Laos' national energy policy is based around utilising all available resources and the private sector to interconnect with the region, according to a senior energy official who attended the 32nd Asean Ministers on Energy Meeting (AMEM) in Vientiane this week.

The policy begins with tapping all hydropower potential and other generation sources with the participation of private developers and also seeks full integration with the power sector of the Asean and Greater Mekong Subregion GMS grids to optimize its electricity trade.

On the domestic side, the policy of Laos is “to maintain and expand affordable, reliable and sustainable electricity supply to increase household electrification to 90 percent by 2020; and to promote renewable energy to reach 30 percent by 2025,” said Deputy Director General of Department of Energy Policy and Planning under the Ministry of Energy and Mines Mr Khamso Kouphoukham. Another part of national policy was to promote energy conservation and efficiency, he said.

The Lao PDR's national energy plan was at the heart of a panel discussion conducted during the 32nd Asean AMEM this week. Panellists from around the region recognised Laos as a leader in regional cooperation and interconnections for exported electricity. Laos already has 23 interconnections with Thailand, seven for the power trade with Vietnam, four with China and two with Cambodia. Laos and Singapore are in discussions for an arrangement for Laos to supply 100 MW of power through the grids of Thailand and Malaysia.

Another initiative is the possibility of a grid-to-grid power purchase agreement with Thailand to bring about greater reliability with lower costs and improve Laos's ability to sell excess energy and capacity during the rainy season. Other countries in Asean have been slower to develop power integration, the panellists said.
“In the current global market, you don't see many examples of regions that are integrated into one,” said Dr Ichiro Kutani, of Japan's Institute of Energy Economics. The European Union is one, he said. Laos certainly wants integration, he said, adding: “For Asean, this region needs to identify, or set targets, on how deeply does the region want to integrate into one.”

Ms Kristin Paulson, Asean's senior director of government affairs and policy, said the most interesting thing about the Asean region was how varied it is. “The wide disparity creates opportunities as well as challenges,” she said. “It's very difficult to have a regional [energy] policy.” Also an official of the US-Asean Business Council, Ms Paulson said multinational companies doing business in the region valued transparency and stability with respect to energy policy and tariffs.

**AMEM ready to spark energy integration**  *Vientiane Times*  September 25

The 32nd Asean Ministers on Energy Meeting (AMEM) and its related meetings concluded yesterday resolving to establish stronger links between nations, develop renewable energy while improving efficiency to promote sustainability in the sector.

The two-day gathering has adopted the four joint statements related to the AMEM, International Energy Agency, Asean Plus Three (China, Japan and Korea) and East Asia Summit Energy Ministers Meeting (EAS EMM).

The Asean ministers recognised the important role of the energy sector in advancing the regional integration process and agreed that the development of the next Asean Plan of Action for Energy Cooperation (APAEC) for 2016-20 should build on the achievements of the APAEC 2010-15, and contribute to development of the post-2015 vision for Asean Economic Community.

The 32nd AMEM meeting also endorsed the theme for the APAEC 2016-20: 'Enhancing Energy Connectivity and Market Integration in Asean to Achieve Energy Security, Accessibility, Affordability and Sustainability for All'.

The 32nd AMEM made significant progress in the various areas of cooperation such as renewable energy, Asean Power Grid and Trans-Gas Pipelines. The AMEM Chair informed the meeting about the Laos-Thailand-Malaysia-Singapore Power Integration Project which has been supported by energy officials from the region.

The ministers commended the efforts of the Asean renewable energy sub-sector network in promoting further development of renewable energy including a broader definition of renewable energy to include all capacities of hydro sources but excluding traditional sources of biomass.

The ministers tasked the Asean renewable energy support programme to develop concrete recommendations on enhancing the expansion and integration of renewable energy into power systems.
At the opening ceremony of the AMEM, Lao Prime Minister Thongsing Thammavong highlighted the importance of energy cooperation and power integration in Asean, particularly the potential of hydropower as a clean, non-polluting and renewable energy source. The PM also underscored the need for a concerted effort to reduce the impacts of climate change caused by greenhouse gasses while ensuring sustainability of economic growth in the Asean region.

Meanwhile the 11th AMEM+3 further strengthened commitment and cooperation in the areas of energy security, oil market and natural gas, renewable energy plus energy efficiency and conservation. The 8th EAS EMM noted the progress made in the work streams in fields of bio-fuels for transport, and renewable and alternative power generation.

Lao Minister of Energy and Mines Soulivong Daravong addressed a press conference shortly after the AMEM wrapped up, saying the event has produced a fruitful outcome which will lead to the enhancement of Asean cooperation in the energy sector. Mr Soulivong expressed his thanks and appreciation to delegates from Asean member countries, Asean dialogue partners from Australia, China, India, Japan, Korea, New Zealand, Russia, and the United States for their active involvement in this important dialogue.

**Lao-Singapore transmission line can save billions** *Vientiane Times* September 25

Building a transmission line to carry electricity from Lao hydropower plants to Singapore can save as much as US$26 billion over 10 years for the four countries involved, according to a new study.

During a press conference for the 32nd Asean Energy Ministers Meeting on Tuesday, Dr Yanfei Li of the Economic Research Institute for Asean and East Asia (ERIA) said the savings estimate was based on current and projected electricity demand but could be even greater. “Our key findings show that the transmission line is very valuable and economically feasible,” he said.

ERIA estimates that the four countries could save between US$23 billion and US$26 billion over 10 years of operation. Dr Li said they had studied ten years of power trading among the four countries, especially Lao and Singapore. “But Thailand and Malaysia would also benefit from this because the power goes through their territories and they can carry out some sort of relay power trade in between,” he said.

“We made our estimate over a ten year period but it could actually be more than that because power transmission lines stand for more than ten years. It could last up to forty years.”

Dr Li said, “Based on the current level of power demand in all four countries, we also projected the future power demand growth over the next ten years and this level of demand is already enough to justify power interconnection between Laos and Singapore.” This is not to overlook the many challenges and barriers such as the harmonisation of regulation and technical issues such as voltage and frequency, as well as how to identify the most suitable business model for the four countries to trade. These are barriers that may delay the progress, he added.
“If you can build the transmission line, in our estimation it is already economically feasible. However, there are barriers that we need to solve before we can start construction.” He said Laos, Thailand, Malaysia and Singapore had determined that the transmission line was technically feasible but had yet to work out a business model for the cross-border trade. He estimated that construction could begin in one or two years' time.

Jakarta-based ERIA invited the Lao news media to a launching of its two latest studies on Tuesday (September 23) at the Asean Ministers on Energy Meeting.

Dr Yanfei Li and Dr Ichiro Kutani are the authors of Investing in Power Grid Interconnection in East Asia, which estimates the cost and net economic benefits of several proposed new transmission capacities.

Mr Shigeru Kimura, author of the second ERIA study, Energy Outlook and Analysis of Energy-Saving Potential in East Asia, said countries like Laos had national policies and goals for improving energy efficiency but they needed detailed action plans to achieve real energy savings.

Laos, Vietnam enhance energy cooperation  
KPL 25 September, 2014

An energy cooperation working group between the Vietnamese Ministry of Industry and Trade and Laos' Ministry of Energy and Mines will be set up to promote connection between the two countries in the field. The establishment was reached at a working session in Vientiane on September 24 between Deputy Minister of Industry and Trade Cao Quoc Hung and Minister Soulivong Daravong.

The group will create a close coordination mechanism, helping the two sides update and exchange information on energy policies and propose new projects and programmes in energy.

During their session, host and guest said they believed the group would help promote effective energy cooperation between the two countries, contributing to fostering traditional friendship and special solidarity between Vietnam and Laos.

Deputy Minister Cao Quoc Hung was in Laos to attend the 32nd ASEAN Ministers on Energy Meeting (AMEM).

Lao PM stresses energy security and sustainable future in Asean  
Vientiane Times September 24, 2014

Lao Prime Minister Thongsing Thammavong has highlighted the importance of renewable energy in ensuring energy security and a sustainable future in Asean and urged future cooperation in research and development.

Speaking at the 32nd Asean Ministers on Energy Meeting (AMEM) which opened yesterday in Vientiane, Mr Thongsing took the opportunity to highlight hydropower as an abundant
renewable energy source in Laos, which the country wishes to further harness and export to
the region.

He noted that during the 32nd Senior Officials Meeting on Energy and Related Meetings in
Luang Prabang last June, it was agreed that electricity generated from large scale hydropower
plants should be included in the renewable energy grouping, thereby effectively increasing
Asean’s use of renewable energy.

The Lao PM also urged Asean nations to continue studies on the renewable energy market
and provide necessary funding for the promotion of environmentally friendly green energy.
“The development of renewable energy and green, clean energy is a force for good that does
not pollute the atmosphere,” he said.

Laos has great potential for hydropower development, generating about one-third of Laos’
capital income from natural resources. “However, in developing hydropower plants in our
country, we do not ignore the impacts that may occur. We act with the utmost caution and
responsibility.”

Mr Thongsing was aware that the energy generated from hydropower was considered as
clean, non-polluting and renewable energy. Moreover, hydropower development can help
alleviate drought and floods.

Lao Minister of Energy and Mines Mr Soulivong Daravong said, “We also recognise the
volatility in global energy markets due to economic slowdown and recovery in several
countries.” “To cope with this situation, we must promote energy efficiency and
conservation, and find renewable energy sources so as to reduce dependence on the import of
oil and other fuels.”

Up to 300 participants were expected to attend the 32nd AMEM and its related meetings in
Vientiane yesterday which is proceeding under the theme “Power Integration for Asean
Prosperity”.

During the 32nd AMEM, the energy ministers will consider reports on the development of
the Asean Plan of Action on Energy Cooperation for 2016-20 working towards the key goals
of energy security, accessibility, affordability and sustainability; and learn about the pilot
project entitled ‘Laos, Thailand, Malaysia, Singapore Power Integration Project’ to study
cross border power trade from Laos to Singapore.

Meanwhile the Asean Plus Three ministers will appraise the work progress on cooperation in
the area of energy security on oil, coal and civilian nuclear energy, renewable energy, energy
efficiency and conservation.

The 8th East Asian Summit Energy Ministers Meeting will discuss broader cooperation on
technology transfer in the areas of bio-fuels and renewable and alternative power generation.
This is the second time Laos has had the honour of hosting the AMEM since the country
Thailand tops 2014 Asean Energy Awards  

Thailand is still the Asean Champion at the Asean Energy Awards 2014 after receiving 13 honoured awards as it confidently steps forward into the Asean Economic Community (AEC) in 2015.

Thailand’s Minister of Energy Mr Narongchai Akrasanee revealed that, this year amongst 10 Asean countries, Thailand won the largest number of awards with 13 awardees out of a total of 45 at the Asean Energy Awards 2014.

The awards ceremony was held in Vientiane, when Minister of Energy, Mr Narongchai attended the 32nd Asean Minister on Energy meeting (AMEM) yesterday. Thailand’s awardees are also divided into seven winners, including the two 1st runners-up and four 2nd runners-up.

Mr Narongchai told the media that these achievements would not have happened without strong cooperation between the private and public sectors. “All the achievements indicate that Thailand is now still the leading country in energy conservation in Asean and will be ready to go forward towards AEC integration in the near future,” he said.

During the 32nd Asean Ministers on Energy Meeting (AMEM) and Related Meetings in Vientiane from September 22-24, Mr Narongchai told media representatives that the Thai and Lao energy ministers also met to discuss future power purchasing deals between Laos and Thailand. “Thailand signed an MOU with Laos on buying energy from Laos totalling 7,000 MW. So far 1,800 MW is on the grid and it will reach 5,400 MW in the next four years,” he said.

The Renewable Energy Project Competition and Energy Conservation Project Competition were the two main competitive topics for the Asean Energy Awards 2014.

Mr Narongchai went on to say that “Several mega dam projects and Hongsa Lignite in Laos will be completed in the near future and this electricity will be also purchased by Thailand.” Asean countries are pushing forward to promote the energy integration in the region in an effort to cooperate with each other in the field of production and distribution.

“They are interested in power integration. Therefore we all are here at the 32nd Asean Ministers on Energy Meeting (AMEM) in Laos,” he said. Mr Narongchai added that Thailand signed bilateral cooperation agreements in the energy sector with neighbouring Laos, Myanmar, Cambodia and Malaysia.

Meanwhile Laos will also push for the acceleration of energy integration under the Asean Power Grid (APG) to address the imbalance in the distribution of power-generating resources in the region. APG aims to connect countries with surplus power generation capacity to those who face a deficit or energy issues.
“Thailand has a clear policy to steadily support the Lao government towards future energy development,” he said, adding that Asean power integration is a significant scheme to connect between the Asean members.

Laos pushes for energy integration

Laos will push for the acceleration of energy integration under the Asean Power Grid (APG) to address the imbalance in the distribution of power-generating resources in the region.

The Energy Policy and Planning Department Director General Dr Daovong Phonekeo told Lao media during a senior official meeting in Vientiane yesterday to prepare for the 32nd Asean Ministers on Energy Meeting (AMEM) today. The move comes after energy integration has been talked about for years but the project has not progressed, it is still largely as before.

Dr Daovong, who is also the senior official for Laos, said any integration was mainly conducted among neighbouring countries, not broadly and systematically connected to the wider Asean countries. “We will take the opportunity of the 32nd Asean Ministers on Energy Meeting in Vientiane to push for the acceleration of energy integration in Asean,” he said.

The APG aimed to connect countries with surplus power generation capacity to those who face a deficit. The intention is to link up power lines in the 10 Asean nations by 2020, but there is still a need to further harmonise business regulations, technical standards and systems that impact the interconnection of national power grids.

Laos will also propose to the Asean ministerial meeting an initiative to undertake a pilot project to explore cross border power trade from Laos to Singapore.

The scheme could serve as a pathfinder to further enhance multi-lateral electricity trading beyond neighbouring borders to support the realisation of the APG. The pilot project will involve the four Asean member states of Laos, Thailand, Malaysia and Singapore. Singapore has agreed in principle to purchase 100 MW of electricity from Laos under the pilot scheme, while Thailand and Malaysia have offered their support.

The Lao electricity transmission line is already connected with Thailand’s, while the Thai network is connected with Malaysia’s and the Malaysian transmission line is connected with Singapore.

AMEM is an Asean mechanism for strengthening energy cooperation to address major energy challenges and ensure a secure and reliable energy supply in the region. Ministers and delegates from nine Asean member countries, six dialogue partners, Asean Secretariat, International Energy Agency, Economic Research Institute for Asean and East Asean Centre for Energy, as well as other Asean agencies on energy, will attend the meeting.

Up to 300 participants are expected to attend the 32nd AMEM and its related meetings. These include Asean Plus Three (three dialogue partners – China, Japan and the Republic of Korea)
Energy Ministers Meeting and Asean Plus Six (China, Japan, the Republic of Korea, India, Australia and New Zealand) Energy Ministers Meeting.

On Monday, senior officials discussed various documents at the preparatory meeting for the ministerial meeting today. The meeting also reviewed cooperation projects implemented over the past year. The Asean officials also discussed cooperation projects for the next five years before holding a meeting with their counterparts from the plus three nations of China, Japan and the Republic of Korea to discuss cooperation, notably on issues related to energy training and exchange lessons between Asean member countries and the plus three nations.

ASEAN high-voltage link to be initiated in four member countries

(KPL 23/9/14) The integration of high-voltage power grid network among ASEAN member countries is expected to be launched in Laos, Thailand, Malaysia and Singapore.

The Director General of Energy Policy and Planning Department under the Ministry of Energy and Mines, Dr Daovong Phonkeo, gave an interview to local media at a Senior Officials Meeting on Energy (SOME) Preparatory Meeting on the 32nd ASEAN Ministers on Energy Meeting (AMEM) in Vientiane yesterday.

Dr Daovong who is also Head of ASEAN Energy Senior Officials for Lao PDR said that the initial plan of integration of high-voltage power grid network will be proposed at the 32nd AMEM which will be held today. The plan will be proposed by the Minister of Energy and Mines, Mr Soulivong Daravong.

"If this plan is successful, we will further expand to other ASEAN member countries," he said. "So far, the power grid connection has only covered neighbouring countries such as Laos and Thailand, or Thailand and Malaysia". Dr Daovong explained that the connection of power grid system among ASEAN will bring benefits not only to Laos but also to all members of ASEAN on exchanging energy.

The Preparatory Meetings of SOME and SOME Plus Three discussed preparation of documents which will be proposed at the 32nd AMEM today. The documents include SOME Chair's report, a five-year (2015-2020) cooperation plan on energy sector in ASEAN member countries.

The participants also discussed the importance of energy saving in order to reduce electricity generation from fossil fuel which is a cause of global warming, climate change, flood and draught.

Thailand signals plans to purchase more Lao electricity

22/09/2014

Thailand plans to purchase more electricity from Laos and Myanmar amid rising consumption and demand for energy in the neighbouring country. A senior official from the Thai Ministry of Energy, Mr Chavalit Pichalai told Thai media last week that Thai Energy Minister, Mr Narongchai Akrasaneew would hold discussions with his counterparts in Laos and Myanmar on plans to purchase more electric power from the two neighbouring nations.
The discussions among top energy officials on power purchasing will take place in Vientiane this week during the 32nd Asean Energy Ministers Meeting. Laos will host the regional energy meeting today, aiming to discuss future energy integration.

Mr Chavalit, who is also Director General of Energy Policy and Planning Office, was unable to provide further details on the amount of extra electricity Thailand is seeking to purchase from Laos. However Thailand plans to increase electricity purchases from Myanmar to 10,000 MW from the current 1,500 MW, according to a report from Thai News Agency last week.

According to officials from the Lao Ministry of Energy and Mines, the Lao and Thai governments have signed a Memorandum of Understanding on the power purchasing. In accordance with the MOU s, Laos will have to supply electric power of 5,000 MW by 2015 and 7000 MW by 2020. At present, Laos has an installed electricity generation capacity of 3,200 MW and about 80 percent of the power is exported to Thailand.

The Lao energy officials said that Thailand had expressed interest to purchase more electricity from Laos due to rising demand for energy consumption. However the officials said that the proposal is still unofficial. Electricity Generating Authority of Thailand's (EGAT's) Governor, Mr Sunchai Khamnoonset said the Thai side would raise the issue of a change of process in buying electricity from Laos during discussions at the regional meeting.

Energy officials said that Thailand wants to buy more power from Laos because the country produces electricity from hydropower, which is considered as a cheap and clean source of energy. Peak demand for electricity in Thailand is about 28,000 MW. Most of the electricity which Thailand generates domestically comes from natural gas and oil based power plants, which are more expensive.

A number of Thai electricity generating firms plan to invest more in the Lao hydroelectric power sector after learning that the country has huge potential to generate energy for export.

The Lao government also has a policy to become a major supplier of electric power thanks to its potential to build hydropower plants. Laos has the potential to build more than a hundred hydropower plants with a combined generation capacity of about 28,000 MW.