (RA), CERC to be the Convener for the Joint Working Group. All members endorsed the proposals unanimously.
- Professor Kithsiri M Liyanage, Chairman of the JWG stated that there was a need to define the role of regulators for market operations and market environment as different regulators may provide different ideas. He also supported the suggestion given by Mr P.K.Pujari, Chairman, CERC emphasizing the need for harmonization of rules and regulations. He maintained that there was scope to learn from experience elsewhere and adaptation on these lines is required for the South Asian region. Thereafter, Mr Liyanage invited other members to share their comments.
- Mr I.S.Jha , Member, CERC highlighted the need for optimum utilization of natural resources in South Asian region. He also underscored the importance of integration of renewable energy resources. He apprised about Cross Border Trade of Electricity Regulations notified by CERC, operationalisation of Real Time Market, functioning of power exchanges and emphasized on the need for multilateral cooperation. He also said that there was a need for high level coordination for alignment of policy and common grid code for promotion of cross border trading. Interconnection among neighboring countries is the first requirement for cross border trading. Next step should be examining the existing regulations and aligning them for promoting the regional trade.
- Mr Mohammad Bazalur Rahman, Member of Bangladesh Energy Regulatory Commission emphasized on the requirement of common minimum grid code and advised the WG to focus on the formulation of the same.
- Mr Dilli Bahadur Singh, Chairman of Electricity Regulatory Commission of Nepal said that the Members have to work together for a win-win approach for all and this forum will be a good platform for development of common regional grid code. He also proposed that there may be a need to hire technical experts to support the working group on the formulation of common grid code.
- Prof Liyanage, Chair of the JWG stated that the WG could consider other issues such as international energy trade, response of the Government and how regulators can contribute to the same. He also remarked that Sri Lanka, not being connected with any network in the South Asian region, may like to initiate work in this field as previously they were having a dialogue on similar lines with World bank . He also stated that the Working Group may start work on harmonizing technical aspects.

- After the comments from the members of the Working Group, the Chair proposed to include the current status of the Grid Code for respective countries as an agenda item for the next meeting.

Item No/Agenda No. 2: Finalising the Terms of Reference (TOR)

- Ms. Rashmi Nair, Dy Chief (RA), CERC presented the TOR of Working Group.
- It was informed that USAID had, in the past extended support to SAFIR in evolving the common grid code. The need for technical support to evolving common market design for South Asian Region was also emphasized.
- After discussion, it was suggested that USAID could be requested to provide technical assistance for common grid code and review of other regulations and policies in the region; and the World Bank could be requested to extend support in evolving common market structure and design for the region.
- Mr. Gailius J. Draugelis , World Bank representative informed the JWG that World Bank shall support the meetings of the Working Group, especially the first few meetings, in one or more of the BBIN locations which would include the travel, hotel accommodation, and arrangement of meetings. It would also work with the Working Group to identify modalities and extent of support with other Development Partners for meetings and technical support.
- Meeting concluded with vote of thanks to Chair
