

# Benefits of Energy Efficiency in the Pacific Islands: ADB PEEP2 Project Results, Lessons Learned, and Next Steps

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#### **Presentation Outline**

- Project Overview
- Major Components
- Energy End Use Database
- Implementation of EE Programs Results and Benefits
- EE Targets
- Training and Capacity Building
- Guidebooks
- EE Assessment Framework
- Recommendations and Next Steps



#### **Overview of PEEP2**

#### PEEP2 = Promoting Energy Efficiency in the Pacific (Phase 2)

- Technical Assistance Project sponsored by ADB, in cooperation with the GEF, and the Governments of Australia and Japan
- Covered five Pacific Developing Member Countries (PDMCs) - Cook Islands, Papua New Guinea, Samoa, Tonga and Vanuatu
- Three-year program to promote and implement energy efficiency



### **Project Components**

COMPONENT	DESCRIPTION
1	Development of Energy Use Database
2	Development of Energy Efficiency Policies and Procedures
3	Implementation of Energy Efficiency Programs
4	Information Dissemination and Public Awareness





#### **Major Outputs of PEEP2**

#### PEEP II Overall Program Schedule

2012

**Data Collection & Program Design** 

2013

**Procurement and Implementation** 

2014

Guidebooks, **Assessment and** Recommendations

#### **Key Outputs**

**Energy Use Database (web-based) Establishment of EE Targets Energy Audit Training Program EE Building Codes** Implementation of Replicable EE Projects Guidebooks Consumer Awareness Program Assessment Framework for EE **Policy Recommendations** 

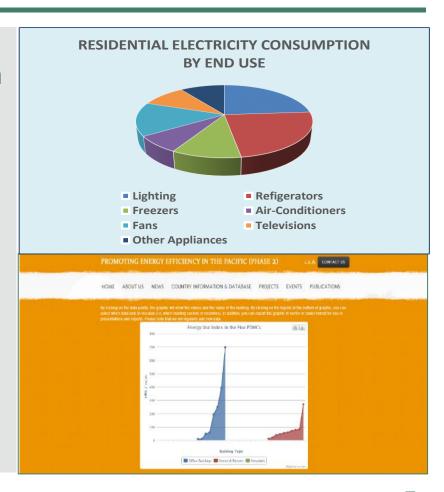


## **Energy End-Use Database**



#### Energy Efficiency Data Base - www.ee-pacific.net

- First serious attempt at developing end-use data in the five countries
- Included surveys of residential, commercial and public buildings
- Provides useful information for EE policy and targets
- Allows benchmarking
- Easy to update
- Can be replicated in other Pacific countries





## **Project Implementation**



#### **Project Implementation**

Street Lighting

**EE Lighting in Public Buildings** 

**EE Luminaires in Public Buildings** 

Resid. & Comm. Lighting









LED Lighting with Solar PV

Inverter A/Cs in Public & Hotels

Solar Hybrid A/C

Smart Controllers













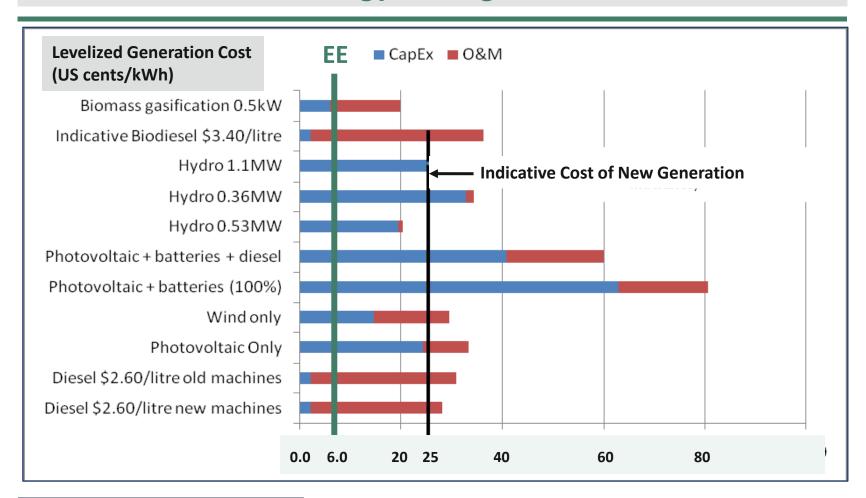


### **Summary of Estimated Savings and Costs**

COUNTRY	NUMBER OF PROJECTS	TOTAL PROJECT COST (000 US\$)	ANNUAL ENERGY SAVINGS (MWh)	LIFETIME ENERGY SAVING (MWh)	AVERAGE RETAIL TARIFF (US\$/kWh)	COST PER LIFETIME SAVING (US\$/kWh)	SIMPLE PAYBACK (Years)
COOK ISLANDS	9	765	525	6,899	0.61	0.11	2.4
PAPUA NEW GUINEA	5	497	428	4,077	0.29	0.12	4.1
SAMOA	7	520	919	8,922	0.45	0.06	1.3
TONGA	5	398	639	9,976	0.36	0.04	1.7
VANUATU	7	450	865	12,990	0.50	0.03	1.0
TOTAL	33	2,630	3,376	42,864	0.44	0.06	1.8



#### Indicative Costs of Energy Savings vs. New Generation





#### Benefits of Energy Savings – with Samoa Example

#### Target Savings by 2030 - 17% ( $\sim 1\%$ per year)

- Customer benefits reduced bills: US\$ 26.6 million per year
- Generation savings: 32.4 GWh
- Diesel fuel savings: 8.5 million liters
- Reduction in peak loads: 6 MW
- Reduced investment in future generation capacity: US\$ 15 million
- Environmental benefits: GHG reduction: 21,000 Tons
- Improved balance of payment: ~ US\$ 10.4 million per year

#### PLUS:

- Reduced escalation in future electricity prices
- Creation of new local jobs in service industries related to energy efficiency
- Increased government revenues from economic activity

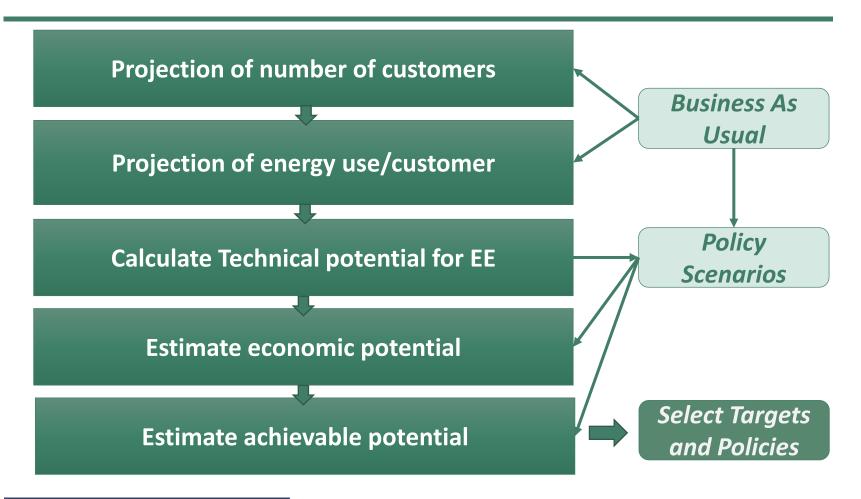


## **Establishing EE Targets**





#### **Establishing EE Targets - Methodology**

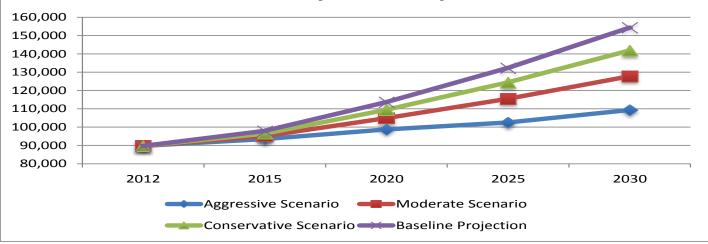




#### **Example of Methodology and Results**

Year	2012	2013	2015	2020	2025	2030
Baseline Projection	89,737	92,069	97,968	113,733	132,358	154,394
Technical Potential	-	37,864	45,784	59,413	71,735	84,283
Achievable Consumption						
Aggressive Scenario	89,737	92,069	93,508	98,783	102,562	109,392
Moderate Scenario	89,737	92,069	95,136	104,935	115,510	127,755
Conservative Scenario	89,737	92,069	96,453	109,484	124,442	141,867

#### **Electricity Consumption**







### Summary of EE Targets Range

Country	Residential Growth Residential EE Commercial Rate Targets Range Growth Rate		Commercial EE Target Range	
Samoa	3.1%	7% - 39%	3.9%	10% - 27%
Tonga	2.2%	4% - 22%	2.2%	10% - 26%
Vanatu	7.3%	8% - 28%	5.0%	10% - 34%
Cook Islands	2.9%	16% - 31%	2.9%	12% - 29%
PNG	10.6%	6% - 29%	5.0%	10% - 34%



## **Audit Training**

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### **Audit Training**







### **Energy Audit Equipment**

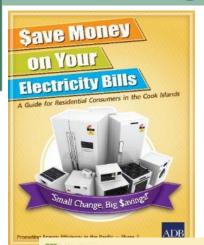




## Guidebooks



### Home Energy Guides and Energy Saving Tips







Promoting Energy Efficiency in the Pacific - Phase 2



ENERGY RATING

efficiency of the same size.

at least \$250 per year on your electricity bill when compared to - gray rating flow

**ADB** 









#### **Energy Efficiency Guidelines**



## ENERGY EFFICIENCY GUIDELINES FOR HOTELS IN THE PACIFIC

Promoting Energy Efficiency in the Pacific (Phase 2)



Promoting Energy Efficiency in the Pacific (Phase 2)



ENERGY EFFICIENCY
GUIDELINES FOR
COMMERCIAL & PUBLIC
BUILDINGS IN THE PACIFIC

Promoting Energy Efficiency in the Pacific (Phase 2)

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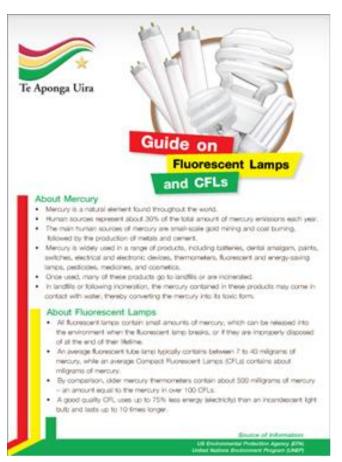


### Lamp Waste Management

#### **Bulb Eater**









## Assessment Framework for Scaling Up EE

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### Assessment Framework for Scaling Up EE

Review and document current situation in each country related to the factors influencing the implementation of EE Develop a "scorecard" and identify key gaps

**Enabling EE Legislation** 

**EE Policies & Regulations** 

Market Characteristics Financing & Implementation

Capacity & Awareness Building

ADB PEEP 2 PROJECT			PEEP2 PDMCs			
Energy Efficiency Assessment Framework and Scorecard for the Pacific Islands	Cook Islands	Papua New Guinea	Samoa	Tonga		
Part 1 - ENABLING ENERGY EFFICIENCY LEGISLATION						
National Energy Efficiency Law						
Energy efficiency provisions are included in national energy legislation						
Specific law on energy efficiency enacted						
National Energy Efficiency Strategy & Action Plan						
National Energy Policy includes EE			✓	✓		

✓

✓

✓

✓

✓

**√** 

✓

Specific energy efficiency policy/strategy developed

Energy efficiency actions initiated according to the plan

Existing agency or department designated as responsible for EE

National energy coordinating/advisory committee established with EE responsibilities

Energy efficiency targets established

EE Building Code - New Buildings

**Building Certificates/Passports** 

EE building code adopted

EE building code in preparation

Compliance checking in place

Certification system operational

Energy efficiency action plan developed

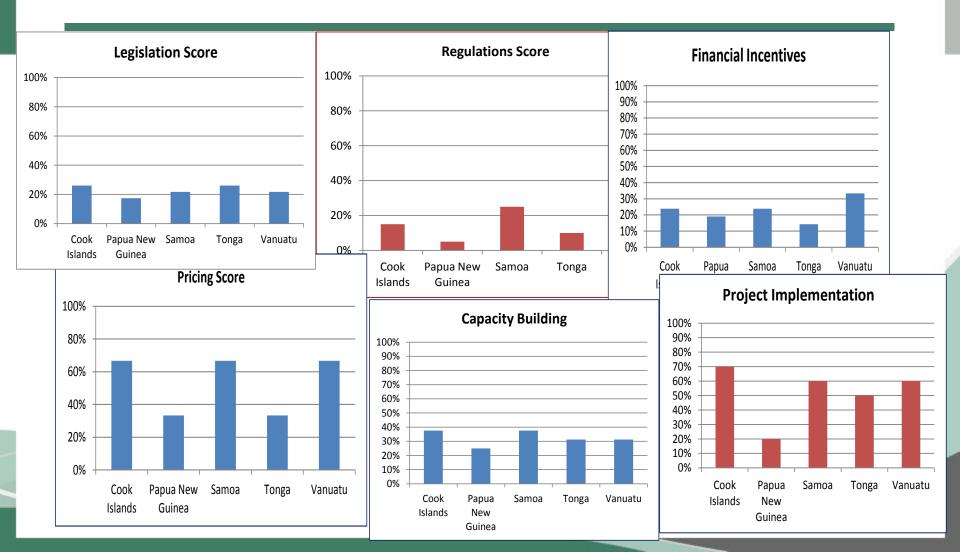
National EE Entity (EE Agency or Dept. of Existing Ministry)

National energy efficiency agency established

Building certification process developed



#### The Scoreboard







### Major Gaps to be Addressed

Legislation

Policies & Regulations

Market Characteristics

- Need for legislative foundation for EE implementation
- EE Building codes for new construction
- Appliance standards and labelling
- Need for EE revolving fund
- Facilitating public sector EE implementation
- Regulations to promote utility EE actions
- Requirements for energy auditing
- Need for maintain and updating data on buildings
- Establishing ESP/ESCO markets
- Financing markets for EE

Finance &

Government sponsored programs to incentivize EE project implementation

- Provide audit subsidies
- Governments need to "lead by example"

Capacity and Awareness Building

- Capacity building of ESPs and ESCOs
- Development of M&V agents and protocols
- Ongoing formal awareness and information programs
- Establishment of energy information center(s)



## Policy Recommendations



### **Policy Recommendations**

- Establish energy efficiency (EE) as a high priority in National Energy Policy with specific targets
- Develop National EE Strategy and Action Plan
- Require all government agencies to implement cost-effective lighting and A/C measures
- Establish equipment and appliance labelling and standards
- Adopt energy efficient building code
- Implement aggressive campaign of public awareness and information
- Establish Clean Energy Fund to finance EE projects
- Government should "lead by example" by implementing EE in its facilities



## **Next Steps**



#### **Recommended Next Steps**

- Assist in implementing recommendations
  - Model EE legislation
  - Building codes
  - Appliance standards and labeling
  - Maintaining/updating database
  - Capacity building of energy service providers
- Apply EE assessment in other PICs and replicate PEEP2 project implementation
- Develop financing mechanisms such as EE revolving funds
- Develop model DSM regulations and pilot utility action plans
- Widely disseminate project results and EE benefits



## Thank You

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