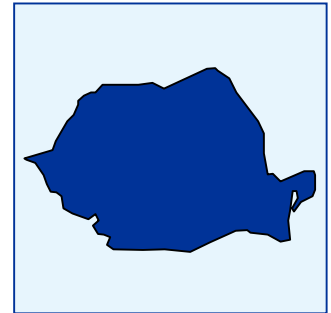


WHOLESALE ELECTRICITY PRICE PROJECTIONS FOR ROMANIA

September 2010 Edition



The Romanian electricity market continues to undergo significant changes on market liberalisation, carbon emissions and renewable electricity development. Pöry Energy Consulting, established experts in the European energy markets, have recently completed an update to our Romanian electricity market report covering these important market issues.

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

This report provides **price projections out to 2035 for the emerging wholesale electricity market in Romania** and investigates key issues such as the increasing integration with the surrounding regional markets, the issues around EU accession.

We also present a comprehensive review of the **Romanian electricity market**, providing an assessment of its structure, physical characteristics, regulatory environment, and also the main issues facing of the market.

The update provides our **projections of the fundamental drivers of wholesale electricity prices** and describes the modelling

methodology used to generate the final electricity prices for the Romanian market.

The report looks at three underlying scenarios:

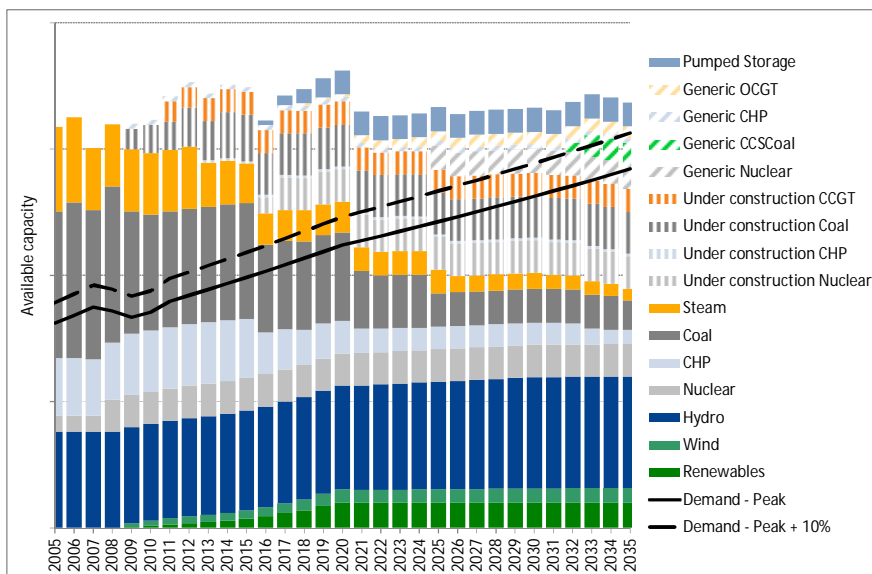
- a high scenario, where strong demand growth, high fuel prices, and a high carbon price under the EU ETS sustain a high electricity price during the period modelled;
- a central scenario, where a less aggressive growth in demand, combined with our central projections for fuel and carbon prices result in a central price for electricity; and
- a low scenario where moderate demand growth, low fuel prices, and a weak carbon price result in a low electricity price. levels of new build.

Coal, oil and gas price projections are explained, plant availabilities given, capacity growth in CHP, renewables and thermal plant reviewed and demand projections presented.

The three main scenarios assume that generators incur, and pass through to consumers, a carbon cost determined by the EU ETS.

We comment on **what each of these scenarios means for the profile of prices** through the year. We also present the spark spread projections that result from our wholesale electricity and gas price projections.

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Romanian capacity projections to 2035 illustrating the development of various generating technologies in one Pöry scenario

As a complementary product, Pöry can offer customisation options such as **plant specific load factors, capture prices, price duration curves and merit orders**. This allows assessment of the likely performance of plants, in terms of operating pattern, merit orders, capture prices and overall income under a range of customised scenarios.

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

In addition Pöry has also updated the **Renewable Generation and Green Certificates report for Romania (Sep 2010)**, which can be purchased as an Annex to the Pöry report 'Wholesale Electricity Price Projections for Romania'.

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

