

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:740  
ANSWERED ON:25.02.2011  
NATIONAL MISSION FOR ENHANCED ENERGY EFFICIENCY  
Deora Shri Milind Murlu

**Will the Minister of POWER be pleased to state:**

- (a) whether the Government has prepared an implementation plan for National Mission for Enhanced Energy Efficiency;
- (b) if so, the details thereof;
- (c) the aims and objectives of the Mission;
- (d) the details of the quantifiable targets set under the Mission; and
- (e) the proposed timeframe for launching of the same?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a): Yes, Madam.

(b): The implementation plan under the National Mission for Enhanced Energy Efficiency(NMEEE) includes:-

(i) Perform Achieve and Trade(PAT):A market based mechanism to enhance cost effectiveness of improvements in energy efficiency in energy-intensive large industries which facilitate energy saving certificates that could be traded.

(ii) Market Transformation for Energy Efficiency(MTEE):Accelerating the shift to energy efficient appliances in designated sectors through innovative measures to make the products more affordable.

(iii) Energy Efficiency Financing Platform(EETF): Creation of mechanisms that would help finance demand side management programmes in all sectors by capturing future energy savings.

(iv) Framework for Energy Efficient Economic Development (FEEED): Developing fiscal instruments to promote energy efficiency.

(c): The aims and objective of the Mission are to:

i. Create a demand for Energy Efficiency products, goods and services by spreading awareness about the efficacy of these products & services, amending Government policies and programmes to incentivise energy efficiency, prepare bankable projects to stimulate the process, and offer appropriate incentives to cost-effective improvements in energy efficiency in energy intensive industries which facilitates certification of energy savings that could be traded.

ii. Create and promote energy efficiency financing platform, set up the partial risk guarantee fund and develop innovative financial derivatives of performance contracts and fiscal and tax incentives in this sector.

iii. Create and adopt a robust and credible monitoring and verification protocol to capture energy saving from all energy efficiency activities in a transparent manner.

iv. Ensure adequate supply of energy-efficient products goods and services by creating a cadre of certified energy professionals; promoting energy service companies (ESCOs), standards and labeling of end-use equipments and appliances; and preparing programmes to leverage international financing instruments including the Clean Development Mechanism (CDM) to reduce transaction costs to attract private investment.

(d): The implementation plan of NMEEE seeks to upscale the efforts to create a market for energy efficiency, which is estimated to be about Rs.74000 crores. The Mission seeks to create a conducive regulatory and policy regime to foster innovative and sustainable business models to unlock this market. As a result of implementing NMEEE, it is estimated that by 2013-14, about 23 million tones of oil equivalent (MTOE) of fuel will be saved annually and an avoided capacity addition of over 19,000 MW is expected. It is also likely to result in a reduction of carbon emissions by 98.55 million tonnes.

(e): The PAT mechanism is scheduled to be implemented from April 2011. Other components of the Mission like MTEE, EETF and

FEEED are also to be operationalised in 2011/12.