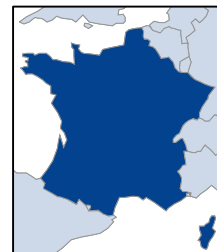


WHOLESALE ELECTRICITY PRICE PROJECTIONS FOR FRANCE

JULY 2010 Edition

Providing essential insight into the development of the French market – the proposed electricity market reform law, the adoption of the “Grenelle II” law to facilitate further renewable generation and the impact of lower demand on new projects.



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

This report provides **wholesale electricity price projections for France out to 2035** in three internally consistent scenarios – **High, Central and Low**. Annual wholesale prices are accompanied by projected dark/spark spreads.

Our modelling expertise is complemented by our knowledge of European electricity markets. We use this to summarise the French market, highlighting the key issues for the coming years.

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

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

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;
- government policy on operation of existing nuclear plants; and
- construction of new generation.

By simultaneously modelling electricity markets across Europe, we can take account of the limits and opportunities presented by physical interconnections with neighbouring markets.

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

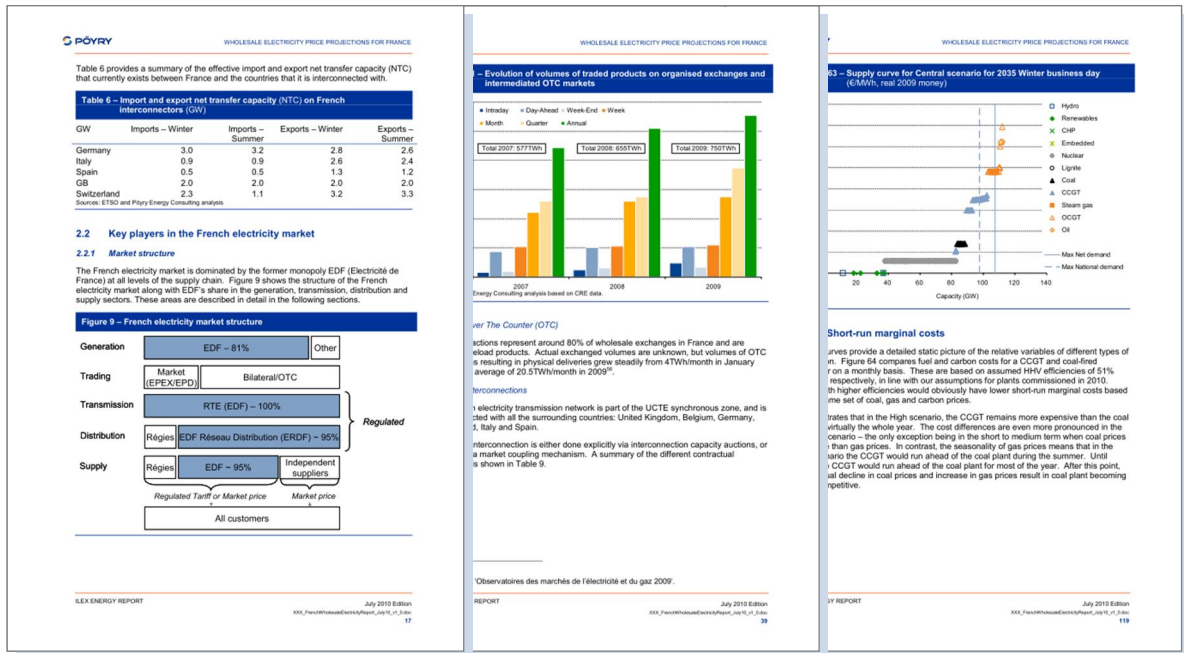
Modelling wholesale markets on an hourly basis allows us to produce merit order curves and price duration curves. These help clients better understand the detail underlying our wholesale price projections.

Our model produces detailed results for each plant in our database, including revenues and costs on an hourly basis. We use this to check that our assumptions about future investment decisions are supported by adequate levels of expected return.

Our price projections are accompanied by a review of **major developments in the French wholesale electricity market**, such as:

- the review of lifetimes for nuclear plants;
- the impact of the economic downturn on demand;
- renewable support schemes; and
- the widening of market coupling arrangements to include Germany and Luxembourg.

Our review is supported by a description of the current wholesale electricity market in France – sources of supply and demand, major players, commercial arrangements, and an overview of the regulatory and policy framework.



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

The report is 130 pages in length and contains over 110 figures and tables.

As a complementary product, Pöyry can provide complete **arrays of projected hourly prices** on a monthly or sample business/non-business day format, out to 2035.

We also offer customisation options such as:

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

Contact Pöyry for more information:

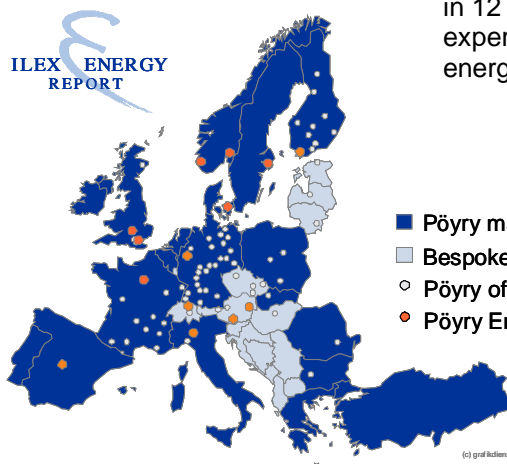
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ILEX Energy Reports

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



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