Introduction

The Climate Group, in partnership with Ministry of New and Renewable Energy (MNRE), Clean Energy Access Network (CLEAN) and South Asia Network for Clean Energy (StANCE), organized the first ever India Off-Grid Energy Summit in New Delhi, India on the 19th of August 2015. The summit provided the much needed platform for a diverse set of participants including practitioners, investors, donors and funders who assembled to discuss about the energy access framework of the Government of India, address pertinent issues and arrive at a collective roadmap to create an enabling environment for the decentralized renewable energy sector in India to rapidly progress and contribute to national priorities on equitable social and economic development. The summit brought together over 300 delegates including 100+ off-grid energy practitioners, policy makers, donors, funders and policy and regulatory experts. It focused on examining ways to work with government and showing how the sector can harness the potential of clean energy market scale-up and bring energy access to all through last mile connectivity.

Some of the key learnings that were generated from the first IOGES have been listed below:

• The key ingredients of a sustainable business model include robust technology, affordable end-user financing and good distribution networks. It is critical to nurture a prolific range of
partnerships to achieve this including strong grassroots organizations, technology developers and local financing institutions.

• Long term business sustainability can be achieved only if the product and service offerings within the DRE space move beyond basic services like lighting/cooking and mobile charging to solutions like chilling, water pumping, heating and a host of other productive uses. This can only be achieved by consistent business innovation and by driving demand for these services higher up the energy ladder.

• There is a growing need for specialized companies within the DRE sector. For instance, companies specializing in Pay-As-You-Go (PAYG) systems, smart metering, skill building etc. can have exceptional long-term impact on the sector if they have opportunities to collaborate and create impact collectively.

• There is a pivotal role for Non-Banking Financing Companies (NBFCs) to play within the DRE space. If appropriate policy incentives and softer terms for capital are devised, NBFCs can fund quite a few enterprises to bring them to a scale that can attract investment by mainstream banks like Yes Bank, RBL etc. and that could take a keen interest in DRE projects/companies from a Priority Sector Lending (PSL) lens.

• There is a very strong need to innovate at the demand side of renewable energy technologies (particularly solar). We need to facilitate research and development of ultra-efficient appliances that can work on the lowest possible wattage without compromising on the quality of the product or service.

• A national level pilot framework on DRE is highly recommended to establish legitimacy of entrepreneurs, support ecosystem building and ensure end users benefits. These efforts should not be in silos but should be embedded within the national development and planning framework.

• The role of State Electricity Regulatory Commissions (SERCs) should be relooked at with a dedicated DRE lens. Unless this is done, little can be expected from independent power producers/ DRE entrepreneurs to scale-up energy access.

INDIA ENERGY ACCESS SUMMIT – The Need

In view of India’s Intended Nationally Determined Contribution agreed during the UNFCCC’s CoP 21 in Paris, it has become even more crucial to ensure that the energy and lifestyle aspirations of the Indian people are met through clean and sustainable forms of energy. While 2015 was a remarkable year for climate change by virtue of the CoP21 outcome, it also was special because of the launch of a dedicated Sustainable Development Goal (SDG 7) on Affordable and Clean Energy. One of the key outputs from the Indian Government’s ambitious efforts in this context is the Power for All initiative of the Ministry of Power in partnership with State Governments. Some welcome steps include the departure from a largely village-driven electrification targets to a household-driven approach. Another progressive step, particularly for renewable energy mini/micro-grids is the recently launched National Tariff Policy that considers mini-grids for regulated tariffs in rural areas. The International Solar Alliance represents another proud achievement for India and its clean energy ambitions.

Simultaneously, the off-grid products market has grown exponentially in the past decade. The growth has been phenomenal, especially in the last three years. For instance, the recently published report by the World Bank estimates around 89 million people in the developing world having at least one solar lighting product in their home. According to the Global Lighting and Energy Access Partnership (LEAP), in 2015 alone, global consumers spent close to half a billion dollars on off-grid fans, TVs and refrigerators. By 2020, the market size could reach up to $ 4.7 billion, it adds. Although these figures are for global markets they clearly signify the
contributions of Indian enterprises adopting a market based approach to ensuring universal energy access.

The En.lighten initiative estimates how a transition towards better quality, energy efficient LED lighting systems in the off grid sector in India could result in annual savings of 6.7 billion litres of kerosene. Such transition would avoid 18.1 million tonnes of CO2 emissions annually and result into annual monetary savings of around USD 2.8 billion. It would also provide greater social and health benefits by improving living conditions for the local population, benefitting vulnerable social groups such as women and children. (Ref here)

It is estimated that there are around 250 private enterprises in the off-grid sector – including entrepreneurs and not-for-profits working with solar lanterns, solar home systems, mini grids, pico and micro grids which all play a vital role in extending access to energy. Some of these businesses are established actors with reasonable clientele and some are fast progressing into successful enterprises, while others are exhibiting limited growth. But the emerging renewable energy environment in India is creating a positive platform for small and medium-sized enterprises to stabilize and grow. Since 2014, the Clean Energy Access Network (CLEAN) has emerged as a collective voice for these practitioners. CLEAN continues to work with multiple stakeholders like policymakers, investors, technology developers and training providers in order to strengthen and support the energy access sector in the country.

The Climate Group and Clean Energy Access Network will organize a one-day event in partnership with the Ministry of New and Renewable Energy (MNRE), Government of India. It will be relevant to the Indian government’s priorities and directly contribute towards developing a national energy access roadmap by highlighting the complementary role that DRE solutions play in ensuring quality and affordability of energy access. Day one will be the main event of this national summit on India’s energy access business community. Two days guarding the main event (10th and 12th August respectively) will be made up of parallel side events, organized in association with programme partners.

OBJECTIVE

IEAS 2016 will serve as a platform to showcase both the achievements and best practices of decentralized clean energy entrepreneurs as well as the challenges and issues that need to be overcome to enable DRE to play a truly complementary role to centralized energy providers and move the conversation beyond electrification to include various other productive uses of energy (including thermal, cooling and other processing applications) in order to realize India’s sustainable developmental goals. The summit will catalyse symbiotic partnerships among practitioners, investors, policymakers, technology developers and training providers working towards achieving universal energy access.

There will be two overarching themes for the summit:

a) Grid Complementary Role of DRE – Looking at decentralized renewable energy as an integral part of national energy access plans, wherein energy access initiatives complement national grid extension and the business models take cognizance of this along with end-user satisfaction

b) Aspirational uses of energy – Looking at the larger picture to enhance productivity at various levels through renewable energy thereby contributing to the national aspirations of social and economic growth. The productive use of energy will cut
across livelihood systems (both farm sector and non-farm sector), employment generation, social infrastructure (health centers, educational institutions, panchayats etc.) and so on.

Within the overarching themes, the main summit will focus on:

a) Financing energy access scale up – Identifying underlying challenges around affordable financing and developing pragmatic solutions to facilitate scale up through debt which still remains the critical unmet need of the sector, equity and soft financing.

b) Policy and regulatory framework for an enabling environment – Analysing recent policy frameworks from the point of view of the sector and discussing the best ways to support it both at the national, regional and local level.

DATE AND VENUE

— Date: August 10-12, 2016
— Venue: Le Meridien, 8 Windsor Place, New Delhi - 110001

ORGANIZERS

— Principal organizers
  The Climate Group and Clean Energy Access Network (CLEAN)

— In Partnership with
  Ministry of New and Renewable Energy, Government of India

EXPECTED OUTCOMES

— This summit will be focused on the off-grid and decentralized renewable energy (DRE) business community in India, enabling peer-to-peer interaction and exchange and contribute to the development of a national energy access roadmap.

— The event will contribute to the national mission on energy access and “last mile connectivity” through market-driven solutions, by promoting off-grid, decentralized renewable energy business enterprises.

— The Summit will help OGE and DRE business enterprises and leadership to understand the emerging clean energy access landscape in India and explore the associated market opportunities and challenges.

— Participants will contribute and collectively understand the future policies and financial environment of the country with specific reference to energy access. It will enable them to make their businesses responsive to the future plans and priorities of the government and the investment community.

— Workshop reports on energy access opportunities, challenges and constraints will inform both the industry as well as the government on ways to invigorate and incorporate OGE and DRE within the larger energy access sector in India.
TARGET AUDIENCE

The one-day summit will bring together a targeted 300 India-based participants from:

— Practitioners - Off-grid and decentralized energy business enterprises
— Government institutions - ministries, state nodal agencies, policy makers and regulators
— Investors and financing institutions
— Think tanks and experts
— Industry associations and corporate representatives.

ABOUT THE ORGANISERS

— The Climate Group is an award-winning, international non-profit with offices in Greater China, North America, India and Europe. Our goal is to help leaders transition to a prosperous low carbon economy, driven by the rapid scale-up of clean and renewable energy. We work in partnership with the world’s most influential business, state, regional, finance and civil society leaders. For over a decade we have worked to demonstrate the economic and business case for the low carbon economy, and create the political conditions necessary for a strong global framework that addresses climate risks and maximizes climate opportunities.

The global climate deal, which has been struck at the Paris COP, represents a new beginning: the chance to accelerate our low carbon future. We are working with governments, businesses and investors to implement the Paris Agreement, holding them to account where appropriate through reporting mechanisms, and ensuring we bend the emissions curve downwards to secure a thriving, clean economy for all.

— Clean Energy Access Network (CLEAN) is an all India representative organization launched in 2014 with a clear mandate to support, unify and grow the decentralized clean energy sector in India. It particularly aims to bring together diverse stakeholders across India working to improve energy access for the rural and urban poor and create an inspiring model for countries around the world to follow.

CLEAN is technology agnostic. Technologies include solar, wind, bioenergy, pico hydro. The scale of its members’ operation ranges from pico solutions to larger, decentralized solutions and they are mostly small and medium enterprises. CLEAN recognizes that off-grid energy solutions move beyond bridging the energy gap by addressing lighting, cooking, pumping needs and so on to positively affects outcomes in education, health and agriculture and enhances livelihood opportunities. Decentralised clean energy has an impact on the overall quality of life.