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"Beyond Copenhagen" – CLP shares experience in moving towards a low-carbon world

CLP today reiterated its commitment to reducing its carbon emissions to levels compatible with stabilizing the world's climate, calling for a determined collective response to avert threat from climate change as world leaders meet at the upcoming Copenhagen Climate Summit in December.

In a new report, "Beyond Copenhagen – Powering Asia Responsibly", the Hong Kong-based investor-operator in the Asian power sector has outlined the company's progress towards becoming a low-carbon power generator in Asia-Pacific, the target of which was set, as stated in its "Climate Vision 2050" two years ago, at 0.20 kg CO₂/kWh in 2050 from 0.84 kg CO₂/kWh in 2007, or a 75% reduction in carbon intensity.

CLP is also on track to meet its intermediate target of having 20% of its generating capacity coming from non-carbon emitting sources by 2020, including nuclear and renewable energy.

Today the company generates 10% of its power from renewable energy like hydro, wind and biomass, compared with just 1% in 2004. If including nuclear energy, total non-carbon-emitting sources stand at 14%.

"The world faces a dilemma of how to avoid the threat of catastrophic climate change by making massive and sustained reductions in the emission of greenhouse gases, principally carbon dioxide (CO₂), and yet do so in a manner which does not require substantial falls in living standards in the developed world or prevent the people of the developing world from achieving their own legitimate aspirations for a better life," said Mr Andrew Brandler, CEO of CLP Holdings Limited.

The power sector today accounts for more than 40% of the world's energy-related CO₂ emissions. Emission from the sector is forecast to double by 2030, as power begins to be delivered to the 1.6 billion people worldwide who today have no access to electricity – many of them in Asia.

"Companies like CLP are determined to play a full part in solving the climate problem. But absent strongly supportive governments, our progress will be slow. That is the leadership the power sector seeks in Copenhagen," he added.

CLP's "Beyond Copenhagen – Powering Asia Responsibly" paper aims to build a better understanding of the challenges power generators face as they work to build recognition of what needs to be done to ensure the power generators play their part in cutting global CO2 emissions.

The paper also shares the company's experience, as an investor-operator power utility in the region, in its efforts to de-carbonise its generating portfolio. It has also identified different energies adopted in the region and the challenges they each face in their own market environment.

"There is no 'silver bullet' solution – alongside every advantage that attaches to a particular generating technology, there are disadvantages. That said, business as usual is not an option, either," said Mr Brandler. "We have to accept that solutions are going to be costly, will be technologically challenging, and will need coordinated support from many other stakeholders – above all, governments. Solutions are also going to take time, because any power plant built today is likely to be with us for the next 30 to 40 years," he continued.

CLP is one of the nine member companies of the Electricity Utilities Sector Project initiated by the World Business Council for Sustainable Development (WBCSD) in 2000. CLP shares with the view of the Project that efforts of all stakeholders in the industry should be taken to address six urgent needs, namely:

1. Securing investment in electricity infrastructure
2. Bringing more power to more people
3. Promoting end-use energy efficiency
4. Diversifying and de-carbonising the generation fuel mix
5. Accelerating research and development, and
6. Reinforcing and smartening electricity grids

The full report of "Beyond Copenhagen – Powering Asia Responsibly" is available at www.clpgroup.com

CLP launched its Climate Manifesto in 2007 to call for urgent action for a new post-Kyoto framework that will help drive a reduction in carbon emissions by establishing

effective and enforceable international agreements and structures and allow developing nations to meet their growing energy needs, without undermining the living standards achieved in the developed world.

About CLP Group

CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange, is the holding company for the CLP Group, which is one of the largest investor-owned power businesses in Asia. Through CLP Power Hong Kong, it operates a vertically integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer services to over 5.5 million people in its supply area.

Outside Hong Kong, CLP also invests in energy businesses in Chinese Mainland, Australia, India and Southeast Asia. It is the largest external investor in the Chinese mainland electricity industry, and a leading international private sector power company in the Asia-Pacific region with a diversified portfolio of power generation from gas, coal, renewables and nuclear.

CLP is listed in the Global Dow – a 150-stock index of the world's leading blue-chips, the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific), and the Dow Jones Sustainability Asia Pacific 40 Index (DJSI Asia Pacific 40).

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