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POWER SYSTEM PLANNING & PORTFOLIO MANAGEMENT HIGHLIGHT SOUTH ASIAN EXECUTIVE EXCHANGE

Under the South Asia Regional Initiative for Energy (SARI/Energy) Energy Markets Partnership, funded by the U.S. Agency for International Development (USAID), nine executives from India, Nepal & Sri Lanka met in Sacramento, California and Portland, Oregon, July 31 – August 4, 2006, to discuss "Electric System Planning & Portfolio Management".



Left to right: (back row) Sriranjjan Lacoul (Department of Electricity Development, Nepal), Phillip Assis (USEA), Arunabha Basu (North Delhi Power Ltd., India), Hemant Jain (Delhi Electricity Regulatory Commission, India), Sunal Kumar (North Delhi Power Ltd., India), Deepak Chawla (Reliance Energy Ltd., India), Rajeswar Sulpaya (Nepal Electricity Authority), Tony Rodrigues (Bonneville Power Administration); (front row) Ravinder Gupta (Central Electricity Authority, India), Dharamvir Arora (Central Electricity Authority, India), Sarah Blanford (USEA), Priyantha Wijayatunga (Public Utilities Commission, Sri Lanka)

Representatives from government and private sector organizations of India, Nepal and Sri Lanka visited the Sacramento Municipal Utility District, the California Energy Commission, Global Energy Decisions, the Northwest Power Pool, Portland General Electric, EPIS, and Bonneville Power Administration, to discuss approaches for optimizing power purchase and investments through use of integrated energy and resource planning, least cost planning and portfolio management.

During the course of the five-day visit, the participants discussed approaches for utilities to optimize their power purchase and investments in generation assets in open electricity markets through integrated energy plans and developing internal frameworks for buying and selling electricity, including cross border deals.



Energy Trading & Contracts

*SARI/Energy delegates spent their first day at the **Sacramento Municipal Utility District**, where SMUD provided overviews of their strategic planning, energy trading & contracts, system operations, power system assessment & transmission planning, and their LEEDERS project – Leadership in Energy Efficiency, Demand and Environmental Resource Solutions.*

California Market History

*Commissioner John Geesman of the **California Energy Commission** welcomes SARI/Energy delegates and provides an overview of the CEC functions. The Commission provided the delegates with an overview of California's current energy market, as well as a history of the struggles the state has had in meeting its energy needs.*



The **Northwest Power Pool** presented and discussed their experiences with the formation of their power pool, specifically their experiences in trading arrangements, governance, transmission constraints, market guidelines, energy market products, pricing & open access, management, regulation & monitoring, planning & investment decision making and the impact of renewable energy (i.e. wind) on the transmission grid. NWPP also provided an overview of the Western Systems Coordinating Council (WECC), a regional forum for promoting electric service reliability in Western Canada and the Western United States.

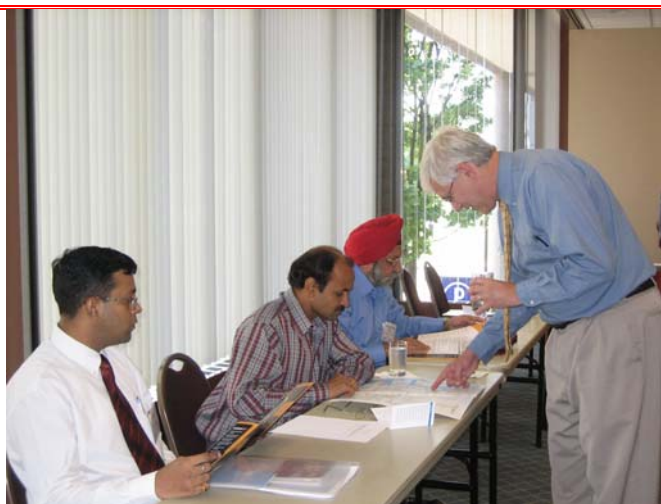


IRP and Energy Efficiency

*The **Oregon Public Utility Commission** shares their approach to integrated resource planning (IRP) and efficiency programs with the SARI/Energy delegates.*

Market Modeling and Renewable Energy

*Brian Kuehne, Manager of Resource Planning for **Portland General Electric**, leads a discussion on PGE's integrated resource planning and energy efficiency programs. Portland General Electric also provided an overview of Oregon's latest ocean wave energy initiatives and hosted a presentation on the Aurora market model by EPIS, Inc.*



Improving Transmission Reliability
Bonneville Power Administration Tony Rodrigues and Ruth Bennett lead the SARI/Energy delegates through discussions on power adequacy analysis, BPA's environmental process, demand side management, the impacts of reliability organizations on BPA's planning and operations, and BPA's role with the Federal Energy Regulatory Commission.

Results:

- India, Nepal and Sri Lanka expressed interest in using the lessons of integrated resource planning and demand-side management to assist with their generation and transmission planning.
- U.S. utilities and regulatory agencies provided documentation on Integrated Resource Plans.
- The Oregon Public Utilities Commission is sharing their safety regulations governing random safety inspections of distribution lines with India.
- Bonneville Power Administration is providing copies of their energy efficiency policies along with their in-house financial management (portfolio management) model. The Central Electricity Authority of India expressed interest in using the model to assist in their risk analysis.

For more information, contact Sarah Blanford at sblanford@usea.org.