

## Concept note (draft)

### The 3rd Asia-Pacific Regulatory Forum on Power System Connectivity

9:00 – 17:00 hrs. (GMT + 7) 26-27 February 2024

Hybrid Meeting, online and in-person UNCC, Bangkok

#### Background

The Asia-Pacific region is at the center of the clean energy transition, with a significant number of countries having announced ambitions to achieve net-zero emissions in the coming decades. Cross-border energy connectivity is an important enabler of the clean energy transition, by, for example, enabling the integration of higher shares of renewable energy, reducing energy costs, and increasing energy security. For example, there are numerous efforts in the region to increase cross-border power system connectivity, with the aim of lowering costs to consumers while increasing access to renewable energy resources. To date, however, these efforts remain below their identified potential.

At the 77<sup>th</sup> Commission Session in 2021, UN ESCAP Member States endorsed the regional road map on power system connectivity.<sup>1</sup> Among the nine strategies contained in this document is one that emphasizes the importance of regulatory harmonization:

- Strategy 4: coordinate, harmonize and institutionalize policy and regulatory frameworks

This strategy highlights the need to identify existing regulatory gaps, to develop common regulatory frameworks to support cross-border power trade, and to establish forums and associations to support regulatory collaboration in areas like harmonization, capacity building, and knowledge sharing.

While there are many examples of cross-border collaboration among energy regulators in sub-regions of Asia and the Pacific, there have been relatively few opportunities at a regional level. The first and second Asia-Pacific Regulatory Forums on Power System Connectivity, held on 19-20 July 2022<sup>2</sup> and 6-7 June 2023<sup>3</sup> respectively, brought together regulators from across the region and international experts to share experiences and best practices on power sector connectivity and build a common understanding of the connectivity challenges that power systems in the region face, in particular in the context of the energy transition.

The third Forum, following the first two forums, will address the topics of governance and international collaboration to enable renewables integration.

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<sup>1</sup> <https://www.unescap.org/our-work/energy/energy-connectivity/roadmap>

<sup>2</sup> <https://www.unescap.org/events/2022/1st-asia-pacific-regulatory-forum-power-system-connectivity>

<sup>3</sup> <https://www.unescap.org/events/2023/2nd-asia-pacific-regulatory-forum-power-system-connectivity>

## **Objectives and themes of the Forum**

The main objective of the Forum is to facilitate dialogue and knowledge sharing among energy regulators to increase collaboration across the Asia-Pacific region on power sector connectivity and related issues, and to expose regulators to the latest experiences best practices from within the region and around the world.

Against this background, participants in the 3<sup>rd</sup> Asia-Pacific Regulatory Forum on Power System Connectivity will discuss two main topics:

### *(1) Regulatory collaboration on power sector issues across the region*

Regulatory collaboration is important to ensuring that cross-border power sector connectivity projects are successful. Regulatory collaboration can range from experience sharing, to developing, harmonizing, and enforcing common regulation. For example, experiences from Europe Africa have demonstrated the value of multilateral, multidirectional power trading arrangements, such as regional power pools, to help lower costs, increase energy security, and enable the integration of renewable energy resources. In the Asia-Pacific region, however,, there are relatively few examples of multilateral trading arrangements. There is also a lack of coordinated grid planning processes in the region, so most cross-border transmission projects are built on a bilateral basis, and they are often linked to specific generation projects. In this session participants will discuss lessons from existing multilateral trading arrangements within and outside the Asia-Pacific region, as well as key learnings for regulators when collaborating on the development of transmission infrastructure.

### *(2) International collaboration to increase renewable integration*

Increasing collaboration is key to accelerating the deployment of variable renewable energy (VRE) resources. The session will focus on the discussion of current regulatory challenges and barriers which countries face in relation to the deployment of renewable energy; regulatory cooperation opportunities and potential to gradually increase the use of renewable energy, examples from various sub-regions. Participants will also share best regulatory practices to support the deployment of renewable energy. As an example, harmonizing grid connection codes across border can help reduce cost of VRE deployment by strengthening supply chains within a region, as well as remove barriers for power system connectivity which can increase power system flexibility.

## **Expected Outcomes of the Meeting:**

Regulators from across Asia-Pacific will be invited to form connections and collaborate with other regulators from across the region, and will gain insights into national regulatory questions through the experiences of regulators in other jurisdictions. The overall goal is to establish a regular Forum for regulators across the region to facilitate

continued discussion and collaboration, in particular on topics related to achieving increased power sector connectivity in support of sustainable development<sup>4</sup>.

### **Date, time and tentative agenda**

The Forum will be held on the 26-27 February 2024 from 9:00 to 17:00 hrs (GMT+7) in a hybrid format: online via MS Teams and in person in Bangkok. The Forum is open to regulators, representatives from government agencies, and other relevant stakeholders from all ESCAP member States, as well as selected expert speakers.

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<sup>4</sup> The Forum is inspired by regulatory forums in other regions, for example in Europe a regulatory forum was established well before the internal European market as a place for regulators to exchange experiences and agree on best practices when relevant.