

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:6937

ANSWERED ON:07.05.2010

NATIONAL MISSION FOR ENHANCED ENERGY EFFICIENCY

Ahir Shri Hansraj Gangaram; Tewari Shri Manish

Will the Minister of POWER be pleased to state:

- (a) the salient features of the National Mission for the Enhanced Energy Efficiency including the financial scope of the Mission;
- (b) the details of financial/fiscal support that the Union Government proposes to provide to the State Governments/State agencies to implement the Mission;
- (c) the details of anticipated quantum of electricity/energy likely to be saved under this Mission along with the steps that the State Governments have to take to access Central funding to implement the Mission;
- (d) whether the State Governments especially Punjab have formulated an action plan for implementing the Mission;
- (e) if so, the details thereof, State-wise;
- (f) whether the Members of Parliament are a part of the implementation and monitoring set up of this mission at the State and district level; and
- (g) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRI BHARATSINH SOLANKI)

(a) : The National Mission for Enhanced Energy Efficiency (NMEEE) is one of the eight National Missions under the National Action Plan on Climate Change. The implementation plan of the proposed Mission seeks to upscale the efforts to create a market for energy efficiency which is estimated to be around Rs. 74,000 crores. The Mission seeks to create a conducive regulatory and policy regime to foster innovative and sustainable business models to unlock this market.

The four initiatives envisaged under the scheme include :

- (i) A market based mechanism to enhance cost effectiveness of improvements in energy efficiency in energy-intensive large industries. Energy Saving Certificates will be traded to facilitate this process. (Perform Achieve and Trade)
- (ii) Accelerating the shift to energy efficient appliances in designated sectors through innovative measures to make the products more affordable. (Market Transformation for Energy Efficiency (MTEE)).
- (iii) Creation of mechanisms that would help finance demand side management programmes in all sectors by capturing future energy savings. (Energy Efficiency Financing Platform (EEFP)).
- (iv) Developing fiscal instruments to promote energy efficiency namely Framework for Energy Efficient Economic Development (FEEED).

BEE is proposed as the nodal agency for implementation of the proposed Mission and DG, BEE be designated as the Mission Director. The enabling financing required to create the appropriate market conditions to enable investments to the tune of Rs.74,000 crores to flow in, is Rs.435.35 crores. Out of this, Rs.235.35 crores is proposed from the budget which has been recommended by the EFC. In addition, a company (Energy Efficiency Services Ltd. (EESL) as a Joint Venture of 4 CPSUs viz. NTPC, PGCIL, REC and PFC with an equity base of Rs.190 crores) has been set up to provide implementation leadership in the market.

(b) : No financial / fiscal support is at present proposed to be provided to the State Governments for implementing the Mission.

(c) : The anticipated saving of electricity/energy by implementation of this Mission over the next five year period is estimated to be 23 million tons oil- equivalent of fuel savings in coal, gas, and petroleum products, along with an expected avoided capacity addition of over 19,000 MW.

(d) & (e) : No, Madam. The State Designated Agencies (SDAs), which are statutory bodies set up by the States, are involved in the implementation of energy conservation measures at State level only and not the implementation of the Mission.

(f) & (g) : No, Madam. The Members of Parliament are not involved in the implementation & monitoring of this Mission at the State & District level as this has not been envisaged in the framework document.