



**Global
Sustainable Electricity
Partnership**

UN-Energy

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Advance interviews are available. A webcast of the Global Summit on Strengthening Public-Private Partnerships at UN Headquarters, New York, will be available live from 11 am EDT June 2 at www.un.org/webcast. A Summit news conference at 1:15 p.m. (to 1:45 p.m.) June 2 will also be webcast (same URL) from the UN's Dag Hammarskjold Auditorium.

How to Supply Sustainable Electricity to World's Billions of “Energy Poor” People

*Small-scale electricity projects in Patagonia villages may light global path;
Formula for Successful Public-Private Partnerships Detailed at UN;
2012: UN “International Year of Sustainable Energy for All”*

New York - How can the world's 2.5 billion people with little or no access to electricity get hooked up to an affordable, sustainable supply?

Projects created by a combination of public and private resources to bring clean, reliable electricity to two remote, impoverished South American communities could light a path to be followed around the world.

In Argentina's Patagonia region a 86-kilowatt hydroelectric station will provide power to the tiny rural community of Cochico, while a wind and diesel hybrid system of the same size will supply the isolated village of Chorriaca. Both communities now make do with inadequate and polluting diesel generators that operate sporadically.

The new electricity sources are the result of co-operative efforts between the communities, Patagonia's provincial government and members of the Global Sustainable Electricity Partnership, a non-profit organization created by several of the world's largest utilities to promote sustainable energy development and human capacity building in developing and emerging nations.

And while these renewable energy projects are small in size, the 'Public-Private Partnership' (PPP) used to create them provides a model of large importance for sustainable-energy projects needed in countless other places around the globe where energy needs are minimally met, with potentially profound health, educational and economic benefits.

The leading private-sector partner in the Patagonia projects, Duke Energy, headquartered in Charlotte, N.C., set out to cut fuel costs, reduce emissions, and "demonstrate the replicability of the business model ... a significant step towards the strategic development of isolated communities in emerging countries, supplying sustainable, clean and diversified energy."

Lessons from that experience, coupled with the findings from a major global survey of energy firms, are captured in a report by the Partnership detailing the elements of successful PPPs, released June 2 at a global summit at UN headquarters in New York.

The "Global Summit on Strengthening Public-Private Partnerships to Accelerate Global Electricity Technology Deployment" is hosted jointly with UN-Energy -- an umbrella group of United Nations' agencies working on sustainable development -- as a prelude to the world body's "International Year of Sustainable Energy for All" in 2012.

In PPPs, governments create policies to attract business financing for projects beyond public sector means.

The Partnership's report says conditions for creating successful electricity-related PPPs in developing countries include:

- Choosing electricity-generating technology appropriate to the location and conditions;
- National energy-development goals and plans with strong long-term policies and timetables enshrined in legislation and assured cost recovery and profit potential for investors in low-carbon technologies;
- Stable, sufficient funding for research, development, demonstration and deployment of emerging clean-electricity technologies;
- Measures to maximize benefits to communities from new and expanded electrification;
- Measures to optimize the private sector's ability to do what it does best in a PPP – provide capital through many financing alternatives for electricity projects and design, construct, operate and maintain them;
- Strong relationships between the public and private sectors and other stakeholders
- Power purchase agreements, to offer the private sector the greatest certainty for long-term investments.

"Private and public sector collaboration can bring clean, reliable electricity to those without it," says Michael Morris, Chairman and CEO of American Electric Power and this year's chair of the Global Sustainable Electricity Partnership (formerly called the e8).

"By the end of 2011, we will have met with energy and finance ministers from more than 50 countries and worked on policy changes they want to make to become more attractive to investors in electricity projects," he says. "Strong synergies can result when power technologies that emit few or zero greenhouse gases are coupled with enabling public policies and financing. In addition to improving the lives and environment of people by supplying them with non-polluting electricity, the projects will also stimulate the growth of jobs in manufacturing and services."

2.5 billion people with no electricity or unreliable supply

The "energy-poor," as they're called in a recent UN report, "suffer the health consequences of inefficient combustion of solid fuels in inadequately ventilated buildings, as well as the economic consequences of insufficient power for productive income-generating activities and for other basic services such as health and education."

A report issued last year by the UN Secretary-General's Advisory Group on Energy and Climate Change said about 1.5 billion people have no access to electricity, and up to 1 billion more have access only to unreliable electricity networks. The International Energy Agency estimates that, unless efforts are stepped up, 1.4 billion people will still lack access to electricity in 2030.

According to Secretary-General Ban Ki-moon, provision of clean, reliable energy is central to efforts to combat climate change and to achieving the UN's Millennium Development Goals, which call for substantial poverty reduction and improvements in health and education by 2015.

"Addressing these challenges is beyond the reach of governments alone," says Mr. Ban. "It will take the active engagement of all sectors of society: the private sector, local communities and civil society, international organizations, and the world of academia and research."

Kandeh K. Yumkella, Director-General of UNIDO and Chair of UN-Energy welcomed the Partnership's report, saying implementation of its recommendations "will quicken the pace of clean energy technology deployment, increase capital flows, and improve the lives of billions of people. They will also serve as important foundations for the International Year of Sustainable Energy for All in 2012."

PPPs needed also in developed countries for electric vehicle charging stations

At the Summit, the Partnership also expressed support for PPPs in the development and support of electric vehicles.

Demand for electric vehicles is expected to rise dramatically in the USA and other developed countries if the price of gasoline continues its rapid climb. PPPs are needed to develop a nationwide network of charging stations, as well as quick-charging, longer-lasting batteries.

In a joint statement with the International Electrotechnical Commission, the world's leading organization for the preparation and publication of international standards for all electrical, electronic and related technologies, the Partnership declares its "dedication to work with the auto industry and international associations to implement the successful conditions for the arrival of EVs and drive forward the momentum for climate change mitigation."

The statement recognizes "the enormous potential of technologies such as electric vehicles in the reduction of greenhouse gases. The reduction can be significant if electric vehicles rely on low-greenhouse-gas-emitting electricity generation and a strong, smart and efficient transmission and distribution grid to deliver power for recharging the vehicles. Strong public-private partnerships will play a critical role in the implementation of EVs."

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About the Global Sustainable Electricity Partnership

Originally known as the e8, the Global Sustainable Electricity Partnership was created in the wake of the 1992 Rio Summit as a non-profit international organization, composed of world leading electricity companies. Its mission is to play an active role in the international debate on global electricity issues and to promote sustainable energy development through electricity sector projects and human capacity building activities in developing and emerging nations worldwide.

The Partnership, in co-operation with UN agencies, key international organisations and local partners, contributes to enhancing access to energy for some of the two billion people around the world still without access to this essential resource.

With the fight against climate change and sustainable development at its core, the mandate translates into three key objectives:

- To contribute to the development of common policies that create the foundations for global cooperation on sustainable energy development and the fight against climate change;
- To participate in the global debate on key issues relating to the electricity sector, putting forward common positions and becoming a representative voice of the international electricity sector vis-à-vis the G8; and

- To support developing and emerging countries in the effective and sustainable generation and use of electricity.

In addition to US-based American Electric Power and Duke Energy, members of the Partnership include:

Electricité de France (France),
Eletrobras (Brazil),
Enel S.p.A. (Italy),
Hydro-Québec (Canada),
Kansai Electric Power Company Inc. (Japan),
RusHydro (Russia),
RWE AG (Germany), and
Tokyo Electric Power Company Inc. (Japan).

The State Grid Corporation of China (China) and Eskom (South Africa) became members June 2, and Comisión Federal de Electricidad (Mexico) has joined as an official partner.

The name change from e8 to the Global Sustainable Electricity Partnership reflects the expansion of membership into countries in transition .

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