

GREETINGS & WELCOME

PRESENTATION ON THE **BANGLADESH ENERGY REGULATORY COMMISSION**

BY THE
BANGLADESH DELEGATION

Dr. Mujibur Rahman Khan
Chairman
Bangladesh Energy Regulatory Commission

Mr. Mohammad Shahidul Haque
Joint Secretary
Ministry of Law & Parliamentary Affairs, Government of Bangladesh

Mr. Abdullah Hel Mostafa
Chief of Party
USAID/NARUC Project for Regulatory Capacity Building in Bangladesh.

Bangladesh map with the surroundings



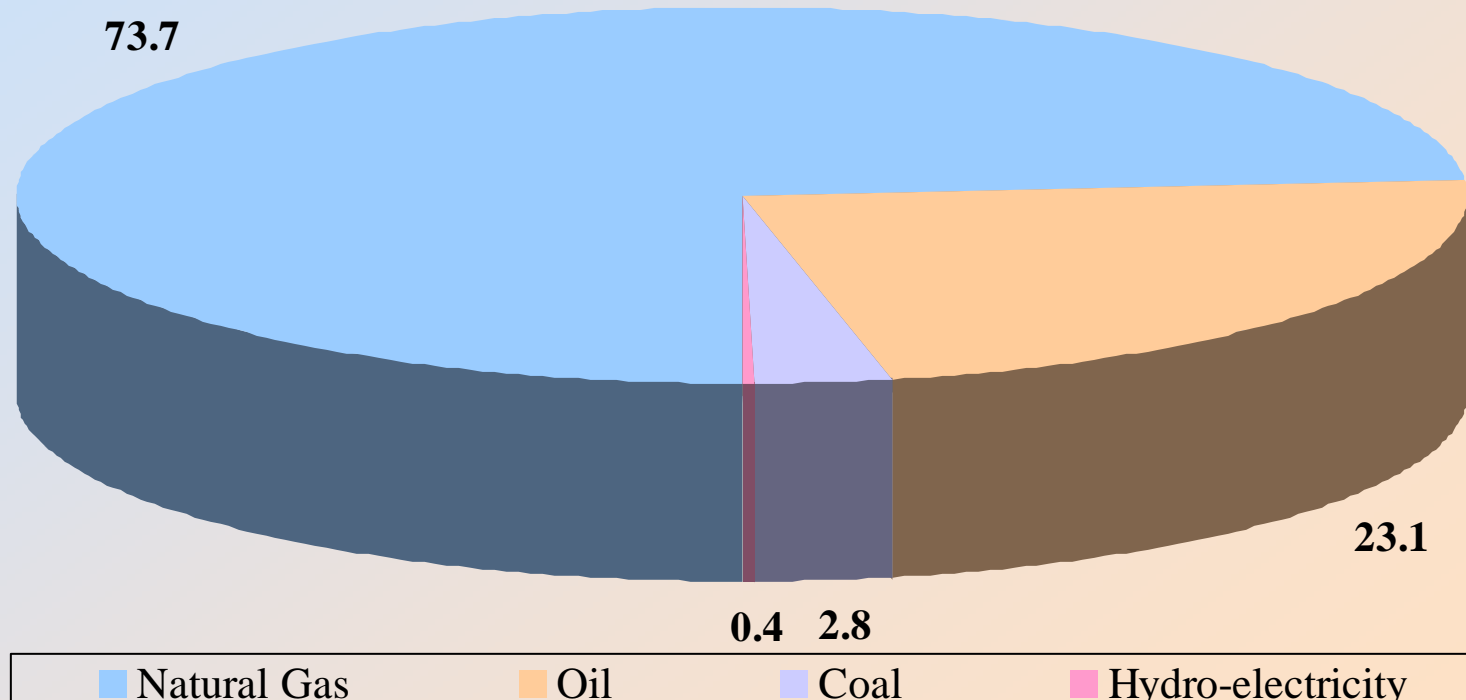
• Population:	143.8 million
• Area:	147570 sq. km
• Population density:	904/sq km
• Population growth:	2.91%
• GDP:	\$57.4 Billion
• Per capita income:	US\$ 444.00
• Literacy:	51% (15 years+)
• Infant Mortality:	46 per 1000
• Access to Electricity % of population:	32%
• Access to Gas % of population:	17%
• Per capita energy consumption:	4.0 million BTU

Primary Commercial Energy Consumption

Total Commercial Energy used 14.7 MTOE (Year 2002-2003)

Natural Gas:	10.8 MTOE (73.7%)
Oil:	3.4 MTOE (23.1%)
Coal:	0.4 MTOE (02.8%)
Hydro-electricity:	0.1 MTOE (00.4%)

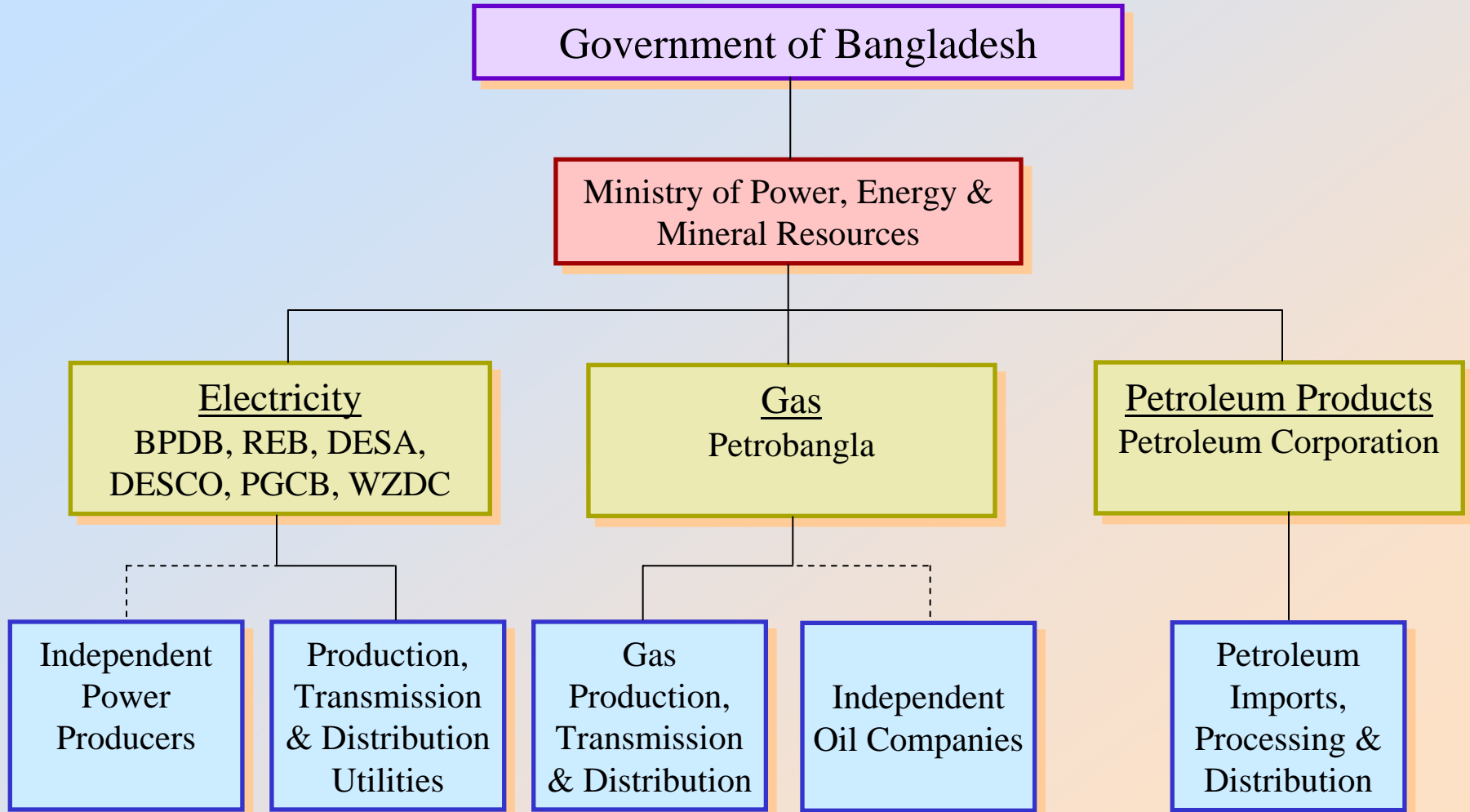
MOTE = Million Tons of Oil Equivalent



Key Energy Statistics

Electricity		Gas		Oil	
Electricity generation:		Natural gas production:	1365 MMCFD	Oil import:	
Steam:	2228 MW	Natural gas consumption:	1340 MMCFD	Crude:	1.63 Million Ton
Hydro:	230 MW	Natural gas imports/ exports:	Nil	Refined:	2.69 Million Ton
Gas Turbine:	994 MW	Number of gas-fired power plants:	26	Lube:	0.007 Million Ton
Combined Cycle:	990 MW			Oil Market Size:	
Diesel:	238 MW			Gasoline:	2262487 M Ton
Electricity consumption:	3720.8 MW			Kerosene:	553159 M Ton
Installed capacity:	4680 MW			Diesel:	288192 M Ton
				Others:	671924 M Ton
				Oil Storage Capacity:	
				Gasoline:	.054 M Ton
				Kerosene:	.079 M Ton
				Diesel:	.246 M Ton
				Crude Oil:	.228 M Ton

Management & Ownership Structure



Current Energy Issues

- Sector reform and market structure formulation.
- Unbundling of integrated functional organizations (generation, transmission, and distribution).
- Introduction of commercialization.
- Private sector participation.
- Investment.
- Implementation of a new regulatory regime in the energy sector.

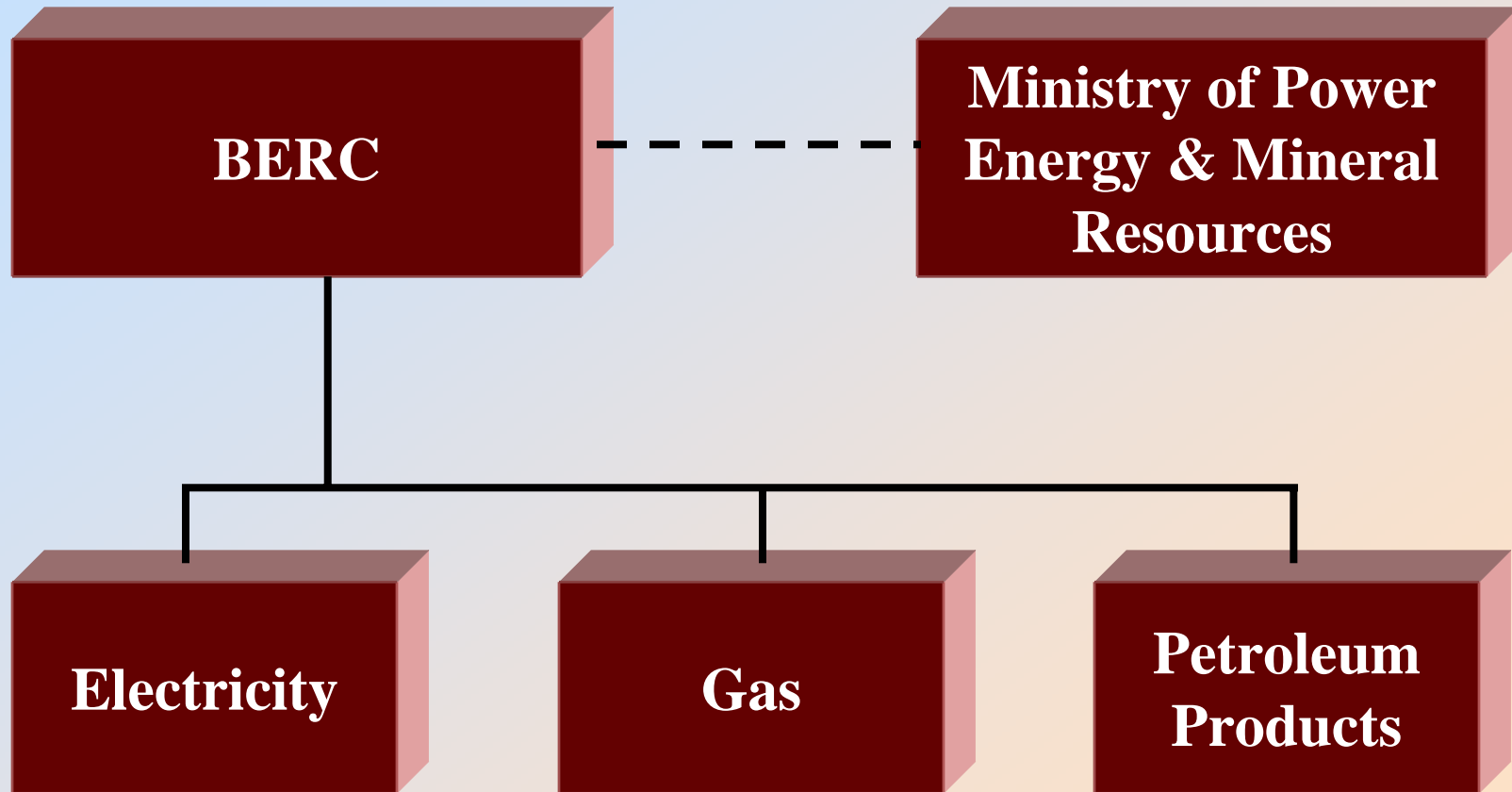
BERC

Established on march 13, 2003
through a legislative act of the Bangladesh national
assembly.

The commission became effective on
27 April 2004 with the appointment of two, of five
member commission including the chairman

The chairman was appointed on 4 June 2005

BERC Regulated Sectors



“To make provisions for the establishment of an independent and impartial regulatory commission for the energy sector”

- Enforcement of fiscal discipline of the energy sector
- Introduction of performance targets and incentive-based regulation
- Introduction of uniform operational standards and quality of supply
- Transparency in tariff determination and economic efficiency
- Increased opportunities for development of competitive markets
- Increased opportunities for efficiency and economic growth
- Public involvement into the energy sector

Salient Features of the BEREC Act

- Authority to issue license
- Authority to approve tariff
- Authority to approve standards & codes
- Energy related Judicial Powers
- Financing through License fees
- Removal of members require judicial process
- Salary & benefits unlike and independent of government structure

Achievements to-date



BERC
establishes
its own
office

Achievements to-date

- Number of internal regulations framed and gazetted for administrative and financial functioning of the commission
- Provisional licensing regulation framed and adapted. So far four provisional licenses issued
- Number of other regulations including the licensing regulation is almost complete

Achievements to-date

First ever public hearing on licensing regulations held



Achievements to-date

First ever public hearing on licensing regulations held



Challenges Ahead

- Altering the mind-set of the authority and utilities
- Upholding independence & impartiality
- Free of political influence
- Balancing between national & stakeholder interest
- Finding & retaining appropriate manpower
- Continuous training & updating of skills

Thank you all

On behalf of Bangladesh Energy Regulatory Commission – I wish to express our gratitude and thanks to USAID and National Association of Regulatory Utility Commissioners (NARUC) for continuing support to BERC and for making this highly productive tour of ours possible.

Thank You All