

Title of the Side Event:

How India Scaled up Energy Efficiency via Innovative business models

Delivering the welcome address, Smt. Anju Bhalla, Joint Secretary, Ministry of Power, energy efficiency projects typically face under-investment due to misalignment of incentives, and difficulties in capturing positive externalities from energy efficiency as part of investment returns. India however has seen success in developing concepts of innovative business models with a positive impact on enhancing energy efficiency.

Key Note Address by Secretary (Power), Shri P K Pujari, outlined the broad landscape of initiatives undertaken by the India government in scaling up energy efficiency such as the initiatives on lighting where over 170 million LED light bulbs have been sold to end-consumers, ceiling fans, agriculture and municipal water-pumping. He described the political capital enjoyed by these initiatives which has translated itself into policy support and the creation of institutional capacity.

Panel Moderator, Mr. Gevorg Sargsyan, Global Lead on Clean Energy, The World Bank, drew a powerful analogy of the Tree of Energy Efficiency ring-fenced by a wall, and the task before the panel being to distill the building blocks which enabled India to successfully lay a path to the tree.

The first panelist, Mr. Dave Turk, Head of Energy Environment Division, International Energy Agency (IEA) shared excerpts from the IEA Energy Efficiency Market report 2016. Energy efficiency is one energy resource that all countries possess in abundance, and over 2015, global investment in energy efficiency grew 6% to \$220 billion. Many of the efficiency gains have been driven by the expansion of policy such as in India and the need for countries to learn from each other on energy efficiency.

The second panelist, Dr Ajay Mathur, Director General, The Energy and Resources Institute (TERI), stressed that policy has forms the bed-rock on which the energy efficiency market can grow. In his analysis, Dr Mathur suggested that utilities pioneered approaches on agriculture pumping and lighting. The learnings were to reduce risk of technology and finance, to enable scaling up investments in energy efficiency.

Outlining the work of the Energy Efficiency Services Limited (EESL), Mr. Manu Maudgal, Programme Advisor, stressed that EESL develops a non-subsidy based business model which can be applied by other countries as well to scale up energy efficiency. Laying out the EESL tool-kit- Adopting Standard Technology, Demonstrated savings and Deemed savings based contracts, Aggregation of Demand and Making energy efficiency visible.

Post panel discussion, Moderator, Mr. Gevorg Sargsyan, concluded that political will is key in laying a path to the energy efficiency tree analogy painted earlier. This needs to be backed by institutional capability such as EESL in India. Many of the underlying success factors are globally replicable and partnerships can collectively help the countries reach the energy efficiency goals faster.