

ENERGY & POWER

Consumers Become Ultimate Scapegoats

- Why Ignore BERC in Raising Power Price?
- Govt Not Financially Stressed, But Lost Clues
- Focusing on Integrated Energy Fire Safety Plan in Bangladesh

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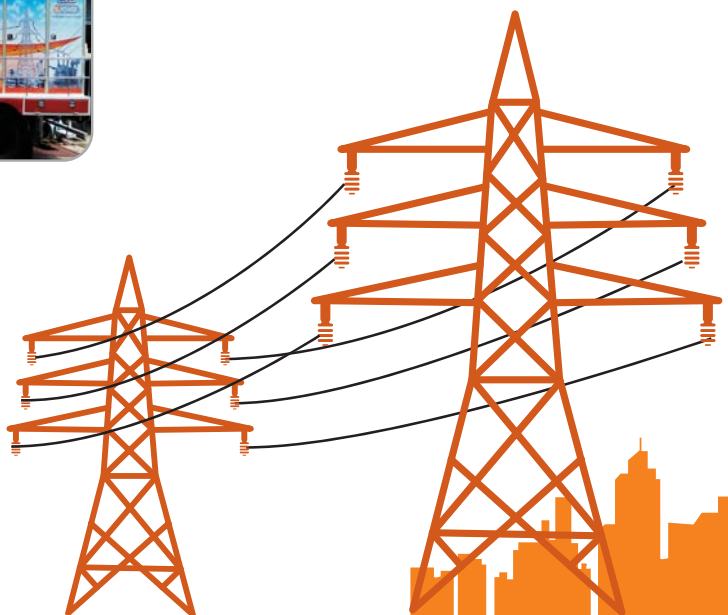
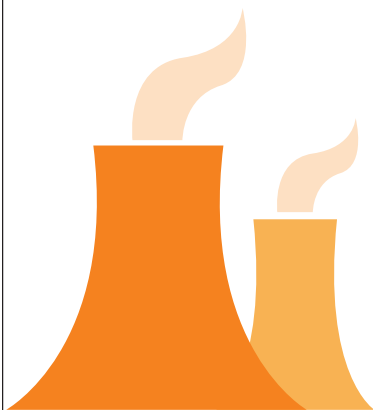
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EDITORIAL

The government in an executive order on 12 January increased the prices of electricity. Before that the government amended the Bangladesh Energy Regulatory Commission (BERC) act so that it can exercise executive power to revise prices of energy products as and when necessary. However, it sparked a serious criticism among the people concerned as the government bypassed the BERC that has been fixing the prices through conducting public hearings for the last 14 years. BERC has already shown reasonable success in fixing the prices and gained people's trust. Leaving the responsibility to determine the prices to BERC has also enhanced people's confidence in the government. The wastages and irregularities would have gradually diminished if the process could continue unabated. That possibility no longer exists.

Transferring the entire authority exclusively on BERC to fix prices of energy products gradually could better create a win-win situation for all. It is the demand of time and should be taken without a fuss. That will enhance the government's reputation and, at the same time, significantly improve efficiency of the utilities. In due course, it is expected to free the energy and power sector completely from the curse of subsidies. In doing so, the government should let the BERC work independently and without any interference by the bureaucracy. It is expected to help make the energy sector of Bangladesh more disciplined.

h i g h l i g h t s

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Increasing electricity prices through executive orders is the first major battle lost over the 14 years of consecutive tenure of the present government. They lost the battle to the people whom they have pledged to serve. Finally, the government's decision to stab the flourishing Bangladesh Energy Regulatory Commission (BERC) on the back announced its demise ...
Prof Dr. Shamsul Alam tells EP

The lessons from the safety improvement in the garment sector now need to be channelized to other industries (e.g. energy and power) and step up to comply with fire-safety plan-rules-guidelines. IBSEF members were deeply moved by better safety measures with law reforms that would have prevented hundreds of workers from dying or being injured in the future...More in Article

The sudden increase in power tariffs has created serious criticism due to the procedure the government followed to do so, if not the extent of the hike. The prices of electricity have been increased through an executive order, triggering the controversy that the bureaucracy regained its upper hand over BERC which is mandated to fix the prices of energy products after holding public hearings.



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Greenpage

Encouraged by the readers and patrons, the EP would continue bringing out Green Pages to contribute to the country's efforts in its journey towards environment-friendly energy.



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Energy Major Warns of Gas Shortages



The European energy market is likely to remain tight this year despite the current drop in gas prices, Anders Opedal, the CEO of Equinor, Norway's largest energy company said.

European gas prices have dropped to their lowest level in over a year this week due to unseasonably warm weather, with gas futures at the TTF hub in the Netherlands dipping below \$700 per 1,000 cubic meters recently.

Forecasts show that the weather is set to remain mild for the rest of the month, which could further dampen gas demand.

However, according to Ope-

dal, the countries of the region may subsequently face difficulties in replenishing underground storage facilities in light of the sharp decline in supplies from Russia.

"The gas stores are pretty full and its warm weather, and that affects the gas price, but these stores need to be filled up this year with less Russian gas available... We are likely to see a market where gas prices are swinging quite a lot," Opedal warned.

Europe's storage is estimated to be 83% full, well above the seasonal average. However, prior to the start of the Ukraine crisis and the sanctions war with the West the region relied on Russia for up to 45% of its gas needs.

Even in the first half of last year, Russian gas flows were largely stable, giving Europe the opportunity to fill storages.

Russia Ready to Resume Gas Supplies to Europe



Moscow is ready to resume gas supplies to Europe through the Yamal-Europe Pipeline, Russian Deputy Prime Minister Alexander Novak told state TASS news agency.

"The European market remains relevant, as the gas shortage persists, and we

have every opportunity to resume supplies," TASS cited Novak as saying in remarks published by the agency recently.

"For example, the Yamal-Europe Pipeline, which was stopped for political reasons, remains unused."

The Yamal-Europe Pipeline usually flows westward, but has been mostly reversed since December of 2021 as Poland turned away from buying from Russia in favor of drawing on stored gas in Germany.

BP to Invest \$7b in Gulf of Mexico Business by 2025

BP plans to invest \$7 billion in its Gulf of Mexico business by 2025, according to a new report published by the company.

BP outlined in the report that the investment will help drive its transformation toward an integrated energy company, "increasing production of resilient hydrocarbons that are some of the lowest carbon barrels of oil compared to other oil producing regions".

Over the past five years, BP has invested \$10 billion in the Gulf of Mexico, according to the report, which noted that the company is one of the largest oil producers in the region's deepwater.

The report highlighted that BP's strategy in the area is rooted in continued



investment and exploration around four operated hubs - Atlantis, Mad Dog, Na Kika and Thunder Horse.

"With more than three decades of experience in the region, BP's next wave of growth is underpinned by several new major projects already underway," BP stated in the report.

These include a "\$1.3 billion expansion at the Atlantis field", a "second major expansion at the Thunder Horse field", and the "\$9 billion Mad Dog 2 development expected to start up in 2023", BP pointed out in the report.

First LNG Cargo Arrives at Germany's LNG Terminal

Uniper SE brought Germany's first full load of LNG to the new Uniper-operated, 7-8 billion cu m/year (bcm/y) LNG terminal in Wilhelmshaven.



The Maria Energy LNG vessel, owned by Tsakos Energy Navigation, was loaded at Venture Global LLC's 10-million tonne/year Calcasieu Pass liquefaction plant in Cameron Parish, Louisiana, on Dec. 19, 2022.

The Maria Energy is fully charged with some 170,000 cu m of LNG, enough to supply energy to about 50,000

German homes for a year, Uniper said in a release Jan. 3.

The cargo is part of the commissioning process at the Wilhelmshaven terminal. Commercial operations are expected to start in mid-January 2023. Through the Höegh Esperanza floating storage and regasification unit (FSRU), about 5 bcm/y of natural gas can be offloaded in Germany.

BPC Incurs Tk9,000cr Losses in 10 Months: Chairman



The Bangladesh Petroleum Corporation (BPC) incurred losses of upto Tk9,000 crore from February to November 2022, BPC Chairman ABM Azad said on 27 December.

"BPC made profits in all types of fuels except diesel," said the chairman at a press conference on the sinking of an oil tanker in Bhola in the capital.

A lighter vessel with 11 lakh liters of fuel sank after being hit by another vessel in Meghna river due to dense fog in sadar upazila of Bhola district recently.

The accident took place due to poor visibility caused by the dense fog.

37th AGM of CVO Petrochemical Held

The 37th annual general meeting (AGM) of CVO Petrochemical Refinery Limited was held recently, with Chairman of the company Shamsul Alam Shamim in the chair.

Managing Director of the company AHM Habibullah and Directors Md Amin, Md Ali Mortuza, Md Emranul Hoq, Jobeda Khan Mashafi, Md Mohsin Saki and Nure Habib Noman, Independent Directors AFM Ishaque and Md Misbahur Rahman, and Executive Director and Chief Auditor Ahmadul haq Hasan attended the meeting.

IBBL, JGTDSL Sign MoU on Gas Bill Collection



Islami Bank Bangladesh Limited and Jalalabad Gas Transmission and Distribution System Limited (JGTDSL) signed a Memorandum of Understanding (MoU) under which consumers of JGTDSL

will be able to pay gas bill at any branch and sub-branch of the bank or by using the bank's app Cellfin or iBanking.

Muhammad Nurul Hoq, Head of Sylhet Zone of the Bank, and Md Shahidul Islam, General Manager (Company Secretary) of JGTDSL, signed the MoU at JGTDSL office recently. Engineer Shoaib Ahmed Matin, Managing Director of JGTDSL was also present.

New Cabinet, Energy Secretaries

The Ministry of Public Administration has issued a gazette notification over the appointment of Cabinet Secretary Mahbub Hossain, who was a senior



secretary of the Energy and Mineral Resources Division under the Power, Energy and Mineral Resources Ministry.

As 24th cabinet secretary of the country, Mahbub Hossain replaced Kabir Bin Anwar, who was appointed as the cabinet secretary on December 11 last year. Kabir Bin Anwar went on Post Retirement Leave (PRL).

Meanwhile, Dr. Md. Khairuzzaman Mozumder, additional secretary to the Finance Division, has been made secretary to the Energy and Mineral Resources Ministry, said another notification of the ministry.

Russian Citizen Dies at RNPP

A Russian citizen died recently after falling from the stairs of a multi-storied building of Rooppur nuclear power plant which is under construction in Pabna.

The incident took place in Green City building, a residential area for foreigners, at Sahapur Newhat intersection of Ishwardi upazila, said officer-in-charge of Ishwardi police station Arabind Sarkar. The deceased is Nefedov Oleg, 41, who was working as an installer for Energospets Momtas, a contractor for the Rooppur nuclear power plant project.

1,800 Take Part in REB Picnic

The Sports, Culture and Welfare Council of the Bangladesh Rural Electrification Board organized the annual picnic recently at the Heritage Resort at Madhabdi in Narsingdi. About 1,800 people including BREB officers and employees and their family members attended the banquet, said a press release.



Bangladesh Rural Electrification Board chairman Md Selim Uddin distributed prizes among the winners who participated in various sports competitions and raffle draw.

Bangladesh Rural Electrification Board members, former members and senior officials and many others were present in the event. Power division joint secretary Shah Md Helal Uddin along with representatives of different organizations under the power division participated in the picnic.

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Zanendra Nath Joins Petrobangla as Chairman



Zanendra Nath Sarker has joined as Chairman of Bangladesh Oil, Gas and Mineral Corporation (Petrobangla) on deputation recently. He served as Additional Secretary in the Ministry of Industries before taking over as the Chairman of Petrobangla, says a press release.

Mr Sarker placed a floral wreath at the portrait of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman in the capital's Dhanmondi-32 recently.

He joined in the 11th batch of Bangladesh Civil Service (Administration), cadre on 1st April, 1993. During his long and versatile career, he served as Upazilla Nirbahi Officer, Additional Deputy Commissioner, First Class Magistrate and Metropolitan Magistrate in field administration.

PDB Opens Hotline 16200

Bangladesh Power Development Board has opened a 24-hour call center for its consumers. From January 1, PDB clients can get all kinds of information by calling hotline 16200.

Customers can also lodge complaints through mobile apps which will automatically reach the four distribution areas of PDB, said a press release.

3 Women Burnt in City 'Gas Leakage'

Three female members of a family suffered burns in a fire caused by an apparent gas leakage at their house at Uttarkhan area of the capital recently.



The injured were identified as Dalia Akhtar, 35, her mother Alea Begum, 50 and her niece Anjana Rahman Laiju Akhtar, 29. On receiving information, a firefighting unit rushed to the spot and extinguished the blaze.

Dhaka Metropolitan Police (DMP) Uttarkhan Police Station Officer-in-Charge (OC) Abdul Majeed said that the accident took place on the third floor of a building called 'Dream Palace' located at Rajabari-Atipara area under Uttarkhan Police Station. All victims were taken to the Sheikh Hasina National Institute of Burn and Plastic Surgery (SHNIBPS), he said, adding that two of the injured are being treated there and one has returned home after treatment.

However, the condition of Laiju among the burn victims is said to be critical, he added.

IDCOL Receives Highest Taxpayer Award

Infrastructure Development Company Ltd. (IDCOL) received Highest Taxpayer Award from National Board of Revenue (NBR).

IDCOL has been awarded 1st Position under Non-Bank Financial Institution category for the Tax Year 2021-2022.

NBR also presented Tax Cards in favor of Ms. Sharifa Khan, Chairman, IDCOL & Mr. Alamgir Morshed, Executive Director & CEO, IDCOL.



12kg LPG Cylinder Price Slashed by Tk 65

Price of liquified petroleum gas (LPG) has decreased by Tk 5.39 per kg to Tk 102.70 from previous price of Tk 108.09 per kg as Bangladesh Energy Regulatory Commission (BERC)



has announced its latest price for the month of January.

As per the new price, 12kg LPG cylinder cost has been lowered by Tk 65 as a retail consumer will get it at Tk 1,232 instead of Tk 1,297.

The new prices will be effective from 6:00pm today (January 2, 2023).

LPG prices for other sizes of cylinders -- from 5.5kg to 45kg -- will go down rationally, said BERC chairman Abdul Jalil, who announced the new prices at a virtual press briefing.

As per the announcement, the price of "auto gas" (LPG used for motor vehicles) also decreased to Tk 57.41 per liter from previous price of Tk 60.41 per liter, down by Tk 3 per liter.

The price of LPG, marketed by state-owned LP Gas Company, will remain the same as it is locally produced with a market share of less than 5%.

The LPG price went up to highest, Tk 1,439 (per 12kg cylinder), in the local market, following the start of the Russia-Ukraine war in February last year.

LPG price in Bangladesh was the lowest at Tk 1,225 for a 12kg cylinder in January last year and it witnessed continuous hikes in February, March and April in 2022.

Consumers Become Ultimate Scapegoats

Mollah Amzad Hossain



The sudden increase in power tariffs has created serious criticism among the people due to the procedure the government followed to do so, if not the extent of the hike. The prices of electricity have been increased through an executive order on 12 January, triggering the controversy that the bureaucracy regained its upper hand over the Bangladesh Energy Regulatory Commission (BERC) which is mandated to fix the prices of energy products after holding public hearings.



25 YEARS

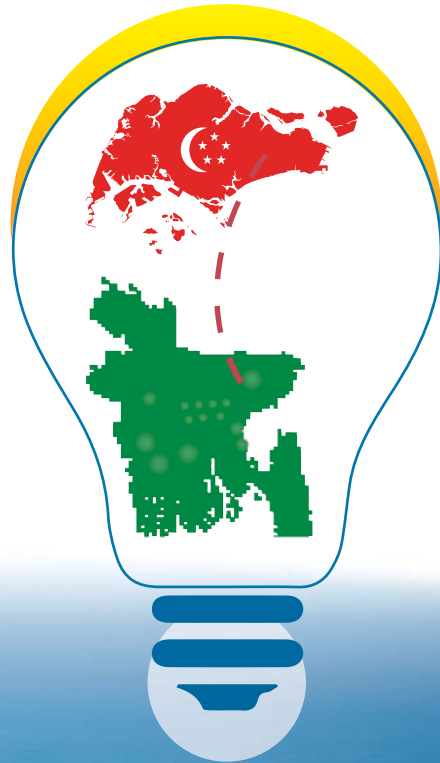
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The BERC has been exercising the procedure for the last 14 years and received some acclamation from the consumers due to their participation in the price-fixing process. The process was also more or less appreciated by different groups of consumers and others concerned due to ensuring transparency and accountability through the pricing mechanism. This time, however, the government bypassed the BERC mechanism and hurriedly announced the new prices of electricity at a time when the BERC almost completed its formalities to revise the prices in response to the proposals submitted by the utilities. Earlier, the government had cleared its path to fix the prices alongside the BERC as and when necessary by amending the BERC act. While amending the law, the Ministry of Power, Energy and Mineral Resources (MoPEMR) stated

that they would not exercise the authority unless there is any special circumstance. But the ministry did it without explaining the special circumstances. The issue does not end here. State Minister for Energy Nasrul Hamid informed the media that the power price will be adjusted monthly. Gas prices will be adjusted in the third week of the month. The consumers' rights body claimed that the government's announcement has 'killed and buried' the BERC. It has also put paid to the transparency and accountability of the utilities. They want to term it as the first defeat of the present government to the people. Energy experts though not criticized the tariff hike but termed the action negative. Very few of them observed that the government was compelled to exercise its executive authority as the BERC procedure is a protracted one.

The Latest Price Hike

The government announced a 5% or BDT 0.36 increase in retail power tariff to BDT 7.49 per kilowatt hour from BDT 7.13 per Kwh. On different slabs, the hike ranges between BDT 0.19 and 0.60. Considering the total sales, the cumulative annual income of power distribution utilities will increase by BDT 3,036 crore. With the latest hike, the retail power tariff hiked by a total of 108.77% from 2007 to 2023. This time, the retail price increased after three years.

Experts observed that the extent to which the prices were increased would not have a visible impact at the generation or end-user levels. BKMEA leader Mohammed Hatem has welcomed the hike at this rate. He said industries are under severe stress with the increased cost of production. The latest price adjustment will not affect them, however. Power Cell Director General Engr. Mohammad Hossain stated that though the BERC primarily considered increasing the tariff by 15.43%, the government through executive order kept it at 5% in the greater interest of the entrepreneurs and end users. But what has raised

This increased bulk tariff from Tk 5.17 to Tk 6.20 per unit. According to BPDB, the average cost of generation on 30 June 2022 was Tk 8.94. By selling this at Tk 5.08, BPDB loses Tk 3.86 per unit. Excluding subsidy, BPDB's loss in the financial year ending June 2022 was more than 30,000 crore. This has increased the debt burden of BPDB.

concerns was Mr. Nasrul's statement about adjusting prices every month. Dr Prof Shamsul Alam, Energy Advisor of CAB, thought that a 5% increase in power tariff may not hurt users that much but the government's intention to adjust the tariff every month will definitely have serious impacts. Experts observed that the price of power is not yet cost-reflective. As such the price will only increase and there is hardly any possibility to reduce it. Hence, it is not possible to guess the ultimate price of power at the consumers' end.

Bulk Price Increase and Debt Burden

On behalf of the Bangladesh Power Development Board, a proposal for a bulk tariff increase was submitted to

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BERC in early 2022, seeking a 60% price hike considering the average cost of generation at Tk 8.57. The technical evaluation committee of BERC also recommended 58%. But BERC advised BPDB to resubmit the proposal keeping the price as it was and informing that the submission lacked data and information. BERC responding to BPDB resubmission announced a 19.922% power tariff increase on 21 November 2022 in consideration of the overall situation. This increased tariff from Tk 5.17 to Tk 6.20 per unit. According to BPDB, the average cost of generation on 30 June 2022 was Tk 8.94. By selling this at Tk 5.08, BPDB loses Tk 3.86 per unit. Excluding subsidy, BPDB's loss in the financial year ending June 2022 was more than 30,000 crore. This has increased the debt burden of BPDB. It owes 5 months' payment equivalent to 3.0 billion US dollars to IPPs. Most IPPs are in trouble for not getting the payment on time. They are struggling to survive even after reducing their generation.

A source of BPDB claimed that losses will continue despite the bulk price increase by Tk 1.03. During the imposition of a 34% increase in import duty on furnace oil and the continued

Latest Power Price Hike

Category of Consumers (Kwh)	Previous Price (Tk)	Present Price (Tk)	Increase (Tk)
Residential Life Line (0-50)	3.75	3.94	0.19
Residential First Level (0,75)	4.19	4.40	0.21
Residential Second Level (76 -200)	5.72	6.01	0.29
Residential Third Level (201, 300)	6.00	6.30	0.30
Residential Fourth Level (301, 400)	6.34	6.66	0.32
Residential Fifth Level (401, 500)	9.94	10.34	0.40
Residential Sixth Level (600 and above)	11.49	12.03	0.54
Agriculture (Irrigation)	4.16	4.37	0.31
Education, Religious, Charity Organizations, Hospitals	6.02	6.32	0.30
Street Lights and Water Pumps	7.70	8.09	0.39
Small Industries (Flat)	8.53	8.96	0.43
Construction Industries	12.00	12.60	0.60
Battery Charging Stations	7.64	8.02	0.38
Commercial and Office (Flat)	10.30	10.82	0.52
Industry	8.55	8.89	0.34

increase in the global price of coal and crude oil, the average cost of generation will increase by Tk 9.25 or more in the financial year closing in 2023. The Power Division informed that the Ministry of Finance has already provided Tk 12,000 crore as a subsidy. They have agreed to provide another Tk 5000 crore. But the crisis will continue if the bulk price is not adjusted again commensurate with the increase in the

generation in a joint venture with the government and public sector companies are also not getting paid for power. They are also under severe financial stress. Some companies are not able to make loan repayments. By June 2023, the coal power contribution may increase to 5,000MW. For sky-high prices of coal in the international market, the cost of generation of coal power may become Tk 12-17 per unit. There are concerns about how BPDB will make payments for this. Again, getting the required dollars for fuel import is also an issue. Hence there is a huge concern about keeping the power generation from imported furnace oil and coal at a desired level. On the other hand, doubling the price of gas for power generation is under consideration. This will create a severe impact on the cost of generation if implemented.

BUET Prof. Dr. M Tamim talking to EP observed that the government is paying huge capacity charges for letting companies set up several power plants through flawed planning. Only 5% of the annual capacity of diesel power plants has been utilized. Generation cost has been increased for paying capacity charges to plants going idle. Prof Dr.

Power Tariff Hike from 2007 to 2023: Bulk and Retail

Date of Tariff Revision	Bulk Supply Tariff Increase %	Retail Supply Tariff Increase %
01.30.2007	11.33 (Ave Tk 2.33)	5.00
01.10.2008	13.16	-----
01.03.2010	-----	6.29
01.02.2011	13.79	5.00
01.08.2011	6.67	-----
01.12.2011	21.46	14.16
01.02.2012	17.75	7.44
01.03.2012	7.66	6.25
01.09.2012	18.27	14.36
01.03.2014	-----	7.34
01.09.2015	8.79	2.93
23.11.2017	8.9	6.00
27.02.2020	5.06	5.77 (Avg Tk 7.13)
21.11.2022	19.92 (Ave Tk6.20)	-----
12.01.2023	-----	5.00 (Avg Tk 7.49)
Overall Increase	374.29	108.77

cost of generation. The Power Division continued lobbying for that. Even after getting an additional subsidy, losses will remain up to Tk 20,000-22,000 crore. Fresh challenges have emanated for IPPs for liquid fuel global price increase. The Power Division proposal to the finance ministry has not been approved yet. Consequently, concerns have been raised about the continuing generation of IPPs at an expected level.

The companies engaged in power

Shamsul Alam, Energy Advisor, CAB, said there is no doubt about a significant fuel price increase in the global market. But the cost of generation has increased at least by 25% because of flawed planning in too many plants, unplanned investment, inefficiency, irregularities, and corruption. He said through independent investigation all these route causes must be identified and remedial actions are taken. If done, crisis management is possible keeping the bulk price at the present level without providing a subsidy.

Gas Price Adjustment and Supply

It has been mentioned already that the government is actively considering adjusting gas prices through an executive order in June 2022 BERC determined a gas price increase by 22.78% upon review of Gas companies' submitted proposals and taking on board comments and observations of stakeholders in the public hearing. Of course, absorbing the price impacts of LNG import utilities suggested a 109% increase. Focusing on the gas supply scenario we find that Petrobangla companies can supply only up to 2700 MMCFD against a gas demand of 4000 MMCFD. Chambers of Commerce and Industries as a way of mitigating supply shortage are suggesting importing 300 MMCFD LNG from the spot market. Import from the spot market has been kept suspended from June 2022 for a phenomenal increase in the spot market price of LNG. Trade bodies are claiming that industries are suffering a 15-50% loss of production of the diabolic state of gas supply. They have continued hectic lobbying for importing LNG from the spot market. For the gas supply crisis, gas-based power plants can utilize only 50% of their installed capacity. The business leaders are ready to pay up to Tk 25/cubic meter on the assurance of an uninterrupted supply of gas for industries, but the government made a counter-proposal for a gas price of Tk 40/cubic meter. Industry leaders did not agree to accept the government proposal. Now the gas price for captive generation is Tk16.00/cubic meter, for

industries it is Tk11.78-11.96/cubic meter and the grid power is Tk5.02 /cubic meter. 42% of total gas is now used for grid power and 17% for captive generation plants.

Sources at EMRD informed EP about the

BERC has been determining prices since 2008. Transparency and accountability of power and energy sector companies were gradually improving due to the BERC's efforts over 14 long years in determining prices through conducting public hearings. The wastages and irregularities would have gradually diminished if the process could continue unabated. That possibility no longer exists.

gas price increase through executive order in the third week of January 2023. The price of gas for grid power is being considered as Tk 10.00 for grid power and Tk 32.00 for industries and captives. It is not sure whether the planned gas price increase will enable the government to import LNG from the

spot market. But for the Asian market spot the price of LNG is US\$ 22-26 /MMBTU. Petrobangla sources said that subject to an increase in gas price, they are considering actively importing up to 300 MMCFD equivalent of LNG. It may be mentioned that grid power is getting gas at the cheapest price at this moment. Doubling the gas price will definitely deal a severe blow to gas-based power generation costs and will eventually increase the cost of power.

BERC VS Administrative Authority

The BERC was created in 2003 following the suggestions of donor agencies and development partners for creating a level playing ground between public and private sector power and energy companies for improving transparency in the business operations of the utilities and protecting the interest of consumers. Since then, the BERC act has been amended a few times. In the latest amendment, the authority for fixing and determining the price of electricity and power has been vested on the government alongside BERC. The government pledged that it would not exercise the authority unless unavoidable circumstances emerged. Does the question naturally arise what exceptional situation had led the government to increase the power tariff through executive order on 12 January 2023? The BERC process for power price adjustment was at a matured stage. BUET Professor Dr. M Tamim also did not find any urgency for increasing the power tariff in a hurry bypassing the BERC process. The government could have and should have waited for the BERC recommendation. However, former BUET Professor Dr. Ijaz Hossain guessed that there may be a loan covenant for an IMF loan. To comply with that the government increased the power tariff before the scheduled visit of IMF DMD on 14 January 2023.

Consumer rights activists, trade organizations, and opposition political parties were all along raising objections against the government's decision to amend the BERC act. BERC has been determining prices since 2008.

Transparency and accountability of power and energy sector companies were gradually improving due to the BERC's efforts over 14 long years in determining prices through conducting public hearings. The wastages and irregularities would have gradually diminished if the process could continue unabated. That possibility no longer exists.

Dr. Prof Shamsul Alam thought that the BERC should have been entrusted with the responsibility to determine the price of liquid petroleum. But in practice the tide reversed. BERC prepared a draft regulation for determining liquid petroleum prices, but it has been gathering dust at the EMRD for over 8 years. BERC prepared and introduced a formula for determining LPG price following a court order responding to a CAB case. Based on the formula, the price of LPG is adjusted in the first week of every month. The prices are going up and down every month commensurate with the prices at the global market.

Consumer rights activists believe that the people's confidence in the government could have been enhanced if the authority of determining prices of all fuel has been exclusively vested on the BERC. The transparency of the utilities would have improved.

Conclusion

Import and marketing of crude oil is still a state monopoly. The price is administered through executive order. The government has recently informed its intention to let out rights of import and marketing of liquid petroleum to the public sector. Private sector participation in transmission and distribution of power is also under active consideration. The policy for import and marketing of LNG by the private sector is already finalized. The import and marketing of LPG is absolutely in the domain of the private sector. BERC has already shown reasonable success in determining the price of LPG by adopting a formula indexed with the

prices at the global market. The government does not have any liability for subsidies. It is also true that in the present context it is not possible to completely free gas, electricity and liquid fuel from subsidies. But leaving the responsibility of determining price to BERC through a policy would have enhanced people's confidence in the government. As such transferring the entire authority exclusively on BERC from the administrative ministry gradually could better create a win-win environment for all parties. It is the demand of time and should be taken without a fuss. That will enhance the government's reputation and at the same time significantly improve efficiency of the utilities. This will in due course free energy and power completely from the curse of subsidy. Bangladesh must follow that path in its journey on the highway towards developed economy by 2041.

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ENERGY
POWER

January 16, 2023 ■ 14

BERC Virtually Nonexistent

Saleque Sufi

The Bangladesh government has announced a power price hike through an executive order at a time when Bangladesh Energy Regulatory Commission (BERC) completed a public hearing on the proposals in this regard by the power utilities and was reviewing the observations put forward by the stakeholders concerned. Observers consider this as showing utter disregard for people's opinion and stabbing BERC from behind. The BERC mandate authorizes it to determine the price of electricity and primary fuel through conducting a public hearing. BERC is also mandated for creating a level playground for private and public sector companies. Slowly and steadily, BERC was bringing some sort of transparency and accountability in the management and operation of the power and energy sector. The recent government action to amend the BERC act in letting the government adjust prices was nothing but stabbing BERC in the back. The purpose and objective of the BERC act have been shown utter disregard. None can understand why the government was in a hurry. Why could the government not wait till BERC completes the price determination? While the government cannot ensure a reliable supply of qual-

ity power and energy to all increasing prices through executive order is mere mockery.

The Power Division through an executive order on 12 January 2023 refixed the retail price and service charge of electricity for the consumers under DPDC, DESCO, WZPADCO, NESCO, BPDB distribution wings and all PBSs of BREB. In addition to the increase in retail price and service, the executive order also refixed late payment charges, VAT, power factor surcharge, security deposit, payment for exceeding limits of usage and for refixing the load, bills for battery charging stations, rents of pre-paid meters, etc. The government did this as per provision of the subclause 35 ka of the BERC act 2003 (Law 13 of 2003). The BERC authority was bypassed by the government in the arbitrary refixing of the retail price of power. The government earlier amended the BERC act assuming the authority to adjust the price of power and energy alongside BERC.

BERC, like independent regulatory commissions of most countries, is tasked with the creation of level playgrounds for the private and public sectors. Government formulates policies, acts and regulations

and BERC works to ensure transparency and accountability. It ensures enforcement and compliance by carrying out energy auditing and management auditing. One of the purposes of BERC was determining the price of electricity and gas through public hearings. The utilities started improving efficiency. The business operation started getting transparent and accountable. In view of the present and emerging energy crisis, the role of BERC is extremely critical. Cannot understand why the government had to curb BERC authority at this stage. How can a bureaucracy-dominated government be more efficient in setting prices? Why should BERC stay when the government considers itself smart enough in determining prices? We do not believe that any donor agency or development partner can advise the government for curtailing the authority of an independent commission or abolishing it. BERC was launched with the support and assistance of USAID. We understand the World Bank, and ADB also came to support strengthening BERC. The present unpalatable situation of the energy and power sector emanated from flawed policies, strategies and the high-handedness of the bureaucracy-dominated government. We are sure the latest act of the government squeezing BERC through amendment of the act came from suggestions of bureaucrats. The government must have fallen into the trap.

BERC has failures and limitations as well. It could not employ qualified, efficient executives for driving it anywhere near its destination. Even then the creation of a gas development fund (GDF), determining the price of gas and

Energy Price Enhancement Burden on Consumer

Gas Price Increase on June 5, 2020: 22.78%
Bulk Power Price Increase November 21, 2022: 19.92%
(Per Unit Tk 5.17 to Tk6.20)
Fuel Oil Price Increase August 5, 2022
Per Litter: Diesel Tk 80 to Tk 114 Octane Tk 89 to Tk135 Petrol Tk 86 to Tk 130
(Note: August 29, 2022: Govt reduce Diesel and Octane price Tk per litter.)
Retail Power Price: January 12, 2023: Increase 5%, Average Tk0.36/Unit.

electricity through a public hearing on the proposals of utilities was some sort of transparency to the operation of the business. In a domain where public and private sector companies are in business, the necessity of an independent commission cannot be overemphasized. The government being the owner of the public sector must not remain in business. It is tantamount to a conflict of interest. The government could amend the BERC act to the extent that it could determine prices a few more times in a calendar year. The 90-day period between conducting a hearing and announcing the price could be reduced to 45 days. But curtailing BERC authority through amending acts was not fair.

Bangladesh's energy and power sector is neither mature nor resilient enough to absorb price adjustments every month as the state minister was alluding to. Do not understand the reasons behind his thinking, it sounds ridiculous as the government for its own failure cannot ensure a quality supply of power and energy at affordable cost. The government celebrated achieving milestones in power generation. But it is a pity that it went back to power loadshedding at last summer's peak in managing 15,000MW power demand. The transmission grid has constraints and the distribution network has many issues. The government failed miserably in exploiting coal reserves and expanding the petroleum resource exploration campaign. It may not be unjustified that bureaucracy-dominated MOPEMR is solely responsible for the present and emerging crisis, now the desperate government is trying to seek a remedy by increasing the price of fuel and electricity. Why are the consequences of the failures of the government transferred to the consumers?

The government through the speedy power supply act bypassed the national procurement policy. Politically favored business syndicates were given generous permission for setting up contingency power plants in a non-transparent manner. Why has the power market peak demand of 15,000MW over 25,000MW plus installed generation capacity been created? Private sector entrepreneurs have reasons to claim capacity charges if sole buyer



BPDB fails to purchase minimum contracted power. BPDB, paying capacity charges through its nose, is on the verge of bankruptcy. Who benefitted from the huge reserve margin? High-capacity charges caused higher generation costs. Transmission grid constraints handicapped capacity utilization. An unreliable distribution network caused industries to set up expensive captive power plants. These plants use about 15% natural gas. This gas could be better utilized had the power distribution utilities could guarantee 24/7 reliable grid power. The government could not plan and execute projects for the utilization of its own coal resource or expedite the exploration of petroleum from onshore frontier areas and offshore. Gas supply is now a major constraint not only for power generation but also for the operation of industries, especially export-oriented industries. Flawed government policy and strategy in ignoring own fuel resource development and going for imported fuel are among the main reasons for the crisis, Petrobangla companies have no resources for importing LNG from the spot market. BPDB is huffing and puffing in making payments to IPPs. The above situation put Petrobangla in the catch-20 situation for adjusting the price of fuel and electricity. But the government must not have assumed responsibility for adjusting prices while BERC is mandated for that.

At a time when the global crisis is looming large with the possibility of economic meltdown, price increases in electricity will obviously have domino effects. Price

increases in liquid fuel and gas have already impacted the cost of living. Moreover, the government cannot ensure quality power and gas supply on a sustainable basis. Now the price has already reached beyond an affordable limit. The government falling into the trap of a miserable bureaucracy has delivered a deadly blow to the existence of BERC.

The government has not acted in the public interest. Rather the opinions and observations of different stakeholders (Consumers Association of Bangladesh, different trade bodies and organizations, civil society representatives, etc.) provided in the public hearing were not heeded. The government did not care or wait for BERC determination. If this continues to happen, there is no justification for the existence of BERC. In developing and developed countries, regulatory commissions act as quasi-judicial organizations. But through the latest act, the government served a deadly blow to BERC. Many observers thought that BERC now is effectively dead and buried. We understand the government may have been pressed for reducing or abolishing subsidies. But these could be done through adjustment of prices based on BERC determination as was being done in the past. After all, BERC was in the process of conducting a public hearing. Wonder how the government claiming democracy can show utter disrespect to public opinion. The government really put BERC to the brink.

EP

Saleque Sufi,
Contributing Editor, EP

Focusing on Integrated Energy Fire Safety Plan in Bangladesh

AKM Monowar Hossain Akhand

Bangladesh government has been focused on uninterrupted electricity access to all citizens (100%) by 2025, especially endeavored during the last 14 years, to address energy inequality by improving energy and power services to all communities across the country. It is believed that many low-income households continue to utilize dangerous non-electric energy sources that cause fires by faulty or informal electric connections. Energy sources such as paraffin/kerosene, candles, and biofuels (firewood, coal) are still widely used by low-income households in suburban areas, mainly in the slums and rural areas. These energy sources are frequently blamed for fires, caused by old and faulty electronic appliances. The most informal electric and non-electric energy connections remain high and possess significant fire risk with unsafe and potentially hazardous forms of

energy used for daily activities.

The energy sector suffers lack of fire-safety equipment and deficiencies with safety problems, including locked or blocked fire emissions, electric short circuits, gas-lines fires, and cylinder explosions. A study by the International Labor Rights Forum (ILRF) claims energy and industrial sector fires are deadly in Bangladesh. The only life-saving fighting force, the Fire Service and Civil Defense (FSCD) is not equipped accordingly, not even possessing a single fire-fighting helicopter, either to control fires or rescue victims. FSCD is not capable enough to fight against the fires that are happening almost every day in all parts of the country. The time is now to focus on a better safety preparedness plan.

The recent tragic chemical fire explosion in the Sitakundu BM Container Depot on June 04, 2022, continuous flaming for 3 days that killed at least 49 people (9 were firefighters), indicated that there is still a fire risk and need for an integrated fire-safety plan. The depot containers were full of chemicals, including a huge quantity of Hydrogen Peroxide- the oxidizing chemical which can intensify fires, when combined with other chemicals. This flare is the biggest disaster in container depot history, caused by chemicals.

Energy Stacking Approach and Fire Risk

Formal households acquire electricity through 'formal' electrical infrastructure built within their houses. The informal dwellings (e.g. slums, partition houses, improper structure houses) acquired their electricity through 'informal'/illegal electric connections in the form of extension cords or makeshift wiring called as "Energy Stacking Approach (ESA)". People are forced to alternate between electric and non-electric energy sources, which are cheaper but yet potentially risky to meet their daily energy needs. The households with low-per-capita income, seasonal or irregular employment, large households with a single worker, and those reliant on social grants, e.g. bank savings-interest holders, and pension holders, struggle to afford adequate electricity to meet their daily energy needs and are inclined with ESA.

Energy Storage and Fire Safety System

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implied with energy for future use, available in a variety of forms and sizes. Most utilities use pumped-storage hydropower (PSH) to store energy in a reservoir during low demand time, but the water is discharged on-demand, and drives a turbine which produces electricity, while other utility companies are using 'battery energy storage systems (BESS)'. The BESS represents a small sector (both commercial and residential use). The system in renewable energy-generators (e.g. solar panels and wind turbines), including lithium-ion-BESS into their installation. BESS is installed as an older version but needs more safety requirements.

Risks at Battery Energy Storage System

The 'battery energy storage system-BESS' is an excellent application for energy management and storage, dealing with any form of energy and its storage, but there are always risks with associated hazards. The risk-PSH could fail to produce cascading water rushing surrounding areas, while most BESS operate without experiencing any unfortunate incidents. The primary risk with BESS is battery case damage or overheating of the system from an internal fault or exposure to fires. The hazards are releases of toxic and flammable gases which often lead to fire and potential explosions.

Risk at Solar Power System

As part of the quest to de-carbonization, energy and power utilities producers are now widely engaged to generate power from solar and wind resources, which are intermittent and installed with parallel large-scale batteries and is rapid-growth in large-scale BESS without adequate attention to prevent fires and explosions.

Lithium batteries also bring fire risks, increased heat, mechanical failure, physical damages, or over-charging can cause internal short-circuit, which turn into thermal runaway, an extremely dangerous state, toxic gas emissions producing their own source of oxygen, and large explosions. One lithium-ion cell can trigger a thermal runaway, an



event that cascades to other cells, releasing flammable gases within the sealed container, oxygen filled the room and led to explosions.

Risks of Hydrogen Peroxide

Every year, Bangladesh exports over USD 20 million worth of Hydrogen Peroxide to different countries. Hydrogen Peroxide is a diluted chemical compound, transparent, and viscous, with a pungent smell, but involves extreme health-hazard, and safety risks, and needs careful handling and storage, with sufficient safety measures (e.g. freight forwarders, warehouse, depot operators, safety showers, eyewash stations, gloves, splash goggles, and vapor respirator, etc.). The chemical is a strong oxidizer, it enormously increases the chances of combustion of other substances, such as paper, oil, wood, and garments items (for example the fire incident at BM Container Depot on 04 June 2022). Before working with this chemical, we need to provide adequate training to depot workers.

Impact of Sitakundu Chemical Fires

After the Sitakundu incident, the Shipping Companies are slowing down from carrying or transporting any chemical goods for exporting purposes, considering the risky threat of any explosion or fires. The effects of these fires stopped or slow down the exports of chemical goods, and some companies have already reduced their chemical produc-

tion. The top companies of the country (e.g. Tasnim Chemical Company Ltd of Meghna Group of Industries, Samuda Chemical Ltd) are facing big financial threats and the country is also deprived of foreign earnings (Bangladesh earns USD 23.2 million through chemicals exporting in 2021-2022, which is a sector of prospect).

Safety Measures at Solar System

At present near about 13 million solar-system power panels are installed throughout Bangladesh, and the safety issue is a growing concern. While properly installed systems by qualified professionals need to comply with current safety codes, appropriate training and education to manage fire hazards are also required. The solar-panel process seems simple, but there are many steps required to ensure safety.

The fire safety of solar photovoltaic (PV) is considered with various aspects: (a) solar-heating, (b) installation process (defects, or faults which cause rooftop fires), and (c) cause for bursting into flames. There is a need for developing general standards for PV risk with appropriate fire-fighting equipment (e.g. anti-fire foam spray, electric resistance, personal protective measures, etc.). The Fire Service Department needs to prepare a database of all installed home or commercial solar PV systems and to mark safety-label on each panel for advance preparedness.

Progress on Fire Safety Preparedness - Not Enough

The tragic Sitakundu chemical fire laid bare the danger still facing millions of the country's workers a decade (2010-2012-2022) after a series of tragedies in the export-oriented garment industries spurred a safety revolution. Safety is more or less better in some RMG factories than in other non-RMG industries, because there is an international compliance monitoring system in the RMG sector, whereas flexible or relaxed compliance is maintained in other sectors.

The world is now more concerned about Bangladesh fires and woke up to make a better-safety plan. The earlier tragic fires happened following 2006-2007, 2010, and the Tazreen Fashion fires-2012, the collapse of Rana Plaza (24 April 2013) killing 1135, and injured of 2500 garment workers, triggering a wave of public outrage around the world, about the human cost of cheap-clothes. This prompted global buyers and donor agencies to improve safety and labor conditions in Bangladesh. IFC provided USD 40 million in credit facilities to upgrade the sector's structural, electrical, and fire-safety standards.

The lessons from the safety improvement in the garment sector now need to be channelized to other industries (e.g. energy and power) and step up to comply with fire-safety plan-rules-guidelines. International Bromine Science and Environment Forum (IBSEF) members were deeply moved by better safety measures with law reforms that would have prevented hundreds of workers from dying or being injured in the future. In May 2013, a legal binding on fire and building safety in Bangladesh (National Building Codes), to establish a safety program, was signed by a number of stakeholders. In July 2013, EU-ILO-Trade Commission launched a "global sustainability compact" in response to fire tragedies. The major multi-stakeholder agreement with the EU-ILO actions, aims at improving labor rights, working conditions, and fire safety in the RMG and other industries, to reduce the risk of tragedy in the future.



National Tripartite Plan of Action

After a series of fire incidents in 2010-2012, the foreign buyer's stakeholders, the International Labor Organization (ILO), and the government of Bangladesh with the Ministry of Labor and Employment (MOLE), the tripartite-partners adopted a Joint-Statement of Commitment on February 2013, committed to working together to develop a National Tripartite Plan of Action (NTPA) on fire safety. The NTPA has a view to taking comprehensive action aimed at preventing any further loss of life, limb, and property due to workplace fires. Accordingly, the MOLE established a Tripartite Committee- the NTPA and endorsed it on March 24, 2013.

The NTPA is chaired by the MOLE Secretary and reports to the Cabinet Committee for its progress. Within the framework of the mission, NTPA committed to developing an action plan focusing on "short and medium-term steps" aimed at improving the structural integrity of RMG factories, with an "integrated approach". The plan of action has prepared detailed guidelines for building assessments for the RMG sector on November 24, 2013. The NTPA is also making a platform to coordinate the stakeholders, for their support, wishes, or initiatives for a better fire-safety environment in Bangladesh. The plan is also concerned with Occupational Safety and Health (OSH), the benchmark con-

ditions for industrial safety, monitoring and enforcement through DIFE, Remediation Coordination Cell-RCC (2017), and RMG Sustainability Council-RSC (2020).

Laws-Rules on Fire Safety

Presently, there are more than two-dozen laws-rules-guidelines related to fire safety in Bangladesh. Some of them are very old, scattered, and confusing to follow. Therefore, "integrated and comprehensive" fire-safety guidelines are needed with related rules and laws. The main safety-rules are: Ammonium Nitrate Rules-2018; Bangladesh Environment Preservation Act-1995 (2010); Bangladesh National Building Codes-2012; Boiler Act-1923; Dangerous Cargoes Act-1953; Dangerous Waste (e-waste) Management Rules-2021; Dangerous Waste and Shipbreaking Waste Management Rule-2011; Explosive Act-1884; Explosive Rules-2004; Factory Rules-1979 (known-as SRO-101/78/LSW-VI/II(4)/78); Fire Prevention and Extinction Act-2003; Fire Prevention and Extinction Rule-2014; Gas Cylinder Rules-1991; Gas Storage (Pressure Vessel) Rules-1995; National Fire-Safety Policy-2014; Petroleum Act-1974 (2016); Petroleum Rules-2018; Ship-Breaking and Recycling Rules-2011; and Smoke-Nuisance Act-1905.

Handling of Dangerous-Chemical Goods in Ports /Depots

The dangerous goods mean (a) any

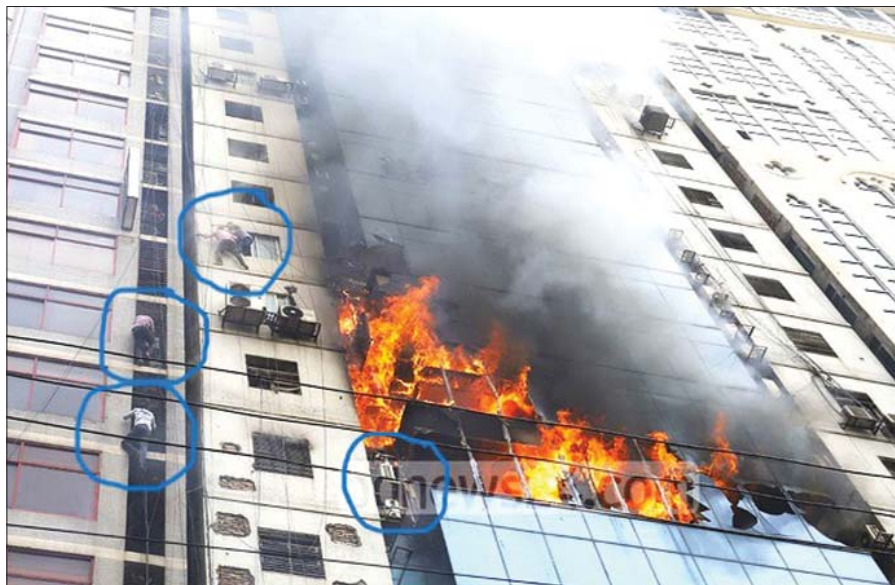
cargoes containing goods-chemicals shown as 'Explosives' in the Comprehensive Classified Explosives list, or any ammunitions; (b) petroleum, the flashing point is below 150°F; (c) goods classified as dangerous, fixed by the Government time to time; (d) any cargoes which are liable to fire or explosion (Dangerous Cargoes Act, 1953). Handling these chemical items (goods) are needed to (i) submit customs declaration with necessary import/export documents, (ii) NOC clearance/approval required by the Bangladesh Navy (Chittagong Customs-House: Letter-no: S-4/9/ Admin/Study/2013-14/356, Date 06 January 2016), (iii) declaration of IMO-Class and International Maritime Dangerous Goods Code.

Recommendations

(1) To enhance the capacity of FSCD with well-equipped equipment as international standards to face fires and other disasters; (2) Need to move all energy plant factories, depots, business centers and buildings with risk-covered infrastructures and fire fighters-equipment; (3) A well water-source (pond, reservoir, tanks) need to be constructed in each energy-factory compound, or nearby; (4) Need to prepare an "integrated fire-safety plan" for all sectors, and related rules-regulations be strictly maintained; (5) Arrange extensive awareness-training programs regularly at all industrial-plants; and (6) Dangerous goods (energy, chemical, etc.) which are stored in the ports, or depots for a long-period should be properly acknowledged and handle (loading-unloading) with special cares, and taking safety-measures.

Conclusions

The recent tragic chemical and energy fires by explosions and their consequences the death tolls and material-goods losses were the second wake-up call for the government, and various stakeholders focusing on fire-safety issues. The Fire Service Department is to de-



velop its own fire codes and international standards, and appropriate guidelines to date. Being the only life-saving force in Bangladesh, the FSCD is needed to be more modernized and build the capacity to face the fire-incidents efficiently immediately after the call. A comprehensive fire-safety preparedness plan, with a formal risk assessment, fire-modeling, or full-scale task should be conducted by FSCD to avoid any threat.

The other compliance supporting agencies, the DIFE and NTPA are also strengthened to implement the fire safety plan guidelines in each industry. The Ministry of Power and Energy, MO-Industries, MOLE, and Home Affairs (Security Service Division) and other related government organizations (e.g. Boiler, Explosive, NTPA, DIFE) are to take appropriate initiatives, actions and supports to make an "integrated safety plan" immediately. All individual energy, power and industrial plants (especially chemicals, RMG, and Oxygen) are to be maintained with a dedicated safety plan. Also need to focus on more precautionary measures regarding the power density of batteries (e.g. solar, electric vehicle -both for occupants,

rooftop floor, and parking garages) and transformers which can increase fire and explosion risk.

The usage of non-electrical energy sources and informal illegal electrical connections by low-income households (the approach of energy stacking) is to be strictly stopped, showing alternative sources, and building a conscious citizen. In order to effectively reduce fires and their detrimental effects, it is important to prepare/update the regulations, guidelines, and standards that can ensure a good level of protection from fires. Besides, enhanced workplace safety must remain a priority for the benefit of all workforces for minimizing their cost of lives. The updated and integrated safety plan can be scaled-up to create a better safety framework to support Bangladesh for making a smart one and hope to be a developed country in 2041.

(Sources: FSCD-ILO Report: Fire and Building-Safety in Bangladesh-2021; UN-ILO Brief-Industrial Safety-2020; NTPA Fire-Safety Statement-2019; and FSCD Report-2021).

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Pay Cost, Get Smooth Supply of Gas, Electricity: PM



Phase Minister Sheikh Hasina recently asked the businesspeople and industrialists to pay at least the production cost of electricity and gas if they want to avail uninterrupted services.

"If you want uninterrupted electricity and gas, then you have to pay the production cost or procurement cost at least. How long will we provide subsidy?" she said.

The premier said this while inaugurating the 27th edition of the "Dhaka International Trade Fair (DITF)-2023" where Bangladesh-made products will be on display for promotion in the international market.

Commerce Ministry and the Export Promotion Bureau (EPB) organized the month-long largest annual commercial and trade event of the country at its

permanent venue -- "Bangabandhu Bangladesh-China Friendship Exhibition Centre" -- at Purbachal on the outskirts of the capital.

Hasina said the government cannot provide huge subsidy on electricity and gas for unlimited period that comes from the pockets of the people.

"We cannot give such huge amount of public money as subsidy, so businessmen and industrialists have to pay attention to this matter," she said.

Commerce Minister Tipu Munshi, Textiles and Jute Minister Golam Dastagir Gazi, Commerce Secretary Tapan Kanti Ghosh, President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Md Jashim Uddin and EPB Vice Chairman AHM Ahsan also spoke at the programme

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Seven Int'l Firms Vying for LNG Consultancy

Seven international firms are vying for the job of advising Bangladesh on the technical, commercial and financial issues of liquefied natural gas (LNG) purchases, terminal development and other relevant activities.

The government has short-listed these firms as they had submitted their respective Expressions of Interest (EoIs) in response to an invitation by state-run Rupantarita Prakritik Gas Company Ltd, a wholly-owned subsidiary

Meghna Petroleum Approves 15pc Dividend at 44th AGM

Meghna Petroleum Limited approved 15 per cent cash dividend for shareholders at the company for the financial year 2021-2022, at the 44th Annual General Meeting (AGM) held recently on virtual platform.

The AGM was presided over by Md Mahbub Hossain, Senior Secretary of the Department of Energy and Mineral Resources and Chairman of the Board of Directors of the company.

A large number of shareholders participated virtually in the meeting.

Khalid Ahmed, Director (Operation & Planning) BPC, Director MPL Board Md Asmaul Hossain, Retired Additional Secretary and Independent Director Md Khalilur Rahman, Retired Additional Secretary and Independent Director Abu Dayan Mohammad Ahsanullah, Joint Secretary, Finance Department and Director Kazi Shahjahan, Deputy Secretary (Private Sec-

of Petrobangla, officials said.

The firms are: Muse, Stan-cil & Co. and Quality Energy Decisions Consulting Ltd. from the UK; DORIS Engineering SAS and Nouvelle Societe Francaise D'etudes et De Realisations D'equipments Gaziers from France; USA's joint venture of RINA Consulting SPA and GALWAY; joint venture of Japan's Tokyo Gas Engineering Solutions Corporation and Nippon Koel Co Ltd; and



retary to Senior Secretary), Energy and Mineral Resources Division and Director Sheikh Mohammad Belayet Hossain, Deputy Secretary, Energy and Mineral Resources Division and Director Abul Fazal Md Nafiul Karim, Director Mohammad Jahangir Alam, Shareholder Director, MPL Board Md Masudur Rahman, Managing Director, Meghna Petroleum Limited and Director, MPL Board and Company Secretary Reza Md Riazuddin were also virtually connected with the meeting.

The Board of Directors and all levels of officers, employees and workers of the company were being thanked as the company achieved a post tax profit of Tk 316.53 crores and earnings per share was Tk 29.25 in the financial year 2021-22.

EP

PricewaterhouseCoopers Pvt Ltd., India.

Bangladesh is currently undergoing a natural gas crisis with dwindling natural gas reserves in the domestic gas fields, and trying to meet the growing demand by importing LNG.

However, state-run Petrobangla has ceased LNG imports from the volatile spot market since July, when the price of the fuel went above US\$70 per metric million British thermal unit (mmBtu).

EP

Bangladesh to Get Adani's Electricity in March: Nasrul



Nasrul said that Adani group constructed a dedicated transmission line to supply electricity from India to Bangladesh, adding, "It will be possible to import electricity from

State Minister for Power, Energy and Mineral Resources Nasrul Hamid has said that the electricity, under the agreement with Adani Power, will come to Bangladesh in mid-March.

"Now we are getting 240-megawatt (MW) power on test basis from Adani power plant and in March 750 MW will be connected to the national grid through Rohonpur," he said after inspecting Adani's under-construction 1600 MW power plant having two units with 800 MW generation capacity each at Godda, Jharkhand, India recently.

mid-March and by June we will get 1,450 MW electricity."

"We need more electricity to meet the next summer's demand, as 1000 MW diesel based power plant would be phased out. We are also looking for alternative sources of fuel and working for uninterrupted power supply at affordable prices," he said.

The state minister said that Bangladesh government has been working with neighboring countries to ensure power and energy security in this region. **EP**

Survey on Hydrocarbon Reserves in Bay Begins This Month

Nearly three years into signing contract, a US-Norway joint venture is going to start the much-anticipated multi-client survey to acquire data on hydrocarbon reserves in Bangladesh's part of the Bay of Bengal.

Norwegian survey company TGS and US firm Schlumberger have announced that they will start the two-dimensional survey early this month. Final deliverables are anticipated in the first quarter next year, as per a press release issued recently.

The data would then be used

to invite international oil and gas companies, which would further explore the sea area before deciding on starting extraction works. An earlier effort to attract the companies failed due to lack of adequate data to work with.

The US-Norway joint venture was expected to start the multi-client survey in 2020 and deliver the outcomes by March this year.

Due to the Covid-19 pandemic and war-related disruptions the contractor could not initiate the survey, said an official. **EP**

Bashundhara LP Gas Gets Best Brand Award for Third Time in a Row

For the third consecutive time, Bashundhara LP Gas received prestigious 'Best Brand Award' for maintaining the highest standards in the liquefied petroleum gas (LPG) sector.

The award was handed over at a ceremony organized by Bangladesh Brand Forum (BBF) and NielsenIQ, a US-based data analytic agency, at a city hotel recently.

Bashundhara Group vice-chairman Shafiat Sobhan congratulated customers, distributors, dealers, officials, and well-wishers for Bashundhara LPG's achievements.

At a gala ceremony, Bashundhara Group sector-A



brand and marketing department chief operating officer MM Jasim Uddin and Bashundhara LPG chief financial officer Mahbub Alam jointly received the award from Benchmark Limited managing director Ashraf Kaiser.

Sector-A head of public relations Jakaria Jalal, Bashundhara LPG head of human resource Saad Tanvir and deputy general manager Maksud Alam were also present on the occasion. **EP**

Global Energy Prices Fall in Dec: WB

Global energy prices dropped 6.2 per cent in December, led by crude oil, according to a World Bank report.

Crude oil prices declined 10.7 per cent in the month.

Non-energy prices gained slightly as declines in food were offset by increases in metals, showed the Pink Sheet, a monthly report of the WB that monitors commodity price movements.

Agricultural prices eased 0.7 per cent in December. Food prices fell 1.5 per cent, led by grains, which were down 4.3 per cent.

Beverage prices changed little while raw materials



gained 2.9 per cent. Fertilizer prices declined 6.1 per cent, led by urea, which saw a decrease of 11.8 per cent.

Metal prices gained 6.6 per cent last month, driven by iron ore, which rose 19.8 per cent, as well as tin and nickel, which surged around 13 per cent each.

Precious metals increased 5.2 per cent on the back of an 11 per cent price hike of silver, according to the report. **EP**

Titas Cut 4.0 Lakh Connections for Overdue Bills



said the company.

Md Haronur Rashid Mullah, managing director of Titas Gas, told The Business Standard that the operations to cut off illegal connections at

all consumer levels will be continued.

"This year, along with the private connection, we are going to cut off the public organisations' connections that have outstanding gas bills," said Md Haronur Rashid Mullah.

Titas Gas – the largest among the six state-owned gas distribution companies – supplies gas to customers in Dhaka and Mymensingh divisions.

Currently, the company has around 28.77 lakh connections, among which 28.58 lakhs are domestic, said sources at Titas Gas. **EP**

In order to ensure smooth gas supply to authorized customers and recover outstanding bills, the Titas Gas Transmission and Distribution Company Limited cut around four lakh illegal connections at different consumer levels last year.

Of the total cut off connections – over 3.96 lakh were domestic lines while 739 were industrial, commercial, captive and CNG consumer lines, according to Titas Gas data.

The connections were cut off through 8,849 mobile courts and special drives from January to December 2022,

Mega Power Projects in Bangladesh Create \$2b Debt Annually



Power sector mega projects are producing a hefty debt bill of \$2 billion annually for Bangladesh, including interest, further worsening the ongoing dollar crisis.

Of the \$2 billion debt, \$1.5 billion is due in principle and interest in the public sector, while the remainder is in the private sector, according to Power Development Board officials.

The PDB and its subsidiaries owe roughly \$9 billion to overseas lenders, who invested in the power sector with a sovereign guarantee, implying that the government guaranteed the security of their investment.

The private power companies, on the other hand, have an outstanding loan of \$4.4 billion.

Energy experts noted that the power sector's liabilities are set to mount over the next few years with massive power generation projects,

many of them based on liquefied natural gas, coming into operation.

In the decade until 2021, the PDB accumulated a loss of nearly \$9 billion, according to a report by the Bangladesh Working Group on External Debt. The loss was covered by government subsidies.

'At the end of the day, government liabilities are increasing,' said Tamim, recalling instances in which many governments, embroiled in an economic crisis, defaulted on paying back loans.

Bangladesh has already been struggling to supply the dollars required to pay foreign lenders while also importing fuel to run existing power plants. **EP**

BD-India Fuel Pipeline Project to be Operational in Feb

The ambitious 130-km long Indo-Bangla Friendship Pipeline (IBFPL), constructed at a cost of Rs 377.08 crore, is likely to be commissioned by next month, official sources said recently.

The international oil pipeline, IBFPL, will carry fuel from Assam-based Numaligarh Refinery Ltd's (NRL) marketing terminal at Siliguri in West Bengal to the Parbatipur depot of Bangladesh Petroleum Corporation (BPC).

The mechanical works of

the bilateral project, being funded by India, was completed on December 12 last year, a senior official of NRL said on condition of anonymity. "We have set the commissioning target completion in February 2023," he added.

The groundbreaking ceremony for the 130-km IBFPL was held in September 2018 in the presence of Prime Minister Narendra Modi and Bangladesh through video conferencing. **EP**

Russian Ship with RNPP Materials Docks at Indian Port

After initially being deterred from anchoring at Mongla due to US sanctions on the ship, the Russian ship carrying materials for Bangladesh's Rooppur Nuclear Power Plant project ultimately received India's permission to dock at the Haldia port in West Bengal.

The materials may be sent to the construction site in Pabna's Ishwardi by road from India, according to a re-



port citing port officials concerned.

All Indian ports are open to Russia-flagged vessels and India has been accepting consignments from Russia over the past year, with bilateral trade surging 300%. **EP**



পাওয়ার গ্রিড কোম্পানি অফ বাংলাদেশ লিঃ
POWER GRID COMPANY OF BANGLADESH LTD.
(An Enterprise of Bangladesh Power Development Board)



PGCB Bhaban, Avenue-3, Jahurul Islam City, Aftabnagar, Badda, Dhaka-1212 Web : www.pgcb.gov.bd

মানসম্পন্ন বিদ্যুৎ নিরবচ্ছিন্নভাবে দেশের সকল মানুষের নিকট পৌঁছে দেয়াই আমাদের অঙ্গীকার

- * গ্রিড উপকেন্দ্র, গ্রিড লাইন ও টাওয়ার জাতীয় সম্পদ, তা রক্ষা করা সকলের দায়িত্ব।
- * গ্রিড উপকেন্দ্র, সঞ্চালন লাইন ও বৈদ্যুতিক টাওয়ারের গুরুত্বপূর্ণ যন্ত্রাংশ চুরি প্রতিরোধে সহায়তা করুন, বিদ্যুৎ বিপর্যয় থেকে দেশকে বাঁচান।
- * উচ্চ ভোল্টেজের বৈদ্যুতিক টাওয়ার ও লাইন হতে নিরাপদ দূরত্ব বজায় রাখুন।
- * বিদ্যুতের গ্রিড লাইন ও টাওয়ার হতে নিরাপদ দূরত্বে স্থাপনা নির্মাণ করুন।
- * বৃক্ষ রোপনে গ্রিড লাইন ও টাওয়ার হতে নিরাপদ দূরত্বে স্থান নির্বাচন করুন।
- * বিদ্যুৎ ব্যবহারে সাশ্রয়ী হোন। আপনি বিদ্যুৎ সাশ্রয় করলে তা অন্য একজন ব্যবহার করতে পারে। এমনকি সাশ্রয়কৃত বিদ্যুৎ গুরুতর অসুস্থ কারও জীবন বাঁচানোর কাজে লাগতে পারে।
- * বিদ্যুৎ অপচয় রোধে সচেতনভাবে ফ্যান, বাতি ও অন্যান্য বৈদ্যুতিক যন্ত্রপাতি ব্যবহার করুন।
- * বিদ্যুৎ সাশ্রয়ী (LED/CFL/T5) বাল্ব ব্যবহার করুন।
- * যথাসম্ভব দিনের আলো ব্যবহার করুন।
- * বিকাল ৫:০০ টা হতে রাত ১১:০০ টা পর্যন্ত সময়ে বিদ্যুতের চাহিদা বেশী থাকে। এ সময় দোকান, শপিংমল, বাসা-বাড়ীতে আলোকসজ্জা হতে বিরত থাকুন।



Mozammel Appointed as New MD of SPL



Engr Md Mozammel Hossain has recently been appointed as the Managing Director of Summit Power Limited. Prior to his appointment, he was the Managing Director of Summit's largest two subsidiaries and the Deputy Managing Director of SPL.

Under his leadership the 300 MW of Summit Gazipur II Power Limited was implemented in a record period of 9 months and received the award for the fastest implemented project

from the Asian Power.

This project was recognized by the Prime Minister of Bangladesh for fastest implementation. In parallel, he led a team to implement another 149 MW Power Plant of Ace Alliance Power Limited within stipulated time.

Mr. Hossain obtained Annual Performance Recognition Award of Asian Development Bank (2008) and Power Development Board Merit Award of the Year (1982). He is also the Vice-President of BIPPA and long standing member of the Gulshan Club.

Mr. Hossain began his professional career in the Bangladesh Power Development Board (BPDB) in 1976 and focused mostly in power generation and transmission projects. **EP**

ABB to Divest UK Technical Engineering Consultancy Business to TÜV Rheinland

ABB recently announced it has signed an agreement to divest its UK technical engineering consultancy business, a technical engineering consultancy part of its Energy Industries division, to TÜV Rheinland.

The transaction is expected to close in Q2 2023. The financial terms of the transaction will not be disclosed.

ABB's UK technical engineering consultancy including a network of subcontractors and associates has around 160 people operating from two main sites in the northeast

and the northwest of England. A specialist team of technical experts helps global energy customers improve process safety, equipment and asset integrity as well as technical design for new and existing industrial plants.

"Our technical engineering consultancy business is highly recognized for the value it brings to customers, and has significant opportunity for growth, enabled by strong industry tailwinds as we navigate the energy transition," said Troy Stewart, Head of ABB Energy Industries UK. **EP**

Petromax LPG Welcomes Distributors in BD

Petromax LPG, an affiliate of the worldwide leader of LPG sector, SHV Energy held a grand conference recently to welcome their distributors across the country, says a press release.

The conference took place in Habiganj with the slogan "Make a difference with the global LPG leader".

After the commencement of operations in Bangladesh by SHV Energy through acquisition of Petromax LPG, the conference was arranged to warmly welcome cylinder distribution partners associated with Petromax LPG.

The conference aimed to share the strengths and expertise, purpose and values

and way of working of SHV Energy.

Examples were shown of market leading LPG companies of SHV Energy such as CalorGas in the UK, Ipragaz in Turkey and Supergasbras in Brazil, about how they create value for customers and build long term partnerships with their distributors.

Another very important topic, safety, was presented as a top-most priority for the year 2023 and beyond. While unveiling a new commercial strategy and ambition, it was shown how a partnership with Petromax LPG supports a dealer in offering a distinct service to be successful in his area. **EP**

Law Passed for Gas, Electricity Prices Adjustment without Public Hearing

The "Bangladesh Energy Regulatory Commission (amendment) Ordinance, 2022" was passed in Parliament recently which paved the way for the government to adjust the prices of gas and electricity without public hearing.

Law Minister Anisul Huq placed the ordinance in the House.

President Abdul Hamid promulgated the ordinance on December 1 last year amending the Bangladesh Energy Regulatory Commission (BERC) Act-2003.

The law ministry issued a gazette on December 1 announcing the amendment that allows government to adjust the prices of gas and electricity.



Previously, the Ministry of Power, Energy and Mineral Resources used to adjust the prices of fuel including diesel, octane, kerosene and petrol without any public hearing. Where, the prices of gas and electricity were adjusted by the BERC through public hearings.

With the amendment of the Bangladesh Energy Regulatory Commission (BERC) Act-2003, the Ministry of Power, Energy and Mineral Resources will not require to hold a hearing to decide new prices for gas and electricity. **EP**

Bangladesh for 'Visible' Indian Cooperation on Hydropower Imports from Nepal, Bhutan



State Minister for Power, Energy and Mineral Resources Nasrul Hamid has sought "visible Indian cooperation" for importing hydropower from Nepal and Bhutan.

He joined a bilateral meeting on electricity cooperation between Bangladesh and India in New Delhi recently.

At the meeting, Nasrul headed the Bangladesh delegation and Minister of Power and New and Renewable Energy Raj Kumar Singh led the Indian

side, the Power Division said in a statement.

Indian private companies' interest in exporting renewable energy to Bangladesh was also discussed at the meeting.

Nasrul talked about the growth of Bangladesh's power sector and said the demand for electricity is increasing continuously in the country.

"If electricity can be imported from Assam, uninterrupted supply to northern Bangladesh can be ensured. Although we import 1,160MW of electricity from India, we want to import more," he said.

Raj Kumar said India can supply more electricity to the northern part of Bangladesh. **EP**

Qatar, Chevron to Build \$6b Gas-to-Plastics Plant

Qatar signed a \$6 billion deal with Chevron Phillips Chemical recently to build a plant including the biggest ethane cracker in the Middle East, converting natural gas into polyethylene and other plastics.

The Ras Laffan Petrochemicals Complex, which will produce 2.1 million tonnes of ethylene a year along with 1.7 million tons of polyethylene derivatives, will come on stream in 2026.

The complex will have "lower waste and greenhouse gas emissions" than similar facilities around the world, said Saad Sherida al-Kaabi, Qatar's energy minister and the CEO of QatarEnergy.

QatarEnergy has a 70 percent equity share in the joint venture with Texas-based Chevron Phillips taking the other 30 percent.

"This marks QatarEnergy's largest investment ever in Qatar's petrochemicals sector and the first direct investment in 12 years," Kaabi said at a signing ceremony in Doha.

Ras Laffan will double Qatar's ethylene production capacity and increase its polymer output from 2.6 million tons to more than four million tons a year. Overall, Qatar's petrochemical production capacity will rise to almost 14 million tons a year. **EP**

Commissioning of RNPP Unit-1 to Get Delayed for 6 Months

The commissioning of Unit-1 of the Rooppur Nuclear Power Plant (RNPP) project is likely to be delayed for six months to one year, due to the Covid-19 pandemic.



State Minister for Power, Energy and Mineral Resources Nasrul Hamid made the disclosure while addressing the media after visiting the construction site of the project in Ishwardi of Pabna on 29 December.

Nuclear scientist and RNPP Project Director (PD) Dr Md Shaikat Akbar was also present at the press briefing.

As per the schedule, the 1st unit of the 2400MW nuclear power plant was to be commissioned by December 2023.

"However, due to the pandemic and Russia-Ukraine conflict, that time frame has been pushed to the mid to end of 2024," the RNPP PD Dr Md Shaikat Akbar told reporters. **EP**

Ensure Stable Energy Prices for Economic Recovery: DCCI

The Dhaka Chamber of Commerce and Industry (DCCI) has urged the government to focus on ensuring uninterrupted and affordable energy for both local and export-oriented manufacturing units to further accelerate Bangladesh's economic recovery in 2023.



Also, emphasis should be placed on improving the ease of doing business and developing an infrastructural environment that is conducive for attracting local and foreign investment, according to a recent press release from the trade body.

In addition, the country's exports need to be diversified while facilitating access to credit for cottage, micro, small and medium enterprises should take priority as well, it said.

The global economic downturn stemming from the Covid-

19 pandemic and ongoing Russia-Ukraine war have hindered Bangladesh's growth. However, the enterprising spirit of the local business community and joint efforts of the public and private sectors have largely assisted the country's economic recovery.

Still though, the recent increase in energy prices is disrupting the production of energy-intensive industries, making it increasingly difficult for them to compete in international trade, it added. So, the DCCI is of the view that long-term planning should be adopted following a predictable pricing policy for determining energy prices. **EP**

Power Generation Sees Substantial Cut Thanks to Low Winter Demand

Electricity generation across Bangladesh now hovers over one-third of the capacity with all diesel-fired and many gas-fired power plants lying idle due to sagging winter demand.

The country's all diesel-fired power plants, numbering a dozen and having the total capacity of around 1,000 megawatts (MW), and 25 gas-fired power plants, having the total generation capacity of around 5,500 MW, were kept laid-off as on December 28.

The state-run Bangladesh Power Development Board (BPDB) statistics show that the countrywide power output during daytime peak hours was 7,531 MW on December 25 against the total installed capacity of 22,204 MW. The generation during evening peak hours was 9,382 MW.

Dwindling natural gas supply from local fields and inadequate

liquefied natural gas (LNG) import cut availability of natural gas for power generation, a senior official of the state-run Petrobangla said recently.

The Petrobangla supplied around 815 million cubic feet per day (mmcf) of natural gas to the power plants against the demand for 2,174 mmcf on December 25.

Most of the furnace oil-fired power plants are now in operation, according to sources. Generation from the coal-fired plants now accounts for around 1,300 MW.

All the nine solar-based power plants are now online, producing around 166 MW of electricity in total. The lone operational Kaptai hydropower plant is supplying only 30 MW.

Electricity import from neighbouring India now stands at almost all-time high of around 1,100 MW. **EP**

ONGC Videsh Retakes 20% Stake Oil & Gas Fields at Sakhalin-I



Before the sanctions on Russia, Sakhalin used to produce around 2 million tonnes (mt) of crude oil annually, of which OVL's share was around 40,000 net barrels of oil and oil equivalent of gas.

Before the sanctions on Russia, Sakhalin used to produce around 2 million

tonnes (mt) of crude oil annually, of which OVL's share was around 40,000 net barrels of oil and oil equivalent of gas. State-run ONGC's overseas arm, ONGC Videsh (OVL) has retaken its 20 per cent stake in the oil and gas fields at Sakhalin-I in Russia's Far East. The production at the blocks resumed last year in December, sources said.

Production at Sakhalin-I stopped last year after its operator ENL, a subsidiary of Exxon Mobil, declared force majeure following international sanctions slapped on Russia. **EP**

HCA Signed, €609m in Loans Approved by FDA for Bangladesh

In 2022, AFD and the Economic Relations Division of the government of Bangladesh signed a host country agreement (HCA) for the establishment of AFD activities in Bangladesh, a successful outcome of years of negotiations between the French and Bangladesh governments.

This was a crucial step which came after 10 years of operation and over 20 projects financed in the country, said a media release recently.

Agence Française de Développement (AFD) Group is a public financial institution that funds, supports and accelerates transitions towards a more just and sustainable world. AFD has become a major development partner of Bangladesh.



For the single year of 2022, €278.3 million (loans and grants) were approved, and an unprecedented amount of €183.5m was disbursed.

"AFD has more than doubled the amount of its financing in the course of the last three years... We look forward to continued cooperation between AFD and the ERD, our two countries, for the benefit of the citizens of Bangladesh that both our governments serve," AFD Country Director for Bangladesh, Benoit Chassatte, said. **EP**

ExxonMobil Seeks to Block EU Tax on Windfall Energy Profits

US energy giant ExxonMobil filed suit recently against the European Union seeking to block its temporary tax on oil firms' windfall profits, a company spokesperson said.

With energy prices soaring following Russia's invasion of Ukraine, European Commission chief Ursula von der Leyen announced in September the plan for major oil, gas and coal companies to pay a 'crisis contribution' on their elevated 2022 profits.

Details later outlined a 33 per cent tax on profits for 2022, which are more than 20 per cent higher than the average for 2019-21.

The commission was careful

not to use the word 'tax,' when it adopted the measure at the end of September, as any new tax provision at the European level would have required the unanimous agreement of all 27 EU member countries.

Nonetheless, ExxonMobil's German and Dutch subsidiaries on Wednesday filed a challenge to the new measure at the EU's Luxembourg-based General Court.

'We recognise that the energy crisis in Europe is weighing heavily on families and businesses, and we've been working to increase energy supplies to Europe,' ExxonMobil spokesperson Casey Norton said in a statement. **EP**



North-West Power Generation Company Limited

(An Enterprise of Bangladesh Power Development Board)



Market Share

- ✓ 3063 MW generation capacity.
- ✓ Highest among all govt. companies.

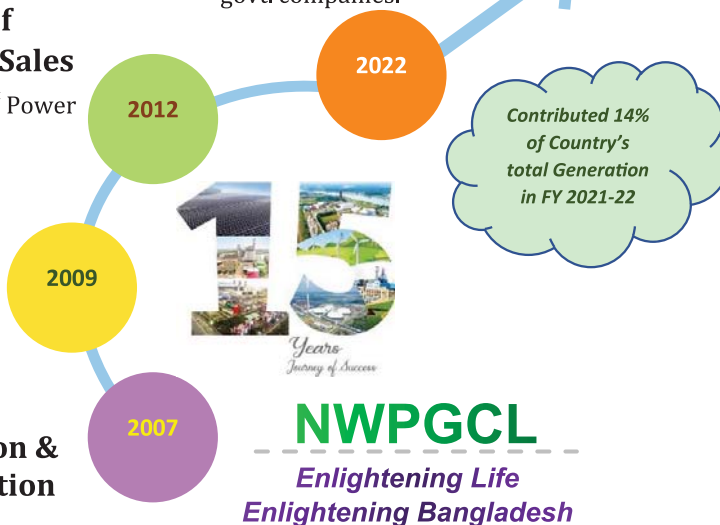
Start of Electricity Sales

- ✓ COD of 1st Power Plant

Commencement of Business

- ✓ Started with 02 development projects.

Registration & Incorporation



09
Power Plants,
Total: 3063 MW



Power Plants of
NWPGL & its JVC

ISO

ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 certified



Mujib Corner, NWPGL

68MW Solar Park Deal Inked



Bangladesh-China Power Company Limited (BCPCL), a joint venture of North West Power Generation Company Ltd (NWPGCL) and China National Machinery Import and Export Corporation (CMC), signed a Power Purchase Agreement (PPA) and an Implementation Agreement for 68MW solar park project in Sirajganj recently.

The agreements were signed at an event in the Mukti Hall of Bidyut Bhaban in the capital, reads a press release.

The event was presided over by Md Habibur Rahman, secretary, Power Division, Ministry of Power, Energy and Mineral Resources. State Minister for Power, Energy and Mineral Resources Nasrul Hamid

graced the event as chief guest.

Among others, Chairman of Sustainable and Renewable Energy Development Authority (SREDA) Munira Sultana, NDC, Bangladesh Power Development Board Chairman Engineer Md Mahbubur Rahman, NWPGCL Managing Director Engr. A.M. Khurshedul Alam, PGCMB Managing Director Golam Kibria were present at the signing ceremony.

Earlier on 24 February 2022, BCPCL signed an Engineering Procurement and Construction (EPC) agreement with Sinohydro, a Chinese state-owned hydropower engineering and construction company.

Under the agreement, Sinohydro will implement the solar park project in Sirajganj Sadar upazila at a cost of Tk1,798 crore.

The government will buy electricity generated there at \$0.102 (Tk8.12 when \$1=Tk80) per kilowatt for 20 years.



Arvind Kejriwal Flags Off 50 New Electric Buses

Dr. Mahendra Nath Pandey, Minister of Heavy Industries, said that under the FAME II Scheme of the Ministry of Heavy Industries (MHI), Cities/STUs/State Governments placed supply orders for 3,538 Electric Buses.

Out of those 3,538 Electric Buses, a total of 1,716 electric Buses have been deployed as on 2nd January 2023.

Chief Minister of Delhi, Shri Arvind Kejriwal flagged off 50 New Electric Buses under DTC.

He further stated that for the Union Territory of Delhi 400 Electric Buses; 300 Electric Buses to Delhi Transport Corporation (DTC) for intra-city operations



and 100 Electric Buses to Delhi Metro Rail Corporation (DMRC) for last Mile connectivity were sanctioned in the Month of August 2019.

The supply orders were to be placed by 15th January 2020. DMRC issued a supply order in December 2019 to the successful Bidders whereas Delhi Transport Corporation (DTC) could only issue a supply order in March 2021.

To facilitate DTC, MHI extended the last date of the supply order by DTC 31st March 2021, as a special case for providing a pollution-free world-class transit system to Delhi.



JOULES POWER LIMITED (JPL)

Joules Power Limited (JPL) is A Privately Owned Renewable Energy Company Operating in The Power Sector of Bangladesh. JPL Has Been Formed With A Fundamental Core Value Towards Sustainability and is Committed to The Country's Nationally Determined Sustainability Targets. Through Our Presence in The Power Sector We Not Only Strive to Achieve A Greener and More Sustainable Future for Bangladesh, But We Also Hope That JPL's Contribution Towards The Country's Green Infrastructure Will Lead to A Brighter, More Prosperous and Sustainable Future.



Joules Power Limited - Future Enabled

Current Portfolio

- 20MW Solar Ground Mounted Project IPP Basis
- 3.23MWp Rooftop Solar project in OPEX Model
- 1.7MWp Rooftop Solar Project in OPEX Model
- 0.325MWp Rooftop Solar Project in OPEX Model
- 2.00MWp Rooftop Solar Project in OPEX Mode

Another Solar Power Plant at Kaptai on Cards



year, according to ATM Abduzzaher, manager of Karnaphuli Hydropower Station that helps the PDB in the preliminary works for the new project.

Later on 28-30 December, a team from the Planning Commission visited the 23.06-acre land proposed for the solar plant in the

Brickfield area of Kaptai, he noted and added that the detailed plan including the project cost is yet to be prepared.

Earlier in 2019, the government set up a 7.4MW solar power plant near the Karnaphuli Hydropower Station at Kaptai of Rangamati. It was the country's first solar power plant connected to the national grid directly.

EP

The government is mulling to establish another on-grid solar power plant in Rangamati's Kaptai upazila, as part of its efforts to generate 10% of electricity from renewable sources by 2025.

The Bangladesh Power Development Board approved the 7.6-megawatt solar power plant proposal in principle at its board meeting on 28 November last

EU Welcomes Access in US Green Subsidies



lavishes benefits on US buyers of electric vehicles if they "Buy American" -- seeing the act as discriminatory against European carmakers.

But guidance released recently on commercial clean vehicle credits "reaffirms" that EU companies can still make some gains, the EU Commission said in a

statement.

"EU companies that provide their customers through leases with cutting-edge clean vehicles can benefit from the incentives under the IRA," the Commission said.

Companies will "immediately benefit from the new guidance," the statement added.

But a separate segment of the act involving clean vehicle credits continues to contain "discriminatory provisions," the EU Commission said.

EP

The European Commission said recently it "welcomes" US guidelines on a green subsidy scheme for commercial vehicles, after officials outlined their implementation under a landmark spending bill the country passed earlier this year.

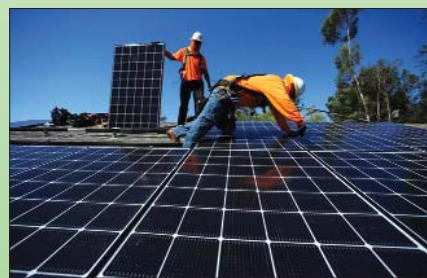
The US Inflation Reduction Act contains around \$370 billion in subsidies for green energy, as well as tax cuts for US-made electric cars and batteries.

European countries have been unsettled by parts of the policy, which

Greenpage

Tata Power Renewable Energy Receives 'Letter of Award' to Set Up 255MW Hybrid Project

Tata Power Renewable Energy Limited (TPREL), a subsidiary of Tata Power has received the "Letter of Award" (LoA) from Tata Power Delhi



Distribution Limited (Tata Power - DDL), a joint venture of Tata Power and the Govt. of NCT of Delhi, for setting up a 255 MW hybrid (wind and solar) power project in Karnataka.

The project will be commissioned within 24 months from the PPA execution date. The letter was awarded through an e-reverse auction.

The power generated from the project will be supplied to Tata Power- DDL, which supplies electricity to a populace of over 7 million in North Delhi.

The letter indicates the current capacity bifurcation as 85MW solar and 170MW wind power with the green-shoe option of additional capacity of 85MW solar and 170MW wind.

With this win, the total renewables capacity of TPREL reaches 6,048 MW with an installed capacity of 3,884 MW (Solar – 2,956 MW & Wind – 928 MW) and 2,164 MW under various stages of implementation.

EP

Smart Power Sector Must to Build Smart Bangladesh



State Minister for Power, Energy and Mineral Resources Nasrul Hamid recently said that power management must be made smart to build 'smart Bangladesh'.

"Human resource development and technology-friendly population will work behind the scene to build smart Bangladesh," he said this while

addressing at a workshop titled 'DPDC's Smart Grid Pilot Project' at Bidyut Bhaban here as chief guest.

The state minister said that common people will take time to make themselves as technology befitting, but they should be encouraged with modern technology.

"Vast areas of the Rural Electrification Board would be brought under modernization quickly. It is necessary to coordinate all the activities of various departments and take technology-friendly integrated plan," he said.

Nasrul Hamid emphasized on making 'Smart Grid' Policy soon. **EP**

Bridgestone Installs Solar Rooftop Panels at Its Thailand Plant



Thai Bridgestone Co., Ltd., (TBSC) announced that it has installed solar rooftop panels to directly power the tire production process in its Nong Khae plant, in Saraburi province.

The largest solar rooftop panel among the Bridgestone Group with a total capacity of 9.95 MWp, is expected to generate a 97,500 tonnes reduction in total CO2 emissions over the next 15 years.

This project aligns with the

commitments of "Energy: Committed to the realization of a carbon-neutral mobility society", "Ecology: Committed to advancing sustainable tire technologies and solutions that preserve the environment for future generations" and "Economy: Committed to maximizing the economic value of mobility and business operations" described in a corporate commitment, the "Bridgestone E8 Commitment."

The solar rooftop panels installation will inspire carbon neutrality across the business and is an inspirational step in us reaching Bridgestone's vision as a sustainable solutions company by 2050 and reinforces the importance of a tire production base in Thailand. **EP**

Greenpage

EVs Make Up 80pc of New Car Sales in Norway

Electric vehicles accounted for almost four out of every five new car registrations in Norway last year, setting a new record, according to figures released recently.



Led by US carmaker Tesla, which topped the list with a 12.2 per cent market share, 138,265 new electric cars were sold in the Scandinavian country last year, representing 79.3 per cent of total passenger car sales, the Norwegian Road Federation (OFV) said in a statement.

In doing so, Norway, which is both a major producer of oil and gas, as well as a pioneer for zero-emission cars, comfortably beat the previous record of 64.5 per cent set in 2021.

Comparatively, electric cars made up just 8.6 per cent of new car registrations in the European Union over the first nine months of 2022.

In December alone, electric cars hogged 82.8 per cent of sales as Norwegian households rushed to buy them before a tax change came into force in 2023.

Norway aims for all new cars to be "zero emission" by 2025. **EP**

Bangladesh Declared Free from Toxic DDT Pesticide



DDT from the medical sub-depot of Chattogram and the World Biodiversity Conference, according to a press release received here.

Environment, Forest and Climate Change Minister Md Shahab Uddin has officially declared Bangladesh free from dangerous DDT.

The minister made this announcement at a press conference organized by the ministry concerned here recently, marking the occasion of the successful removal of 500 tonnes of

Deputy Minister for Environment, Forest and Climate Change Habibun Nahar, Secretary to the Ministry Dr Farhina Ahmed, Additional Secretaries Md Mizanul Hoque Chowdhury and Sanjay Kumar Bhowmik and Director General of Department of Environment (DoE) Md Abdul Hamid were present, among others, on the occasion, the release added.

EP

Half of World's Glaciers Expected to Vanish by 2100: Study



glacier melt such as sea level rise and depletion of water resources.

To help orient policy makers, the study looked at the impact of four scenarios on glaciers, where global

mean temperature change is 1.5 degrees Celsius (2.7 degrees Fahrenheit), 2.0C, 3.0C and 4.0C.

"Every degree increase produces more melt and loss," said Regine Hock of the University of Oslo and University of Alaska Fairbanks, a co-author of the study.

"But that also means if you reduce the temperature increase, you can also reduce that mass loss," Hock told AFP. "So in that sense, there is also a little bit of hope."

EP

Half of the Earth's glaciers, notably smaller ones, are destined to disappear by the end of the century because of climate change, but limiting global warming could save others, according to a new study.

The findings, published in the journal Science recently, provide the most comprehensive look so far at the future of the world's 215,000 glaciers.

The authors emphasized the importance of restricting greenhouse gas emissions to limit the consequences from

COP27 Safeguarded Interest of Fossil Fuel Rich Nations: CSOs



Fossil fuel giants suppressed human rights and justice principles in the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27) that took place in Egypt in November last year, said civil society organizations.

"Instead of reaching a commitment for deeper emission cut in line with the 1.5 Celsius Goal, the COP made a fortune for fossil fuels, natural gases in particular, and safeguarded the interests of the fossil fuel rich economies," said Md Shamsuddoha, chief executive of the Center for Participatory Research and Development (CPRD), at a roundtable discussion recently.

The CPRD and other allied CSOs arranged the program titled "Climate Diplomacy at COP27: Whether shines are overshadowed by corporate interest" in the city.

The discussion intended to develop a critical

understanding of the outcomes of COP27 and provide a strategic overview of how the interest of fossil fuel giants patronized by a few countries dominated human rights and justice principles in climate negotiation.

CPRD Chief Executive Md Shamsuddoha said the developed countries are yet to implement their duties and responsibilities for staving off climate change.

"We raised our voice on behalf of civil society organizations at the COP27, demanding that an official loss and damage mechanism for compensating the climate-induced losses and damages potentially affecting different regions and countries be formed," he said.

EP

Govt Takes Steps to Save Environment from Tannery Pollution

Principle secretary to the Prime Minister's Office Tofazzal Hossain Mia recently said the government has taken various measures so that tannery industry cannot pollute the environment.

"As the tannery industry pollutes environment, the government has taken steps in such a way so that environment and this industry

can be saved," he said after visiting the tannery industrial units in the BSCIC industrial area in Savar.

Tannery industry is polluting the Haridhara area and the Dhaleswari River, he said, adding that the government has already taken steps to protect such pollution.

Later, he took part in a discussion there and planted a sapling.

EP

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Peru Hits Spanish Energy Giant Repsol with New Oil Spill Fines



Repsol had blamed the spill on freak waves caused by a volcanic eruption more than 10,000 kilometers (6,200 miles) away near Tonga.

Peru's environment authorities recently announced fines worth close to \$6 million against Spanish energy giant Repsol over an oil spill that polluted beaches and cost thousands their livelihoods.

Almost 12,000 barrels of crude spilled into the sea off Peru in January 2022 as a tanker unloaded oil at a Repsol-owned refinery.

Peru said more than 700,000 people were affected by the spill which forced the closure of 20 beaches and dozens of tourism businesses.

At least 5,000 fishers and shopkeepers lost their livelihoods.

The three new fines worth a total of \$5.7 million were for "administrative responsibility," the Environmental Assessment and Monitoring Agency (OEFA) said in a statement.

Repsol previously received fines worth \$10.7 million in October and \$1.25 million in July for a variety of offences such as reporting false information, not doing enough to contain or clean up the spill, and failing to identify areas affected by the spill.

The OEFA said the latest fine was for failing to supply "required information" relating to the environmental damage caused by the spill. **EP**

India Plans \$2b Incentive for Green Hydrogen Industry: Report



By 2030, the Indian Government plans to invest US\$ 96 billion (Rs. 8 trillion) in green hydrogen and its derivative green ammonia.

Moreover, the government is planning a US\$ 2.2 billion (Rs 180 billion) incentive in the upcoming budget, that aims to reduce the production cost of green hydrogen by a fifth, over the next five years.

The current cost of green hydrogen in India is 300 rupees to 400 rupees per kg, reports Reuters. The incentive provided by the government is expected to be US\$ 0.60 (Rs 50) per kg for 3 years.

Indian companies like Adani have partnered with a French multinational, TotalEnergies to create the world's greatest green hydrogen ecosystem.

Many more companies like Reliance Industries, Indian Oil, NTPC, JSW Energy, and ACME Solar have big plans for green hydrogen.

Strategic Intervention for Green Hydrogen Transition, a green hydrogen proposal would be divided into the manufacturing of electrolyzer for US\$ 543 million (Rs. 45 billion) in five years and US\$ 1.63 billion (Rs 135 billion) for green ammonia and green hydrogen production for the next three years.

Moreover, the estimated global demand for green hydrogen is expected to exceed 100 million tonnes by 2030. **EP**

NTPC Starts India's First Green Hydrogen Blending Operation in PNG Network



Country's largest power generator, NTPC Ltd commissions India's first green hydrogen blending project. The green hydrogen blending has been started in the piped natural gas (PNG)

of NTPC Kawas

After the start of blending operation, NTPC Kawas held awareness workshops for township residents with help of GGL officials.

network of NTPC Kawas township, Surat. The project is a joint effort of NTPC and Gujarat Gas Limited (GGL).

The first molecule of green hydrogen from the project was set in motion by Shri P Ram Prasad, head of project, Kawas in presence of other senior executives

NTPC and GGL have worked relentlessly towards achieving this milestone in record time after the foundation stone laying by the Hon'ble Prime Minister of India on 30th July 2022.

This set-up is geared up to supply H2-NG (natural gas) to households of Kawas township at Adityanagar, Surat. Green hydrogen in Kawas is made by electrolysis of water-using power from already installed 1 MW floating solar project.

Petroleum and Natural Gas Regulatory Board (PNGRB), the regulatory body has given approval for 5% vol./vol. blending of green hydrogen with PNG to start with and the blending level would be scaled phase wise to reach 20%. **EP**

Climate Change Poses Threat to Livelihood in Rajshahi Barind



Political leaders, academics, researchers and development activists came up with the observation while addressing the closing ceremony of a two-day 'Rajshahi Youth Climate

Adverse impact of climate change caused by global warming has been posing a serious threat to the overall living and livelihood condition in the region, particularly in its vast Barind tract.

Climate change has been acknowledged as the depletion of natural resources and as a major threat to the humanity in the region and urged the policy planners and others concerned to take immediate effective measures to address the adverse impacts

Conference 2022 at Shilpakala Academy auditorium in Rajshahi recently.

Barendra Region Youth Organizations Forum (BRYOF) and Bangladesh Resource Centre for Indigenous Knowledge (BARCIK) jointly organized the conference.

Action for Loss and Damage Fund and Climate Justice' was the main focus of the conference attended by more than 300 youths from across the country. **EP**

First Ever 'Climate Oath' in Bangladesh Held



Several hundred climate warriors in the country including reps of local administration, tribal communities, fishers, working women and students recently gathered at Daryanagar Sea Beach to take the first ever 'Climate Oath' in the country to save our planet from the menace of climate disaster.

The climate warriors included Sharlina Hussain Morgan, Culture and Public Relations Officer of the US Embassy, Sheikh Rokan, founder of Riverine People, cartoonist Morshed Mishu and Harvard economist Amrin Bashir, Creative Conservative Alliance Founder Shahriar Caesar Rahman and top media representatives of the country, reads a press release.

The three-day conference was organized by Genlab under the initiative of South Climate Conclave - Bangladesh Chapter. **EP**

ADB Approves \$250m for Bangladesh's Climate Resilience

The Asian Development Bank (ADB) and the government of Bangladesh have signed agreements for \$250 million in loans to strengthen climate and disaster resilience in 22 coastal towns in Bangladesh.

Sharifa Khan, Secretary, Economic Relations Division, and Jiangbo Ning, Deputy Country Director, ADB, recently signed the agreements on behalf of Bangladesh and ADB, respectively.

"The project prioritizes local economic development in project towns by enhancing the livelihood resilience and adaptive capacity of vulnerable households



through the graduation program in six project towns with high poverty levels," said Deputy Country Director Jiangbo Ning.

"The project will support the Government of Bangladesh in achieving integrated and sustainable urban development to improve the livability of coastal towns in the face of increasing climate-related disaster risks," Deputy Country Director Jiangbo Ning. **EP**

Santos Signs CCS MOU

Santos has signed a memorandum of understanding (MOU) with four organizations concerning the research and development of carbon dioxide (CO₂) storage facilities.

Santos, SK E&S, K-CCUS Association, CO₂CRC and Korea Trade Insurance Corporation have signed MOU to support and collaborate in the development of several specialized CO₂ storage facilities.

Through the agreement, the organizations have agreed to jointly develop carbon capture and storage (CCS) projects in Australia and the region, including Bayu-Undan in Timor Leste.

The agreement includes research and collaboration for accelerating technological

Santos

advancements through demonstrations at CO₂CRC's Otway International Test Centre in Australia.

According to Santos, CCS facilities at Bayu-Undan would have the potential capacity to safely and permanently store approximately 10 million tonnes of CO₂ per annum.

Santos managing director and chief executive Kevin Gallagher said the MOU is revelatory of growing momentum and action to reduce CO₂ emissions in the Asia Pacific. "Increased deployment of carbon capture and storage is critical to achieve the world's climate goals," Gallagher said. **EP**

WHY IGNORE BERC IN RAISING POWER PRICE?

Reverse Swing



Farid Hossain

The government has dished out a New Year's gift that has failed to make the receivers happy. Rather, it has been taken as a proverbial straw that breaks a camel's back. On Jan. 12 the government Power Division announced a 5% hike in the price of electricity at the consumers' level meaning an increase by 36 poisa per unit. The jolt came less than two months after the Bangladesh Energy Regulatory Commission, a quasi-judicial platform tasked with taking decision in this matter after holding public hearing, raised the bulk price of power by 19.92% on Nov. 21 last year. The latest jump in the power price should also be seen in the context of a series of government steps that saw an abnormal hike in the prices of fuel oil – diesel, petrol and octane – on Aug 5 last year. At that time the per litre price of diesel was increased to Tk 114 from Tk 46, while the octane jumped from Tk 46 per litre to 135 and petrol from Tk 44 to Tk 130. The price was later decreased by Tk 5 a litre, but it made little impact on easing the cost of living that has already hit 8.5% or so riding on increasing prices of essentials like food grains, cooking oil and lentils. Taking along it last year's hike in the prices of natural gas by 22.78% compounded the burden on consumers.

The latest 5% hike in power price, effective from January, means that a consumer paying Tk 1,000 for electricity will pay Tk. 50 more in the bill to be received in February. Is it a big deal? It's a big burden on consumers since they are bracing for more rounds of such hikes in the coming months. In the latest move the government has given a clear message: prices will be increased in phases. A 15% increase at



a time would have led to more noisy public protests than it is now. Let the consumers adjust to a 5% hike first so the next moves get tolerable. However, energy experts do still complain not so much about the rate of increase but more about the way the government has done it. In the latest hike, considered by the government as an emergency step,

For a government that claims to be pro-people and democratic such moves do not go well with its reputation. Any act of indemnifying anyone from any action has always been suspicious. Is there anything that the government wants to hide from the people?

has bypassed the BERC and thus undermined the body's authority in dealing with such issues. Before taking such a special move the government has recently armed itself with an ordinance that empowered it to take decisions of such hikes without waiting for what it considers the rather lengthy process adopted by the BERC by ways of holding hearings with the stakeholders. There is and will remain so a big question mark on whether the situation that has made government to ignore the BERC can be called a real emergency. The government's bypassing of BERC is being seen as an undemocratic – if not draconian – step by some in the energy circle. On the energy front the government has a history of making the – The Power and Energy Fast Supply Enhancement (Special Provision) Act. Passed by the ruling Awami League-dominated Parliament in 2010 the law - extended several times since then – prevents the courts from examining the power production deals awarded without bidding. The Act, in reality, indemnifies the government for its actions in the energy sector from any court proceedings.

For a government that claims to be pro-people and democratic such moves do not go well with its reputation. Any act of indemnifying anyone from any action has always been suspicious. Is there anything that the government wants to hide from the people? If not, the indemnity law should have been allowed to have a natural death.

So, the latest presidential ordinance on special powers given to the government to hike prices of power, fuel and gas on its own and the 2010 indemnity law having its extended life need to be reconsidered.

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Govt Not Financially Stressed, But Lost Clues

Increasing electricity prices through executive orders is the first major battle lost over the 14 years of consecutive tenure of the present government. They lost the battle to the people whom they have pledged to serve. Finally, the government's decision to stab the flourishing Bangladesh Energy Regulatory Commission (BERC) on the back announced its demise.

Professor Dr. Shamsul Alam, Dean of Daffodil University and Energy Advisor, Consumers Association of Bangladesh (CAB), said this in an exclusive interview with EP Editor **Mollah Amzad Hossain**.

How will you evaluate the price increase of electricity through executive order?

Increasing electricity prices through executive order is tantamount to foul play with public interest at a time while the BERC just completed a public hearing per its mandate. Bureaucracy prevailed over the BERC. The trend of accountability to people that was in the process of getting established died a premature death. The process of creating accountability of the public and private sector power companies that the government rightly initiated through the BERC act got a deadly blow - transparency, irregularities and wastages. The essence of the amendment to the BERC act was retaining the responsibility of adjustment of prices of power and energy to BERC in general. But only in special cases the government assumed the right for

price adjustment. The shocking announcement of electricity price adjustment by the government came at a time when BERC, completing the hearing on price adjustment, started reviewing all comments and observations of all stakeholders. These would be completed by 15 January 2023. What had prompted the government to take the dramatic decision?

The opportunities for massive irregularities in the upstream segment of power value chain were kept going through multiple time extensions of special acts for speedy power and energy supply. Now the government assuming the right for adjusting the price at the downstream has made the entire power value chain non-transparent and non-accountable. Such a situation is not acceptable at all.

The State Minister of Energy has informed the media that the government will increase the price of electricity and gas in the first week of every month. The price of gas will be adjusted in the current month. In this situation, is there any reason to keep BERC going?

If the government sticks to the state minister's statement of adjusting gas and power prices through executive order, BERC will die and be buried. It is not at all clear why the government requires adjusting prices every month? The present reality leads BERC to be ineffective, abolished and dead.

The decision for price adjustment has



Prof Dr. Shamsul Alam

We will not keep our fingers crossed. We will work out our strategy through close monitoring of the development. We do not believe that the financial stress compelled the government to make a hasty decision. Rather it is crystal clear that the government got trapped in the net of bureaucracy.

not been done in the public interest at all. There is no accountability now for the utilities working in the power and energy sector. Rather bureaucracy became the master of the people. The decision is autocratic in nature and can only suit an authoritarian government. People will not get fair and just treatment at all if the government adjusts prices every month.

The government had already assumed authority for price adjustment through amending the BERC act. Why then do you term recent government action unjust?

Please note that the price adjustment of power and energy relies on the regulation of an act. BERC was

meticulously following that. The regulation of that act must be followed even if the government adjusts price through executive order. One cannot do anything as they wish if they abide by the law.

BERC started determining the price of electricity from 2008. How will you rate its performance over the past 14 years?

BERC is mandated for creating level-playing ground for public and private sector utilities for investment in the downstream sector. They have no authority over the upstream. CAB kept working relentlessly in three fronts BERC, Court and Media for ensuring the rights of the consumers. We could make some headways in the recent past. Public hearing before BERC determination started creating an ambiance of accountability of utilities to the people. They paid no heed to these in the past. They started doing that. The continuation of this process could have made the utilities completely responsible to the people in a decade. But imprudent government action has put paid to it.

You kept claiming that setting up too many power generation units and failure in using their capacity is among reasons for power price increase. Will you please clarify?

Please note that public and private companies have been allowed to set up power plants without assessing the demand growth meticulously at all. Even only 5% capacity of some plants could not be utilized over the year. But the entrepreneurs have been paid capacity charges. These have added to the cost of generation. Now, that is being transferred to the end users who are not at all responsible for such highhandedness. Subsidy is also being taken using the money of taxpayers. These plants have been constructed solely for serving the interest of the plant owners. Policymakers have miserably failed to apply their prudence.

Very often you claim during public hearings that price can rather be reduced if mismanagement, wastage, irregularities and theft can be minimized in the power and energy sector. Will you please clarify?

The internal rate of return (IRR) of the public sector and JV of Public and Private Sector companies are considered as 18%. But the BERC states that the revenue cannot be more than 5.5%. The Board of Directors of power and energy companies are exclusively dominated by the bureaucrats. They are involved at all stages from project planning to implementation. The quality of work and costs are not closely monitored. Huge wastage is made for this. Gas sector has to account for dual tax and vat. 15% vat is to be paid for LNG import. Gas price is determined by the mixed stream of own gas and RLNG. Finally, 15% vat is realized from the consumers. 34% tax is being imposed on furnace oil while price of gas and electricity is being increased in the excuse of global market volatility. Consequently, all of the above is impacting the cost of power generation and supply. These are examples of mismanagement and irregularities.

The costs and expenses of the companies are not neutrally monitored. On top of the above, there are system loss, theft and pilferages. There is no scope from neutrally monitoring these. The Energy and Power Division could have monitored these. But being an integral part of company boards, companies cannot do the monitoring.

We have been repeatedly mentioning the above during a public hearing. BERC also started paying heed to these in the recent past. Companies started responding to our queries. We strongly believe that if transparency and accountability could be established, the price of oil, gas and electricity could be reduced.

Does it mean that restricting BERC authority of determining price of gas and electricity impedes establishment of efficiency and protection of consumers' rights?

Exactly so, let me give an example. BERC sent a draft regulation to EMRD a long time back for setting up price determination of petroleum products. But the failure of EMRD over 8 years in approving the BERC regulation proposal handicapped BERC's right in determining the price of petroleum products. We took this to the court. Upon court verdict BERC has been determining the price of LPG for over a year now. A formula for setting price was determined by BERC through public hearing. Price of LPG is being adjusted every month using the approved formula. We kept on claiming transferring the responsibility of determination of liquid fuel to BERC. The inefficiency of the petroleum sector could be gradually minimized if BERC devising a formula could determine the price of liquid fuel like LPG every month taking on board price in the global market.

Similar transparent process could be followed if the government required setting prices from time to time. Setting prices through executive order tantamount to violation of civic rights. By doing this the government has encouraged inefficiency, irregularities and corruption of the power and energy sector.

What will you do now as activists of consumer rights?

We will not keep our fingers crossed. But we do not want to hurry. That will create conflicts. We do not want confrontation with the government. Politicians are working to improve the living standards of the people. We will work out our strategy through close monitoring of the development. We do not believe that the financial stress compelled the government to make a hasty decision. Rather it is crystal clear that the government got trapped in the net of bureaucracy.

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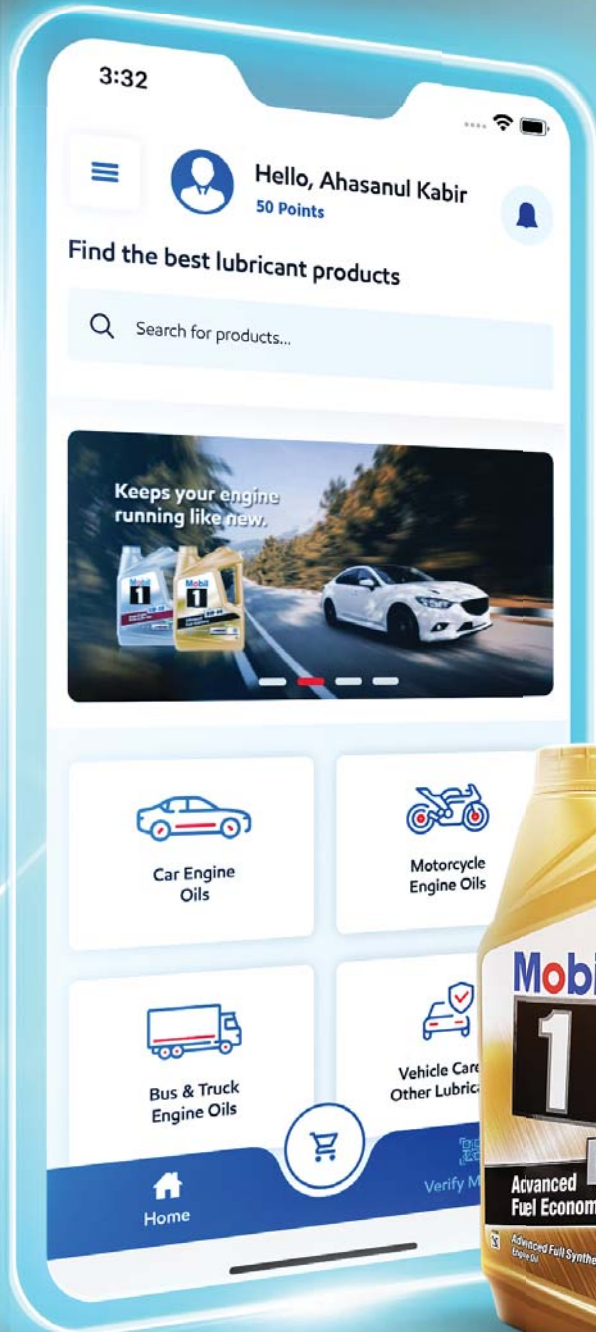
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আবাসিক জ্বালানির আধুনিক সমাধান

নতুন বাড়ি করছেন, কিন্তু গ্যাস নিয়ে চিন্তিত?

G-Gas নিয়ে এলো আপনার গ্যাস সমস্যার সহজ সমাধান।

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নেই সিলিন্ডার টানার ঝামেলা, নেই গ্যাস ফুরানোর চিন্তা।

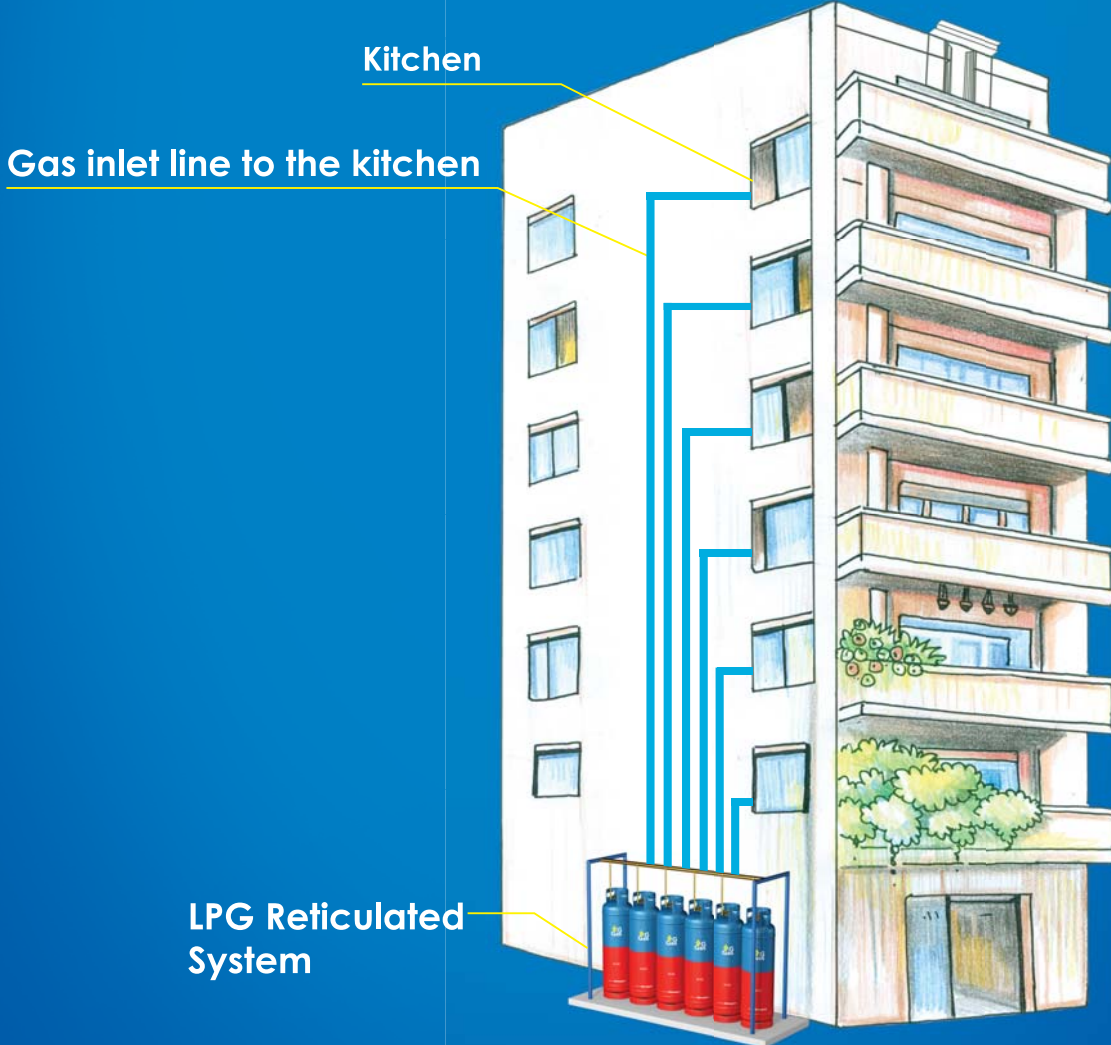
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