

Energy Management Program in Korea

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KOREA ENERGY MANAGEMENT CORPORATION

1. Industrial Energy Use in Korea and Government Policy

Low Carbon, Green Growth

Achieving GHGs reduction target (30% compared to BAU)

Saving Energy

Mandatory :
Energy-intensive Co.

- GHG & Energy Target Management
- Energy Audit
- Report of Energy Use
- Mandatory Education

Supportive :
Mainly for SMES

- Dissemination of EnMS
- Subsidies for SMEs
  - Energy Audit
- Low-interest Loan
- Tax Incentive
- Education & Award

Korea Imports 96% of energy and world's 10th largest energy consumer
Industrial use accounts for 58.3% of total energy consumption in Korea

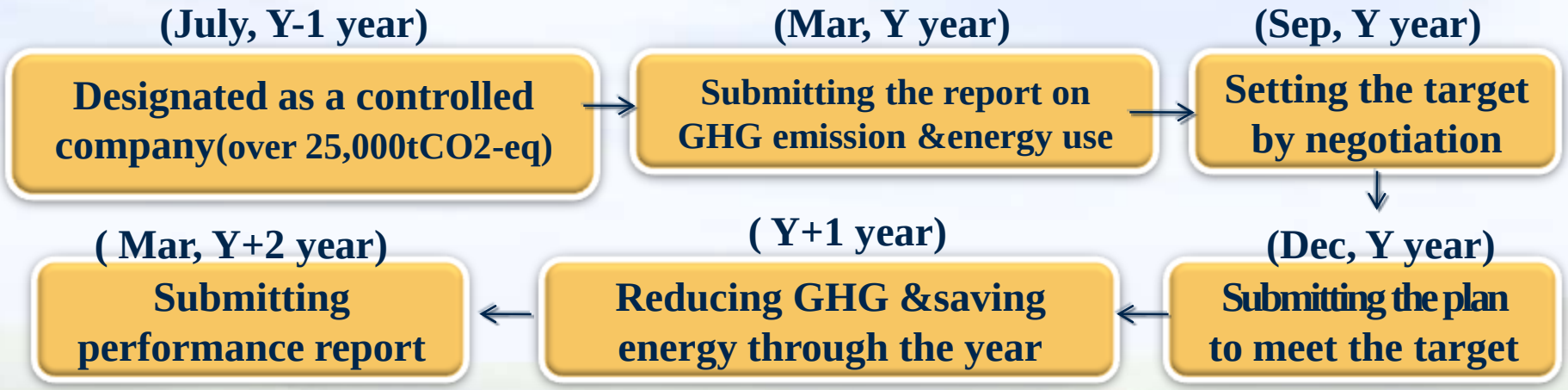
2. Regulation on Energy-intensive Enterprises : GHG & Energy Target Management

- **Definition** * Legal basis: Low Carbon Green Growth Basic Act (Jan. 2010)

  - (What) Setting the annual target on the amount of GHG emission and energy use of the energy-intensive companies & Achieving the target by systematic management

  - (How) Negotiating between government and companies (fines for failure)

- **Procedure**



Managing 85.1% of emission & 64.9% of energy use in industry and power generation
Managing 58.2% of Korea's GHG emissions & 40.6% of Energy Use

3-1. Supportive Program for Energy Management : EnMS

EnMS(Energy Management System)

Status

- **EnMS is expected to play a key role for 'Target Management'**
  - Preparing for MRV and improving energy performance continually
- **Korean government adopted ISO50001 officially**
  - legal basis : by modifying 'Energy Utilization Rationalization Master Plan'

Pilot Program

- **Accumulating experience and know-how through pilot certification (2008~2011)**
  - 23 plants participated and 8 plants were certificated

SMEs

- **Developing EnMS customized for small Companies**
  - (2011) Developing the manual and software package program
  - (2012) Implementing EnMS in Small companies

3-2. Supportive Program for Energy Management

Loan

▸ Government Loan with low interest for energy- efficient facilities

- Budget : $ 660 billion (as of 2011) / Interest rate : 2~3% a year
- 60% of the loan is allocated for SMEs
- ESCO is the main policy for improving energy efficiency in industry

Energy Audit

▸ Providing subsidiary for SME's energy audit

- SMEs consuming less than 10,000TOE get the subsidiary when they apply for audit(90% of total fee)

* Mandatory audit : company consuming more than 2,000TOE a year

Education

▸ Providing various program for systematic energy management

- Training for Energy Managers (Mandatory for companies more than 2,000TOE a year)
- Exam for getting the license for EnMS Certification, Energy Audit, GHG Verification
- Capacity Building for Energy Auditors, GHG Verifiers, Energy Managers

Thank you !

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