Annexure- IX

**Report on 16th Core Course of SAFIR**
**Organized by CUTS International, during 24th April to 28th April 2017**
**at Jaipur, Rajasthan**

In the 22nd Steering Committee Meeting (SCM) of SAFIR, as per the request of CUTS, it was decided that CUTS may the 16th Core Course of SAFIR.

Accordingly, CUTS International organized the Core Course during 24th – 28th April 2017 at Hotel Golden Tulip, Jaipur Rajasthan. 21 Participants from ERCs such as HP, Assam, Gujarat, Odisha, Maharashtra etc and Regulatory Authority such TAMPS have attended the core course. The participants included members from other south Asian countries (SAFIR members) such as 1 participant from Sri Lanka, 1 from Bhutan and 3 from Bangladesh for this 5-day program.

The course curriculum consisted of various lectures on different aspects of Infrastructure regulations, need of regulations, good regulatory practice, Regulatory Impact Assessment, Competition Impact Assessments, Role of Regulators, Electricity Trade in south Asian Region, Consumer protection and Participation in Electricity Regulators etc. it also comprised of Group exercises.

The above lectures were delivered by prominent speakers including Dr. Geeta Gauri, Former Member of CCI, Mr. Saket Sharma, Associate fellow, CIRC, Mr. S.P. Chandak, Professor Emeritus, Birla Institute of Management and Technology, Mr. Sachin Warghade, Asst. Professor TATA Institute of Social Sciences, Dr. Nitya Nanda, Fellow, Centre for Resource Efficiency and Governance Integrated Policy Analysis Division, TERI etc.

There has been mixed response from the participants regarding the usability of the course content designed by CUTS International for the core course in regulators perspective. Participants appreciated sessions on Why Regulate? Ownership and Regulation by Dr. Geeta Gauri, Role of Regulators in ensuring Sustainable Development by S.P. Chandak and felt that session on Overview of Good Regulatory Practice by Mr Sumant Prashant, RIA Concepts and choosing analytical methods by Amol Kulkarni could improve.

The complete course curriculum of the Core Course is at **Appendix**-II along with the feedback of the participants.

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~~ANNEXURE-I~~ Appendix-II

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# CUTS & SAFIR 16th CORE COURSE ON INFRASTRUCTURE REGULATION

MONDAY, 24TH APRIL – FRIDAY, 28TH APRIL, 2017
JAIPUR, RAJASTHAN

## AGENDA

## MONDAY, 24TH APRIL 2017

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| 10:00 – 10:30 | **REGISTRATION** |
| 10:30 – 11:30 | **OPENING SESSION, "WHAT IS THE RATIONALE FOR REFORMING AND REGULATING INFRASTRUCTURE SECTORS"**<br>• Bipul Chatterjee, Executive Director, CUTS International<br>• Dr. Geeta Gouri, Former Member, Competition Commission of India |
| 11:30 – 12:00 | **ICE BREAKER EXERCISE**<br>Amit Gordon, Director, CUTS International |
| 12:00 – 13:30 | **SESSION I: WHY REGULATE? OWNERSHIP AND REGULATION**<br>Ownership structures differ under various regulatory domains. This session will explore the market dynamics that emerge due to different ownership structures. For example, how can investors invest in the volatile South Asian environment? Can regulators give them the necessary predictability? This session will explore the options that regulators have with reference to real-world examples from different sectors<br>Dr. Geeta Gouri, Former Member, Competition Commission of India |
| 13:30 – 14:30 | Lunch Break |
| 14:30 – 15:15 | **ENERGISER: GROUP EXERCISE**<br>Amit Gordon, Director, CUTS International |
| 15:15 – 16:30 | **SESSION II: OVERVIEW OF GOOD REGULATORY PRACTICES**<br>This session will give a brief overview of good regulatory practices adopted by various countries across South Asia/the world, regulatory impact assessment, regulatory guillotine, centralized register of formalities, improving public consultation and transparency, independent review of red tape by a central body etc. It will broadly highlight the benefits of such good regulatory practices.<br>Sumant Prashant, Legal Consultant, National Institute for Public Finance and Policy |
| 16:30 – 16:45 | Tea Break |
| 16:45 – 18:00 | **SESSION III: STAYING IN TOUCH WITH THE CONSUMER: OUTREACH**<br>For sustainable reform, regulatory agencies need to build support for their initiatives among consumers or at least avoid their hostility. This session would |

## TUESDAY, 25TH APRIL, 2017

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| 10:00 – 10:15 | **RECAP OF DAY I** |

**10:15 – 11:30** **SESSION IV: RIA CONCEPTS AND CHOOSING THE ANALYTICAL METHODS**

Review basic concepts important to understanding the application of RIA. Concepts to be covered include:

- Why do regulations fail to achieve their goals? Are we identifying the policy problems correctly? Can RIA help us avoid such mistakes?
- What are regulatory costs and benefits? How do we know them when we see them? How do we measure them? What does value mean in RIA?
- We will examine the available analytical methods for RIA, their strengths and weaknesses, and the kinds of problems and situations to which each is suited: benefit-cost method, cost-effectiveness method and least-cost method

Amol Kulkarni, Senior Policy Analyst, CUTS International

**11:30 – 11:45** **Tea/Coffee Break**

**11:45 – 13:30** **SESSION V: CASE STUDY FOR PARTICIPANTS: DESIGN ALTERNATIVES, IDENTIFY COSTS AND BENEFITS**

In this interactive case study exercise, participants will break into smaller working groups and develop the core elements of CBA and deliver presentation on their findings.

Amol Kulkarni, Senior Policy Analyst, CUTS International

**13:30 – 14:30** **Lunch Break**

**14:30 – 15:00** **ENERGISER: GROUP EXERCISE**

**15:00 – 15:15** **Tea/Coffee Break**

**15:15 – 18:00** **SESSION VI: UNDERSTANDING THE PROBLEM RIGHT: ACTOR MAPPING APPROACH**

Problems related to infrastructural regulation can be viewed as complex problems. Such problems have no true or false solutions, rather what we have are a range of options. Even defining what a complex problem is and who are the actors involved, is in itself a complex problem. Thus, in order to formulate what the problem is, we need a space where the participants can meaningfully deliberate, discuss, and come to a consensus. In the Actor Mapping exercise, such a space is created. The Actor mapping exercise has three phases:

- Listing the Problems
- Mapping Actors and Institutions
- Reframing the Problem

Sruthi Krishnan and Bharath M. Pallavalli, Fields of View, Bangalore

## WEDNESDAY, 26TH APRIL 2017

**10:00 – 10:15** **RECAP OF DAY II**

**10:15 – 11:45** **SESSION VII: IMPROVING REGULATORY POLICY FORMUALTION: CASE STUDY ON INDIAN ENERGY GAME**

India needs an energy policy that addresses environmental issues, decreasing coal reserves, increasing demand and technological challenges. Comprehending problems that arise in such complex socio-technical systems is not a trivial task.

The Indian Energy Game has been designed with these primary objectives:

- The challenges faced by different agencies in meeting targets.
- The decision making process and negotiations between the agencies

The session would thus be conducted in the form of a simulation exercise wherein the participants assume roles of different ministries of the Indian Government that build energy capacity in the country.

**Sruthi Krishnan and Bharath M. Pallavalli, Fields of View, Bangalore**

**11:45 – 12:00** **Tea/Coffee Break**

**12:00 – 13:30** **SESSION VIII: IMPROVING REGULATORY POLICY FORMUALTION: CASE STUDY ON INDIAN ENERGY GAME (CONTD.)**

**Shruthi Krishnan and Bharath M. Pallavalli, Fields of View, Bangalore**

**13:30 – 14:30** **Lunch Break**

**14:30 – 15:00** **ENERGISER: GROUP EXERCISE**

**15:00 – 16:00** **SESSION IX: COMPETITION IMPACT ASSESSMENT: SIGNIFICANCE AND CONCEPTS**

Competition distortions caused by government policies and regulations are often found in relation to trade, procurement, pricing and subsidies. Due to their anti-competitive outcomes, there is a need to scrutinize and assess their formulation and implementation on the touchstone of competition. Competition impact assessments are designed to look into how regulations impact on the behaviour of market participants and to forecast the longer-term benefits and cost. CUTS Competition Impact Assessment Toolkit is a complement to the existing tools, as it focuses mainly on analysing competition distortions caused by government policies in the developing world.

**Saket Sharma, Associate Fellow, CUTS Institute for Regulation & Competition**

**16:00 – 16:15** **Tea/Coffee Break**

**16:15 – 18:00** **SESSION X: COMPETITION IMPACT ASSESSMENT: CASE STUDY EXERCISE**

In this interactive case study exercise, participants will break into smaller working groups and develop the core elements of Competition Impact Assessment and deliver presentation on their findings.

**Saket Sharma, Associate Fellow, CUTS Institute for Regulation & Competition**

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focus on how regulatory agencies can contribute to improving the consumer experience, gaining valuable support for its balancing act with the government and the utilities and for advancing the regulator's broader mandates. Further, the session would also focus on discussing practical recommendations on how we can make public hearings and consultations serve the overall objectives of regulation better.

**Udai S Mehta, Deputy Executive Director, CUTS International**

## THURSDAY, 27TH APRIL 2017

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| 10:00 – 10:15 | **RECAP OF DAY III** |
| 10:15 – 12:00 | **SESSION XI: INCENTIVE REGULATION AND REGULATORY DESIGN: APPROACH FOR INFRASTRUCTURE AND UTILITY REGULATION IN DEVELOPING COUNTRIES**<br>Incentive regulation is a newly emerging field for addressing complex regulatory problems involving strategic behavior of regulated entities. The session provides conceptual and practical grounding on the idea of using 'incentive regulation' for regulatory design. It proposes a new approach to regulatory professionals for developing 'design thinking' through incentive analysis. The contents of the session will be grounded in the experiences and challenges of regulating infrastructure and utility sector in developing countries. The session comprises of lecture combined with small exercises around designing incentive regulation.<br><br>Sachin Warghade, Assistant Professor, Tata Institute of Social Sciences |
| 12:00 – 12:15 | **Tea/Coffee Break** |
| 12:15 – 13:30 | **SESSION XII: INCENTIVE REGULATION AND REGULATORY DESIGN: (CONTINUED)**<br>Sachin Warghade, Assistant Professor, Tata Institute of Social Sciences |
| 13:30 – 14:30 | **Lunch** |
| 14:30 – 16:30 | **SESSION XIII: ROLE OF REGULATORS IN ENSURING SUSTAINABLE DEVELOPMENT**<br><br>The session will entail discussions and deliberations on the following aspects: What is Sustainability, Relevance of sustainability to regulators, Key sustainability aspects for regulators: energy efficiency and renewable energy, resource efficiency & waste management, social inclusiveness, etc., Role of regulators in promoting sustainable development, and how to build sustainable development concepts as an integral part of regulatory mechanisms?<br><br>S.P. Chandak, Professor Emeritus, Birla Institute of Management and Technology |
| 16:30- 16:45 | **Tea Break** |
| 16:45- 22:30 | **Participants' Visit to Chowki Dhani** |

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## FRIDAY, 28TH APRIL 2017

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| **10:00 – 10:15** | **RECAP OF DAY IV** |
| **10:15 – 11:15** | **SESSION XIV: ELECTRICITY TRADE IN SOUTH ASIA REGION: ROLE OF REGULATORS**<br>The economics of electricity market varies from country to country, although the underlying economic principles governing market behavior remain the same. To promote trade in South Asia region, the initial step is to analyze the energy markets of these Countries, the expected demand in the next 20 ~ 30 years, the potential each country has to generate and export and the scope of exploiting the potentials. This session would focus on the importance of regional energy trade and role of regulators.<br><br>Dr. Nitya Nanda, Fellow, Centre for Resource Efficiency and Governance - Integrated Policy Analysis Division, The Energy and Resources Institute (TERI) |
| **11:15 – 11:30** | **Tea Break** |
| **11:30 – 12:30** | **SESSION XVI: INTERACTIVE TALK ON ENERGY ACCESS TO LAST MILE**<br>Last mile consumers face severe constraints in cost effective, reliable, continuous energy access. This session will discuss role of regulators in ensuring availability of electricity to the last mile. Discussion on decentralised mechanisms of energy provisioning through solar rooftops, micro grids etc will be highlighted.<br><br>Vikas Agarwal, Director (Distribution), Uttar Pradesh Electricity Regulatory Commission |
| **12:30 – 13:30** | **CLOSING CEREMONY, "THE FUTURE OF INFRASTRUCTURE REGULATION: GAZING INTO THE CRYSTAL BALL"** |
| **13:30 – 14:30** | **Lunch and Departures** |

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