

Will balancing market prices collapse amid a battery boom in Sweden?

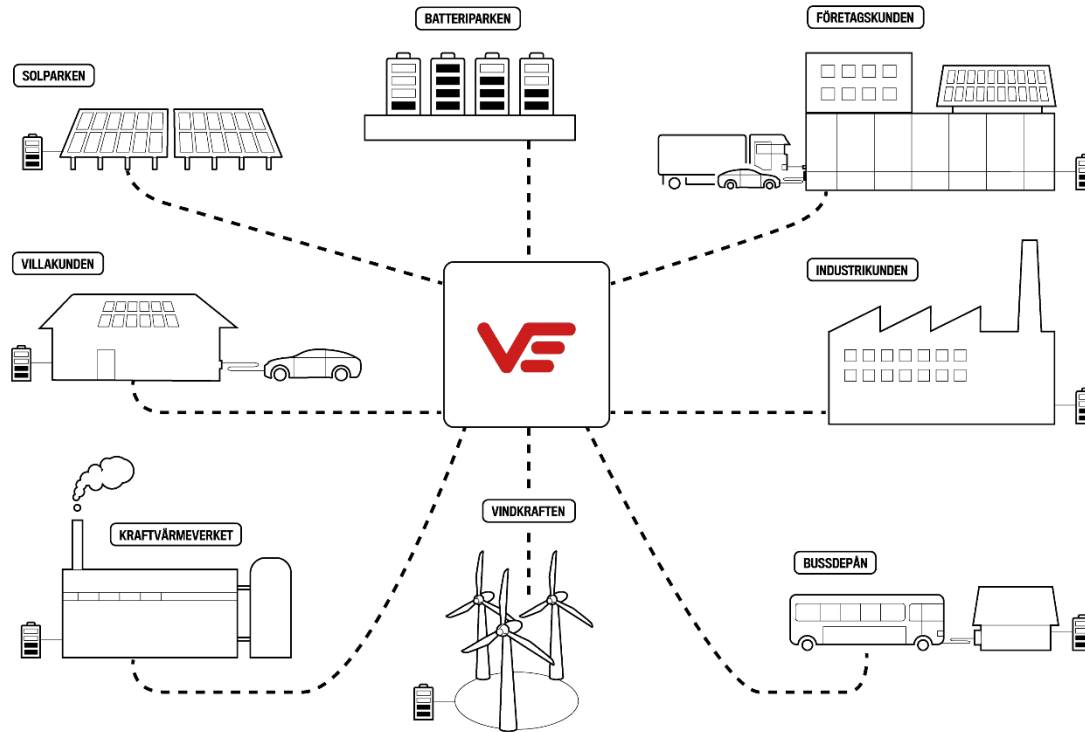
Jens Nordberg, Head of Energy Trading

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A few words about Varberg Energi

- Municipality owned energy company based on the Swedish West Coast
- Offers a wide range of energy services to customer (Electricity/Gas/District Heating/Broadband/Energy Solutions)
- It is in our owner directives that:
 - we **shall** contribute to the development of a long-term **sustainable** society
 - a portion of the investment budget **shall** be used for long-term and **exploratory** business development
- Hence, we are putting a lot of effort into helping our customers to become more flexible

Nätflex



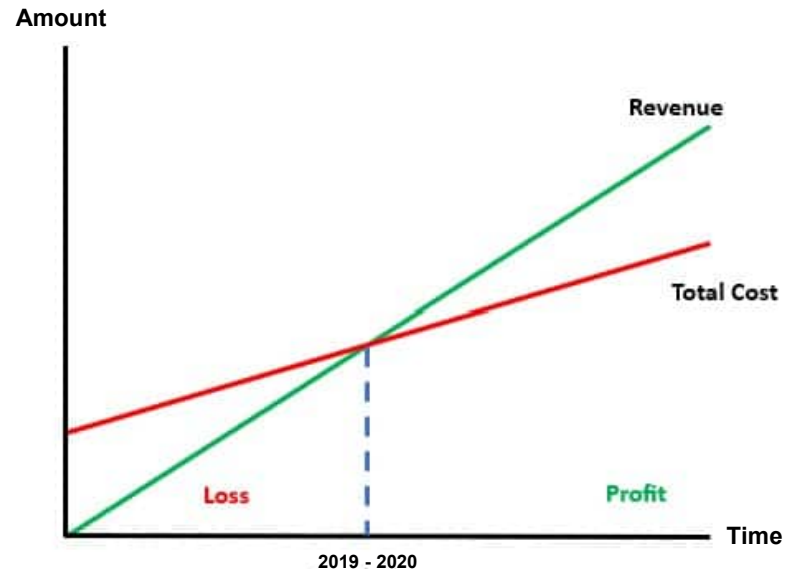
BESS in operation



Varberg Energy's zero vision for imbalances



Why?



Profitability and Sustainability

- Is that really possible?



Financial benefits

- ✓ Revenues from Ancillary Services
- ✓ Revenues from local/regional Flex Markets
- ✓ Energy price arbitrage
- ✓ Reduction of Peak Load / Production
- ✓ etc.



Sustainability

- ✓ Batteries to replace hydro in frequency regulation, which unlocks capacity from hydro to be used for energy regulation in order to avoid import of fossil power production
- ✓ Increase the share of locally produced renewable energy



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Future "flex revenues"

