

# Introduction of energy balance

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### What is energy balance?

An accounting framework for *compilation* of data on all energy products entering, exiting and used within the national territory of a given country during a reference period.

Source: International Recommendations on Energy Statistics, UNSD, 2016

# The importance of energy balances:

• Bringing all pieces of information together



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Source: International energy course, Online Statistics Summer School

# Energy balance

- Energy balance express all forms of energy in a *common accounting unit*.
- It shows the <u>relationship</u> between the <u>inputs to and the outputs from</u> the energy <u>transformation processes</u>.
- The energy balance should be <u>as complete as possible that is all energy</u> <u>flows</u> should be accounted for in the balance.

#### Purpose of energy balance

- It reflects the relationships between:
  - The primary production of energy,
  - its transformation and,
  - Final consumption.
- Ensure comparability between different reference periods and between different countries;
- Provide data for estimation of CO2 emissions;

#### Purpose of energy balance

- Provide the basis for indicators of the energy's role in the country's economy;
- Calculate efficiencies of transformation processes occurring in the country.
- Calculate the relative shares of the supply/consumption of various products of the country's total supply/consumption

#### Structure of energy balance

The energy balance is a matrix represented by rows and columns.

Columns represent : Energy products that are available for use in the national territory.

Rows represent: Energy flows.

#### Iran, Islamic Republic of: Balances for 2015

in thousand tonnes of oil equivalent (ktoe) on a net calorific value basis

2015 V Indicators	ators Balances Coa		Electricity and Heat		Natural Gas		Oil Renewables and		and Waste			
	Coal*	Crude oil*	Oil products	Natural gas	Nuclear	Hydro	Geothermal, solar, etc.	Biofuels and waste	Electricity	Heat	Total**	8
Production	727	165272		155	_			-		~~		
Imports	479	1561	Co	7	Rows	rep	resent f	low acr	oss di	ffer	ent p	roducts
Exports	-133	-67282	lur	-7668	0	0	0	0	-587	0	-94983	
International marine bunkers***	0	0	nn	0	0	0	0	0	0	0	-4656	
International aviation bunkers***	0	0	S L	0	0	0	0	0	0	0	-1386	
Stock changes	0	1075	ер	0	0	0	0	0	0	0	871	
TPES	1073	100626	reg	155265	759	1212	19	510	-230	0	236528	
Transfers	0	-10465	ser va	0	0	0	0	0	0	0	1422	
Statistical differences	411	-772	nt ( ila	439	0	0	0	0	-1257	0	-1958	
Electricity plants	-158	0	ene	-49413	-759	-1212	-19	-4	24134	0	-39035	
CHP plants	0	0	erç fr	0	0	0	0	0	0	0	0	
Heat plants	0	0	br u	0	0	0	0	0	0	0	0	
Gas works	0	0	use use	0	0	0	0	0	0	0	0	
Oil refineries	0	-87734	e du	0	0	0	0	0	0	0	-798	
Coal transformation	-610	0	loct	0	0	0	0	0	0	0	-610	
Liquefication plants	0	0	s t	0	0	0	0	0	0	0	0	
Other transformation	0	0	ha	0	0	0	0	-1	0	0	-1	
Energy industry own use	-165	-1654	t a	-10966	0	0	0	0	-921	0	-16200	
Losses	-71	0	re	-49	0	0	0	0	-3574	0	-3695	
Total East accounting	470			05075			0	EDE	40450	0	475054	

#### TPES: Total primary energy supply

Source: http://www.iea .org/statistics

#### Convert to a Common energy unit

#### Azerbaijan: Balances for 2015 housand tonnes of oil equivalent (ktoe) on a net calorific value basis

2015 🚽	Indicators	Balance	s Coal	Electricit	Electricity and Heat		al Gas	Oil Renewables and Was		Vaste		
		Coal*	Crude oil*	Oil products	Natural gas	Nuclear	Hydro	Geothermal, solar, etc.	Biofuels and waste	Electricity	Heat	Total**
Production		0	41867	0	16147	0	141	1	154	0	0	58309
Imports		0	0	278	0	0	0	0	0	9	0	285
Exports		0	-35276	-2299	-6837	0	0	0	0	-23	0	-44435
International ma	arine bunkers***	0	0	-51	0	0	0	0	0	0	0	-51
International av	iation bunkers**	• 0	0	-272	0	0	0	0	0	0	0	-272
Stock changes		0	60	187	272	0	0	0	1	0	0	520
TPES		0	6651	-2159	9582	0	141	1	155	-14	0	14356
Transfers		0	-41	44	0	0	0	0	0	0	0	3
Statistical diffe	rences	0	-37	-60	-38	0	0	0	0	-9	0	-144
Electricity plant	s	0	0	-54	-2990	0	-141	-1	-72	1429	0	-1829
CHP plants		0	0	-323	-1582	0	0	0	0	694	26	-1185
Heat plants		0	0	0	-155	0	0	0	0	0	130	-26
Gas works		0	0	0	0	0	0	0	0	0	0	0
Oil refineries		0	-6572	6441	0	0	0	0	0	0	0	-132
Coal transform	ation	0	0	0	0	0	0	0	0	0	0	0
Liquefication pla	ants	0	0	0	0	0	0	0	0	0	0	0
Other transform	nation	0	0	0	0	0	0	0	-5	0	0	-5
Energy industry	/ own use	0	0	-364	-422	0	0	0	0	-338	-15	-1140
Losses		0	0	0	-912	0	0	0	0	-247	-18	-1177
Total final con	sumption	0	0	3525	3481	0	0	0	77	1515	123	8721
Industry		0	0	67	907	0	0	0	0	272	0	1246
Transport		0	0	2348	4	0	0	0	0	41	0	2393
Other		0	0	359	2540	0	0	0	76	1202	123	4300
Residential		0	0	32	2309	0	0	0	52	683	102	3178

# Total energy is computed

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Total

Source: http://www.iea .org/statistics

# Energy flow

"Energy flow" refers to:

production, import, exports, bunkering, stock changes, transformation, energy use by energy industries,



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losses during the transformation

final consumption of energy products

within the territory of reference for which these statistics are compiled.

#### Azerbaijan: Balances for 2015 In thousand tonnes of oll equivalent (ktoe) on a net caloritic value basis

2015 Indicators		Balance	es Coal	Coal Electricity and Heat		Natural Gas OII Re			enewables and			
		Coal*	Crude oll*	OII products	Natural gas	Nuclear	Hydro	Geothermal, solar, etc.	Biofuels and waste	Electricity	Heat	Total**
Production		0	41867	0	16147	0	141	1	154	0	0	58309
Imports		0	0	276	0	0	0	0	0	9	0	285
Exports		0	-35276	-2299	-6837	0	0	0	0	-23	0	-44439
International	marine bunkers**	- o	0	-51	0	0	0	0	0	0	0	-51
International	aviation bunkers*	0	0	-272	0	0	0	0	0	0	0	-273
Stock chang	es	0	60	187	272	0	0	0	1	0	0	520
TPE 8		0	8861	-2169	9682	0	141	1	166	-14	0	1435
Transfers		0	-41	44	0	0	0	0	0	0	0	3
Statistical d	Ifferences	0	-37	-60	-38	0	0	0	0	-9	0	-14
Electricity pl	lants	0	0	-54	-2990	0	-141	-1	-72	1429	0	-1825
CHP plants		0	0	-323	-1582	0	0	0	0	694	26	-118
Heat plants		0	0	0	-155	0	0	0	0	0	130	-20
Gas works		0	0	0	0	0	0	0	0	0	0	(
Oil refineries	5	0	-6572	6441	0	0	0	0	0	0	0	-13
Coal transfo	rmation	0	0	0	0	0	0	0	0	0	0	(
Liqueficatio	n plants	0	0	0	0	0	0	0	0	0	0	
Other transfe	ormation	0	0	0	0	0	0	0	-5	0	0	-
Energy Indus	stry own use	0	0	-364	-422	0	0	0	0	-338	-15	-114
Losses		0	0	0	-912	0	0	0	0	-247	-18	-117
Total final or	onsumption	0	0	3626	3481	0	0	0	77	1616	123	872
Industry		0	0	87	907	0	0	0	0	272	0	1246
Transport		0	0	2348	4	0	0	0	0	41	0	2380
Other		0	0	369	2640	0	0	0	78	1202	123	4300
Residential		0	0	32	2309	0	0	0	52	683	102	3178
Commercial	and public servic	es 0	0	10	185	0	0	0	22	441	21	675
Agriculture /	forestry	0	0	317	47	0	0	0	2	78	0	443
Fishing		0	0	0	0	0	0	0	0	0	0	(
Non-specific	ed	0	0	0	0	0	0	0	0	0	0	(
Non-energy	use	0	0	761	30	0	0	0	0	0	0	781
of which ch	emical/petrochem	ical 0	0	552	30	0	0	0	0	0	0	65

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#### Transformation

Supply

Final consumption

Source: http://www.iea.or g/statistics/statisti cssearch/report/?c ountry=AZERBAIJA N&product=balanc es&year=2015



http://www.iea. org/stats/WebG raphs/AZERBAIJ AN5.pdf



Statistics on the web: http://www.iea.org/statistics/

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#### Share of total primary energy supply\* in 2015

Azerbaijan

Note: For presentational purposes, shares of under 0.1% are not included and consequently the total may not add up to 100%.



#### 14 356 ktoe

http://www.iea .org/stats/Web Graphs/AZERBAI JAN4.pdf

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\* Share of TPES excludes electricity trade.

For more detailed data, please consult our on-line data service at http://data.iea.org.

\*\* In this graph, peat and oil shale are aggregated with coal, when relevant.

# Top block- Energy supply

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Total energy supply=

- + Primary energy production
- + Import of primary and secondary energy
- Export of primary and secondary energy
- International (aviation and marine) bunker
- Stock changes



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### Definitions

- Production: is capture, extraction or manufacture of fuels or energy in forms which are ready for general use.
- Primary production is the capture or extraction of fuels or energy from natural energy flows.
- Secondary production is the manufacture of energy products through the process of transformation of primary fuels or energy.

### Definitions



- Imports of energy products comprise all fuel and other energy products entering the national territory.
- Exports of energy products comprise all fuel and other energy products leaving the national territory.

#### Definitions

- International Marine Bunkers are quantities of fuels delivered to merchant (including passenger) ships, of any nationality, for consumption during international voyages transporting goods or passengers.
- International Aviation Bunkers are quantities of fuels delivered to civil aircraft, of any nationality, for consumption during international flights transporting goods or passengers.

#### The middle block

- The middle block show:
- Transfers,
- Energy transformation,
- Energy industry own use,
- Loses.

#### Transformation

- The energy transformation describes the processes that <u>convert</u> an energy product <u>into another</u> energy product which is more suitable for specific uses.
- Energy entering transformation processes are shown with a <u>negative sign</u> to represent <u>the input</u>.
- Energy which is an <u>output</u> of transformation activities is shown as a <u>positive number.</u>

#### Transformation



- The sum of cells in each row appearing in the column "Total" should therefore be:
- A negative as transformation always results in certain loss of energy when expressed in energy units.

#### Example of transformation

- Fuels into electricity generation and heat generation,
- Crude oil into oil refineries for the production of petroleum products,
- Coal into coke ovens gas for the production of coke and coke oven gas

	Coal*	Crude oil*	Oil products	Natural gas	Nuclear	Hydro	Geothermal, solar, etc.	Biofuels and waste	Electricity	Heat	Total**
Production	727	165272	0	155688	759	1212	19	506	0	0	324182
Imports	479	1561	2854	7246	0	0	0	4	357	0	12500
Exports	-133	-67282	-19314	-7 <mark>6</mark> 68	0	0	0	0	-587	0	-94983
International marine bunkers***	0			0	0	0	0		-		-4656
International aviation bunkers***	C	lr	iput		Iransformation			0		-1386	
Stock changes	C	(C	.0al)	-	U	U	0	(Ele	ctricity	<b>'</b> )	871
TPES	1073	100626	-22706	155265	759	1212	19	510	-230	0	236528
Transfers	0	-10465	11887	0	0	0	0	0	0	0	1422
Statistical differences	411	-772	-778	439	0	0	0	0	-1257	0	-1958
Electricity plants	-158	0	-11604	-49413	-759	-1212	-19	-4	24134	0	-39035
CHP plants	0	0						0	0	0	0
Heat plants	0	0	Effi	ciency	/=Ou	itpu	t/Input	0	0	0	0
Gas works	0	0	J			U		0	0	0	0
Oil refineries	0	-87734	86936	0	0	0	0	0	0	0	-798
Coal transformation	-610	0	0	0	0	0	0	0	0	0	-610
Liquefication plants	0	0	0	0	0	0	0	0	0	0	0
Other transformation	0	0	0	0	0	0	0	-1	0	0	-1
Energy industry own use	-165	-1654	-2494	-10966	0	0	0	0	-921	0	-16200
Losses	-71	0	0	-49	0	0	0	0	-3574	0	-3695

Source: http://www.iea.o rg/statistics/statis ticssearch/report/ ?country=IRAN&pr oduct=balances&y ear=2015

# Recording of energy industry own use.

• Energy industry own use is defined as the consumption of fuels, electricity and heat for the direct support of the production, and preparation for use of fuels and energy.

- EXAMPLE:
  - Consumption of electricity in power plants for lighting, compressors and cooling systems
  - The fuels used to maintain the refinery process.





- Losses occur during the <u>transmission</u>, <u>distribution and transport</u> of fuels, electricity and heat.
- Losses also include venting and flaring of manufactured gases, losses of geothermal heat after production and pilferage of fuels or electricity.

### The bottom block- final consumption

Total final consumption	0	0	3525	3481	0	0	0	77	1515	123	8721
Industry	0	0	67	907	0	0	0	0	272	0	1246
Transport	0	0	2348	4	0	0	0	0	41	0	2393
Other	0	0	359	2540	0	0	0	76	1202	123	4300
Residential	0	0	32	2309	0	0	0	52	683	102	3178
Commercial and public services	0	0	10	185	0	0	0	22	441	21	679
Agriculture / forestry	0	0	317	47	0	0	0	2	78	0	443
Fishing	0	0	0	0	0	0	0	0	0	0	0
Non-specified	0	0	0	0	0	0	0	0	0	0	0
Non-energy use	0	0	751	30	0	0	0	0	0	0	781
-of which chemical/petrochemical	0	0	552	30	0	0	0	0	0	0	582

Source: http://www .iea.org/sta tistics/statis ticssearch/r eport/?coun try=AZERBAI JAN&produc t=balances& year=2015

### The bottom block- final consumption

 final consumption (final energy consumption) is flows reflecting energy consumption by energy consumers, as well as non energy use of energy products.

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 final consumption covers all the consumption on the national territory independently of the residence of the consuming units. Thus the energy consumption by residents abroad is excluded, and the energy consumed by nonresidents (foreigners) on the national territory is included.



- Energy consumers are grouped into three main categories:
  - (i) Manufacturing, construction and non-fuel mining industries
- (ii) Transport (road, rail, etc)

(iii) Other (household, commerce and public service, agriculture, forestry, fishing)

#### Total final consumption of Azerbaijan-2015



### Total final consumption of Iran-2015



#### Azerbaijan: Indicators for 2015

2015 🗸	Indicators	Balances	Coa	l	Electricity and Heat	Natural Gas	Oil			
	Key Indicat	ors:			Key Indicators:					
Population (millions)	9.65		TPES/population (toe/capita)		1.49					
GDP (billion 2010 L		59.03		TPES/GDP (toe/thousand 2010 USD	0.24					
GDP PPP (billion 2010 U	JSD)		157.87		TPES/GDP PPP (toe/thousand 2010 USD	)	0.09			
Energy production (Mtoe)	ction		58.31		Electricity consumption (MWh/capita)	/ population	2.24			
Net imports (Mtoe)			-44.15		CO2/TPES (t CO2/toe)		2.15			
TPES (Mtoe)			14.36		CO2/population (t CO2/capita)		3.19			
Electricity cor (TWh)	sumption*		21.66		CO2/GDP (kg CO2/2010 USD)		0.52			
CO2 emissions** (Mt of CO2)			30.80		CO2/GDP PPP (kg CO2/2010 USD)	0.2				

\*Gross production + imports - exports - losses

\*\*CO2 Emissions from fuel combustion only. Emissions are calculated using IEA's energy balances and the

More detailed data are available at our online data services.

http://www.iea.org /statistics/statistics search/report/?cou ntry=AZERBAIJAN&p roduct=indicators& year=2015

#### Sources

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