

Technical Conference – Breakout Session Report Out

TOPIC: Business Models to Support
Community Ownership &
Private Sector Developers

Facilitator/Expert:

Matthew Tiedemann (Pact Myanmar),
U Zaw Min (Win-Thet-Di Hydro Power)

- Top most urgent/important issues to resolve:
 - Affordability of quality solutions, Minimum Quality Standards
 - Reliability of power, Maintenance
 - Tariffs & Subsidies vs. Willingness to pay

Solutions – Issue #1

Issue: Affordability of quality solutions, Minimum Quality Standards

Solutions:

- What can government do?
 - Approving quality standards, regulate & set parameters of mini-grids for developers
- What can private sector (developers/financiers) do?
 - Draw on existing standards, upgrade the quality & reliability
 - Transition their current business models to adapt to available subsidies
- What can development partners do?
 - Understanding of value for money
 - Structure & make available affordable financing
 - Facilitating stakeholder conversations

Solutions – Issue #2

Challenge: Tariffs & Subsidies vs. Willingness to pay

Solutions:

- What can government do?
 - Allow the electricity tariff flexibility to allow RoI for investors, affordable/equitable for the community
- What can private sector (developers/financiers) do?
 - Allow SME use by lower daytime electricity – load structured tariffs
- What can development partners do?
 - Promote productive use, income generating activities, financial education, capacity building

Other Key Observations

- Need for standardized model
- Business model depending on productive use
- Demand survey needed
- NEP phased approach – mini-grid locations
- Mini-grid interconnectivity to be considered in business model