

# In-Depth Analysis: CO<sub>2</sub> Emissions from Power Industry

## 1. Full-Series Trend (1970–2024): An Exponential Rise

The emissions from India's power industry represent a classic story of exponential growth. Starting from a modest base of **~33 Mt CO<sub>2</sub>eq** in 1970, emissions have surged to **~1507 Mt CO<sub>2</sub>eq** by 2024. This staggering 45-fold increase underscores the sector's central role in India's carbon footprint, directly mirroring the nation's journey of industrialization and electrification. The growth is not linear but has clearly accelerated over time, a fact confirmed by the breakpoint analysis.

## 2. Breakpoint Detection: The Four Eras of India's Power Sector Growth

The analysis identifies three critical breakpoints: **1984, 2003, and 2020**. These are not arbitrary dates; they mark the beginning of distinct eras in the sector's emissions trajectory, each with a progressively steeper slope. The piecewise regression model fits the data exceptionally well (Adjusted R<sup>2</sup> of 0.993), confirming the validity of these regimes.

### Regime 1: 1970–1983 (The Foundational Phase)

- **Slope: 5.44**
- This initial period represents the foundational, pre-liberalization phase of India's energy sector. Growth was positive but comparatively slow, reflecting a centralized economy and the initial stages of building a national power grid.

### Regime 2: 1984–2002 (Post-Liberalization Stirrings)

- **Slope: 21.52**
- The slope **quadruples** in this era, signaling a major shift. The 1984 break precedes the major economic liberalization of 1991, but it points to an earlier phase of industrial and energy sector reforms that began to accelerate energy demand and production.

### Regime 3: 2003–2019 (The Great Indian Growth Story)

- **Slope: 41.54**
- The 2003 breakpoint ushers in an era where the emissions growth rate **doubles again**. This period perfectly aligns with India's economic boom, characterized by rapid GDP growth, massive infrastructure projects, and a historic expansion of coal-fired power plants to fuel surging industrial and consumer electricity demand. This was the primary era of energy-intensive development.

#### **Regime 4: 2020–2024 (The Post-COVID Rebound)**

- **Slope: 67.16**
- The Chow test confirms the 2020 break is **highly significant (p-value approx 0.00007)**. The subsequent slope is the steepest in history. This is a critical insight: the post-pandemic recovery was not merely a return to the previous trend but a rebound onto an **even more aggressive, higher-emission trajectory**. This suggests immense pent-up energy demand and an economic recovery strongly powered by traditional energy sources.

### **3. Piecewise & ARIMA Insights: A Story of Compounding Momentum**

The segment slopes [5.4, 21.5, 41.5, 67.2] tell a clear story of accelerating growth. Each successive regime has a significantly higher rate of emissions increase, indicating a compounding reliance on energy-intensive development.

The final regime is modeled with an **ARIMA(2, 2, 0)**. The second-order differencing ( $d=2$ ) is a strong statistical indicator of a process with a powerful, accelerating trend. It confirms that the recent momentum is not a temporary spike but a new, high-growth norm.

### **4. Forecast & Future Implications**

The 10-year forecast, driven by the aggressive final regime, projects that emissions will surge to **~2622 Mt CO<sub>2</sub>eq by 2034**. This represents a shocking **~74% increase** from 2024 levels in just one decade.

### **5. Core Data-Backed Conclusions**

- **Acceleration is the defining characteristic:** Power sector emissions growth has consistently accelerated through four distinct economic phases. Policy efforts to date have not been sufficient to bend this curve.
- **The 2003 break was a pivotal moment:** It marked the start of the most energy-intensive phase of India's development, a trend that continues today.
- **The post-COVID rebound is a major concern:** The recovery has established a new, steeper emissions trajectory, indicating that the underlying drivers of energy demand are stronger than ever.
- **The future is carbon-intensive:** Without immediate and massive structural interventions in the power sector, India is on a path to add over 1100 Mt of additional CO<sub>2</sub>eq from this sector alone within the next ten years, posing a significant challenge to national and global climate goals.