

CASA 1000 Project: A Milestone For Development Of Central South And Asia Regional Electricity Market

Overview

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Project Overview



- **CASA-1000 is transformational multi regional Project for electricity supply (1300 MW) from Central Asia to South Asia**
 - First step toward development of inter-regional electricity market, exporting summer surplus hydroelectricity (May-Sep)
 - Boosting regional cooperation and stabilization
- **Strong partnership (> \$ 1000 m financing) including IsDB, US Gov, DFID, EIB, EBRD, and WB**
 - Providing convening power for building and maintaining political and financial support
- **Project ensures long term operational sustainability**
 - Strong community support program to improve livelihoods of the corridor communities
 - Third party access increasing shared revenues

Project Strategic Benefits (over long term)

TAJIKISTAN

- Export Revenues: Summer hydro surplus export
- Third Party Access: Address energy shortages during winter peak time

KYRGYZ REP.

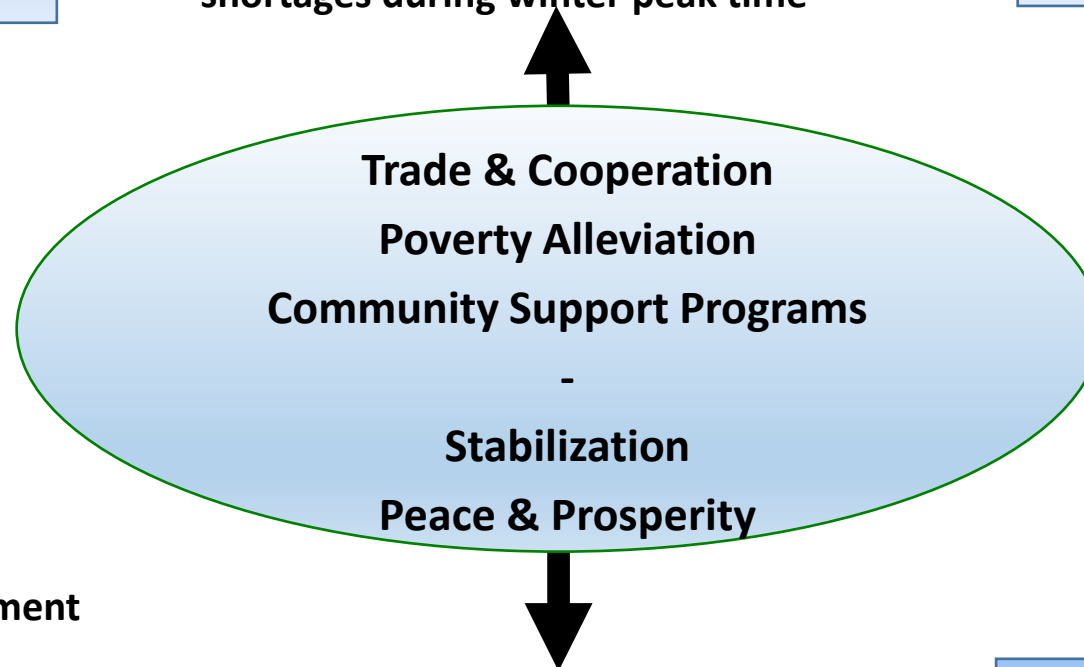


- Transit Fee
- Sector Development

AFGHANISTAN

- Address Energy Shortage during peak summer time
- Third Party Access: Winter Electricity trade

PAKISTAN



Development Timeline – Typical of Regional Project

2006:

- Central Asia – South Asia Regional Energy Market (“CASAREM”) Meeting (Islamabad)
- MoU signed by CASA countries (Dushanbe)

2007:

- Additional MoU Signed (Kabul)

2008:

- Inter-Governmental Agreement Signed (Istanbul)

2009 – 2014:

- Feasibility Studies, Project Structuring
- World Bank Financing Approved 2014. Other IFI financing (IsDB, EIB, EBRD, DFID, US) approved 2014-2015

2015:

- Comprehensive Memorandum of Understanding
- Commercial Agreements signed
- Formation of Secretariat

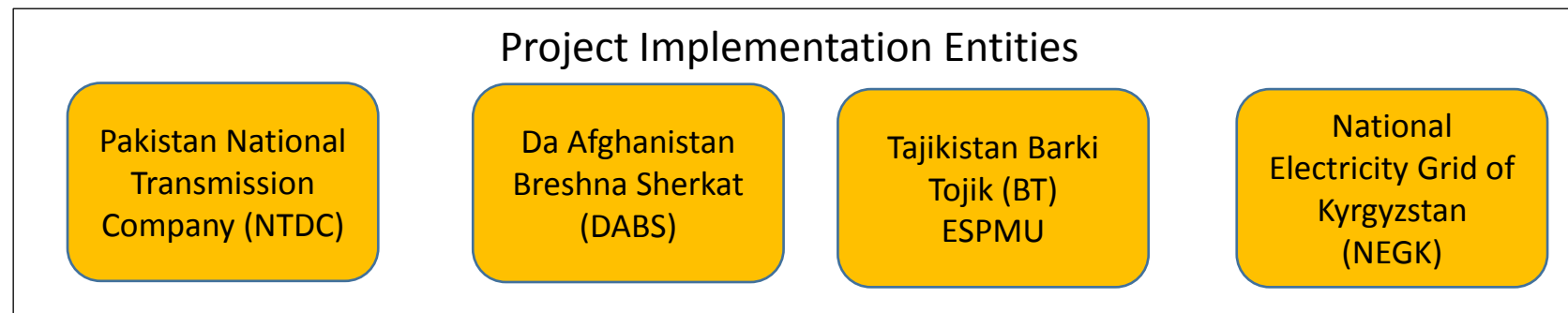
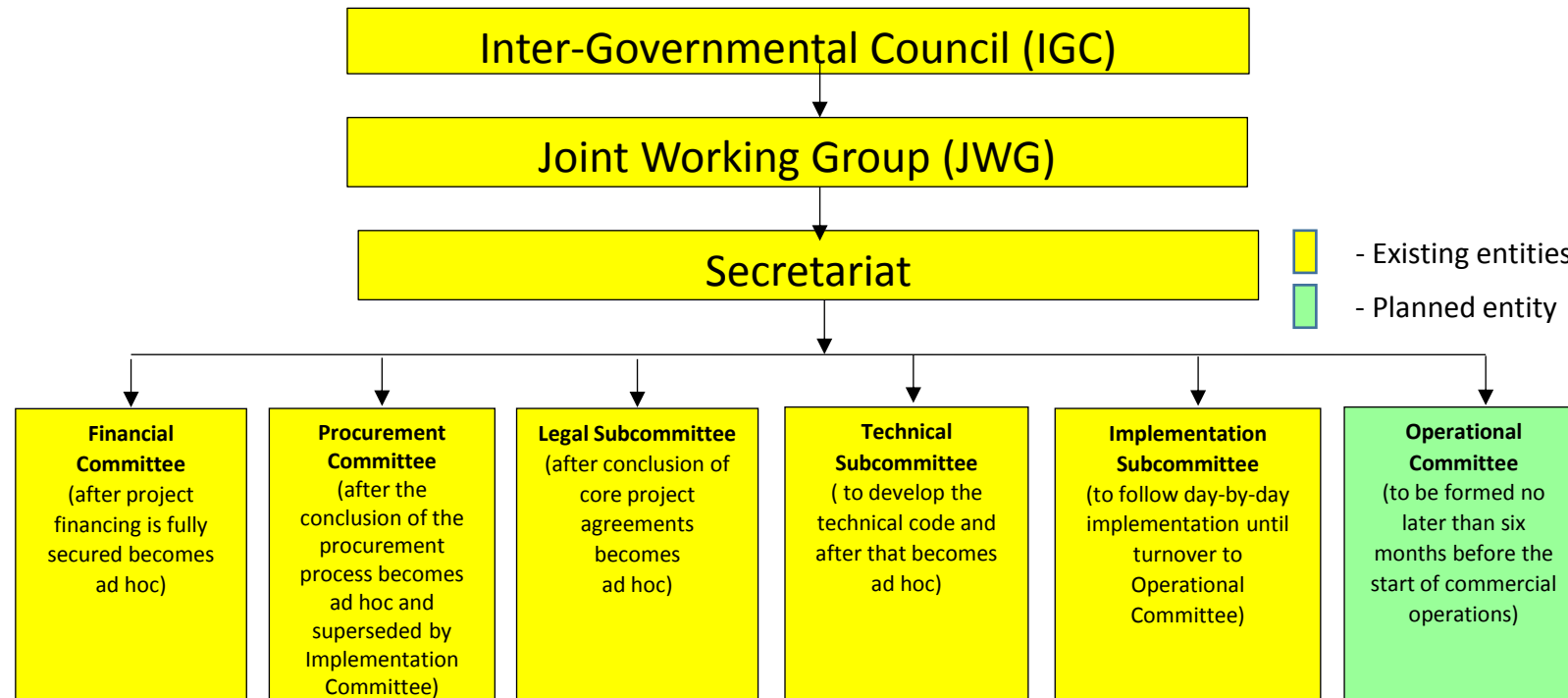
2016-2020

- Procurement picked up during 2017-2018 with all infrastructure EPC contracts in the four CASA countries signed (last one in May 2020)
- Project became effective in January 2018
- Design and construction activities started actively in Afghanistan 2019 moved with Converter SS construction in Tajikistan in 2020. Pakistan and Kyrgyz will start active construction in late 2020.

Sound Commercial Structure with Executed Agreements

- **Master Agreement** between the parties to the Power Purchase Agreements (signed 2015)
- **Power Purchase Agreements (PPAs)** (signed 2015)
 - PPA between EPP (Kyrgyz Republic) and NTDC/CPPA (Pakistan);
 - PPA between EPP and DABS (Afghanistan);
 - PPA between Barki Tajik (Tajikistan) and NTDC/CPPA (Pakistan);
 - PPA between Barki Tajik and DABS (Afghanistan);
 - PPA between DABS (Afghanistan) and NTDC/CPPA (Pakistan);
- **Coordination Agreement** between Kyrgyz Republic and Tajikistan (signed 2015)
- **Host Government Agreements** between each of the CASA-1000 Participating Countries and its project implementing entities (signed 2015)
- **For Operational Phase (Start of Commercial Operations in 2024)**
 - **Account Bank (AB) Agreement** with international bank which will be providing services for creating, operating and maintaining separate bank accounts to manage the cash flows between CASA parties as required under the CASA-1000 PPAs. Selection of AB under process and to be finalized by end of 2020;
 - **Technical Codes** – for operations and maintenance of CASA-1000 Transmission Facilities expected to be finalized in early 2021;

Institutional and Implementation Arrangements





CASA-1000 Electricity Transmission and Trade Project - Community Support Project

- In each CASA-1000 country, Community Support Projects are promoting local development in areas affected by the CASA-1000 Transmission Line
- CSP Project Development Objective: to increase the quality of, and access to, energy, social and economic infrastructure services, and to contribute to the strengthening of local governance in communities in the project area.

CASA-1000 Corridor of Impact/Tajikistan

- CSP will be implemented in villages in the CASA-1000 Corridor of Impact in Tajikistan, defined as 1.5 km on both sides of the CASA-1000 Transmission Line
- There are 65 villages, 23 Jamoats and 12 districts in the Corridor of Impact
- Over 123,000 people living in villages within the Corridor of Impact/Tajikistan will benefit
- Villages will receive sub-grant allocations for socio-economic subprojects based on population, relative need, and distance to Transmission Line

Isfara District – Border Areas Near Transmission Line in Kyrgyz Republic

- CSP will also support villages in Isfara District in border areas close to the CASA-1000 Transmission Line in the Kyrgyz Republic
- There are 50 Mahallas in the townships of Vorukh and Chorkuh in Isfara District, (organized into 11 groups) that will receive benefits from CSP
- Over 73,000 people living in Isfara District will benefit
- The 11 groupings of Mahallas will receive sub-grant allocations for socio-economic subprojects based on population and relative need