Snapshot of El Salvador’s Energy Sector

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## Energy status in El Salvador

### Capacity per resource

<table>
<thead>
<tr>
<th>Technology</th>
<th>Installed Capacity (MW)</th>
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<tbody>
<tr>
<td>Hydroclectric</td>
<td>472</td>
</tr>
<tr>
<td>Hidro</td>
<td>204.4</td>
</tr>
<tr>
<td>Geothermal</td>
<td>691.2</td>
</tr>
<tr>
<td>Sugar cane waste)</td>
<td>109.5</td>
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<tr>
<td>Nuclear</td>
<td>14.5</td>
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</table>

**Total** 1491.6 MW

### General Information

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<tbody>
<tr>
<td>Maximum Demand 2012</td>
<td>975 MW</td>
</tr>
<tr>
<td>Residential customers</td>
<td>1.38 m</td>
</tr>
<tr>
<td>Non residential</td>
<td>115,000</td>
</tr>
<tr>
<td>Electrification coverage</td>
<td>91.6%</td>
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<tr>
<td>Population</td>
<td>6.3 m</td>
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</tbody>
</table>

**Electrification coverage** 91.6%
Energy Policy of El Salvador

strategic guidelines

- Redefinition of energy matrix and fostering of multiple energy sources
- Strengthening of the energy sector institutions and sector advocacy
- Promotion of energy efficiency and energy savings
- Ecological innovation and development
- National Electricity Integration
- Increasing of service coverage and reduced tariffs for electricity
Renewable Energy Development

**Identified barriers in local legislation that hinder fostering of RE**

- Lack of long term contracts
- Regulatory gap for self producers connecting to distribution grid
- Deficiencies regarding firm power
- Gaps in special criteria for power delivery
- Lack of information for project developers
- Lack of special connection requirements
To overcome barriers and implement a model to foster RE, modifications were made to the Regulation of the General Law (RLGE) as well as to the Applicable Regulation of Marketing Activities (*) incorporating the following measures:

- Special procedure of auto dispatch of renewable energies
- No commitment requested to guarantee firm power
- Long-term contracts for private producers injecting their supply to the distributor network
- Bidding for hiring long term renewable technology for new or existing RE permitted without stipulations to participate in the wholesale market
- Distributors with obligation to allow the passageway of energy coming from renewable generators and no toll payments
- CNE adopted the Renewal Portfolio Standard (RPS) for consumption and pricing, to meet the needs of the country
Renewable Energy Development

Tender for small scale RE program estimated to be bid at end of 2nd April 2013

Sources identified included: Hydroelectric up to 20MW, Eolic, Photovoltaic Technology (PV), Concentrated Thermal Solar, Biomass and Biogas*

Potential bidders has been identified as:

• Individuals and community organizations possessing water resources
• Textile. Photovoltaic Technology (PV)
• Education and system (PV)
Energy Efficiency

Efficiency in the use of energy is the fundamental component of the energy policy for El Salvador.

The National Energy Commission (CNE) elaborated and submitted a draft EE law to the Technical Secretariat for approval and subsequent presentation to Congress.

"El Salvador Saves Energy" Program promotes, strengthens and consolidates the efficient and rational use of electricity. The Program is coordinated by the CNE.

The National Council for Quality has two entities (OSN & OSART) responsible for the creation and implementation of standards and technical regulations.

Currently, there are five mandatory standards which apply to compact and twin fluorescent lamps, AC engines, domestic and commercial self-contained refrigeration equipment, and high intensity discharge (HID) lamps.
Final remarks

generation deficit (shortages and high prices of electrical energy expected for year 2017)

The development of the MER (firm contracts and transmission rights necessary to meet imports required to fulfill demand via contracts with generators installed in other countries)

Solving the deficit and growth of demand by installing bunker based thermal generation, solves only supply security but not price stability.
final remarks

• The strategy of diversification of the energy matrix of El Salvador continue, incorporating Renewable Energy

• Equal importance should be given to the strengthening of sustainable Energy Efficiency programs

• It is of the utmost importance the continuation and widening of cooperative programs by USG, USAID and other donors, US Aid Regional Clean Energy Initiative, being implemented in a challenging 6 country environment to develop the Central American Regional Energy Market.