

Bachat Lamp Yojana

Learning's from CDM Programme of Activity (PoA)

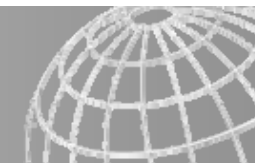


CDM Subsidy to Fossils or Leapfrog to Technology

South Asian Media Briefing

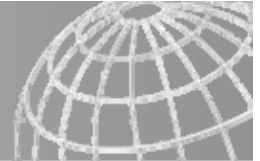
Centre for Science

17 November 2011



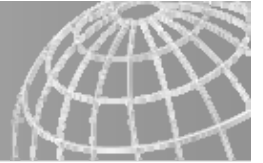
Source: BEE/ National Productivity Council Study 2009

S. No	Sector	Consumption x 10 ³ (GWh)	Saving Potential x10 ³ (GWh)	% Savings
1.	Agriculture Pumping	92.33	27.79	30.09
2.	Domestic	120.92	24.16	19.98
3.	Industry (Including SMEs)	265.38	18.57	6.99
4.	Municipalities	12.45	2.88	23.13
5.	Commercial Buildings/ Establishments with connected load > 500 KW	9.92	1.98	19.95
	Total	501.00	75.36	15.04



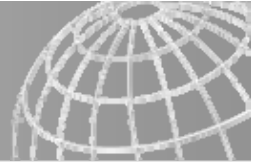
Comparison	CDM	Programme of Activities
Approved Monitoring & Verification	Available	In 2007
Time	~12-24 months
Cost	Atleast INR 30 lakhs, \$ 0.67 million	?
Institutional Support / Trained man-power	Project developer sufficient	

Assumption: 1 \$ = INR 45



Bachat Lamp Yojana (BLY)

- Objectives & benefits**
- Current Status**
- Scheme Architecture**
- Best Practices / Learning's**



Driver

- Reduce first price of CFLs using CDM revenue for domestic users and hasten Market Transformation

Value Addition

- Developed a Public-Private partnership business model and got it UNFCCC registered
- Developed capacity in BEE to operate as a Co-ordinating and Managing Entity
- Worlds largest multi-investor PoA

Bachat Lamp Yojana



Potential Benefit by 2020

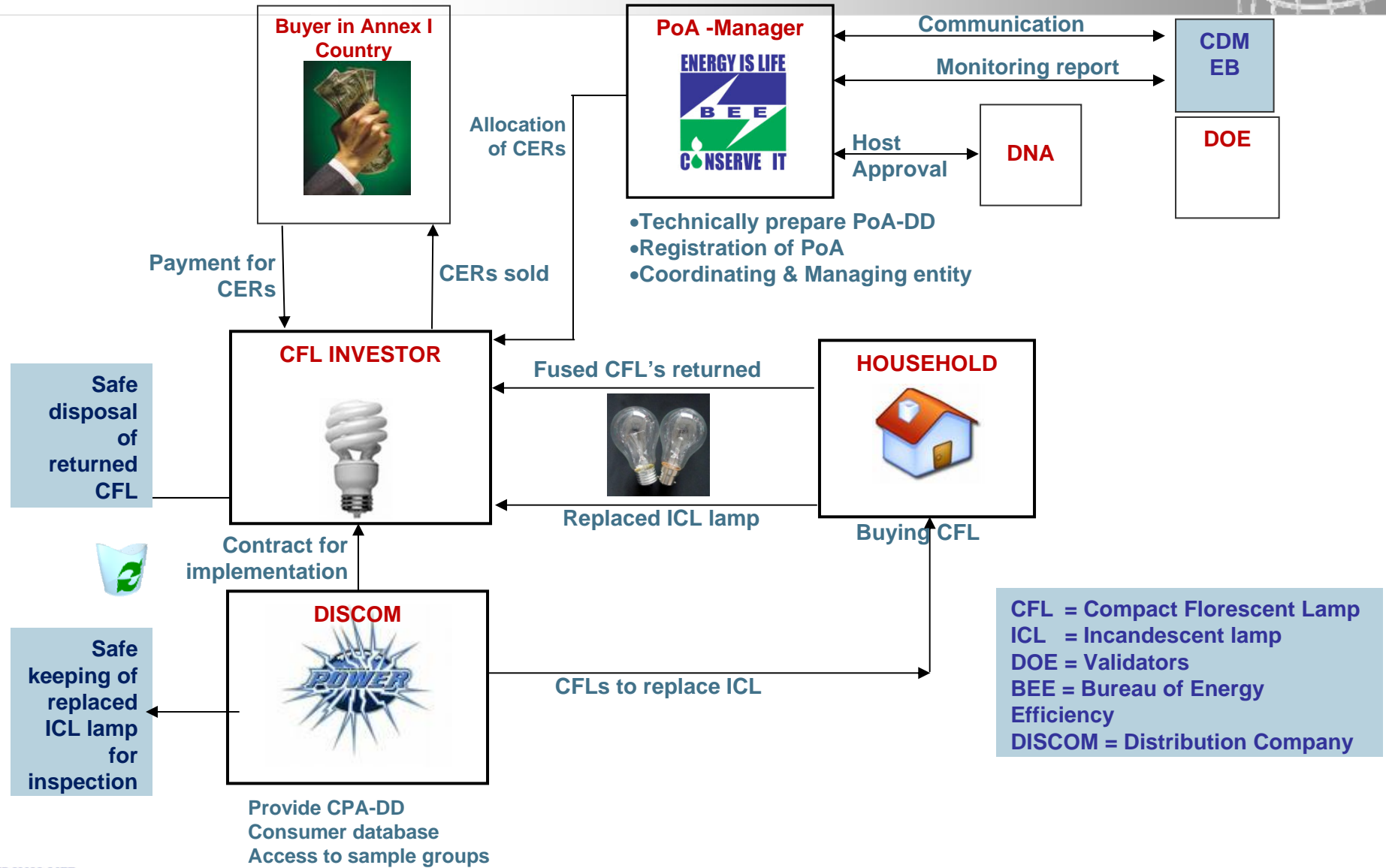
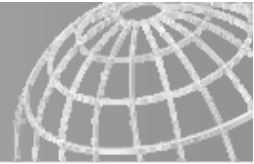
- 0.5 million light-points per project, > 400 projects possible to cover India
- Annual avoided capacity ~ 4000 MW



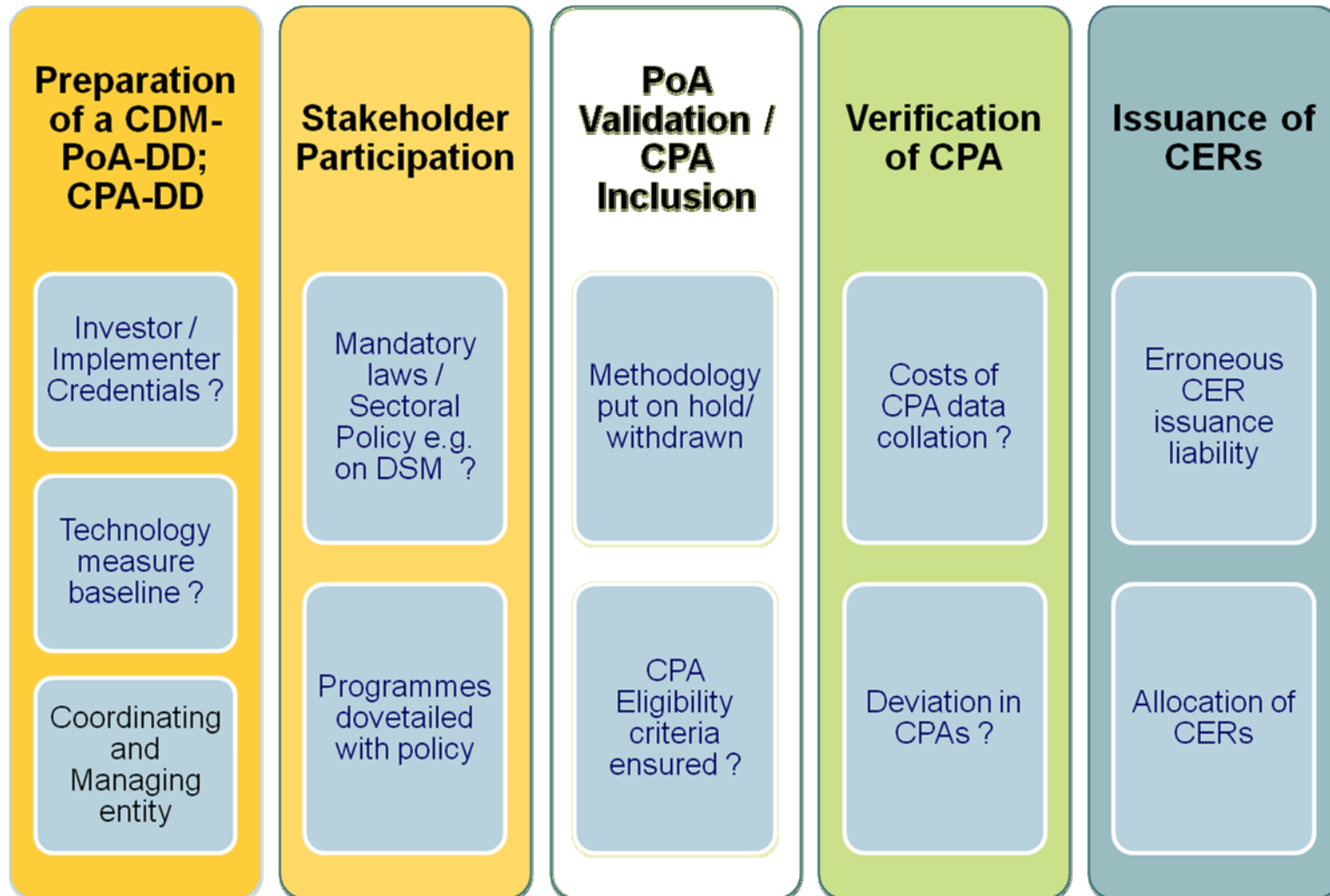
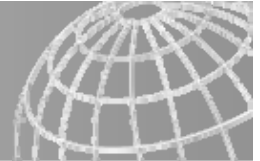
Geographic Coverage



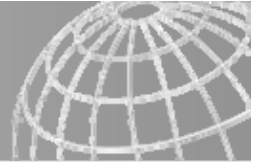
State	Status
CPAs Included	
Current	35
By December 2011	50
Empanelled Investors	
Overall	20
Active	5
Investment Outlay	
Per CPA	INR 5 crore; \$ 1.13 million
CFLs Distributed	
In millions	24.4
In CPAs	28



CFL = Compact Florescent Lamp
ICL = Incandescent lamp
DOE = Validators
BEE = Bureau of Energy Efficiency
DISCOM = Distribution Company

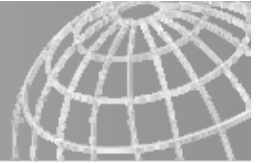


= Certified Emission Reduction Risk !



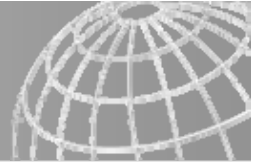
Best Practices to reduce PoA & CER Risk

‘K.I.S.S’



K.I.S.S

	CDM (normal)	CDM (Programme of Activities)
Time	2 years; replication by starting anew	2 years (one time); replication 2 months
Cost	Atleast INR 30 lakhs, \$ 0.66 million	INR 50 lakhs (one time), \$ 1.1 million; Replication INR 10 lakhs, \$ 0.22 million

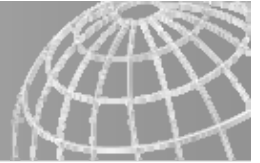
K.I.S.SDevelop a strong institutional CME which can

- generate trust amongst stakeholders
- Wield (explicit or implicit) authority on key stakeholders
- Independent resource provision NOT linked to profits
- Ready access to professional know-how

BLY Example:

BEE performs the role of eye of a storm and yet is independent of investor and Utility who provide last mile connect

Tip: A strong eye holds the storm

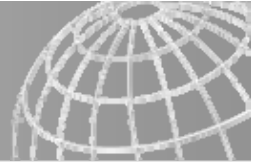
K.I.S.S**Reduce Investor Risk**

- Reduce data monitoring and assurance costs using e.g. Pre-defined factors, sampling plans
- Develop standard templates and provide public access

BLY example

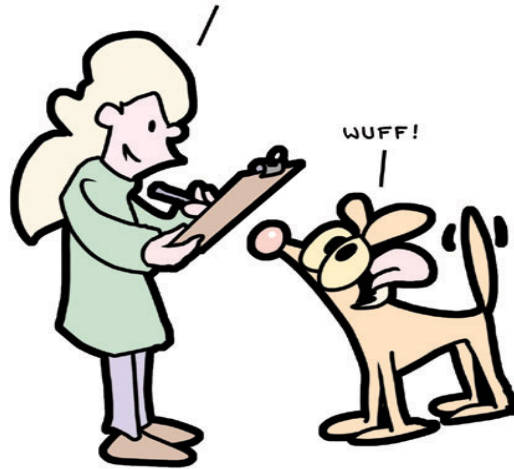
- use of simple deemed saving methodology AMS IIJ instead of AMS IIC
- BEE developed all documents & templates and maintain it on its website

Tip: Focus on predictability of returns and ease to investor!



TARGET GROUPS LIKELY
TO BE AFFECTED

ARE YOU IN FAVOUR
OF MORE TREES?



K.I.S.S

Consult Stakeholder(s)

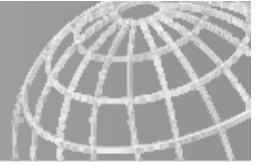
- Provides 360° due diligence on project design
- Identify barriers to uptake and develop enablers
- Builds transparency of decision making
- Ensures buy-in

Tip:

- Web-site based consultation reduces costs and is quick and convenient
- Budget adequate time to enable 2-3 consultations

BLY example

- National stakeholder meeting facilitated by Greenpeace
- periodic meetings held (till-date) with Investors / Utility to iron out gaps



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If you have men who will only come if they know there is a good road, I don't want them.

I want men who will come if there is no road at all.

David Livingstone