



agents of change

Preparing for a world where carbon has a price

Vivienne Cox, Chief Executive, Gas, Power & Renewables,
BP plc

World Gas Conference, Amsterdam, 8 June 2006



The price of carbon today

10:21

WORLD
BUSINESS
NEWS

8TH JUNE 2006

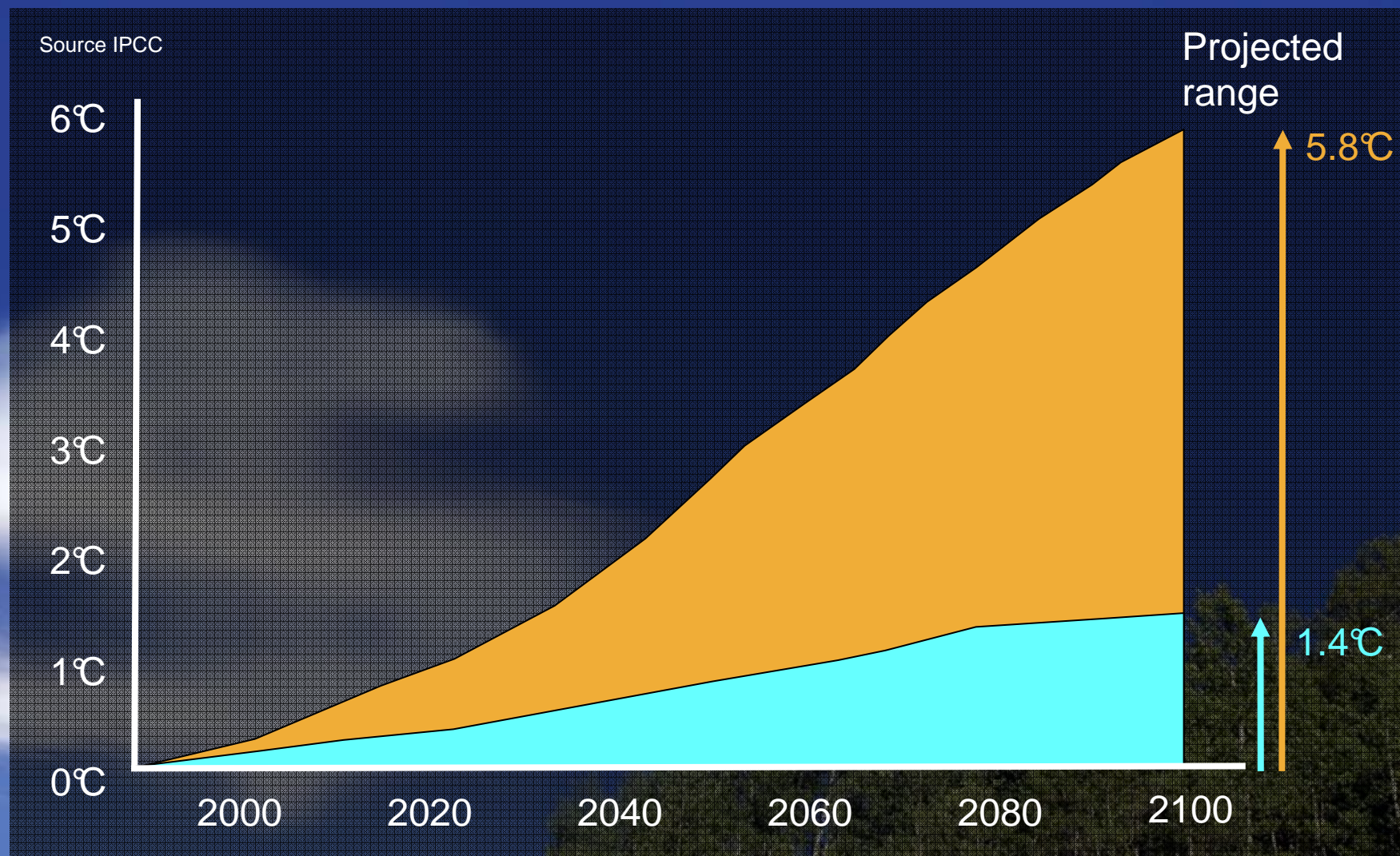
LATEST CARBON PRICE

€15.00

BREAKING NEWS : WORLD GAS CONFERENCE OPENS IN RAI CONGRESS CENTRE, AMSTERDAM

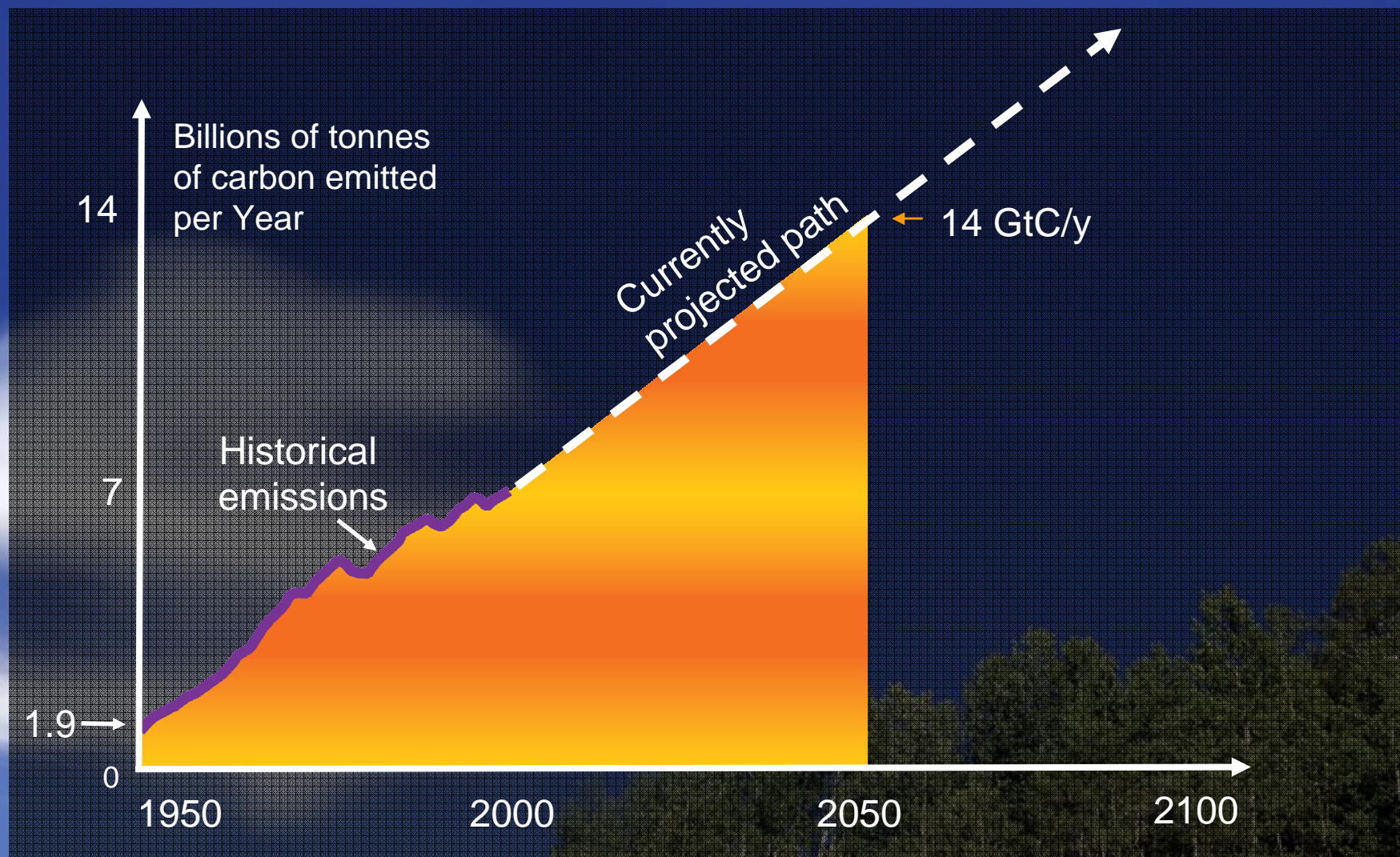


Projected global temperature rise in 21st century



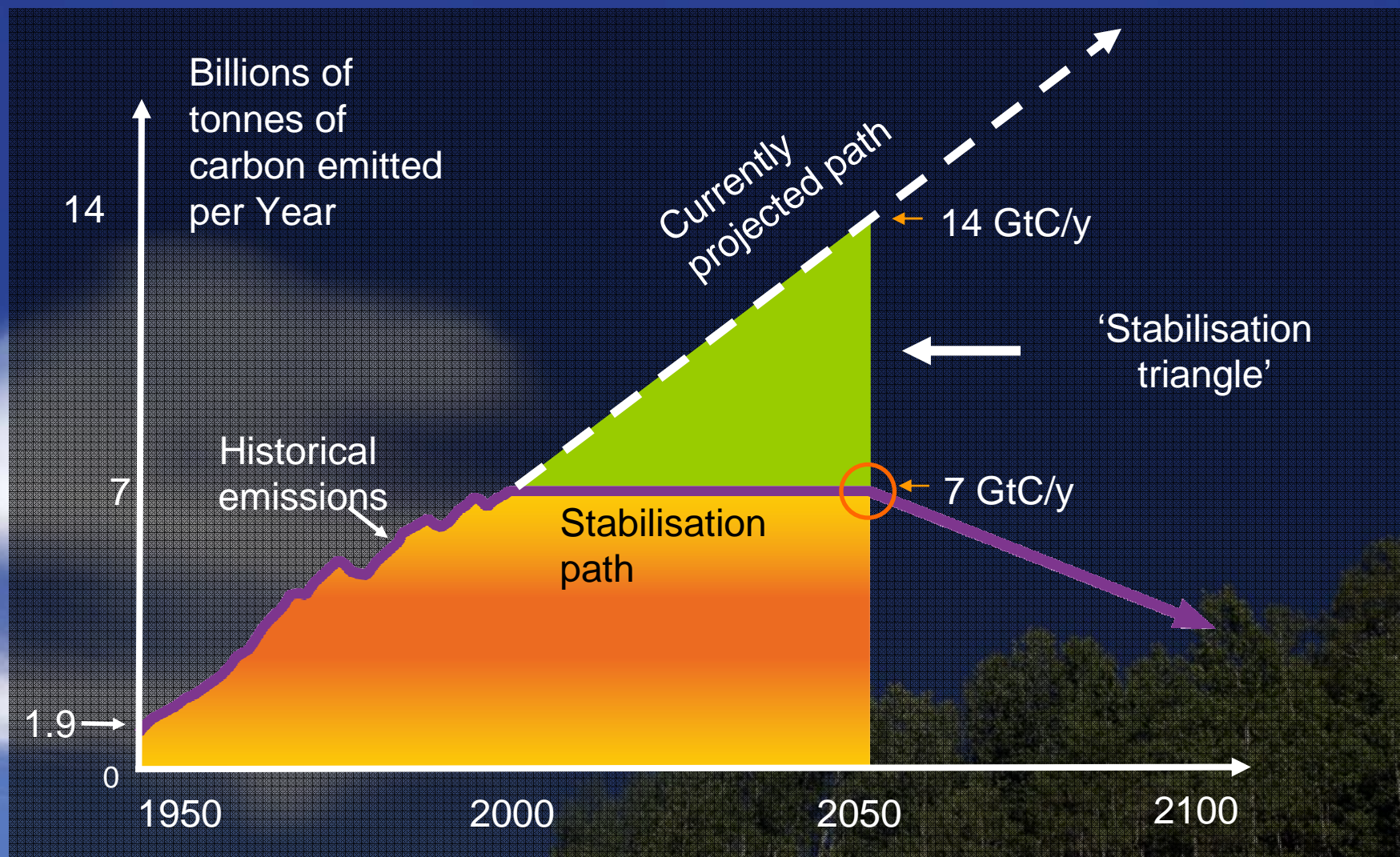


Actual and projected carbon emissions



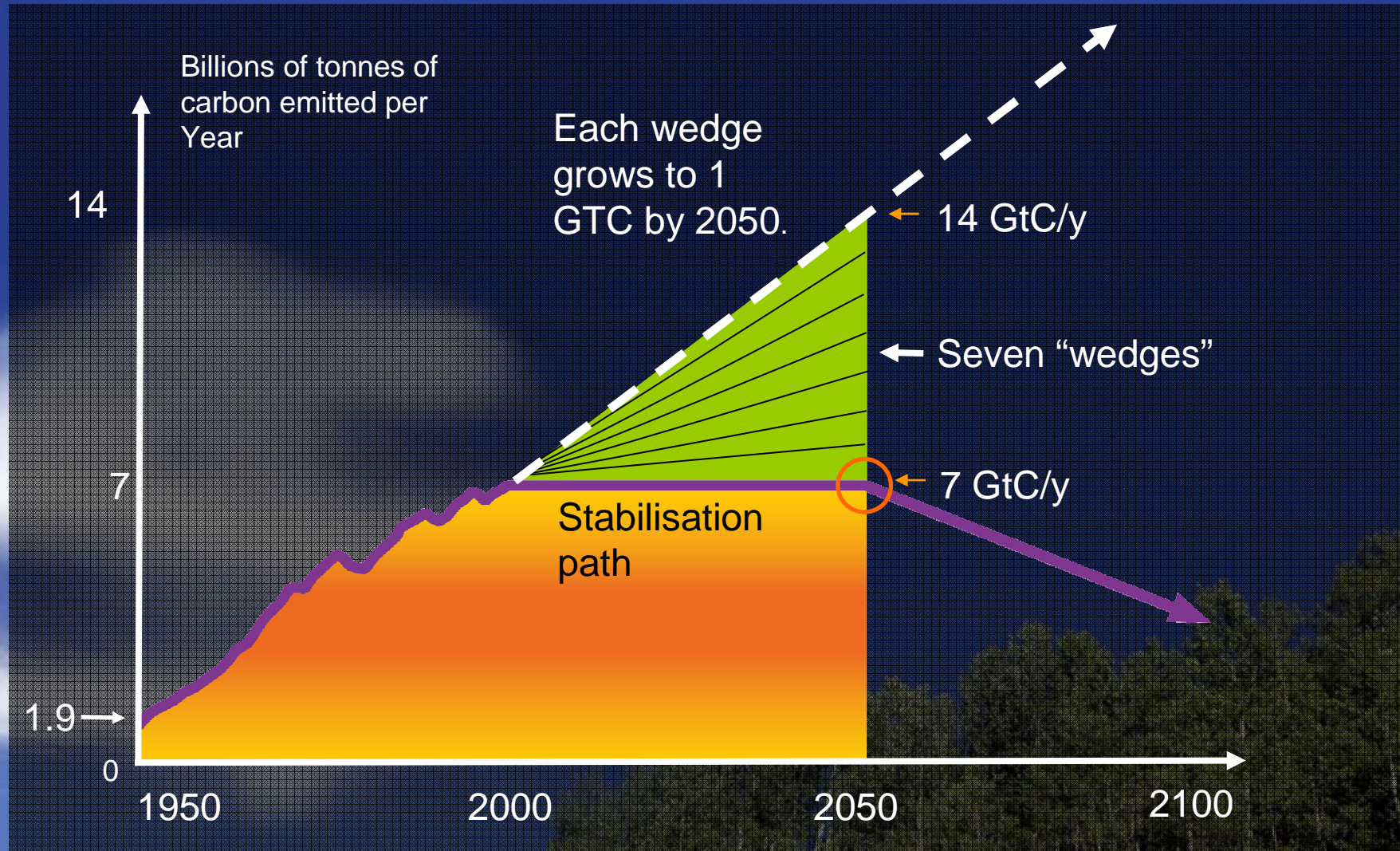


The stabilisation trajectory



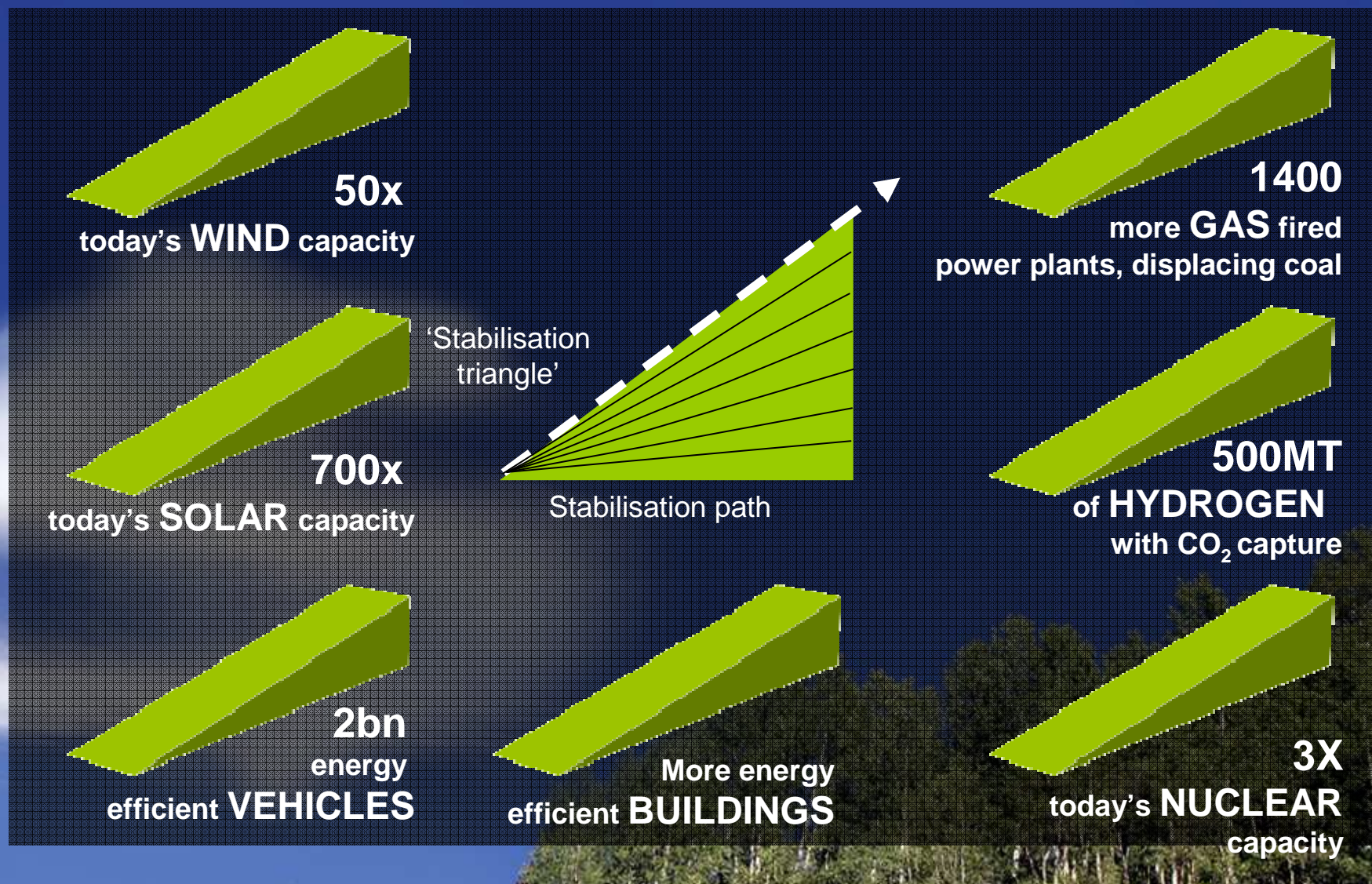


The Princeton 'wedges' concept





Many potential wedges





It's possible...

- the solution is multi-layered
- the technologies exist today
- it's within economic reach
- Gas is part of it...and so is Coal



Towards a low-carbon future?

Businesses



Governments



Investors



Consumers

Making the first move





EC directive

EC removes
constraint on
gas to power



30+ gas fired
power stations
across the UK



State-of-the-art
gas technology:



Host of new
North Sea gas
developments



Taking the initiative



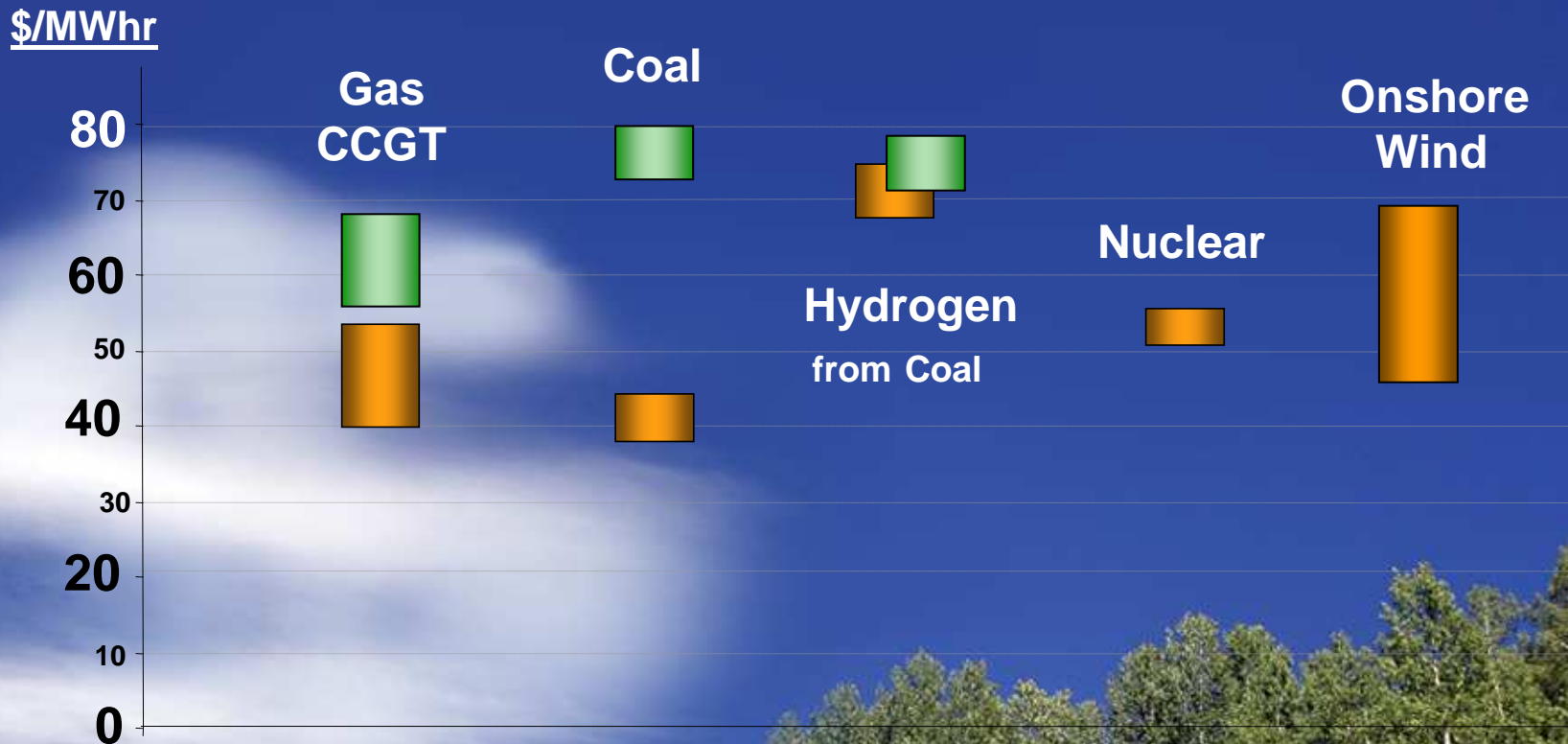
bp





Impact of a \$30 Carbon Cost on Generation Costs

Includes life-cycle costs of capex/fuel/maintenance,
Gas \$4-6 range, Coal \$40-60 range, Wind 20-30% send out range



■ \$30/tonne CO₂ Cost
■ No CO₂ Cost

Source: BP Analysis

Towards a world where carbon has a price



Agents of Change



- Gas and carbon pricing are vital to a low carbon future.
- Raise awareness of the role of Gas
- Advocate for policy that helps us invest with confidence.



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