

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
ENERGY TECHNOLOGY INNOVATION PROJECT (ETIP)
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1.0 NIS. ETIP is supporting the New Independent States Task Force Office of Energy, Environment, and Technology (NIS/TF/EET) to structure a World Bank loan to increase energy supplies while reducing greenhouse gases emissions in Siberia. The goal of this high-priority Bank project is to reduce the environmental degradation caused by large-scale natural gas and condensates flaring associated with oil production.

ETIP is a U.S. Agency for International Development (A.I.D.) technical assistance project under USAID's Bureau for Research and Development, Office of Energy and Infrastructure (EI). This report is prepared by ETIP's Washington, D.C. Project Office (WPO).

A feasibility assessment will evaluate the best means for gas and condensates capture and utilization including gas and condensates exports to generate hard currency earnings. A team of energy specialists is scheduled to travel to Moscow and likely Siberia in March.

ETIP has provided a proposal to USAID and NIS/TF/EET to assist the NIS in improving and upgrading their natural gas, oil, and coal sectors. Key work objectives include: identifying cost-effective measures to upgrade gas and oil pipeline systems; developing approaches for financing pipeline improvements; determining NIS capabilities to supply pipeline improvements equipment, materials, and service; reducing harmful emissions associated with gas and oil production; and identifying measures to improve efficiency and reduce environmental degradation associated with coal utilization.

ETIP met with the NIS/TF/EET to discuss alternative energy options in the NIS. Many of the topics addressed centered upon the technical and economical feasibility of utilizing alternatives. Of particular concern were plant safety issues, capacity lost during shutdown and/or construction, fuel supply, fuel cost, hard currency expenditures, and generating least-cost power. A further obstacle to alternative energy options is growing interest in Russia, Ukraine, and Armenia to restart their respective shutdown power plants.



ETIP is supporting NIS/TF/EET in implementing technical assistance to address Armenia's current critical energy shortage and to develop infrastructure and management resources to reduce future energy supply shortages. A team of energy specialists are scheduled to arrive in Armenia in March to provide technical assistance.

2.0 ASIA. ETIP is evaluating the technical and financial aspects of a potential private power project in Thailand. The project involves the construction of a cogeneration plant in Southern Thailand to supply steam and electricity to an industrial estate. Plans are currently being developed to invite members of the Thai consortium to the U.S. to meet with potential equity partners and equipment suppliers. Clean Coal Technologies (CCT's), as developed under the USDOE's program, are being considered for use in the potential plant.

A draft workplan outlining the creation of an ASEAN technology center focusing on thermal power plant efficiency and availability improvements has been completed. An efficiency and availability program could prove a low-cost solution to providing needed capacity in the region by reducing system losses and/or increasing plant availability and efficiency. U.S. industry would benefit from this program as it would increase exports.

3.0 OTHER. The Energy Project Development Fund has received and is evaluating an application for the public sector window that involves the repowering of VIZ's existing cogeneration facility to meet increasing demand. VIZ, located in Ekaterinburg, Russia, is one of the world's largest manufacturer's of steel products. The request is from Joseph Technology, a U.S. firm involved in the rehabilitation and repowering of power plants in U.S. and Europe.

4.0 FINANCIAL.

CORE CONTRACT

Budget	\$2,843,000
Invoiced-to-Date (as of 2/18/93)	<u>\$1,784,707</u>
Balance	\$1,058,293

