

Durban's Climate Change Summit: Industry's Green Growth

**Durban
June 24th 2009**

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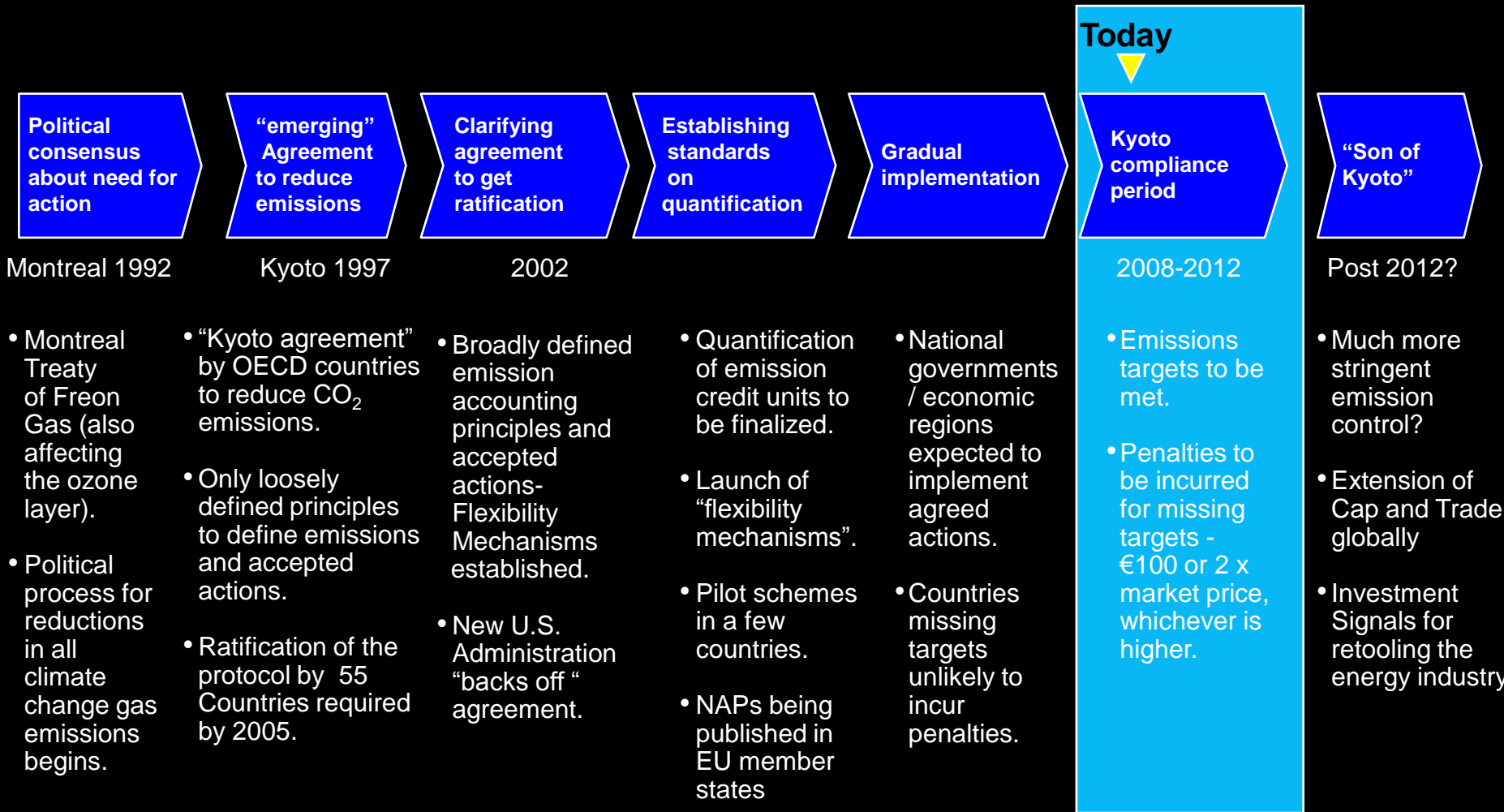
TODAY'S DISCUSSION

How has the thinking around the low carbon economy emerged?

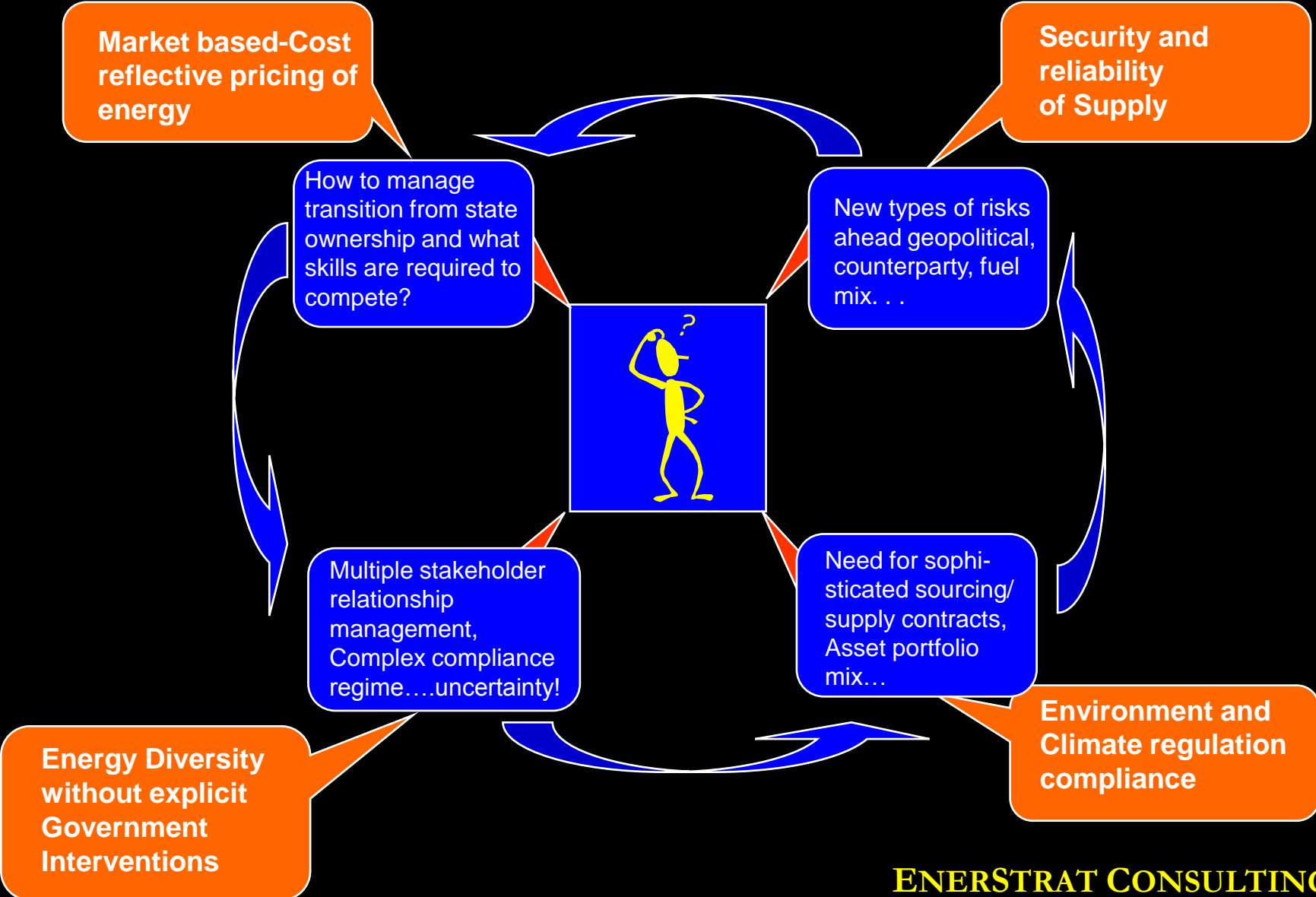
What has changed in the energy and industrial space? Why?

Low Carbon Economy to Low Carbon City: Some trends

EVOLUTION OF THE KYOTO PROTOCOL



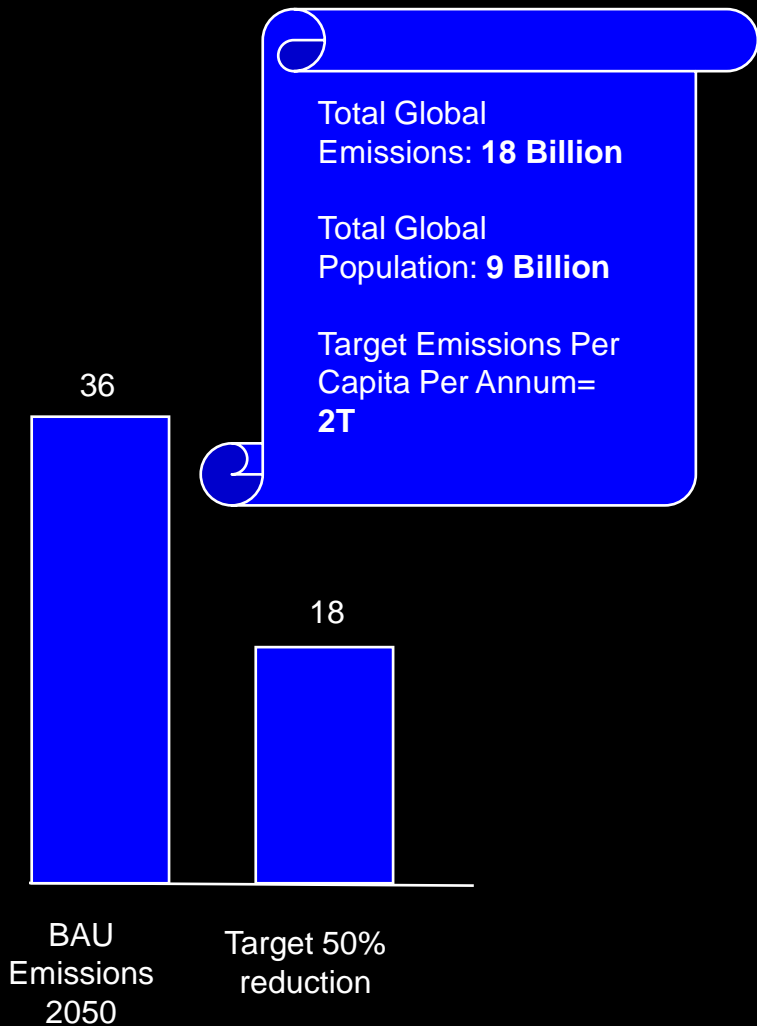
THE NEXT GENERATION ENERGY- ENVIRONMENT POLICY CONUNDRUM



OVERVIEW OF VARIOUS CARBON MARKETS AROUND THE WORLD

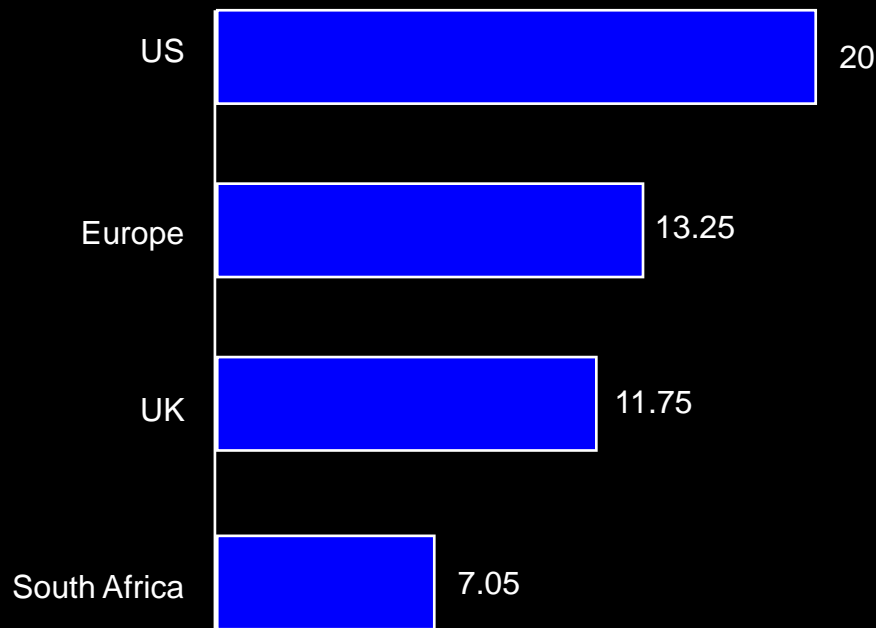
Geographic Region	Market	Regime/Design	Comments	Status
EU	EUETS	Cap-and-Trade		Operational
FSU and Russia	JI	Cap-and-Trade		Early Stage Operational
Middle East and Asia	CDM	DNA approval driven project sales		ME- Early Stage Developing Asia - fully active and growing
Australia (and NZ)	JI/ Trading	Cap-and-Trade		Just finalised rules for trading in December 08
Japan	JI/Trading			Operational for CDM buying
United States	Tradable (when launched nationally)	Regional Cap-and-Trade Schemes		RGGI is the only operational-early stage; all others at design stage
Canada	JI/Traded			Early Stage Operational
Latin America	CDM	DNA approval driven project sales		Chile, Brazil active and growing Others – early stage
Africa	CDM	DNA approval driven project sales		South Africa- active Others- Early Stage development

THE SIMPLE MATHEMATICS OF 50% EMISSION REDUCTIONS BY 2050

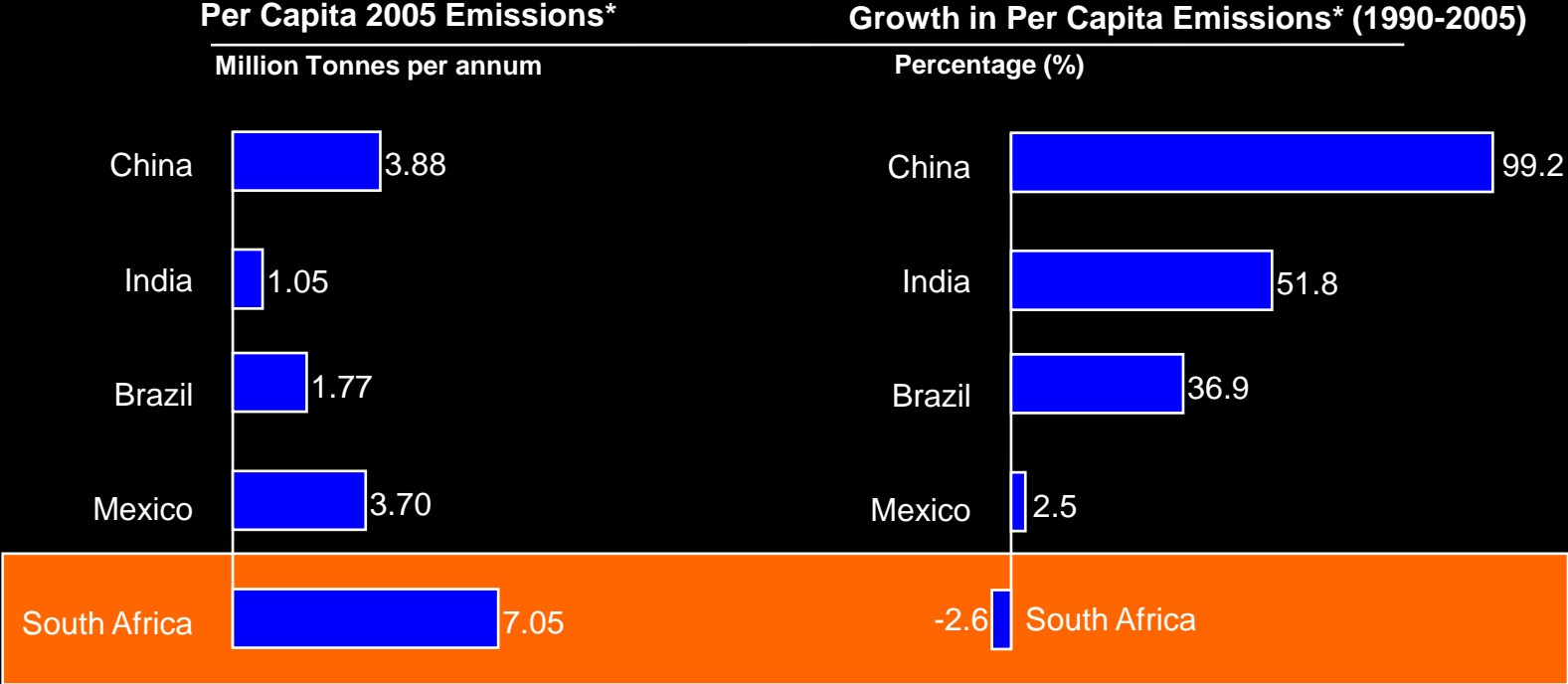


Current Status of Key Countries

Tonnes of CO2 per capita per annum



EMISSION PERFORMANCE OF THE MAJOR DEVELOPING ECONOMIES

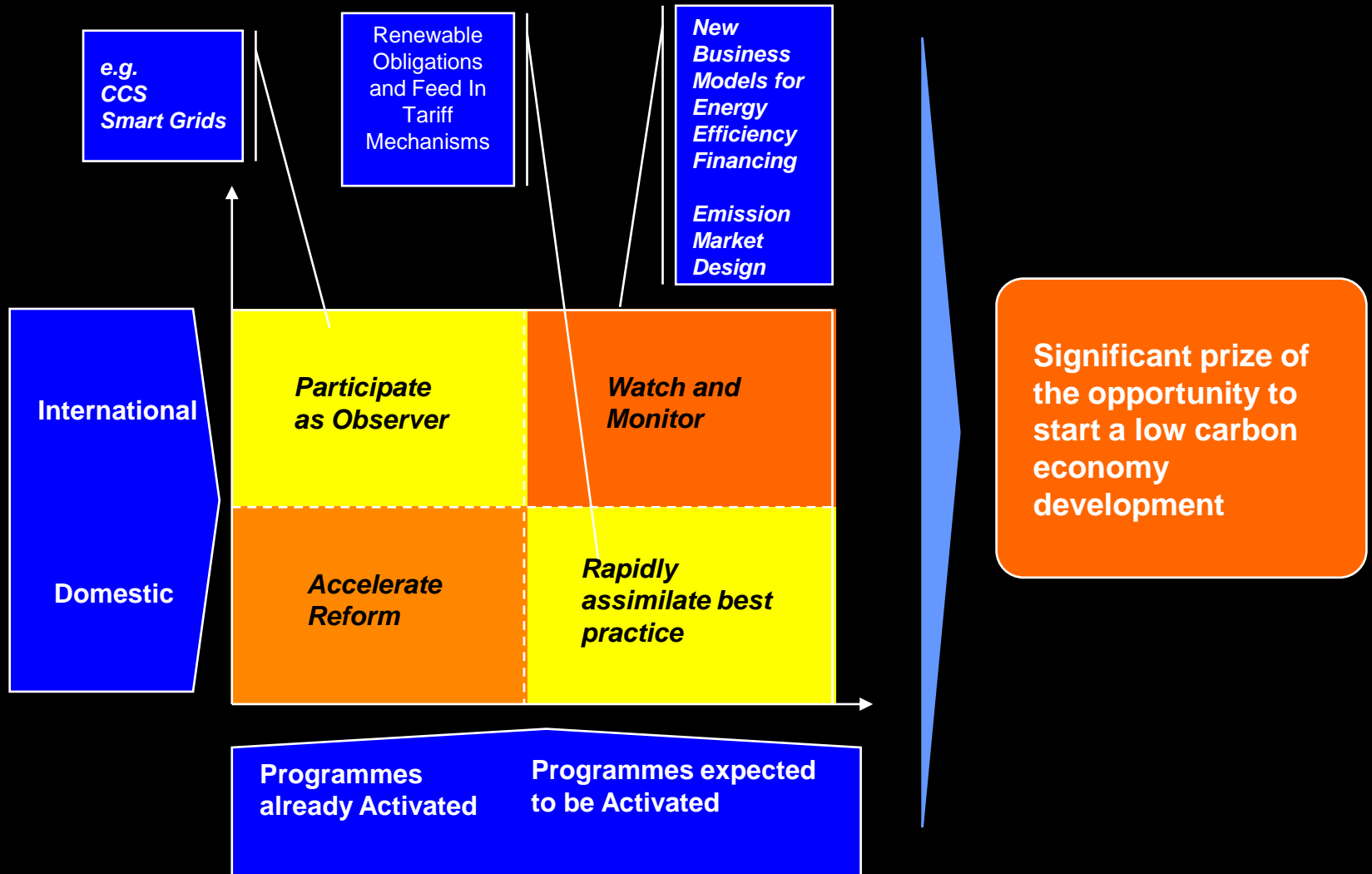


Although the data was released at Poznan in December 2008, for reasons of consistency the IEA has chosen 2005 as the last data point for which consistent and comparable data on a global basis is available.

Source: IEA Documents December 2008 and Team Analysis

ENGAGING TOWARDS A LOW CARBON ECONOMY

How do we anticipate developing countries to respond?



IMPLEMENTING LOW CARBON CITIES- EXPERIENCE SHARING IS KEY

Low Carbon City Initiatives

Comments

Global Mayors Forum- China
UK Low Carbon Cities Programme
Copenhagen City
Nagoya-Japan
BEDZED

Shanghai, Guangzhou, Chengdu started
Shenzen-HongKong Special initiative expected

Bristol-Leeds and Manchester
Focus on city councils and built environment stakeholders
Active Support from EST and Carbon Trust

50 Specific initiatives identified.
Significant local business and stakeholder engagement
Interim target 20% reduction by 2015 and Net zero carbon by 2025
Emphasis on Hydrogen based and wind-electric vehicle transportation system

Emphasis on built environment and building efficiency

New low carbon community development in London
Emphasis on air quality, heat networks and CHP schemes

"We are launching an ambitious plan containing very specific initiatives to reduce carbon dioxide emissions significantly. We are inviting the business community and the city's inhabitants to work closely with us to demonstrate that the growth of the city and climate-friendly initiatives go hand in hand."

--- Ritt Bjerregaard, Lord Mayor of Copenhagen, Denmark

LOW CARBON ECONOMIES TO LOW CARBON CITIES- SOME THOUGHTS

Bristol-Leeds-Manchester- Nagoya and Copenhagen examples

Low Carbon Economies

- Re-thinking of National Energy Systems
- Aggressive Energy Efficiency Programmes
- Geo-Strategic Energy Co-operation
- Re-design of energy systems and incentivisation towards renewable energy
- Macro- emphasis on Energy and Transportation

Low Carbon Cities

- Re-thinking on a very site specific basis
- Aggressive Energy Efficiency Programmes- but targets are touch to define
- International basis for co-operation
- Re-design of local energy systems- variable potential
- Micro level emphasis on Energy and Transportation

- How to manage energy congestion
- How do energy transportation systems get impacted?
- What are win-win ideas- waste to energy, smart grids, local heat and electricity networks, micro-generation?
- Individual Carbon Foot print- influence on personal transportation?

THANK YOU

ashastri@enerstrat-consulting.com