

Appendix 3. Life-cycle cost of a lighting system

The life-cycle cost of a lighting system is the sum of its initial cost (the sum of the purchase price and the installation cost) and the discounted operating costs (the energy and maintenance costs discounted over time to take account of the time-dependent value of money). In this analysis a real discount rate of 5% is assumed (OECD/IEA 2006).

LITERATURE CITED

Organisation for Economic Co-operation and Development (OECD)/International Energy Agency (IEA). 2006. *Light's labour's lost - policies for energy-efficient lighting*. OECD/IEA, Paris, France.