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Industrial sector could cut energy use by 11 per cent

Australia's industrial sector could cut its energy use by 11 per cent without adversely affecting business activity, according to a new report released by ClimateWorks Australia.



Credit: TwilightShow/istockphoto

ClimateWorks' Interim Executive Director, Greg Garvin, said the report identified potential energy savings across the industrial sector which could save businesses money and reduce greenhouse gas emissions.

The report was commissioned by the Australian Government as part of design work on a possible national Energy Savings Initiative. Mr Garvin said extensive analysis of the industrial sector revealed greater energy efficiency opportunities than had previously been identified.

We looked at what energy efficiency opportunities were available in medium to large industrial businesses across the mining, manufacturing and transport sectors, he said.

Our research revealed energy savings across these various industrial sectors which correspond to about 11 percent of baseline energy use in 2010-11.

These energy savings could reduce energy costs by \$3.2 billion (in 2010 real dollars) and cut emissions by 15 million tonnes.

Even more exciting is that most of these opportunities to reduce energy have a payback for business of less than two years.

Mr Garvin said the analysis revealed that 40 percent of the opportunity was likely to be implemented under business as usual, leaving significant potential untapped.

Our research identified three categories of barriers to action including company capability, company motivation and project attractiveness, he said.

'Some barriers identified included capital constraints, information and skills gaps, decision processes and market structure and supply.

By working with companies and government it will be possible to alleviate some of the barriers to action and therefore unlock significant reductions in energy use in the industrial sector.

The ClimateWorks' Industrial Energy Efficiency Data Analysis summary report can be [downloaded here](#)

Source: ClimateWorks

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