



PROMOTING AN ENERGY EFFICIENT PUBLIC SECTOR (PEPS): OPPORTUNITIES AT LOCAL LEVEL. THE MEXICAN EXPERIENCE

PEPS at CSD-15
U.N. Headquarters – New York City
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ICLEI – LOCAL GOVERNMENTS FOR SUSTAINABILITY



What is ICLEI?



- ICLEI, Local Governments for Sustainability
- Founded 1990 as the International Council for Local Environmental Initiatives
- Non Governmental Organization and non Profitable
- International Association of Local Governments and its associations.
- Mission: To create a world movement to improve local environment conditions and to get global sustainable development through cumulative local actions.

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What is ICLEI?



- 200 cities of 43 countries participated in its creation in the Opening Conference: World Congress of Local Governments for a Sustainable Development in United Nations
- Membership of more than 500 cities representing more than 250 million people.
- 3 International Programs: Local Agenda 21, Cities for Climate Protection (CCP) and Water, plus several regional ones.
- ICLEI has been working in Mexico continuously since year 2002 with CCP and PEPS

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Benefits of Local Actions



- Air Quality Improvement
- Public Health Improvement
- Traffic reduction
- Operation Cost Reduction
- Local development
- Employment creation
- Better quality of life

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PEPS in Mexico



- **Joining Effort of ICLEI, Lawrence Berkeley National Laboratory, USAID, CONAE, FIDE and now SENER**
- **Objective: Help local governments in the implementation of procurement policies of Energy Efficient Products moving the market of these products.**
- **It has been working since year 2004**
- **Year 1 of PEPS in Mexico: 8 cities; year 2, 28; year 3: 42 cities covering a population of 31 million people.**
- **It is expected that Federal Government adopt it in 2007 as part of their own policies for this term.**

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PEPS Strategy



- **Commitment: All PEPS cities are committed to follow PEPS methodology and accomplish its goals.**
- **Leadership: Authorities of PEPS cities (mayors or secretaries, in case of states) had requested personally the incorporation to PEPS Program**
- **PEPS cities have received methodology and tools**
- **Working group: Each city has created a working group to initiate the process in PEPS program and has established a leader.**
- **Training: Each of the PEPS cities has received training on site to all procurement officials and elected authorities**

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PEPS Strategy



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- **Technical Assistance:** PEPS liaisons are in permanent communication with PEPS team to solve any problem in the procurement policy. In addition they receive recommendation about funding options to finance EE projects.
- **Workshops:** 5 PEPS national workshops
- **Implementation at local level**
- **Implementation at state and federal level**

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PROGRAMA DE
ASISTENCIA TÉCNICA
Energéticamente Eficiente


Mexican PEPS cities



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1. Aguascalientes, Ags.
2. Ensenada, B.C.
3. Tijuana, B.C.
4. México, D.F.
5. Ciudad Juárez, Chi *
6. Chihuahua, Chi.
7. Ecatepec, Edo. De Méx.
8. Cuautitlán Izcalli, Edo. De Méx. *
9. Naucalpan, Edo. De Méx.
10. Toluca, Edo. De Méx. *
11. León, Gto.
12. San Miguel de Allende, Gto.
13. Tula de Allende, Hgo.
14. Tlaquepaque, Jal.
15. Zapopan, Jal.
16. Morelia, Mich.
17. Uruapan, Mich.
18. Guadalupe, N.L.
19. Monterrey, N.L.
20. San Nicolás de los Garza, N.L.
21. San Pedro Garza García, N.L.
22. Santa Catarina, N.L.
23. Querétaro, Qro.
24. Ciudad Valles, S.L.P.
25. San Luis Potosí, S.L.P.
26. Culiacán, Sin. *
27. Guasave, Sin. *
28. Cajeme, Son.
29. Guaymas, Son.
30. Xalapa, Ver.

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PROGRAMA DE
SISTEMAS DE
EVALUACIONES PEPS

Mexican PEPS cities



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31. Kaua, Yuc.
32. Peto, Yuc.
33. Sacalum, Yuc
34. Sudzal, Yuc.
35. Tecoh, Yuc
36. Gobierno del Estado de Zacatecas
37. Fresnillo, Zac.
38. Pánfilo Natera, Zac.
39. Tlaltenango, Zac.
40. Villa de Coss, Zac.
41. AMPYAC

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Tools



ICLEI
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for Sustainability

- PEPS Methodology
- Case studies
- Technical Assistance
- PEPS Manual
- Energy Savings Tool
- Web Site

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Legal basis for a procurement policy at local level



Article 27 of Mexican Federal Law of Procurements, Rents and Services of Public Sector (Last Amendment D.O.F. 13/06/2003) allows energy efficiency in procurements:

“Procurements, rents and services y servicios will be given , through public bids in closed proposals, who will be open publicly, to permit the State the best conditions in price, quality, funding, opportunity, energy efficiency, responsible use of water, and other cirmscunstances, according present Law.”

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Basis for a Procurement Policy



The procurement policy must be:

- Tailored to local reality
- Consistent with state and federal laws
- Easy to create and easy in its implementation
- Valid in all areas and agencies of local governments
- Better if this is approved by only on official (elected or not), like the Mayor, the Staff Chief, the Procurement Director, etc.
- This instrument may become later in an ordinance or other administrative document approved by city council

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Areas to involve in PEPS



- **Technical Areas (Systems, Street lighting, general services, environment, etc.)**
- **Administrative areas (procurements, City Managers, Administrative Coordinators)**
- **Elected Officials (Mayor, City Council)**
- **Planning Institutes**

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PEPS Methodology



- **Working group**
- **Training**
- **Base line (inventory)**
- **Establishment of Procurement policy**
- **Implementation**
- **Monitoring and verification**

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EE recommendations



- The PEPS program recommend the procurement of electric devices with a clear EE specification
- For lighting products it is recommended to buy those ones with Sello FIDE
- For office equipment Energy Star
- For Motors, NEMA Premium
- In addition, in the products who do not have EE labeling, it is recommended the best EE characteristic, for instance, in vehicles, the best mileage (km/l) will be the characteristic to decide the acquirement of them.
- Standards (“Normas”) is another minimal specification to suggest procurement of EE product against others

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STAGE 1 PRODUCTS




PRODUCT	LABEL
COMPUTERS	ENERGY STAR
MONITORS	ENERGY STAR
PRINTERS	ENERGY STAR
COPIERS	ENERGY STAR
FAX MACHINES	ENERGY STAR
COMPACT FLUORESCENT LAMPS	SELLO FIDE
TUBULAR LAMPS T8 AND ELECTRONIC BALLASTS	SELLO FIDE
STREET LIGHTING	SELLO FIDE

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STAGE 2 PRODUCTS




PRODUCT	LABEL
MOTORS	NEMA PREMIUM
AIR CONDITIONING (MINISPLIT)	REEE > 12
FLEET (SUV AND MINIVAN)	Mileage > 10 km/l
FLEET (UTILITY VEHICLES)	Mileage > 16 km/l
FLEET (light trucks)	Mileage > 8 km/l

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PEPS Case Study: Mexico City



Issues

- Population of 8.5 million people (23 million in metropolitan area)
- 150,000 workers in this local government

Actions

- Training for high level officials
- Analysis of local laws: Organic for Public Administration, Environmental and the Internal Standards for Mexico City Government
- Analysis of specifications of EE products who could be incorporated in procurement policies
- Incorporation of green products in these policies

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PEPS Case Study: Mexico City



Results

- March 28th, 2007, the procurement policy was approved by its Authorization Committee of Procurements, Rents and Services
- This policy includes green procurements and water savings products.



- IN EE this policy forces all agencies of Mexico City Government to buy T8 tubular lamps instead of T12 and electronic ballasts instead of electromagnetic
- Website with green and EE products recommendations: www.sma.df.gob.mx/saa

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PEPS Case Study: Chihuahua



Issues

- Municipal government
- Monthly electricity bill for more than 1.5 million USD
- PEPS participant since year 2006

Actions

- Creation of EE Committee
- Training of procurement officials
- Winners of PEPS minigrant for demonstrative project
- Commitment of its Mayor in EE procurements
- They are organizing together with PEPS team an International Congress from June 6 to 8.

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PEPS Case Study: Chihuahua



Results

- Replacement policy: Every time a non efficient lamp or ballast fails, is replaced by an efficient one (T8, CFL or electronic ballast)
- EE fleet. It is prohibited the procurement of medium and high SUV (only the one for the mayor). The rest of the vehicles must be of 4 cylinders and the more efficient in each category
- EE Procurements in 2007 for more than \$1,850,000 USD



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PEPS Mexico – Consolidated Indicators (FY 2007)



Fiscal Year	FY 05	FY 06	FY 07 ²	Total
Number of cities participating in PEPS	8	28	42	42
Normas:				
# of normas completed	2	10	15	15
# of normas in progress	5	15	22	15
Number of cities reporting completed procurements	4	15	22	22
Number of cities reporting energy savings	4	11	6	6
Value of procurements (Mexican pesos)	\$10,969,794	\$27,097,167	\$82,436,816	\$120,503,777
Value of procurements (US dollars) ¹	\$997,254	\$2,463,378	\$7,494,256	\$ 10,954,889
Annual energy saved (kWh)	5,070,917	7,027,830	3,382,618	15,481,365
Annual fuel saved (l)	N/A	N/A	103,761	103,761
Annual savings (Mexican pesos)	\$7,986,695	\$11,193,544	\$6,542,996	\$25,723,235
Annual savings (US dollars) ¹	\$726,063	\$1,017,595	\$594,818	\$2,338,476
eCO ₂ emissions reductions (tonnes)	3,342	5,012	2,700	11,054

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Summary of PEPS in Mexico



PEPS Activities since year 2002

- **More than 5,000 municipal officials trained**
- **4 national events (workshops and seminars), 1 international (June 6 to 8, Chihuahua, Mexico), hundreds of local trainings**
- **Direct work con 42 cities (31 million people)**
- **Activities with 4 state governments and federal government**
- **Promotion of EE products with Sello FIDE, Energy Star and NEMA Premium labeling**
- **Strategy of sustainability of PEPS in Mexico**
- **Procurements for 11 million dollars of EE products**
- **Total Energy and Economic savings for 15.5 GWh, 100,000 liters of fuel and 2 million dollars, 11,000 tonnes of eCO2 avoided**

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Barriers for EE procurement policies at local level



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- **Term of Municipal Governments in Mexico is just 3 years**
- **Not enough administrative tools for EE at local level**
- **There are not enough EE labeling in Mexico**
- **EE technologies more expensive in initial investment**
- **No mandatory ordinances at Federal Level**
- **Not enough knowledge**

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Opportunities

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- ***It is cheaper to save 1 kWh of electricity (\$0.20 USD) than generate it (\$1 USD)***
- ***Local Actions Moves the World***
- ***Local Governments, right way to do the right things***
- ***Municipal work, example for state and federal governments***

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Thank you!!!!

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