

Transnational power grid project gets a high-voltage boost: what is it all about?

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What's in today's article?

- **Why in news?**
- **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)**
- **News Summary: Transnational power grid project gets a high-voltage boost**
- **Current status**
- **The interconnection proposal**
- **Transnational Power Grid: Benefits**
- **Challenges**

Why in news?

- Recently, Prime Minister Narendra Modi said that India got encouraging responses from neighbouring countries to its proposal to jointly build a transnational electricity grid to enhance regional energy security.
- The proposal for establishing grid interconnectivity for the trading of power with Southeast Asian countries through Myanmar and Thailand is part of a BIMSTEC initiative.

Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)

• About

- BIMSTEC It is an economic bloc that came into being in June 1997 through the Bangkok Declaration.
 - BIMSTEC was initially formed with four member states- Bangladesh, India, Sri Lanka and Thailand on June 6, 1997.
 - Nepal became an observer state in 1998 and became full-time member of the bloc along with Bhutan in February 2004.
- **Members** – Bangladesh, India, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan.
- **Permanent Secretariat** – Dhaka, Bangladesh

• Aim

- Its aim is to counter the onslaught of globalisation by accelerating regional growth through mutual cooperation by utilising regional resources and geographical advantages.

• Areas of cooperation

- It is sector-driven cooperative organisation in which, initially, 6 sectors had been included:
 - Trade, Technology, Energy, Transport, Tourism and Fisheries
- As of now, BIMSTEC has 14 priority areas of cooperation.
 - Climate change was added as the 14th priority area of cooperation in 2008.
- Among these priority areas, a member country chooses which of the 14 priority areas it is willing to take lead.
- **India is lead country** for Transport & Communication, Tourism, Environment & Disaster Management, Counter-Terrorism & Transnational Crime.

• Importance of BIMSTEC

- Around **22% of the world's population** live in the seven countries around the Bay of Bengal, with a **combined GDP close to \$2.7 trillion**.
- All seven countries have sustained average annual rates of growth between 3.4% and 7.5% from 2012 to 2016.
- A fourth of the world's traded goods cross the bay every year.

News Summary: Transnational power grid project gets a high-voltage boost

- India has got encouraging responses from neighbouring countries to its proposal to jointly build a transnational electricity grid to enhance regional energy security.
- This was revealed by PM Modi while addressing G20 group energy ministers in Goa.

Current status

- India already exports some electricity to Nepal and Bangladesh, and imports hydropower from Bhutan.
- An exchange at a small-scale is also being done with Myanmar.

The interconnection proposal

- The plan to build a 3,000-kilometre-long power grid, mostly by way of interconnections of existing national or regional grids, is being pushed by New Delhi.
- This is being pushed both as an energy security initiative and a diplomatic tool that aims to leverage India's growing domestic renewables capacity to boost regional engagement.
- The BIMSTEC plan overlaps with a larger proposal being formulated by India to establish a global solar grid connecting over 100 nations.
 - This global solar grid plan was unveiled on the sidelines of the United Nations climate conference, (COP26) in November 2021.
 - The proposal entails the **first international network of globally interconnected solar electricity grids** that seeks to integrate large-scale solar power plants, wind farms, and grids with rooftop solar supplies.
 - This is being done to ensure a constant, dependable, and reasonably priced electricity supply across national boundaries.
- As part of its “**One Sun One World One Grid and Green Grids**” initiative, efforts have been initiated by New Delhi to commence trading of power with West Asian countries such as the United Arab of Emirates and Oman.

Transnational Power Grid: Benefits

- **Strategic move**
 - Going beyond the goal of ensuring energy security, the move is also strategic.
 - New Delhi is hoping to push the grid interconnection proposal as an effective counter to China's growing diplomatic influence in the South Asia and the West Asia regions.
- **Better capacity utilisation**
 - The grid connectivity plan would ensure better capacity utilisation of energy infrastructure by complementing member country's demand and supply situation.
- **Benefits to consumers**

- Consumers across these countries could potentially benefit as the **price of electricity could see some rationalisation**, especially peaking tariffs and they could get access to uninterrupted electricity supply.

Challenges

- While energy deficit countries such as Bangladesh or Myanmar would be keen to come on board, energy surplus countries are sometimes less invested in the idea of joining a transnational grid arrangement.

Q1) What is South Asian Association of Regional Cooperation (SAARC)?

The South Asian Association for Regional Cooperation (SAARC) is an intergovernmental organization that promotes regional cooperation and development among South Asian countries. It was established on December 8, 1985, with its headquarters located in Kathmandu, Nepal. The primary objective of SAARC is to enhance economic, social, and cultural cooperation among its member states.

Q2) What is International solar alliance (ISA)?

The International Solar Alliance (ISA) is an intergovernmental organization that aims to promote the adoption and deployment of solar energy on a global scale. It was launched on November 30, 2015, in Paris, France, on the sidelines of the United Nations Climate Change Conference (COP21). The primary objective of the International Solar Alliance is to address the challenges of energy security and climate change by accelerating the development and deployment of solar energy technologies in its member countries, especially in regions that receive abundant sunlight. The alliance seeks to mobilize resources, technology, and expertise to promote solar energy applications in various sectors, such as electricity generation, agriculture, water supply, and heating/cooling systems.

Source:

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