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Remarks at USEA's Workshop on
"Grid Connected Renewable Energy and Cogeneration/Independent Power"
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Thank you, Mr. Hammond. Secretary Gon Chaudhuri, Mr. Padmanaban, ladies and gentlemen, I am very pleased to be with you today to inaugurate the U.S. Energy Association's Workshop on Grid Connected Renewable Energy and Cogeneration/Independent Power in Kolkata. I had the great fortune of working with Secretaries Subramanian and Gon Chaudhuri during a recent trade mission of 10 U.S. renewable energy companies and a Deputy Assistant Secretary in Kolkata and it's an honor to be up here with them again today.

The U.S. Consulate welcomes USEA and this workshop as part of the forum called the Asia Pacific Partnership for Clean Development and Climate, otherwise known as the APP. The APP is a Presidential initiative to accelerate the development and deployment of clean energy technologies to enhance energy security, reduce harmful air pollution, and mitigate greenhouse gas emissions intensity in the context of sustained economic growth. Since the official launching of the APP in January 2006, the founding partners, India, the United States, Australia, China, Japan and the Republic of Korea, which all account for about 50% of the world's greenhouse gas emissions, energy consumption, GDP and populations, and produce about 65 percent of the world's coal, 48 percent of the world's steel, 37 percent of world's aluminum, and 61 percent of the world's cement, have made great strides in formulating cooperation among the participating governments, with the private

sector playing a leading role. In October 2007, Canada joined the partnership and working together, these seven countries aim to develop practical solutions to tackle the challenge of energy security. In the past fiscal year, the United States has contributed US\$45 million in funds that support the projects and activities of the Partnership. For more information on the Partnership, its achievements till date and the projects it supports, you may like to visit www.asiapacificpartnership.org.

The U.S. Government promotes the APP as an industry-focused, technology-driven, results-oriented partnership. India is a critical partner in the APP given its growing demand for energy. From our perspective, India possesses numerous opportunities for U.S. companies to deploy their clean energy technologies and products. India is endowed with renewable energy resources, ranked 4th in the world in wind energy potential, a high solar incidence with about 300 clear sunny days per year in most parts of the country, a huge potential for biomass-based power generation due to its vast agricultural base, strong hydro reserves in certain parts of the country, excellent prospects for waste-to-energy technologies in urban areas, and a good market for biofuels. Blessed with these resources, India has overtaken Germany as the world's most attractive market for renewable energy investment. India's rise in this sector has been fostered by excellent national and regional government support in both foreign and local investment in renewable technologies. Consequently, we expect continued rapid growth in this market. The installed renewable energy capacity in India, currently at 8,000 MW, is forecasted to reach 20,000 MW by 2012, twice the government's target. The market for renewable technologies is estimated

at \$600 million and is growing at 20% annually with total investments estimated at \$3 billion.

This paints a rosy picture and we are very excited about these opportunities.

However, some obstacles remain, many of which will be discussed and negotiated throughout the next two days. The easy availability of conventional energy, which is often subsidized, distortions in the energy market, and the lack of a grid presence in remote areas where renewable energy opportunities may be distributed are just a few challenges that APP partners face in India. The reliability of some of the new distributed energy generation technologies is yet another challenge. I look forward to hearing the results of the workshop to learn how these issues will be addressed.

To exploit the opportunities within the APP, the U.S. Department of Commerce has been working closely with Secretary Subramanian and numerous Indian companies on various activities to facilitate closer cooperation. The trade mission I mentioned before was the second Clean Energy Trade Mission led by DAS Bohigian, the first taking place in April 2007. DAS Bohigian will lead a 3rd Clean Energy trade mission to India this September, visiting Mumbai, Pune and Hyderabad. The U.S. Commercial Service led APP trade missions to the Power Gen and WIREC trade shows in February and March and arranged over 300 matchmaking meetings at the shows between Indian and U.S. companies. We will also be taking Indian delegations to the Coal Prep show in April and a Cement Working group meeting in

Charleston in May. We are very hopeful that these events will generate many opportunities to develop renewable energy projects in India.

My office in Kolkata, and the U.S. Consulate in general, enjoys a very close working relationship with West Bengal Renewable Energy Development Agency (WBREDA) Director Gon Chaudhuri and we look forward to our continued cooperation.

Director Gon Chaudhuri is a forward-looking visionary. I always enjoy talking to him because he accomplishes so much – each conversation leaves me enriched with a variety of updates of what he and his office are doing here in West Bengal.

Several U.S. companies are successfully implementing renewable energy projects in West Bengal, such as Capstone Turbines with their microturbine installation in Purulia and AES with their biomass projects in the Sunderbans. We applaud these projects and look forward to creating additional networks and partnerships to enhance more Indo-U.S. cooperation in this vital sector. At the next workshop I hope you can be regaled with yet more evidence of commercial successes borne through the APP initiative.

To close, the Asia Pacific Partnership is indicative of the deepening relationship between India and the United States. The past decade has witnessed a blossoming of ties between our two countries, which creates inextricable government, business, academic, artistic and personal links. Our increased interdependence is especially evident in our trade relationship, which has more than doubled from 2003-2007 and

has been growing at 20-30% a year for the past five years. In 2007, our exports to India increased by a staggering 75% and Indian sales to the United States were up by 9%. India has the advantage in our trade relationship, but we're slowly making headway.

I am confident, with our recently deepened relationship, that India and the United States will be leading partners in the APP to avail of its benefits. I look forward to hearing about the recommendations of this workshop, the development of USEA's proposed handbook and to celebrating yet more successes of partnerships between Indian and U.S. firms. Thank you.