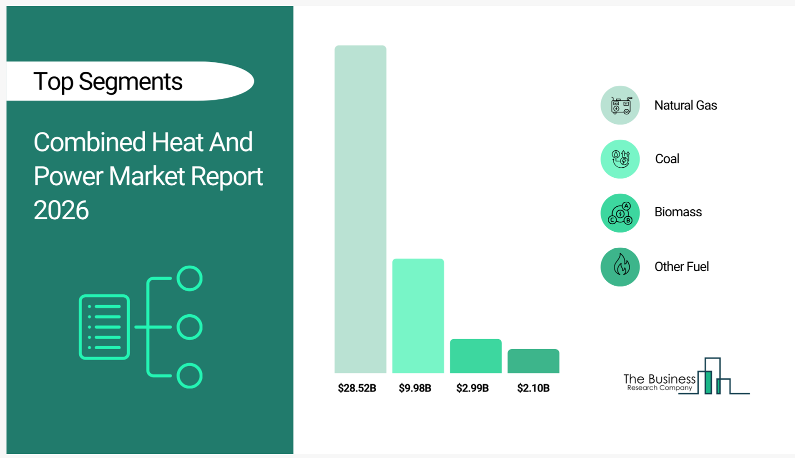
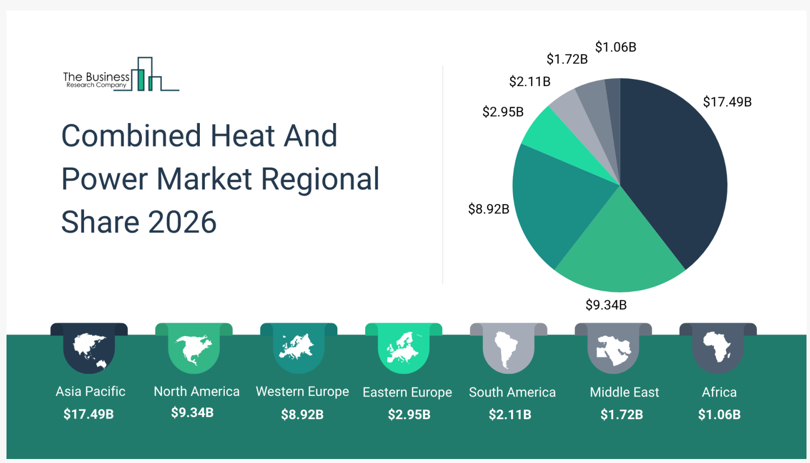
Combined Heat And Power Market To Witness Strong Growth Trajectory Through 2030 At 7% CAGR

The Business Research Company's Combined Heat And Power Global Market Report 2026 – Market Size, Trends, And Forecast 2026-2035



Combined Heat And Power Market Report



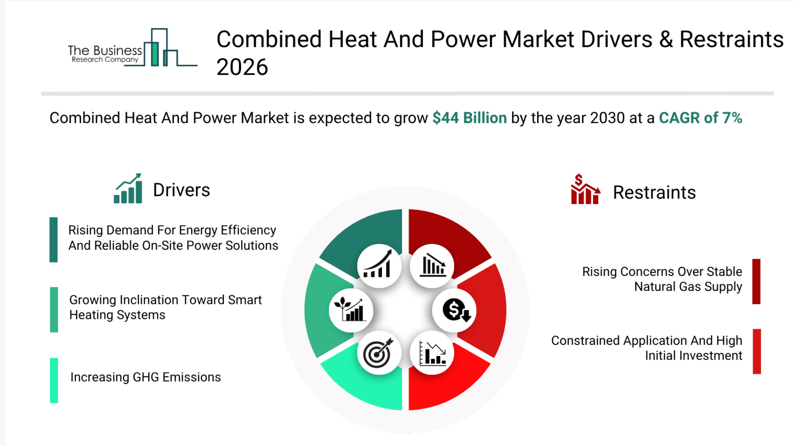
Combined Heat And Power Market Trends

LONDON, GREATER LONDON, UNITED KINGDOM, July 14, 2026 /EINPresswire.com/ -- [Combined Heat And Power market] to surpass $44 billion in 2030. Within the broader Utilities industry, which is expected to be $9,379 billion by 2030, the Combined Heat And Power market is estimated to account for nearly 0.5% of the total market value.

Which Will Be The Biggest Region In The Combined Heat And Power Market In 2030?
Asia-Pacific will be the largest region in the combined heat and power market in 2030, valued at $17 billion. The market is expected to grow from $12 billion in 2025 at a compound annual growth rate (CAGR) of 7%. The strong growth can be attributed to the rapid expansion of industrial infrastructure across emerging economies, rising electricity demand from urban and manufacturing sectors, increasing emphasis on energy efficiency and decentralized power generation, growing investments in district heating and cogeneration facilities, and favorable government initiatives promoting low-emission and efficient energy systems across the region.

Which Will Be The Largest Country In The Global Combined Heat And Power Market In 2030?
China will be the largest country in the combined heat and power market in 2030, valued at $9

billion. The market is expected to grow from $6 billion in 2025 at a compound annual growth rate (CAGR) of 8%. The strong growth can be attributed to the country's large industrial base, rising deployment of CHP systems in heavy industries and urban heating networks, increasing focus on reducing energy wastage in power generation, expansion of natural gas infrastructure, and strong investments in modernizing energy systems to improve grid reliability and industrial energy efficiency.



Combined Heat And Power Market Growth

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What Will Be The Largest Segment In The Combined Heat And Power Market In 2030?
The combined heat and power market is segmented by fuel into natural gas, coal, biomass, and other fuel. The natural gas market will be the largest segment of the combined heat and power market segmented by fuel, accounting for 65% or $29 billion of the total in 2030. The natural gas market will be supported by the increasing availability of natural gas supply networks, lower carbon emissions compared to coal-based systems, high operational efficiency of gas-fired CHP plants, rising adoption in commercial and industrial facilities seeking cost-effective energy solutions, and ongoing technological advancements improving fuel flexibility and power generation performance.

The combined heat and power market is segmented by technology into combined cycle, steam turbine, gas turbine, reciprocating engine, and other technologies.
The combined heat and power market is segmented by capacity into up to 10 MW, 10-150 MW, 151-300 MW, and above 300 MW.
The combined heat and power market is segmented by end-use into commercial, industrial, residential, utilities, and other end-uses.

What Is The Expected CAGR For The Combined Heat And Power Market Leading Up To 2030?
The expected CAGR for the combined heat and power market leading up to 2030 is 7%.

What Will Be The Growth Driving Factors In The Global Combined Heat And Power Market In The Forecast Period?
The rapid growth of the global combined heat and power market leading up to 2030 will be driven by the following key factors that are expected to enhance demand for energy-efficient

and reliable on-site power solutions, accelerate adoption of smart heating systems, and strengthen investments in low-emission energy infrastructure worldwide.

Rising Demand For Energy Efficiency And Reliable On-Site Power Solutions - The rising demand for energy efficiency and reliable on-site power solutions is expected to become a key growth driver for the combined heat and power market by 2030. Industries and commercial facilities are increasingly adopting CHP systems to simultaneously generate electricity and useful thermal energy from a single fuel source, improving overall operational efficiency. These systems help reduce transmission losses, ensure uninterrupted power supply during grid outages, and lower long-term energy costs for end users. Growing concerns regarding grid instability and rising electricity consumption are further encouraging deployment of localized power generation systems. This transition toward high-efficiency energy infrastructure is reinforcing steady market expansion. As a result, the rising demand for energy efficiency and reliable on-site power solutions is anticipated to contribute approximately 2.3% annual growth to the market.

Growing Inclination Toward Smart Heating Systems - The growing inclination toward smart heating systems is expected to emerge as a major factor driving the expansion of the combined heat and power market by 2030. The increasing integration of digital monitoring technologies, intelligent building energy management systems, and automated heating controls is encouraging the adoption of advanced CHP solutions in residential, commercial, and district heating applications. Smart heating systems enable optimized energy consumption, improved thermal efficiency, and real-time operational control, making CHP installations more attractive for modern infrastructure projects. Rising investments in smart cities and connected energy ecosystems are further accelerating demand for efficient cogeneration technologies. Consequently, the growing inclination toward smart heating systems is projected to contribute around 2.0% annual growth to the market.

Increasing GHG Emissions - The increasing GHG emissions are expected to act as a key growth catalyst for the combined heat and power market by 2030. Governments and industrial operators are increasingly focusing on cleaner and more efficient energy generation technologies to reduce carbon intensity and meet sustainability targets. CHP systems offer improved fuel utilization efficiency compared to conventional power generation methods, enabling lower greenhouse gas emissions per unit of energy produced. The growing adoption of low-carbon energy infrastructure across manufacturing facilities, utilities, and institutional buildings is further supporting CHP deployment worldwide. As environmental concerns and emission reduction initiatives continue to intensify, demand for efficient cogeneration systems is expected to accelerate steadily. Therefore, the increasing GHG emissions are projected to contribute approximately 1.7% annual growth to the market.

Access The Detailed Combined Heat And Power Market Report Here:
https://www.thebusinessresearchcompany.com/report/combined-heat-and-power-global-market-report?utm_source=EINPresswire&utm_medium=Paid&utm_campaign=Jul_PR

What Are The Key Growth Opportunities In The Combined Heat And Power Market In 2030?
The most significant growth opportunities are anticipated in the natural gas market, coal market, biomass market, and other fuel market. Collectively, these segments are projected to contribute over $14 billion in market value by 2030, driven by rising adoption of decentralized power generation systems, increasing industrial demand for continuous and cost-efficient energy supply, expanding investments in cleaner fuel-based cogeneration technologies, and growing emphasis on improving overall energy utilization efficiency across commercial and industrial sectors. This momentum reflects the global energy industry's focus on reducing operational energy costs, enhancing power reliability, and supporting sustainable energy transition strategies, accelerating growth across the global combined heat and power ecosystem.

The natural gas market is projected to grow by $9 billion, the coal market by $3 billion, the biomass market by $1 billion, and the other fuel market by $1 billion over the next five years from 2025 to 2030.

The 2026 edition of our market reports now delivers enhanced analytical coverage through market attractiveness scoring and analysis, total addressable market (TAM) analysis, company scoring matrix graphics and tables, Excel-based forecasting dashboards, market hotspots infographics, key technologies and future trend analysis, plus updated graphics and tables.

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