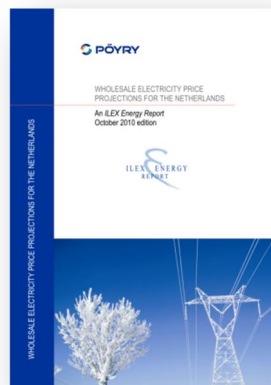


## WHOLESALE ELECTRICITY PRICE PROJECTIONS FOR THE NETHERLANDS

October 2010 Edition

**Essential reading for those trying to understand the risks and opportunities in the Dutch electricity market: economic crisis and recovery, emergence as a European power hub and stretching environmental targets**



Pöry Energy Consulting is pleased to announce the release of the latest update of the ILEX Energy Report – Wholesale Electricity Price Projections for the Netherlands.

This report provides our leading **wholesale electricity price projections for the Netherlands out to 2035** in three internally consistent scenarios – **High**, **Central** and **Low**. These are supported by our latest commodity price projections and spark spreads.

Our modelling expertise is complemented by our knowledge of European electricity markets. We summarise the current state of the Dutch market, and highlight the key issues for the coming years.

Our price projection scenarios illustrate a reasonable range of outcomes in wholesale electricity prices for the Dutch market. The projections are for sustainable long-term levels based on market fundamentals

Updating our price projections on a quarterly basis allows us to incorporate the latest information on fuel prices, demand and government policy.

Our price projections are accompanied by a review of **major developments in the Dutch wholesale electricity market**:

- the prospect of significant new capacity entering the market;
- the development of the Netherlands as a North-West European power ‘hub’;
- the emerging ‘race’ for new nuclear build;
- increased physical and commercial integration with surrounding markets;
- targets for wind capacity to meet challenging environmental goals.

Our review is supported by a comprehensive overview of the Dutch wholesale market:

- sources of supply and demand;
- major players, generation and supply positions;
- interconnector flows;
- commercial arrangements;
- regulatory and policy framework.

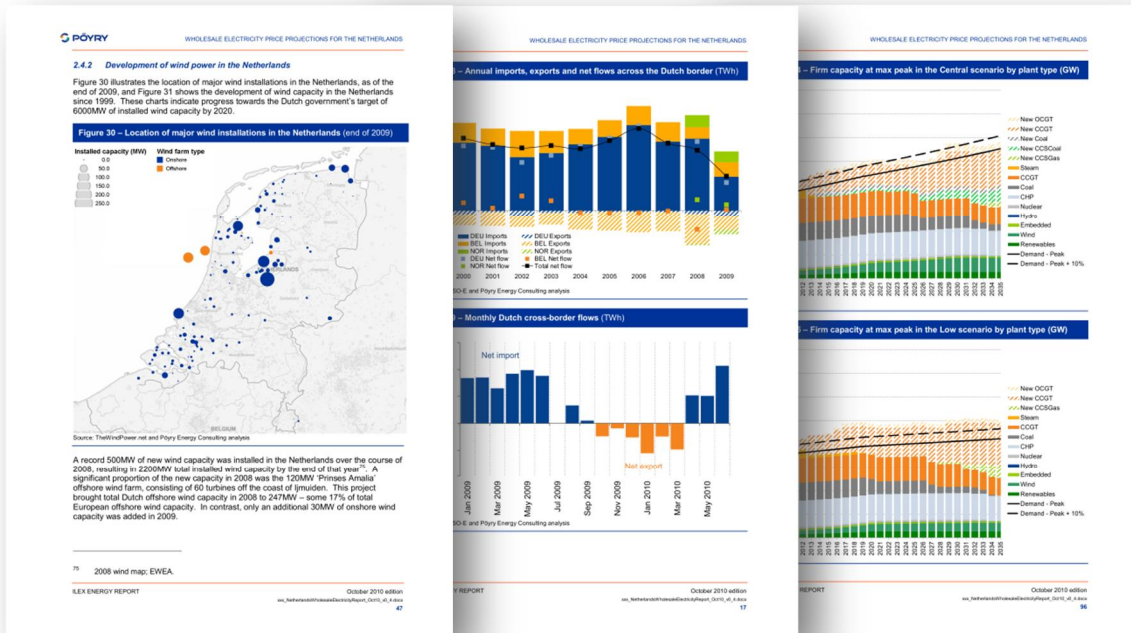
We use our European electricity model to examine the effect of differences in key drivers, such as:

- electricity demand;
- fuel prices, which are derived from our suite of models;
- carbon prices;
- development of new generation technologies, such as CCS; and
- impact of the current tranche of new build.

We simultaneously model electricity markets across Europe. This approach takes account of the complex interplay of interconnector flows, supply and demand patterns across the entire European region.

Our iterative modelling process ensures that our fuel and carbon prices are consistent with the resulting level of fuel demand and carbon dioxide emissions.

We model wholesale markets on an hourly basis. We use merit order curves and price duration curves to help clients extract the maximum value from our detailed wholesale price projections.



Clients use the report to help them understand the Dutch wholesale electricity market – the recent history, its current state and prospects in the coming years.

The report is over 130 pages in length and contains over 90 figures and tables.

As a complementary product, Pöyry can provide **complete arrays of projected hourly prices** out to 2035.

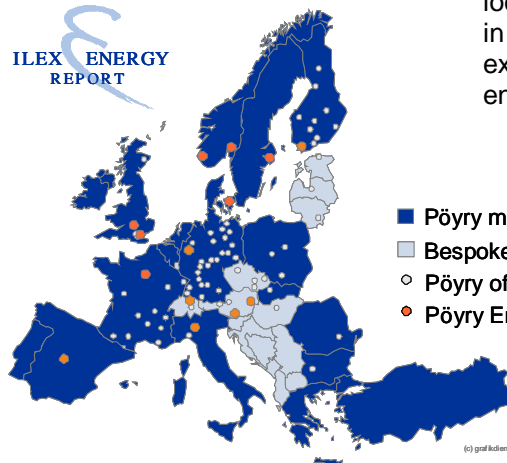
We offer bespoke options such:

- **plant-specific load factors and capture prices;**
- **sensitivity analysis; and**
- **runs using client defined input assumptions.**

Over recent years, we have invested in the development of a suite of advanced models, in order to investigate the market effects of high levels of intermittent wind generation. **With these models we project prices and plant operation for 8760 hours each year.** We would be pleased to discuss with you how our market insight can help your business.

**Contact Pöyry for more information:**

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www.ilexenergy.com



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Pöyry Energy Consulting is Europe's leading energy consultancy providing strategic, commercial, regulatory and policy advice to Europe's energy markets.

The team of 250 energy specialists, located across 15 European offices in 12 countries, offers unparalleled expertise in the rapidly changing energy sector.