SUSTAINABLE PROGRAMS FOR INCLUSION OF LOW INCOME CUSTOMERS AND ENERGY EFFICIENCY EDUCATION

Jose Edimilson Canaes and Jose Aquiles Grimoni

Developing countries, especially the BRICS (Brazil, Russia, India, China and South Africa) set off a process of economic development and social inclusion, leading to the creation of a burgeoning middle class eager and able to purchase goods, services and facilities like electric power with high-quality. Brazil faces now a new arrangement of the society in economic terms, but still has problems with culture and governance of communities in areas which were dominated by crime, drug dealers, especially in Rio de Janeiro. In Rio, the state government occupied these areas with a special task force police denominated UPP (Unit of Pacification Police). The occupation is like a war strategy, but it is the first step of a process that should be concluded with social inclusion. This is an opportunity to many companies, especially the utilities to include new clients in a formal way. But there are challenges to be solved to guarantee the sustainability of this process. Social stratification is not enough to address and define the behavior of these new customers. The diversity of behavior found in this social group impacts the utilities operations in terms of non-technical losses increasing. In the electrical sector, the culture of nonpayment for public services elevates total losses to levels higher than 50%. The inclusion of this new middle class is fundamental for the reduction of the non-technical losses. To achieve this, the utility companies face a threefold challenge: (i) to fully include the group in economic, social and digitally terms; (ii) to maintain them as regular customers in compliance with the contractual obligations implied in the electricity supply; and (iii) to educate them in energy efficiency. Through the VI Energy Efficiency Program, created by Change through Digital Inclusion (CDI) for The Light Company, a Brazilian Electricity Utility operating in Rio de Janeiro State, these new included customers can make savings upwards of 47kWh/month, representing a 22% saving in energy.

Jose Edimilson Canaes, Director of Operation, CDI - Change through Digital Inclusion, Rio de Janeiro, Brazil. E-mail: ed.canaes@cdi.org.br, jose.canaes@usp.br Jose Aquiles Grimoni, Associate professor at Polytechnic School, USP - University of São Paulo, São Paulo, Brazil. E-mail: aquiles@pea.usp.br line