

6TH US–INDIA ENERGY PARTNERSHIP SUMMIT

US–INDIA: PAST COOPERATION, FUTURE STRATEGIES AND NEW OPPORTUNITIES

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IMPROVING THE EFFICIENCY OF ENERGY USE

With initial commitment of USD 8.2 billion from the Government of India to develop/rejuvenate 100 smart cities, Indian cities are being prepared to participate in the city challenge to be amongst the first movers to implement the prestigious plans as envisioned by the country and its leadership. The program offers immense potential for partnership and collaboration between India and the US to facilitate technology and knowledge exchange, implementation infrastructure and buildings. The envisaged smart cities call for 80% of buildings to be green and about 10% of energy requirement to be met through renewable energy sources. Hence, the built environment is a key sector that needs to be addressed. In addition to this, the Central Electricity Authority (CEA) has estimated that the country is currently facing electricity shortage of 5.1% and peak demand shortage of 2%. Of the total electricity consumed in India, the industry sector accounted for the largest share (43.83%), followed by domestic (22.46%), agriculture (18.03%), and commercial sectors (8.72%).

The building sector, comprising the domestic and commercial sectors, constitutes 30% of the total electricity in India. The potential of reducing energy consumption is up to 20–30% using energy efficient technologies in existing commercial buildings. Rapid urbanization has led to an increase in the energy consumption in the building sector. In order to address the challenge of rapid urbanization, the Government of India has launched the Smart City Program. The program will cover 100 cities and its duration will be five years (FY 2015–16 to FY 2019–20).

United States and India face some similar challenges that they can jointly address through new policies and partnerships. Both countries have taken significant series of initiatives together on energy and climate, including under the US-India Energy Dialogue and the US-India Joint Working Group on Combating Climate Change. This partnership includes the PACE-D Technical Assistance Program, which is accelerating deployment of clean energy technologies and policies at the national and state levels, Promoting Energy Access through Clean Energy (PEACE), which aims to harness commercial enterprise to bring clean energy access to un-served and underserved Indian villages and the US-India Energy Cooperation Program (ECP), a public-private partnership between US member companies and the governments of the United States and India. These programs are estimated to generate more than USD 4 billion in trade and investment with India and support thousands of jobs in both countries.

The thematic track will identify the following:

- Enabling new investment vehicles through policy: This is an opportunity for India and the United States to share best practices, promote government collaboration, and drive policy innovation in this area.
- Improving public investment practice: A US-India partnership could explore how to use existing public funds in both countries to establish effective, transparent, and economically efficient credit enhancements and low-interest loans to support further use of energy-efficient technologies and new businesses within the sector.
- The process and importance of establishing open-source protocols for data exchange and interoperability: A joint partnership could assemble leaders from the information and communications technology, clean tech, and traditional energy industries to accelerate development of shared standards and protocols for new technology deployment.
- Long term strategies for building resiliency
- Methods to create awareness among consumers and financial institutions about the cost benefits of energy-efficient technologies: The costs and savings of energy efficiency are insufficiently quantified and are not made readily accessible for consumers and investors, who often lack clear information signals on the economic benefits of efficiency investments.

¹ http://www.cea.nic.in/reports/yearly/lgbr_report.pdf, p ii.

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