

Energy bureau gets nod to increase size

June 28 (Xinhua) -- The newly elevated National Energy Bureau is to quadruple the size of its work force in a bid to ensure the country's energy supply, which industry insiders have said shows the government is moving toward a unified national energy management regime.

The governance structure of the bureau was decided recently, after the National People's Congress (NPC) approved in March to gradually unify the energy management functions of several cabinet departments.

Beijing-based financial magazine Caijing reported on Friday the bureau has been given the go ahead to increase its work force to about 100 across its nine departments.

While the NPC expanded the scope of the bureau in March, it remains part of National Development and Reform Commission (NDRC), and energy pricing and conservation management are still under the jurisdiction of other departments.

However, the legislative body also agreed to set up a National Energy Committee, which will serve as a strategic consultative body independent of the NDRC.

According to industry insiders, China is making good headway toward setting up a unified energy management system amid rising oil prices and mounting challenges regarding global energy security.

Zhang Libin, Beijing 's chief representative of the US law firm Baker Botts LLP, which specializes in energy, said: "This is a good start in allowing China to function well on matters of energy security.

"It paves the way for China to set up a cabinet department for the energy sector, which is of great importance to its ongoing development," he said.

Several National Energy Bureau offices will be moved away from NDRC headquarters, despite the fact its chief, Zhang Guobao, retains his position as vice-minister of the commission. This indicates the bureau's independence from the NDRC, insiders have said.

As well as seeking ways to increase supplies of oil and coal, the bureau will look to further develop nuclear power and sources of renewable energy, Zhang said.

The country will accelerate the construction of nuclear power plants, particularly in coastal regions, to ease mounting pressures on coal transportation from northern regions and electricity transmission from west China , he said.

The move could see nuclear power accounting for at least 5 percent of the country's total energy mix by 2020, up from less than 2 percent today. In 2005, authorities set a target to reach 4 percent by 2020.

The bureau has also said the Inner Mongolia autonomous region, and Gansu and Jiangsu provinces will be the bases for China 's first wind power generators, each of which will have a capacity of 10 million kW. In comparison, the Three Gorges project has a capacity of about 18 million kW.

"The bureau has readjusted some of China 's energy policy targets, and these are vital decisions for its energy security," Zhang Libin said.

<http://www.autoproject.org.cn/APECC%20NEWS%206-2008.html>