

HANDBOOK ON ENERGY AUDIT AND ENVIRONMENT MANAGEMENT

Editors
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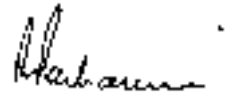
Foreword

With oil prices having increased substantially in recent months, the efficient use of energy becomes an even more important objective in economic activities than what was the case earlier. As generally happens, an increase in the price of oil is also accompanied by corresponding increase in the prices of other forms of energy, such as natural gas and coal, which in some cases could be substituted for oil, particularly over a period of time. Overall, the increase in fuel prices is also leading to upward pressure on the prices of electricity not only in India but in other parts of the world as well. All of this provides a strong economic rationale for managing the production and use of energy in a manner that ensures higher levels of efficiency.

In India, two factors have worked against efficient energy use in the past. First, the protection of Indian industry either through import barriers, the permit, and licensing '*raj*', or through the reservations of certain products for small-scale industries, creating a breeding ground for inefficiency in use of all inputs for production, including energy. Second, the prices of energy were not dictated by economic factors, which is likely to change in the future, even in the largely state-dominated power sector. The institution of independent regulation in this sector will create pressures for improving the efficiency of electricity use through more transparent and rational pricing regimes.

Against this background, industry finds it imperative to carry out energy audits and manage the consumption of energy such that costs are reduced and profits maximized. However, a large number of industrial units do not have in-house capabilities and capacities to implement measures for improving energy efficiency. This handbook is being produced as updated and revised edition. As in the case of the first edition, it is hoped that industrial managers would find this a vital tool in implementing energy-efficient measures through energy audits and demand-side management. The handbook

contains valuable material presented in a user-friendly form to ensure that practitioners can gain from it effectively in their energy management efforts.

A handwritten signature in black ink, appearing to read 'R K Pachauri', with a small dot at the end.

R K Pachauri
Director-General, TERI