Private Public Partnership

an innovative approach
for hybrid village grids
in remote off-grid areas

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What is Public Private Partnership

• **The objective of PPP** is to combine the interests of private companies with those of public agencies to implement common ventures

• **The benefits of PPP are** a) to achieve the public interest, (i.e. socio-economic benefits for the intended end-clients.) b) to achieve the commercial interests of the company

• **Sunlabob** is private energy provider for remote areas off the grid

• **Helvetas** is a Swiss NGO committing itself to improving the socio-economic conditions in remote villages presently off the grid.
PPP for long term sustainability and socio-economic development

- Private Sector operates and maintains generating equipment
  - Assures reliable electricity devices

- Public sector - NGOs or projects - support capacity building
  - Initiates development of productive and social use of electricity

- Long-term sustainability
- Increased income

Socio-economic Development
We must go beyond

- improving living conditions with electricity
- towards increasing income with electricity

- Therefore we need systems beyond solar home systems
- AC Hybrid Village Grids can profitably combine various energy sources
PPP For Remote Village Grids

Private Energy Provider (PEP)

Operate Hybrid Generation

Pico/Micro Hydro
Solar Generator
Bio-fuel Genset

Sell AC KWh

Remote Village With Grid

Fixed assets

Private Public Partnership

Movable assets

Eco-Fund

Village Electrification with Hybrid System

Trust-Fund
Hybrid village grid as viable business
1. The typical situation
Hybrid village grid as viable business
2. Public-Private cooperation for hydro
Hybrid village grid as viable business
3. Boost grid with solar and bio-fuel genset → hybrid
4. Hybrid village grid as viable business
Private – Public Partnership
for more development
Donor Agencies: Public Investment

Central government

Provincial government

District government

Village community

„Traditional“ way to provide public funds
Channel Funds to enhance good local governance

Donor Agencies: Public Investment

Central government

& mutual leverage for efficient funding

Private Investors

Trust Fund

Fund transfer

Letter of credit for public infrastructures - capacity building

Energy Committee of Village Community

Letter of accomplishment

Eco-Fund

Loans, Equity for movable equipment

Energy Service Company

Letter of accomplishment

Private Investors
Village Grids

Win-Win-Win Situation

End-User get access to electricity and capacity building

NGO as the public partner can rely on electricity for rural development efforts.

Providing electricity is the income stream for private partner (But limited load factor)
Viable Expansion from Village Grid to National Grid Connection

- National Grid
- Regional Grid
- Village Grid

Village Grids:
- Village Grid (A)
- Village Grid (B)
- Village Grid (C)
- Village Grid (D)

Connections:
- Regional Grid + National Grid
- National Grid
Head office in Vientiane 45 staff

- franchised entrepreneurs as regional grid operators
- trained village technicians as village grid operators
From village grid to national grid connection

Win-Win-Win-Win Situation

End-User get access to cheaper electricity through national subsidized utility prices.

NGO uses electricity as an entry point for rural development with lower input required by the villagers.

Private Partner increases income through full utilization of generated energy.

National utility get access to electrified regional grid.
PPP Investment program for Rural Electrification in South East Asia and the rest of the world
Thank you for your attention