



Energy Futures

Introduction to RCEP Energy Strategies and Research Needs Workshop

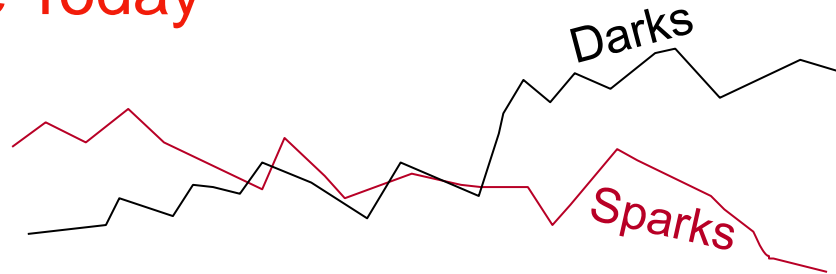
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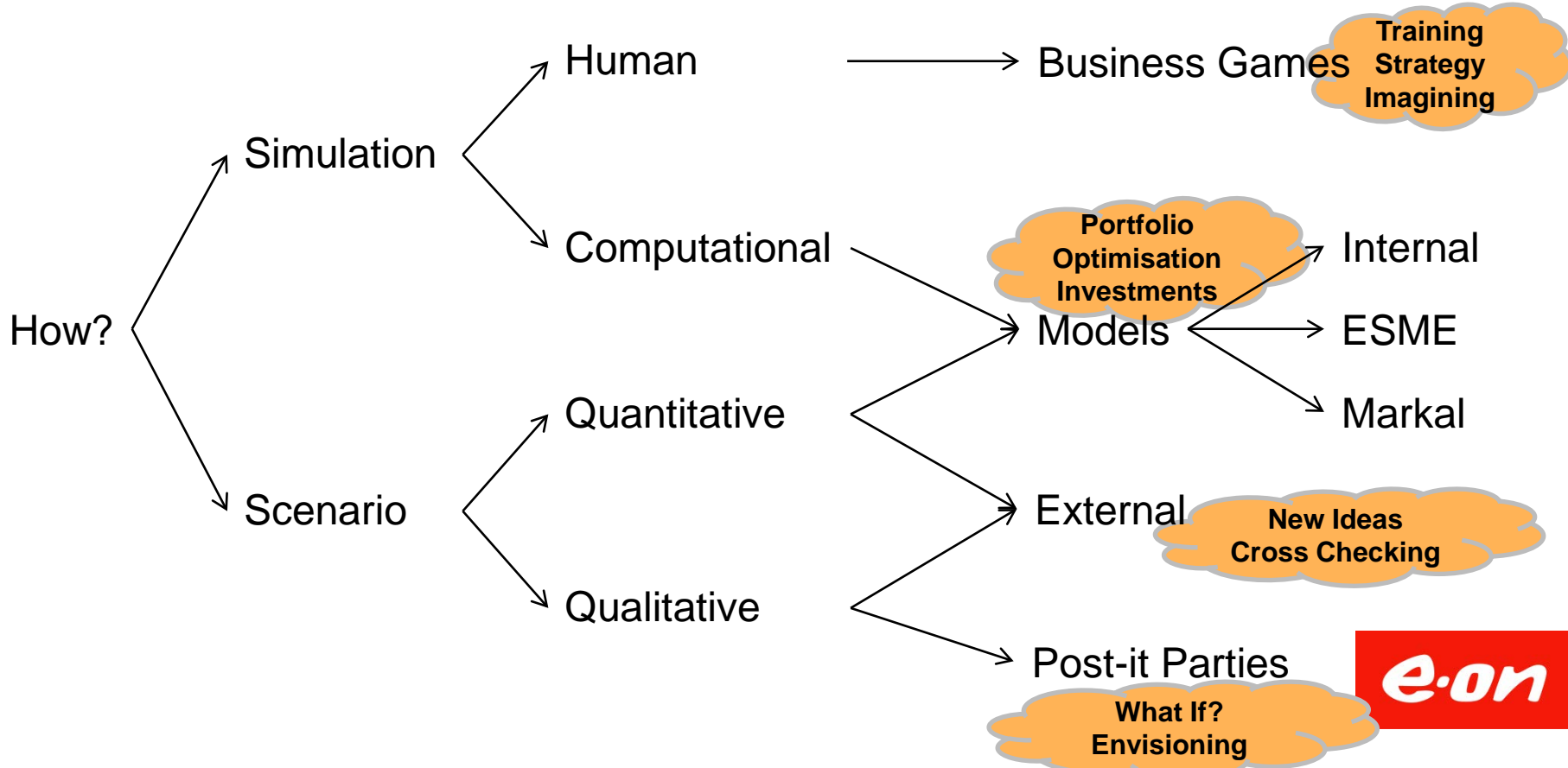
e-on

Accessing The Future Today

Short Term
Forward Curve



Medium to Long Term



Business Games

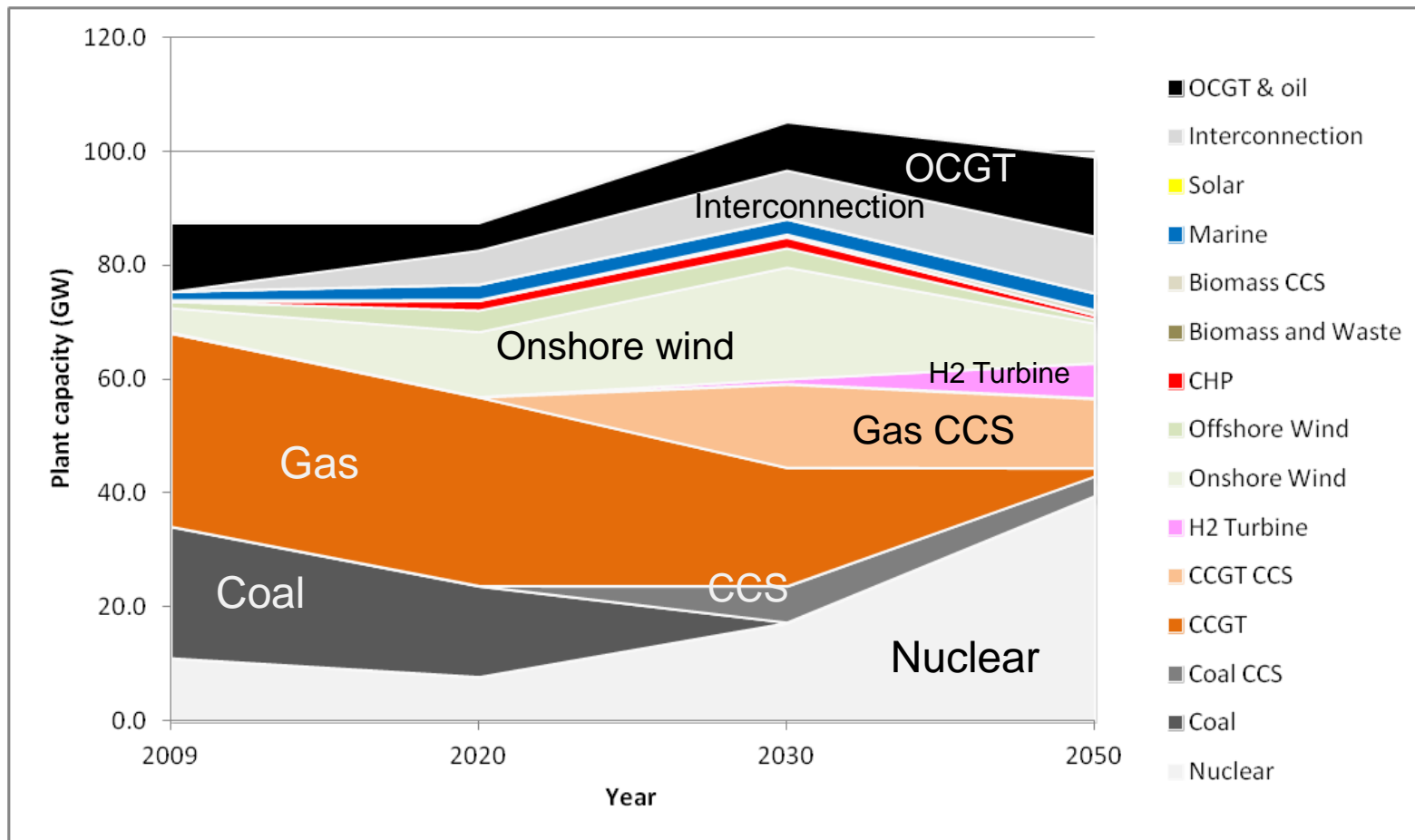


“Memories of the Future”

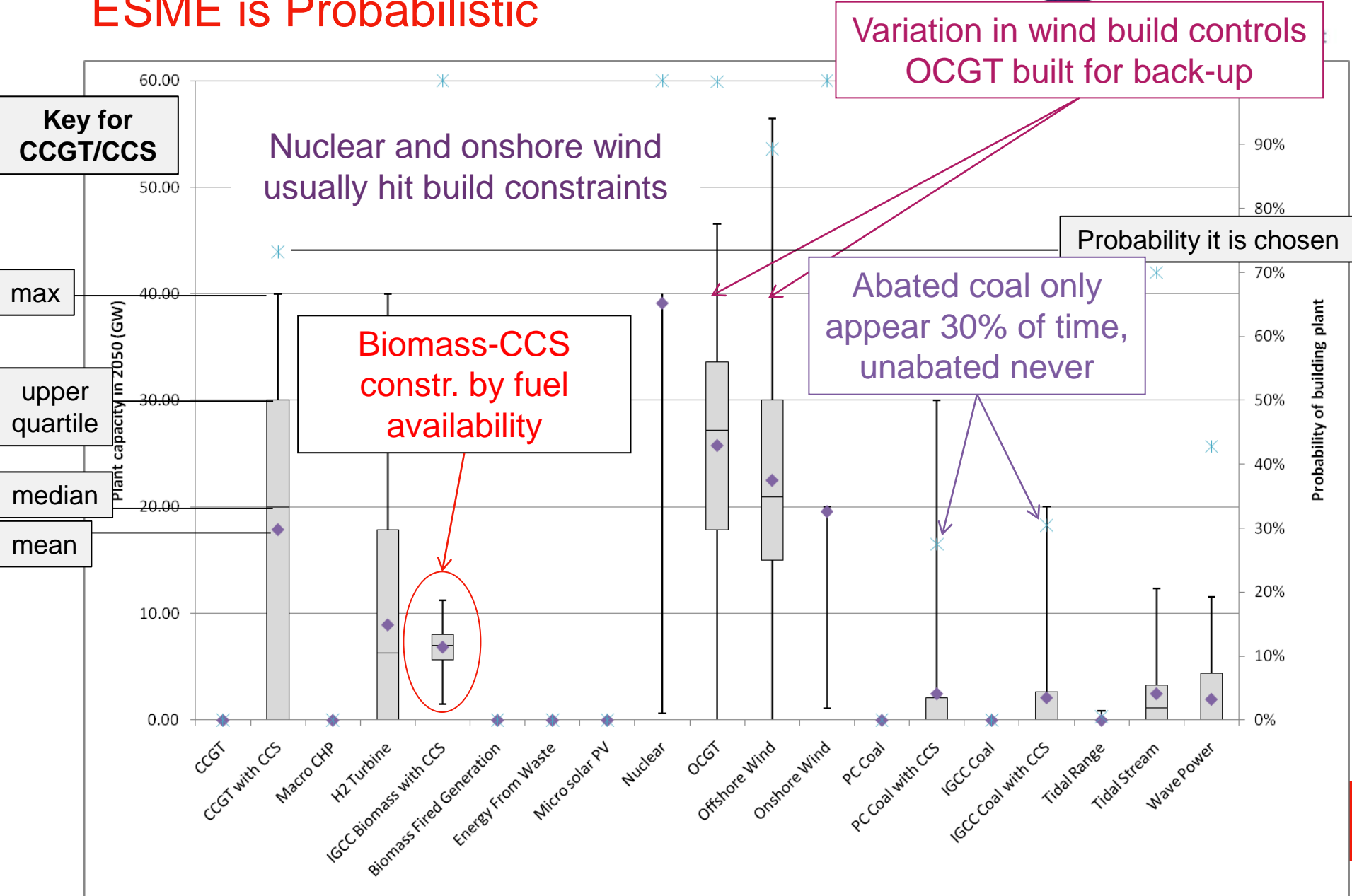
Accenture



- Derived from a run of ETI's ESME
- Sample run - deterministic.



ESME is Probabilistic



Where
are we?

Corporate Scenarios

Unabated Growth

- India and China combat climate constraints arguing additional burdens for economies
- EU gets increasingly disillusioned with intl. efforts and turns to climate change adaptation
- Economy rebounds as trust in doing business-as-usual is restored quickly
- Global run on fossil fuels ensues

Green World

- Climate change mitigation takes centre stage
- Robust GDP growth
- Quick onset of peak oil and high commodity prices
- Governments stimulate markets to deliver technological innovation
- Trust helps implement solutions with high capital costs

Slow Recovery

- Recession has hit the world economy at its core
- Low levels of investment, preference for low capital costs technologies
- Weak growth spawns weak ST climate agreement
- Discovery of new gas reserves – world muddles through, with moderate fossil fuel prices

Climate Concerns

- Climate change mitigation viewed as key
- Moderate economic growth due to international conflicts
- Affordable fossil fuel makes agreement on LT carbon targets more difficult
- More conflicts attributed to effects of climate change

Predicted Investments

Future development of E.ON's European portfolio –
Different winning technologies in different scenarios

	Coal	CCGT	Nuclear	Renewables
Unabated Growth	++	0	+	0
Slow Recovery	-	++	0	+
Climate Concerns	--/+ ¹	+	+	+
Green World	- -/+ ¹	-	++	++

1. With CCS

Events, Dear Boy, Events

Where are we? My guess...

Future development of E.ON's European portfolio - Different winning technologies in different scenarios

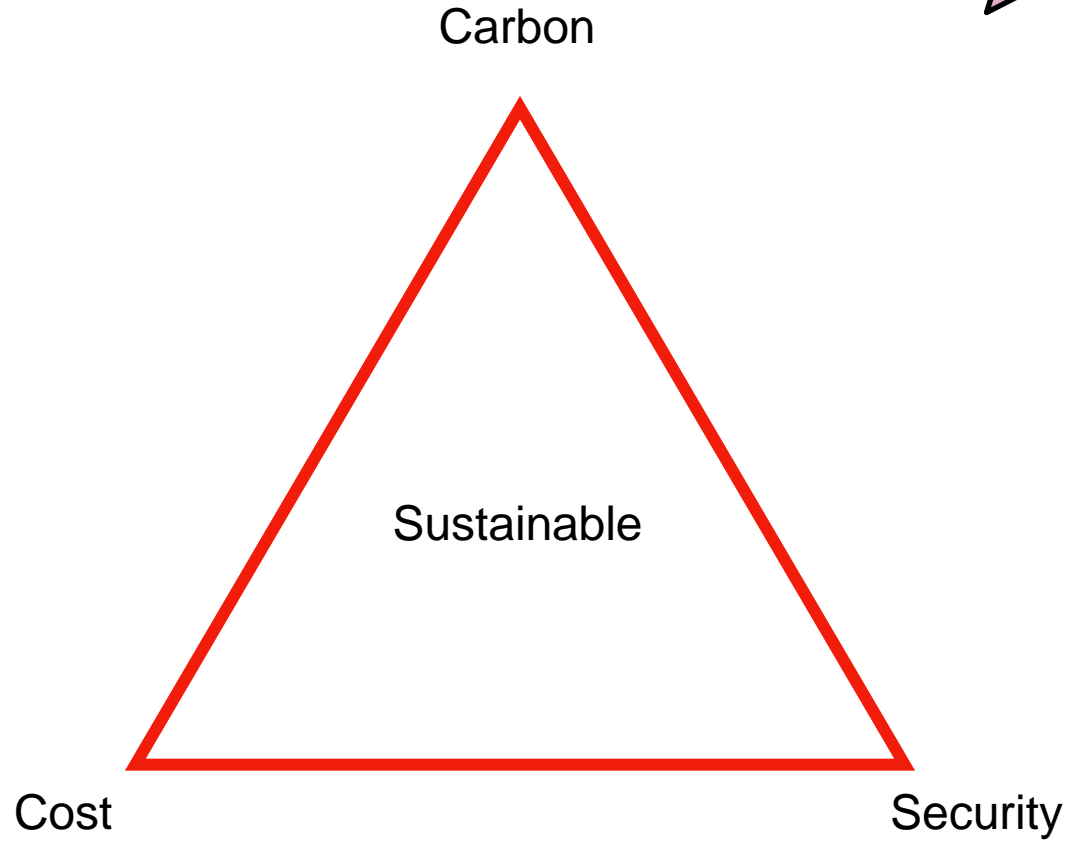
	Coal	CCGT	Nuclear	Renewables
		High gas price = -1	Fukushima effect = -1	
Slow Recovery	-	+	-	+
Climate Concerns	--	0	0	+

1. With CCS **Not a medium term option**



The Trilemma

Don't forget to
balance the
Trilemma!

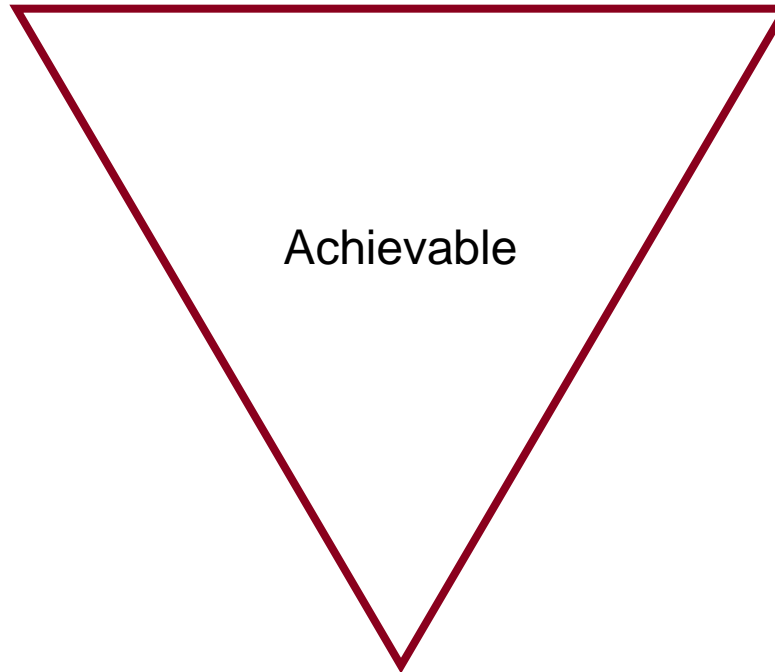


Three Stakeholder Groupings



Industry

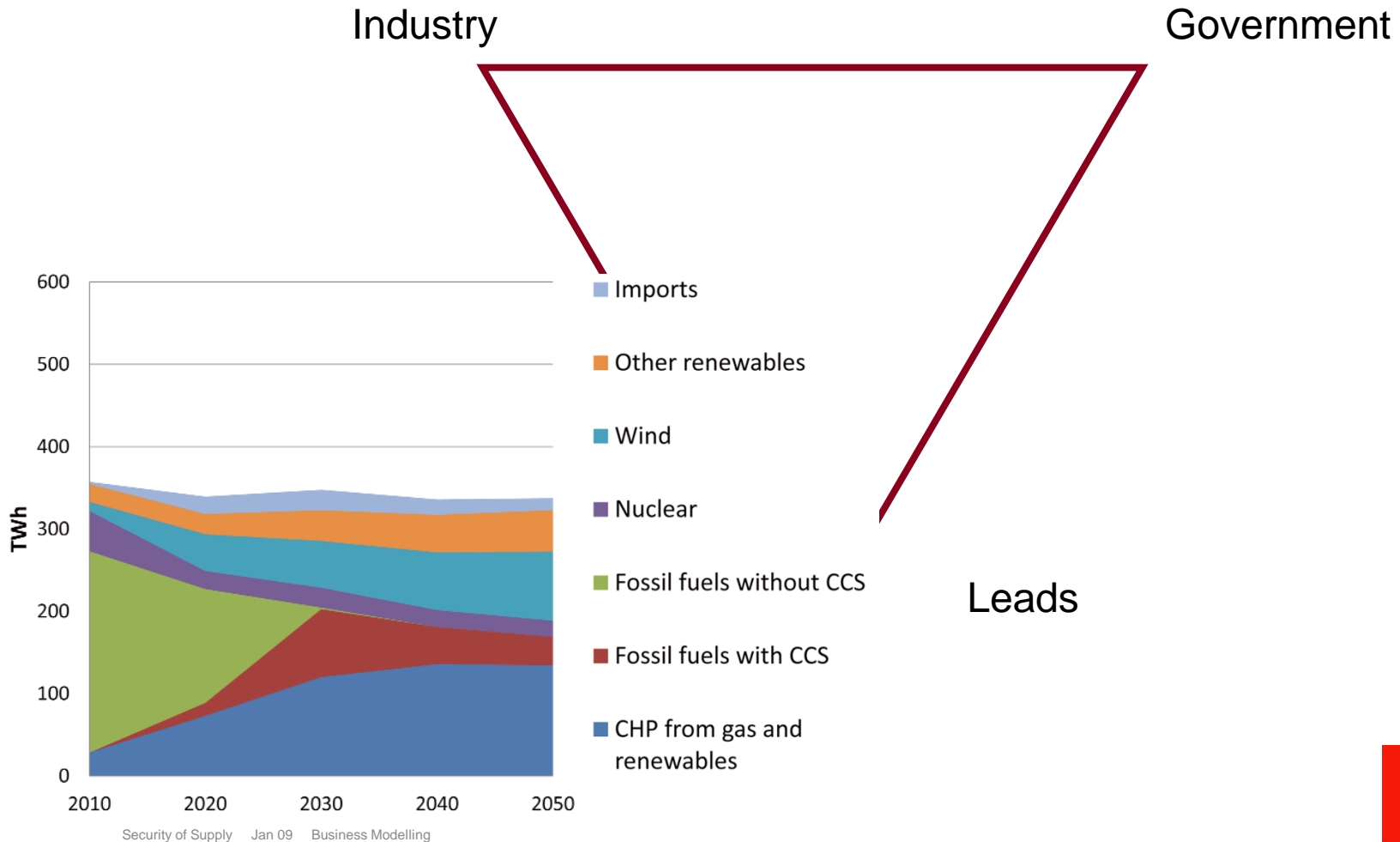
Government



Society



Leadership Influences Scenario



In Summary

