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EVENT NOTICE

International Energy Agency Announces Release of India Cogeneration Study

All over the world, many power generation units operate at low efficiency levels. Globally, fossil-fuelled power generation is only 33-35% efficient. Two thirds of the fuel burned to produce electricity is vented as waste heat.

These are some of the key conclusions of the India Cogeneration Study by the International Energy Agency (IEA) and the World Alliance for Decentralized Energy (WADE). The joint report which assesses the potential for cogeneration (or combined heat and power (CHP)) in India, has been presented today on the occasion of the Energy Dialogue on Cogeneration/CHP at the India Habitat Center in New Delhi, in the presence of IEA representatives and Indian Power Secretary Anil Razdan.

The study shows that CHP is much more efficient than current power generation in India and could significantly reduce fuel use. "Cogeneration and district cooling can reach between 70% to over 90% efficiencies, cutting fuel use in half," said IEA Analyst Tom Kerr. To tap into these dramatic energy savings in a time of energy shortages and financial crisis, the IEA recommends increasing awareness in Central, State, and Local governments for the efficiency measures of CHP/DHC, establishing an industry initiative on CHP/DHC, and enhancing international cooperation, to learn from countries such as Denmark, Finland and Korea, who are among the world's leaders in use of efficient cogeneration.

The IEA and WADE also believe that the prospect for CHP growth appears promising as increased competition and energy costs drive industries and commercial establishments to attain greater energy efficiency and "total" solutions to meet their energy needs. The IEA estimates that India has the potential for almost 28 gigawatts (GW) of CHP in 2015 and 85 GW in 2030 (growing from a current base of less than 10 GW) and believes that there is enough potential for CHP and district heating and cooling (DHC) to be implemented in smaller industrial parks, special economic zones and other areas which have a need for secure, low-cost heat, cooling and power.

"India is to be commended on its leadership in biomass CHP in the sugar industry," said Tom Kerr. "Yet there is much more potential in India to tap into a tremendous free source of energy in waste heat for CHP. The IEA is ready to work with industry, government and other stakeholders to advance deployment of clean and efficient decentralized technologies in the coming years."

For more information about CHP/DHC applications and markets, promotion policies, environmental benefits, stakeholders and barriers, visit the IEA website at <http://www.iea.org/G8/CHP/profiles/us.pdf>.

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