ENERGY SAVINGS M&V POLICIES

Li Tienan

Center for Industrial Energy Efficiency

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ENERGY EFFICIENCY IN CHINA

Center for Industrial Energy Efficiency (CIEE)
EE INVESTMENT IN CHINA

Source of Energy Efficiency Investment in 2011
EE INVESTMENT POLICIES

**Government Oriented**

- **Financial Incentives and tax credits for Energy Efficiency Projects**: for energy efficiency upgrading projects, energy performance contract projects, demand side management pilot projects, etc.

- **Energy Savings Target Agreement**: mandatory energy savings target set for the Top 16078 key energy consumption enterprises, electricity savings and demand reduction targets for power grid enterprises, etc.

**Market Oriented**

- **Energy Performance Contract Promotion**: facilitate energy efficiency investment by paying the investment cost with its future savings.

- **Energy Savings Trade**: mainly within the top 16078 key energy consumption enterprises, as well as voluntary energy savings trade within energy consumption enterprises, ESCOs, banks, and relevant interested parties.

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ROLE OF ENERGY SAVINGS M&V

Policy
- Energy Savings Target Agreement
- Government Financial Incentives
- Energy Performance Contract
- EnMS Implementation
- Energy Efficiency Evaluation and Review
- Energy Savings Trade

Focus
- Energy Savings M&V

Stakeholders
- Government Agencies
- Third-party Verification Bodies
- Energy Users
- ESCOs
- Banks, etc.

Center for Industrial Energy Efficiency (CIEE)
ENERGY SAVINGS M&V TECHNICAL SYSTEM

Energy Savings M&V Technical System

Rules
(methodologies, guidance, etc.)

Application
(trainings, institutions and professionals certification, etc.)

Support
(experts, database, best practices, tools, etc.)

Guidance
Feedback
Technical support
Operationalizing
Developing

M&V Activities

Energy Efficiency Investment

Energy Savings

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ENERGY SAVINGS AND CARBON EMISSION VERIFICATION IN CHINA

- Since 2007, Chinese government initiated incentive policy for energy efficiency projects:
  - Energy efficiency upgrading project: 240~300 RMB/TCE based on energy savings;
  - Energy performance contract project: 240 RMB/TCE (Central government) + at least 60 RMB/TCE (Local government) based on energy savings;

- In 2012, China started carbon emission trade pilot in seven cities, including Beijing. From 2013, Beijing government launched annual carbon emission verification programme for around 500 key carbon emission enterprises.
From 2012, with the support of Energy Foundation, Center for Industrial Energy efficiency (CIEE), jointly with other stakeholders such as third party verifiers, ESCOs, etc., advocated the establishment a **National ALLIANCE** for energy savings M&V, which aims to:

- Develop and establish systematic, standardized and unified energy saving M&V procedures and methodologies;
- Facilitate cooperation within stakeholders, strengthen institutional capacity building.

ISO/TC257 (Evaluation of Energy Saving) are in the process to develop international energy savings M&V standards on region, organization and project levels.
SUGGESTIONS

- Establish systematic and unified energy savings M&V methodologies and guidance, similar to the CDM methodologies system under UNFCCC;
- Establish unified qualification and capacity requirement for energy savings M&V professionals;
- Establish unified qualification requirement for energy savings M&V agencies.
THANKS!

Contact Information:
Center for Industrial Energy Efficiency, China
Add: No. 33, Zengguang Road, Haidian District, Beijing, P.R.C
Tel: +86-10-68477288
Fax: +86-10-63600925
Email: litn@cieec.org.cn