Nepal

**Equipment**

| Industrial Electric Motors | Distribution Transformers |

Energy efficiency benefits from industrial electric motors and distribution transformers with the implementation of Minimum Energy Performance Standards at two levels of ambition (minimum and high).

**ANNUAL SAVINGS IN 2030***

- Reduce electricity use by over **49 GWh** which is **1.2%** of current national electricity use
- Save electricity worth **4.5 Million US$** equivalent to over **2 Power Plants [5MW each]**
- Reduce electricity CO₂ emissions by over **140 Tonnes** equivalent to **80 Passenger Cars**

**EVEN GREATER SAVINGS POSSIBLE WITH MORE STRINGENT REGULATION**

* Denotes savings are from the Minimum Ambition Scenario.

U4E COUNTRY ASSESSMENT, SEPTEMBER 2019 PAGE1
## DETAILED BENEFITS

### ANNUAL SAVINGS IN 2025, 2030 AND 2040*

<table>
<thead>
<tr>
<th></th>
<th>Industrial Electric Motors</th>
<th>Distribution Transformers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2025</td>
<td>2030</td>
</tr>
<tr>
<td>Electricity (GWh)</td>
<td>20</td>
<td>42</td>
</tr>
<tr>
<td>Electricity Bills (Million US$)</td>
<td>1.8</td>
<td>3.8</td>
</tr>
<tr>
<td>CO2 Emissions (Tonnes)</td>
<td>59</td>
<td>120</td>
</tr>
</tbody>
</table>

### CUMULATIVE SAVINGS BY 2030 AND 2040*

<table>
<thead>
<tr>
<th></th>
<th>Industrial Electric Motors</th>
<th>Distribution Transformers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>2040</td>
</tr>
<tr>
<td>Electricity (GWh)</td>
<td>220</td>
<td>920</td>
</tr>
<tr>
<td>Electricity Bills (Million US$)</td>
<td>21</td>
<td>84</td>
</tr>
<tr>
<td>CO2 Emissions (Tonnes)</td>
<td>660</td>
<td>2,700</td>
</tr>
</tbody>
</table>

### CONTRIBUTION TO CUMULATIVE ELECTRICITY USE BY 2040

* Denotes savings are from the Minimum Ambition Scenario.

* U4E COUNTRY ASSESSMENT, SEPTEMBER 2019 PAGE2
Country Data and Input Assumptions

**GENERAL INFORMATION**

<table>
<thead>
<tr>
<th>Product</th>
<th>Business As Usual</th>
<th>Minimum Ambition Scenario</th>
<th>High Ambition Scenario</th>
<th>Type of Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial Electric Motors</td>
<td>IE0</td>
<td>IE2</td>
<td>IE3</td>
<td>3-phase induction motors used in the industrial sector</td>
</tr>
<tr>
<td>Distribution Transformers</td>
<td>See note</td>
<td>Level 1</td>
<td>Level 2</td>
<td>Three-phase liquid-filled Three-phase dry-type Single-phase liquid-filled</td>
</tr>
</tbody>
</table>

**ELECTRICITY MARKET**

<table>
<thead>
<tr>
<th>Residential Electricity tariff</th>
<th>0.09 US$ / kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission and distribution loss factor</td>
<td>32.2%</td>
</tr>
</tbody>
</table>

**ASSUMPTIONS**

- Electricity savings from each product are estimated using a top-down approach using data including electricity consumption (total, industrial and motors) and industrial GDP as detailed below.
- Industrial GDP (2018) comes from the World Bank with future growth forecasts derived from the Shared Socioeconomic Pathway (SSP3) used in the Intergovernmental Panel on Climate Change’s (IPCC) sixth assessment.
- Future electricity demand is based on forecasts from the IEA’s World Energy Outlook 2018 and the IPCC’s SSP3 scenario.
- Residential electricity tariffs are based on IEA data.
- Transmission and distribution loss factor is a regional average calculated from electricity production and consumption data published by the IEA.
- Electrification levels come from the IEA’s Word Energy Outlook 2018 and the World Bank.
- CO2 emission factors come from the IEA and the Institute of Global Environmental Strategies (IGES) and are assumed constant in future years.
- Product typical characteristics are based on analysis from the UNEP-U4E Model Regulation Guidelines and other data from UNEP-U4E industry partners and technical experts.
- Additional to the above sources, a questionnaire was used to gather data from country officials.
- In a small number of instances, additional data was obtained from internet research or by using proxy data from similar markets.

Further details of the modelling approach and assumptions are available on the U4E website. For more information contact: U4E@un.org

**METHODOLOGY**

The analysis uses the UNEP-U4E’s Country Savings Assessment Models to estimate the impacts of implementing policies that improve the energy efficiency of new industrial electric motors and distribution transformers. The savings potential in each scenario assumes Minimum Energy Performance Standards (MEPS) are introduced in 2020 at two different levels of ambition (minimum and high) as shown above.

**ASSUMPTIONS AND DATA SOURCES**

- Electricity savings from each product are estimated using a top-down approach using data including electricity consumption (total, industrial and motors) and industrial GDP as detailed below.
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