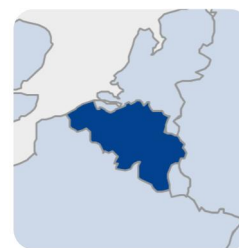


WHOLESALE ELECTRICITY PRICE PROJECTIONS FOR BELGIUM

OCTOBER 2010 Edition

Essential reading to understand the future of the Belgian electricity market in light of the global economic crisis, nuclear lifetime extensions 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 Belgium.

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

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

Our price projection scenarios illustrate a reasonable range of outcomes in wholesale electricity prices for Belgium. 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, including the nuclear lifetime extension.

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

- electricity demand;
- fuel and carbon prices, which are derived from our suite of models;
- policy decision on the operating lifetimes of nuclear plants;
- construction of new generation; and
- the development of low carbon technologies, such as CCS.

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.

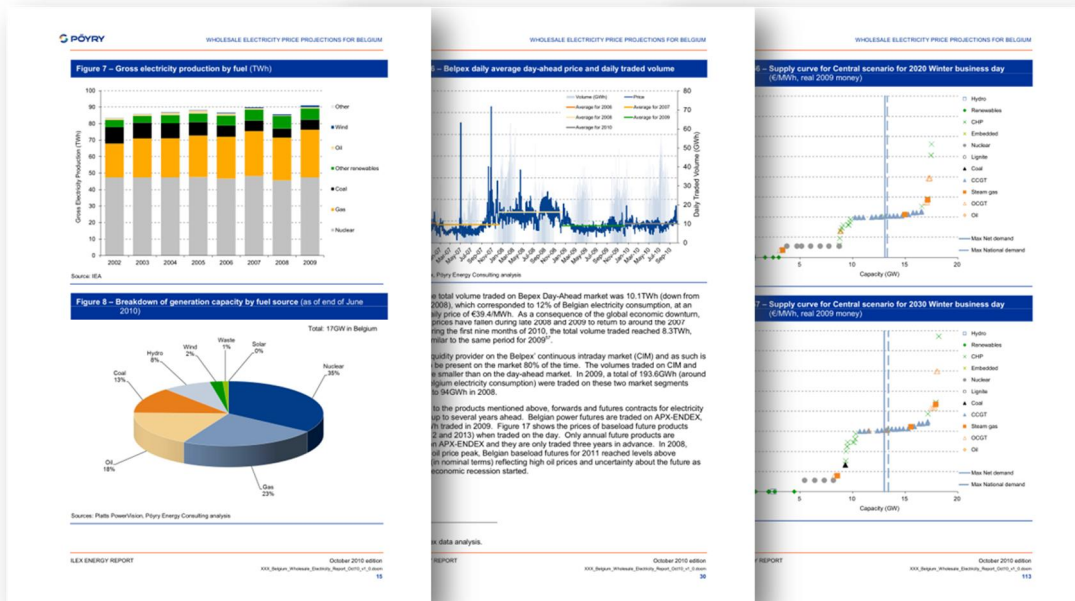
Modelling wholesale markets on an hourly basis allows us to produce merit order curves and price duration curves. These help clients better understand the details underlying our wholesale price projections.

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

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

- granting of operating lifetime extensions for nuclear plants;
- the impact of the economic downturn on demand;
- challenges and delays for generation projects under development;
- 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 Belgium – sources of supply and demand, major players, an overview of the commercial and trading arrangements, and an overview of the regulatory and policy framework.



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

The report is 128 pages in length and contains over 95 figures and tables.

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

We also offer customisation options such as:

- **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.

Pöyry Energy (Oxford) Ltd.

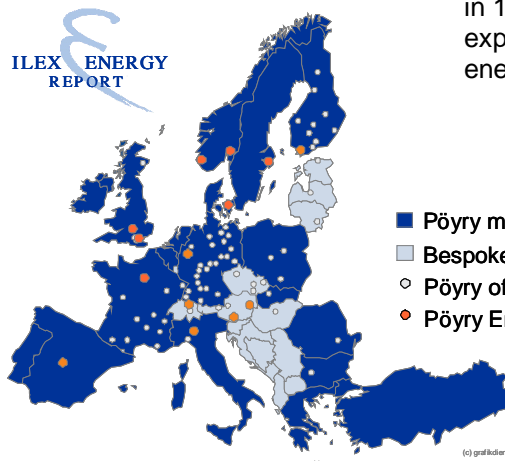
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Pöyry Energy Consulting is Europe's leading energy consultancy providing strategic, commercial, regulatory and policy advice to Europe's energy markets.

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

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