Wind Energy and Electricity Prices

Exploring the ‘merit order effect’

A literature review by Pöyry for the European Wind Energy Association
Questions for next time

1. Explain what is the impact of renewable energy on the market prices.

2. How demand level affects this market price variation?

3. What is the impact to the prices of the following factors:
   • Fuel prices.
   • Variation in RES capacity.
   • Scarcity park-up.
   • Carbon prices.
   • Power plant portfolio.

4. What is the impact of RES penetration to investments in new capacity and the decommissioning of old capacity according to the authors?

5. What is the impact of RES generation on the imports and exports.

6. What is the influence of the merit-order effect on the Erneuerbare-Energien-Gesetz (EEG) support to consumers?