July 2006 e-Newsletter of the International Institute for Energy Conservation (IIEC)

Top Stories

Energy Labeling to Ensure Efficient Use of Scarce Energy Resources in India

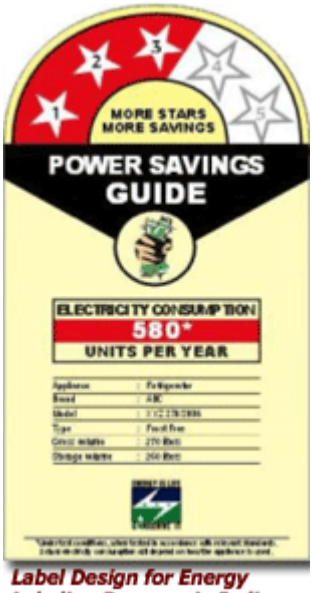
Official Launching Ceremony of Indian Energy Labeling Program

An Energy labeling program was officially launched for the first time in the Indian market on Thursday, the 18th of May, 2006 at the India Habitat Centre, New Delhi in a function organized by the Bureau of Energy Efficiency (BEE). Union Minister of Power, Shri Sushilkumar Shinde, while launching the program, said "This is the beginning of a new era for energy efficiency. We have introduced energy labels and history has been created. The Energy Efficiency Movement is now at the doorstep of every consumer." The label launch was attended by more than 400 delegates representing various ministries, manufacturers and their associations, international agencies, consumer associations, and government institutions. It was followed by several technical presentation and panel discussion by several stakeholders from government and industry.

The National Energy Labeling program will initially be implemented on a voluntary basis and made mandatory within six months time. Energy-labeled products for the first two appliances, frost-free refrigerators and tubular fluorescent lamps, are expected to be available in market starting July 2006. Direct-cool refrigerators, general purpose electric motors, air-conditioners and ceiling fans will be included to the program in a phased manner by 2007.

BEE's Labeling program marks a significant step towards ensuring efficient use of scarce energy resources. It would result in substantial energy savings for the consumers and the nation. IIEC has been providing key inputs and working as the implementer of a program funded by the UN Foundation, USAID, and US EPA under the auspices of the Collaborative for Labeling and Appliance Standards Program (CLASP).

Consumer participation is the key to the success of the BEE labeling program. IIEC has been working with the BEE and UNDP/GEF to develop a nationwide consumer awareness and education campaign, which will be launched as the labeled products become available in the market. As more and more products come under the scope of the labeling program, the impact will be even greater. For more information, please contact Tanmay Tathagat at ttathagat@iiec.org.



Label Design for Energy Labeling Program in India

New Members of the IIEC Board of Directors

IIEC is pleased to announce that E. Kyle Datta and Christiana Figueres have joined the IIEC Board of Directors.

Christiana Figueres

Christiana Figueres is an internationally recognized expert on global climate change. A native of Costa Rica, she has been a negotiator of the United Nations Framework Convention for Climate Change and the Kyoto Protocol since 1995, and is a prime promoter of Latin America's active participation in the Climate Convention. She founded the Center for Sustainable Development in the Americas (CSDA) in 1995 and directed it until 2003. She is a designer of cutting-edge policies, projects and financial instruments in the field of sustainable energy. In addition to being a widely published author, she is a frequent panelist in international conferences, radio, and television programs on conservation, energy and environment. She won the Hero for the Planet award from National Geographic and the Ford Motor Company in March 2001. Ms. Figueres has a Bachelors Degree from Swarthmore College and a Masters Degree from the London School of Economics.

Kyle Datta

Kyle Datta is the Managing Director of Research and Consulting at the Rocky Mountain Institute; and co-authored the widely acknowledged book "Winning the Oil Endgame" with Amory Lovins. Mr Datta is a former Vice President in Booz, Allen & Hamilton, where he was Managing Partner of the firm's energy practice in Singapore, leader of the US Utility practice, and served on the firm's People Board. During his twelve years at Booz Allen & Hamilton, Mr. Datta worked with senior energy clients on strategy and operations in the U.S, Europe, Japan, Australia, Asia and Latin America. Mr. Datta's functional expertise includes corporate strategy, sustainable development, market access strategy, pricing strategy, environmental strategy, operational performance improvement and supply chain management. He has directed assignments across the energy value chain, including oil, gas, power, chemicals and renewable energy. Mr. Datta's other publications include: "Risky Business: The Business and Customer's Perspective on U.S. Electricity Deregulation" and co-author of "Small is Profitable". Mr. Datta received a Bachelor of Science in Biology from Yale University, followed by an Masters in Public and Private Management (MPPM) from the Yale School of Organization and Management and a MES in Resource Economics from the Yale School of Forestry and Environmental Studies.

Other Stories

Energy Policy - a Favorite Discussion Topic in Thailand

Stakeholder Consultation Workshop in Bangkok, Thailand

A series of consultation workshops to solicit inputs and comments on energy efficiency and renewable energy policy measures from Thai energy stakeholders were organized by IIEC during 3-7 February 2006, in Bangkok, Thailand. More than 350 representatives from government agencies, institutions and private sector organizations participated in the stakeholder workshops. The workshops were designed as key elements of the Thailand Energy Policy Research Project (E Policy Project) implemented by the Joint Graduate School for Energy & Environment (JGSEE). IIEC is also providing secretariat support and technical assistance to the project.

During the 3-day event, 13 consultation workshops were held, covering energy efficiency in the industrial, commercial, residential and transportation sectors, co-generation, hydro, solar PV, solar thermal, wind, biomass, biogas, ethanol, biodiesel and energy from waste. More information on the stakeholder workshops can be found at the bi-lingual project collaboration web site, www.thaienergy.org, which has been maintained by IIEC and has now compiled more than 900 news articles, reports and proceedings related to energy efficiency and renewable energy in Thailand. For more information on the Thai E Policy Project, please contact Sirikul Prasitpianchai at sprasitpianchai@iiec.org.

From Green IPP to GRIPA in the Philippines

Initially coined as the Green IPP or Green Independent Power Producer project, the name was changed to Green Independent Power Aggregator (GRIPA) to accurately convey its true intent. Having the same developmental aims as Green IPP, GRIPA will act as an aggregator interconnecting various distributed renewable energy systems to complement each other and overcome seasonality and individual intermittency. As each renewable energy system is connected to a high-voltage transmission line, the role of GRIPA is to develop dispatch synergies between them thus achieving a virtual hybrid renewable energy system.

IIEC Project Team visiting the sugar refining facilities of the First Farmers Holdings Corporation in Talisay City, Negros Occidental in February 2006. First Farmers are one of the sugar cooperatives in Negros considering exporting excess electric power to the local grid.

In studying the feasibility of this concept in Negros Occidental, IIEC also considers the nationwide institutional reforms in the electricity market brought by the Electric Power Industry Reform Act of 2001 or the "EPIRA". Among those reforms is the Philippine Wholesale Electricity Spot Market (WESM) because of its nationwide scope will have an impact on GRIPA. Through GRIPA, small renewable energy producers will have the opportunity to make aggregated supply bids (of greater than 1 MW each) in the WESM and take advantage of better prices. On the other hand, GRIPA will also sell aggregated power supply to distribution companies through bilateral power purchase agreements.

IIEC Project Team Member from India

In a series of site visits to Negros Occidental, IIEC interviewed several renewable energy producers and distribution companies in Negros to assess their receptivity to the concept. The results gathered so far are positive. Many of the interviewees from the demand side of the market welcomed the concept and indicated that they view it as an opportunity to augment existing power supply from costly conventional sources. In light of this encouraging development, IIEC is scheduling a workshop this month in Bacolod City aimed to bring together many stakeholders from the market to discuss the concept further and sustain the momentum created thus far. For more information on GRIPA, please contact Jason Tan at jtan@iiec.org.

Institutionalization of "Demand-side Management Bidding" procedures for utilities in Maharashtra, India

Demand-side management (DSM) and energy conservation (EC) in the Indian electricity distribution sector gained momentum with the advent of the Energy Conservation Act 2001. Several examples of DSM and EC in end uses, such as domestic (lighting), municipal (buildings, street-lighting and water pumping) and commercial (lighting and HVAC), have been promoted by the facility-owners and to a limited extent by the unbundled public and private utilities. Most successful examples of DSM/EC programs in India have been promoted by utilities in India under the technical assistance programs of bilateral agencies such as USAID; lighting programs such as the BESCOM Efficient Lighting Program (BELP) in Bangalore being one of the most successful to date. There is already a significant impact of BELP, as evident from its adoption and adaptation by other utilities in India, e.g., Reliance Energy Limited in Mumbai.

However, in addition to end use based programs, there is a need to enable utilities to make DSM and EC a routine part of their business, and deal with how multiple end uses form the load on the distribution system. Recognizing the need, the **Maharashtra Electricity Regulatory Commission (MERC)** recently appointed IIEC to design and test a utility-sponsored DSM Acquisition/Bidding process, requiring the evaluation pf DSM potential at the feeder choke-points and a commensurate implementation and monitoring & verification process. With utilities setting targets on reduced power demand (in MW) and energy consumption (in Million Units), the result is expected to be a transparent process of

performance contracting negotiated on a possible standard offer contract ($/MW and $/MU), where the proposed bidding process will lead to maximum gains from a variety of DSM/EC measures on every single feeder. IIEC is currently studying and developing DSM contract and bidding options for 4 urban and 3 rural feeders of Maharashtra Distribution Company, BEST Undertaking and Reliance Energy Limited. For more details on this initiative, please contact Mahesh Patankar at mpatankar@iiec.org.

Green Professionals Scheme Seeks to Mainstream Environmentally Sustainable Housing in South Africa

The provision of adequate housing to South Africa's most vulnerable citizens has been one of the most pressing concerns of government since the democratic transition in 1994. Although the rate at which housing has been delivered over the last twelve years has been impressive, and is probably unprecedented anywhere in the world, much of the new housing being provided to low-income populations is of relatively poor quality, resulting in high heating costs and low comfort levels. IIEC-Africa's Green Professionals Scheme has therefore been providing free technical assistance to communities to achieve significant reductions in the operating cost of housing units, with corresponding reductions in greenhouse gas emissions, while simultaneously improving the comfort and living standards of the occupants.

The Green Professionals Scheme has been implemented since 2000 and to date, interventions under the scheme have included: demonstration units in Soweto, Mamelodi and Zastron; larger-scale low-income housing developments in Soshanguve with the Tshwane Metropolitan Council; medium-sized developments in Blaauwberg and Thabong. In 2006, IIEC-Africa, with support from the USAID mission in South Africa, aims to develop a plan for mainstreaming the Green Professionals Scheme and achieving long-term sustainability. This will involve identifying appropriate institutional structures and sources of finance that will allow the scheme to operate a self sustainable manner, and defining a modus operandi that will maximize the reach and impact of the scheme. An extensive process of consultation has commenced, involving stakeholders from national and local government, academia and the NGO sector. The development of a detailed business plan to take Green Professionals Scheme into the future is expected to complete in late 2006. For further information about IIEC's Green Professionals Scheme, please contact Ian Household in the IIEC Johannesburg Office (ihouseham@iiec.org).