

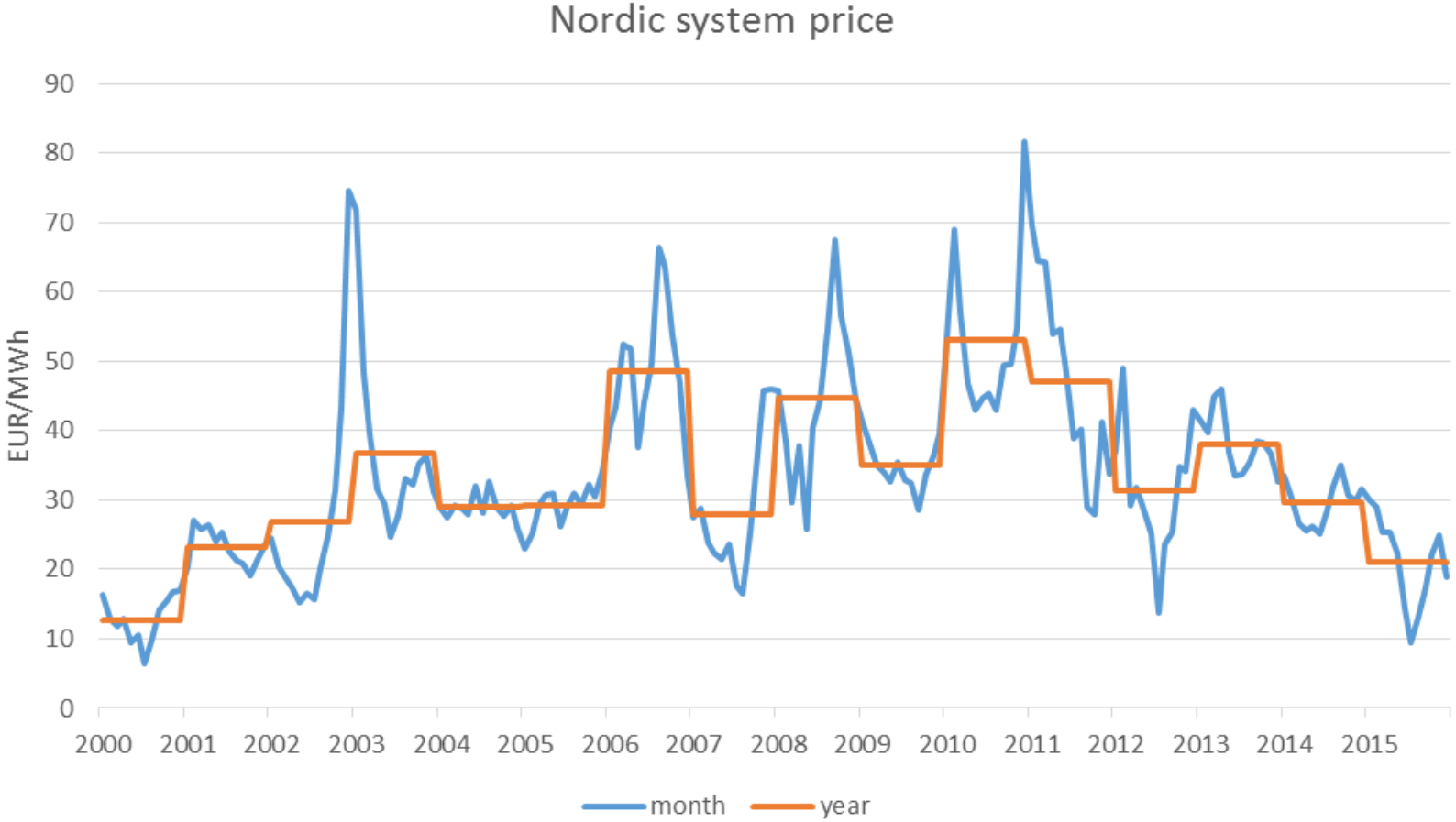
NORDIC ELECTRICITY MARKET SITUATION – HOW DID WE END UP IN THIS PRICE SITUATION?

ENERGIFORSK ANNUAL NUCLEAR CONFERENCE 2016

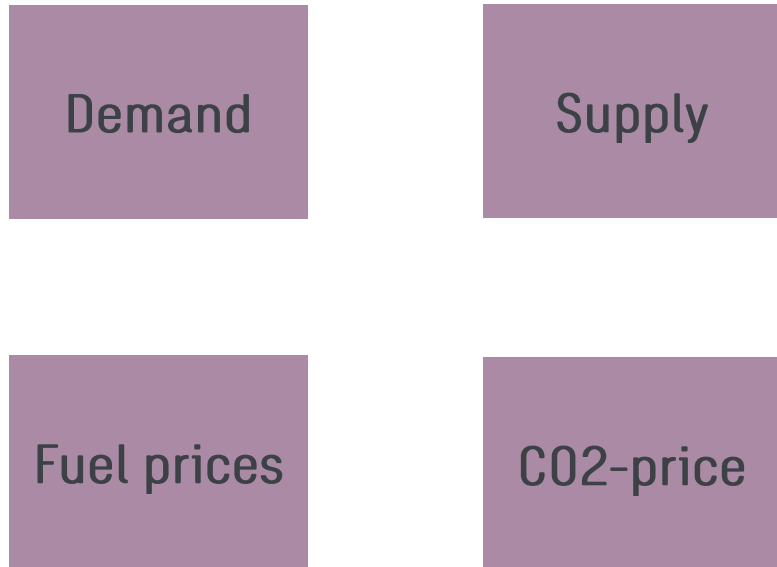
JOHAN BRUCE
SWECO ENERGYPARKETS

The average system price in 2015 was 21 EUR/MWh

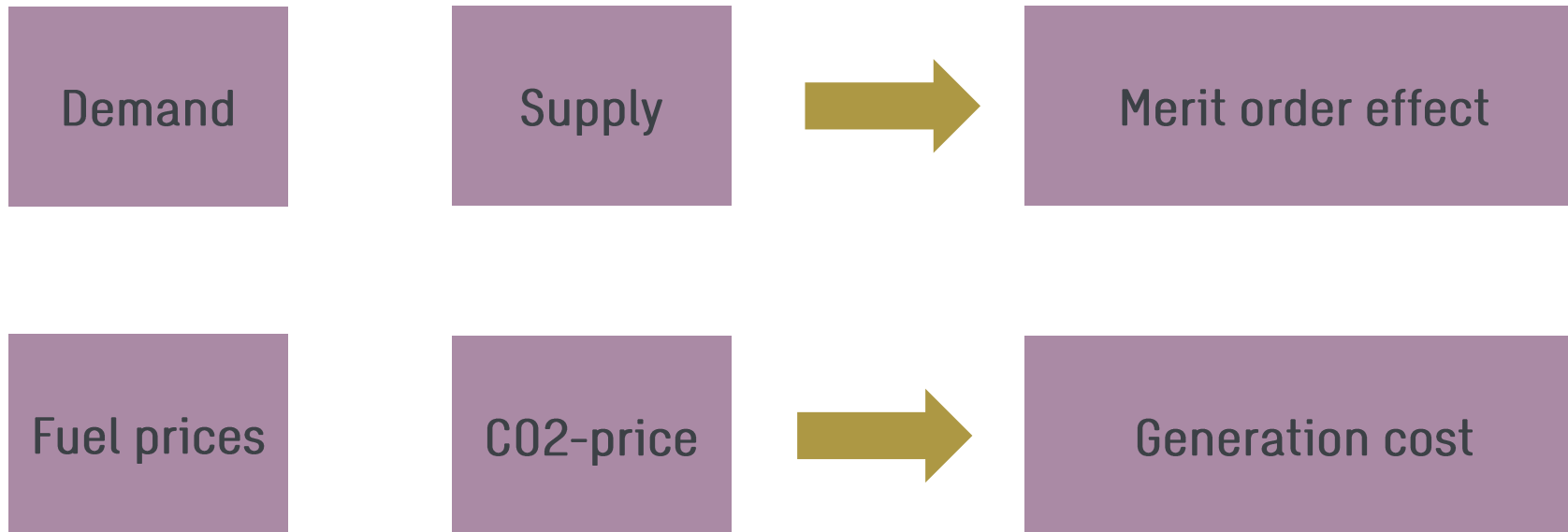
How on earth did we get there?



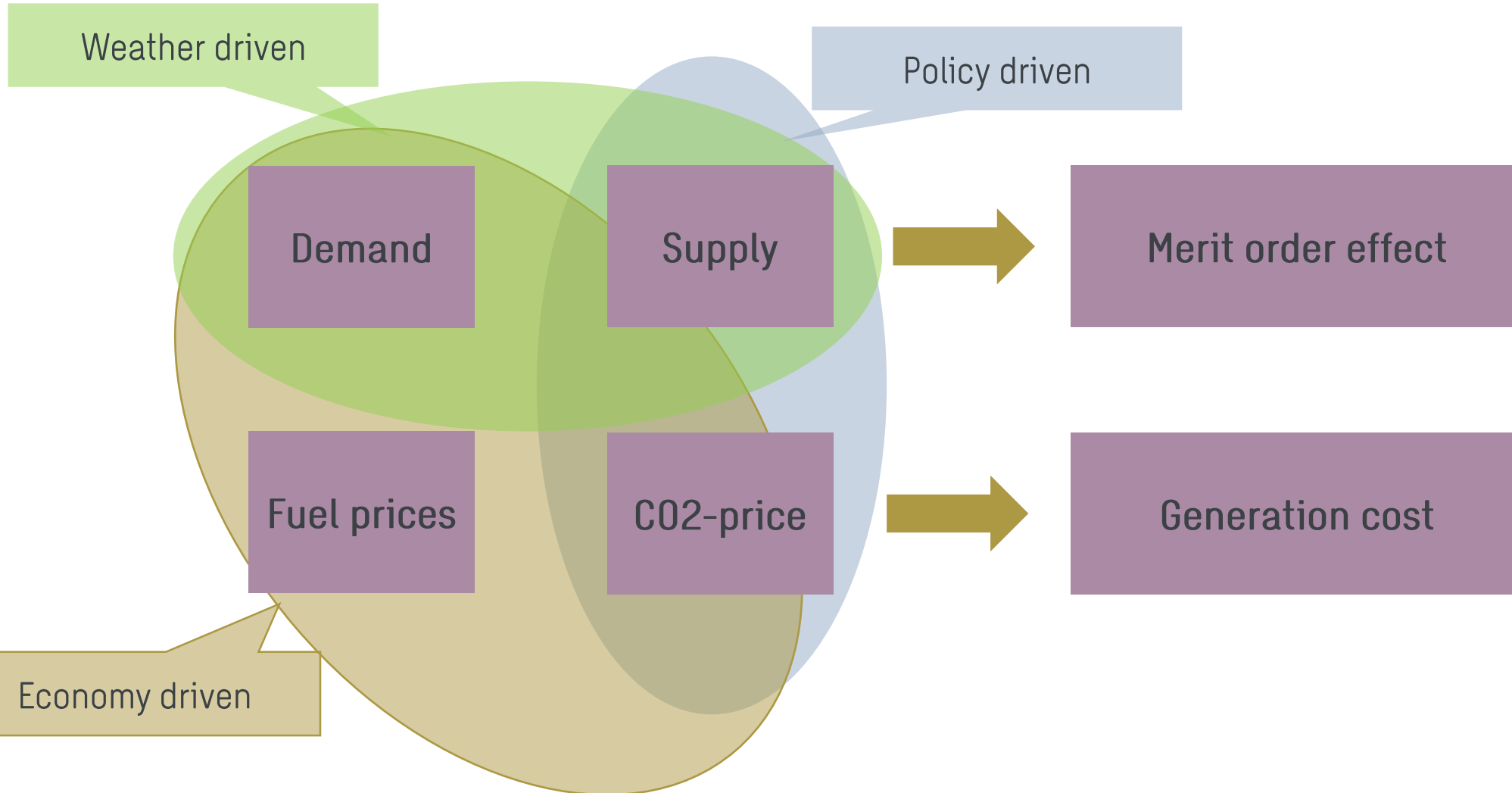
Main drivers for the Nordic electricity price



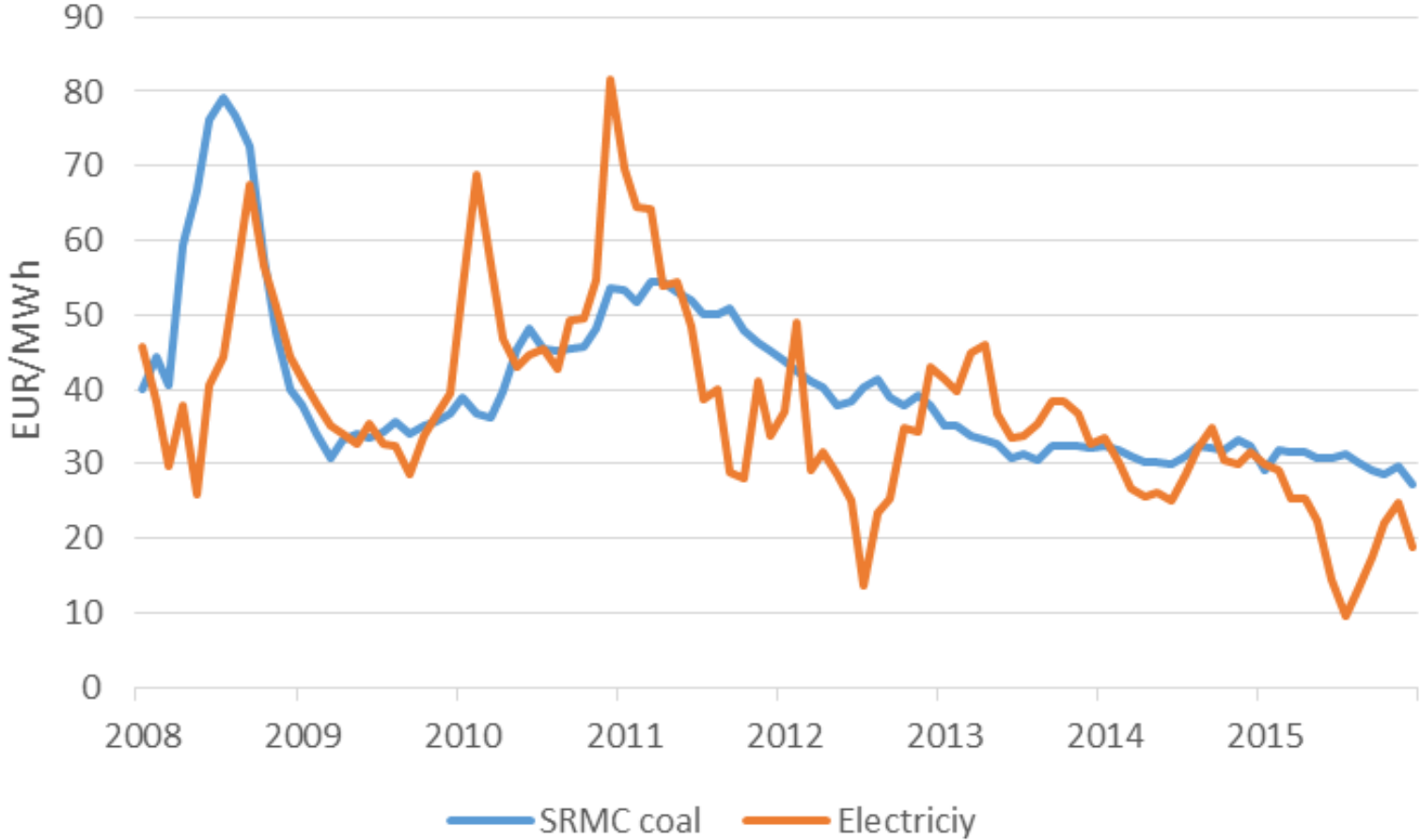
Drivers for the Nordic electricity price



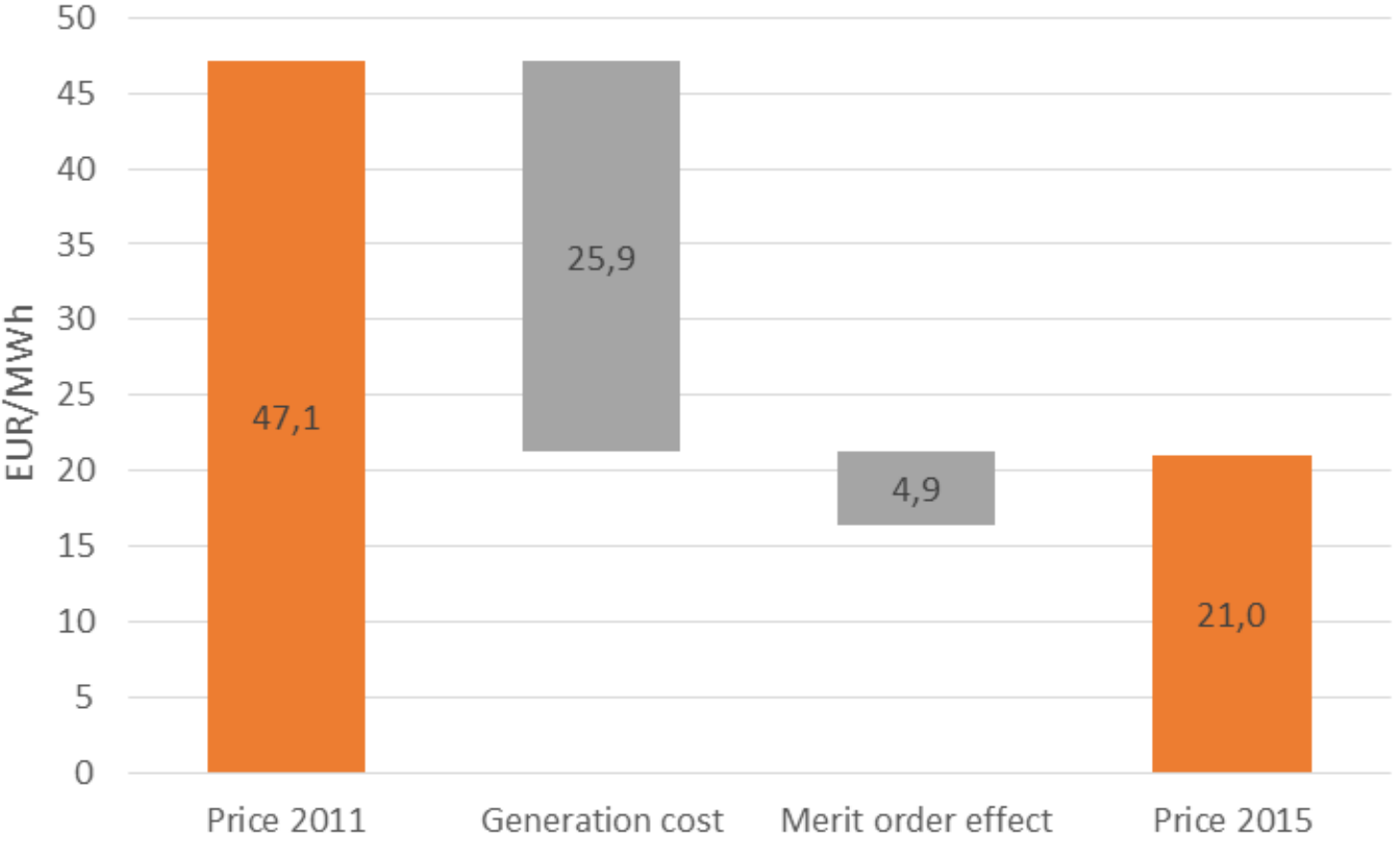
Drivers for the Nordic electricity price



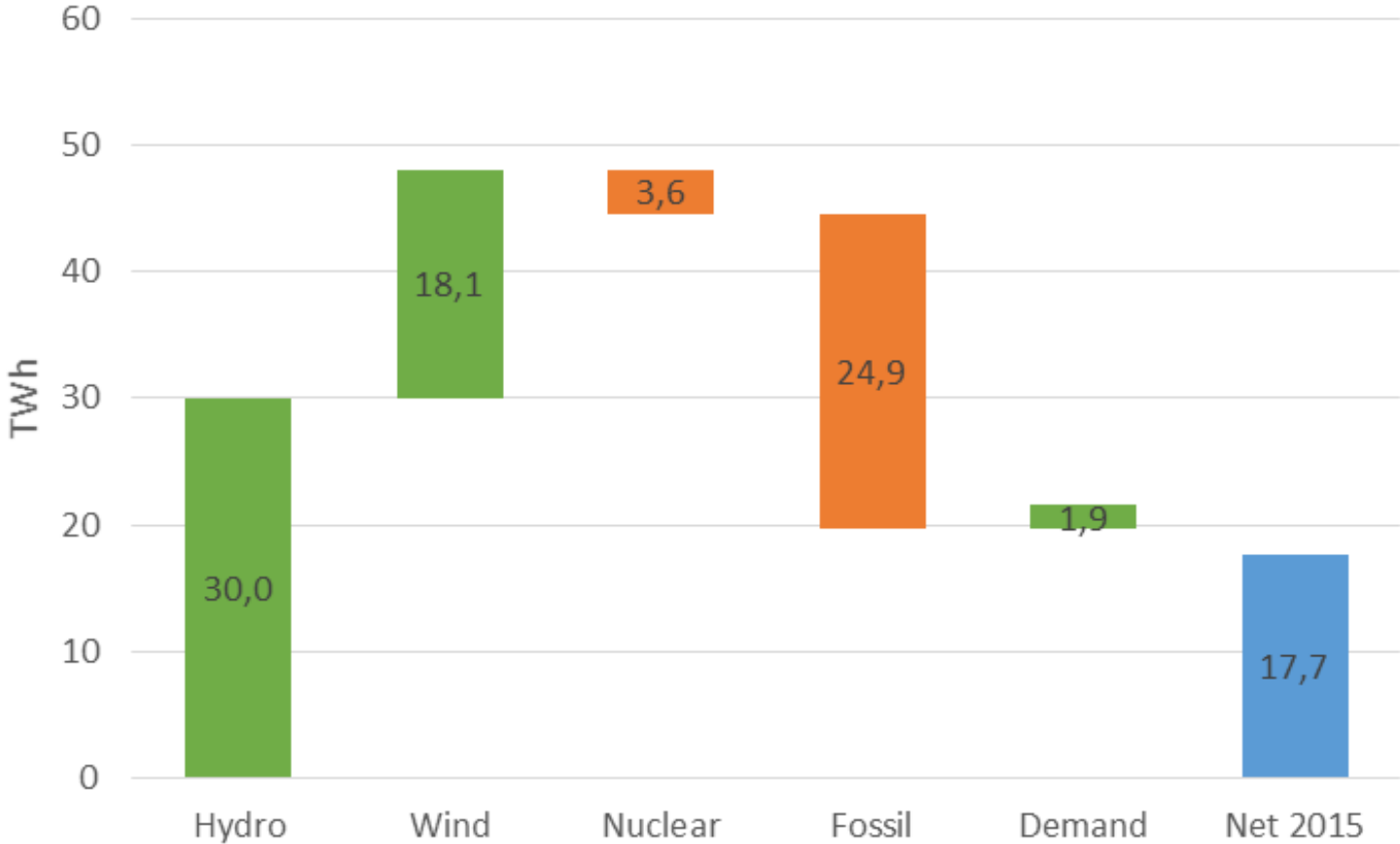
The Nordic electricity price is strongly correlated to the Short Run Marginal Cost (SRMC) of coal.



The main part of the fall in electricity price can be explained by a fall in fuel and CO2 costs.

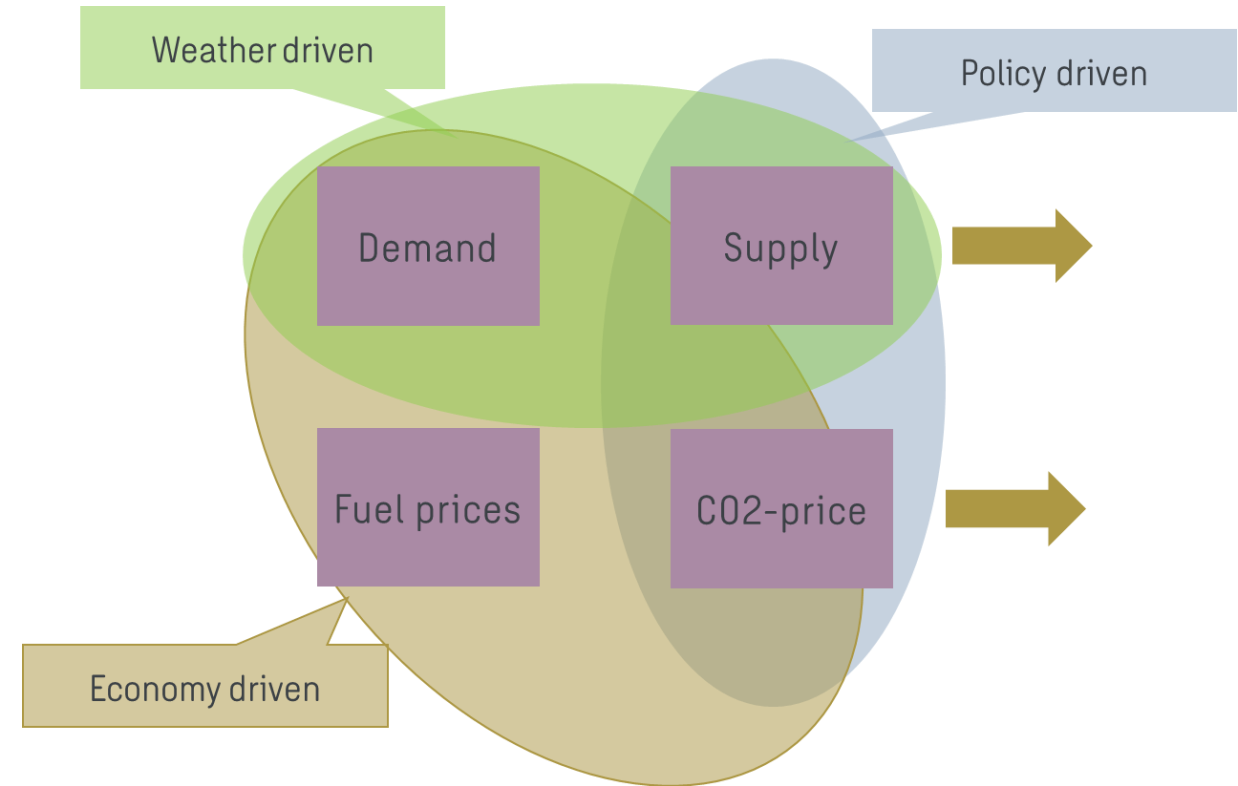


There is a 17,7 TWh stronger balance in 2015 compared to 2011.
That is however not the full story...



Conclusions

- Fuel and CO2 prices have been the main driver for decreasing power prices
- The financial situation has had a larger impact on power prices than policy.
- In the future however, increasing amount of RES can change the historical connection between fuel and CO2 prices with the electricity price.



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