

AESIEAP

CEO Conference 2007

Electricity Reform in APEC Economies – The Way Ahead

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The “Big Picture” Issues

- Vertical monopolies and state ownership
- Globalisation and economic liberalisation
- Regional energy market integration
- The internet revolution

The “Big Picture” Issues cont.

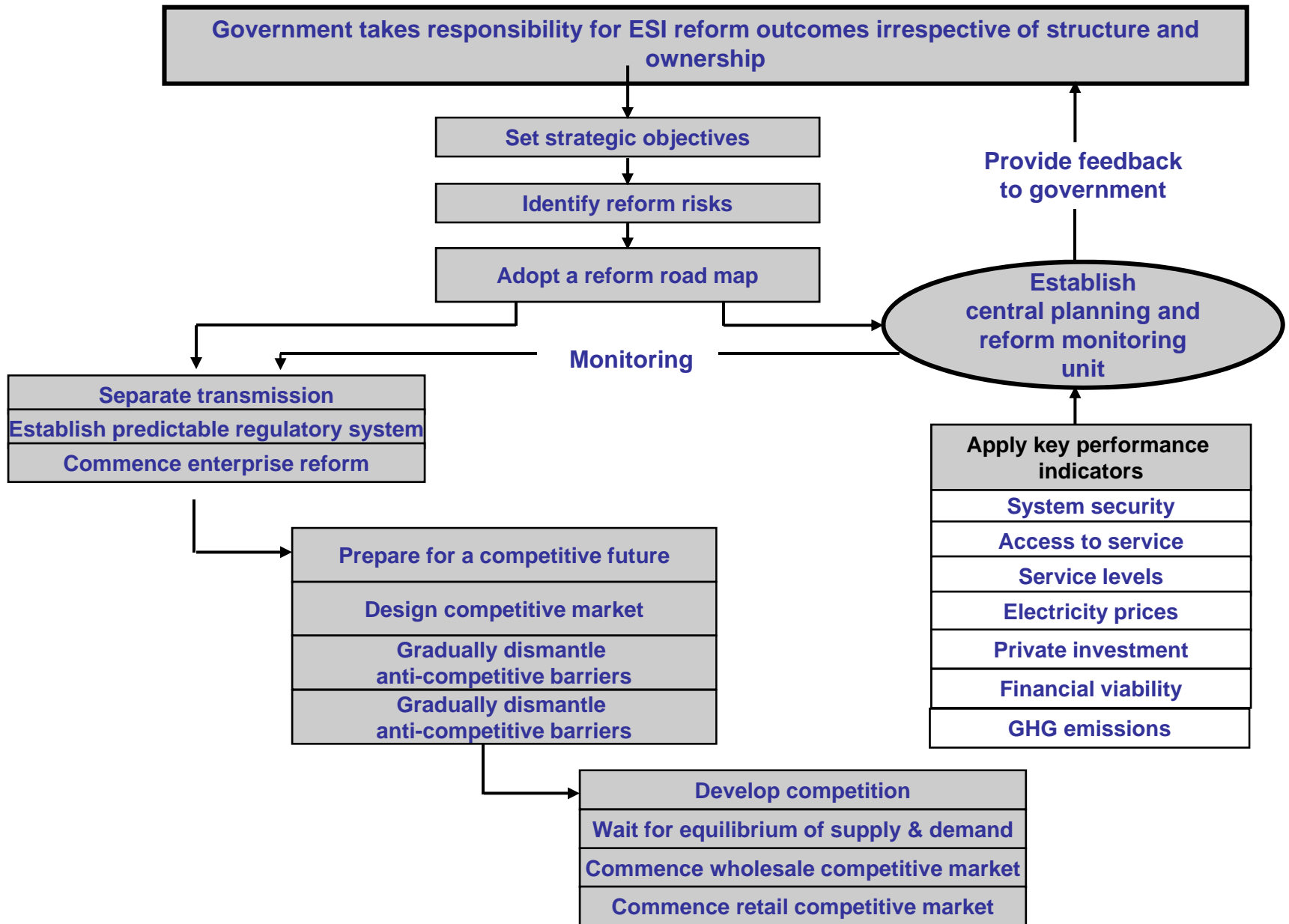
- Social activism
- Energy security
- Sustainable development – the global catchcry
- Carbon markets and carbon prices

Implications for Reform

- Economic efficiency
- Stop-start process
- Mistakes in design, legal impediments, inadequate management of process

The Main Lesson

- No single model
- Need for flexibility
- Process needs management



Implications for CEOs

- Industry not static
- Reform cannot be learned in universities
- Biggest future challenge is price of carbon