

Summary record of the meeting of Secretary (Power) with the representatives of Energy Auditing firms for interaction and feedback on the 20th Sept. 2005 at India Habitat Centre (Magnolia Hall), New Delhi

The list of participants is at Annexure

2. Opening the meeting D.G. BEE welcomed Secretary (Power), Director (EC) and representatives of the various energy auditing firms participating in the interact meeting.

3. DG explained in brief the steps taken by BEE for capacity building of energy auditors during the last three years leading to the conduct of two national examinations for certification of energy auditors, energy managers and identification of 65 firms being considered for temporary accreditation by the Bureau. He informed the participants that the process of certification and accreditation of energy auditors have been evolved with the support of stakeholders; a proposal to notify some of the energy intensive industries specified in the schedule to the Act as Designated consumer is under the consideration of Ministry of Power. The Bureau has already prepared draft regulations on qualifications of accredited energy auditors and maintenance of their list regulations, and manner and intervals of the time for conduct of energy audit by accredited energy auditors. They are under examination in consultation with the Ministry of Power. The accredited energy auditors and the certified energy managers, as a team, are the backbone for promotion of energy efficiency in the plants of such designated consumers and industrial sector. Copies of these regulations have been supplied to all present in the meeting. All the participants were requested to go through them and give their comments on them for consideration of BEE to make them fool proof documents for regulating the profession of energy auditing in the country on sound lines.

The interactive meet was called to focus on the feedback from energy auditing agencies and familiarization with the provisions of Energy Conservation Act 2001 (52 of 2001), functions of BEE and new programmers proposed to be launched by the BEE. The programme relating to conduct of energy audit by an accredited energy auditor under the Energy Conservation Act 2001 (52 of 2001) by Designated Consumer is planned to be launched as soon as the notification for Designated Consumers and Regulations are in place. It is hoped that energy auditors would provide the quality services to the designated consumers and become BEE's partners in making India an energy efficient economy.

4. Secretary (Power) in his address made the following points -

- Encouraged by the response of energy auditing firms participating in the meeting, Secretary (Power) called upon them to be responsible strategic partners of BEE in pushing forward its objective of promoting energy efficiency and energy conservation in the country as well as in the industrial sector.
- The initiative taken by the Bureau for capacity building of energy manager and energy auditors in the country is intended to put in place the energy management systems in the designated consumers' industries to promote energy efficiency. The energy auditors and energy manager as a team should ensure that wasteful use of energy by the industries associated with them is minimized.
- Until mandatory energy audits and other similar provision of the Act are enforced legally both the energy managers and energy auditors must perform their duties sincerely and faithfully, and ensure that better and more efficient methods of energy use are practiced.
- The Government is targeting to achieve the energy saving potential of 20-30% in the country through reduction of inefficient and wasteful use of energy and electricity. Towards this end, the Govt. has launched the National Campaign on energy conservation to create awareness in the country. Both the energy managers and energy auditors should extend their full support to the Government efforts in the reduction of inefficient and wasteful use of energy.

- Reduction of wasteful use of energy and electricity in the country as well as in the industrial sector is a stupendous task. The country does not have adequate number of qualified energy managers and energy auditors. There is a need to evolve a long term system, through technical as well as university level education, to provide a sustained stream of qualified energy managers and energy auditors. Until the Bureau is able to create adequate capacity of energy managers and energy auditors, these professionals already placed in position need to put in their best to fulfill the purpose they are destined to attain.
- Energy auditor, like the financial auditor, need to play a great role, in making India a vibrant energy efficient economy. They need to know all that they are expected to know for achieving the objectives of the Act. Therefore their technical skills needed to be upgraded to ensure the credibility of the profession. The rules and the regulations being prepared by the Bureau need to provide such goals.
- Concluding his address, Secretary (Power) invited suggestions from the participants for strengthening the institution of energy auditors in the country.

5. Thereafter the participants made their suggestions. The suggestions made by energy auditors and the response of the Bureau to them are summarized as under -

5.1 Several State Designated agencies are asking the energy auditing firms to seek registration with them before undertaking energy auditing of the users of energy in their state. In this regard, names of the state of Gujarat, Kerala, Andhra Pradesh and Jharkhand were mentioned. Some States have made energy audit mandatory for users of energy consuming electricity over a certain limit, through statutory orders.

5.1.1 The Bureau agreed to take up the matter with the various State Govts./ State Designated agencies to sort out the issue, keeping in view the legal position with reference to Energy Conservation Act 2001 (52 of 2001).

5.2 The Energy Conservation Act 2001 provides that the Central Govt. may, in consultation with the Bureau of Energy Efficiency, direct the designated consumers to get energy audit conducted, by an accredited energy auditor. The focus of the energy audit is on the energy intensive industries specified in the schedule to the act, which have well developed systems and good infrastructure. The scope for inefficient use of energy in such industries is limited, whereas the need for identifying the wastage and inefficient use of energy is more in case of middle level industries as where energy resources are not used optimally.

5.2.1 The energy audits are highly technical and there is shortage of competent energy auditors in the country. BEE has therefore taken up a phased programme to build up capacity in energy auditors in the country. The Bureau is concentrating initially on energy intensive industries. The number of designated consumers would be increased gradually through changing the threshold limit of energy consumption with the increased availability of competent energy auditors. As far as middle level and small-scale industries are concerned, they can adopt the system of energy audit for identifying energy conservation opportunities in their units and take follow up action for implementation of their recommendations on voluntary basis. The Bureau is assisting such industries for adopting optimum use of energy resources through launch of awareness, campaigns, and small group activities etc.

5.3 Industries should implement all the recommendations of energy audit in a time bound manner. Time limit for their implementation should be prescribed in the regulations.

5.3.1 The Act does not enforce any compulsion on the designated consumers to implement all the recommendations made in the energy audit report. They can implement those recommendations which are technically viable, and financially attractive to them. In line with the provisions of the Act, it is proposed to provide in the regulations dealing with the manner of the energy audit that designated consumers should prepare an action plan for implementation of those recommendations which are technically viable, financially attractive and within the financial

means of the designated consumers and the time schedule for implementation of such recommendations should be adhered to.

5.4 Surveillance Audit should be introduced in the country.

5.4.1 Clause (q) of section 13 (2) of the Act read with clause (g) of Section 58 of the Energy Conservation Act provides for making of regulations on the manner and intervals of time for the conduct of the energy audit. It is accordingly proposed to provide in the Regulations the following provisions:

- (1) Every designated consumer shall have to get first energy audit conducted and completed by an accredited energy auditor within 18 months of the notification issued by the Central Govt. under clause (h) or clause (i) of Section 14 of the Act or from the date of notification of regulations, whichever is later.
- (2) The interval of time for conduct and completion of subsequent energy audit shall be three years with effect from the date the report of the first energy audit conducted and completed by the accredited energy auditor was submitted to the management of the designated consumer.

5.4.2 It is not proposed to provide for surveillance audit to check the veracity and quality of the energy audit conducted by the accredited energy auditor. The Bureau is very keen to provide for a mechanism to ensure the quality of energy audit. It has therefore invited suggestions from the participants which self regulation mechanism concerning monitoring and analysis of the quality of mandatory energy audit report is proposed by accredited energy auditors.

5.5 The Petroleum Conservation Research Association (PCRA) is maintaining a panel of energy auditors. BEE should coordinate with the PCRA.

5.5.1 The Energy Conservation Act provides that the Bureau shall maintain a list of accredited energy auditors as may be specified by regulations. The Bureau has therefore prepared the BEE (qualifications for accredited energy auditors and maintenance of their list) regulations, 2005 under the statutory powers given to it. Once these regulations are adopted, the Bureau shall maintain a list of accredited energy auditors for the benefits of the designated consumers and other consumers of energy for utilizing their services. The Bureau shall coordinate with PCRA and other such agencies in performing the functions assigned to it by or under the Energy Conservation Act 2001. The Bureau shall however have no objection to agencies like PCRA to maintain a panel of competent energy auditors for the benefit of designated consumers concerning such institutions and organizations.

5.6 The eligibility criteria for accreditation of energy auditors provide that a firm shall be qualified to become an Accredited Energy Auditor if it has a minimum of one certified energy auditor or 50 % of the employed energy auditors staff rounded upto the next whole number, as certified energy auditors, whichever is higher. This provision shall create problem with the energy auditing firms as there was dearth of qualified energy auditors in the country.

5.6.1 This provision was made to create a cadre of professional auditors of high competence. The Bureau considers it necessary for ensuring the credibility of the institution of energy auditors. As such it is not proposed to relax the provision.

5.7 A person who has passed the first three papers which are common for certification of energy manager should be declared to have qualified as certified energy managers.

5.7.1 This provision although applicable to second certificate examination was not applicable for the first examination. Secretary (Power) directed that the proposal may be brought before the executive committee of BEE in its next meeting for its consideration.

5.8 Qualification norms for certification of energy auditors be rationalized. Candidates who have passed the M. Tech course in Energy Conservation should be exempted from appearing in the National examination for certification of energy auditors.

5.8.1 The eligibility criterion for certification of energy auditors is based on the recommendations of studies instituted by the BEE which were discussed threadbare with a group of experts representing with various stake holders. All those candidates who fulfill the eligibility criteria should pass the National Examination as this ensures that they have minimum basic level of understanding and knowledge of the subjects tested through uniform standard of the examination. It was however agreed to review the eligibility criteria for certification of energy auditors.

5.9 Diploma holder who has qualified as certified energy manager should be allowed to appear in national examination for certification of energy auditors.

5.9.1 They should meet the eligibility criteria for appearing in the National Examination for certification of energy auditors and no relaxation in the qualification is proposed.

6. At the end of the meeting the following conclusions were reached:

- (1) Bureau shall take up the matter with the various State Govts./State Designated Agencies to sort out the various issues relating to the functioning of energy auditors in respective States such as compulsory registration of Energy auditors, mandatory audit prescribed for certain categories of energy consumers under State Rules or their Statutory orders etc.
- (2) Bureau shall review the criteria for certification of energy auditors, for exempting candidates with M.Tech. (Energy Conservation qualification) for appearing in the National Examination for certification of Energy auditors.
- (3) All firms which have been certified for temporary accreditation as energy auditors should have at least three of their professionals as certified energy auditors by Dec. 2006.
- (4) The next National Examination for certification of energy managers and energy auditors shall be held on 22nd -23rd April, 2006.
- (5) Accredited energy auditors should be considered as suitable person for functioning as inspectors under Section 17 of the Energy Conservation Act for designated consumers.

7. The meeting ended with a vote of thanks to the chair.
