

Public Street Lighting in São Paulo

ESMAP Knowledge Exchange Forum: Livable and Energy Efficient Cities Mobilizing Resources and Engaging with the

Private Sector

Simao Pedro Chiovetti Viena, Austria June 16, 2015 PREFEITURA DE

SÃO PAULO

São Paulo - Highlights

2nd most important city concerning the attractiveness of inward investments (FDI Intelligence)

Most promising financial center in 2012 (The Banker)

12nd richest city in

the world (by GDP)

(Brookings Institute)

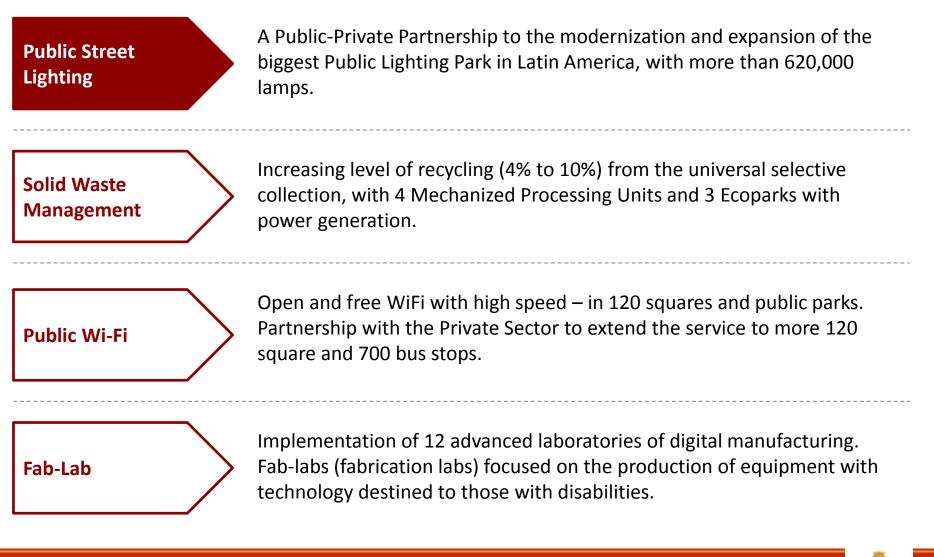
High Level of HDI - 0.805 (UNDP)

The biggest city of Southern hemisphere with 11,9 million people (SPC & VB)

Headquarter of BM&Fbovespa – one of the biggest stock exchange in market value in the world (Agência Brasil)

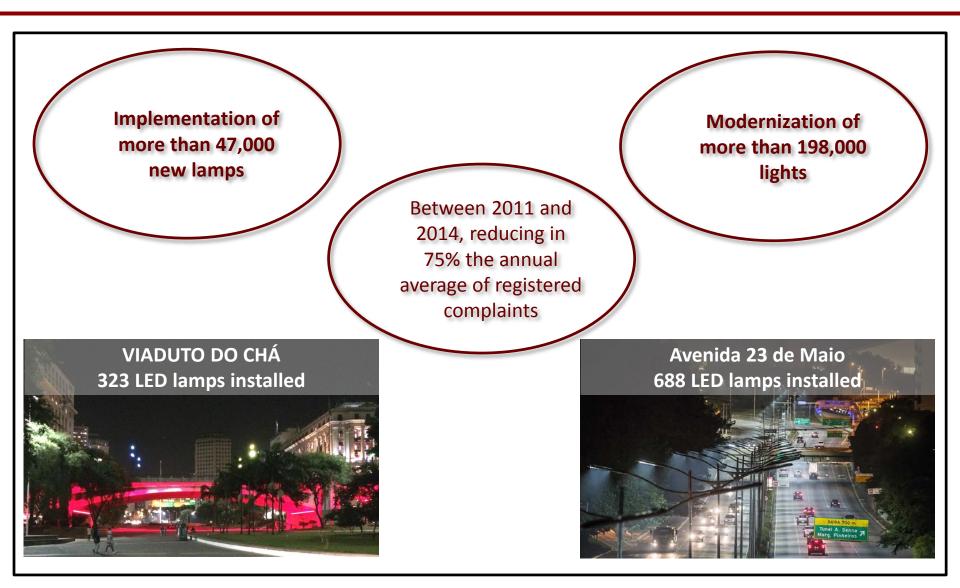
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Secretariat of Service has been working on several initiatives to make São Paulo a city more livable and energy efficient



PREFEITURA DE 2

In the last 2 years, the Secretariat has been working to improve the service in Public Lighting



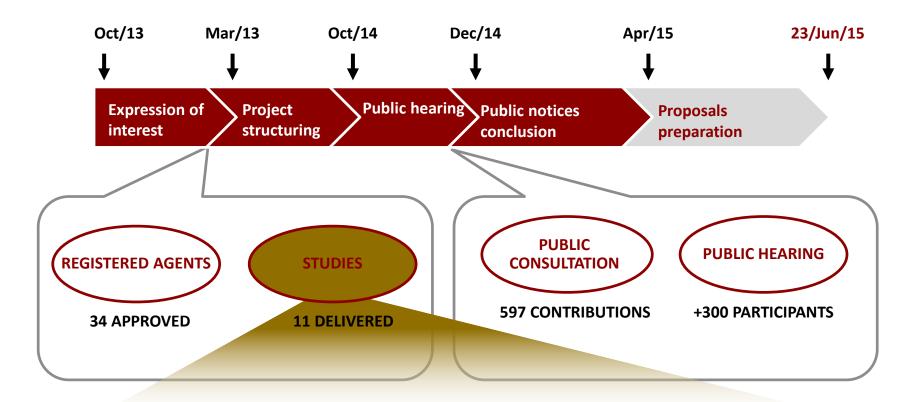


The PPP project in Public Lighting aims to promote the improvement in a long term

- One of the biggest and pioneering concessions concerning Public Street Lighting in the world.
- Adoption of **sustainable practices**, focused on energy efficient, integrated to other municipal public policies.
- Focused on the level of the service (light quality).
- **Complete Service Concession,** including modernization, expansion, operation and maintenance of the whole street lighting network.
- **Remote monitoring and management** of the entire public street lighting network.
- Service universalization throughout the city.



The project structuring focused on the dialogue with civil society







Project Data

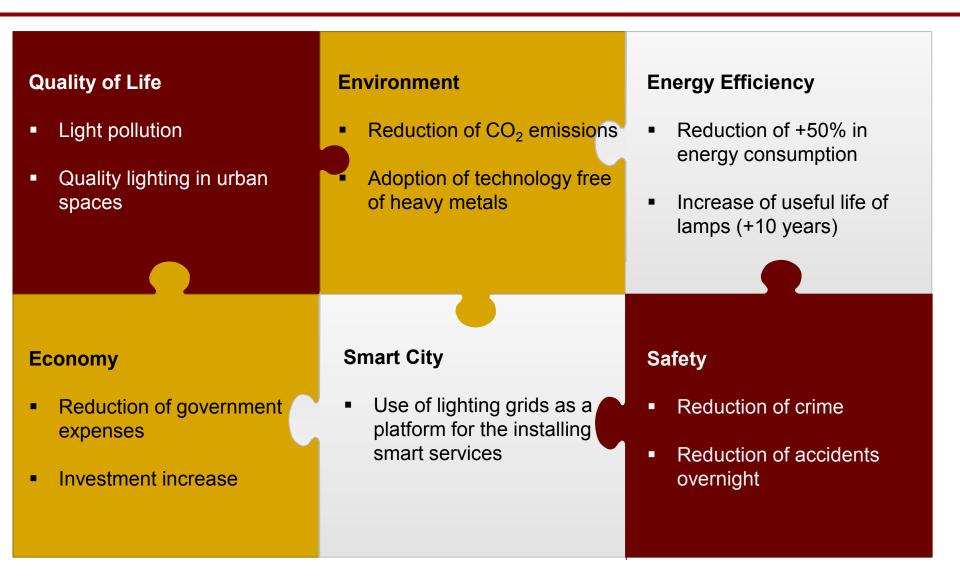
Deadline	20 years
Maximum consideration	€ 8.7 million/month (€ 104 million/year)
Main characteristic	Modernization of 620,000 lamps
	Expansion of 76,000 lamps in the first 5 years
	Expansion of 1,300 lamps/year after the 5th year
	Development of a operational control center
	Creation of a remote control system within the entire network
Investment (Capital Expenditure)	€ 360 million in the first 5 years
	€ 570 million through the concession
Concession details	International Public Competition
	Contract based on performance
	Risk allocation
	Technology flexibility (LED or superior technology)



- Development of a dynamic and structured interaction between the public and private sectors during the project structuring period.
- Execution complexity of the project reasoned by scale and coverage.
- Structuring of projects facing the lack of initiatives similar in size and coverage to be used as a reference.
- Election of selection standards to choose a better prepared proponent to deal with the complexity of the project.
- Identification and allocation of risks in the PPP contract.



How the project turns São Paulo into a more livable and efficient city







23 de Maio Avenue during the process of modernizing the public lighting grids

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