



Country Report El Salvador

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Salvador

North and South America

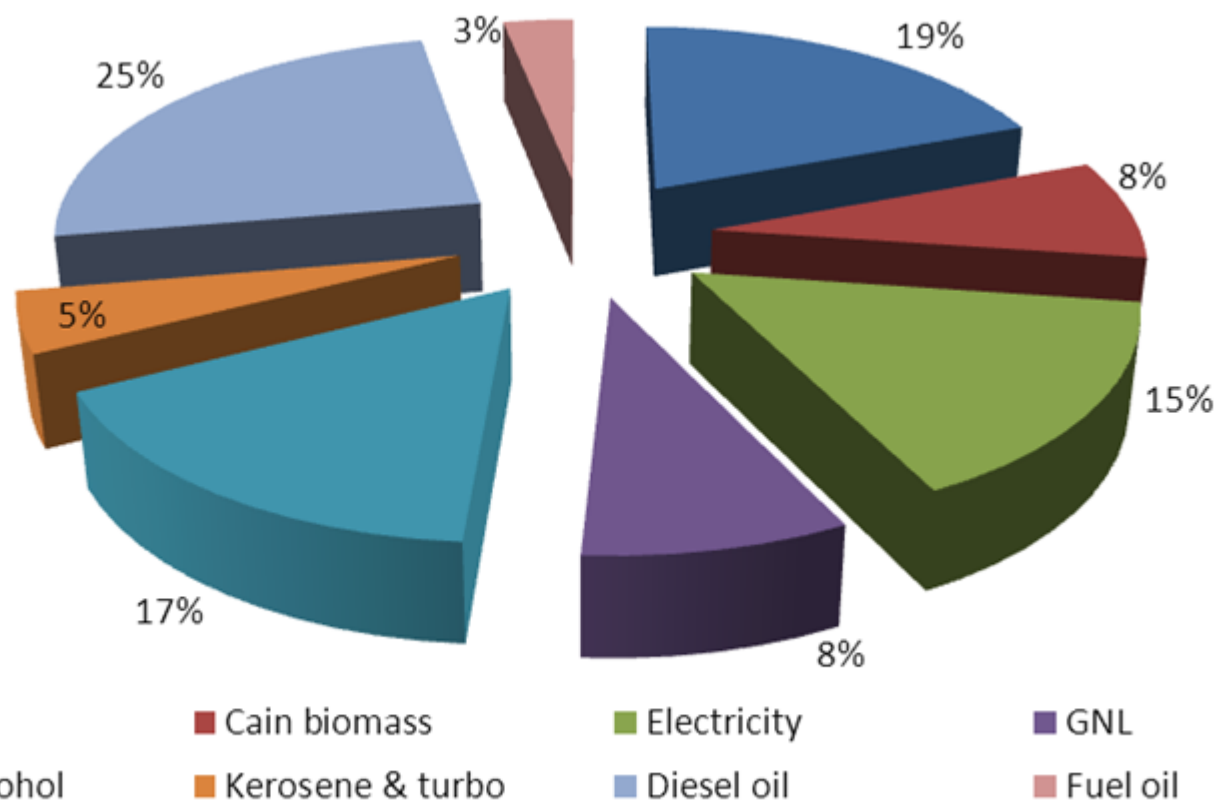


- Extension: 21,000 km²
- Population: 6 MM inhab.
- GDP: 41,000 MM\$
- GDP per capita: 6,600 \$
- Currency: US\$ dollars

Power System Background

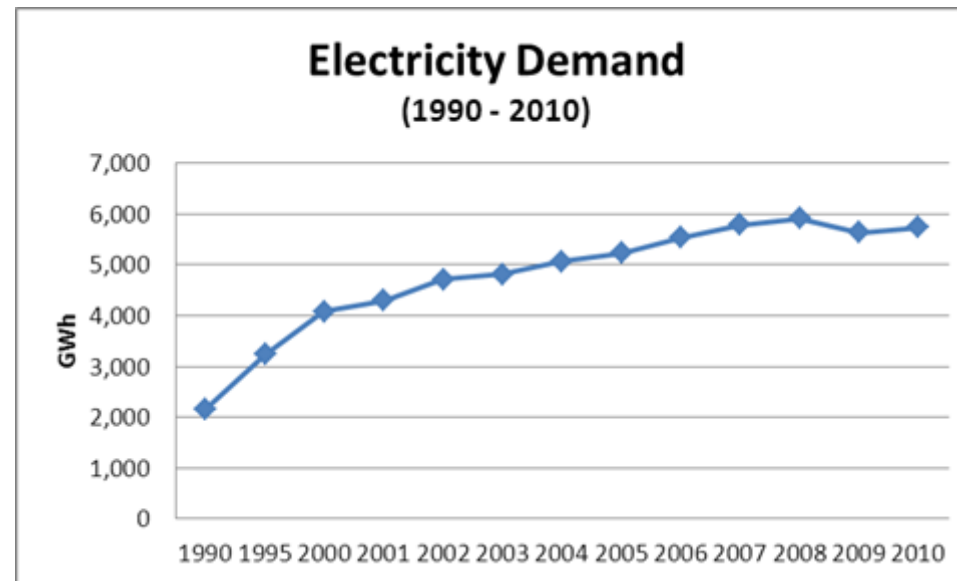
- Until 1996, a state owned company responsible for energy supply as a monopoly.
- Creation a new competitive electricity wholesale market (1996-1999):
 - Liberalization of electrical systems
 - Vertical disintegration & privatization
 - Generation and retail are developed in competition
 - Transmission and distribution are natural monopolies
 - Creation of a regulation institution (SIGET)
 - No institution responsible for energy policy

Energy Consumption by source (2005)



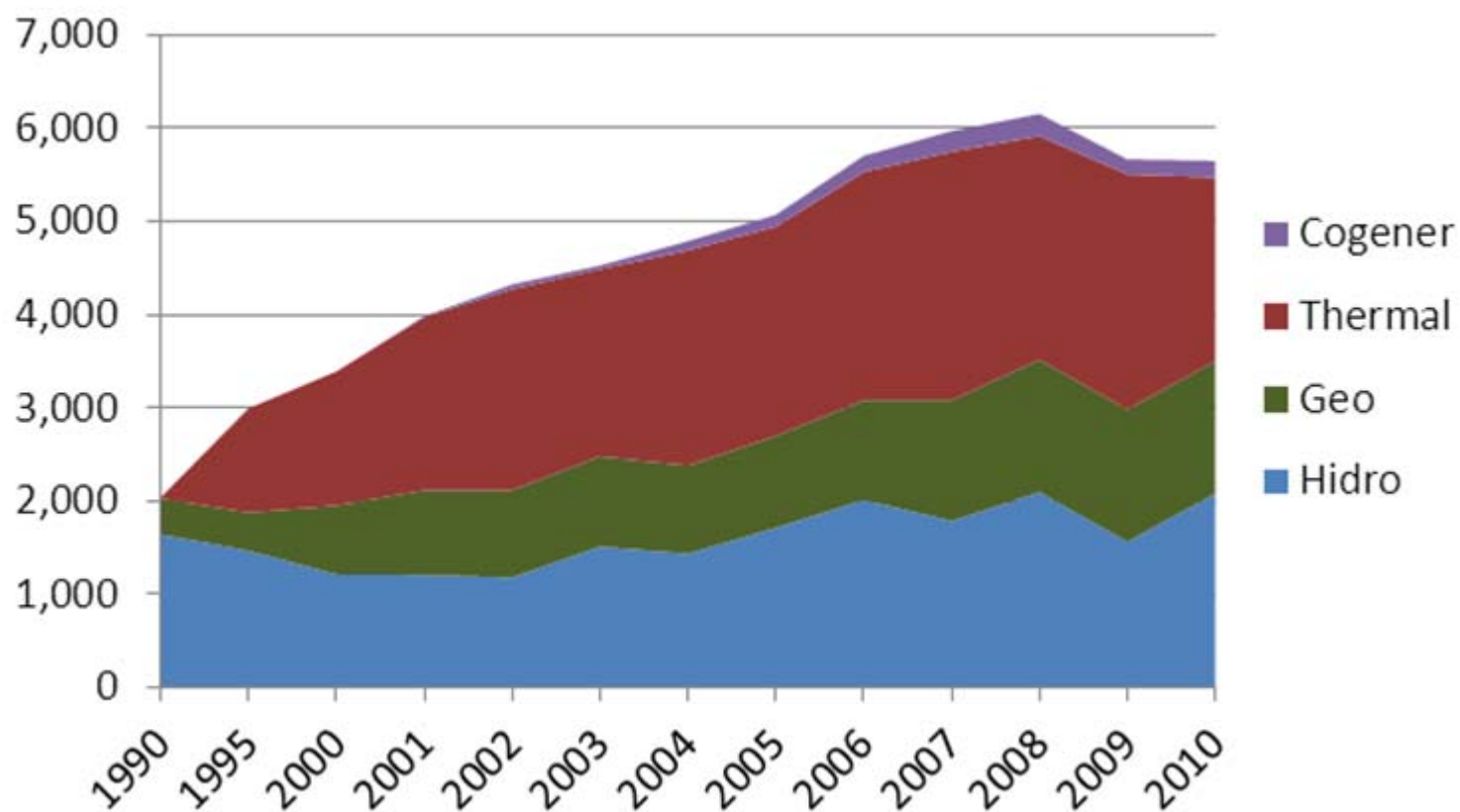
Electricity supply and demand

- Electricity demand increases around 3-4% annually.
- Annual demand: 5,736 GWh (2010)
- Peak demand: 960 MW



Electricity supply and demand

Graph No. 6: Electricity supply by source (1990 - 2010)



Energy Policy

- Consejo Nacional de Energía (CNE) was established in 2007, as the institution responsible for energy policy.
- Current energy policy statement is focus on electricity (2010).
- Main goals, energy policy:
 - Guarantee energy supply, quality and reasonable prices.
 - Protagonist state role, defining energy policy, strengthening institutional and legal framework .
 - Reduce oil dependency, environmental and social impact.

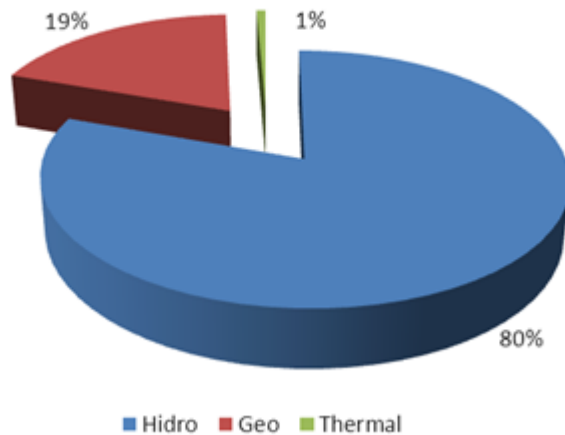
Energy Policy

- Energy policy includes 6 strategy guidelines:
 1. Energy matrix diversification
 2. Strengthening institutional and legal energy framework
 3. Energy efficiency promotion
 4. Expansion of preferential social tariffs
 5. Technological development and innovation
 6. Central America energy integration

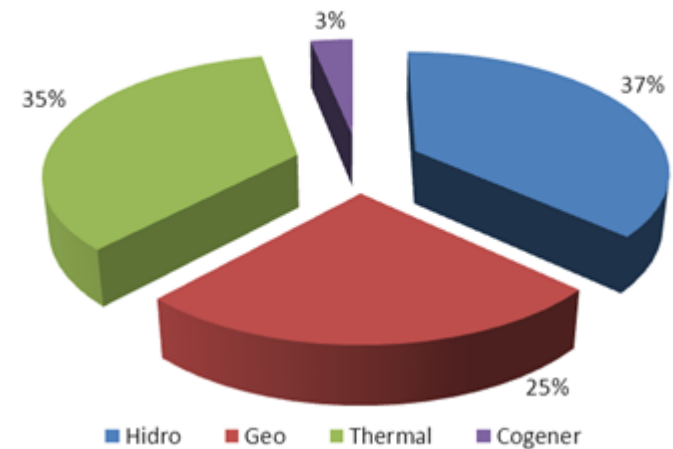
Energy matrix diversification

- Incorporation of new fuel resources (LNG, carbon)
- Promotion of renewable energy resources
- Promotion of embedded generation

Graph No. 1 : Electricity Matrix by Source 1990



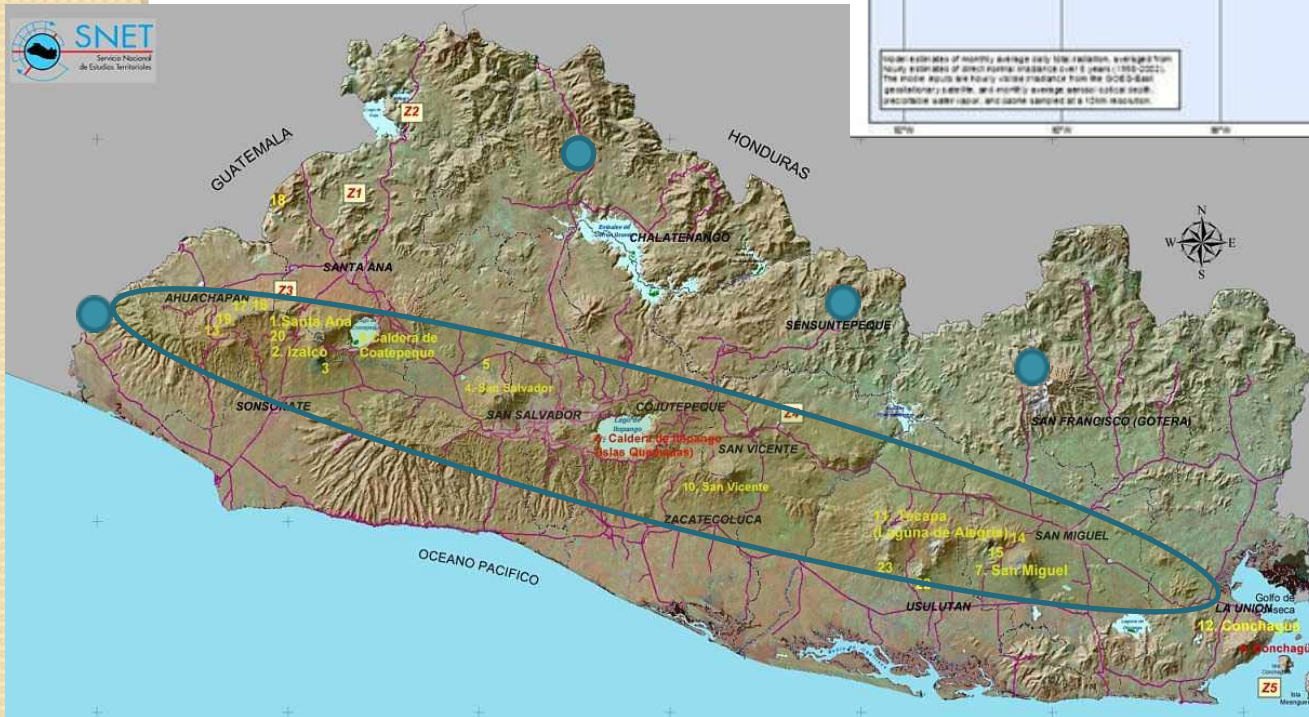
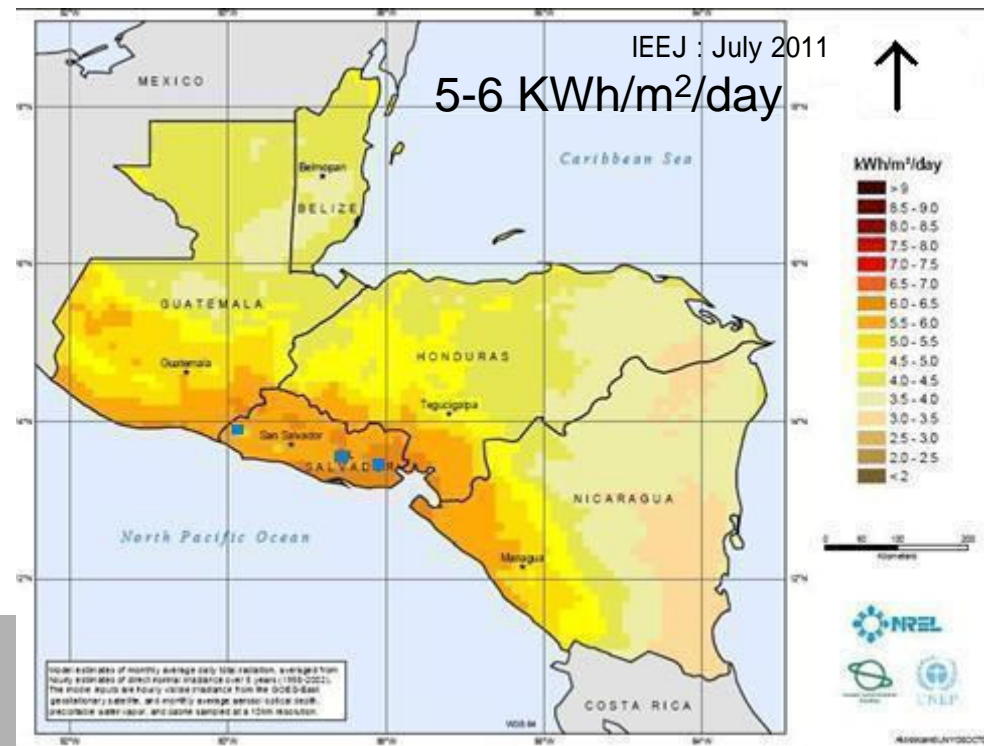
Graph No. 2 : Electricity Matrix by Source 2010



Energy Resources

IEEJ : July 2011

5-6 KWh/m²/day



● Hydro potential

Volcanic area

Strengthening institutional and legal energy framework

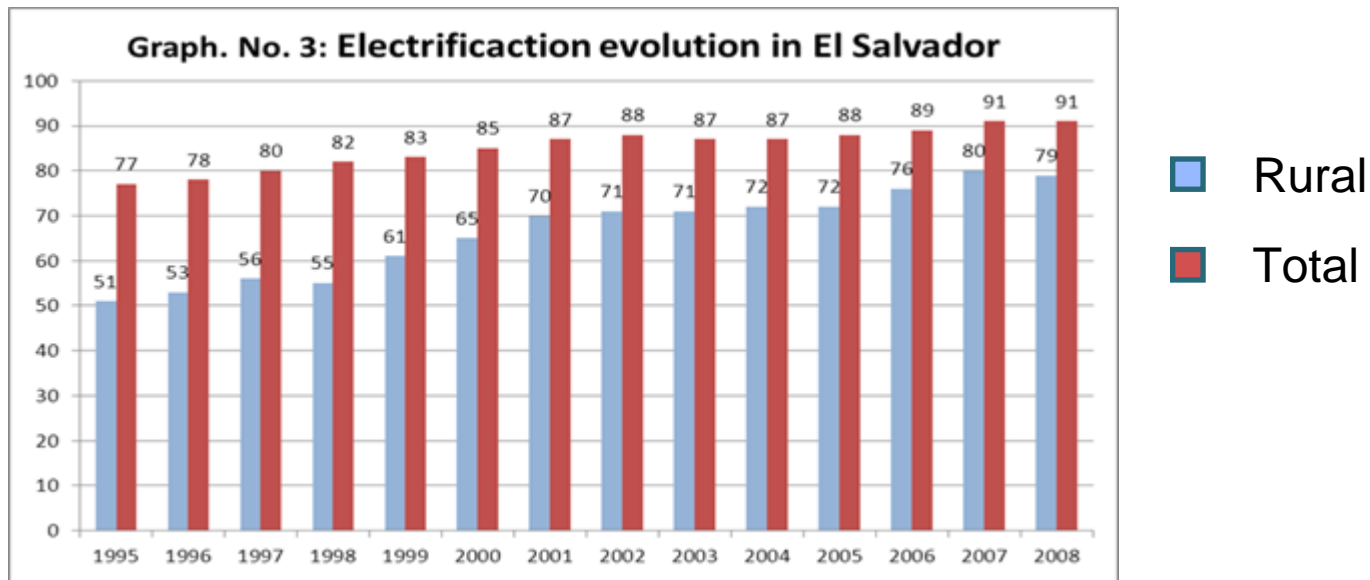
- Protagonist state role defining energy policy
- Strengthening of CNE
- Overcoming weaknesses of consumer's legal protection
- State own companies align to energy policies

Energy efficiency promotion

- Promote energy savings by:
 - Energy efficiency program in public buildings (illumination, air conditioning, etc.)
 - Create specific programs for industries.
 - New regulation and incentives to promote energy efficiency in transportation system.
 - Provide a money found to support different programs.

Expansion of preferential social tariffs

- Energy access for everybody, emphasis in rural and less human development areas:
 - Expansion of distribution grid
 - Promote embedded energy, mainly renewable and isolated systems.
- Subsidies focalization in LNG and electricity



Technological development and innovation

- Promote research and development of energy technologies, focus on renewables.
- Participation of universities, research centers, private companies and international organizations.
- Approach international cooperation

Central America Energy Integration

- Promote integration of Central America electricity markets.
- Regional transmission grid and large scale proj



Thank you