



Training Workshops for ESCOs on Energy Efficiency financing

Background Note

Energy Efficiency (EE) has emerged as one of the major resources, a viable and most cost effective solution to meet escalating energy demands in India. EE measures have three-fold benefits; they are cost-effective, increases energy security and mitigate greenhouse gas emissions.

In India, Industries (Large and SMEs), Buildings (Commercial and Government) and Municipalities consume around 50 % of total electricity consumption. There exists substantial energy saving potential in these sectors by adopting EE technologies. BEE estimates that more than INR 160000 Cr investment potential exists for EE implementation of which 56000 Cr of investment potential exists with the Industries, Buildings and Municipality sector.

In India, significant EE potential is left untapped and ESCOs are the main vehicle to harness this potential, however the ESCO market is yet to take up. After consultation with various stakeholders, it has been identified that the ESCOs face many barriers like financing, Measurement & Verification (M&V) issues and contract disputes etc.

In order to address these barriers, BEE has been taking various initiatives and had launched training programs for commercial banks under its Energy Efficiency Financing Platform (EEFP) in June 2015 (to address the supply side barriers of EE financing).

After taking many initiatives on supply side of EE financing, BEE with technical support from IFC is proposing to carry out capacity building workshops for ESCOs on EE financing (demand side of EE financing) across 5 locations in India. This would be one of its kind initiatives to harness the EE investment potential by ESCOs.

About Energy Efficiency Financing Platform (EEFP)

The objective of the EEFP is to provide a platform to interact with financial institutions and project developers for implementation of EE projects. BEE has signed Memorandum of Understanding (MoU) with Indian Banks' Association (IBA) for carrying out the Training Program on Energy Efficiency Financing for FIs. Till date, BEE has organized 4 Training of Trainers (ToT) workshops and 7 individual workshops; moreover 2 workshops were conducted by Canara Bank and South Indian Bank with the support of BEE. More than 250 banking/NBFC officials have been trained on EE financing. BEE launched a "Training Manual for Energy Efficiency Financing in India" and a booklet on "Success Stories for Energy Efficiency Projects Financed in India". Under this program, MoUs have been signed by BEE with M/s. PTC India Ltd, M/s. SIDBI, HSBC Bank, Tata Capital and IFCI Ltd to promote financing for energy efficiency projects.



Similarly, IFC under the program titled “IFC-EU Partnership for Eco Cities in India” program is facilitating EE financing for SMEs through supporting the training related activities of FIs/ESCOs on EE financing.

About the EcoCities Project – EE Finance Component

Objective: *‘Improved regulation and use of clean technologies and energy efficiencies in municipal services, the building market and manufacturing production by SMEs’; for selected 5 cities under this program. The specific aim of the SME Finance Component is to facilitate financing for SMEs by working with financial institutions and help companies implement projects that address manufacturing and supply chain inefficiencies, reduce operating costs, and improve competitiveness and productivity.*

About the Training Workshops

BEE in partnership with State Designated Agency and with the technical support from IFC, is conducting 5 training workshops for ESCOs. The training workshops are designed to undertake **capacity building of ESCO professionals, EE consultants, Energy Auditors and Energy Managers** on current ESCO market (National and International), ESCO empanelment and assessment process, Baseline estimation approaches and M&V protocol, EE financing and associated initiatives, technical and financial appraisal of EE projects. This program will help the participants to interact with experts in different aspects of EE projects such as technical, financial, baseline and measurement and verification (M&V). The **workshop is for two days and ESCOs, Energy auditing companies, Energy efficiency consultants** may nominate their officials for the workshop proposed to be organized in New Delhi through Energy Efficiency and Renewable Energy Management Centre (EE&REM Centre).

Details of the training workshop are as follows:

Date of Workshop	26-27 March 2018
Venue	The Royal Plaza, 19, Ashoka Road, Janpath, C.P., New Delhi

For more information on training workshops, please contact:

<p>Mr. Amresh Ray Project Engineer Bureau of Energy Efficiency, Ministry of Power 4th Floor Sewa Bhawan, R K Puram, New Delhi - 110066 Tel: 9015266395 Email: amresh.ray@beenet.in</p>	<p>Mr. T.C. Sharma Senior Manager Energy Efficiency and Renewable Energy Management Centre (EE&REM Centre) Department of Power, Govt. of NCT of Delhi Vikash Bhawan-II, 2nd Floor, E-Wing, Civil Lines, New Delhi-110054. Phone: 011 – 23273455 Email id: 62tcsharma@gmail.com</p>
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