

Agenda of 12th SAFIR Core Course, Tulhiriya, Sri Lanka, 5-8 March 2013

Organized by LIRNEasia for the Secretariat of the **South Asian Forum for Infrastructure Regulation (SAFIR)**

Course directors: Dr Partha Mukhopadhyay (Senior Research Fellow, Center for Policy Research, India & Member Scientific Advisory Council, LIRNEasia) and Dr Rohan Samarajiva (Chair, LIRNEasia & Former Director General of Telecommunication, Sri Lanka)

The course is designed to address the challenges facing member agencies of SAFIR, drawing from the economic principles that underlie the practice of principle as well as the specificities of South Asian politico-economic context. The focus is on actions that may be taken by the regulator, rather than an abstract discussion of regulation. Content is organized on two parallel, intertwining tracks -- one focusing on the rationales for regulation and the various factors that affect regulation as currently practiced in the region and the other on strategies for securing the legitimacy of the regulator through customer engagement. The design of the compressed course is based on counterposing concepts and their application and the contrasting of country experience to yield insight.

Programme Schedule

Day 1: March 5

Time	Description of Session	Session Leader(s)
0830-0930	Inaugural session	Members of the SAFIR Executive Committee and Chair PUCSL
0930-1030	Break	
1000-1100	Electricity Sector in Sri Lanka <i>Other than Bhutan, Sri Lanka is the only electricity surplus country in the SAARC region. It has low T&D losses and some of the highest prices in the region. The last load-shedding episode was in mid-2012; this was after a decade of stable supply. This overview session will introduce participants to the factors that have led to these unusual outcomes.</i> <i>Presentations</i> Electricity Sector in Sri Lanka in Regulatory Perspective - Damitha Kumarasinghe ,Director General-PUCSL Electricity sector in Sri Lanka - Bandula Tilakasena, Additional GM, Ceylon Electricity Board	Damitha Kumarasinghe, DG Public Utilities Commission, Bandula Tilakasena, Additional GM, Ceylon Electricity Board, moderated by Rohan Samarajiva, LIRNEasia
1100-1130	Break	

Time	Description of Session	Session Leader(s)
1130-1300	<p>Why Regulate? Weaning or Protecting Consumers</p> <p><i>This session will begin a series of discussions on related themes of the purpose of regulation. There are two polar narratives that are applied to utility regulation: one is the conventional narrative that comes from developed economies about protecting consumers from the bad outcomes of monopoly; the other is about regulation carving out space from the dysfunctional political context for much needed private investment and professional management. Actual situations will illustrate how this leads to different regulatory practices and the regulator's legitimacy with the different stakeholders. The session will then discuss how regulators can innovate beyond such polarizing objectives</i></p> <p><i>Presentations</i></p> <p>Why Regulate? Weaning or Protecting Consumers? - Partha Mukhopadhyay, Centre for Policy Research, New Delhi</p> <p>Regulators and innovative policies : Examples from Maharashtra - Shantanu Dixit, Prayas</p>	Partha Mukhopadhyay, CPR; Shantanu Dixit, Prayas
1300-1400	Lunch	
1400-1530	<p>Consultation, Transparency and Regulatory Legitimacy</p> <p><i>The tradition of independent regulation is still developing in South Asia. The legislation establishing regulatory agencies were among the first to mandate transparency and consultation in our region. This session will lay out the theoretical and comparative perspectives related to procedural legitimacy. Regulatory agencies exist in a precarious space; having to manage relations with government, regulated utilities and consumers. This session will discuss strategies for managing these relations and lay the foundation for subsequent discussions on public hearings and consumer engagement.</i></p> <p><i>Presentations</i></p> <p>Regulatory legitimacy: Consultation, transparency, consumer engagement - Rohan Samarajiva. LIRNEasia</p>	Rohan Samarajiva
1530-1600	Break	

Time	Description of Session	Session Leader(s)
1600-1700	<p>Relations between IPPs, “Single Buyer” and Regulator</p> <p><i>How the regulator referees the relationships between single buyer distribution/transmission entities and private power producers will be discussed with Sri Lanka representatives. The moderator will draw out the generalizable lessons.</i></p> <p><i>Presentations</i></p> <p>Relationship Between IPPs, Single Buyer and Regulator - Damitha Kumarasinghe, Director General-PUCSL</p>	Damitha Kumarasinghe, Bandula Tilakasena, Shaminga Ferdinandusz (AES/Hayleys), moderated by Dr Partha Mukhopadhyay

Day 2: March 6

Time	Description of Session	Session Leader(s)
0900-1030	<p>Why Regulate? Market Signals vis-à-vis Planning Models</p> <p><i>A critical element of efficient energy supply management is timely action based on accurate prediction of demand. Big power plants take time to come on stream. If demand is under-predicted, shortages will occur and expensive emergency power and/or load shedding become the only options. If demand is over-predicted, the cost of power may be excessive. Planning models have problems as do market signals. This session will explore how regulators can deal with this fundamental problem.</i></p> <p><i>Presentations:</i></p> <p>Why Regulate? Market Signals vis-à-vis Planning Models - Shantanu Dixit, Prayas Energy Group, Pune, India; Partha Mukhopadhyay, Centre for Policy Research, New Delhi, India</p> <p>Policy process - PP12 Effective functioning of a distinct planning/policy agency</p>	Partha Mukhopadhyay; Shantanu Dixit
1030-1100	Break	

Time	Description of Session	Session Leader(s)
1100-1230	<p>Staying in Touch with the Consumer: Outreach</p> <p><i>For sustainable reform, regulatory agencies need to build support for their initiatives among consumers or at least avoid their hostility. The first of two interconnected presentations, this session presents new research on how regulatory agencies can contribute to improving the consumer experience, gaining valuable support for its balancing act with the government and the utilities and for advancing the regulator's broader mandates</i></p> <p><i>Presentations:</i></p> <p>Understanding the consumer, reaching out, staying in touch - Helani Galpaya , LIRNEasia</p> <p>Staying in Touch with Consumers – I - Raj Kiran Bilolikar, Administrative Staff College of India, Hyderabad</p>	Helani Galpaya , LIRNEasia and Raj Kiran Bilolikar, Administrative Staff College of India, Hyderabad
1230	Lunch and departure for Kandy	

Day 3: 7th March

Time	Description of Session	Session Leader(s)
0830-0930	<p>Why Regulate? Ownership and Regulation</p> <p><i>Ownership structures differ between regulatory domains. In Sri Lanka, all distributors are government owned but there are private generation firms, In India both private and public entities exist in all sectors.</i></p> <p><i>This session will explore the dynamics that emerge due to different ownership structures. For example, how can investors invest in the volatile South Asian environment? Can regulators give them the necessary predictability? Can regulators and policy makers protect investors from their own bad judgment, perhaps caused by the fact that they are “too big to fail”? This provocative session will explore the options that regulators have with reference to real-world examples from different sectors</i></p> <p><i>Presentations:</i></p> <p>Why Regulate? Ownership and Regulation -Partha Mukhopadhyay, Centre for Policy Research, New Delhi, India</p>	Partha Mukhopadhyay

0930-1100	<p>Case Study Presentation Session: Poseidon Adventure</p> <p><i>The consumer and proponent groups will present their reasoned arguments on the desalination project in San Diego to the regulator group, which will have to make a determination, providing reasons.</i></p> <p>Debriefing</p>	Course Participants moderated by Rohan Samarajiva and Partha Mukhopadhyay
1100-1130	Break	
1130-1300	<p>Challenges of Cost-reflective Tariffs: Regional Experience</p> <p><i>Pretty much everyone agrees that cost-reflective or at least cost-oriented tariffs are the optimal solution, but despite many public commitments in their support, their achievement has been a problem in South Asia. This panel will seek to draw out the commonalities and the differences in how policy makers and regulators have approached the problem in the two countries.</i></p> <p>Presentations:</p> <p>Sri Lanka's Case and the Window of Opportunity - Tilak Siyambalapitiya, RMA Energy Consultants</p> <p>Moving towards Cost Reflective Tariffs - Raj Kiran Bilolikar, Administrative Staff College of India, Hyderabad</p>	Panel: Tilak Siyambalapitiya, RMA Energy Consultants and Raj Kiran Bilolikar, Administrative Staff College of India, Hyderabad, moderated by Partha Mukhopadhyay
1300-1400	Lunch	
1400-1500	<p>Staying in Touch With the Consumer: Engagement</p> <p><i>The second in a series of sessions will discuss new findings on how regulators can help improve the consumer experience in telecom and electricity and how this can improve the regulatory process.</i></p> <p>Study on Consumer Satisfaction of Electricity Supply and Efficient Use of Energy - Damitha Kumarasinghe, PUCSL</p> <p>Understanding the consumer, reaching out, staying in touch: Part 2 - Helani Galpaya, LIRNEasia</p> <p>Staying in Touch with Consumers – II - Raj Kiran Bilolikar, Administrative Staff College of India, Hyderabad</p>	Damitha Kumarasinghe, Helani Galpaya and Raj Kiran Bilolikar
1500-1630	<p>Public Consultations and Beyond: Improving Customer Experience</p> <p>Across South Asia, regulators are mandated by law to conduct hearings and consultation and to act transparently. By this time, we know what the theory says and what we actually do. The objective of this session is to collectively explore how we can do better: practical recommendations on how we can make public hearings and consultations serve the overall objectives of regulation better.</p> <p>Public Hearings & Consultations: How can they be done better? - Damitha Kumarasinghe, PUCSL</p>	Interactive session: moderated by Damitha Kumarasinghe and Rohan Samarajiva

1630-1700	Break	
1700-1730	Valedictory session	Jayatissa Costa, Chair PUCSL
0800-1000	Course Directors will be available for individual discussion and feedback	Rohan Samarajiva; Partha Mukhopadhyay

Day 4: March 8: Departures Commence