



Electric industry leaders, representing utilities providing the majority of the world's electricity, met in Atlanta, Georgia, USA on October 6-7. The meeting gathered executives from the major electric industry associations at the **2008 International Electricity Chief Executives Summit**. The industry associations included the Edison Electric Institute, Eurelectric, Federation of Electric Power Companies of Japan, the Canadian Electricity Association and the Energy Supply Association of Australia.

## **Electricity Leaders Form an International Electricity Partnership to Deliver Advanced Electric Technologies to Create a Global Low-Carbon Future**

Atlanta, Georgia, USA, (October 7, 2008) – Electric utility leaders from the world's largest economies believe governments working together must continue to seek to restore investor confidence in order to maintain efficient global capital markets. As one of the most capital intensive industries, electric utilities must have ready access to liquid capital markets. Global competitive financial markets are essential to the industry's objective to invest and provide secure and reliable electricity to customers and to install the new technologies required to curb climate change.

A strong commitment from industry and governments is required to demonstrate and deploy advanced technologies and encourage this new investment. A low-carbon future can be achieved with the electricity sector making a major contribution to global efforts on climate change. A supportive public policy framework is needed to balance security of energy supply, economic competitiveness and environmental objectives for the benefit of customers.

The industry leaders believe that electricity can be the solution to climate change. Developed economies must lead and are committed to share technologies and experience to allow the developing economies to follow. It was agreed that new technology, with an adequate transition period, can accommodate the objective of stabilizing of carbon emissions from all sources; and, with aggressive application of technology, carbon emissions reductions of 60 to 80 percent can be achieved by 2050.

Electricity remains the backbone of the world's largest economies and is of growing importance to the advancement of developing economies. The increasing cost of providing electricity to our customers is an important consideration in all economies and care will be required to avoid imposing unnecessary costs on customers in reaching these objectives.

To advance these objectives, the leaders of the major organizations recognized the necessity for further mutual consideration of common challenges and opportunities facing the power sector. Specifically, it was agreed to form an International Electricity Partnership to work with various organizations to create a roadmap to foster the development and deployment of commercial technologies that will enable the objectives embodied in this document.

In the course of their discussions, the executives also came to the following conclusions:

### **Electric Power Supply Options**

1. To maintain a secure and stable supply of electricity and to make significant emissions reductions in the power sector, it is imperative that all energy supply options be kept open. There are no easy or universal solutions and the optimum mix of resources should reflect local availability and the nature of regional integration.
2. Nuclear power is a key part of the solution to both climate change and energy security. Policy makers and the electric industry must work to enhance public understanding of the benefits of nuclear power in providing reliable and emissions-free, electric energy.
3. Advanced technologies, including clean coal technologies, provide the key to combat climate change and enhance energy security. Government climate strategies must be harmonized with the projected availability of these technologies in order to make meaningful emission reductions. It was agreed the electric industry would develop technology roadmaps to advance the sharing of experience in order to deploy state of the art technologies most rapidly.
4. In expanding renewable energy as low emitting technology, improvements in the grid system will be required. To realize this, expedited licensing procedures and additional investments must be recovered from stakeholders in an appropriate manner.

### **Energy Efficiency and Transportation**

5. Improved energy efficiency is an important objective in addressing climate concerns. This will require consumer education, improved building and efficiency standards and supportive regulation. Expansion of new “smart” grid and end-use consumer technologies (*e.g., high-efficiency heat pump technology*) will enable improvements. Energy efficiency offers an effective, short-term way to achieve lower carbon intensity at acceptable costs to consumers.
6. In addition to carbon reduction efforts in electric supply and increased electrification, significant carbon reductions can also be achieved in the transportation sector with the deployment of new Plug-in Electric Hybrid Vehicles, which will also help to reduce dependence on oil.

### **Increased Investment**

7. To ensure that the growing demand for electricity is met in a secure manner will require the electricity industry to make major investments in generation, transmission and distribution over the next decades. A stable investment climate based on long-term, coherent legal and emissions frameworks is critical for the electricity industry to deliver this future low-carbon emissions energy system.

### **Climate Change Policies**

8. Carbon emissions, per unit of economic output, are moderating in the developed economies, but it will take time and significant investment in new nuclear power plants, clean coal plants (*e.g., advanced pulverized coal, fluidized bed and IGCC technologies*) and renewable energy to replace the vast existing energy systems through the use of advanced technologies.
9. The move toward a low-carbon energy system will also require an increased focus by both industry and government on the commercial demonstration of promising technologies, including carbon capture and storage, to allow for the continued use of coal necessary in many countries.

10. Climate strategies must be compatible with market economies, deliver timely and economically efficient greenhouse gas reductions and establish a long-term carbon reduction value that is moderate, does not harm local economies and stimulates future investments in zero-and low-carbon emission technologies and processes. It is vital that effective economic safeguards are incorporated in these strategies to limit the potential impacts of carbon policy on jobs and economic growth.
11. All greenhouse gases and sectors, including transport, industrial and residential, must participate in fair, equitable and appropriate ways in the global effort to combat climate change. In this regard, considering the role of electricity in improving standards of living, potential electrification in society as a whole should be continuously explored while promoting energy savings and consequently reducing greenhouse gas emissions in every sector.