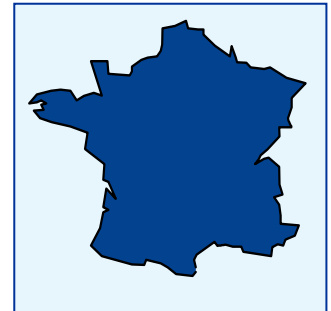


WHOLESALE ELECTRICITY PRICE PROJECTIONS FOR FRANCE

November 2007 Edition



With nuclear power still dominating the electricity mix, it remains to be seen whether new wholesale arrangements introduced to foster competition within the French market will deliver a favourable environment for new entry.

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

This report provides **price projections out to 2030 for the wholesale electricity market in France** and investigates key issues such as the French policy for supporting the uptake of renewable generation technologies and the first year of being part of the tri-lateral power exchange with Belgium and the Netherlands.

We also present a comprehensive review of the **history of the French electricity market**, assessment of the various market players and developments in key market sectors.

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 French market.

We present four price scenarios and explore the impact of carbon pass through into the electricity price:

- a High price scenario examining the effect of high fuel prices coupled with high demand;
- a Central oil-indexed scenario characterised by gas prices remaining linked to oil, coupled with central demand and some further build of new CCGTs;
- a Central oil de-linked scenario characterised by the breaking of the linkage between oil and gas prices; and

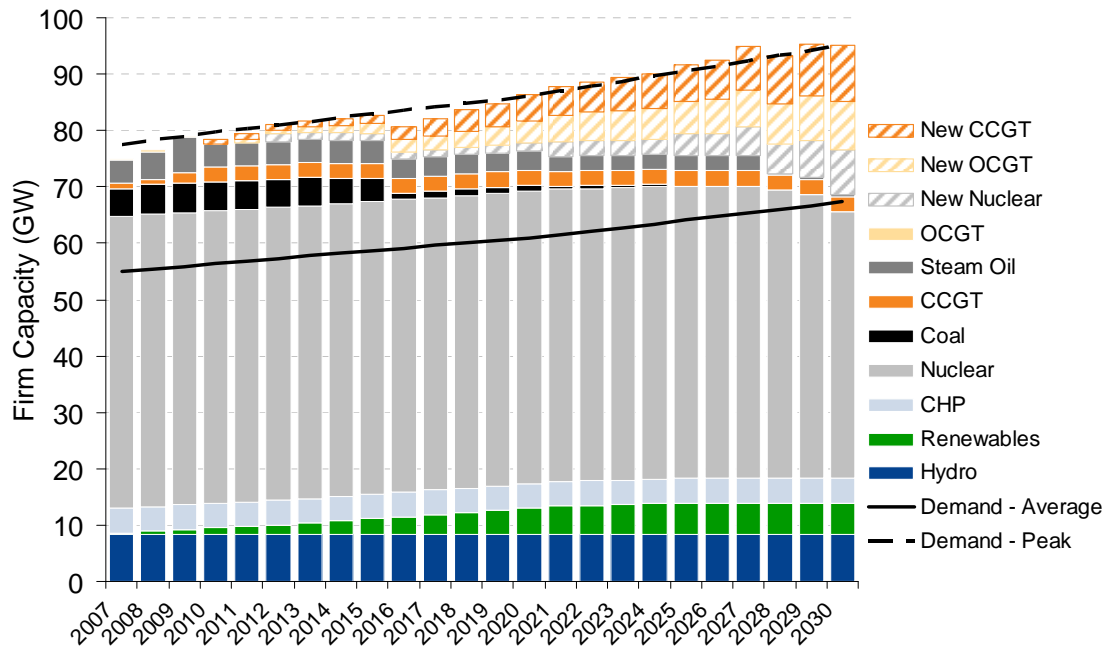
- a Low price scenario with low demand growth, little build of new capacity and low fuel prices.

We review current plans for new capacity in the market and examine the drivers behind different types of new build. This analysis is then compared and contrasted with our price projections to obtain a consistent picture of future market entry.

We also present the spark spreads and produce several sample merit order curves for select years.

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

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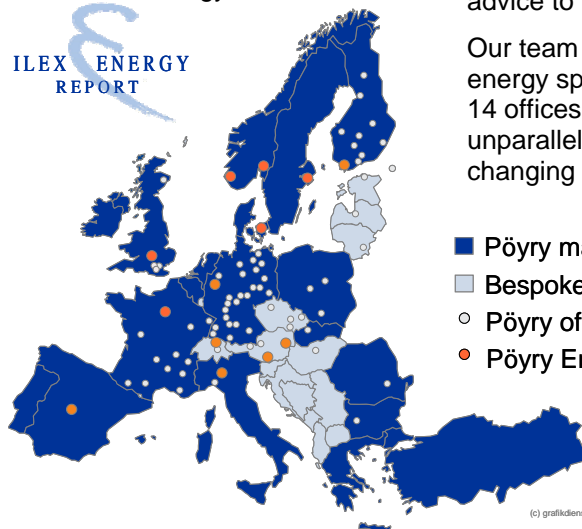
Capacity projections to 2030 illustrating the continuation of nuclear's dominance in the French capacity mix

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 2030.

We also offer customisation options such as **plant specific load factors, price duration curves, further sensitivity analysis and bespoke runs using client defined input assumptions.**

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ILEX ENERGY REPORT



ILEX Energy Reports

Pöyry Energy Consulting produces ILEX Energy Reports for electricity, gas, carbon and green certificate markets across Europe.

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

Our team of over 250 European energy specialists, located across 14 offices and 12 countries, offers unparalleled expertise in the rapidly changing energy sector.

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