

Powering China's Growth

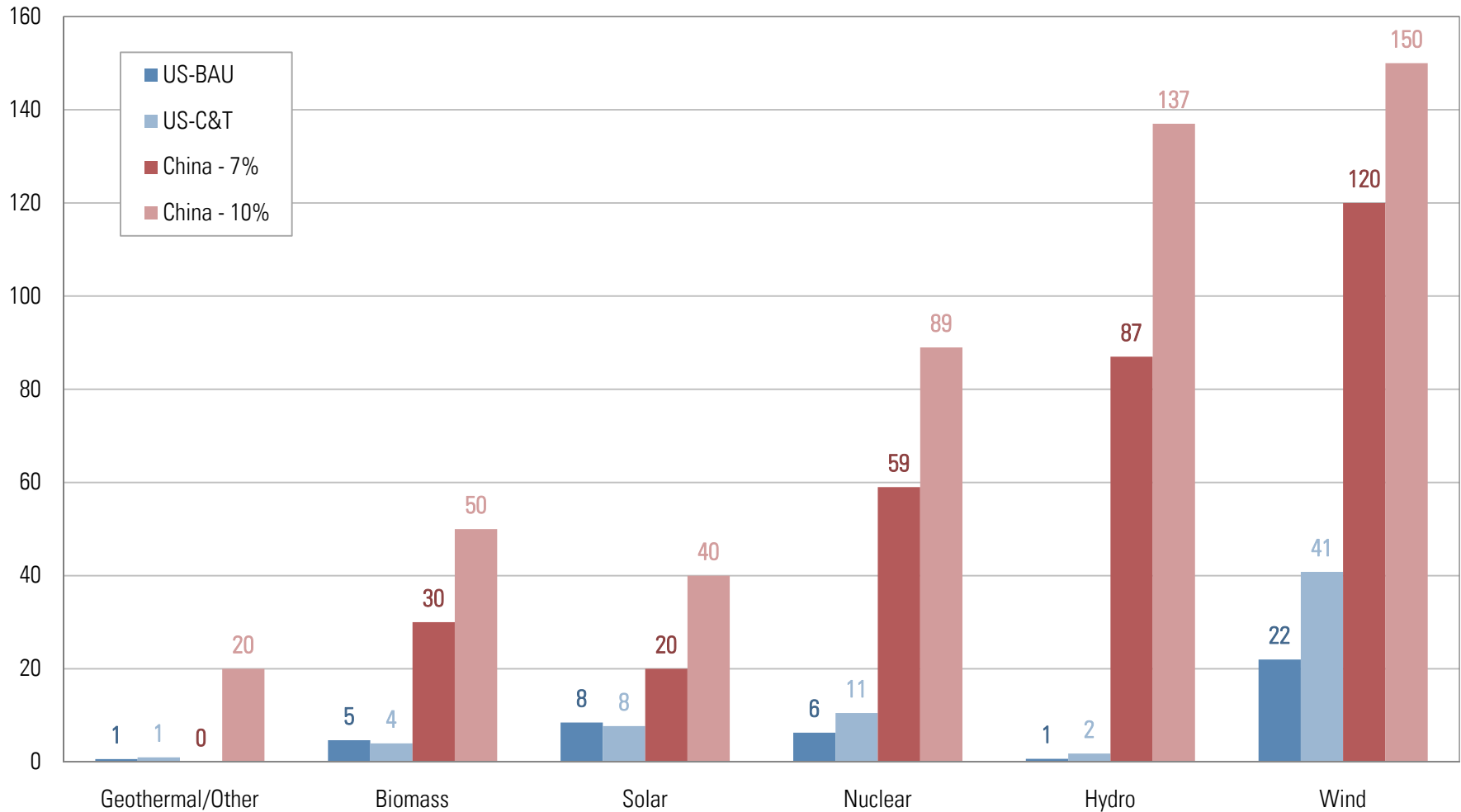
Electricity Market Projections and Global Implications

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China Has Commendable Clean Energy Ambitions

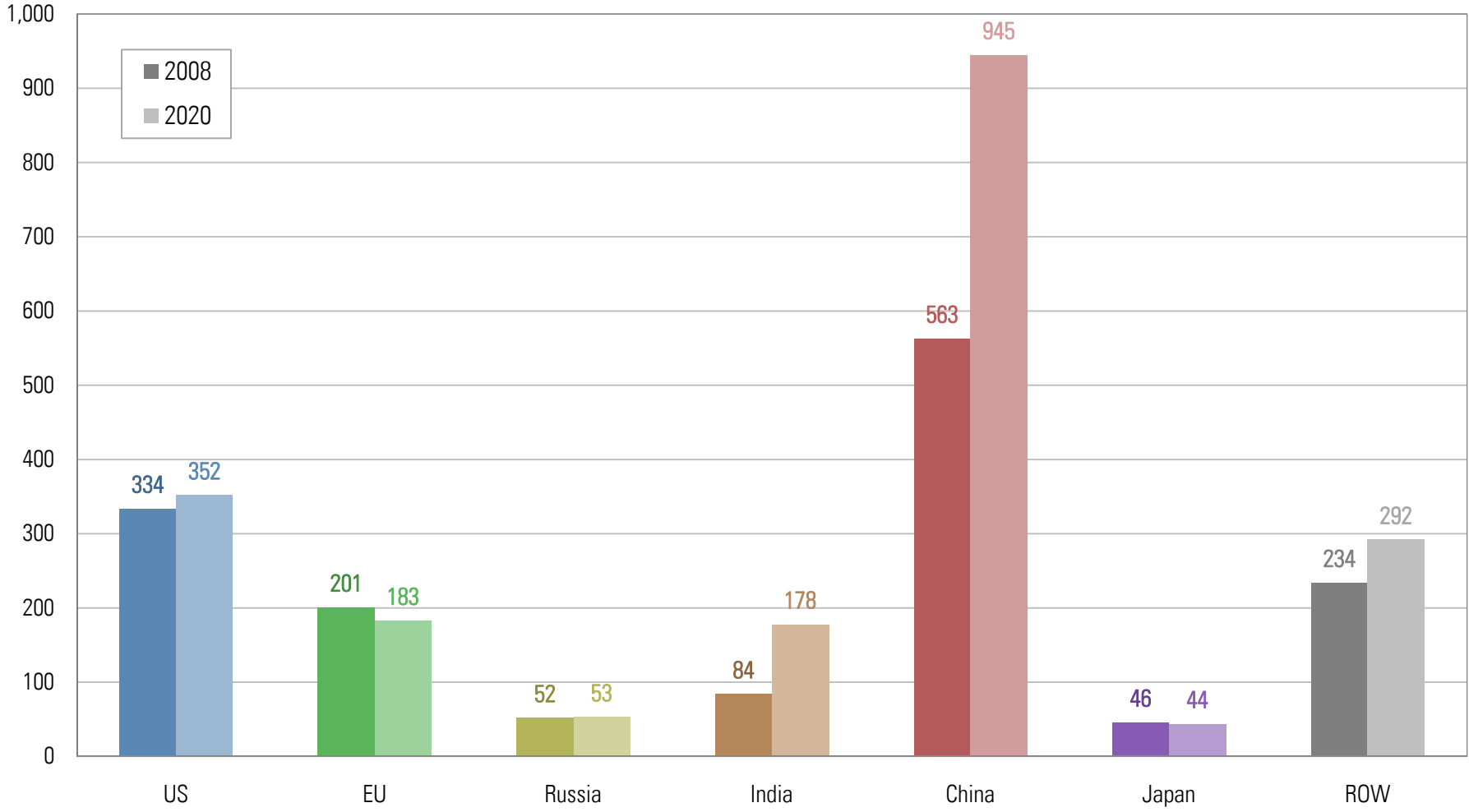
Projected Capacity Additions 2010-2020



Source: US-BAU is AEO 2011. US-C&T is a generic economy-wide cap-and-trade program with banking and borrowing, international offsets and emissions reduction targets of 17% below 2005 levels in 2020 and 83% in 2050.

...But Coal Continues to be King

Coal-fired power capacity 2008 and 2020

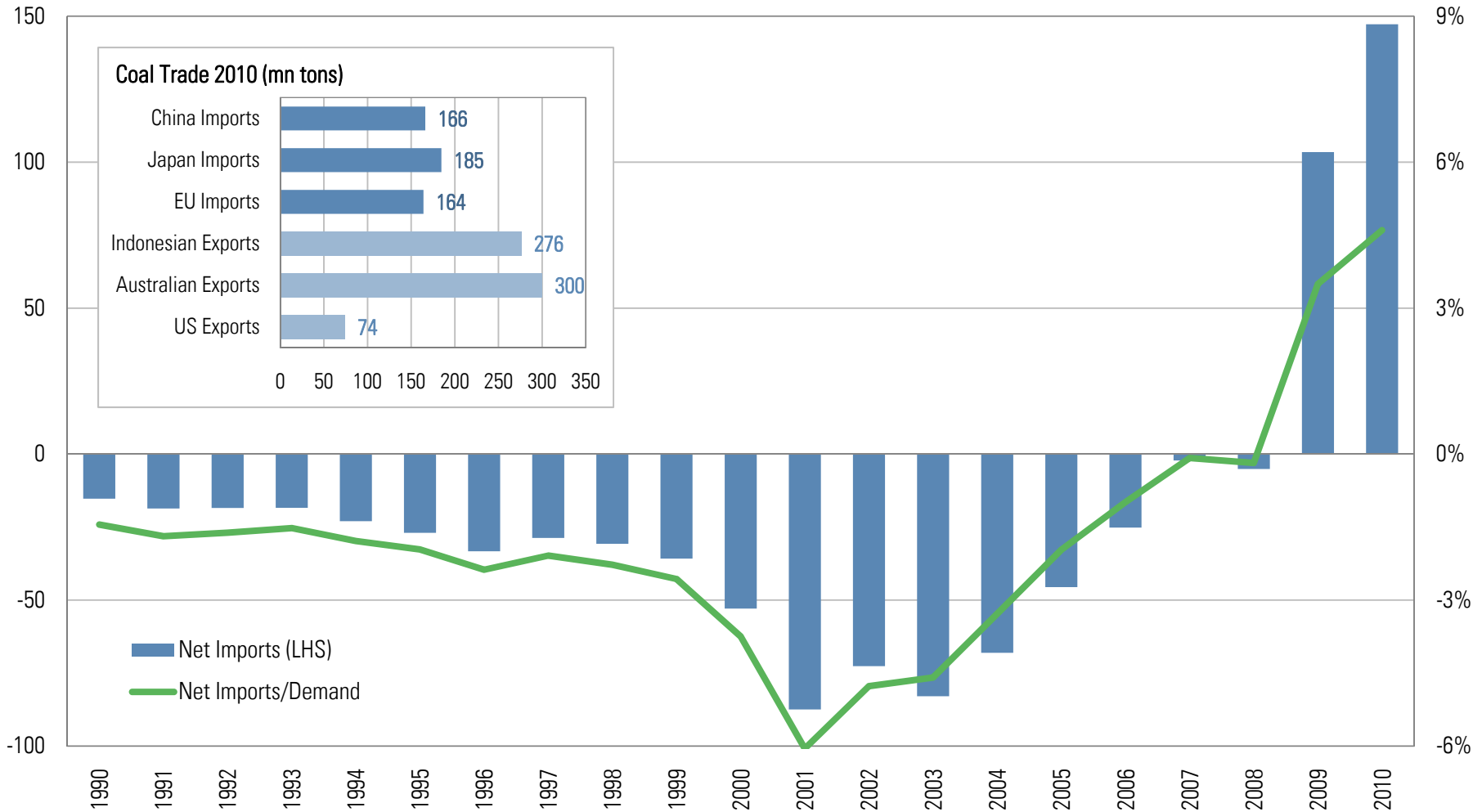


Source: IEA's World Energy Outlook 2010, New Policies Scenario



China's Coal Demand Spills Into Global Markets

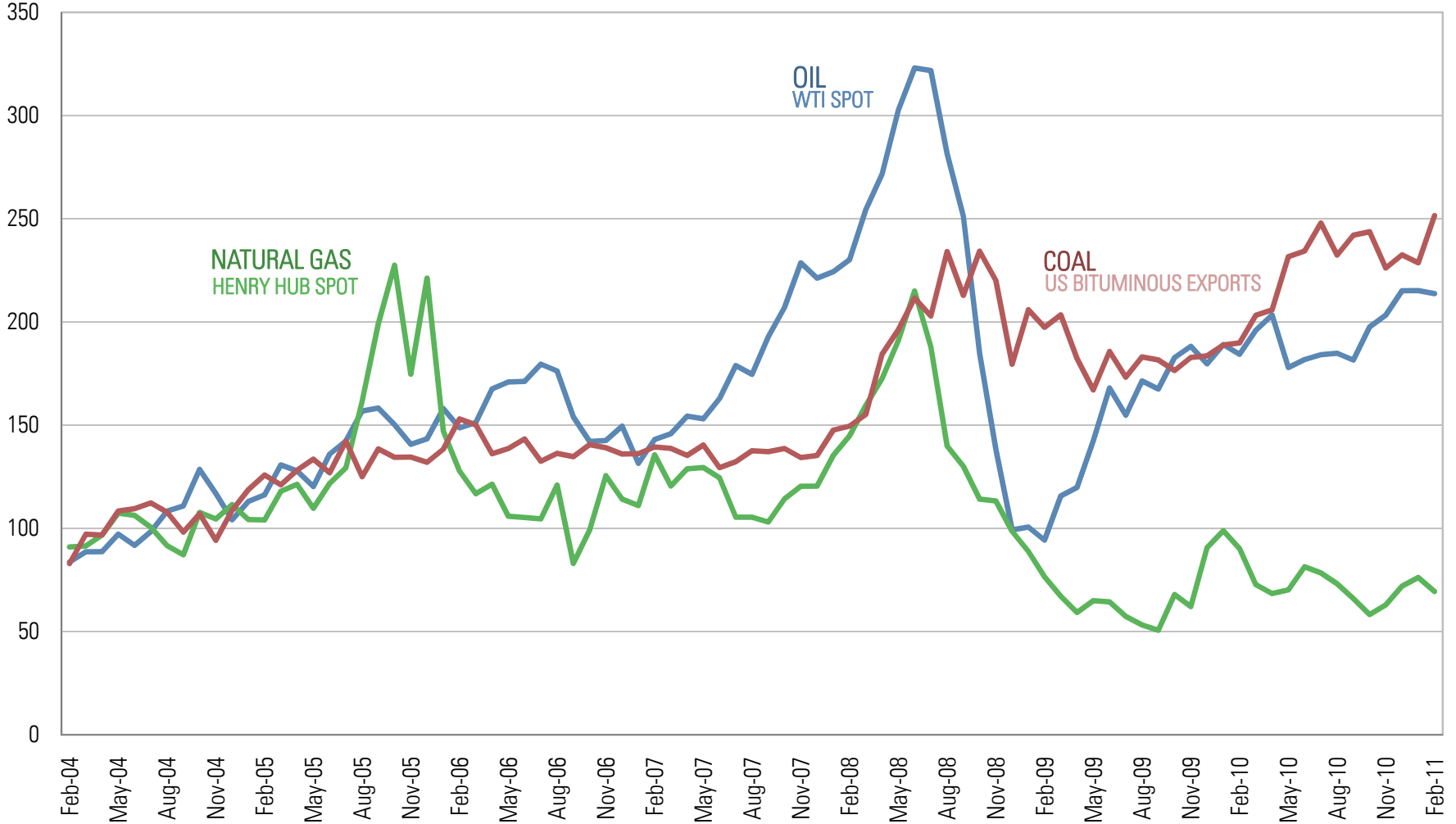
Annual trade balance, mn tons (LHS) and as share of demand (RHS)



Source: CEIC, EuroStat, USITC, ABARE, Badan Pusat Statistik, RHG Estimates

...And Shapes Energy Prices in the US

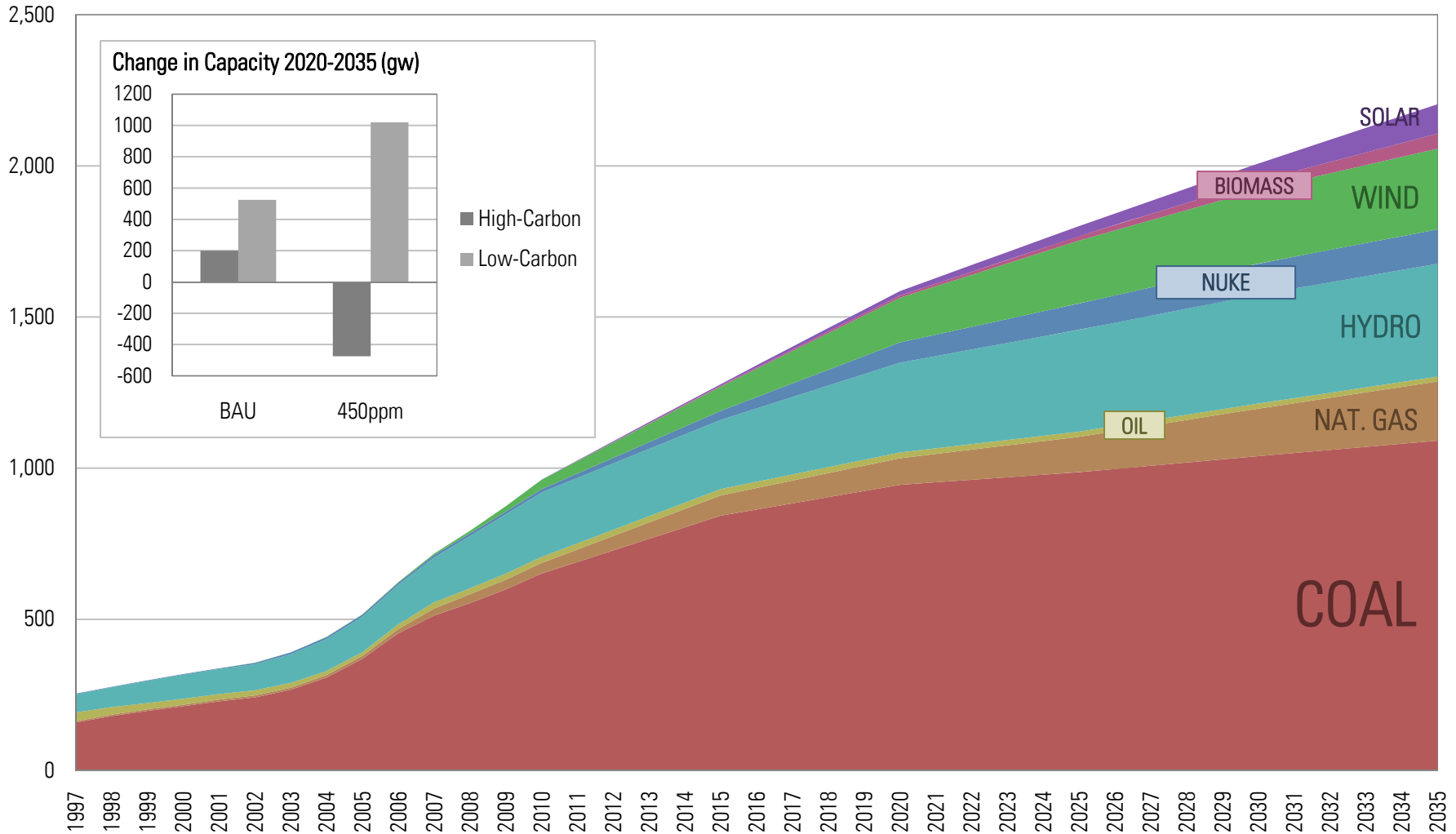
US price index, 2004=100



Source: EIA, USITC, RHG Estimates

China's Long-Term Decarbonization Challenges

IEA's projected power generation capacity with currently announced policies



Source: IEA and RHG Estimates

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