

# Energy balances as a first tool for informing policies: Introduction to the energy balances

Francesco Mattion Paris, 21 May 2019



#### Overview



#### The importance of energy balances

- How to read an energy balance?
- Aggregated indicators from the energy balances
- Example of applications of aggregated indicators

#### **Practical exercise**

#### The importance of energy balances: bringing all information together



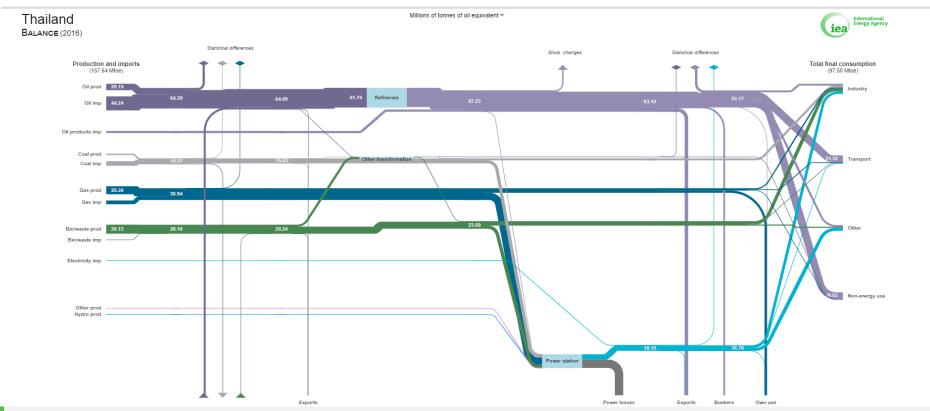




"...An accounting **framework** for compilation of data on **all energy products entering**, **exiting**, **and used** within the **national territory** of a given **country** during a reference period."

### The complete picture – Sankey diagram example of energy balance





"Energy balances" are the starting point to develop energy indicators

# Why do we develop energy balances?



- To understand overall energy use in country, from supply, to transformation and final consumption sectors.
- > To estimate high-level indicators and CO<sub>2</sub> emissions from the energy sector
- ➤ To assess data completeness and check quality of the various energy commodity balances



# How to read an energy balance?

## The energy balance table



#### World

#### 2016

	Million tonnes of oil equivalent											
SUPPLY AND CONSUMPTION		Coal <sup>1</sup>	Crude oil <sup>2</sup>	Oil products	Natural gas	Nuclear	Hydro	Geotherm./ Solar/ etc.	Biofuels/ Waste	Electricity	Heat	Total
Production Imports Exports Stock changes TPE\$		3657.19 795.23 -833.43 111.90 3730.89	4473.27 2379.32 -2354.63 -15.32 4482.63	1329.40 -1414.63 -7.21 -92.43	3032.41 915.52 -932.53 19.55 3034.95	679.65 - - - 679.65	349.22 - - - 349.22	225.63 - - - - 225.63	1344.87 23.92 -19.44 -0.06 1349.29	62.11 -62.25 -	1.76 0.01 -0.01 -	13763.99 5505.50 -5616.91 108.86 13761.45
Transfers Statistical differences Electricity plants CHP plants Heat plants Blast furnaces Gas works Coke/pat.fuel/BKB/PB Oil refineries Petrochemical plants Liquefaction plants Other transformation Energy industry own us	ilants	-1.36 28.63 -1672.04 -623.84 -23.38 -207.69 -13.32 -89.82 - -12.08 -0.30 -75.28 -4.91	-233.00 11.25 -40.48 -0.01 -0.83 - - -4246.76 35.90 15.16 10.75 -11.24 -8.69	262.09 14.35 -178.55 -17.99 -10.95 -0.05 -2.17 -2.32 4165.65 -35.37 -0.54 -208.00	-11.26 -868.18 -314.57 -61.70 -0.01 5.42 -0.03 - -16.47 -13.01 -296.17 -18.71	-672.06 -7.59 -	-349.22 - - - - - - - - - -	0.09 -177.96 -2.56 -1.56 - - - - - - - - - - - -0.00	0.84 -120.97 -60.58 -13.13 -0.04 -0.27 -0.12 - - -90.54 -0.14	-1.14 1811.30 335.99 -0.46 - - - - - - - - - -181.96 -169.65	-0.35 -0.72 239.30 102.63 	27.73 42.41 -2268.88 -451.86 -9.39 -207.78 -10.34 -92.29 -81.11 0.53 -13.40 -94.32 -822.61
TFC		1035.50	14.68	3893.25	1440.26	-	-	43.63	1050.88	1793.94	283.18	9555.32
Industry Transport Residential Services Agriculture/Forestry Fishing Non-specified other Non-energy use		826.95 0.07 72.73 33.90 16.08 0.00 30.08 55.70	0.01 - 0.01 - 0.01 - 0.01 8.00	299.71 2533.20 209.30 85.72 104.20 5.68 18.27 637.17	537.77 101.89 431.24 187.45 9.66 0.06 3.42 168.78	-	- - - - -	0.92 31.64 7.88 2.07 0.05 1.06	198.33 81.97 728.60 28.28 9.84 0.01 3.84	746.69 30.73 488.44 395.52 52.79 0.55 79.21	99.20 36.99 3.21 0.05 8.16	2752.60 2747.87 2061.15 775.73 197.87 6.41 144.05 869.64

 Columns present the "commodity balances" for all products

 All data are comparable thanks to a common energy unit

Total energy can be defined

Source: IEA 2018, World Energy Balances

### Quiz



➤ How to convert mass to energy units?

- A. Density
- **B.** Calorific value
- C. Carbon content







#### **Answer**



➤ How to convert mass to energy units?

#### A. Density

**B.** Calorific value

C. Carbon content



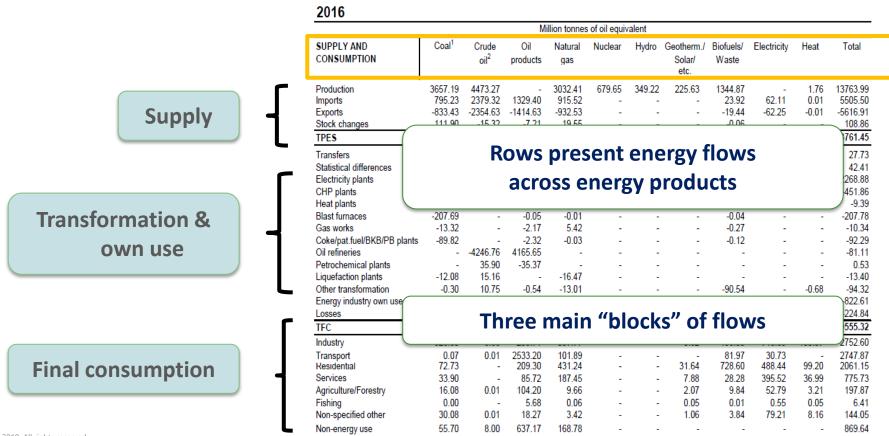




Typically in units of energy per mass (kJ/kg)

#### Understanding the main energy flows



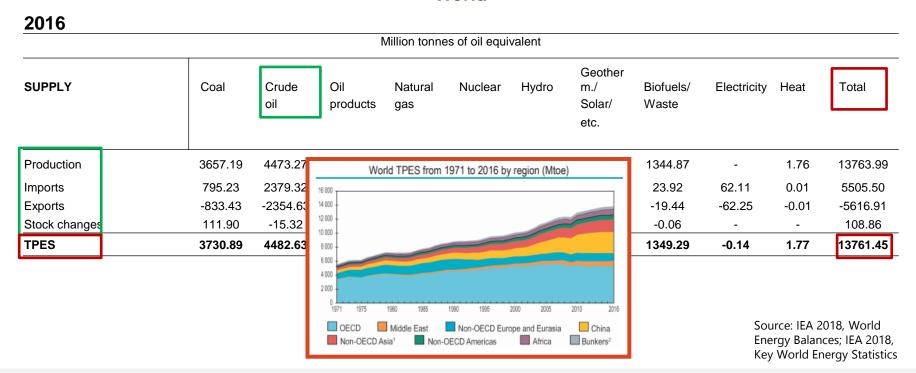


World

### 1: Energy supply



#### World



"High-level" information: **TPES, Totals, etc...** 

#### 2: Transformation and own use



	Coal and peat			Natural gas	Nuclear	Hydro	Geothermal, solar, etc.	Biofuels and waste	Electricity	Heat	Total*
Electricity plants	-355445	0	-31163	-119138	-20839	-27438	-31647	-21908	231911	0	-375667
CHP plants	-9940	0	-360	-178	3 0	0	0	0	3536	1068	-5875
Heat plants	0	Tra	anctorr	min a	0	0	0	0			
Gas works	-30	IIC	ansforr	ning	0	0	0	-30			
Oil refineries	0	-508585	501625	C	) 0	0	0	0	0	0	-6960
Coal transformation	-18358	0	0	0	0	0	0	0	0	0	-18358
Liquefication plants	0	465	î	OCO	ired pow	er plant	0	0	0	0	-397
Other transformation	0	0					0	-16141	0	0	-16190
Energy industry	-628			Turbine	Transformer		Outp	ut	-65	-62651	
Losses	-200	Coal Pulverizer	Furnace	Generator		<b>-&gt;</b> (	Outp electric	city)	-33	-36890	

# The concept of transformation efficiency = output / input

#### Quiz



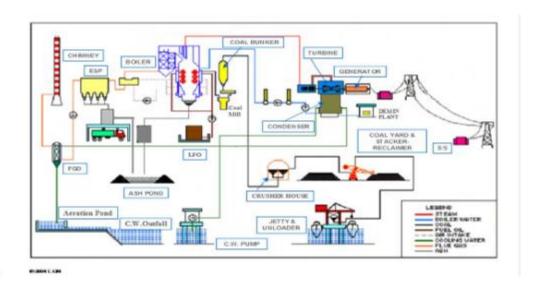
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➤ What is the average efficiency for a coal electricity-only power plant?

A. 37%

**B.** 52%

C. 65%



Source: IEA, World Energy Balances, 2018

#### **Answer**



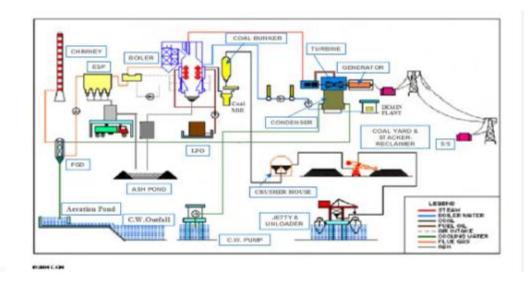
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➤ What is the average efficiency for a coal electricity-only power plant?

A. 37%

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Source: IEA, World Energy Balances, 2018

## 3: Final consumption



#### World

#### 2016

			M	lillion tonnes	of oil equiva	alent					
	Coal	Crude	Oil	Natural	Nuclear	Hydro	Geother m./	Biofuels/	Electricity	Heat	Total
FINAL CONSUMPTION		oil	products	gas			Solar/	Waste			
							etc.				
TFC	1035.50	14.68	3893.25	1440.26	-	-	43.63	1050.88	1793.94	283.18	9555.32
Industry	826.95	6.66	299.71	537.77	-	-	0.92	198.33	746.69	135.57	2752.60
Transport	0.07	0.01	2533.20	101.89	-	-	-	81.97	30.73	-	2747.87
Residential	72.73	-	209.30	431.24	-	-	31.64	728.60	488.44	99.20	2061.15
Services	33.90	-	85.72	187.45	-	-	7.88	28.28	395.52	36.99	775.73
Agriculture/Forestry	16.08	0.01	104.20	9.66	-	-	2.07	9.84	52.79	3.21	197.87
Fishing	0.00	-	5.68	0.06	-	-	0.05	0.01	0.55	0.05	6.41
Non-specified other	30.08	0.01	18.27	3.42	-	-	1.06	3.84	79.21	8.16	144.05
Non-energy use	55.70	8.00	637.17	168.78	-	-	-	-	-	-	869.64

#### **Delivery of energy products to all final consumers (sectors)**

#### Quiz



➤ What is the largest energy-consuming sector globally?

Buildings



Industry





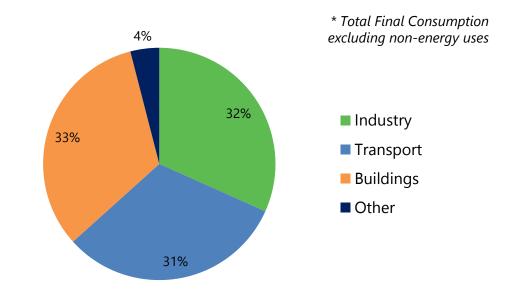


#### **Answer**



# ➤ What is the largest energy-consuming\* sector globally?

- Buildings
- Transport
- Industry



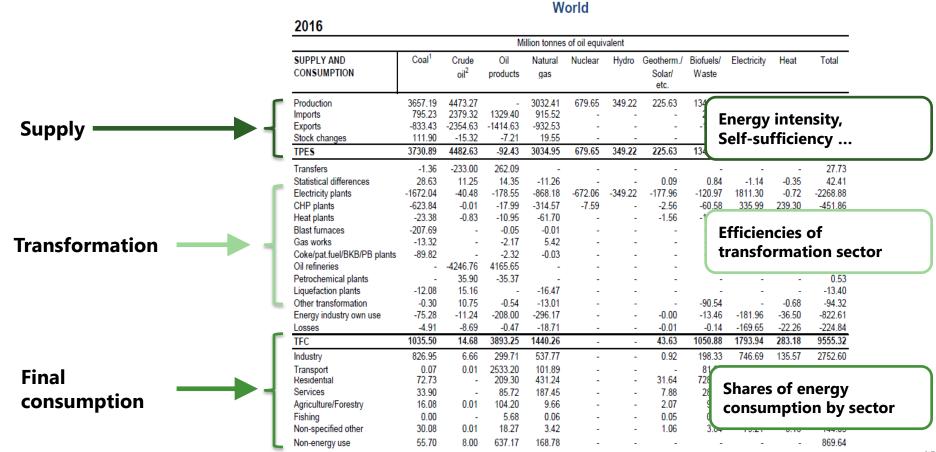
Source: IEA, World Energy Balances, 2018



# Aggregated indicators from the energy balances

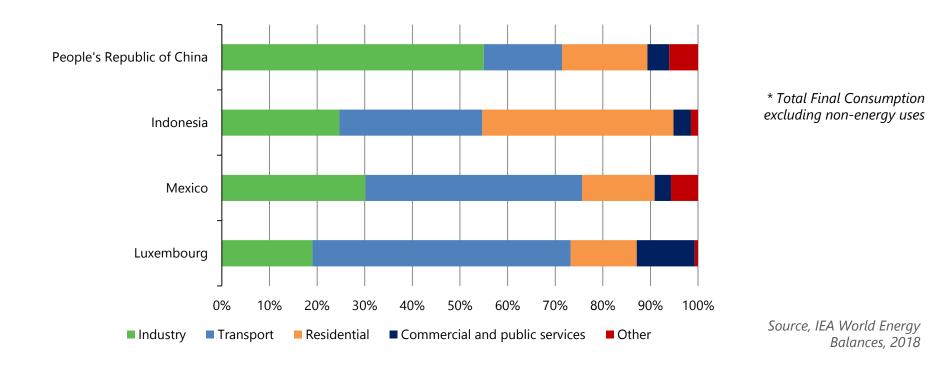
#### From energy balances we derive high-level information





# ...understand the shares of sectors in total final consumption

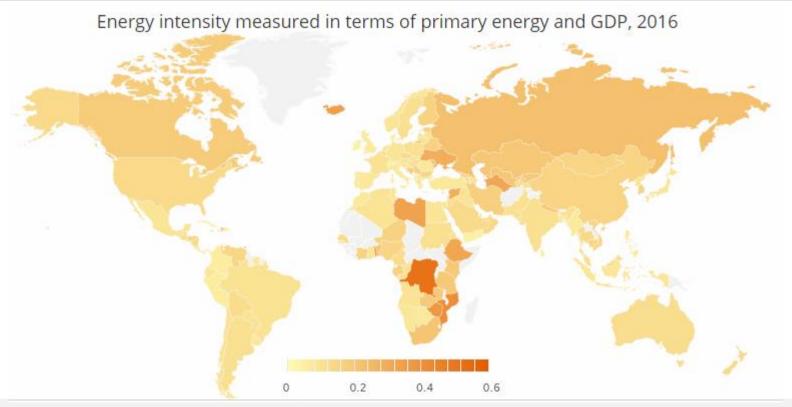




Key to understand where energy is used and to define policy priorities

# ...calculate aggregated energy intensities and other indicators



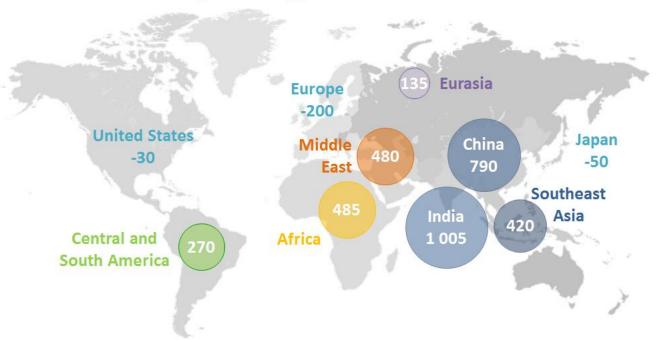


Energy (TPES) per unit of GDP: Tracking SDG 7.3 at global level

# ... project energy demand across countries





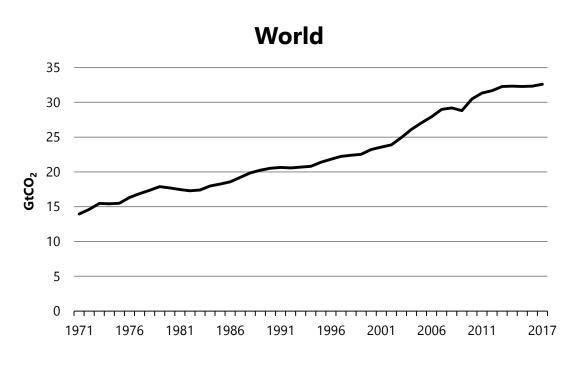


Source: IEA, World Energy Outlook, 2017

#### Comparability of energy statistics across countries is key

# ... estimate CO<sub>2</sub> emissions from fuel combustion





Source: IEA, World CO<sub>2</sub> Emissions from Fuel Combustion, 2018

### **Based on energy balances and IPCC methodologies**

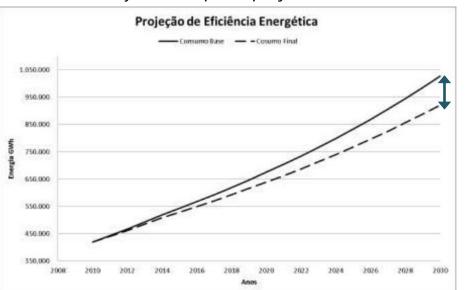
#### Brazil: overall electricity consumption target



#### National Energy Efficiency plan



#### Electricity consumption projections



Reduction: 100 TWh by 2030

Fonte: Ministério de Minas e Energia - MME

#### Thailand: targets for the energy sector





Thailand 20-Year Energy Efficiency Development Plan (2011 - 2030)



• 20-year Energy Efficiency Development Plan (EEDP) is formulated with a target to <u>reduce</u> energy intensity by 25% in 2030 compared with that in 2005.

or

reduction of <u>final energy consumption by 20% in 2030</u>, or about 30,000 ktoe.

## South Africa: targets for different sectors



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Department of Energy: post 2015 National Energy Efficiency Strategy (draft) with targets up to 2030

To promote energy efficiency as the 'first fuel' in driving balanced, socially inclusive and environmentally sustainable economic growth, boosting job creation and leading technological innovation across the region Expected 2030 impacts (reduction in final energy consumption) from 2015: Economy-wide - 29% Industry Sector - 15% Public & commercial sector - 37% Residential sector - 33% Agriculture sector - 30% Transport sector - 39% Municipal Residential Commercial Agriculture Transport Production & **Public buildings Industry sector** buildings sector sector goal and services goal sector goal and sector goal and distribution goal and targets goal and target goal and target and targets targets target target goal and targets (see Page 9) (see Page 17) (see Page 24) (see Page 11) (see Page 12) (see Page 15) (see Page 20) (see Page 22) Municipal Commercial Production & **Public buildings** Residential Industry sector Agriculture Transport buildings distribution services measures sector measures measures sector measures sector measures measures measures measures

### **Resources on Energy Statistics**

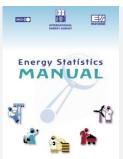


The IEA produced a comprehensive Energy Statistics Manual covering most of our data collection methodologies, consistently with the IRES framework.

A comprehensive Energy Statistics Manual available in 10 languages.

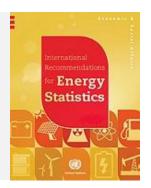
Click on the manual to download it free of charge!





Visit the **IEA's Statistics website** to access additional resources, including our questionnaires, glossary and documentation related to our data collection methodologies.

To learn more about the international framework for energy statistics, please refer to the United Nations' International Recommendations for Energy Statistics (IRES).





#### How does IEA disseminate energy balances data?



#### **WORLD ENERGY BALANCES**

Paper and pdf publication, CD-Rom and online data service Available at: <a href="http://data.iea.org/">http://data.iea.org/</a>



#### **WORLD ENERGY STATISTICS**

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#### **Key World Energy Statistics**

Annual booklet and mobile device app



