

Energy Conservation (Amendment) Bill, 2022



Energy Conservation (Amendment) Bill, 2022 was put in the Lok Sabha on August 3, 2022 and was passed on August 8. It seeks to amend the Energy Conservation Act, 2001. It promotes energy efficiency and conservation.

Important Provisions of the bill include;

- The Bill seeks to regulate the energy consumption by equipment, buildings, appliances, and industries.
- Under it, government may ask the designated consumers to meet a minimum share of energy consumption from non-fossil sources. It might specify different consumption thresholds for non-fossil sources and consumer categories.
- The designated consumers are-
 1. Industries including steel, mining, textile, cement, chemicals, and petrochemicals
 2. Transport sector including Railways
 3. Commercial buildings.
- In case, designated consumers failed to meet the obligation, the bill provides for a penalty of up to Rs 10 lakh.
- Bill also empowers the central government to specify a carbon credit trading scheme. Central government or authorised agency would issue carbon credit certificates to entities registered under the scheme.
- Bill provides for 'energy conservation and sustainable building code', that specifies norms for energy efficiency & conservation, use of renewable energy, and other requirements for green buildings.
- It also empowers state governments to decrease the load thresholds.

The Bill also sets the standards for vehicles and vessels that consume, generate, transmit, or supply energy. If they failed to comply with standards, there is a penalty of up to Rs 10 lakh. Under the Energy Conservation Act, 2001, State Electricity Regulatory Commissions (SERCs) are empowered to adjudge penalties, while the amendment empowers the SERCs to regulate for discharging their functions.