



## **BESCOM Efficient Lighting Program (BELP)**

The Bangalore Electricity Supply Company (BESCOM), under the assistance from the **Energy Conservation and Commercialization (ECO II)** initiative funded by **United States Agency for International Development (USAID)** and implemented by the **International Institute for Energy Conservation (IIEC)**, initiated the implementation of BESCOM Efficient Lighting Program (BELP) in 2004. This initiative is a part of demand-side initiatives launched by BESCOM with a larger goal of promoting end-use efficiency resulting in off-setting the capacity increase targets. BELP was launch for an initial period of 9 months in December 2004.

This unique residential lighting program gives consumers an opportunity to replace energy intensive conventional lamps with energy efficient Compact Fluorescent Lamps (CFLs) in areas of high usage such as corridors, kitchen and portico. Every light replaced with a CFL will result in a saving of Rs15/month. BELP supports energy conservation in the residential sector with an emphasis on protecting consumer interests – primarily that of product pricing and warranty servicing and offering an opportunity to pay for the initial cost spread-over 9 months through the savings. BELP offered 1.3 Million domestic consumers from the BESCOM Urban Circles to avail of BESCOM branded **Compact Fluorescent Lamps and 36 Watts Fluorescent Tube Lights** from reputed suppliers. Domestic consumers were given an option to purchase lamps on:

- Direct sales at discounted prices
- Under installments (9 equal installments recovered through BESCOM monthly bills)
- In both the cases, the consumers get a 12-month warranty backed up by BESCOM.

Specific tasks carried out during the implementation phase were as follows:

- Invitation for bids through a competitive bidding process in August 2004
- Adherence with technical standards set-forth by the International Finance Corporations' Efficient Lighting Initiative (ELI)
- Short-listing of three suppliers (Philips, Osram and Asian Electronics) through a techno-commercial assessment including quality, price, and commitment to open out sales retail shops
- Program launch by Honorable Energy Minister in Karnataka on 10 December 2004
- BESCOM offered sales through monthly installments collected from the domestic consumers
- Joint marketing through leaflets, posters, car-stickers, vouchers for installments and road-shows – joint marketing campaign budget corpus generated through Rs. 5 Lakhs contribution by individual suppliers



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### **Program results – December 2005 to October 2005:**

Key results that have been captured through a rigorous Monitoring and Evaluation carried out by project partners IIEC are reported below. M&E plan includes capturing the electricity savings for individual consumers based on a billing analysis comparing last one year's bills, capturing market take-up data for the CFLs sold in the Bangalore market and also to capture the consumers' perspectives through structured interviews to understand the drivers of the participants and views of the non-participating consumers.

- CFL sales of the participating suppliers has gone up by 75%, aggregating to close to 431,000 during December 2004 to October 2005
- Peak load reduction of close to 19 MW and annual energy consumption of close to 25 MU is achieved through this initiative in the subsidized sector (based on engineering estimates)
- Billing analysis carried out in relation to sample consumers shows reduction in electricity bills
- More than 80% purchasers interviewed during the market research stage were first-time buyers of CFLs; as such, BESCOM branding exercise has resulted in this shift
- Road-shows initiated by BESCOM offices had remarkable impact on the marketing of CFLs; most of the consumers (participating and non-participating) requested extension of marketing campaigns including the road-shows
- Non-participating consumers have shown inclination to avail of the installments and direct discount schemes should BESCOM continue with this initiative
- Pricing of CFLs in the Bangalore market has come down, which can be revalidated
- Consumer surveys captured the relevance of the marketing campaigns (posters, leaflets, car-stickers, print media advertisements); significant number of consumers favored continuation of the above strategies in addition to TV media to be covered in the next phase.

### **Continuation of BELP:**

BESCOM board discussed the continuation of BELP in the Bangalore Urban Circle and initiating similar programs in other circles. This proposal has been cleared in principle.



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