

ASIA CLEAN ENERGY FORUM 2019

PARTNERING FOR IMPACT

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Deep Dive Workshop

Friday, 21 June 2019, 9:00 a.m. – 5:30 p.m.

Multifunction Hall 2

Next-gen Utilities for a Smart Energy Future



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Background

Most of the economies in South and Southeast Asia region are now witnessing a paradigm shift in the power distribution sector, which is being driven by increased viability of distributed renewable energy (RE) sources, plans for proliferation of new electricity loads like electric vehicles (EVs) and increasing consumer centricity of utilities driven by enablement of two-way power flows. Incorporating these transformations not only have operational and financial implications but also require structural changes in order to sustain the transition. Nations across the region have identified distribution grid upgrades and automation as key solutions and are committing themselves in implementing these initiatives at a national-scale through both operational and structural measures.

Some of the identified and currently implemented measures across the region include:

- Large scale roll-out of Advanced Metering Infrastructure and focus on implementation of smart infrastructure
- Schemes and programs for enabling financial and operation turnaround of utilities.
- Liberalization of electricity retail markets and mechanisms for increasing private sector participation in electricity distribution
- Programs and incentives for accelerating implementation of DERs and grid-connected RE

While few of the utilities across the region have advanced in their grid modernization maturity curve, most are still in the early stages of their transition towards a clean and smart energy future and are seeking viable and innovative solutions to accelerate on this path. Therefore, in this context, planning and implementation experiences from different parts of the world (both developed and developing nations) could provide a great learning opportunity for utilities across the Asian region to develop and implement new, holistic approaches to manage the electrical grid of the future and deliver cleaner, reliable, quality and affordable electricity for all.

Objective

This DDW will provide participants, particularly those from developing countries, an opportunity to gain insights on:

- 1) Distribution reform options for ensuring sector viability in the new energy paradigm including experience sharing
- 2) Innovations and best practices for transforming utility to smart grids in areas of technology selection, business models and consumer engagement and participation schemes
- 3) Opportunities and models for scaling-up rooftop PV solutions
- 4) Power market design options and role of associated institutions

This would enable policy makers, utilities and participants to learn from the experiences of both developed and developing economies for efficient and viable operation of the power sector which is centric to customer needs. It will also foster regional cooperation, support networking and build business opportunities in the area of smart power distribution.

Agenda

- 8:30-9:00** Registration
- 9:00-9:35** Inaugural Session
- 9:00- 9:05 Welcome Address – Michael Satin, Director-Clean Energy & Environment Office, USAID
- 9:05-9:15 Special Remarks- Priyantha D C Wijayatunga, Director, South Asia Energy Division, ADB
- 9:15-9:25 Special Remarks – Alastair Totty, Charge d’Affaires, British Embassy Manila
- 9:25-9:35 Key Note Address - Gloria D. Steele, Acting Assistant Administrator, USAID
- 9:35-9:40 Vote of Thanks- Michael Satin, Director-Clean Energy & Environment Office, USAID
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- 9:40-11:00** **Session 1: Distribution reforms in the changing utility paradigm**
Chair: Jiwan Acharya, Principal Energy Specialist, South Asia Energy Division, ADB
(session moderated by Chair)
- Session Brief:** A number of initiatives related to financial turnaround schemes, strengthening of electricity network, private participation models in distribution companies, etc. are being undertaken by different countries for improving the operational and financial performance of the electricity distribution companies. However, there is a need to complement these with comprehensive structural reforms focusing on liberalizing the sector, increased private sector investments, etc. for accelerating the improvement and sustenance of the same over time.
- The speakers in this session will focus on the following aspects:
- Experience on structural changes including retail competition (choice to customer) and private sector participation
 - Experience on financial and operational turnaround schemes implemented for power distribution companies
- 9:40-9:50 Distribution reforms- Context setting (Vikas Gaba, Partner, KPMG in India)

- 9:50-10:00 Distribution sector reform programs of India (Vishal Kapoor, Director-Distribution, Ministry of Power, India)
- 10:00-10:10 Distribution sector reforms in Nepal (Bodha Raj Dhakal, Project Manager, Nepal Electricity Authority)
- 10:10-10:20 Future of distribution utility in energy transition (Kavita Sinha, Regional Director for South and East Asia, European Climate Foundation)
- 10:20-10:30 Distribution sector reforms – Learnings from Nigeria (Dr. Natalia Kulichenko, Lead Energy Specialist, World Bank)
- 10:30-10:40 Private sector participation in electricity distribution in Philippines (Meliesa L. Robante, Institutional Services Department Manager, DASURECO)
- 10:40-10:50 Electricity retail competition – Lessons and experience of UK (Mark Mills, Principal Legal Adviser, Ofgem)
- 10:40-11:00 Q&A, Discussion

11:00-11:10 Tea Break

11:10-12:30 Session 2: Smart infrastructure for efficiency and customer centric operation

Chair: Vishal Kapoor, Director-Distribution, Ministry of Power, Govt. of India (session moderated by Chair)

Session Brief: In order to sustain and support the structural changes in the new energy paradigm, a transition to ICT enabled smarter grid becomes critical. A smart energy system would help deliver electricity more effectively and efficiently than the systems of today by enabling real time grid visibility and control and empowering consumers with greater control and choices.

The speakers in this session will discuss on their experience (challenges, learnings, benefits) in deploying smart technologies for enabling operational, financial and social benefits, including integration of new electricity loads. The discussion would also focus on potential business models for accelerating investments in smart grid technologies, considering the current constraints on resource and financial capability. Specifically, session would include experience sharing on:

- Smart grid business models and technologies – key use cases and tools for informed investments
- Digital initiatives to enhance customer experience and participation
- Serving new electric loads – Business models for smart EV Charging infrastructure (including G2V and V2G interactions)
- Frameworks for institutional strengthening and skill up-gradation in a smart energy future

- 11:10-11:20 Smart infrastructure- Setting the Context (Apurva Chaturvedi, Sr. Clean Energy Specialist, USAID/India)
- 11:20-11:30 Global energy technology & policy landscape- lessons learned and best practices for developing nations (Dr Natalia Kulichenko, Lead Energy Specialist, World Bank)
- 11:30-11:40 Innovations for a customer centric future utility (Hendrik Tiesinga, Chief Strategy Officer, New Energy Nexus)

- 11:40-11:50 Business Model & Financing Innovations for Accelerating EV charging Infrastructure for Developing Nations- Indian Case Study (Aanchal Kumar, Officer Environment, Energy Efficiency Services Ltd (EESL))
- 11:50-12:00 Thailand's Energy 4.0: Experience sharing on electric vehicle, smart grid and energy storage and SPP hybrid (Ingo Puhl, Managing Director, South East Asia, South Pole)
- 12:00-12:10 Best Practices in Consumer Engagement and Participation for Smart Grid and EE - UK Case Study (Eloise Burnett, Manager, Carbon Trust)
- 12:10-12:30 Q&A, Discussion

12:30-13:40 Lunch Break

13:40-15:00 Session 3: Power Market Design and Role of Associated Institutes

Chair: Nishant Bhardwaj, Energy Adviser, DFID India (session moderated by Chair)

Session Brief: Efficiently designed Power Markets can serve as an alternative mechanism for supporting both existing capacities and creating new pipelines of capacity. However, the current market mechanisms in most emerging economies of Asia, need to evolve beyond the reliance on just bilateral and Day-Ahead Market (DAM) for effective market operations. In this regard, Real Time Markets (RTM) and Ancillary Services (AS) can play a significant role in improving reliability and control, particularly in view of increasing share of intermittent and variable RE. However, even if the technical abilities exist to implement more advanced market designs, the current readiness of the utilities and their operating realities limit the possibilities of a rapid transition to deep markets in a short period. Hence, the operational practices and role of the utilities and associated institutes need to be re-designed/evaluated for improving efficiencies and enabling their active participation efficiencies in wholesale markets.

Session participants would thus discuss on their experience in implementing real time market design, RE forecasting and scheduling models, CFDs, Capacity Markets, balancing and ancillary services, etc. Specifically, session would include experience sharing on:

- Real time markets design
- RE forecasting and scheduling
- Feed-in Tariffs with Contracts for Difference¹
- Capacity Agreements (within a capacity market)²
- Balancing and Ancillary Services
- Role of associated institutes

- 13:40-13:50 Power market design- Context and theme setting (Anish De, Partner, KPMG in India)
- 13:50-14:00 Country experience in Power market design (Joanne Dixon, Senior Transactions Advisor, MRC Consultants & Transactions Advisers*)
- 14:00-14:10 UK's experience in design of wholesale energy markets (Mark Mills, Principal Legal Adviser, Ofgem)

¹ Long-term contracts which provide revenue certainty to investors in low-carbon generation such as renewables, nuclear etc.

² Payments for reliable capacity to be available when needed, helping to ensure security of supply.

- 14:10-14:20 Design of real time wholesale electricity markets and institutional mechanisms to enable implementation - Learnings from Singapore (Sustainable Energy Association of Singapore/ Energy Market Authority, Singapore)
- 14:20-14:30 Practices in new electricity market design to address the 21st century challenges- Lessons from Nordic Power Market (Hans-Arild Bredesen, CEO, Nord Pool Consulting AS)
- 14:30-15:00 Q&A, Discussion
- 15:00-15:30 **Tea Break**
- 15:30-17:00 **Session 4: The Future of Rooftop PV: Prospects for Self-Consumption and Peer-to-Peer Energy Trading**
Chair: Abhishek Ranjan, Additional Vice President and Head Renewable, BSES Rajdhani Power Limited (session moderated by Chair)

Session Brief: The rapid decline in costs of solar and wind power, energy storage and more broadly smart grid technology is set to facilitate the growth of distributed PV (DPV) solution around electricity networks. However, proliferation of distributed PV poses unique challenges to utilities, who often fear loss of revenue - which could possibly be a barrier to deployment. But despite the potential revenue impacts, DPV can provide a significant business opportunity for utilities.

The speakers in this session will discuss on their experience in deployment of DPV and approaches that allow utilities to participate in the rooftop PV revolution. Additionally, drawing from experiences in Bangladesh, Thailand, Malaysia, and the Philippines.

Specifically, the session would include experience sharing on:

- Innovative Utility Business Models for the Future of Rooftop PV
- Net Metering for Self-Consumption
- Retail electricity rates and DPV compensation mechanisms
- Peer-to-Peer Energy Trading
- Costs and benefits of distributed solar from various stakeholder perspectives

- 15:30-15:40 Setting the Scene: Emerging Distributed Generation Trends, Opportunities, & Challenges (Jaquelin Cochran, NREL)
- 15:40-15:45 Setting the Scene: Rooftop PV Challenges and Opportunities for the South and Southeast Asia (Supawan Saelim, USAID Clean Power Asia)
- 15:45-15:55 Sharing Country Experience from Bangladesh: Rooftop PV-Experience and learnings from Bangladesh (Ms. Salima Jahan, Sustainable and Renewable Energy Development Authority (SREDA), Bangladesh)
- 15:55-16:05 Sharing Country Experience from the Philippines: The Net Metering Program in the Philippines (Ms. Aileen Dalanon, Meralco)
- 16:05-16:15 Sharing Country Experience from Thailand: Peer-to-peer energy exchange via blockchain pilot in Thailand—a Utility’s perspective (Mr. Kirapat Jiamset, Metropolitan Electric Authority (MEA), Thailand)
- 16:15-16:25 Sharing Country Experience from Malaysia: The transition towards a Net-Energy Metering Program and a New Roadmap towards Peer-to-Peer Energy Trading (Dr. Wei-nee Chen, Sustainable Energy Development Authority (SEDA), Malaysia)

16:25-17:00 Discussions and Q&A about challenges and opportunities for the future rooftop PV in ASEAN (moderated by panel chair or USAID India)

#Tentative

**Invited- To be confirmed*

About the Organizers

1. **USAID** leads international development and humanitarian efforts to save lives, reduce poverty, strengthen democratic governance and help people progress beyond assistance. USAID carries out U.S. foreign policy by promoting broad-scale human progress at the same time it expands stable, free societies, creates markets and trade partners for the United States, and fosters good will abroad. USAID works in over 100 countries to:
 - Promote Global Health
 - Support Global Stability
 - Provide Humanitarian Assistance
 - Catalyze Innovation and Partnership
 - Empower Women and Girls
2. **DFID** leads the UK's work to end extreme poverty. We are tackling the global challenges of our time including poverty and disease, mass migration, insecurity and conflict. DFID's work is building a safer, healthier, more prosperous world for people in developing countries and in the UK too. DFID's priorities include:
 - Strengthening global peace, security and governance
 - Strengthening resilience and response to crisis
 - Promoting global prosperity
 - Tackling extreme poverty and helping the world's most vulnerable
 - Delivering value for money
3. **ADB** in partnership with member governments, independent specialists and other financial institutions is focused on delivering projects in developing member countries that create economic and development impact. As a multilateral development finance institution, ADB provides loans; technical assistance; and grants. To achieve the vision, ADB focuses on seven operational priority areas.
 - Addressing remaining poverty and reducing inequality
 - Accelerating progress in gender equality
 - Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability
 - Making cities more livable
 - Promoting rural development and food security
 - Strengthening governance and institutional capacity
 - Fostering regional cooperation and integration