## Mini-grid Webinar Series

# Grid interconnection of micro/mini hydro mini-grids: What happens when the national grid arrives?







## Mini-grid Webinar Series

Why mini-grid technologies -- PV, biomass, diesel, micro/mini hydro, wind, and hybrid systems -- need to be differentiated (Watch the recordings)

Grid-interconnection of micro/mini hydro mini-grids: What happens when the national grid arrives? (June 1, 2017)

**Productive End Use -- Three examples of how to make it happen (early July)** 







# **Organizers**



Energypedia UG is a non-profit organization that runs and maintains the wiki-based platform, **www.energypedia.info**. Energypedia.info is an online platform for collaborative knowledge exchange on renewable energy, energy efficiency and energy access in the context of development cooperation



The **Hydro Empowerment Network (HPNET)** is a knowledge exchange and advocacy platform for micro/mini hydro practitioners in south and southeast Asia, focusing on policy, technology, and socio-environment solutions for long-term sustainability. Core support for HPNET comes from the **WISIONS** initiative at the Wuppertal Institute for Climate, Environment and Energy.



**Skat Foundation** was established by Skat Consulting in 2002 to foster the exchange of knowledge and experience in development cooperation through generating, sharing and transferring knowledge about what works and how in selected thematic areas.

Skat Foundation has also funded this webinar series.

### **Webinar material**

|   | How to get it      |
|---|--------------------|
| Presentation 1: Indonesia   | Separate recording |
| Presentation 2: Sri Lanka   | Separate recording |
| Q & A   | pdf File           |
| Content overview, introduction, country comparison, general conclusions, knowledge products | Current recording  |







### **Webinar Content**

#### What are the presentations about?

- ✓ Micro/mini hydro systems (MHP) supplying communities through mini grid
  - → later connected to grid
- ✓ Exclude / postpone interconnection of several mini-grids and licencing models for distribution grids ("small power distributors", franchisees...)
- ✓ **Implications** of grid-interconnection (including required investment)
- ✓ Who benefits and how?
- ✓ "Islanding" as an option?

# Introduction: Indonesia and Sri Lanka Progress\*

#### **Indonesia**

- ~ 800 MHPs countrywide, 400 gridconnected from start, 400 built as community owned mini grids
- In ~200 cases grid arrived: 150
   abandoned, 40 continue operation,
   9 succeeded in later grid connection
- need for advocacy to avoid waste of resources / earlier investments
- Development of a strong MHP industry

#### Sri Lanka

- 2 big programs (ESD and RERED) led to 170 MHPs
- "registered consultants" and "qualified engineers" → guarantee standards
- Electricity Consumer Societies as MHP owner / operator → transform into limited liability companies (at least 5% ownership to remain with them)
- Only 3 projects connected (2 under implementation, 10 applied; potential for 30 more)

<sup>\*</sup> Tenenbaum, Bernard; Greacen, Chris; Vaghela, Dipti. 2017. Mini-Grids and Arrival of the Main Grid, Lessons from Cambodia, Sri Lanka, and Indonesia; Conference Draft. Washington, D.C: World Bank

# 4-country comparison

| Country   | Number of MHP<br>projects connected<br>" <u>ex post</u> " | kW<br>range | Year of inter-<br>connection<br>start | Guaranteed FIT / "negotiated PPA rate"  |
|-----------|---|-------------|---------------------------------------|---|
| Indonesia | 9   | 12-670      | 2003                                  | IPP: 60-80% of avoided cost Excess power: 90% of avoided cost (4-9 US Cent/kWh)                         |
| Sri Lanka | 3 (+2 ongoing, +10 applied)                               | 12-45       | 2012                                  | 10-11.8 US Cent/kWh   |
| India     | 12 (+4) in progress                                       | 100-200     | 2017                                  | 3.9 – 5 US Cent/kWh (prelim. Info), negotiated?   |
| Nepal     | 2 (completed in Aug '17)                                  | 23, 40      | 2017                                  | same for 1 kW – 25 MW:  4.8 US Cent/kWh for 8 months wet season  8.4 US Cent/kWh for 4 month dry season |

### **General Conclusions**

- ➤ Numerous MHP mini-grids existing, more to come, extension of national grids → grid-interconnection relevant in many countries!
- > Consider grid-interconnection **from beginning** (ownership, technical standard etc.)
- > Interconnection cost depending on kW-range
- > who benefits:
  - a) reliable supply  $\rightarrow$  consumers
  - b) additional revenues  $\rightarrow$  community
  - c) additional generation potential  $\rightarrow$  utility
- > Advocacy required, knowledge products

# **Relevant Knowledge Products**

| Knowledge Product  | Where to Access  |
|--|--|
| From Hydro Empowerment Network (HPNET) Frequently Asked Questions: Grid Interconnection of Micro Hydro   | https://energypedia.info/wiki/Frequently Asked Q<br>uestions: Grid Interconnection of Micro and Mi<br>ni Hydropower Plants |
| From ESMAP Global Facility on Mini-Grids Mini-Grids and Arrival of the Main Grid: Lessons from Cambodia, Sri Lanka, and Indonesia (February 2017 Workshop Draft)                     | Contact Dipti Vaghela at hydroempowerment@gmail.com  |
| From Alternative Energy Promotion Centre  Development of Grid Interconnection Policy for Micro/Mini Hydro  Plants in Nepal   | https://energypedia.info/wiki/Development of Gri<br>d Connection Policy for Micro/Mini Hydro Plant<br>s_in_Nepal           |
| From Ashden Awards and IBEKA, Indonesia: Cinta Mekar video   | https://energypedia.info/wiki/IBEKA: Micro Hydro power in Indonesia, Ashden Award Winner                                   |
| From HPNET: Smart Grids for Rural Electrification video  | https://energypedia.info/wiki/Smart Grids for Rur al Electrification   |
| The "Micro/Mini Hydropower Library provides Other Knowledge Products on Interconnection: in search fields: Theme → choose "Technology", Technology → choose "Grid Interconnectivity" | https://energypedia.info/wiki/Special:RunQuery/MicroMini_Hydropower_Library_(MHL)_Search                                   |

# Thank you!

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