**Press Release: 16th March 2017**

# Ministry of Power issued more than 38 lakhs Energy Savings Certificates to industries

Bureau of Energy Efficiency (BEE) under Ministry of Power is implementing Perform, Achieve and Trade (PAT) scheme, a component under National Mission for Enhanced Energy Efficiency (NMEEE) in India. PAT is a market based mechanism to enhance cost effectiveness through certification of excess energy savings in energy intensive industries that can be traded. PAT scheme was launched in 2012 with first PAT cycle (2012-15) covering 478 Designated Consumers (DCs) from 8 energy-intensive sectors, namely Aluminium, Cement, Chlor-alkali, Fertilizer, Iron and Steel, Pulp and Paper, Textiles and Thermal power plant which roughly covered 33% of India's total energy consumption.

The first cycle of PAT has been completed in March 2015, and upon verification of the performance of DCs with regard to energy savings, based on recommendations of BEE, Ministry of Power has issued/entitled to purchase Energy Savings Certificates (ESCerts) to DCs of PAT Cycle I on 16th February 2017. **The DCs have contributed to the success of PAT cycle I and this cycle has witnessed an energy saving of 8.67 million tonne of oil equivalent (Mtoe)** against the targeted energy saving of 6.886 Mtoe which is about 30% more than the target. This cycle also contributed in emission reduction of 31 million tonnes of $CO_2$ and avoided generation of about 5,635 MW resulting in monetary savings of Rs. 37,685 crore. This cycle has also contributed in investment of Rs. 24,517 crore for energy efficient technologies by DCs under PAT. PAT is a multi-cycle scheme aimed to cover most of the energy intensive sectors of the economy. In this regard currently in the PAT cycle II, 621 DCs from 11 sectors have been included in the scheme.

Central Electricity Regulatory Commission (CERC) is the Market Regulator and Bureau of Energy Efficiency is Administrator for the trading of ESCerts. POSOCO (Power System Operation Corporation limited) has been appointed as Registry for making DCs as eligible entities for trading of ESCerts and book-keeping of ESCerts. There are two power exchanges i.e. IEX and PXIL where trading of ESCerts shall take place.

CERC has already approved the Procedure for Transaction of Energy Savings Certificates (ESCerts) on 14th Feb 2017. BEE shall soon inform the date of opening of Registration to all DCs along with the fee details, after the same is approved by CERC. Trading/transaction of ESCerts shall be done on continuous basis i.e. every Tuesday on weekly basis. Trading of ESCerts at power exchanges is expected to start from April 2017.

**********