

## The study tour and workshop on Power Pooling in Europe for the Greater Mekong Sub-region (GMS) /ASEAN Power interconnection programme



Supported by the ACE

through the EC – ASEAN Energy Facility



### Press Statement

Following a proposal made by Electricité du Cambodge (EDC) the European Commission is supporting a Study Tour to the Nordic Sub-Region Group of European Union Countries for electricity industry senior officials and managers from the Greater Mekong Sub-region (GMS).

The Tour is led by Electricité du Cambodge and will include officials from Cambodia, Vietnam, Lao PDR., and Thailand, as well as ASEAN Regional bodies, including the ASEAN Centre for Energy.

The Tour will take place in late November this year and will cover members of Nordpool in Sweden, Denmark and Finland.

The Tour Group will look at the organization of power pooling in Nordpool, especially :

- ❖ Transmission Systems and Grid ownership
- ❖ Arrangements for power exchange in the Nordpool Grid
- ❖ Financial settlement and contracts, bidding and pricing

The Tour is backed by three partner organizations including:-

Electricité du Cambodge (Cambodia)  
Innovation Energie Développement (France)  
Co-operation for Development (Europe) (United Kingdom).

The Tour is financed by the European Commission via the EU-ASEAN Energy Facility (EAEF) which is hosted by the ASEAN Centre for Energy (ACE) based in Jakarta.

This is an example of Anglo-French co-operation in support of GMS capacity building project, with the French partner being the lead agency in Europe, and Electricité du Cambodge being the lead agency in ASEAN and the GMS Countries.

Moreover this Anglo-French initiative promotes the example of the excellent co-operation between Nordic countries within the European Union, where Denmark, Sweden and Finland have worked together, along with Norway (a non EU member), to develop advanced power pooling arrangements (Nordpool).

The Nordpool sub-regional arrangements were felt to raise some parallel sub-regional issues that might be useful for the GMS as a sub region of the ASEAN Nations.

The issue of power pooling has also been in the news in the last several months when technical problems in power pooling arrangements led to significant black-outs in the United States, the United Kingdom and Italy.

In the case of the US and Italy, the black-out occurred in multi national power pooling arrangements where countries depended on power supplies from neighbouring states. In Nordpool, which has not suffered from the blackout, the power pooling system involves at least four countries.

As ASEAN countries become increasingly interdependent, the ASEAN power grid is increasingly becoming a reality. Within the GMS Countries, there is already growing international interconnection, mostly at high voltage (as from the Lao PDR to Thailand and Viet Nam to Cambodia in near future) but also local cross border medium voltage, as between Thailand-Cambodia and Viet Nam-Cambodia. The GMS arrangements also will include arrangements with Southern China.

In order to manage increasingly sophisticated requirements on technical, commercial and legal arrangements for power pooling, the GMS countries are making use of ASEAN facilities to improve the capacity of GMS Countries to manage power pooling arrangements.

In an increasingly interdependent world, Cambodia is entering the 21<sup>st</sup> century in terms of sophisticated power pooling arrangements to help increase security of supply and develop electricity market for the GMS and ultimately for the ASEAN..

As the energy mix changes, production of oil will decline in ASEAN whilst electric power from gas, clean coal and New & Renewable sources of Energy (NRE) will increase.

This project, backed by the European Union, is part of a raft of 18 Million Euros of support from the European Union for energy development in ASEAN, as part of an overall package of over 40 million Euros on EU-ASEAN energy co-operation.

In addition other EU-ASEAN economic co-operation measures can also include energy components, including Asia Urbs, Asia Invest, Asia Pro Eco and others.

Cambodia hopes to make increasing use of these co-operation instruments as part of the future development of Electricité du Cambodge, in the context of both Sub Regional and Regional integration and pooling of power facilities.

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