Biofuels -- Policy Perspectives

Ashok Khosla

Development Alternatives

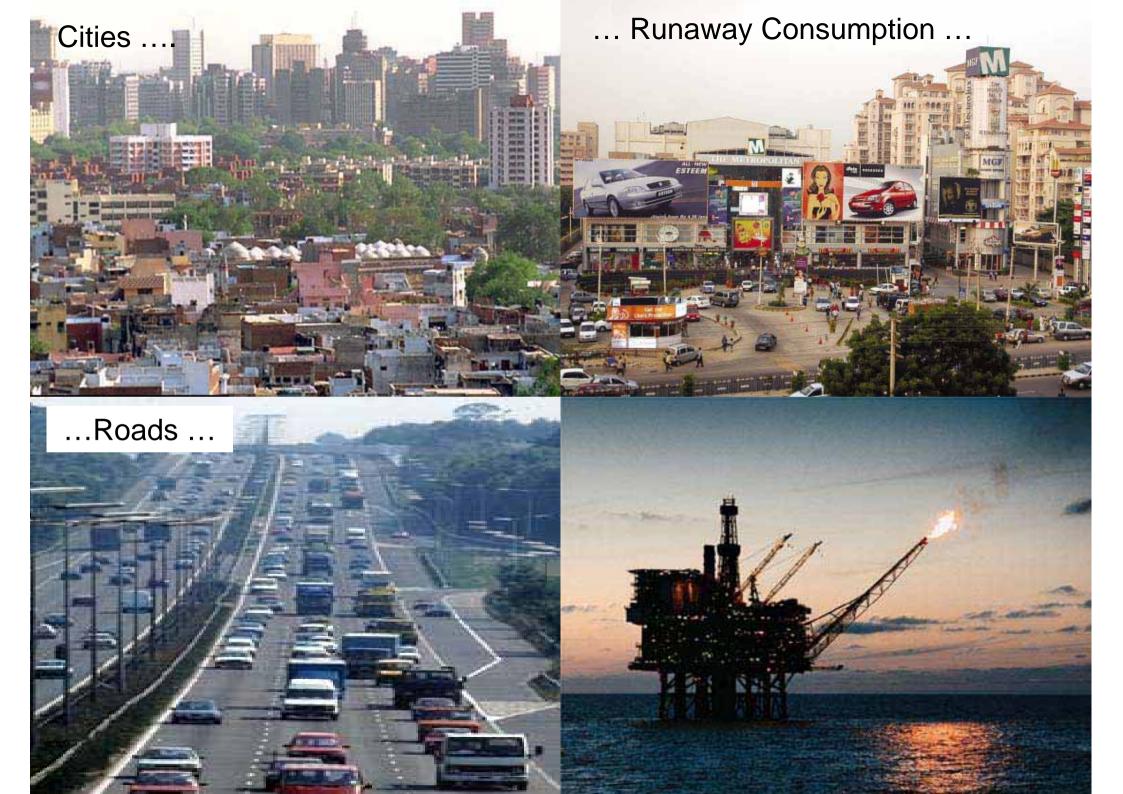
5th International Biofuels Conference
New Delhi
7 February 2008

Primary Concern
Implicit in Current Debates

Liquid substitutes for fluid fossil fuels – petroleum and gas – for transportation

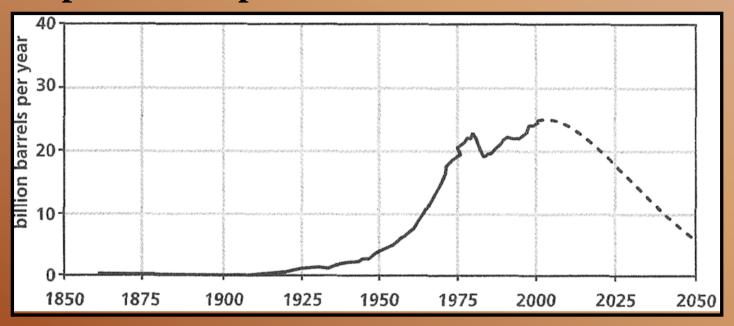






Oil and gas peaks

Oil production peaks before 2020



Source: Defeyes, 2001: Hubbert's Peak

Gas

Econ. growth (%)	0	2,8	5
Year of depletion	2260	2075	2055



Policies

- > Augmenting Supply
- > Expansion of Production
- > Technology Choice
- > Innovation
- Sustainability



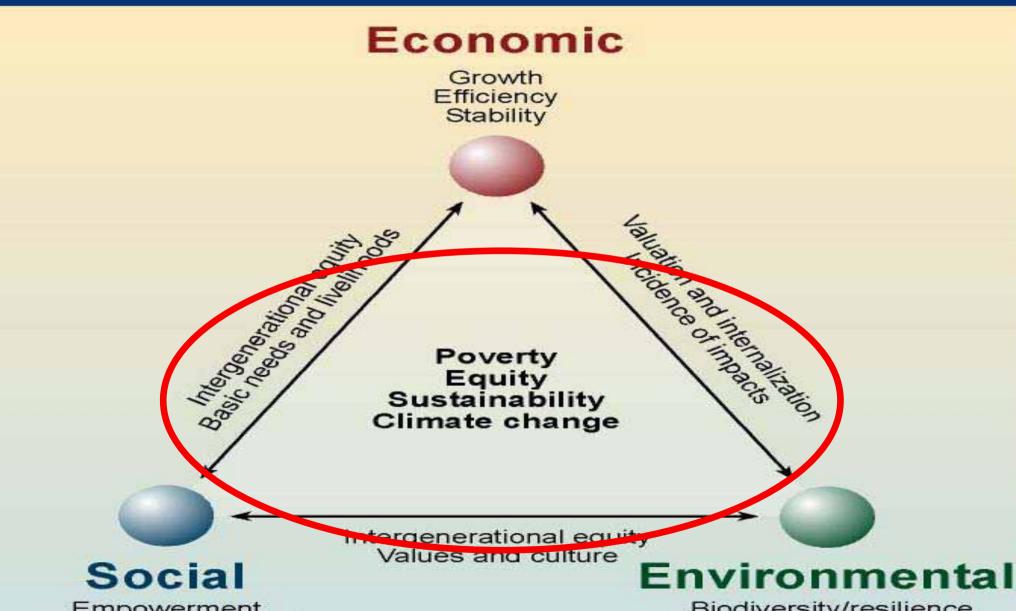
Competing Resources

- Fuel vs Food
- > Fuel for the Rich vs Food for the Poor
 - Fuel for Rich vs Fuel for the Poor
 - Fuel for Now vs Fuel in the Future

Sustainability = Equitable Access

- Now and Tomorrow
- > Here and There

Key elements of sustainable development and interconnections



Empowerment Inclusion and consultation Governance Biodiversity/resilience Natural resources Pollution

Calories Required to Produce 100 Calories of Biofuel

> Ethanol

Corn 129

Switchgrass 145

Wood biomass 157

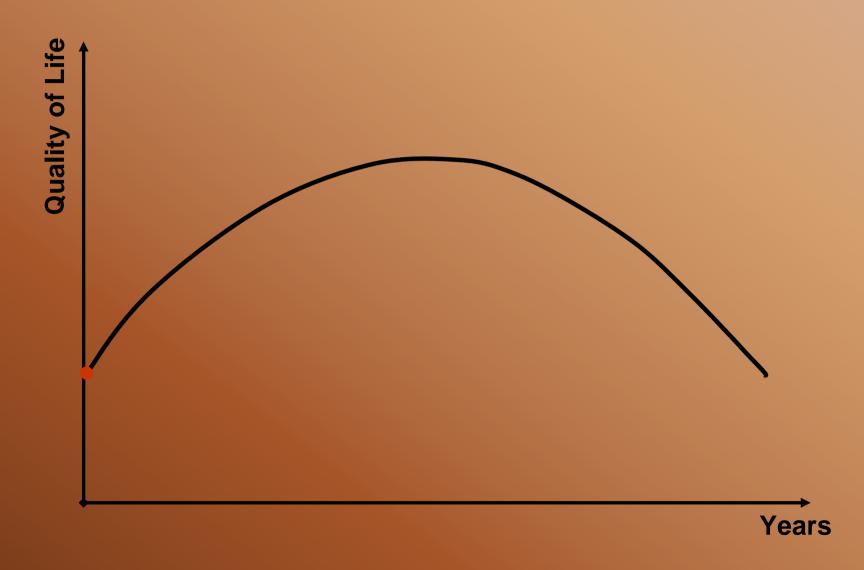
Biodiesel

Soybean 127

Sunflower 218



The Likely Results of a Copy-Cat Approach



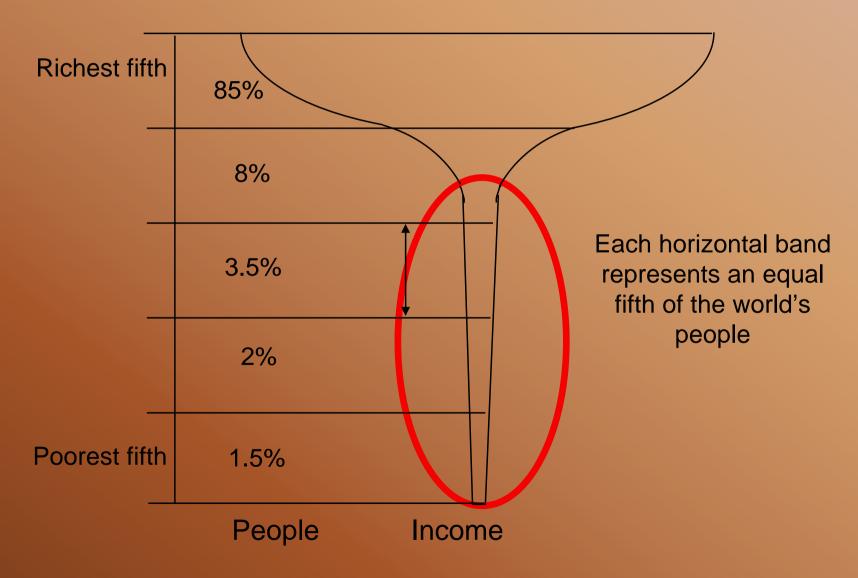


Poverty





Global income distribution





Erosion



Deserts growing by 50 thousand square km per year



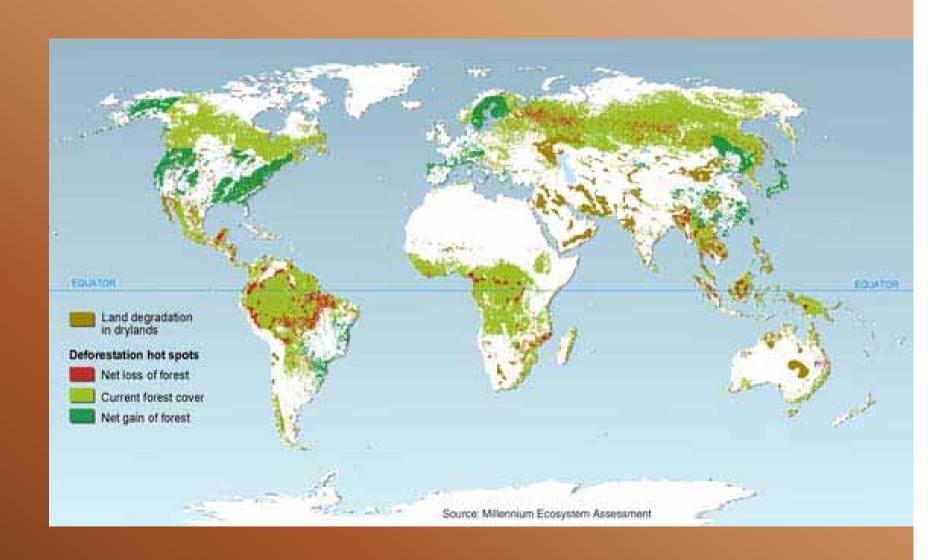
Primate Habitat

Remaining 60,000 Orang Utans will disappear within 15 years at current rates of forest clearing for Oil Palm and Other Monocultures

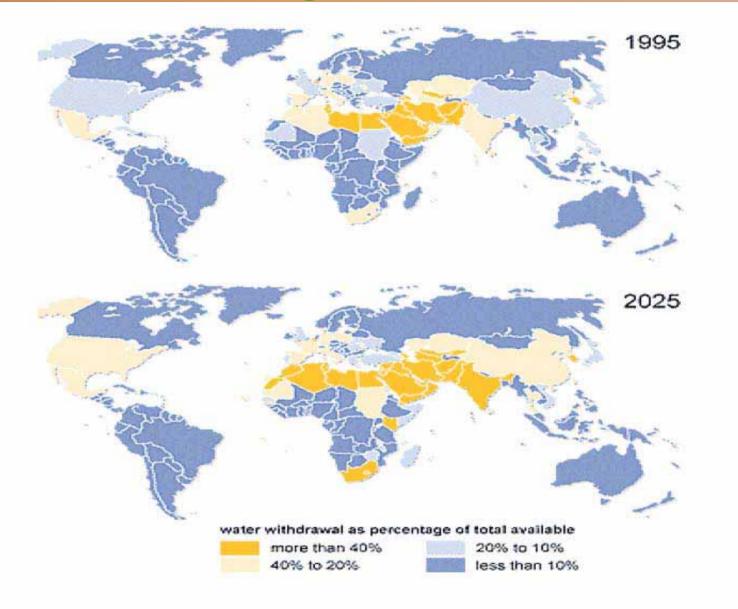




Forest depletion

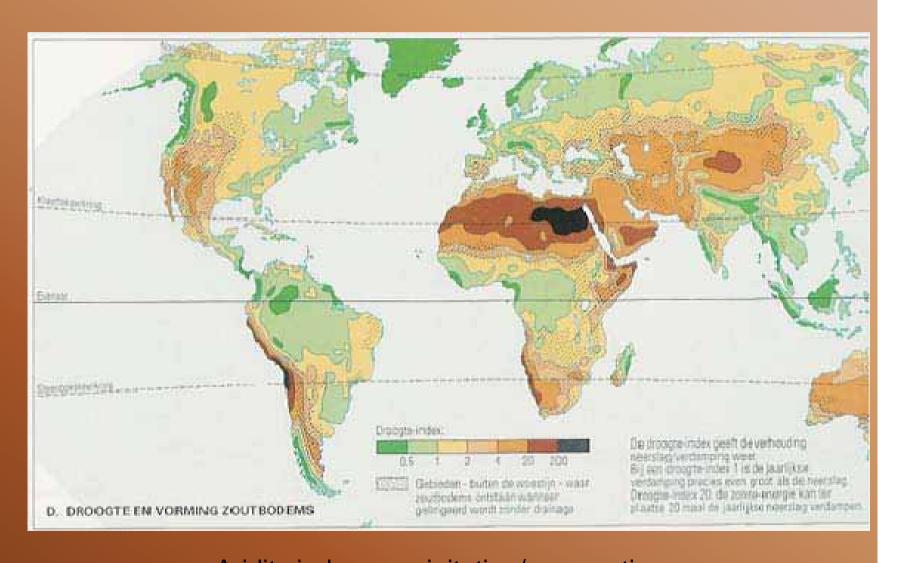


Increasing water stress





Global dry areas and salinisation





Biofuels Policy Making -- Context

- > In Isolation of Other Issues
 - Population Growth
 - Urbanisation
 - Consumption Patterns
 - Technology
- Linear Thinking
 - Incremental Change
 - Current Constraints, Solutions



Commercial Energy Use in India

Electricity	23%

> Construction 21%

> Transport 18%

> Industry 17%

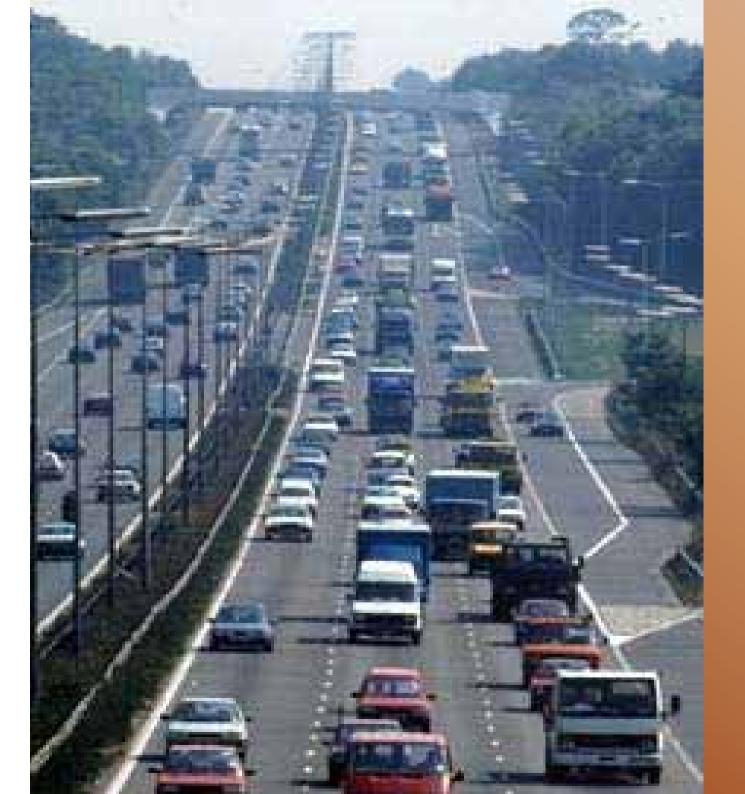
> Domestic 15%

> Other 6%



Biofuels

- > Solid
- > Liquid
- > Gaseous



Liquid Fuels

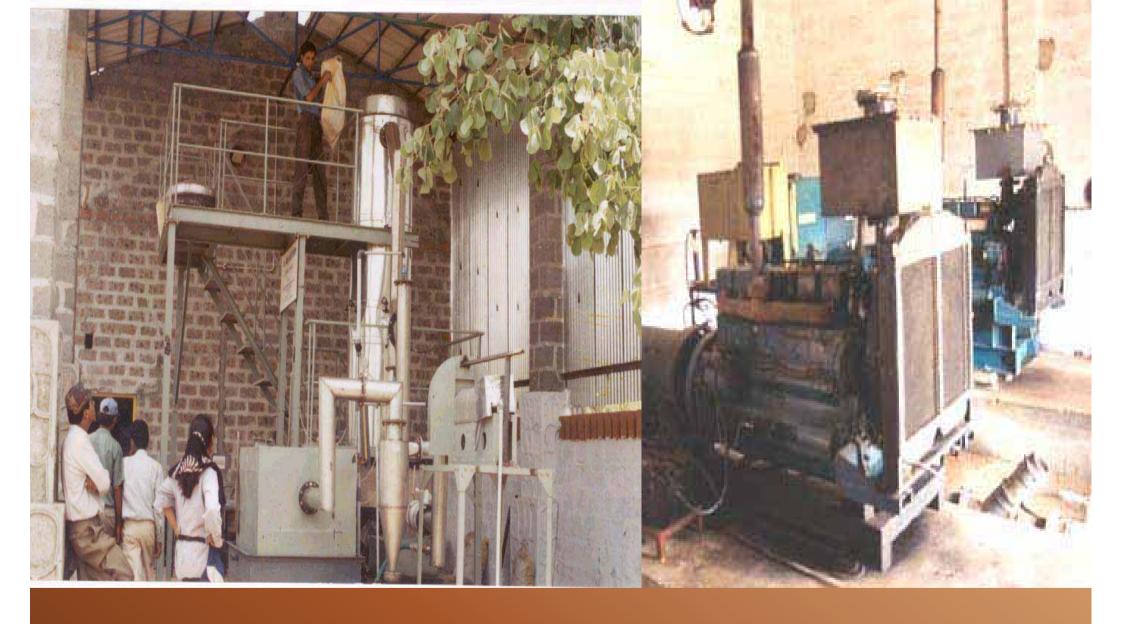
for

Urban
Systems
and
Transport



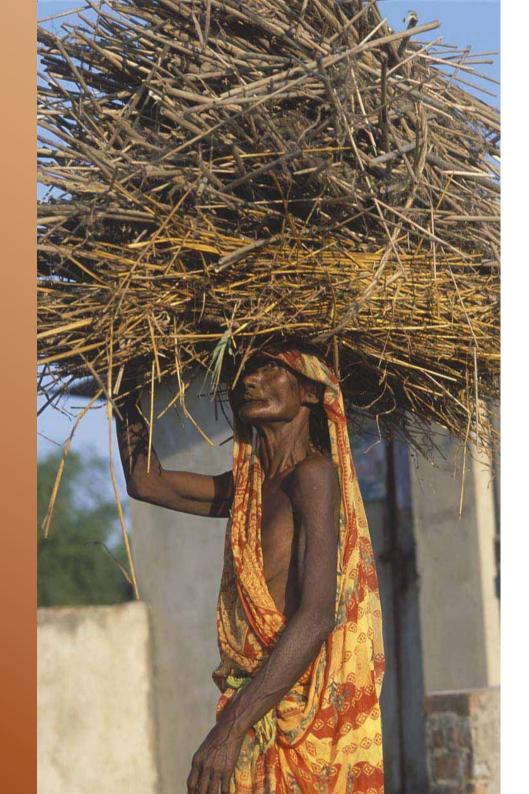


Energy in Agriculture





> 2.5 billion people do not have commercial energy let alone liquid fuels or electricity







The 50%

Bottom of the Pyramid





Ipomea

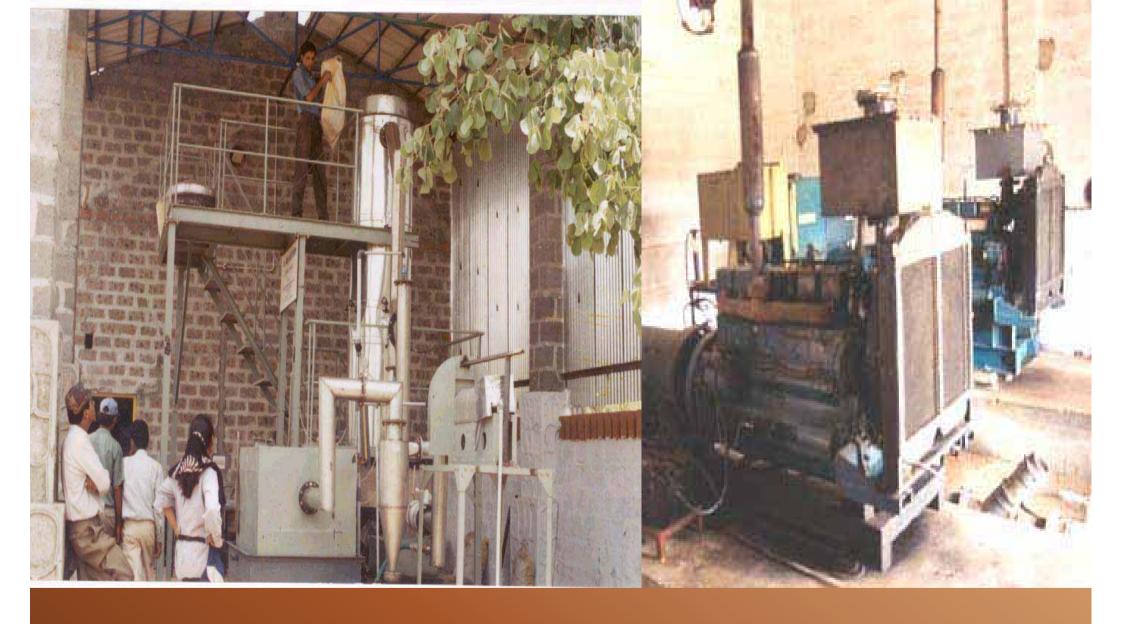
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The Shame-less One











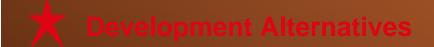
Energy Efficiency Issues

- > First Law
- > Second Law
- > Third Law

Energy – Which?

- > Subsystem Optimize!
- > Whole System Sub-Optimize?

Remember! Biofuels
Are Only One of Several Options
Also: Conservation, Other Fuels,
New Conversion Technologies



Policies based on Reality

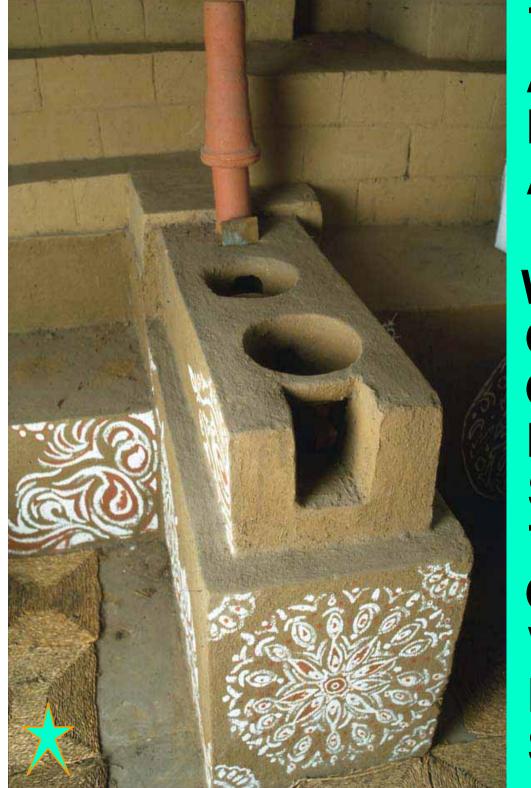
- > Experiences
 - Development Alternatives
 - DESI Power
 - ZERI
 - OASE



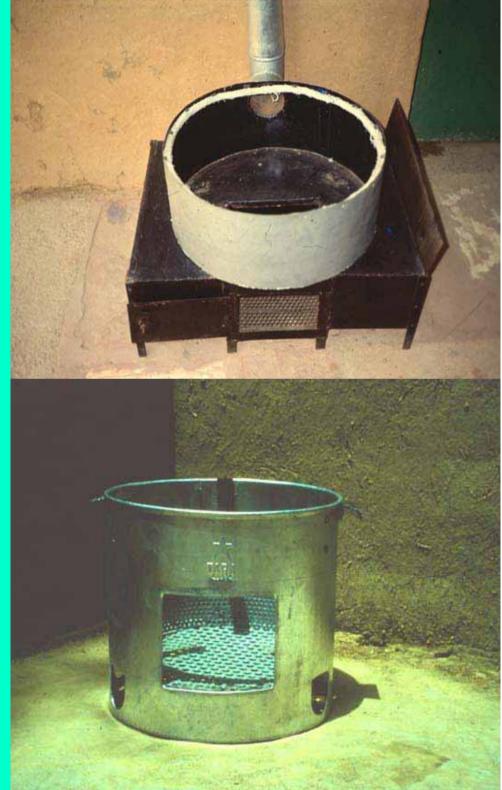
Experiences

- Development Alternatives
- > Solid Biofuels
 - Cooking, Charcoal
 - Electricity Generation
 - Forest Regeneration
- > Conservation = Energy Saving
 - Construction





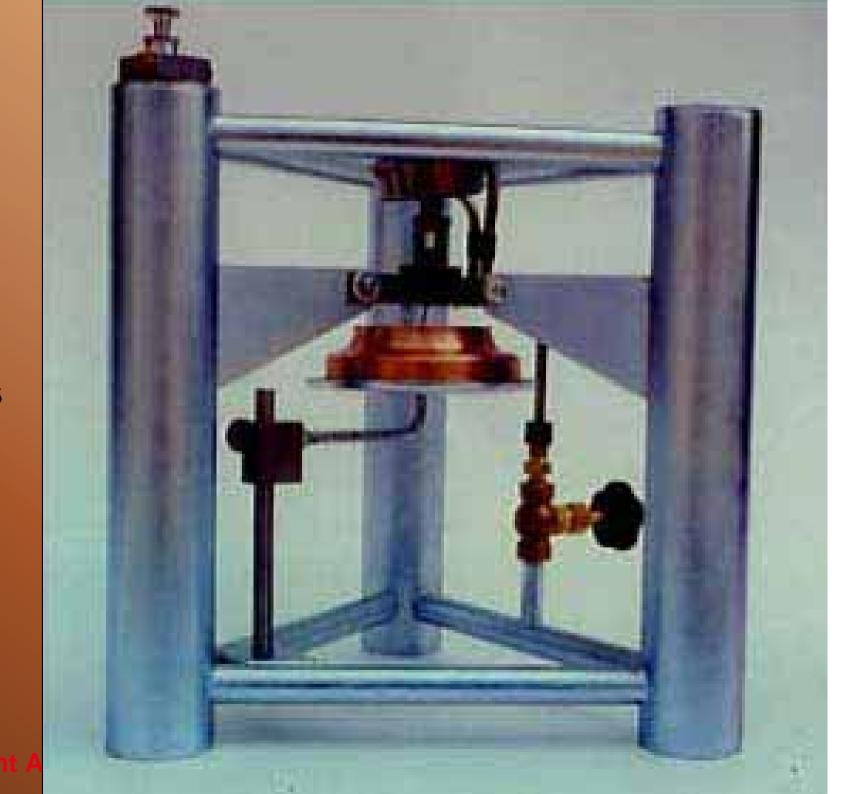
A R A WOODST O V E S

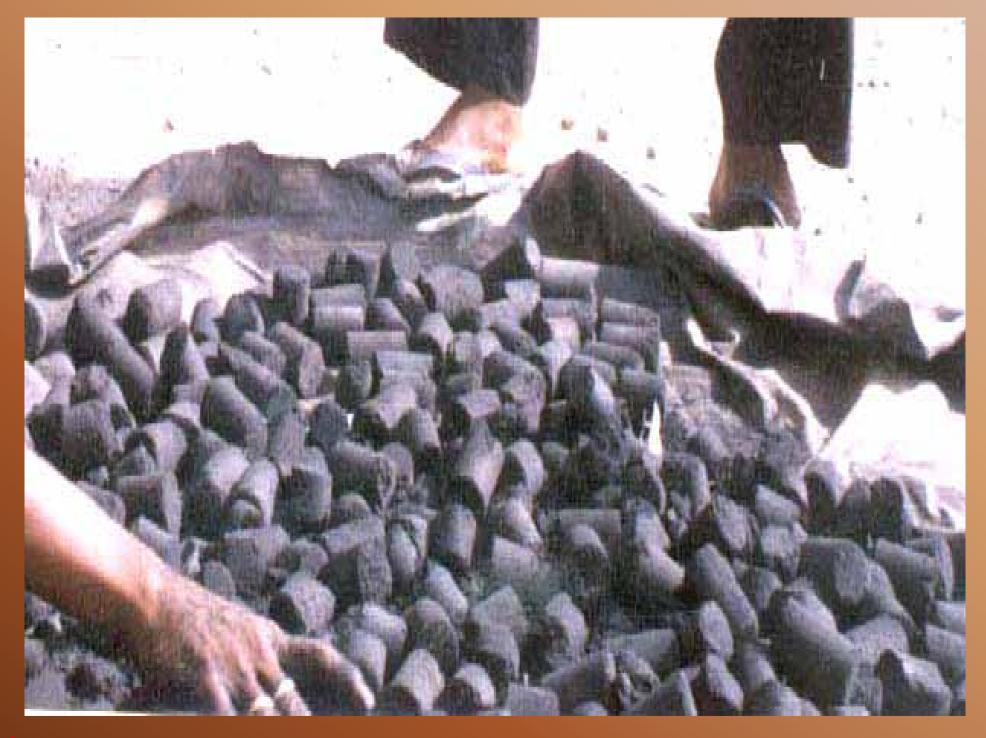


Plant Oil Stove

Fuel:

- Non-Edible Oils
- Kerosene





Plant Oils as Bio-fuels in India

- Jatropha
- Castor seed
- Rapeseed
- Karanj
- Taramira
- Palm acid



Experiences – ZERI (Zero Emission Research & Initiatives)

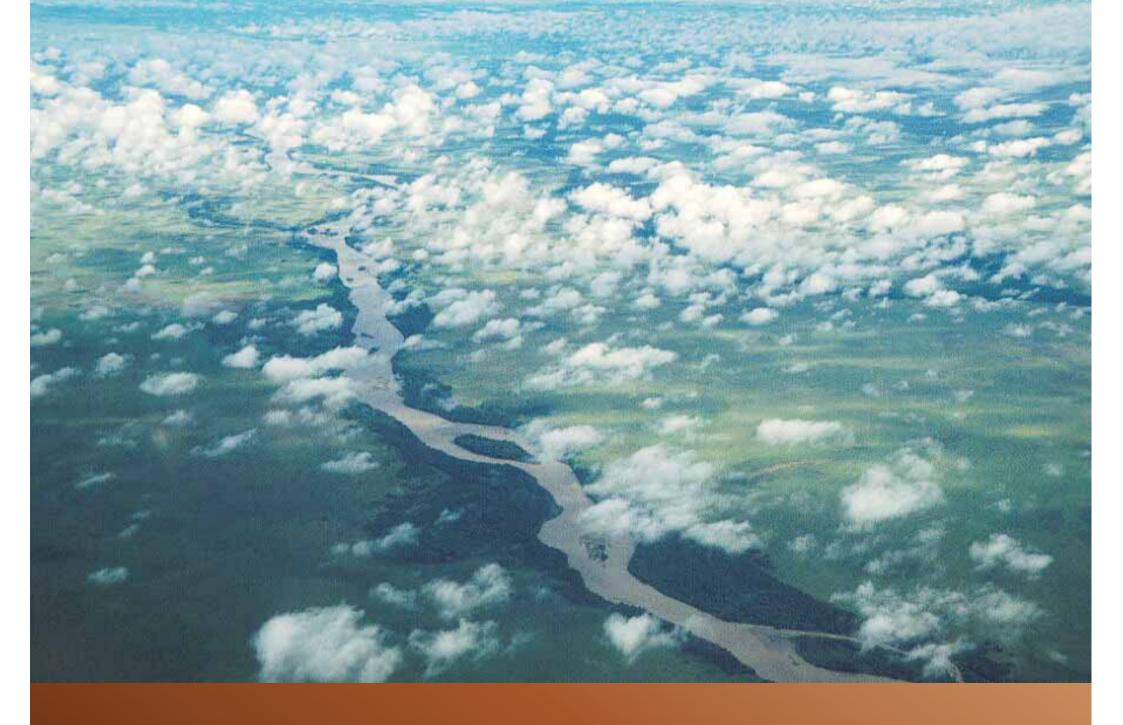
- > Biofuels
 - Wood
 - Biodiesel
 - from Oil Palm
 - from Jatropha
 - Forest Regeneration



SAVANNAH TO FOREST GENERATES CARBON SINK FACTOR 16 IN 5 YEARS FOREST CREATED WITH FUNGUS INCREASES PRECIPITATION GENERATES DRINKING WATER FOREST AND WATER GENERATE JOBS AND SUSTAINABLE COMMUNITIES, AND MORE



THE SAMANNAH IN VICHADA



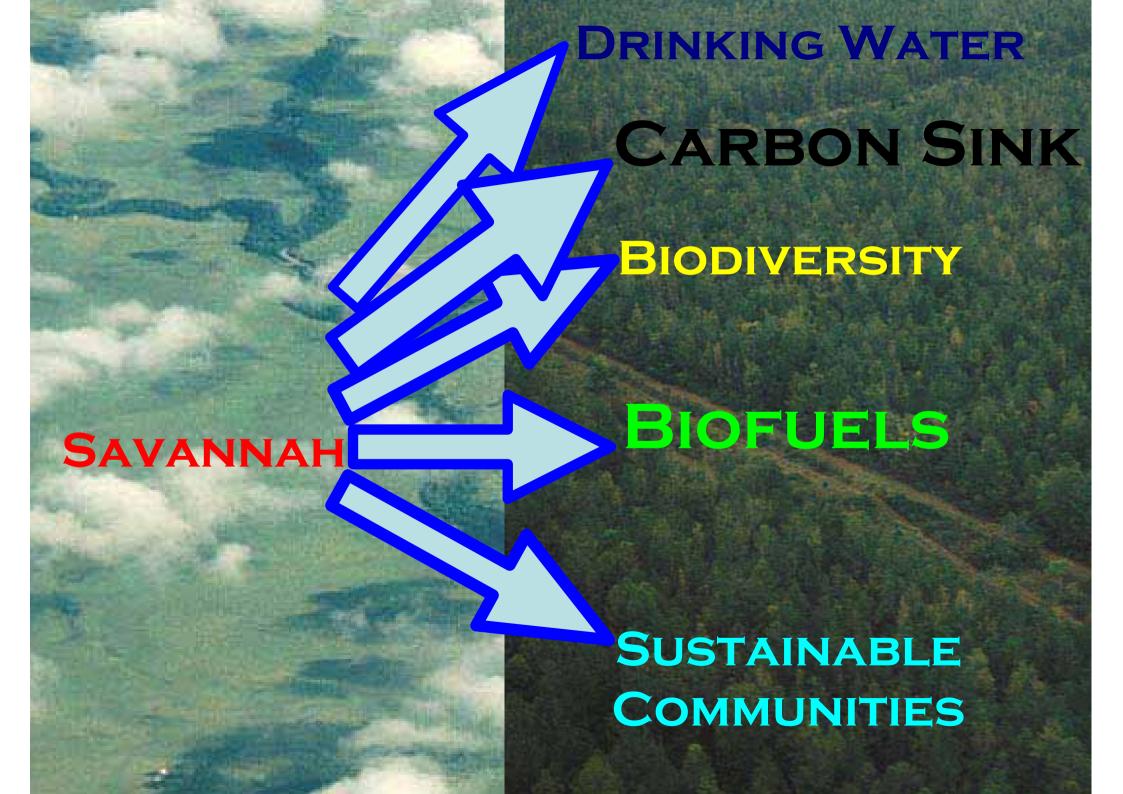


Table 3: Veget	able Oil and	l Biodicsel	Properties
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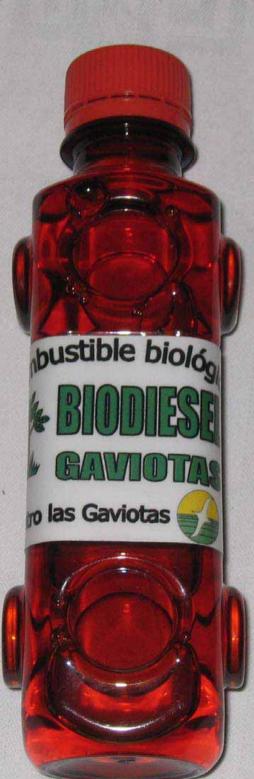
	Mel	Iodine	Cetane		
Type Oil/Fat	Oil/Fat	Methyl	Ethyl	Value	Number
	OllyPat	Ester	Ester	v ande	rvunnyca
Coconut oil	20-24	-9	-6	8-10	70
Palm kernel oil	20-26	-8	-8	12-18	70
Palm stearine	35-40	21	18	20-45	85
Palm oil	30-38	14	10	44-5 ⁸	65
Tallow	35-40	16	12	50-60	75
Lard	32-36	14	10	60-70	65
Olive Oil	-92	-6	-8	77-94	60
Palm olcine	20-25	5	3	85-95	65
Rapesced oil, h.cruc	5	0	-2	97-105	55
Cotton seed oil	0	-5	-8	100-115	55
Rapesced oil, i. cruc	-5	-10	-12	110-115	5B
Com oil	-5	-10	-12	115 124	53
Sunflower oil	-1S	-12	-14	125-135	52
Soybean Oil	-02	-10	-12	125-140	53



Gaviotas Transesterifiction Plant











Experiences – ODE (Ocean Desert Enterprises Ltd)

Biosaline biomass

(charcoal, energy, timber, paper, CO₂ seq., food)

Experiments and R&D in Netherlands, Germany, Spain, Mexico, Dubai, India, Bangla Desh, Pakistan, Australia



Greening the desert





Biosaline agriculture:
Turning wastelands into productive lands

Scaling Up

Needs

- Product standardisation and technology certification
- Active engagement of industry; boiler and engine manufacturers
- Financial incentives linked to service delivery and performance
- Innovative financing for ESCOs
- Feed-in Tarrifs

Research Agenda

- > Inventories of Oil Bearing Species
 - Trees
- Energy Use Technologies
- External Combustion
 - Steam Cycle
 - Sterling Cycle
- Downscaling Existing Technologies



Action Agenda

- Develop Multiple "Crop" Methods
- Create Biomass Energy Banks
- Remove Complexities for Approval of Small CDM Projects
- Develop Creative CDMs:
 - Sequestration
 - Carbon Neutral Fuels
 - Clustering and Community Development



Biomass Energy Banks

a new initiative for

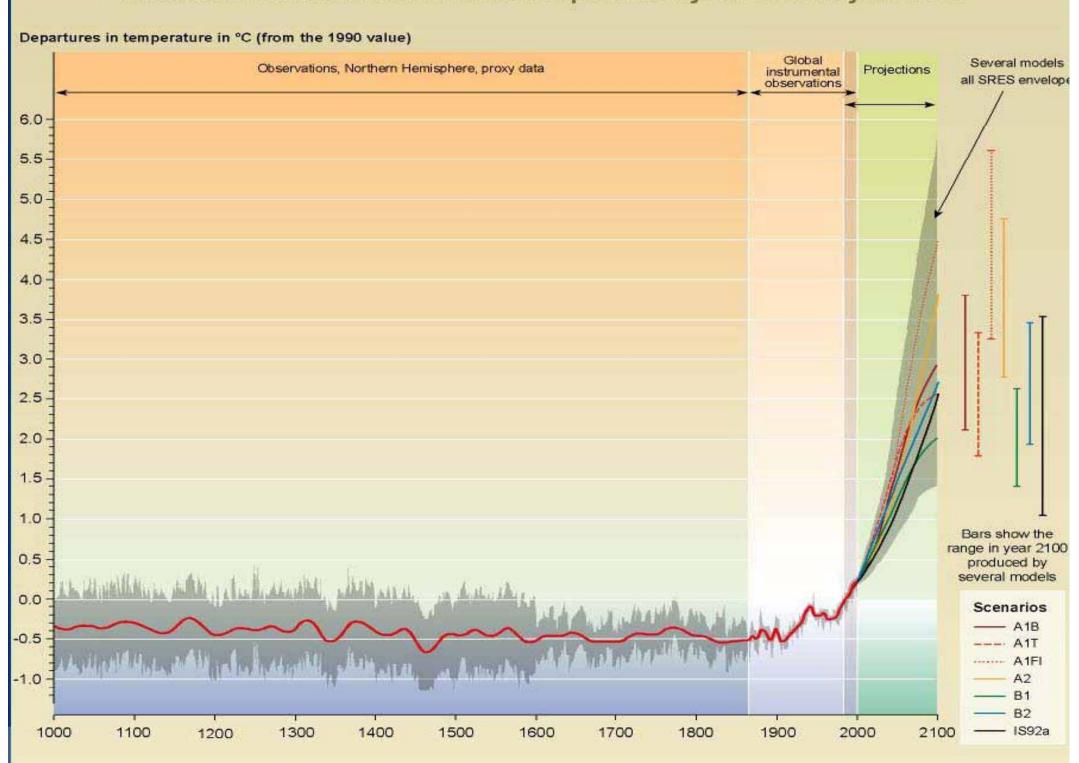
- Effective aggregation of biomass resources
- Processing of primary materials
- Transaction of energy products and services
- Ensuring energy security

Policy Agenda

- Remove Subsidies that Promote Fossil Fuel Use
- Introduce Taxes to Encourage Full Cost Pricing
- Support Research
- Establish Technical Support Systems
- Regional Planning to Reduce Need for Transportation

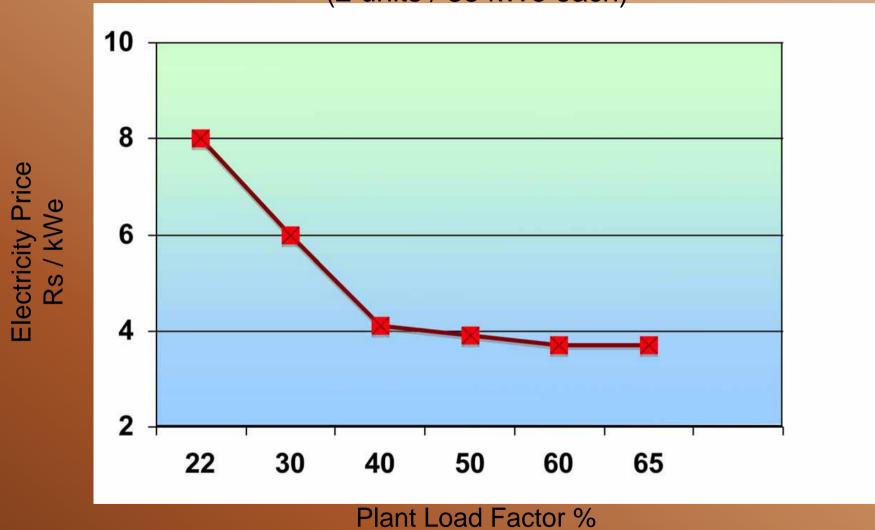


Variations of the Earth's surface temperature: year 1000 to year 2100



DESI Power_EmPower partnership Programme Electricity Price with a Pure Gas Engine

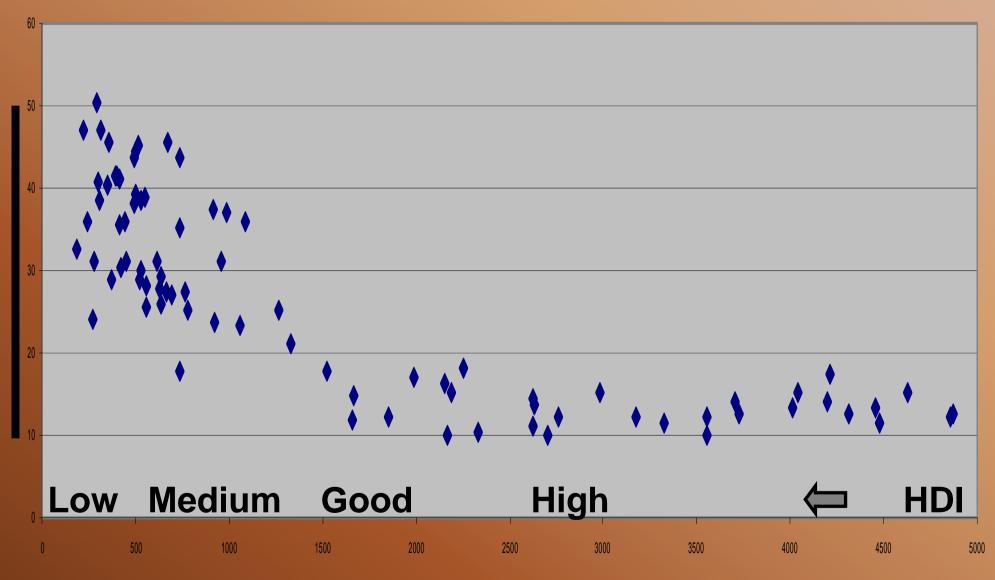
(2 units / 33 kWe each)

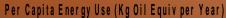




Biomass Cost = Rs. 1000 / ton

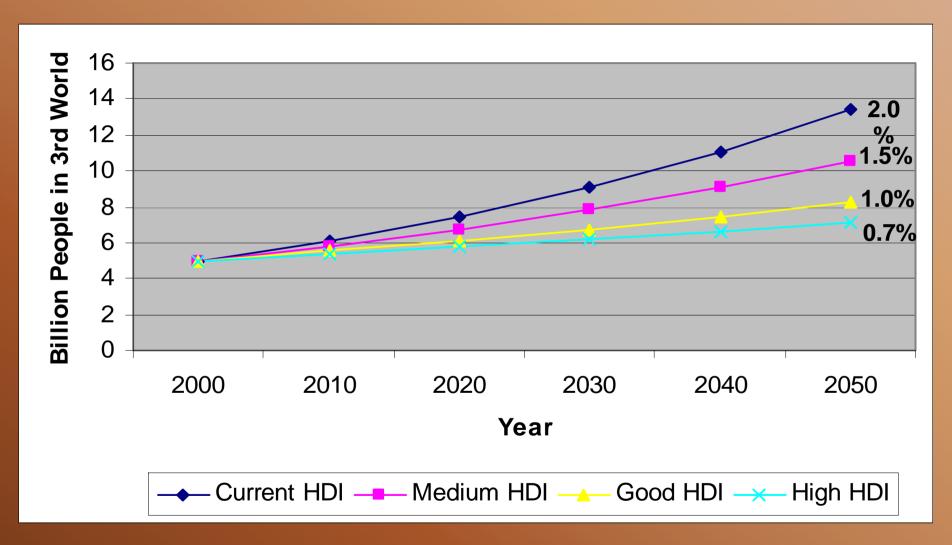
Human Fertility and Energy Use







HDI and Population Growth





Global Population in the Year 2050

HDI in the 3rd World:

If Low HDI (2.0%) Continues: 13.5 Billion

With rise to Medium HDI (1.5%) 10.5 Billion

With rise to Good HDI (1.0%) 8.2 Billion

With transition to High HDI (0.7%) 7.0 Billion

BAU





Emerging Issues Needing Action

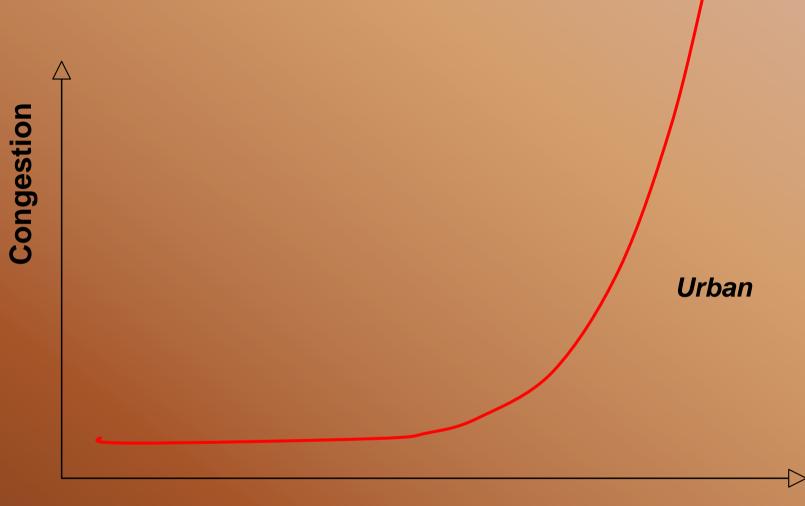
- Effective Incubation
 - Plant oil energy solutions
- Scaling Up of Services
 - Briquetting
 - Biomass gasifier power systems

Effective Incubation

Demands

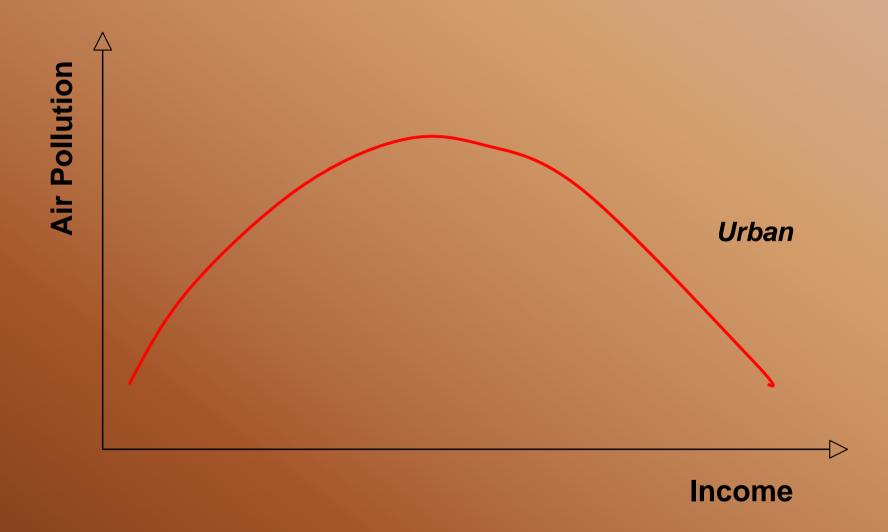
- Systems Approach
 - eco-system management
 - technology, production, marketing
- Service delivery at all levels
 - oil production, devices
 - service solutions
- Investments
 - microfinance for farmers
 - enterprise finance
 - energy services incubator











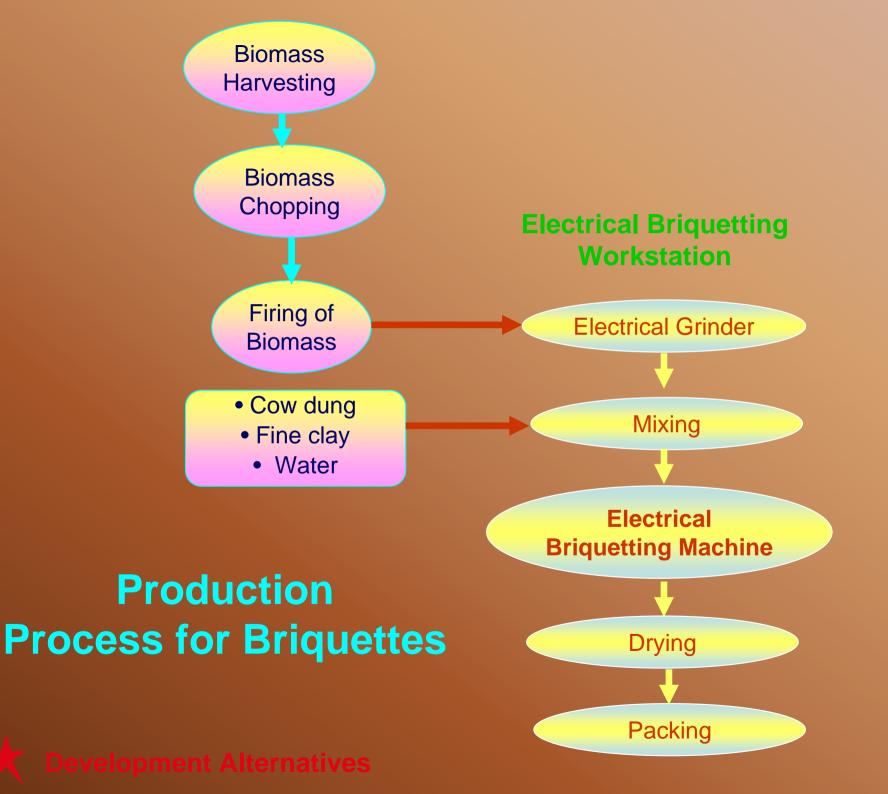


Sustainable Energy Services Needed in Rural India

- Renewable Resources
- Local Access
- Efficient, Reliable Systems
- Minimum Pollution
- Affordable Prices

Energy Services vs Fuel Type

C	Cooking	Space Heating	Energy Liveli- hoo	Convenience Cooking ods	Water Pumping	Lighting	Automotive Power ICT
		Biomass	✓	✓	✓		
Solid Fuels		✓	√ (processed	√			
Liquid	l Fuels				√	✓	
Gasification			based El	ectricity		✓	✓



TARA Briquetting Extruder





Briquetted Fuel is positioned as a Clean, Convenient Solution for Space Heating and Cooking

Users: households, commercial establishments



Plant Oil System

- a rural enterprise

