

# Regulation and Markets

At the Lantau Group we combine rigorous economic analysis, industry expertise, local knowledge, and clear insights to help our clients navigate the complex world of energy sector regulation and energy markets.

Our team is local, but our expertise is shaped by a world of experience.



We work with a wide range of clients, maintaining a balanced and objective perspective on regulatory developments around the region:

- Governments and regulators
- Regulated utilities
- Private sector investors and IPPs
- Infrastructure developers
- Customers
- Development agencies



# Our Regulation and Markets Experts

## 1 Are engaged to advise on:

- Why markets fail and what to do about it
- How to enhance regulation to achieve better results with fewer unintended consequences
- How to set key regulatory or market parameters, such as tariffs, price controls, reliability standards, capacity prices, and incentives

## 2 Combine academic rigour with business realism:

### Key Regional Engagements

- Blueprint design recommendation for the National Electricity Market of Singapore
- Operationalisation of the Grid System Operator in Malaysia
- Hong Kong's Scheme of Control
- South Korea's proposed "Two-Way Bidding Pool"
- Cost of Service Tariff Design in Thailand, Malaysia, Hong Kong
- IPPA design and advisory in the Philippines
- Transmission cost recovery in Vietnam

### Diverse Regulatory Contexts

- Performance-based regulation
- Other incentive mechanisms
- Schemes of control
- Rate-of-return regulation
- Single buyer procurement
- Competitive procurement
- Capacity value formulae and auctions
- Third party access
- Wholesale and retail competition
- Renewables support policies
- Carbon and emissions markets

### Broad Experience

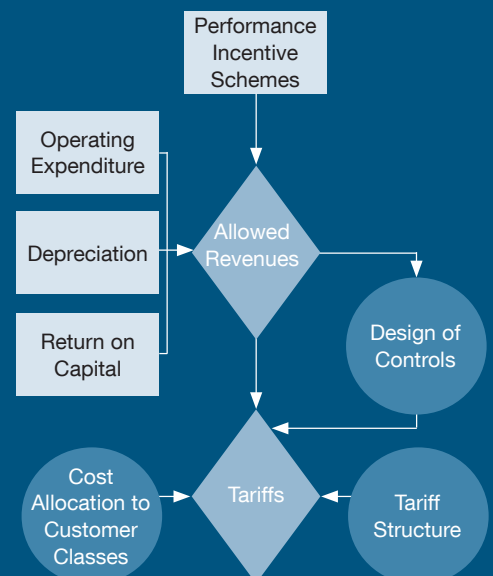
- Regulatory tests for transmission investment
- Cost allocation and recovery framework for gas infrastructure
- Cost of capital matters
- Disputes and appeals to regulatory tribunals
- Demand response design and policy frameworks
- Transactive energy business models
- Tariff benchmarking studies

## 3 Can also act as the regulatory support team to larger projects:

- Provide local and subject specific expertise to global teams
- Critically review larger reports to provide specialist input

We see our clients facing an unprecedented array of challenging decisions that will have far reaching consequences for efficiency (growing the pie) and equity (dividing the pie). Our work in the areas of regulation and policy goes right to the heart of the most crucial efficiency and equity issues.

Whether it is about pricing and incentives, market design, cost of capital, prudent investment, planning and forecasting, governance, functional unbundling, tendering and auctions, cost-benefit approvals, market power detection and mitigation, third party access, stranded cost measurement and mitigation, or simply unpacking and understanding the likely impacts of the latest disruptive trend - we work to deliver robust answers to the toughest questions.



For further information please contact us on [projects@lantaugroup.com](mailto:projects@lantaugroup.com)

[www.lantaugroup.com](http://www.lantaugroup.com)