

ADB to Help Improve Dam Quality in PRC's Shandong Province

The Asian Development Bank (ADB) is helping water-scarce Shandong province in the People's Republic of China (PRC) to rehabilitate and improve the efficiency of its water reservoirs.

ADB's Board of Directors approved a \$29.8 million loan for the Risk Mitigation and Strengthening of Endangered Reservoirs in Shandong Province Project. The loan will rehabilitate nine ageing dams, which will set the standard for efficient, safe and cost-effective reservoir operation and management nationwide.

Around 90% of the country's reservoirs were built between 1958 and 1976 and are in poor condition, with many of them unable to store water to the optimum level because of severe leakage. As a result, they cannot control floods, supply irrigation and household water year-round, or generate hydro-power.

ADB to Invest in Its 1st Fund on Water Infrastructure in Asia

ADB is investing up to \$20 million for its first-ever investment in a private equity fund solely focused on supporting the development of water-related infrastructure in the region.

ADB's Board of Directors approved the equity investment in the Asia Water Fund which will invest in water and wastewater assets in the People's Republic of China (PRC) and across Southeast Asia. The target fund size is \$100 million, with an anticipated first closing of \$40 million this year. It will inject around \$5 million to \$10 million per investment.

(Source: www.adb.org)

Google helps finance 'superhighway' for wind power

Internet search engine giant Google announced on October 12, 2010 that it is investing in a mammoth project to build an underwater "superhighway for clean energy" that would be able to funnel power from offshore wind farms to 1.9 million homes without overtaxing the already congested mid-Atlantic power grid. The project, dubbed the Atlantic Wind Connection, calls for spending as much as \$5 billion to create a 350-mile network of underwater cables stretching from northern New Jersey to Virginia. It would eliminate the need for offshore wind developers to build transmission lines of their own, easing what can be a barrier for such projects.

The grid would transmit 6,000 megawatts of offshore wind energy.

Source: *Washington Post*

'Lighting for All' Scheme to Bring Clean Energy to 50 Million Asians,

ADB and The Energy and Resources Institute (TERI), India have announced a "Lighting for All" platform to help provide clean and affordable electricity to 50 million people who currently rely on expensive and highly pollutant fuels for their

lighting needs. An estimated 800 million people in the Asia and Pacific region are not connected to distribution grids and must instead rely on inefficient, ineffective and expensive fuel-based alternatives such as biomass, kerosene, and diesel.

"Lighting for All" will begin its program in a handful of countries, which are likely to include Bangladesh, Cambodia, India, Indonesia, and Lao PDR before scaling up elsewhere in the region. ADB has invested \$1.2 billion since 2008 in a wide range of initiatives to provide access to electricity and modern fuels, as well as projects that it will invest \$250 million in off-grid electricity and lighting in Asia and the Pacific over the next 5 years.

Scope for \$ 300 Billion Investment in Power Sector:

Sushilkumar Shinde Delivering the keynote address at the 7th Annual India Investment Forum titled "India-An Attractive Investment Destination" in New York today, Shri Sushilkumar Shinde, Union Minister of Power, has stated that the scope for investment in the power sector over the next few years is well over US \$ 300 billion and given the large expansion programme in this sector, we would definitely need and welcome a large amount of Foreign Direct Investment. "The confidence of investors in our sector is reflected in the fact that the IPOs of public sector undertakings under the Ministry of Power over the last 5 to 6 years have been oversubscribed between 13 to 77 times", he added. Shri Shinde further informed the participants that India is one of the most attractive investment destinations for power in the world and added that India is growing at rapid pace and we have huge opportunities for investments and technology especially in power sector to move forward on the path of growth and progress. Speaking on the occasion, the Minister said that drawing on India's substantial knowledge base, many foreign high-technology firms are increasingly finding it attractive to conduct advanced research and development in India and added that out of Fortune 500 companies around 200 have set up research and development base in India. "India looks to these innovators for their unmatched scientific output and the ability of converting this strength into wealth-generating innovations. Indian partnership in the areas of information technology and its applications, biotechnology, nanotechnology, medicine, advanced material, high-energy physics etc. would bring unprecedented efficiencies to the world. In recognition of the importance of innovation in meeting our economic goals. Interacting with Forum, the Minister said that we are actively pursuing a low carbon growth strategy for the Indian Power Sector. "Amongst the many elements of this strategy, I wish to highlight our move towards Super Critical Technology in Thermal Plants, the rapid induction of Clean Coal Technologies and a sharper focus on renewables. International majors like Mitsubishi, Toshiba, Hitachi, Alstom and Ansaldo have already started the process of partnering with Indian manufacturers to set up Super Critical Manufacturing facilities in India", the Minister stated. Shri Shinde further highlighted that we are also planning the creation of a capacity of over 20 thousand MW based on Solar Energy by the year 2020 and have already launched Jawaharlal Nehru Na-

tional Solar Mission. The Minister said that National Mission on Enhanced Energy Efficiency is being launched and drawn up a strategy for implementing this mission through a market transformation approach. Towards this end, programmes such as Energy Saving Certificates, Mandatory Standards and Labelling and fiscal incentives to facilitate adoption of energy efficiency have been proposed. The Indian power sector has the fifth largest electricity generation capacity in the world today more than one hundred and sixty four thousand MW today and the world's third largest transmission and distribution network. However, the demand from increased manufacturing activities, a growing population and the rising energy needs of a rapidly growing consumer base has led to a situation where the supply of energy falls short of the demand. In the electricity sector alone, we face a peaking shortage of almost 12% and an energy shortage of 9 to 10%. The existing power deficit and a rising demand coupled with our commitment to provide access to electricity for all necessitated a large scale capacity addition programme. We are thus targeting a capacity addition of 62 thousand MW in the 11th Five Year Plan during the years 2012 -2017. During 2007-2012, the funding requirement in Indian Power Sector has been estimated at US \$230 billion, out of which US \$132 billion is in power generation and balance in power transmission and distribution.

India signs TAPI gas pipeline agreement

India signed an agreement on 12/12/2010 to import natural gas from Turkmenistan through an ADB-funded \$7.6-billion gas pipeline passing through Pakistan and Afghanistan and ceremony was attended by Pakistan President Asif Ali Zardari, Afghanistan President Hamid Karzai and Turkmenistan President Gurbanguly Berdimuhamedov.

The agreements are commitments of the four nations to building the project even as New Delhi voiced concerns over safe delivery of gas through the pipeline that would pass the Taliban stronghold of Kandahar and then into Pakistan's restive tribal areas. Deora said that there are issues that need to be addressed, we have to come to decisions regarding the price of gas, security of the pipeline, certainty of the gas supply, transit fee and setting up of the consortium (to build the pipeline), we take this guarantee as a solemn promise from the government of Afghanistan and Pakistan and this gives us the confidence to go ahead with the project and our goal is not merely the construction of the pipeline, but also continuous and uninterrupted flow of Turkmen natural gas over several decades.

Source: Business Standard

India, Iran to hold gas pipeline talks

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The multi-billion-dollar Iran-Pakistan-India (IPI) pipeline is back on India's agenda with the government planning to hold a bilateral meeting in Teheran on the issue after a gap of at least two years.

Petroleum secretary S. Sundareshan said the Iranian government proposed talks on the IPI to which India has agreed.

The development comes in the backdrop of India's indication of support for Iran against recent US sanctions. He said that the major issue which is to be resolved is the question of transit fee with Pakistan and transportation tariff will be taken up with Pakistan. Some 60 million standard cu. m a day (mmscmd) of gas likely to flow through the pipeline daily may be equally divided between India and Pakistan. The pricing formula for the gas, linked to the Japanese crude cocktail price, is for the gas reaching the Iran-Pakistan border from the source. A further price escalation is expected because of transit rights and transport tariff to be paid to Pakistan by India. Talks on the 2,300km pipeline started in 1995, but have been delayed over price and transportation fees India would have to pay Pakistan.

Elizabeth Roche contributed to this story.

New Multi-Million Dollar Fund For Developing Country Carbon Trading Initiatives

Developing countries wanting to use market instruments to scale up their mitigation efforts will soon have access to financial and technical support arising from a new global partnership launched today. World Bank Group President Robert B. Zoellick announced the establishment of the Partnership for Market Readiness at an event on the sidelines of the UN Framework Convention on Climate Change conference in Cancun.

The Partnership received pledges of more than \$20 million by Australia (A\$10m), the European Commission (€5m) and the United States (\$5m) in Cancun, which builds on an early pledge of \$5 million from Norway. In addition, Germany, Japan and the UK announced their intention to support the initiative financially. The Partnership is aiming for a total capitalization of \$100 million. It is expected to become operational in early 2011 and will support a range of carbon market readiness initiatives ranging from technical to policy to institutional interventions.

2,400-MW Son La hydro project starts generating power in Vietnam

Southeast Asia's largest hydroelectric power station has begun operating to help ease an electricity shortage in fast-growing Vietnam, news agencies reported. The first of six turbines at the Son La hydropower station has been connected to the national power grid, said the director of the plant's management board. The US\$2 billion, 2,400-MW plant is expected to be fully-operational by 2012, three years ahead of the target set by the National Assembly, local media reported. Construction began in December 2005. The hydro project's reservoir stretches across the three provinces of Son La, Lai Chau and Dien Bien in northwestern Vietnam.

In other news, Laos has officially inaugurated the 1,070-MW Nam Theun 2 hydroelectric power project, the largest hydro project in Laos. The \$1.45 billion project is co-owned by Electricite de France, the Lao government, the Electricity Generating Public Co. of Thailand and Italian-Thai Development.

(Source: www.hydroworld.com)