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We have got about two hours to talk this issue over. It is a huge issue which is difficult to compact into two hours. We have been talking at the plenary level on a lot of global issues, a lot of macro thinking, a lot of macroeconomics, but I think in this group we should be allowed get down into some tall grass and talk some specifics about the sector. We have got a collective public policy objective here of providing abundant, affordable, secure, clean energy to more of the world's population than benefit from it now. That last part is to deal with this concept of energy poverty which is not specifically on our agenda today but has been prevalent throughout the discussions we have been having up until now. We may want to touch on that anyway.

We are having this conversation in the context of a struggle going on in Durban. We have about 193 countries in Durban trying to find some way forward on the climate change agenda. They are still meeting in plenary now I understand and are still looking for some kind of a way forward to 2015, and a road map to find out what kind of an institution, what kind of a mechanism or what kind of framework could conceivably replace the Kyoto protocol where we have already heard some countries say specifically we will not sign on to a subsequent protocol, making the discussions rather difficult.

We have the same problem in the 193 countries in Durban that we have had in G8, G20 and the United Nations discussions. How many countries do you need around the table to resolve the issue? How many countries are critical to getting the kinds of decisions made that you can then implement more globally? Do we need 193 countries or could you, using one of the ideas of the Bush administration, assemble a group of 16 or 17 countries and do it amongst them. It would not be a particularly democratic process, but you would then say: here is what we have agreed, we are responsible for 90 per cent of the emissions and this is what we are going to do; and convey that to the rest of the world. That is not the way we are going just now but if we continue to have the frustrations that we have been experiencing in Durban and before, then we may need to look for an alternative formulation.

Energy policy makers are fully aware of what the policy options are and what the programmes could be. They understand the technologies. We have talked about these things. Everybody puts out scenarios. Everybody says we can get to the two degree challenge, although some people are beginning to question that now and talk more about adaptation which runs the risk of being a cop-out because it is easier to talk about adaptation in twenty years than it is about mitigation today.

We have some risks as the political agendas slip into a political comfort zone of 10 or 15 years out, and yet with all of this knowledge we have and all these plans and scenarios, emissions continue to grow. It is not surprising that they continue to grow because there is a large segment of the world's population that would like a piece of the action. They would like to have a bit more transportation themselves, a refrigerator in the house, and various other energy services. We all recognise that if the rest of the world enjoyed the energy services that we do, the way we realise them and the way we do them, we will all have to wear tall boots and there will be a climate change consequence to pay; a fairly hefty one.

You get the impression as you look around the marketplace that it is not really policy driving the markets, it is events. It is things that are happening beyond the control of politicians. It is Fukushima and the challenges of nuclear power. We have a number of countries around the world asking if this is the way for us to go – our citizens are not content, our citizens are nervous. Is our nuclear option slipping? Now that would tend to be in the OECD, whereas in other countries such as China and India, perhaps there is less preoccupation with that. We will see a shift at the epicentre of nuclear power, away from OECD countries over time.



There is a scenario put out recently by the IEA that says instead of the 638 gigawatts of nuclear power in 2050 we are seeing something closer to 300 or 350. What are the implications? How do we fill that gap, a very difficult gap to fill, but that nuclear accident has had an impact. We have had what I would characterise as some overzealous renewables deployment problems that are actually mobilising opposition to renewables and run the risk of denying renewables the position they could have in the marketplace because of the way they are being promoted and subsidised.

The biggest and least sexy one to talk about is that all of the negative cost options and availabilities of efficiency seem to be waning. It is the low hanging fruit. We have been talking about this low hanging fruit for the last 20 years and it is still hanging there, it is still low, but it is rotting on the trees. I think we could spend a little bit of time trying to discuss why is it that we cannot get our societies to take the necessary steps to achieve some of these efficiency objectives.

Biofuels are making intrusions in food markets. I am sure that our food security guys in the other room are going to be talking a bit about that, if have those programmes right or are we servicing a different agenda. Is this about agriculture, landscape architecture, or just politics? What are we into here with the biofuels? With fossil fuels at USD100 a barrel the peak oil guys are having a rough time because USD100 a barrel is stimulating resources emerging in funny places.

The shale gas revolution that we have experienced in the United States is cascading now into shale oil and if you look at what is happening at the Bakken deposits in North Dakota and Montana you say to yourself, 'My goodness, we are moving now from shale gas to shale oil at USD100 per barrel. We can probably afford to do that.' This is pretty revolutionary. Here I am talking about oil in shales, not shale oil, but still there is a huge resource base out there.

The shale gas itself is changing the dimension of the gas markets around the world and basically providing an option for policy makers to say, 'Isn't this neat.' This not coal, this is gas, it has half of the carbon content and is much more versatile. It backstops nuclear. It backstops renewables. It reduces investment challenges because it provides an easy return and so why do we not just build this gas-carbon bridge further into the future which means you are delaying the encounter with sustainable energy sources and the lower carbon options.

The thing that is driving energy markets does not appear to be policy and I do not expect that this is a good time to expect policy makers to buck up. This is not a time of high political courage. We have too many elections going on. The economy around the world is too parlous and it is not a time when politicians make difficult decisions.

We have assembled a panel. We are going to come at this from different directions. We are coming from a corporate perspective. We are coming at it from a financial analysis of the merits of companies' comportment in the marketplace. We will take a look at some of the carbon options and some of the things that are happening in managing carbon or understanding where carbon fits into these equations and how we can get at it. Obviously for us to talk about some of these options without a carbon price out there is quite impossible and that is one of the major challenges we have not met yet.

We will follow the order of the people as they appear on the panel, so we will be starting with Manoëlle Lepoutre from Total. I am not going to go through biographies because we have been kindly provided biographies by the organisers, but if the companies are not known generally, you might just take a minute or two to say what your company is trying to do, where you fit in the equation, so that people have a sense of your orientation. We know where Total fits. Manoëlle, the floor is yours.