

From cost to value

Morten Dyrholm

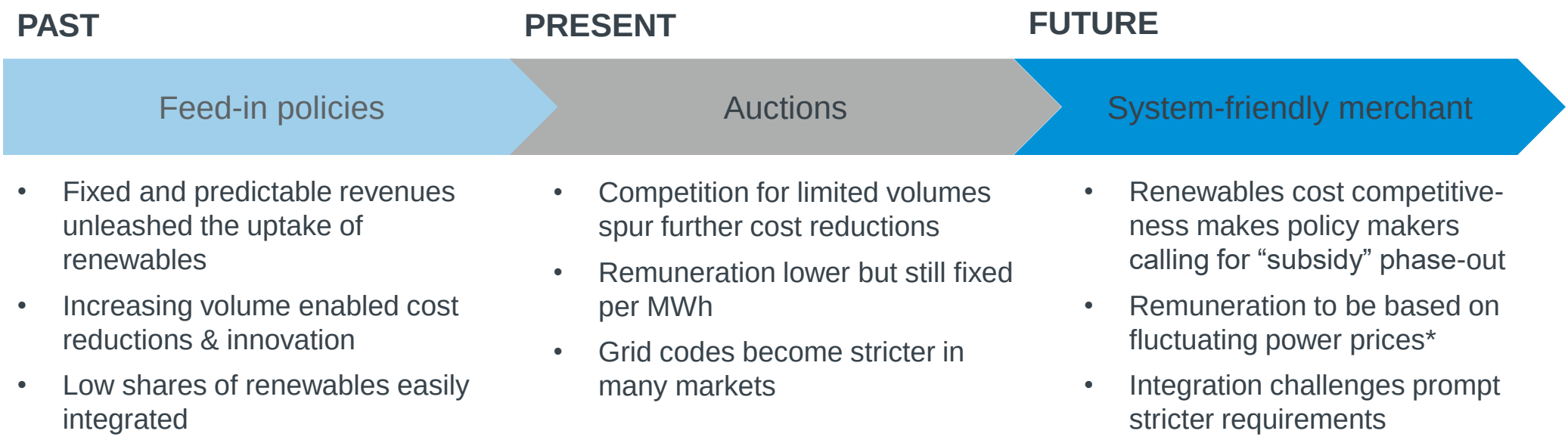
Group Senior Vice President, Global Marketing, Communications and Public Affairs,
Vestas Wind Systems A/S

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FROM FEED-IN POLICIES TO SYSTEM-FRIENDLY MERCHANT

Evolution from “niche” to mainstream entails living up to new requirements



SUCCESSFUL ENERGY POLICIES REQUIRE A NEW FOCUS

Tomorrow's frameworks should focus on maximizing value



LCOE

- Average **cost** per unit of electricity output

Market value and value factor

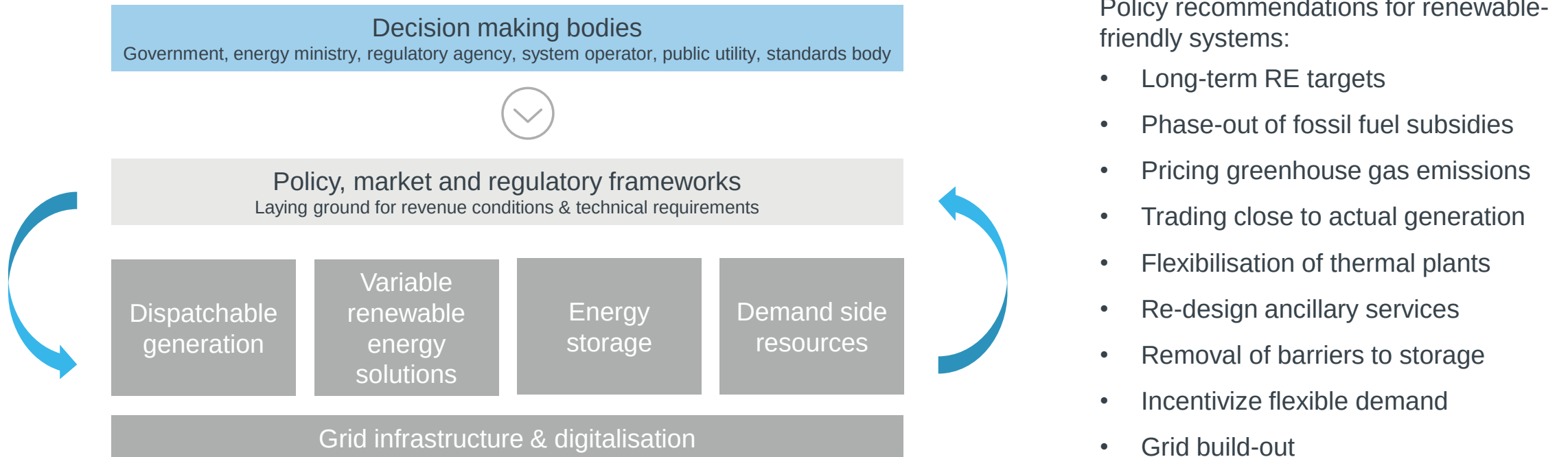
- Average **revenue** per unit of electricity output
- Shows, if divided by the average wholesale power price (**value factor**), how much of the average price can be captured by a power plant or a power generating technology

System value

- Interplay of **positive** (e.g. lower carbon emissions, high market value, reduced fuel costs etc.) and **negative effects** (e.g. additional grid infrastructure costs, re-dispatch costs/curtailment etc.) of a power generating technology on the **system**

INCREASING MARKET AND SYSTEM VALUE GOES HAND IN HAND

System-friendly renewable energy solutions need renewable-friendly systems



Thank you for your attention
