Christian Wiest, Executive Vice President Customers & Alliances, Schneider Electric

I will explain the reason for us for this press conference. It is a topic of energy efficiency and this is the basic idea the famous (You can see on the screen here)

The famous energy dilemma. It is obvious that over the next 20 years we all know (this is not Schneider data it is public data) the electrical consumption will increase by two and energy demand will increase by two it is said here by 2050 but for an electricity it is gonna be in 20 years. And if you gonna ask me why - I will answer - growing energy markets, population needs more electricity. Today in the world 2 billion people still do not have access to electricity. Those governments will put together some energy production to cope with that (with price). Plus the fact that we are modern consumers we need more comfort, we need more safety and today for a household in a western world energy is the most growing part of the expenses, so all those facts show that the energy production is going to double in next twenty years. And this is going to happen in Asia mostly because of emerging markets. And those emerging markets have only fossils energy, fuel, coal and that is all, this means that if we do not do anything the CO2 emission will double in the next 20 years. And we know (as it is shown here) we have to divide by 2 CO2 emission compare to the present level if we double the production of the energy we will need to divide by four the CO2 emission and that is a big work. And that is why I’m going to try to explain how we can contribute that.

Now this reduction of CO2 will come from various sources and that is my next slide . I do not know if you can see well the screen. The red curve is a reference of that view, it is what is going to happen if we do not cut the CO2 emission ok. If we live things as they are. Just for you to know China is trying to put up some new measures for reducing CO2 but all this is there, this is the reference that views the red line. The blue line down there it is what is likely to happen if we do everything we need to do , and it is cutting by two a little bit less the CO2 emissions. And you see that various reasons for cutting the CO2 emissions various courses. One course and the main cause is the blue one on the top. This is energy efficiency splitting to end using so individual consumers, and that is the major part, biggest part and also cutting from the pipelines that is need to be more efficient, but by far the major part will be the consumer who will safe on their energy bill, how will they do that, we systems with measuring, automating and regulating and that is the big big job, that we will have to take, that is what we have to do in the next 20 years. More equipment to measure, automate and so on. And you see this is a major part of CO2 emissions, every of this sources are renewable, but you can see the renewable (this is a green section) only 20% of CO2 emission, we need renewable, we need that but it is only 20% to 2020 then you have other sources like biofuels, nuclear etc. You know nuclear has limitations, and CSS small part as well, CCS means Carbon capture and storage that we need also to capture the carbon, so all this is important because shows that the way to reduce the CO2 emission most of that is by having the new behavior which is saving on the energy, and it is individual the energy this is the end users, not only the household, also the office building the industries but it is end using. Now all this will include the major consumption of the grid, and this is going to be explained by my colleague Marc.
Marc Coroler, Senior Vice President Central Europe, Schneider Electric

Good afternoon. I will speak in English but if you want to ask questions you can do it directly during the presentation. I will try to cover two things rapidly what we call Smart Grid and what we call energy efficiency with examples. Talking about Smart Grid so basically the electrical network. What we can do today, I mean you've been here in this Forum, and you've heard a lot of debates about energy so you know a lot of things are happening about energy, and I will say both on the production and demand side, so you know, you can take the example of Poland – it is a case of most countries in the world the energy demand will increase that is for sure – that is one thing.

You know also we have committed at the European level to increase the percentage of renewable energy. You know that the price of fossil energy will also increase. You know that we will in different countries also in Poland – we are thinking about electric vehicles, we know also that people will get more and more due to the fact that the energy bill will increase, due to the fact that energy will become something that they want to better monitor, they will be willing to have the right tools to monitor the energy. Just one thing if you are interested at the world level 63% of companies do not yet monitor on a regular basis their electrical consumption. At the moment that they will start we will have much more data flowing in the network concerning electrical consumption, electrical grid, the way we behave as the electricity consumers.

So if it is a revolution? I cannot answer but what is very clear a lot of things will happen in the coming two decades concerning the way we consume energy and the way consequently the electrical grid is build. Basically on this picture you have the historical grid. The way we have build buildings and electrical grids for the last 200 years which was the kind of one way distribution with central production so you have power plants distributing energy to users, consuming it and basically this was it. And as you see in residential, in industry for building and data centers, so you had supplies and basically you were consuming recording to your load with different terrifies which were given by the UTT companies. We could say globally that this is a low model, you had only one kind of sources or several but I mean, you see in Poland you have 90% coming for fusel energy with one way distribution and rather passive users. Basically what is gonna happen take the different examples. You see on the renewable energy plants, you will have a traditional centralized energy production, but you will have tomorrow coming in the picture renewable energy. What makes the difference between traditional energy sources and renewable. If you take for example solar you do not know on a monthly base what will real production of output will depend on the sun. you will have to manage the output of electrical consumption back to the grid. This is something which is new it means the grid will see the energy coming but will do not know apriori how much and when.

On the user side this is back to my colleague Christian was saying users want to have more and more control about the energy bill. Due to the raising price of energy we are willing to have more and more control about energy consumption with smarter systems. So you will see what we call active energy efficiency so more and more monitoring system controlling our energy consumption. Why? Because we strongly believe that as soon as we monitor our energy consumption, we better manage it.
At Schneider Electric we believe in buildings and industries, that we can by monitoring systems, implementation of the technology which is available today, reduce energy consumption by 30%. 30% is a commitment as soon as You enter the active energy management, You have the right technology and I would say the right behavior which is important. So, already the technology allows You to reduce Your energy bill by 30%. So You will have new renewable, new production, better monitoring, strong energy efficiency. So, this will have of course impact on the grid. And on the top of that, the electric vehicle will also have impact, just something to take under consideration, the recharging of the electric cars is the same as household. So it means that tomorrow, when people will have the electric cars, experiments are being made in France, Germany, Belgium and in a lot of countries in Western Europe, we see also it is coming in Poland and Czech Republic.

You see the grid will increase the consumption. But again at every moment of the day, during the night or a different places You can recharge your car at work, parking places etc. So the consumption will diverse and we will need a better management. This is what we call a smart grid. It is our commitment to better monitor and better manage. Due to the fact you will have different sources of energy and the consumption habits. So of course, what is very important, Schneider Electric has clear expertise that if you want to drive down your energy consumption, You can have an approach on the production side, but the production side is a medium term. We debate in every ear about power plants in Poland, but this debate will go on and it is something that will take several years. What we say in Schneider Electric, that we are able to better manage our energy consumption. We can do it now. And this is on focusing on a demand side. On the demand side meaning on the users side. And we are ready to do this with different actors with whom we work in the market, and we know that this is possible.

Right so, active energy management, smart grid and everything that is changing around that this is today. The revolution is on. There will be more and more things coming on electrical management and Schneider Electric is of course a part of it. And will bring the value to help all costumers and different players on market and end users to better manage and reduce their energy consumption. In term just to finish and give you an example of buildings, buildings consume 25% of energy. It is a very big segment of the consumption. And that we consider again in buildings is when you implement the technology which is available today and if you integrate those technologies, you can reduce your energy consumption by 30%. Just have a look what other differences bring by concerning energy consumption in building. You see for instance, security, access control, and electrical distribution. If You have a data center it consumes a lot of energy. You have lifts, you have lights. It is a huge consumption. The commitment of Schneider Electric is to manage all of those different parts and especially to integrate them. The Key to success is integration. So it requires more data, more networks, more software. And we have it in Schneider Electric. (And You can find it in a file) We have our software offer, EcoStruxure which enables us to integrate all different parts of energy Consumption in building coming from lighting, lifts and all the different usage that you can have in a building. This is a full integration by EcoStructure. I will pass to Jaroslav Zlabek, who will touch very key point which is you see the energy dilemma, you see that the revolution is on. The question of training is fundamental. So Jaroslav will talk about training.
Jarosław Zlabek, Poland Country President, Schneider Electric

Thank you Mark, thank you very much for introduction. Thank you everybody, the point is that, as you have heard at the beginning, there is a famous dilemma about increasing the consumption and in the same time decreasing CO2 emission. As Mark was speaking about, we have got technology behind, which is ready today but it must be done by professionals in countries. But also each of us can learn to make small savings in our houses. We as Schneider Electric we are training professionals in each country. In Poland we make trainings approximately for 1000 people a year, so it is not nothing. We are training a lot of people. We are organizing different seminars, we are participating in many activities but we do not see it is enough. So, we have done an educational portal in energy efficiency called www.myenergyuniversity.com. You can see the first page the portal here. Everybody can register and registration is for free. And this gives You an access to online educational community. So there are last updates starting with white papers, strategies, there are information about standard, there are best practices and this is dedicated to professionals of course. But also for individuals. So I encourage everybody to register for this. This provides the fundamental of successful energy efficient solutions. So, as You could see energy efficiency is a hot topic but it is not simple solutions for everybody. But when you look at a smart grid, it is very complex. So you can find really good solutions provided by the best experts, and of course what is very important is to understand how you tackle this opportunity. Because energy efficiency is really an opportunity, so one more time I encourage everybody to register on our portal: www.myenergyuniversity.com.

Christian Wiest, Executive Vice President Customers & Alliances, Schneider Electric

We are a 16 billion euro company, we are operating all over the world, with more than 1/3 of sales in new economies. Which is special in industrial segment. You will find the figures in our booklet. What is important, we are technological company, on electrical equipment and energy efficiency, and we give out 5% of our expenses to R&D and this is a constant figure. We have been operating for 170 years, and we position ourselves between those who do energy production and those who do energy consumption. We make for our costumers energy more efficient, safer, greener, more reliable, in other words we must look for better energy for our customers. All this resulting in a savings. We promise our costumers a good 30% of savings. All this is being done in total spirit of sustainability development. If you want to know more information about Schneider Electric please ask questions.

About Schneider Electric
As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in energy and infrastructure, industrial processes, building automation, and data centres/networks, as well as a broad presence in residential applications. Focused on making energy safe, reliable, and efficient, the company's 100,000 plus employees achieved sales of more than 15.8 billion euros in 2009, through an active commitment to help individuals and organisations 'Make the most of their energy'.
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