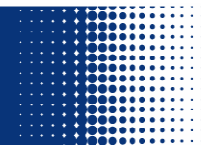


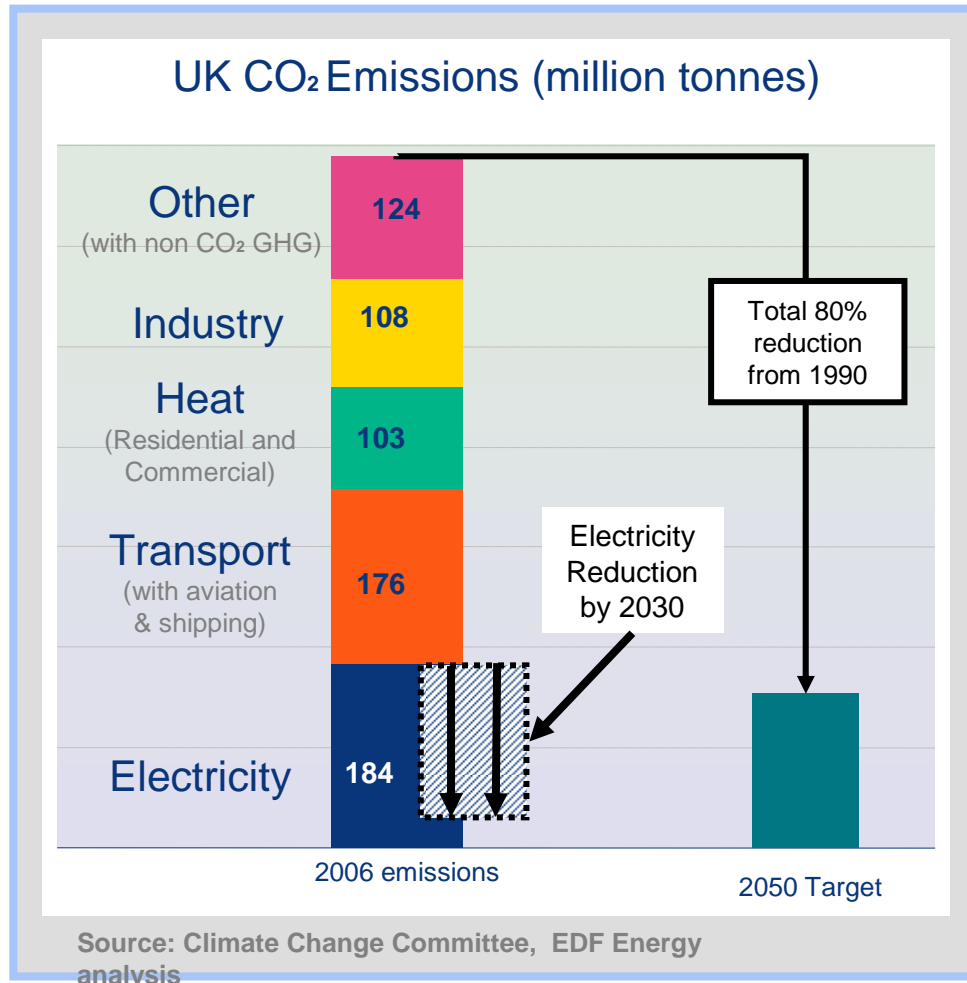


# KEEPING THE LIGHTS ON FOR BUSINESS IN A LOW CARBON ECONOMY

Sid Cox, Director of B2B  
EDF Energy  
ENVEC 8<sup>th</sup> October 2009

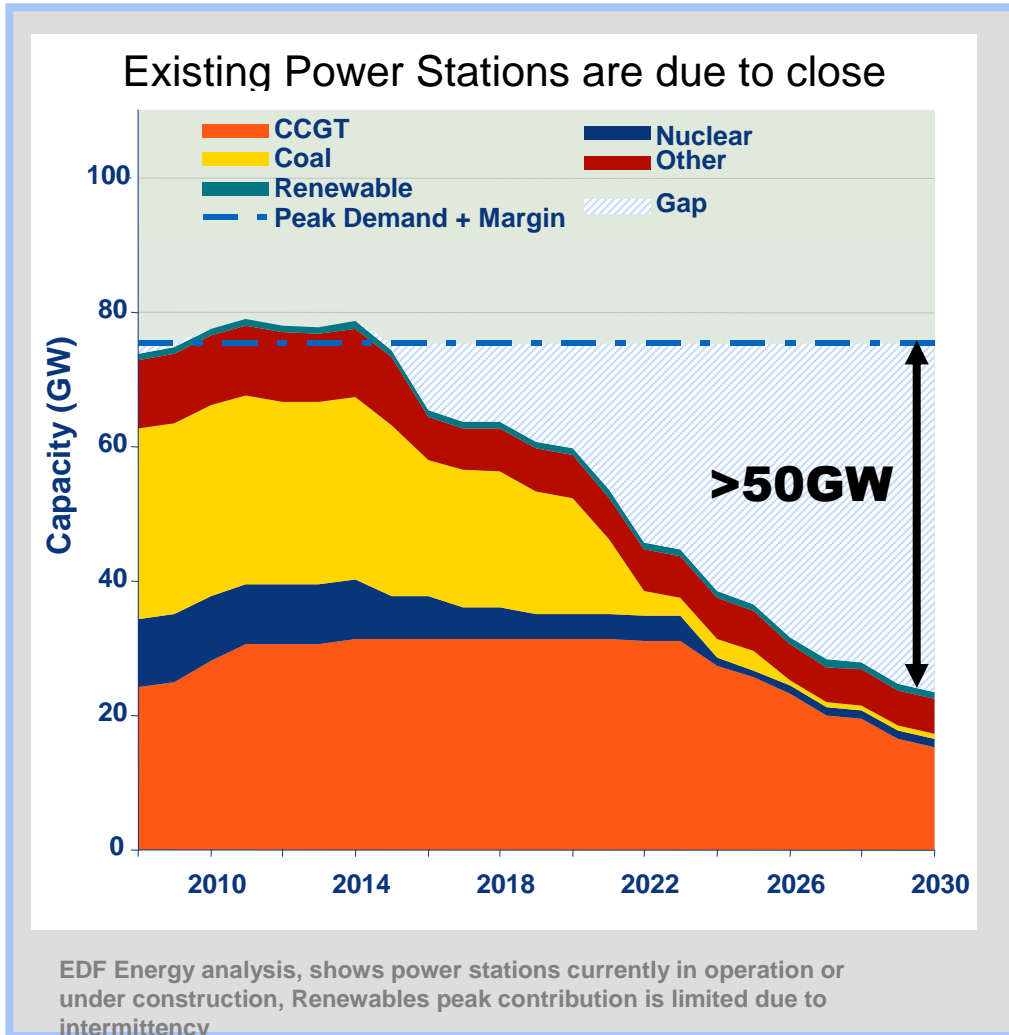


## ❖ DECARBONISATION OF ELECTRICITY IS VITAL



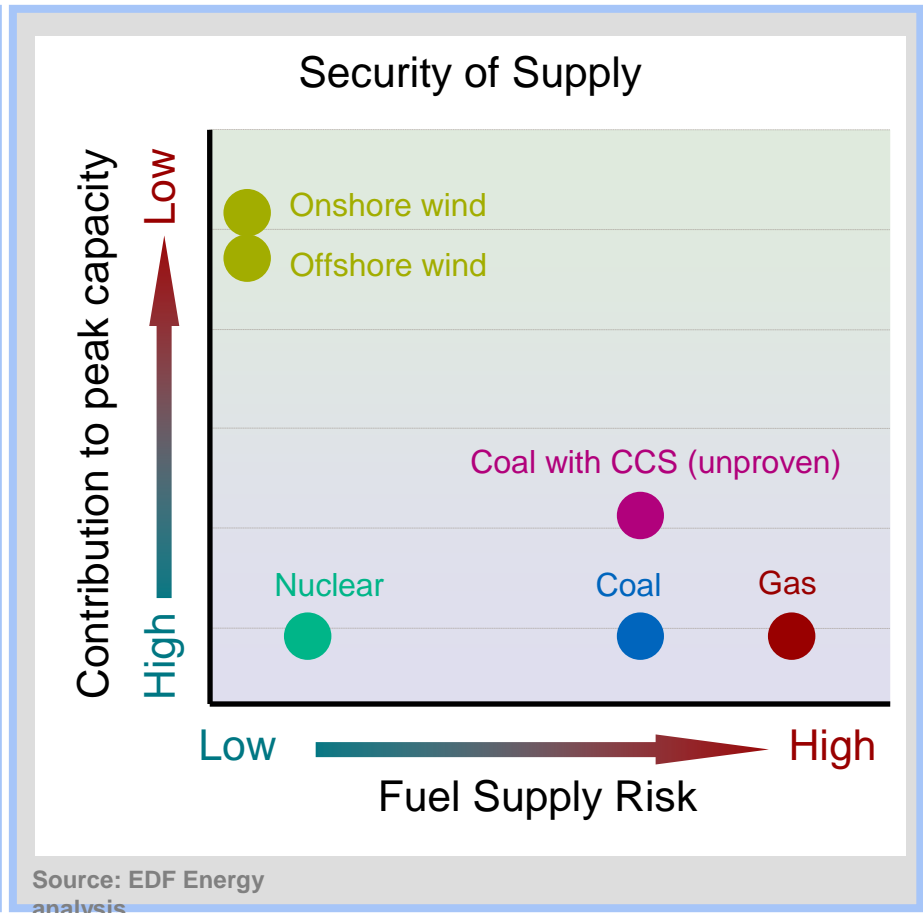
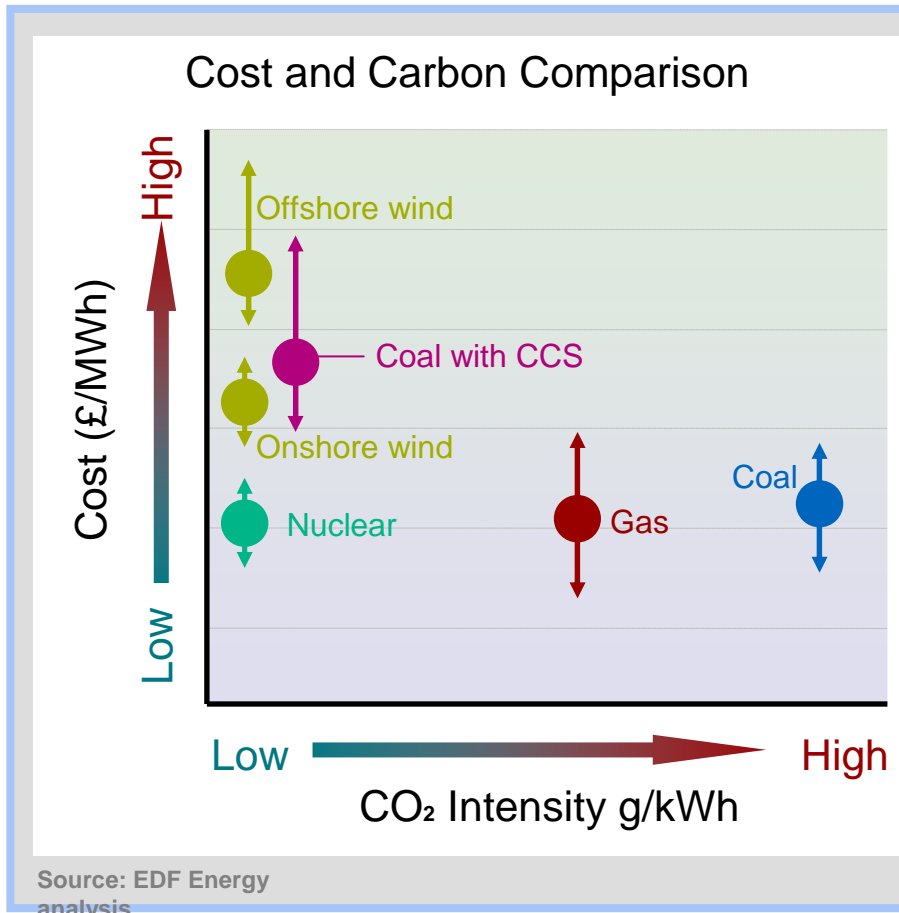
- Significant decarbonisation across all sectors is required
- Climate Change Committee believe the electricity sector needs to reduce its emissions earlier, 90% by 2030
- Low CO<sub>2</sub> electricity will then make a major contribution to decarbonising other sectors such as Transport and Heat

# RETIRING GENERATION WILL NEED TO BE REPLACED WITH LOW CARBON EMITTING PLANT



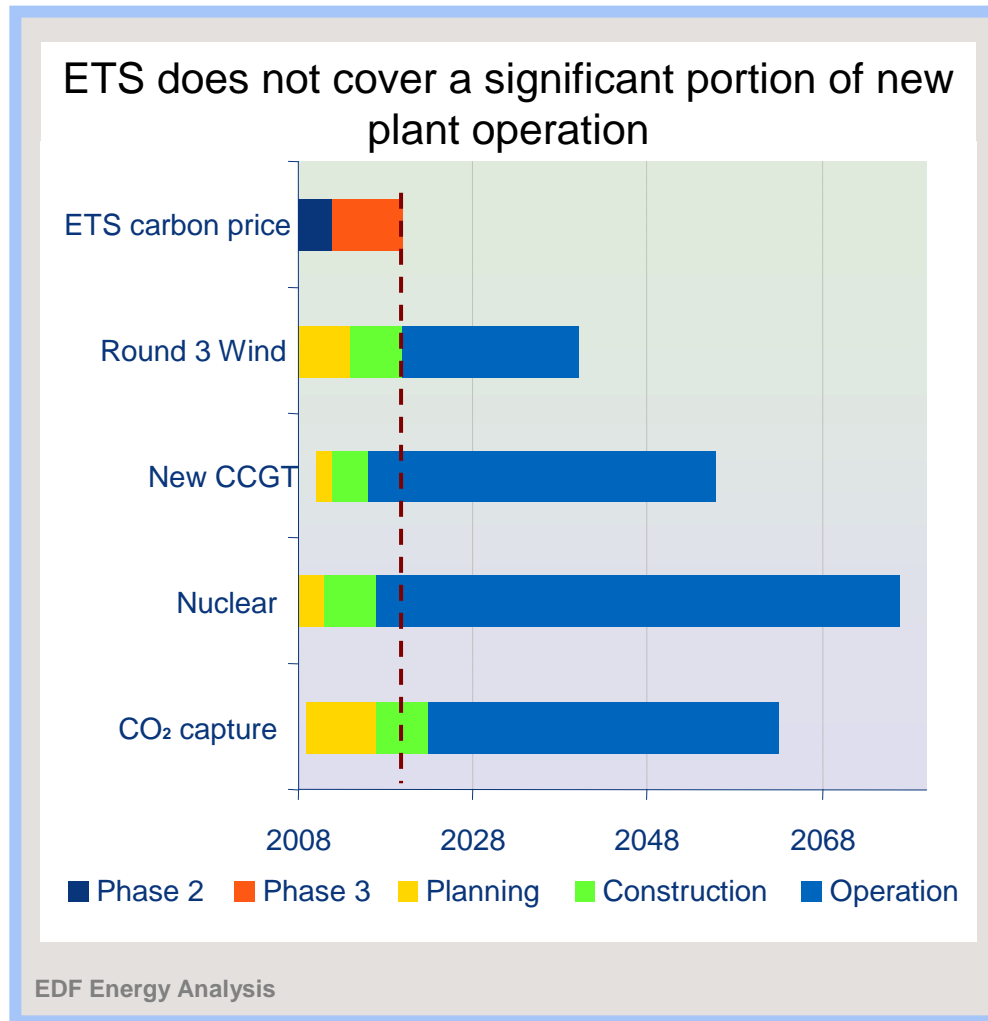
- Many existing power stations will retire by 2030. Of current power stations there will only be 23GW remaining – the majority gas fired
- To safely meet future peak demand, investment of over £200bn will be required
- The impact of decisions taken now will last over 40 years – so it is important that they are taken with long term goals in mind

# A RANGE OF TECHNOLOGIES HAVE THEIR OWN CONTRIBUTION TO THE DESIRED OUTCOMES



- A balanced fuel mix is required to provide further security
- Nuclear scores well on cost, carbon and security of supply criteria

# EXISTING CARBON PRICE SCHEME DOES NOT PROVIDE SUFFICIENT PRICE CERTAINTY FOR INVESTMENT



- The Emissions Trading Scheme (ETS) reflects the cost of carbon reductions
- However, prices are volatile and price certainty is limited
- The resulting price level is not sufficient to encourage capital investment
- In addition there is a short time horizon to the ETS and future emissions limits have not been set
- This limits its benefit to investments with life spans beyond 2020

# ❖ CARBON REDUCTION COMMITMENT

3

hour workshops

30

sessions since May 2008

>800

customers & consultants



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THANK YOU

