

Interview with Christopher Kearney, Chairman, President & CEO, SPX Corporation



*Christopher Kearney,
Chairman, President
& Chief Executive
Officer, SPX
Corporation (a WEC
Global Partner as of
2010)*

What, for you, were some of the key takeaways from the 2010 World Energy Congress?

The discussions at the World Energy Congress in Montreal were very insightful. There's a growing consensus that significant action must be taken if we want to meet future global energy demand, and that there's no silver bullet to solving the demand issue while also achieving reduced carbon emissions. Clearly we must harness energy sources that are abundant and can provide significant CO₂ reduction. Renewables are certainly an important part of the mix, but we can't possibly hope to meet projected energy demand over the next 20 years without the expansion of other vital energy sources such as nuclear and coal.

I also came away more convinced than ever that addressing the efficiency of the world's aging energy infrastructure must be a fundamental part of expanding energy capacity and reliability, while also reducing emissions. For example, aging power plants that are 30 or more years old in the U.S. have the same average efficiency (33%) as they did roughly a century ago. Newer plants, and those that have been retrofitted with today's technology, can operate far more efficiently. Replacing aging infrastructure in the U.S. and Europe is unquestionably one of the most cost effective ways to increase global power capacity and reliability, while continuing the expansion of alternative energy sources.

What does SPX hope to achieve from its Global Partnership in the World Energy Council?

SPX hopes to make a meaningful contribution to the WEC's efforts to address current and future global energy issues. Clearly we're in the energy infrastructure business, but our solutions span nearly all energy sources, including coal, natural gas, nuclear, solar, geothermal and solar thermal, so we're not advocating for any one source over another. Ultimately we want to be part of the solution, because our products and technologies are designed to do just that by helping our customers enhance the performance and efficiency of their operations while also reducing emissions and conserving natural resources.

WEC Roadmap

At the 2010 World Energy Congress held from September 12-16 in Montreal, the World Energy Council issued a „Roadmap towards a Global Sustainable Development“. The text of the Roadmap is presented below.

To contribute effectively to global sustainable development, the stakeholders of the energy sector share the goal of improving standards of living and quality of environment. They address climate challenges by managing the complexity and uncertainties of environmental factors; they assess the potential impact of policies on the everyday life of people; they are *strongly* committed to responding to energy poverty, and assuming their responsibility in managing technological risks. Taking up these vital challenges is paving the way to sustainable energy and defines the World Energy Council's roadmap ahead. To achieve these goals, the World Energy Council members are open to a transparent dialogue and to working together with all civil society stakeholders.

Addressing climate change challenges

The climate framework has been ranked as top critical uncertainty on the World Energy Council's global issues map: without a clear and long-term carbon price path, energy infrastructure investments remain critically exposed, investment decisions delayed, energy security hampered. While a global framework that defines such a carbon price path would be the most effective instrument to enhance energy security, it may be difficult to achieve; a regionalised approach that reflects a globally coherent value of carbon and that provides continued growth opportunities for developing countries is a pragmatic way forward which can enable progress at COP16 in Cancun and beyond.

Low-carbon technologies including nuclear and renewables (hydro, wind, solar, biofuels, as well as possibly emerging new technologies and also CCS) are rapidly growing and will be a substantial part of the system beyond 2030.

Improving the living of people

Overcoming energy poverty is at the heart of the Millennium Development Goals (MDGs). With only five years left until the 2015 deadline to achieve these goals, the world is on a path to an unacceptable failure. Access to modern energy services for the 1.5 billion people who today live without it, is vital. A lack of basic energy service impacts all aspects of deprived people's lives, from healthcare to clean water, safe housing, education and the potential to earn a living. Rural communities account for 85% of energy poor areas.

Managing the energy transition to 2030/2050

Effective policies for long-term investments as well as technology options are essential to support a sustainable energy future (see the 2010 Country Energy & Climate Policies Assessment). At the very centre of the transition is a need for financing (over 20 trillion \$ by 2030), clear policies and stable regulatory frameworks...**READ THE FULL TEXT AT THIS LINK:** http://www.worldenergy.org/news_events/news/2847.asp

Congress 'Wrap Up'

Those of you who were able to attend the 21st World Energy Congress in Montreal, Canada, will know that the event was a great success. From September 12-16, the Palais des congrès de Montreal played host to well over 7,000 attendees from around the globe, including 70 Ministers and 300+ high level speakers. The Exhibition was impressive and the Future Energy Leaders Programme well attended. The prestigious, triennial Global Energy Award went to Dr. José Sergio Gabrielli de Azevedo, President and CEO of Petrobras, Brazil.

The WEC London Office would like to extend thanks to each and every sponsor, exhibitor, speaker and delegate for the valuable part that they played, and of course sincere thanks go to the whole Montreal team, for their outstanding efforts in organising and hosting such a memorable Congress.

To see the Final Declaration of the 2010 Congress, which was delivered by WEC Chair, Pierre Gadonneix at the Closing Ceremony, and to download speaker presentations please visit the official Congress website:

<http://www.wecmontreal2010.ca/>

WEC Agenda

We invite our members to attend the following events:

October 6-7; Brno, Czech Republic

-'Czech Energy Industry: Present State and Outlook'
-Organised by EGU Brno in cooperation with Czech Republic Member Committee
-Contact: jiri.jez@egubrno.cz

October 7; London, UK

-UKWEC Workshop: 'Energy Efficiency – is it ever going to happen?'
-Free to UKWEC members. Limited spaces!
-Contact: UKWEC@energyinst.org

October 25; Rome, Italy

-'Carbon Capture and Storage deployment: a significant contribution to a low emission energy future'
-Conference organised by WEC Italia
-Contact: giovanna.ruggeri@wec-italia.org

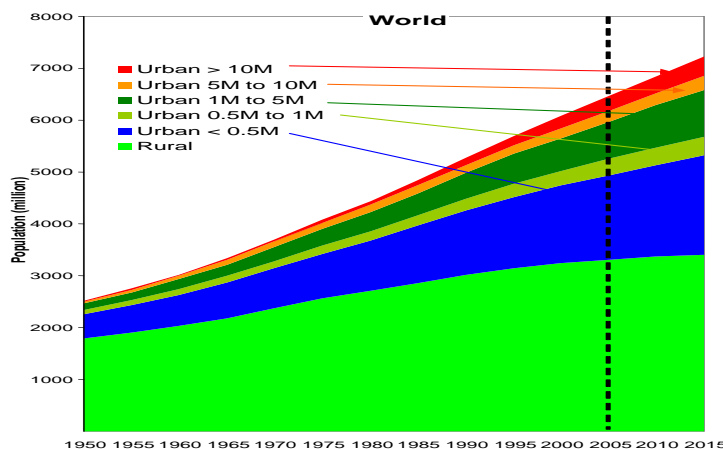
October 26; Ankara, Turkey

-Conference on Biofuels
-Organised by WEC Turkish Member Committee
-Contact: wectnc@tr.net

For further events and more details, please check the Events page on the WEC website...

Inside Insight

Energy and Cities



People move to cities for abundant economic opportunities and gain benefits in health care and education. Cities then contribute disproportionately to societal health; in 2008 the largest 100 cities of the world had only 9% of the global population but accounted for 25% of global GDP. However, people moving to cities will account for almost all global demographic growth over the next 20 years, and the population of these cities will double from two to four billion people, all in developing countries. This is equivalent to seven new cities of 10 million every year!

The immediate problem is that the energy systems to meet these needs, while substandard today, are totally inadequate for this challenge. Mature technologies are available to meet the building, transport, industry and energy production needs, but must involve intelligent packages of technical, institutional, policy and financial measures involving intense coordination, within and between municipalities, regional and national governments, and utilizing Public-Private Partnerships.

(Source: 2010 WEC report, *Energy and Urban Innovation* at www.worldenergy.org/publications)

Christoph Frei, Secretary General

World Energy Council

Regency House, 1-4 Warwick Street, London, W1B 5LT, UK

Tel: (+44)2077345996, Fax: (+44)2077345926, Skype: christoph-frei

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