

China's wind-power boom to outpace nuclear by 2020

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BEIJING, April 20 (Reuters) - China will have 100 gigawatts of wind-power capacity by 2020, a senior energy official said on Monday, more than three times the 30 GW target the government laid down in an energy strategy drawn up just 18 months ago.

"Installed wind-power capacity is expected to reach 100 million kilowatts in 2020. That will be eight times more than in 2008," Fang Junshi, head of the coal department of the National Energy Administration, told a Coal trans conference in Beijing. "The annual growth rate will be about 20 percent."

Fang's remarks confirm what industry experts have long maintained -- wind power has the potential to take a much bigger share of China's power mix than the government had planned.

China, the world's second-largest energy user, has around 12 GW of wind-power capacity and has already said it wants to raise that to around 20 GW by next year, suggesting it was on course to smash the 2020 target, which was set in 2007.

That means wind is set to be a bigger source of power than nuclear, despite a construction boom in nuclear power plants, and far bigger than solar, which is expected to hit 1.8 GW by 2020, according to the 2007 plan.

Suppliers to China's wind sector include China Wind Systems, China High, Hansen Transmissions, Siemens, Vestas, Suzlon \ and local leader Goldwind Science & Technology Co. Ltd.

The original 2020 target for nuclear was set at 40 GW, but China is now aiming for 60 GW and officials have spoken of 70 GW. China had 9.1 GW of nuclear power capacity at the end of last year and is building 24 reactors with a further 25.4 GW. At least five more are planned but not yet approved for construction.

Both wind and nuclear have got a shot in the arm from the economic crisis, since China's 4 trillion yuan (\$585 billion) stimulus plan promised more nuclear spending and upgrades to the power grid, which should help stranded wind farms get connected.

Coal will continue to dominate China's power mix, although it is likely to slip from its 80 percent share.

China was aiming at 1,400-1,500 GW total capacity by 2020, Fang said. Hydropower would account for 300 GW, while coal-fired power capacity would need to reach 900-1,000 GW to ensure a supply-demand balance of energy.

That meant China's annual coal demand would increase by 600 million tonnes to 3.4 billion tonnes, he said.

China has repeatedly failed to hit targets for bringing polluting and greenhouse-gas-emitting industries under control, jeopardizing a pledge to cut 20 percent off the energy-intensity of its economy in the five years to 2010.

But the economic slowdown has cut power consumption in China and a new fuel pricing regime has stopped some of the oil price slump filtering straight through to pump prices.

Since China's gross domestic product (GDP) has kept growing, although at a much reduced rate, the overall energy intensity of the economy could show a sharp decline.

"It's very likely that China will be able to achieve the goal of reducing energy consumption per unit of GDP by 20 percent by the end of the eleventh five-year plan (in 2010)," said Fang. (\$1=6.833 Yuan)