



CHALLENGES IN FINANCING RENEWABLES AND STORAGE IN ELECTRICITY MARKETS

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THE ELECTRICITY MARKET OUTLOOK (EMO)



In-depth analysis

We offer in-depth analysis of the NECP's impact on the electricity market over the medium and long-term using our proprietary PRIMES-IEM model



Alternative scenarios

We develop alternative scenarios to account for additional factors that may influence the market.



Quarterly reports

Quarterly reports provide comprehensive explanations of scenario narratives, including assumptions and outcomes.

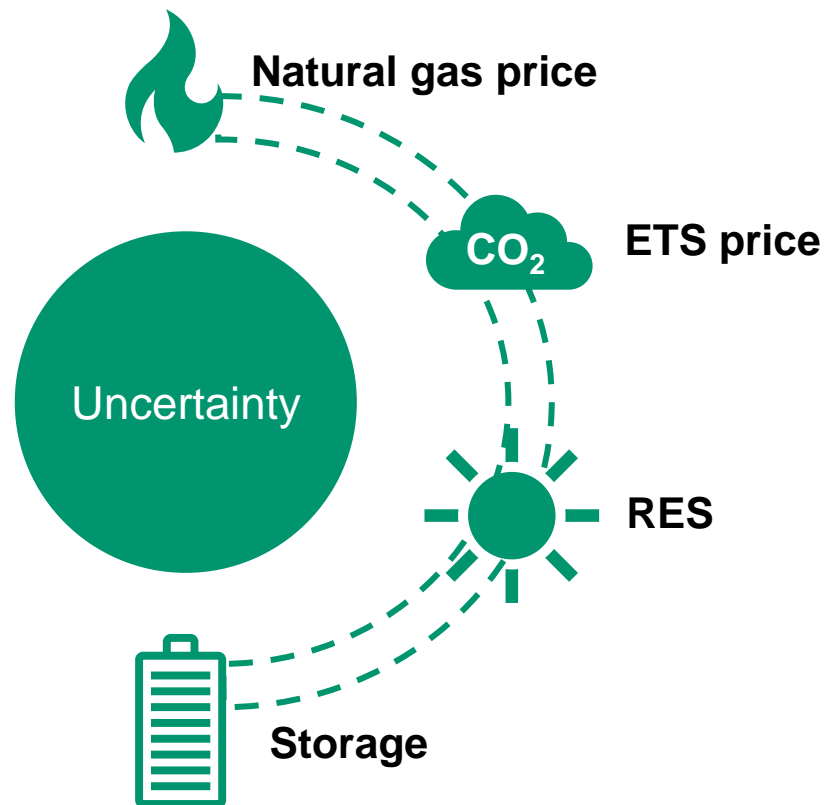


Customized scenarios

Customized scenarios can be created based on specific client-provided assumptions.

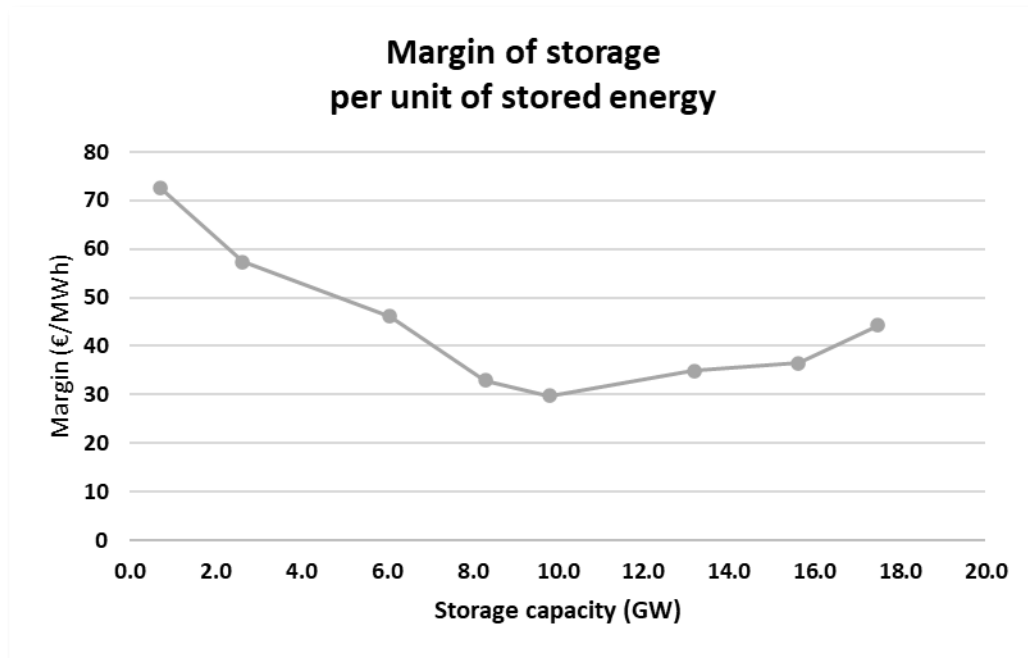
CAN INVESTMENTS IN RENEWABLE ENERGY AND STORAGE BE PRIMARILY FINANCED THROUGH REVENUES FROM WHOLESALE MARKETS?

Why is this relevant? Governments may choose to discontinue incentives and guaranteed remuneration schemes (e.g. auctions) for the development of new renewable energy and storage capacities.



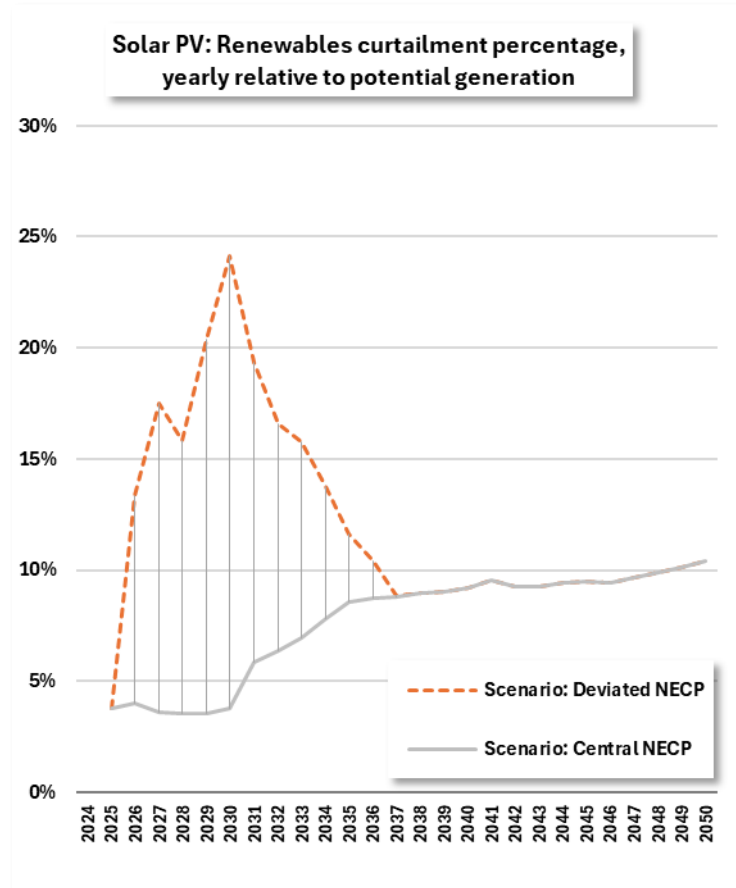
- Resilience of wind revenues
- Solar PV cannibalization
- If storage capacity increases faster than solar energy production, it creates a favorable environment for solar energy. On the other hand, if solar energy production exceeds storage capabilities, we observe a significant decline in solar revenues while benefiting storage technologies.
- The solution is long-term bilateral contracts (PPAs)

STORAGE AND THE CASE OF PORTFOLIOS OF RES AND STORAGE



- EMO provides projections on the financial performance of storage technologies.
- The increase in total storage capacity reduces the price differential, thereby decreasing the revenues of storage plants.
- Storage profitability depends on the total storage capacity in the future.
- The portfolio of RES and storage still faces issues with electricity market revenues; bilateral contracts are a potential solution.

IS THE CURTAILMENT OF RENEWABLE ENERGY SOURCES DETERRING FUTURE INVESTMENTS?



- EMO projections on curtailments and capture prices.
- Wind technologies present low curtailment rates.
- Solar PV technology is vulnerable to curtailments and depends on the development of storage.
- The solution is long-term bilateral contract based on the expected RES generation.



THANK YOU!

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