

## FOREWORD

In East Asian countries where electricity demand is rapidly increasing, there is a necessity for planting up more generating capacities to meet the growing demand. At the same time, cheaper electricity will be required when considering the impact on the general public and economy, and the needs for cleaner electricity will become stronger when considering impact on pollution and climate issue.

On the other hand, in East Asian countries, (potential) resources like coal, natural gas and river to fuel power plants remain underdeveloped. If this region can utilise these resources, it might be possible to supply sufficient amount of electricity at cheaper price. Furthermore, energy security is enhanced through reducing regional import dependency of energy supply. One possible option to maximise the use of undeveloped resources in the region is international/regional grid interconnection. The region can optimise power supply mix through cross-border power transaction.

Against this backdrop, ERIA organised a working group to carry out a study which aims to analyse a possible optimum power generation mix of the region, and to provide policy recommendations for the improvement of that situation. Experts from EAS countries were gathered to discuss their existing power development plans and possibility for regional optimisation. The result of their work is this volume titled *Investing in Power Grid Interconnection in East Asia*.

It is our hope that the outcome from this work will serve as a reference for policymakers in East Asian countries and contribute to the improvement of energy security in the region as a whole.

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