



BEYOND THE EU NDC & IMPACT ON THE ETS

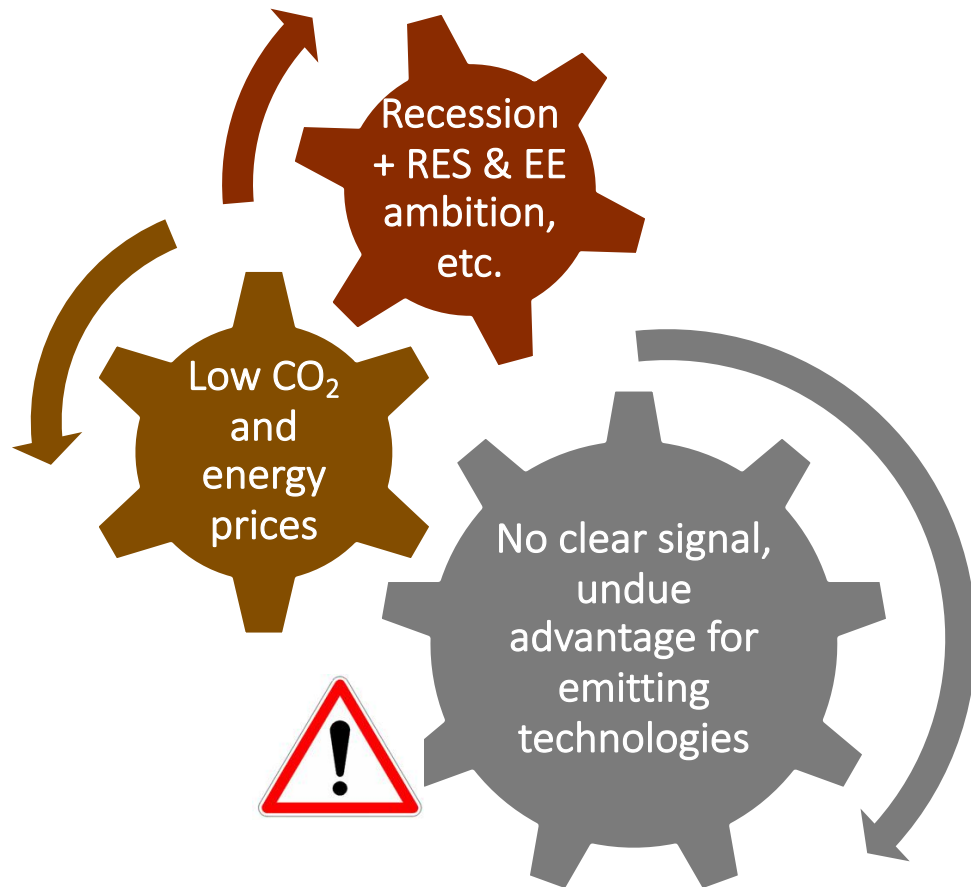
A utility's perspective

Michel Matheu

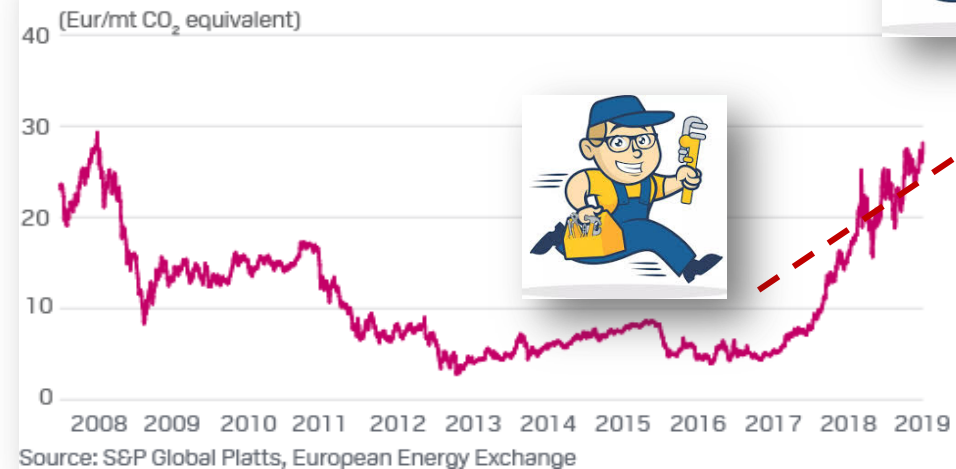
Paris, January 23rd



FROM A UTILITY'S PERSPECTIVE THE MAIN CONCERN IS A MEANINGFUL AND PREDICTABLE PRICE

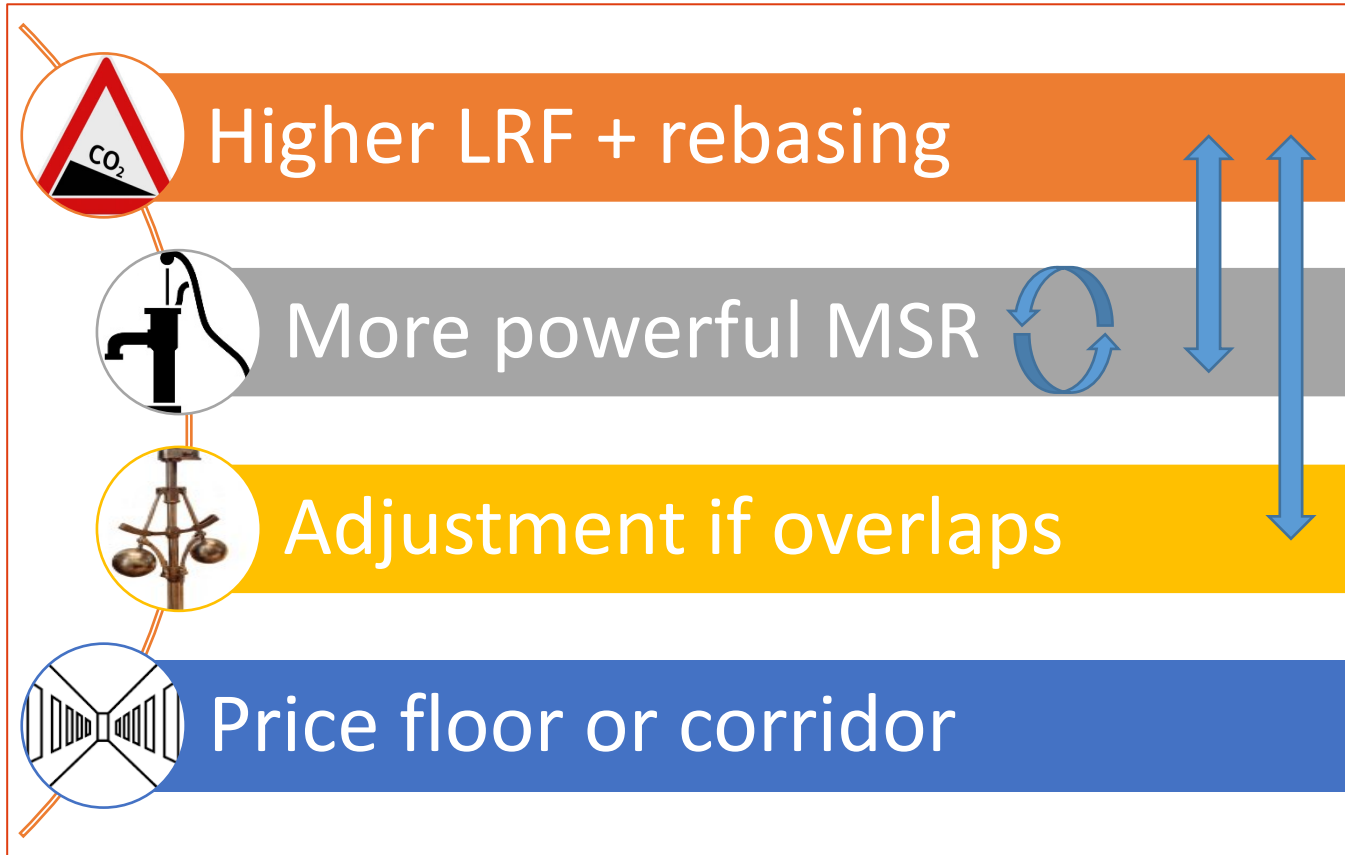


EU CARBON PRICES (NEAREST-DECEMBER PRICE)



As far price evolution has been chaotic and the EU has been tinkering with parameters

THE ADEQUATE TOOL-KIT IS IDENTIFIED AND CAN HELP DECARBONISE THE POWER SECTOR AT AFFORDABLE COST



Can deliver adequate price level

Can deal with variability, lower costs (WACC) and deliver timely investment

If the ambition changes the tools have to be used in a consistent way

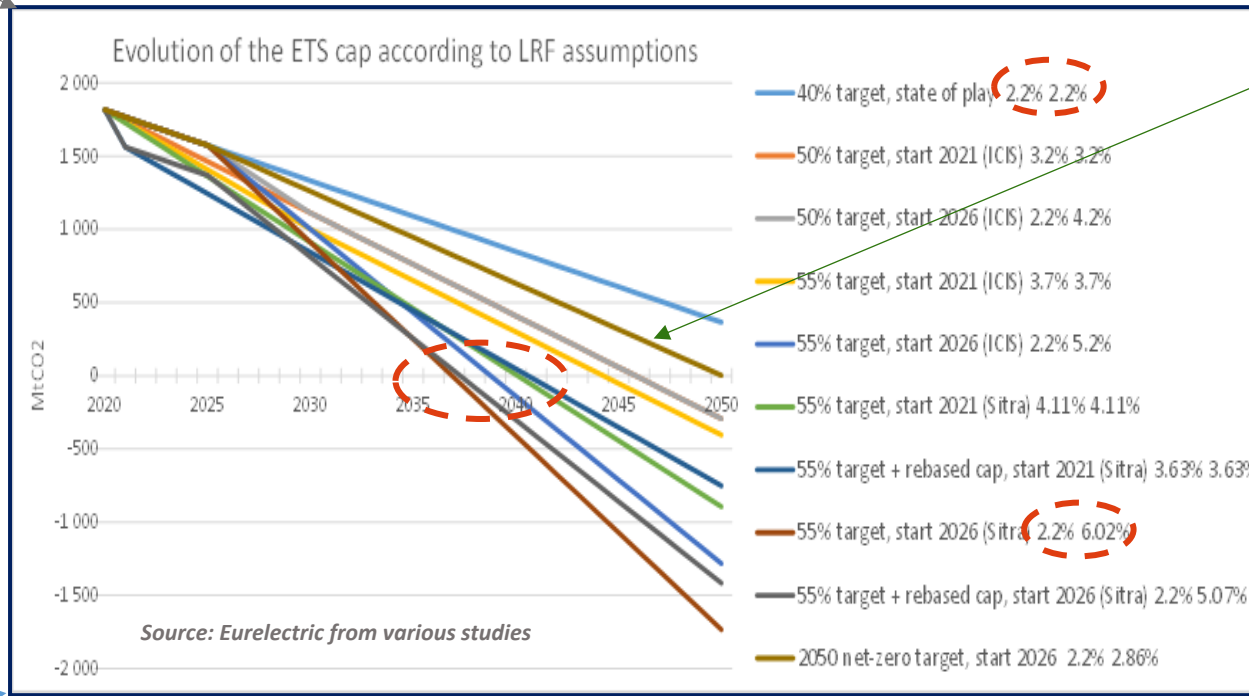
NOT ONLY INTERNAL BUT ALSO EXTERNAL CONSISTENCIES ARE NEEDED



ETS-ESR burden-sharing?



A more broken line?



Different flexibilities?



More sectors included?

THANK YOU!