END OF THE ENERGY CRISIS? OUTLOOK FOR NEXT WINTER - POWER

No power without gas

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ONCE UPON A TIME....
DO NOT FORGET!

**Capacity**
- Currently Germany is not missing production capacity
- Due to the coal phase out, coal power plants were reserve capacity
- In the winter 2022/23 to biggest fear was missing fuel not secured capacity (at least in Germany)
- Germany has not capacity shortage it had an expected fuel shortage in the last winter
- Therefore shutting down the last nukes is not a big deal (beside the political discussions)

**Fuel**
- Germany needed to replace its Russian gas deliveries and ...
- ... to fill up the gas storage in the winter 2022/23.
- This process is still ongoing, but
- Gas storage is at 65 % level
- Building up LNG capacities

Source: Montel Online
WINTER IS COMING AND WE ARE PREPARED
THERE ARE A FEW THREATS

Politics...

- Revenue cap in place gives high insecurity in the market

...and politics

- Understanding market design:
  - Not speaking about power market design and the “Merit Order model”
  - The different market behaviour of a global LNG market compared to the pipeline gas business
  - “You can only play the LNG market correctly in case you can handle all the different overcapacities”

- Good news: Power prices are so low, that the political pressure is gone
- Bad news: CfDs might come

Source: Montel Online
WITH THE NUKES GONE IN GERMANY, WEATHER DEPENDED VOLATILITY WILL INCREASE

Our answer: calculating fundamental swarm scenarios

Variation of volatile model parameters

Fundamental swarm with n > 1000 scenario runs

Future distributions as results

Commodity prices

Power demand

Weather years

Simulation run #1000

Simulation run #...

Simulation run #2

Source: Energy Brainpool
DO NOT UNDERESTIMATE THE WEATHER RISK IN THE UPCOMING YEARS

- Output of 1.000 scenario runs for the capture rate for PV in Germany
- Based on the PFC from the 05.04.2023
- Compared to a assumed CfD price of 80 EUR/MWh
Thank you very much!

What questions do you have?