

REPORT OF THE MID-TERM REVIEW MEETING

DEMAND SIDE MANAGEMENT & RENEWABLE ENERGY IN INDIA
CAPACITY BUILDING OF CIVIL SOCIETY ORGANISATIONS

DREC PROJECT



JAIPUR, JANUARY 06, 2012



I. BACKGROUND

Consumer Unity & Trust Society (CUTS) International, with the support of Shakti Sustainable Energy Foundation (SSEF) is implementing a project titled ‘Demand Side Management (DSM) & Renewable Energy (RE) In India: Capacity Building of CSOs (DREC project)’. The overall objective of the project is to increase long-term capacity/awareness of consumer groups to demand for DSM and RE initiatives, and also to understand, document and communicate their specific needs to relevant policy makers at the State level (West Bengal and Gujarat) and the Central level. The project will contribute to the policy and practice changes:

Policy Change: Regulatory agencies will have a policy (refinement of that policy if already exist) to ensure better community participation in DSM/RE initiatives, including a policy to engage community groups to monitor the effectiveness of DSM/RE initiatives.

Practice Change: Consumer groups and other representative bodies will be invited by the regulatory agencies to take part in their deliberations on DSM/RE initiatives and they will be engaged in the implementation of such initiatives.

II. OBJECTIVE OF THE MEETING

The objective of the meeting was three fold – *firstly*, take stock of the what has happened during last one year of the project; *secondly*, share findings of the baseline consumer survey conducted in West Bengal and Gujarat; and *lastly*, to plan the future course of activities to be undertaken as part of the project. The inputs received during the meeting would help finalising the way forward.

III. PARTICIPANTS

Project Advisory Committee (Member) – R Gopichandran

SSEF – Natasha Bhan

CUTS – Bipul Chatterjee, George Cheriyan, Udai S Mehta, Suresh P Singh, Gaurav Shukla and Amarjeet Singh

CUTS CRC – Keya Ghosh and Arnab Ganguly

VIKSAT – Ankur Baruah and Bipin Parmar

IV. OPENING SESSION

Bipul Chatterjee, Deputy Executive Director, CUTS

Bipul while welcoming participants highlighted that the objective of this meeting was not only to review the progress of the project but also to share major findings across the two states and chalk out the future roadmap. In his opening remarks, Bipul expressed satisfaction on the progress of the project. He mentioned that the project is going on in the right direction and the

same would be reflected during the discussions spread over two days. Bipul noted that under this project extensive survey has been conducted by both the partners and they have been able to collect much enriched data. He further added that while it is important to look at the data collected from the survey, it is equally important to analyse the data and draw out inferences (case studies, stories, etc).

Natasha Bhan, Programme Associate, SSEF

Natasha emphasised that from this meeting three important points should come out very clearly, i.e. extensive data analysis from both the partners, identify opportunities of cross learning between the partners and whether there is any need of revision for the activities as envisaged earlier. Natasha further mentioned that as per the budget and various reports received from CUTS, the project is so far progressing well.

Udai S Mehta, Assistant Director, CUTS & Project Coordinator, DREC

Udai mentioned that so far activities under the project have been a learning experience and an exciting journey. He said that as per the earlier project design a mid-term review meeting was not envisaged, however, the need to organise the meeting was felt so as to seek guidance from the PAC, funding agency, etc. so as to effectively translate the survey findings into action, i.e. capacity building and advocacy. Mehta emphasised that the meeting would analyse the past to prepare for the future and thus, it was important to share what has happened so far and how one should use the experience to build on the future course of action.

V. PARTNERS PRESENTATION ON SURVEY FINDINGS

Keya Ghosh, Centre Head, CUTS CRC

Keya explained major objectives of the project and also touched upon the methodology and sample composition of the baseline consumer survey. Keya elucidated the reasons for undertaking the baseline consumer survey, i.e. *firstly*, to understand the level of awareness and perception of different category of consumers on issues pertaining to RE and EE especially in the context of the growing threat of climate change; *secondly*, to identify the various bottlenecks/barriers (at consumers end) in promoting RE and EE solutions; and *lastly*, to identify various training needs of the civil society organisations (CSOs).

A stratified random sampling was applied for primary data collection in the study. Keya mentioned that a total of 1000 samples (500 from each state) comprise households, farmers, industry, government institution and NGO/CSO belonging to different income categories; and educational background were covered. Keya highlighted that the absence of awareness regarding the cost and availability of EE and RE driven electrical equipment's is a major cause of concern of consumers. She further added that poor quality of after sales service is the primary reason why consumers are not willing to shift to products running on RE sources. She further added that while majority of the grid connected consumers are willing to pay higher for using reliable electricity yet they are not ready to pay more than 5-10 percent of their present electricity bill. She also emphasised that the findings of the baseline consumer survey would help shaping the

agenda of the State-level training programme targeted to build capacity of CSOs so as to make it need-based and specific to the State of West Bengal.

Ankur Baruah, Project Co-ordinator, VIKSAT

Ankur presented findings from the baseline consumer survey implemented in Gujarat after briefly touching upon the methodology adopted for undertaking the study and the sample composition which comprised 113 respondents from Ahmedabad, 174 from Kachchh, 106 from Mehsana and 107 respondents from Patan.

He mentioned that the sample was chosen in a way that reflects various types of stakeholders across the selected districts. He said that similar to West Bengal, poor quality of after sales service and high initial investments are two key reasons which abstain consumers from adopting RE and EE equipment's. Awareness about star labelling is also found to be significantly lower in Gujarat and the willingness to use solar equipment's was found to be much less in urban areas rather as compared to rural. He emphasised that a significant finding from both states has been the absence of awareness among CSOs on various regulatory issues pertaining to the electricity sector and this necessitates the implementation of initiatives such as DREC.

FLOOR DISCUSSION

Natasha noted that subsequent to the findings of the baseline consumer survey the challenge would be to capacitate the target stakeholders on most relevant issues. In this regard she mentioned that identification of various drivers/actors responsible for decision making process regarding RE and DSM related issues would be very crucial. She pointed out that it will be interesting to document the reasons for which RE is not getting the expected acceptability among consumers. She further proposed doing a comparative analysis between consumers using RE products and those who are not using it, to find out whether it is just a perception of consumers which need to be addressed or there are actual barriers in the development of RE. Similarly, she emphasised the need to explore reasons why EE is not getting popularised amongst consumers. She also stressed on the need to bring CSOs and regulators together and create a platform for exchanging mutual concerns.

Regarding an interesting discussion on sustainability of off-grid projects, Natasha informed that SSEF has taken up a project to develop a business model to connect off-grid to the grid; they are expected to present this model before the Forum of Regulators by the end of this month. She emphasised on the importance of the study which will also provide relevant information to feed into policy advocacy as part of DREC project.

Udai suggested that it would be also be important to undertake comparative analysis within the districts to identify local needs, which would help shaping the agenda for the consumer interface meetings. The analysis would need to be captured in the State-level Base Paper.

Bipul emphasised that consumer perception towards community-based RE initiative also need to be documented alongwith its capital and running cost. In the regions largely dependent on diesel/kerosene, it is also interesting to study the role of diesel/kerosene suppliers to check if

there is any cartelisation amongst them which might be creating barriers for the promotion of RE in the State.

Keya added that comparison between the findings from the CONBEE compared with those of DREC could lead to interesting findings.

SUMMARY

Gopichandran emphasised that survey findings clearly indicate the need for capacity building and awareness of CSOs on issues pertaining to EE and RE. He mentioned that before advocating on these issues three principals needs to be kept in mind – minimum economic dislocation; minimal obsolesce cost; and maximising indigenous production. He further stressed on the building network with existing platforms on clean energy and disseminates the findings of the DREC project. He also highlighted the need to explore the role of Energy Service Companies in the area of promoting energy efficiency. Before concluding, he laid stress on the need of continuous monitoring (so that the knowledge disseminated to the CSOs does not get lost) and awareness-linked action.

VI. DESIGN AND IMPLEMENTATION OF 2012 ACTIVITIES

Arnab Ganguly, Project Coordinator, CUTS CRC

Arnab presented major inferences from the baseline consumer survey and suggested a few topics for the Territorial Training Workshop and the consumer interface meetings (CIMs). As part of the Training Workshop, Arnab suggested following issues to be covered:

- Problem of Climate Change, how it is linked to the use of Fossil Fuel and why RE is important?
- Available regulations/Acts on RE and DSM and scope for CSOs engagement
- Overview of some of the renewable technologies available in the market and their price and financial assistance, if available
- Need for DSM and judicious use of electricity
- How to identify EE technology across different stakeholder groups
- Overview of the electricity sector and role of CSOs especially how they can participate in the process of tariff determination
- Overview of some of the regulations in the electricity sector – this will help the CSOs to effectively participate in developing regulations for the DDG projects

Arnab explained the methodology of implementing the training workshop, i.e. 10 local CSOs will be participating and from each of the organisation, one senior staff along with two others will be invited to participate as trainees. Further, local CSOs from other districts that have not been covered in the project would also be invited to attend the training workshop, so as to ensure greater outreach.

Arnab mentioned that an outcome of the training programme would be the creation of a cadre of trainers. These trainers would be involved in undertaking certain sessions as part of the CIMs and ensure that consumers are made aware of the following key issues:

- Need for DSM and RE in the context of climate change and global warming
- How to identify EE Products?
- Overview of some of the Renewable technologies available in the market and their price and financial assistance if available
- Overview of the regulatory structure in the electricity sector and how consumers can participate in the decision making process

Ankur Baruah, Project Coordinator, VIKSAT

Ankur presented the design for the future activities in the DREC project based on the survey analysis and highlighted few concern areas on which state level training workshops and CIMs should focus.

FLOOR DISCUSSION

Gopichandran suggested involving *Community of Practitioners* (people who have come up with innovative solutions) in the Territorial Training Workshop. He also suggested involving ‘Technology and Economic Assessment Panel’ (TEAP) to provide assistant and handholding to the grassroot people. He further proposed developing a compendium of success stories across the globe to encourage people to attempt challenging barriers of RE and should be used for top down approach. He also requested CUTS to document all the relevant cases through this project so that it can be used later as an advocacy tool.

Natasha stressed on the role of CSOs in the training workshops. She emphasised that CSOs should know what role they can play in the development of RE and EE. She also stated that capacity of CSOs needs to be built to address concerns of consumers effectively and participate in the regulatory mechanism.

SUMMARY

Gopichandran informed about the GATTI framework and suggested to analyse the findings of the survey in the same format. The outcomes of the project should bring clarity on enabling mechanism and understanding of barriers. Its need to be evaluate on some indicators, the three main enablers for evaluation can be set of regulation, market based mechanisms and institutions.

VII. OUTREACH STRATEGY

Gaurav Shukla, Research Assistant, CUTS International

Gaurav emphasised on the need for media and policy advocacy not only for greater dissemination but also to strengthen the mode of communication between grassroot stakeholders and policy makers and outlined the ways for engaging media and policy makers for the project policy advocacy.

FLOOR DISCUSSION

Natasha suggested specific areas where media intervention will be required. Sharing her experience she told that the news/information to the media needs to be provided in a very short yet interesting form. She also said that an article should not be more than 2-4 paragraphs and have a human touch. On the issue of policy advocacy she suggested writing policy brief and also more often publishing advocacy points in the media.

Gopichandran noted that outreach strategy is crucial from the project point of view as well as in an institutional interest. There should be a strategic intervention. He suggested sending out relevant articles and writing ups to media quiet often and to send articles and briefing papers to business magazines and e-journals also.

Udai noted that CIMs and Reference Group (RG) meetings can be used as a platform to attract media attention. Further, RG has a representation from media also so they could be consulted on this issue.

VIII. CONCLUDING REMARKS

In his concluding remarks, Bipul suggested that both partners should communicate within them more often on the challenges related to the project and get engage in cross learning's. He also proposed reviewing the expected outcomes in the light of the policy and practice changes came out of the discussion. In the end, Bipul thanked all the participants for attending the meeting and providing valuable feedback to the implementing team.

IX. KEY ISSUES

- Analyse viability of community based RE initiative and its capital and running cost
- Document the barriers for popularising RE among consumer and do a comparative analysis of consumers who have the experience of using the products *vis-à-vis* those consumers who have not used the products. It would throw some interesting insights.
- Document the reasons as to why consumers are not satisfied with the EE products.
- Compendium of success stories and cases related to the RE and EE.
- In the light of the survey findings, revise the practice and policy change envisaged in the project.
- Do a cost-benefit analysis of the RE and EE products
- Strategy to facilitate dialogue between CSOs and the regulators, etc
- Explore the role of ESCOs in the area of promoting energy efficiency.
- Use of existing platforms within the country for greater dissemination
- Develop outreach materials – briefing papers, policy briefs, newspaper articles, factsheets etc.