

## Chiller replacement project

The Chiller Replacement programme in Thailand was launched primarily to help develop a market for highly energy-efficient chillers. It aims to save energy as well as reduce ozone depletion and global warming. Financed by the Multilateral Fund and Global Environment Facility, on a loan basis, this project is an example of non-grant or partial-grant financing projects the World Bank has developed. Such projects form an alternative approach to existing grant-financing schemes for possible future ODS phase-out programmes.

In the initial phase of the Chiller Replacement project, 24 chillers will be replaced to demonstrate the economic feasibility of the new technology. Following successful completion of the pilot phase, a larger-scale programme would follow, aimed at replacing about 30 per cent of the remaining CFC chillers. The economic goals of the project are as summarised below:

- To reduce peak power demand and thereby free up peak capacity, save energy and generate long-term financial savings for the Electrical Generating Authority of Thailand (EGAT);
- Lower electricity bills for the consumers while retaining the same service level – according to experience gained in some OECD countries, the estimated energy needs may be about one-third lower for the new systems; and
- Economic spin-off from developing a new market for economical, technologically advanced and eco-friendly air-conditioning systems.

In addition to economic benefits, the project would lead to a significant reduction in greenhouse gas emissions. By replacing CFC chillers with some 30 per cent more energy-efficient systems, CO<sub>2</sub> emissions from air-conditioning could also be reduced by about 30 per cent. *Contact:*

*Mr. Steve Gorman, World Bank, Environment Department, Montreal Protocol Operations Unit, 1818 H Street NW 20433, Washington DC, the United States. Tel: +1 (202) 4735 865; E-mail: sgorman@world bank.org. (IEA Heat Pump Centre Newsletter, Vol. 19, No. 3/2001)*