



Energy Efficiency Strategy for the Dominican Republic

Title: Energy Efficiency Strategy for the Dominican Republic
Program Area: Urban Energy
Implementer: Advanced Engineering Associates International
Geographic focus: Dominican Republic
Duration: November 2003 – September 2004

Project Background

Electricity rates in the Dominican Republic are extremely high (possibly the highest in the Latin America/Caribbean region), hurting the country's economic competitiveness and placing a heavy burden on the poor. In addition, nearly all fuel for electricity generation, industrial and household use and transportation is imported, making the country extremely vulnerable to price fluctuations in international fuel markets.

Despite the high cost of energy and obvious opportunities for increased efficiency, the Government has no formal energy efficiency policy or plan, nor any comprehensive energy efficiency program. However, it recently established an Office of Energy Efficiency and Renewable Energy in the National Energy Commission (CNE).

Development Objectives

This project aims to develop an Energy Efficiency Strategy that assesses conditions and opportunities for energy efficiency in the Dominican Republic, and recommends priority energy efficiency activities over the short, medium, and long terms.

Working together with CNE, USAID is providing a team of consultants to examine government, industrial, commercial and residential energy use, and estimate potential energy and cost savings by promoting efficiency activities in these areas. The final strategy will focus on demand-side management activities that can boost energy efficiency for no or low upfront cost and help contribute to the overall sustainability of the electricity sector.

Project Approach and Activities

Following two USAID assessments in November 2003, CNE, with support from USAID, hosted a workshop in Santo Domingo in February 2004 to discuss initial lessons learned and prioritize strategy activities. The workshop provided information on international experience in energy efficiency; legal, institutional, and financial aspects of energy efficiency programs; and specific case studies of lighting programs, standards and labeling programs, and water utility efficiency programs. Valuable contributions from CNE and other attendees at the workshop have assisted in the preparation of the strategy.



Project Results

The Energy Efficiency Strategy will be presented at a workshop in Santo Domingo by autumn 2004. USAID staff, government stakeholders, NGOs, media, academics, and the private sector will be invited to participate.

Project Impact

This study will help the government of the Dominican Republic establish an energy efficiency plan that will coordinate with the country's new national Energy Plan and strategies being developed to ensure overall sustainability of the sector. Integrating energy efficiency with sector reform efforts should reinforce the benefits and importance of efficiency while accelerating structural reforms.

Specifically, efficiency measures can encourage major changes in energy use habits that will lessen the occurrence of power outages, improve commercial competitiveness by reducing energy costs, reduce environmental pollution, and promote long term energy access.

Lessons Learned

An example of some of the findings and recommendations in the Energy Efficiency Strategy for the Dominican Republic are noted below.

Best practices

Improving energy management in the industrial sector could generate energy savings of 5 –10 percent (up to 0.73 MBOE).

Government Buildings

Energy savings of up to 30 percent could be achieved by utilizing energy efficient technologies already available in the Dominican market.

Hotels

There are close to 55,000 hotel rooms in the Dominican Republic, and the number is expected to grow significantly over the next 10 years. The current 21KTOE hotels use for water heating could be saved if they switched to solar water heating systems, and at least 10 percent of the fuel hotels use to power their own generators could be recovered through absorption systems to be converted into chilled water for food conservation and air conditioning.

USAID Contact

Simone Lawaetz
Office of Infrastructure and Engineering
+1 202 712 4915
slawaetz@usaid.gov

Project Contact

Mary Louise Vitelli
AEAI
+1 202 416 6614
mlv@aeai.net