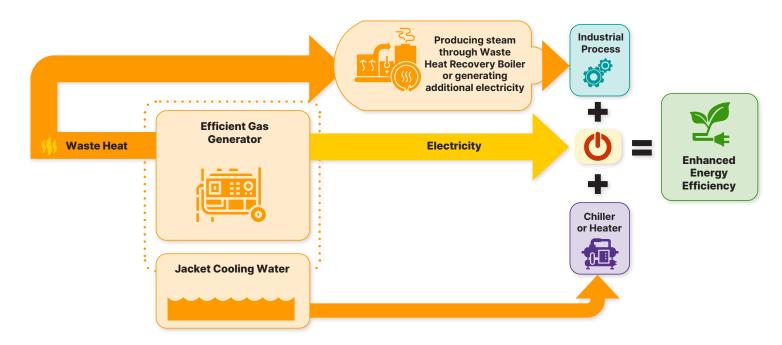


### **Fact Sheet:**

# **Energy efficiency to curb Bangladesh's short-term LNG demand growth**

The solutions to Bangladesh's escalating demand for LNG do not lie offshore but closer to home, such as in replacing the nation's vast stock of ageing, inefficient captive gas-fired power generators with efficient models, which are readily available.

#### **Enhancing energy efficiency in Captive Power Generation**



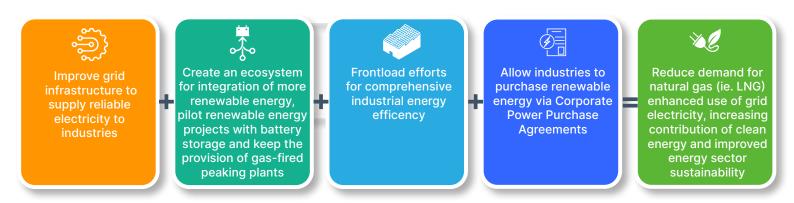
The average efficiency of the operational industrial gas-fired captive generators is 35.38%, which can be improved to 45.2% with high-efficiency generators.

A significant proportion of the industry samples do not utilise waste heat released by their captive generators and the heat available in jacket cooling water in industrial processes.

Enhanced energy
efficiency in gas-fired
captive power
generation and
productive use of waste
heat can reduce LNG
imports by 50.18Bcf
and save
Bangladesh US\$460
million a year.

### **The Bigger Picture**

## Pathway to reducing long-term LNG demand and enhancing power sector sustainability



- Enhancing the reliability of the electricity grid to encourage industries to shift to grid power from captive generation.
- Increasing renewable energy capacity and piloting renewable energy with storage.
  Building some gas-fired peaking power plants instead of only base-load plants to allow
  integration of more renewable energy. Alternatively, retaining the gas turbines of old
  combined-cycle gas-fired plants, which are due to be phased out, as a source of power
  when renewable energy is not available.
- · Addressing inefficient energy use in industrial processes in a holistic way.
- Facilitating the purchase of renewable energy by industries through corporate power purchase agreements.



The country's highly import-dependent energy sector is prone to challenges, but a sense of urgency and commitment by policymakers can drive it towards a more secure and sustainable future. However, delay means losing the opportunity itself.

Shafiqul Alam, Lead Energy Analyst, Bangladesh

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Industrial Energy efficiency to curb Bangladesh's short-term LNG demand growth



#### **About IEEFA**

The Institute for Energy Economics and Financial Analysis (IEEFA) examines issues related to energy markets, trends and policies. The Institute's mission is to accelerate the transition to a diverse, sustainable and profitable energy economy.