



PRICE FORECAST FOR THE NORDIC POWER MARKET

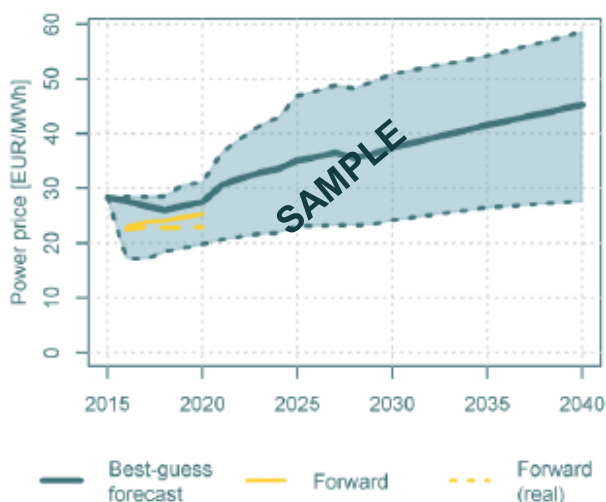
SPRING 2017 EDITION

THEMA offers long-term price forecasts for the European and Nordic power markets as well as the market for electricity certificates in Norway and Sweden. Each forecast is delivered with latest market data at the time of order. In addition to our standard scenarios, we also cover a chosen topic in each forecast.

NORDIC POWER PRICE FORECAST 2018-2045

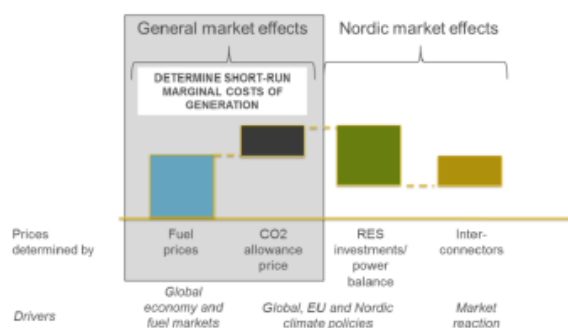
THE ANALYSIS OF CHOICE FOR UTILITIES, INVESTORS, BANKS AND REGULATORS

- In-depth fundamental analysis of the Nordic power market
- Based on our in-house developed model TheMA, licensed to a number of Nordic and European players
- Completed by an experienced group of analysts



PRICE DRIVER ANALYSIS

In addition to the scenarios the forecast contains a detailed study of the main price drivers. We simulate a range of sensitivities to assess the quantitative impact of these price drivers.



NEW POLICY SCENARIOS AND SPECIAL TOPIC

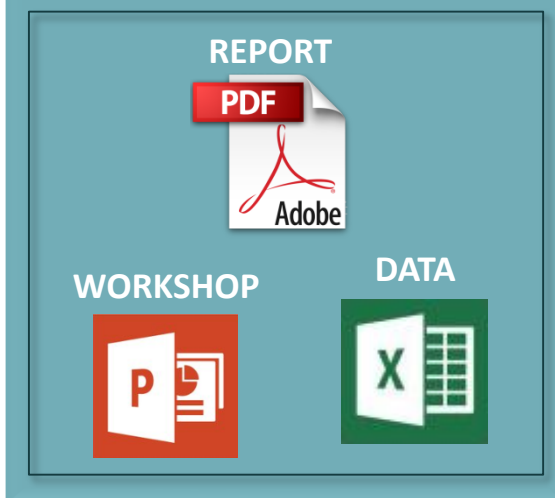
The forecast centers around three scenarios:

- *A reference scenario*, based on the most likely developments in fuel and CO₂-prices, political developments and regulation
- *Paris Premium*, a scenario that addresses the consequences of an international climate agreement
- *Green Glut*, a scenario that simulates the implications of continued renewable subsidies than undermine the efficiency of the EU-ETS

Special topic: *Price spikes are back on the agenda*

DELIVERABLES

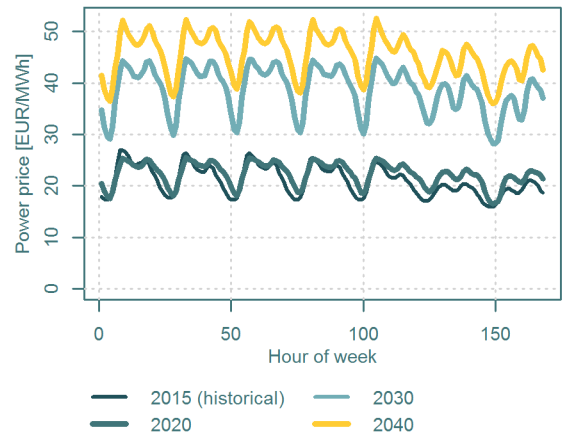
- A lean and to the point report
- Workshops where the report and market developments are discussed
- Key data is delivered in Excel-format



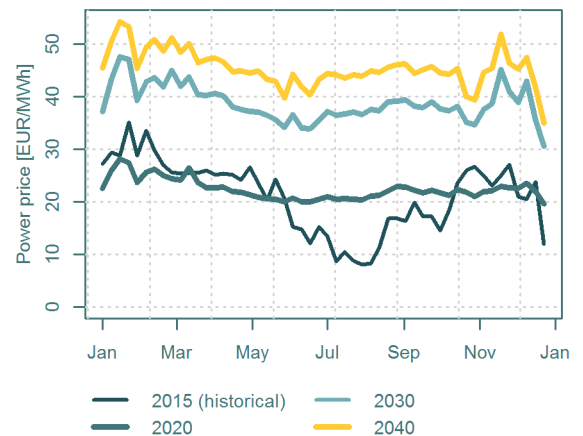
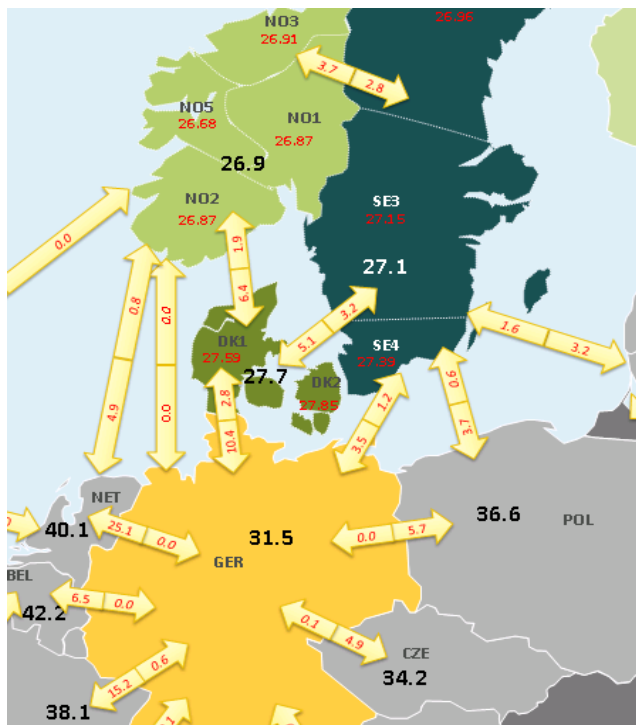
One of the most sophisticated models in the market: The price simulations are performed using the *TheMA* model, a sophisticated power market simulation model for Western and Central Europe.

Other users: Developed by THEMA, the model is also used by a range of clients, including RWE, E-CO, NVE, OED, Agder Energi, and others. It is applied both for trading support, and long-term price forecasts.

Features: The model has hourly time resolution, a detailed representation of thermal units, hydro units, and intermittent generation. All large units, including reservoirs, are modelled as individual plants.



An up-to-date database for Europe: The model scope is Western and Central Europe, including UK, Spain, and Italy. All countries in the model are modelled with the same degree of detail as the Nordic countries. Long-term developments in RES capacity and thermal capacities are taken into account, as are plans for new cables.



Price zones: We also model price zones in the Nordic market and report both system prices and area prices for all Nordic price zones. We account for developments in the inner-Nordic grid and planned cross-border cables and transmission investments.

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THEMA Consulting Group THEMA Consulting Group is a consulting firm focused on Nordic and European power market and energy issues. THEMA is active in three areas: Market analysis, market design, and strategy consulting. Our products range from tailored products, studies and services to off-the-shelf price forecasts. To find out more, please visit www.thema.no

Clients Our clients include major utilities, banks, investors, and trading companies as well as regulators, authorities, TSOs, and the European Commission.