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#### **Report on COP/MOP meetings in Bali**

Several WEC members attended the United Nations Climate Change Conference (COP13, MOP3) in Bali last December, including Jean-Paul Bouttes, who represented our Chair, Mr. Gadonneix. Mr. Bouttes has filed the following excellent report, which I thought you would like to see.

#### **New WEC Secretary General announced**

Dr Christoph Frei, Senior Director, Energy Industry and Strategy, at the World Economic Forum in Geneva, has been appointed as WEC's new Secretary General. He will join WEC on 1 April, replacing former Secretary General Gerald Doucet, who passed away this past October.

WEC Chair Pierre Gadonneix announced the appointment of Dr. Frei in late December, after an international search was carried out. A Succession Committee chaired by Mr. Gadonneix and comprised of WEC officers Marie-José Nadeau and Asger Bundgaard-Jensen worked with global search firm Korn Ferry to select and interview the final pool of candidates.

The Officers Council was delegated the responsibility for selecting the new Secretary General by the Executive Assembly in Mexico City last November and, based on the recommendation of the Succession Committee and discussion during the course of several teleconferences, approved the selection of Christoph Frei. The officers were very pleased with the number and calibre candidates who applied for the position and are delighted that Dr. Frei will become the new WEC Secretary General.

Many WEC members will know Christoph from his work at WEF, where he was responsible for energy-related activities, focusing in particular on the areas of energy security, sustainable cities, energy poverty, biofuels and anti-corruption.

Christoph has a PhD in Energy Policy and Sustainable Development from Ecole Polytechnique Federale de Lausanne (EPFL) in Switzerland. In addition to his work at WEF, he has also been Professor of International Energy Policy and Strategy at EPFL since 2006. He holds diplomas in econometrics, electrical engineering, energy systems and applied ethics.

#### **Task Force on Biofuels meets in London**

The WEC Task Force on Biofuels met in London on 9 January. The meeting was attended by representatives from ten

countries and was chaired by Dr. Sergio Fontes from Petrobras in Brazil.

The use of biofuels is growing around the world, and the debate between biofuels supporters and its opponents is intensifying. Biofuels have the potential to become an important part of the global energy mix and to make a significant contribution to meeting energy demand in an economically and environmentally sustainable way. Biofuels production technologies are rapidly improving in both crop production and processing, and today, the volume of biofuels produced in a specific planted area can be several times higher than a few years ago.

There are a multitude of drivers for further development of biofuels for various applications, but since biofuels have a greater impact on transportation, the Task Force members agreed to focus mainly on mobility and provide only a brief overview of other applications. It was also agreed to structure the work around three main principles: security of supply/accessibility, environment and economics. Security of supply is becoming increasingly important, in particular given the recent concerns and uncertainty about the availability and price volatility of crude oil. The world is looking for alternative fuels, and one of the most relevant alternatives is biofuels.

There are many barriers that today constrain world trade in biofuels. Some of the most significant barriers relate to international specifications and standards. Both the quality and properties of final biofuels products must be harmonised and standardised. Moreover, methodologies for measuring these properties should be unified. To address this issue, WEC has partnered with the International Standards Organisation (ISO), whose representatives serve on the Task Force.

The primary goal of developing the biofuels economy is sustainability. Biofuels must be cost-effective and competitive on their own, but over time, they can also create a massive new demand for the agricultural economy. As biofuels production is an agricultural process, the same elements and inputs contribute to its overall efficiency as for existing agricultural production systems. In all cases, it is essential to strive for the highest productivity, as this reduces the need for land and water. Generally, biofuels are not the cheapest way to reduce greenhouse gas (GHG) emissions, but taking into account that over 20% of GHG emissions originate in transport and this share is growing rapidly, biofuels provide an attractive way of reducing GHG emissions fairly quickly. Here, compatibility is a key issue -- biofuels need to be compatible with current vehicle design and transport logistics.

Hundreds of studies analysing various aspects of biofuels production and use have been conducted around the world, often with very different outcomes. The mission of WEC's BioFuels Task Force is to develop a balanced and unbiased view on the potential for biofuels and a commonly acceptable framework for measuring their potential, including full life-cycle analysis (LCA).

#### **Kazakhstan applies for membership**

By now, your Member Committee should have received via email a notice that Kazakhstan, through its national energy organisation, KazEnergy, has applied for membership in WEC. A "postal" ballot is being conducted between now and the end of February, giving all Member Committees the opportunity to vote on Kazakhstan's application. Ballots are due back to the

London office by no later than 17.00 hrs on Friday, 27 February.

If you did not receive your ballot, or if you have questions about the application or voting process, please contact Emily Melton, Director, Member Services, at WEC London ([melton@worldenergy.org](mailto:melton@worldenergy.org)).

#### **Photo archive for SecretaryNet**

Based on the excellent entries in the 2008 WEC Photo Competition, the WEC Photo Archive will be available on the WEC website from 30th January 2009. Future Photo Competitions will further expand this collection of royalty-free images for use on Member Committee websites and in their publications.

Information is available for each photo in the archive, including the source and copyright information of each the photograph. Access to the archive is via SecretaryNet: <http://www.worldenergy.org/members/secretarynet/>

If you have any questions about this planned new feature for the website, please contact Paul Benfield ([benfield@worldenergy.org](mailto:benfield@worldenergy.org)) in the WEC London Office.

#### **Full website access work programme material**

A number of members have recently expressed interest in accessing the terms of reference, working papers, draft reports, background documents, rosters, minutes and agendas related to the current work programme and including Standing Committees, study groups, technical committees and regional programmes. In the past, access to this information on the website has been limited only to those members directly involved in the particular work group or activity.

However, in response to your requests, we have now opened up these pages for all members – all you need to access them is your member password. We hope this will allow more members to understand what WEC is doing and how our work programme is progressing.

If you have questions or need further information, please contact IT Manager Paul Benfield ([benfield@worldenergy.org](mailto:benfield@worldenergy.org)) at the London office.

#### **Countdown to Montreal**

The 21st World Energy Congress in Montreal is just 20 months away, so be sure to mark your calendars now for September, 2010. The Congress will take place from September 12-16 at the Palais des Congrès in the centre of Montreal, with the 2010 Executive Assembly preceding the Congress in the same venue from September 9-12.

The Congress theme is "Responding Now to Global Challenges – Energy in Transition for a Living Planet" ("Agir maintenant sur les enjeux planétaires – Pour un monde d'énergie en mouvement"), and the Congress Planning Group, consisting of representatives from the Congress organising team and WEC London, is hard at work developing an exciting Congress programme featuring a series of outstanding speakers.

The Call for Papers and Posters is due to go out on March 1, so watch for this important announcement. Also underway are plans for implementing a sustainable development policy for the Congress. Forty percent of the exhibition space has been sold, and a number of top sponsors have signed on.

I urge you to help promote the 2010 Congress to your members and others in your country's energy industry. You can do this by:

- Encouraging your members and others to visit the Congress website: [www.wecmontreal2010.ca](http://www.wecmontreal2010.ca)
- Encouraging your members and others to register for the Congress newsletter, which is distributed electronically and

contains the most up-to-date information on the progress of the Congress preparations

- Highlighting the Congress at meetings and events in your country or region – a PowerPoint presentation on the Congress is available from the organisers, who have also prepared promotional flyers in twelve different languages; copies of these are available electronically on the Congress website, or you may order printed copies free of charge from Marianne Poirier ([Marianne.Poirier@wecmontreal2010.ca](mailto:Marianne.Poirier@wecmontreal2010.ca)) for distribution at energy meetings and events in your country.

If you have questions or need further information about the 2010 World Energy Congress, please contact Marie Cloutier at the Montreal 2010 offices ([marie.cloutier@wecmontreal2010.ca](mailto:marie.cloutier@wecmontreal2010.ca)).

#### **Update on assessment and vulnerabilities work**

At the 2008 Executive Assembly in Mexico City, a revised 2008-2010 Business Plan was approved by the WEC members; the revised Plan now includes the periodic assessment of energy policies which WEC Chair Pierre Gadonneix proposed at the Rome EA in 2007. The Vulnerabilities study that was part of the original Business Plan has been folded into the Assessment work.

The Studies Committee and the Officers Council recommended this change to WEC's global studies programme because they felt that WEC possessed a unique capability to look at issues from the perspective of the critical energy sector and from the bottom up. In addition, they felt that such an assessment could help solidify WEC's role as the "voice of the energy industry" and enhance its visibility, in particular in the UNFCCC process leading to COP-15 in Copenhagen later this year. Of course, with climate change and energy now firmly back on the US agenda, a study which examines effective energy policy and best practices is even more timely.

In order to achieve the ambitious timetable for the Assessment, preparatory work took place over the course of 2008. This included clarifying WEC's plans and settling on the methodology to be used, running a pilot assessment with considerable help from a cross section of twelve Member Committees and establishing a Study Group for the Assessment itself, under the leadership of Hajime Murata of the Japanese Member Committee. Assisted by a small Steering Group, the process and methodology for the Assessment were laid out in a series of papers, the first of which was presented at the FT-WEC Energy Leaders Summit last September, with another being featured at a well attended side event hosted by WEC at the COP-14 meeting in Poznan, Poland, in December.

The latter paper is available on WEC's website.

Another important action that WEC took in concert with the Studies Committee and Studies Chair C.P. Jain was to integrate the Vulnerabilities work into the Assessment process. A single Assessment and Vulnerabilities Study Group, consisting of roughly 70 WEC members, was formed last July; Thulani Gcabashe (South Africa) chairs this Study Group. Within the Study Group, there are five areas of specific activity, including Assessment of Policy and Practices (Chair: Hajime Murata - Japan), Human Resources Availability (Chair: Abubakar Sambo - Nigeria), Manufacturing Bottlenecks (Chair: Tom Griffiths - USA), Water for Energy (José Luis Fernandez - Mexico) and Logistics Capabilities (Chair: tbc). The members of each of these sub-groups are shown on the website, along with further specifics about the work each sub-group will carry out.

To complete the first Assessment, WEC London will be sending out a detailed questionnaire next week to obtain members' views on critical supports for energy policies in each country. Your response is obviously crucial to the success of this effort, so we have allowed eight weeks for members to seek the

widest possible input within their country in order to obtain the most complete response possible.

The Assessment and Human Resources sub-groups have already met, and the chairs of the other sub-groups will convene meetings of their groups in the near future to finalize work plans. A white paper on Vulnerabilities and their integration with the Assessment, similar to an earlier Assessment white paper, is being prepared and will be available shortly.

These are challenging times that present an opportunity for dynamic change. We are excited about the anticipated results of our studies and about how, working together, we can help improve the way the world perceives the role of energy by implementing policies that will make a significant impact on the stability and sustainability of the world's key systems -- energy, economies, environmental and social.

### **WEC Interconnectivity Task Force steams ahead**

Interconnectivity Task Force Chair Elías Velasco of Union Fenosa hosted the third meeting of the Task Force in Madrid on 16 January. The meeting was attended by Task Force members from eight countries, including Task Force Director Alessandro Clerici from Italy.

Considerable progress has been achieved over the past few months, with the ground work having been completed and the report beginning to shape up. In addition to an overview and analysis of current status and trends in electricity transmission in different parts of the world, the Task Force is covering a number of practical issues and topics, such as the role of current and emerging technologies, including "smart grids"; market, political, legal and regulatory aspects; economics, risks and finance; business models; environmental, social and sustainability considerations; human resources and technical expertise; and roles and responsibilities of different stakeholders.

### **WEC organizes Future Energy Leaders Workshop**

WEC is organizing a Future Energy Leaders workshop, themed "The World in Crisis and Energy at a Crossroads – How to Attract and Retain the Future Energy Leaders", to be held at the London Business School on 6 March from 09:00-14:00 hrs.

The workshop will debate the immediate and long-term skills shortage in the global energy industry and explore ways of meeting the challenge by attracting, developing and retaining best applicants. The audience will include representatives from the global energy industry, leading academic institutions and future graduates.

The event is by invitation only and is limited to 75 delegates. Please contact Stephanie Flinth (flinth@worldenergy.org) in the London office if you are interested in participating. Please also check the News and Events section of the WEC webpage for more detailed programme information.

### **Cleaner Fossil Fuels Systems Committee discusses water**

Most forms of energy supplies need water, and water supplies usually need energy. Today, energy and water shortages are commonplace in many countries around the world, and demand for both is set to grow, imposing increasing strains on the environment. The energy/water nexus is moving up the political agenda, and WEC's members are becoming increasingly interested in this subject.

The WEC Cleaner Fossil Fuels Systems Committee (CFFS), chaired by Barbara McKee from US DOE, organised a roundtable on "Water/Energy – Sustainable Together?" in Dubai, United Arab Emirates, on 5 February at the invitation of the UAE Member Committee and its Secretary, Dr. Zara Khatib. Participation was by invitation only in order to enable a close and informed interaction between the audience and the fourteen panelists, who included the Managing Director and

CEO of the Dubai Electricity and Water Authority, H. E. Saeed Mohammed Al Tayer.

The roundtable generated an interesting discussion and provided insights into many related issues, such as energy and water supply security, complexity of resources availability and environmental concerns, to name just a few. Roundtable participants concluded that ad hoc policies are unsustainable and need to be replaced by sustainable, integrated policies encompassing the entire energy and water systems, including resource development, supply and end-use. The present focus on new generating capacities, for example, needs to be placed in the context of water availability and water management. In North Africa and the Middle East, 40% of drinking water and 50% of irrigation water are lost during transportation and distribution - an enormous wastage not only of water, but also of capital and energy used upstream. Hence, prices should be set at the appropriate level to signal true long-term marginal costs, both to investors and customers. Subsidies, which are likely to remain necessary for some time to come, need to be streamlined to support the truly poor and the local agriculture.

Regulators will have to play a growing role in securing supplies, standards, licensing, tariff setting and service and technical and environmental standards. Operators need to raise customer awareness, widely introduce metering and billing and address in-plant energy and water wastage, pipe leakages and customers' payment arrears and debt. Significant benefits can be derived from economies of scale or from options such as cogeneration or cooling and seasonal replenishment of aquifers. The industry should also consider diversification of plant operations and supplies in response to differing customer needs, for example, irrigation or potable water.

Policymakers should promote and facilitate private-public partnerships, assist in project financing, encourage new technologies and establish non-discriminatory treatment of all energy technologies, including coal, nuclear, renewables and water resources: brackish water, retreatment, sub-surface irrigation, etc. The role of water-intensive agriculture should be reconsidered, and better coordination of energy-water policies in multi-jurisdictional states should be introduced. International cooperation should be taken to the next level, from exchanges of views and experiences to joint management of shared resources.

What contribution could WEC make to this? In her concluding remarks, Barbara McKee proposed that the CFFS Committee should initiate a follow-up study on "Climate Change and the Water/Energy Nexus".

### **Rules of trade task force meets**

The Rules of Trade Task Force met on 11 February at the Canadian Mission to the WTO in Geneva, Switzerland, to review the draft report and gather further feedback from Task Force members for the final report, which they hope to present to the Studies Committee and the Officers Council at their May meetings in Paris.

The meeting was chaired by Tim Richards (General Electric, USA), with assistance from Study Director Lawrence Herman (Cassels Brock, Canada). Seven other Task Force members and two observers were also present. Canadian Ambassador (WTO) John Gero, a veteran of WTO negotiations and Canada's head of delegation in the Doha Round, welcomed the Task Force to the Mission (which he had kindly lent WEC for the meeting). In his informal comments, he noted that, although energy had been neglected in previous WTO trade negotiations, energy and trade were now emerging as an important set of issues in the organisation, particularly on such aspects as energy-related commodities trade, energy transportation issues (e.g., maritime, pipelines, rights of

transit), trade matters related to energy goods and services and the financial aspects of energy trade.

Ambassador Gero also said, that after seven years of negotiations, the Doha Round had "brought the goal closer" to conclusion but had not achieved it. There is now a lull while the focus turns to the global political and financial situations -- in particular, the WTO is waiting to see how the trade policies of the new US administration will unfold. Ambassador Gero said the WTO hoped to have some indication by the time of the G20 meeting in April.

He also mentioned that one of the main hurdles to achieving success in the Doha Round is that the WTO has 153 members dealing with over 100 issues, all of which must be agreed by consensus, not by a vote. Given the disparate political agendas and priorities among WTO members, getting consensus can be very challenging, to say the least.

Following the ambassador's remarks, the Task Force discussed the draft report, agreeing that the 60-page draft would be pared down somewhat, with some specific recommendations folded together. They also confirmed that the final report would be aimed primarily at government policy-makers but that it could also serve as an information tool for CEOs. To that end, the Task Force agreed to produce a short executive summary which could be handed to policymakers and CEOs as part of the full report. The report will also be available on the WEC website, as will the background papers which Task Force members have spent the last 12+ months preparing.

In the afternoon, five outside experts, who had previously received a confidential draft of the report, came to the meeting to discuss it in an off-the-record session with the Task Force. The guests were: Gabrielle Marceau, Legal Affairs Counsellor in the Office of the WTO Director General; Jacqueline Cote, ICC Representative in Geneva; John Gault, independent energy consultant based in Geneva; Daniel Crosby, Budin & Associates law firm and Chair of the Geneva Forum on Energy, Environment and Trade; and Scott Andersen, Geneva-based partner of Sidley & Austin international law firm and co-chair of the International Bar Association's Trade and Customs Law Committee. The five guests spent almost two hours providing feedback and comments on the draft report in the off-the-record session. The Task Force was very pleased by the favourable reaction to the draft report of these experts and by their helpful suggestions on ways to disseminate the recommendations.

In the last hour of the meeting, the Task Force members gave their final suggestions to Study Director Larry Herman, who will be chiefly responsible for producing the final report.

As reported to the Studies Committee in November 2008 in Mexico City, the final document is not intended to be a detailed legal analysis or a comprehensive review of all energy trade issues but instead will cover five priority topics-- border measures; investment rules; trade in energy services; trade in environmentally-friendly goods and services; and movement of energy sector personnel. These were priority areas that the Task Force had identified when it began its work in early 2008. Each topic was considered to be highly relevant to the challenges facing the international community and critical to the energy industry in reducing barriers and enhancing market access to the benefit of trans-border energy trade. Each of the five report sections contains an analysis and a set of Task Force recommendations for referral to governments. The Task Force also agreed that, since the world situation is changing so rapidly and since there are a number of other important energy and trade issues that are emerging, they would suggest to the Studies Committee that the Task Force be commissioned to carry out further work and would prepare a list of additional topics to be examined should the Studies Committee agree to extend their mandate.

### **2009 EA website to open soon**

Despite the country's recent financial turmoil, our Icelandic Member Committee has been hard at work preparing to host the 2009 Executive Assembly. The EA will take place at the Hilton (Nordica) Hotel in Reykjavik from 16-19 September.

The Standing Committee meetings and Developing Countries Plenary will take place on 16 September, with Iceland Energy Day and the WEC Secretaries meeting on 17 September, Finance Committee and Officers Council on 18 September and the EA Plenary on Saturday, 19 September. We are also trying to fit in meetings of our regional groups; more details will be provided as soon as we have confirmed the final schedule of meetings.

The Reykjavik EA will be held in conjunction with an Icelandic Energy Week, and a variety of technical tours, accompanying person tours and social events will also take place. Delegates may visit the world famous Blue Lagoon or the Geyser Park, where they can watch the impressive Geyser and Strokkur erupt.

The Icelandic Member Committee is working to get the EA website up and running so that WEC members can begin registering and booking hotels. They hope to open the website by 8 March, but keep checking the WEC website homepage, where the opening of the EA website will be announced as soon as it is ready, and a link to the site will be provided.

The Reykjavik EA will also be the first time that many of our members will have an opportunity to meet the new WEC Secretary General, Christoph Frei, in person. We will also elect a number of new officers, including the WEC Chair and Chairs of the Standing Committees, and select the site for the 2011 Executive Assembly, as well as hearing updates of how WEC's 2008 work programme is progressing.

I invite all WEC members to participate in the 2009 EA. If you have questions, please contact Emily Melton, Director, Member Services ([melton@worldenergy.org](mailto:melton@worldenergy.org)).

### **WEC Europe regional meeting**

The annual joint EC-WEC Europe Seminar and first European regional meeting of 2009 were held in Brussels on 20 February, hosted by the European Commission. More than 50 participants representing 23 European MCs, along with managers of European gas companies and WEC and EC staff, took part. The seminar was co-chaired by Johannes Teysse, WEC Vice Chair for Europe, and Andris Piebalgs, the EU Commissioner for Energy. This was the fourth in a series of informal joint seminars between the Commission and WEC Europe.

The joint seminar focused on two important topics that concern European energy industry, namely, the recent crisis with the gas supply from Russia via Ukraine to Europe, and the impact of the current financial crisis on investment in the energy sector.

The Russian-Ukrainian gas dispute, which began earlier this year, was linked to the agreement on gas price and transit tariffs when their bilateral gas supply contract came due for renewal. When negotiations broke down, a significant disruption of gas supply occurred between 7-19 January. Ukraine transits Russian gas from Russia to Central and Southern Europe but also consumes a huge volume, on the order of up to 80 BCM/year. A panel discussion focused on the lessons learned from the crisis; panellists included the top managers of some of the affected companies, such as the Slovak gas company, Romanian TRANSGAZ and OMV-Austria, as well the Secretary General of Energy Charter and the Chief of the EC Unit of Energy Policy & Security of Energy Supply. At the EC level, a number of new regulatory mechanisms will be

developed over the next six months. The ECU Recovery Plan will provide more incentives for enhancing EU internal cross-border connections and storage capacities and seek to encourage less national protectionism and more "confidence-solidarity" mechanisms between European companies. The crisis will almost certainly contribute to accelerated investments in new diversification of supply routes and sources.

The second topic of the joint seminar was the global financial crisis and its likely impact on the energy sector over the next two years. WEC Vice Chair for Europe Johannes Teysen had earlier suggested that a questionnaire designed to gather this information be sent to WEC Europe Member Committees. The results of the questionnaire, which were presented at the seminar, showed that:

- The current slowdown of the global economy is likely to exert strong pressure on energy demand in the short term, with the economy expected to pick back up in 2010-2011.
- Residential power demand is unlikely to fall significantly, while power demand for industry could fall by up to 10% in a number of the European industries.
- The decline in energy demand would not necessarily involve price reductions for utility customers because consumer pricing is politically sensitive, especially with the current low prices of fossil fuels.
- Investments should remain relatively stable in the energy sector compared to other sectors of the economy.
- In some cases, delays and cancellations of projects have occurred, but once demand starts growing again, investments should increase.
- Insufficient investment in the supply chain will likely lead to reconsideration of the extension of the service life of supply capacity.
- Investments in RD&D will likely decrease, including for consumption capacities, but are expected to remain stable for environmental improvements.

The European regional meeting held in conjunction with the EU-WEC seminar was chaired by Johannes Teysen. The main topics for discussion were the WEC Europe contribution to the upcoming events on climate change, namely the World Business Summit on Climate Change (Copenhagen, May); and COP-15 (Copenhagen, December). European members agreed that these could be good occasions to highlight the WEC regional study on "Emission Trading and Climate Change Policy, Beyond 2012".

WEC's study on Assessment of Energy Policy and Practices was discussed, and WEC Director of Studies Dr. Robert Schock reviewed the study's current status, what would be expected from WEC members, working modalities and expected output. Also during the meeting, Elena Nekhaev, WEC Director of Programmes, gave a presentation on the 2010 Congress in Montreal.

#### **Indian member committee takes active role**

WEC's Indian Member Committee (WEC-IMC) is playing an active role in involving and bringing together the Indian energy sector and promoting the sustainable supply and use of energy. A recent initiative of the Committee, in partnership with the All India Womens' Conference (AIWC) and with the support of the Ministry of New and Renewable Energy (MNRE), was a Solar Energy Fair in Vasant Kunj, an area of nearly 4,000 residential flats in New Delhi. The purpose of the event was to create greater awareness about the use of solar appliances, such as water heaters and cookers, in daily life. Financial assistance and subsidies are being extended by the government to support such appliances, and banks are also becoming involved. The Solar Energy Fair was attended by the Secretary, Ministry of New and Renewable Energy, representatives from six manufacturers of solar equipment and two banks. WEC-IMC has plans to replicate this initiative and

hold a number of Energy Fairs across the country to encourage the use of solar appliances.

WEC-IMC also signed a Memorandum of Understanding (MOU) with The Institution of Engineers (India) (IEI) on 10 February; the goal of the collaborative partnerships is to pool the resources of both organisations to create greater awareness of energy efficiency and conservation and to disseminate information on best practices in the public sector. The IEI has 99 chapters across the world, with more than 70 chapters in India, and also operates the prestigious Engineering Staff College of India in Hyderabad. This new initiative will increase the opportunities to promote WEC's work and cultivate a culture of energy conservation and efficiency for better utilisation of existing resources. National Thermal Power Corporation, a leading energy sector utility in India, has agreed to support the initiative by providing faculty from the NTPC staff to share information on best practices in the power sector.

#### **Lithuanian energy conference**

WEC's Lithuanian Member Committee, in cooperation with the Lithuanian Ministry of Energy, hosted a one-day Energy Conference at the Reval Hotel in Vilnius on April 17, with over 600 participants present. These included representatives of all energy sectors in Lithuania (electricity, heating, oil, gas, nuclear and renewable energy resources) as well as guests from the Office of the President, the Parliament, the Ministry of Energy, the Ministry of the Environment and other government bodies.

The theme of the conference was "Economic and Security Tasks", and speakers included Energy Minister Arvydas Sekmokas; Jonas Šimenas, Chairman of the Environment Committee of the Lithuanian Parliament; Rymantas Juozaitis, Chair of WEC Lithuania and representatives of the Lithuanian energy industry. Emily Melton, WEC Director of Member Services, Finance and Administration, gave a presentation on WEC, an overview of the Montreal Congress and a summary of the conclusions of the 2009 WEC Statement, including the importance for the energy sector of focusing on the longer term despite the current financial crisis and the need to maintain investment in energy for the future.

Some of the main points made in the various presentations were that, like many other countries, Lithuania is facing a number of critical energy-related issues, particularly in light of the global economic crisis. One of the issues is the disparity between the end-user price and the price of primary energy and the frequency of price adjustments by the regulator. Another is Lithuania's long-standing dependence on Russian gas; continuing to depend on Russia is an "easy" option, but the energy industry and the government see the importance of developing new energy options within Lithuania. Lithuania's accession to the EU was conditional on the closure of the Ignalina nuclear power plant, and this is nearing completion. Government officials are confident this will not create problems of energy supply for Lithuania. Emphasis was placed on the necessity to create a generation company to be both a stakeholder and technical and to participate in the construction of a new nuclear power plant in Lithuania.

Lithuania is also debating the model for the role and structure of the energy regulator and is taking steps to strengthen the regulator's competence and ensure equal regulation principles for all power sectors.

Following the presentations, a roundtable discussion took place in which the speakers and members of the audience took part. Conclusions from this discussion were that:

- There is a strong need for Lithuania to foster and strengthen both the goal of renovation of houses to increase energy efficiency and the development of renewable energy sources, especially with respect to the

use of biomass, in order to reduce the country's dependence on imported fossil fuels.

- It is urgent to develop interconnection projects with Poland and Sweden and to construct a new nuclear power plant in Lithuania. Also high on the agenda is synchronous connection of the Baltic countries' power systems with the power systems of Western Europe. also generate new investment into energy.
- It is important for Lithuania to work with and within the EU on energy issues and to keep an ongoing dialogue with other member states and the European Commission.

The day concluded with the presentation of awards to energy leaders from throughout Lithuania.

Congratulations to WEC Lithuania Chair Rymantas Juozaitis and Secretary Gintaras Adzgauskas on a successful and very well attended event.

### **Assessment of Energy Policy and Practices Study Group Meeting**

The study group for Assessment of Energy Policy and Practices met in London on April 16-17, under the leadership of the Chair, Hajime Murata (Japan). Ten members were in attendance or represented. Also attending were members of the Steering Group, WEC Secretary General Christoph Frei, WEC Director of Regional Programmes Yoshiaki Imaizumi and two members of an advisory team of economic advisors nominated by WEC members.

A full set of questionnaires designed to obtain feedback from members was circulated in late February and early March, with responses requested by April 7. To date, 28 complete responses have been received, but some are still arriving, and at least another five are promised by today. We are grateful for the special efforts members have taken on short notice to first provide feedback on the Assessment methodology and draft questionnaire and then to complete and return their views on energy policies and practices in their countries. This provides for a robust analysis of practices and accelerates the process of achieving the goals of the WEC 3 As by giving insights into what makes for effective policies.

At the meeting, responses were examined in detail, and insights were accumulated. Many critiques and suggestions were received from members about the use of specific indicators and their assembly into building blocks and then into the main supports. These are being incorporated into the analysis which, when completed, will be sent to members for their review. A key decision is that for the time being, all indicators, building blocks and supports will have equal weighting, and as the assessment evolves and lessons are learned, an obvious weighting may emerge. For a description of the methodology and process, please refer to:  
[http://www.worldenergy.org/publications/assessment\\_of\\_energy\\_policy\\_and\\_practices/default.asp](http://www.worldenergy.org/publications/assessment_of_energy_policy_and_practices/default.asp)

The structure of the report was also discussed and a preliminary outline determined. Despite the tight time schedule, the plan is to ensure that members have at least four weeks to respond. Feedback will be used to refine the conclusions.

An economist advisory group has also been established and is working. This group is composed of representatives from within the WEC member community, and its purpose is to provide expert analysis of the results so that they can be translated into effective high-level policy guidance.

The assessment results will then be incorporated into a report which will be ready for the Executive Assembly in Reykjavik in September and for COP15 in Copenhagen in December.

We are grateful for several new nominations from the members for the study group. The group is presently composed of Hajime Murata (Japan), Director; Maya Czarzasty (Poland); Brasil Geraldo (Brazil); Iulian Iancu (Romania); Annette Hester (Canada); Tatiana Mitrova (Russia); Daniel Romero (Colombia); Fareed Al-Asaly (Saudi Arabia); Miroslav Vrba (Czech Republic); Maria Sunér Fleming (Sweden); Jean-Eudes Moncomble (France); David S. Hong (Taiwan China); Bundit Fungtammasan (Thailand); Djoko Prasertijo (Indonesia); Takashi Tanaka (Japan); and Abubakar Malah Umar (Nigeria). Any additional interest in the study group is welcome.

### **Polish MC publishes WEC 85th anniversary tribute**

WEC's Polish Member Committee, under the leadership of Chair Zbigniew Bicki and the Polish MC Board, has recently published a report entitled "85 Years of the World Energy Council at the Background of the Global and Polish Energy Sector Development".

The report was authored written by long-time WEC Poland Secretary Jan Solinski, who will step down as Secretary of the Committee this year after 26 years of service.

WEC Poland was one of the founding members of WEC in 1924, and the report summarises not only the active role it has played in WEC for the past 85 years, but also provides a review of the global and Polish energy sectors and their development since the 1920s. It is presented in both Polish and English.

The Polish Member Committee has generously sent enough copies to WEC London to allow all WEC Member Committees to have copies, and we will be sending each Committee a copy in the near future. Additional copies are available upon request from the London office.

Congratulations to the Polish Member Committee on this significant achievement.

### **EnergyFax**

Thanks to all members who responded with comments about the usefulness of EnergyFax, as requested in the April 15 issue. The responses and comments were very useful in determining the future of EnergyFax. Based on your feedback, I have decided to keep the basic concept of this publication as an "internally focused newsletter" aimed at our members, but I want to enhance its usefulness to you and add value. Keep an eye out for the new version, which will be issued every two weeks beginning on May 15.

### **FMGazo-EFNZ**

03 June 2009