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Fundamental factors in power and gas price formation

ETCSEE

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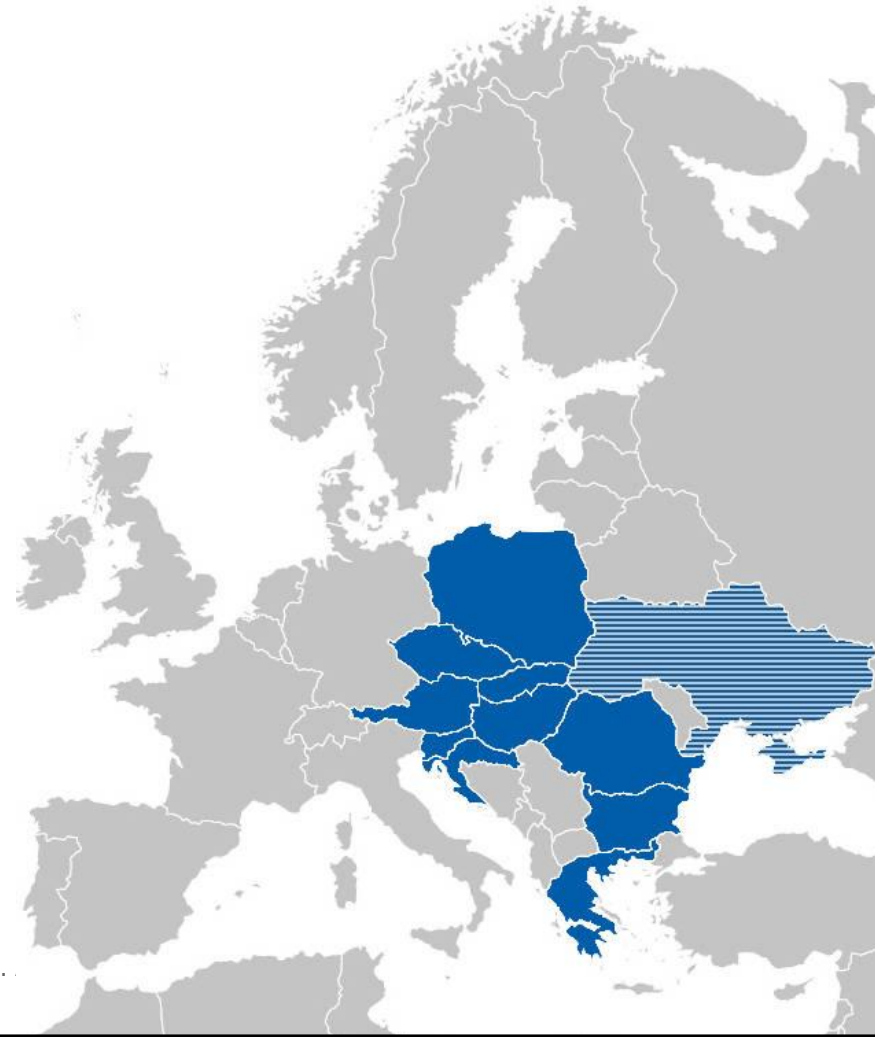
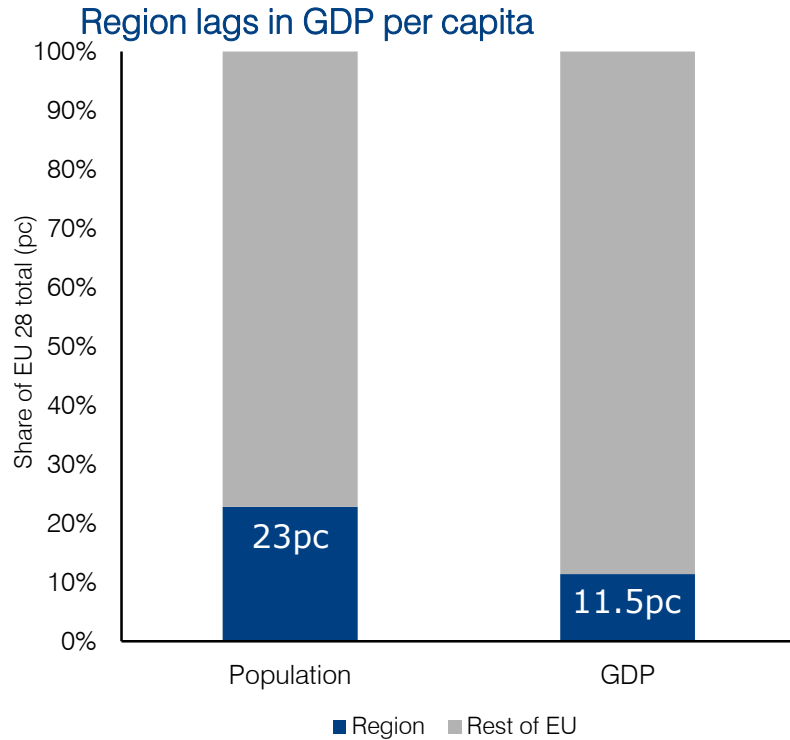
A nighttime city skyline is reflected in a body of water. A glowing blue line curves across the water's surface, starting from the bottom left and moving towards the right. The city lights are visible in the background, including a prominent dome-shaped building.

Regional macro considerations

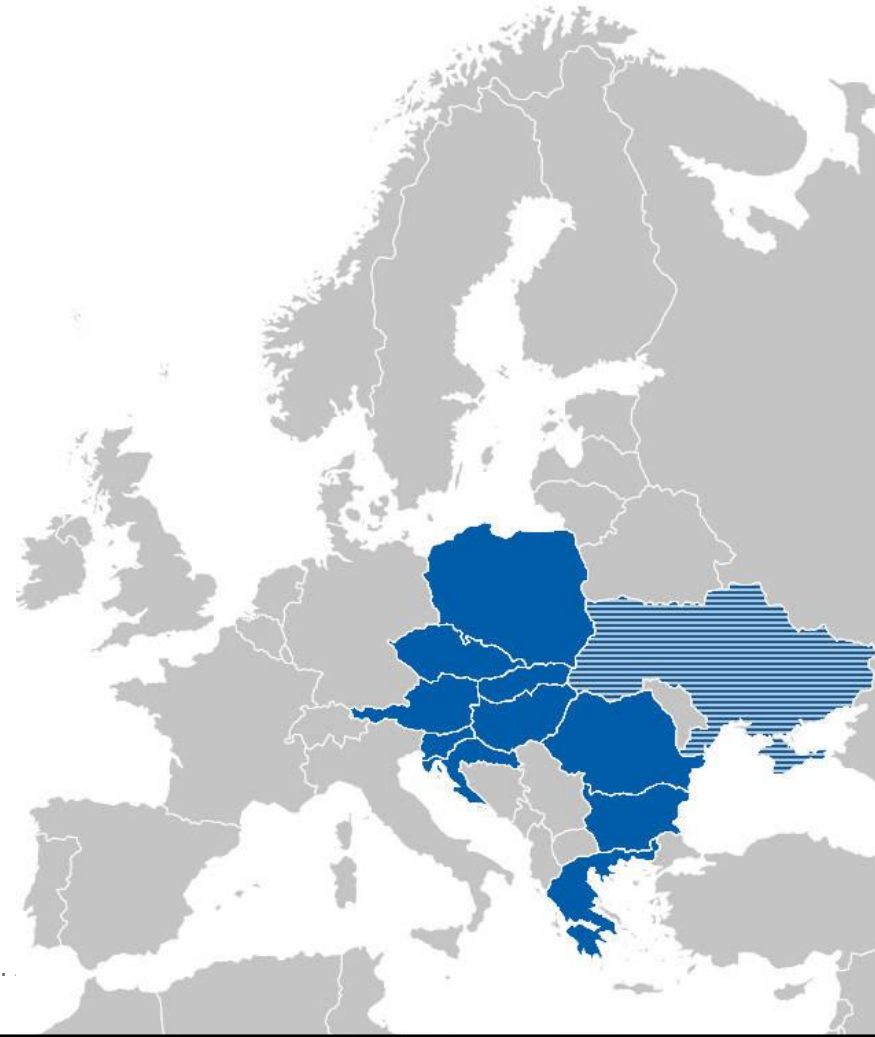
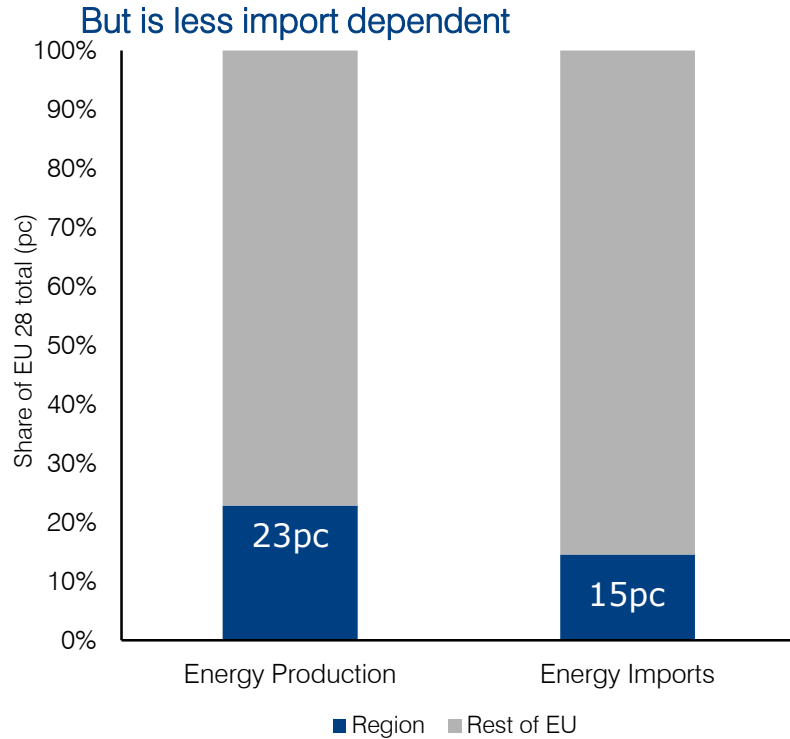
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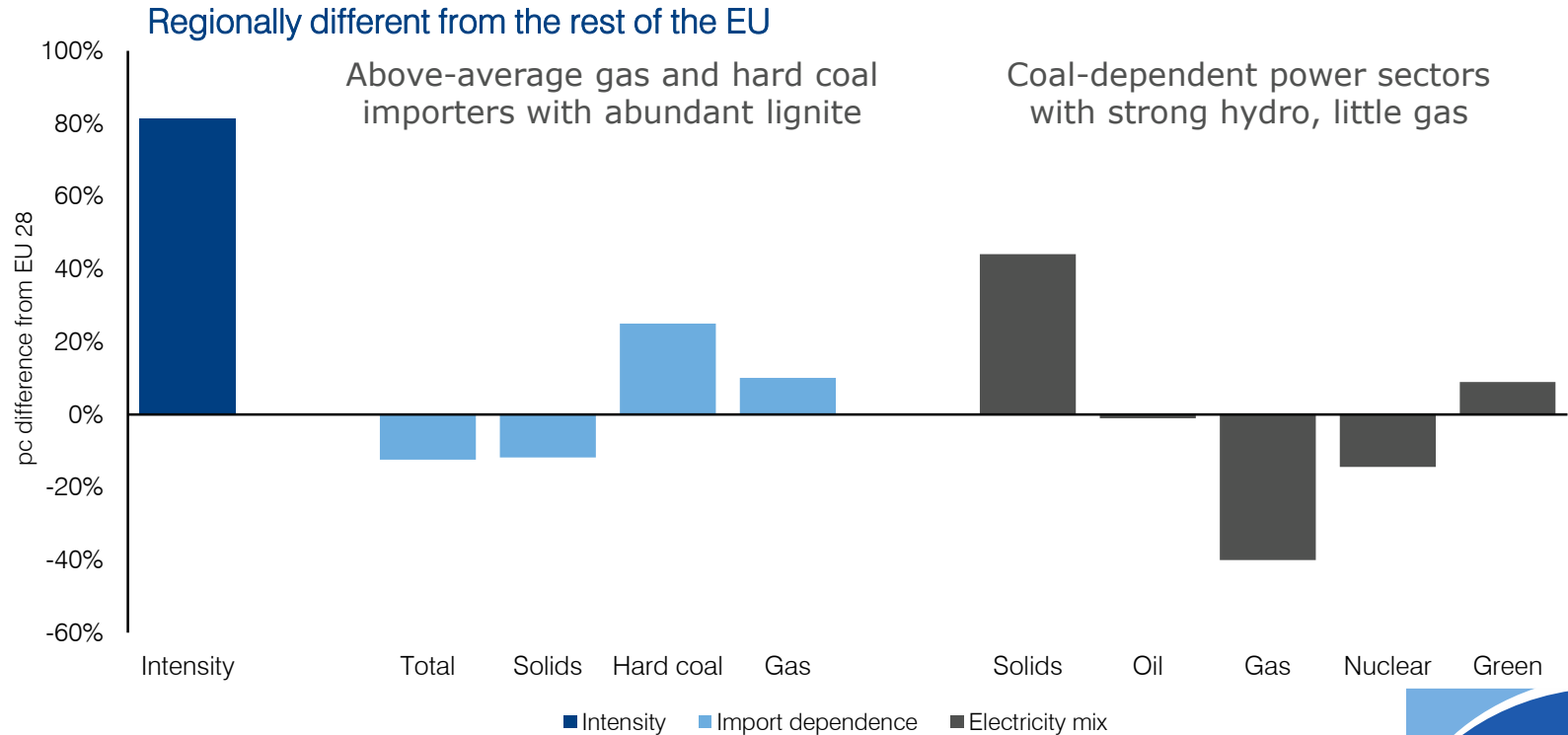
Where are we taking about?



Where are we taking about?



Where are we taking about?



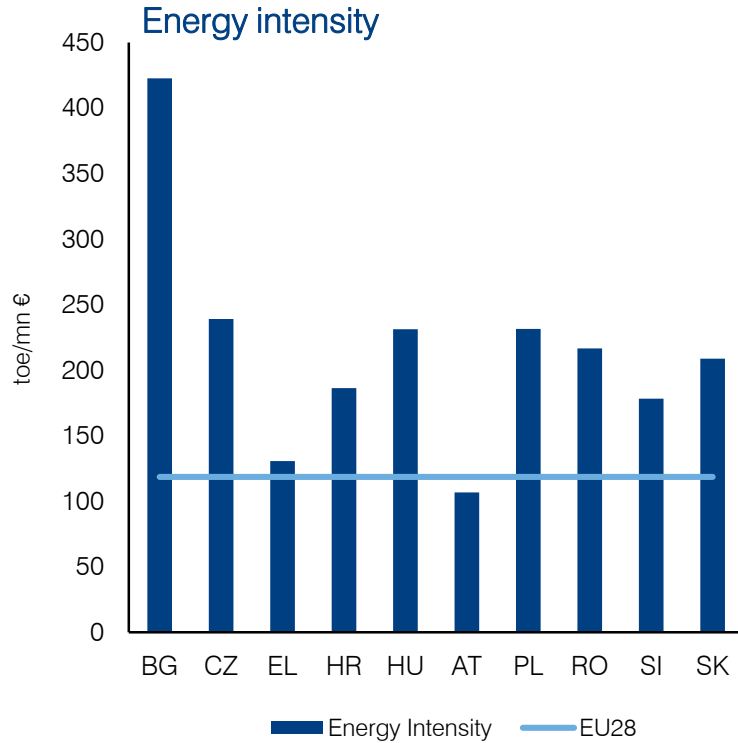
A nighttime city skyline is reflected in a body of water. A glowing blue line, resembling a path or a data stream, curves across the water's surface from the bottom left towards the right. The city lights are visible in the background, including a prominent dome-shaped building.

But there is considerable variance within the region

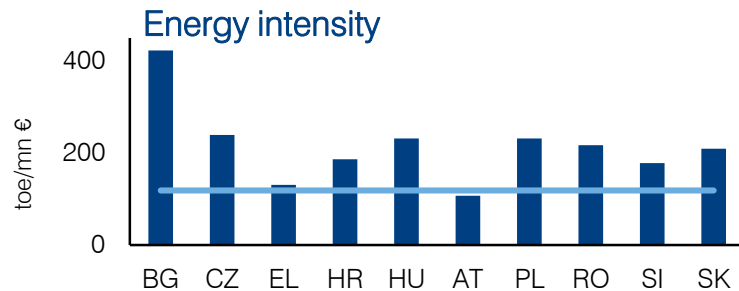
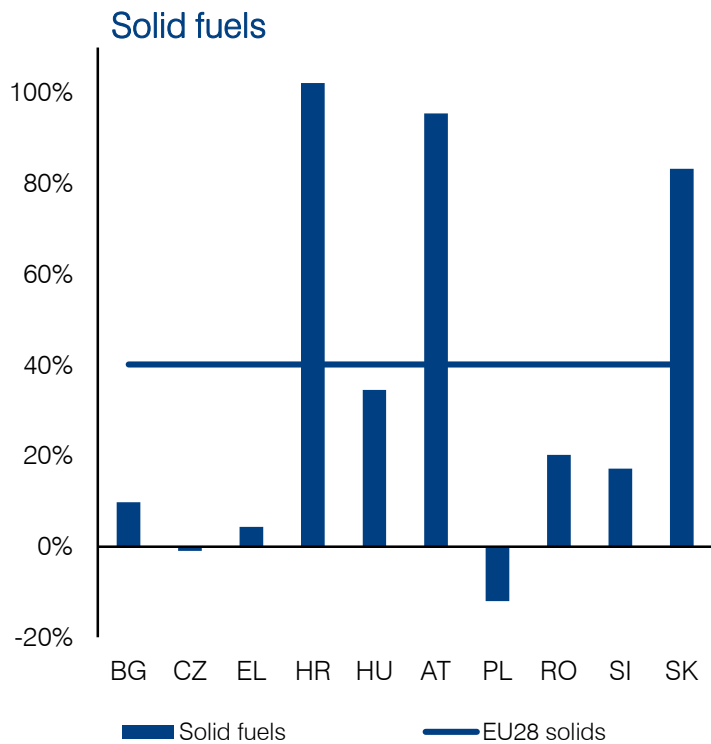
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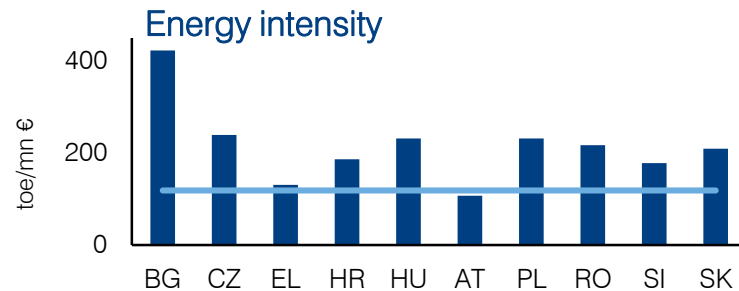
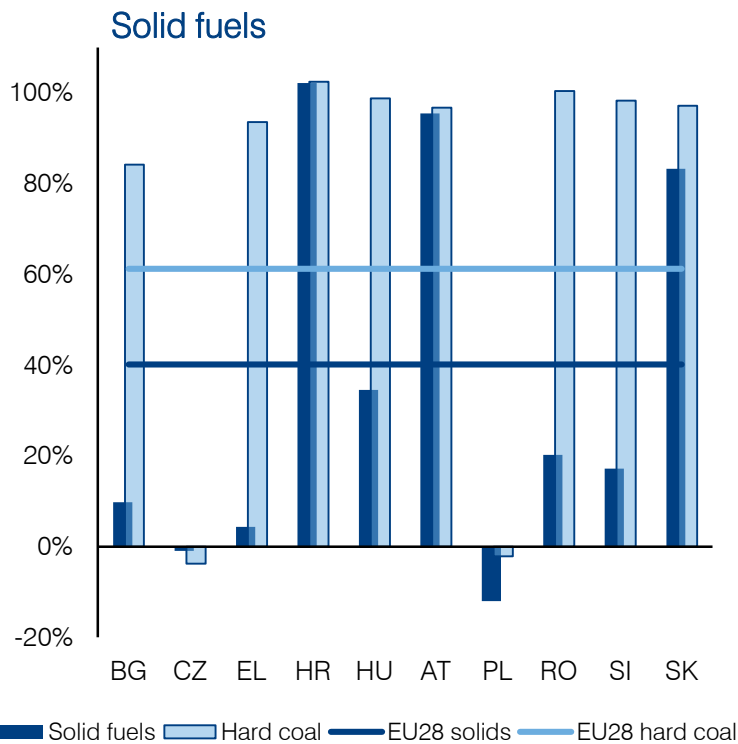
Regional energy intensity



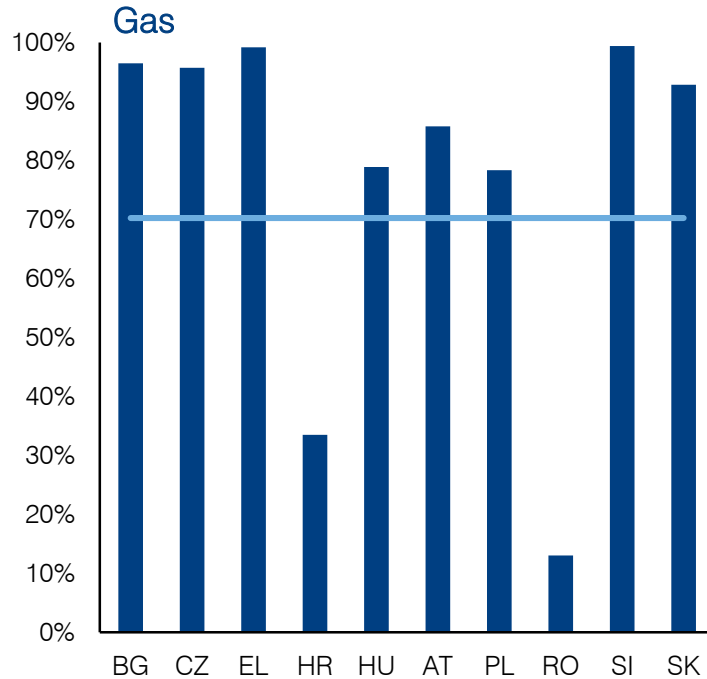
Solid fuels import dependence



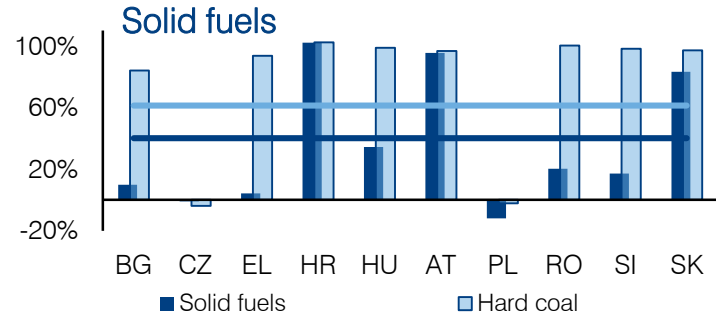
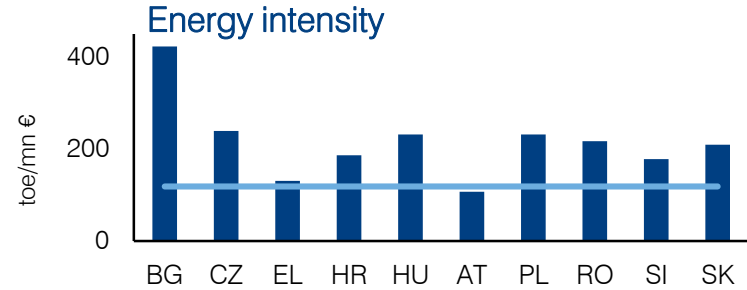
Solid fuels import dependence



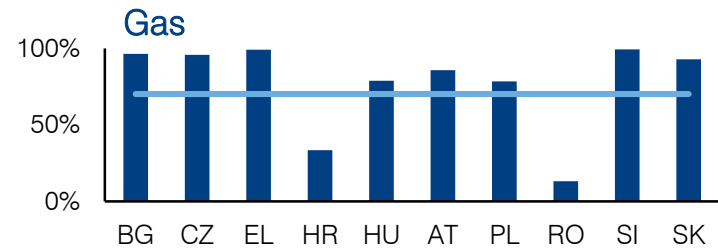
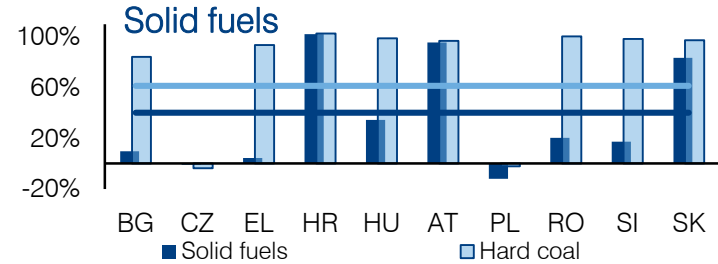
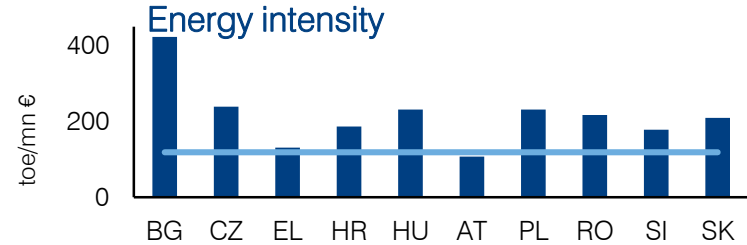
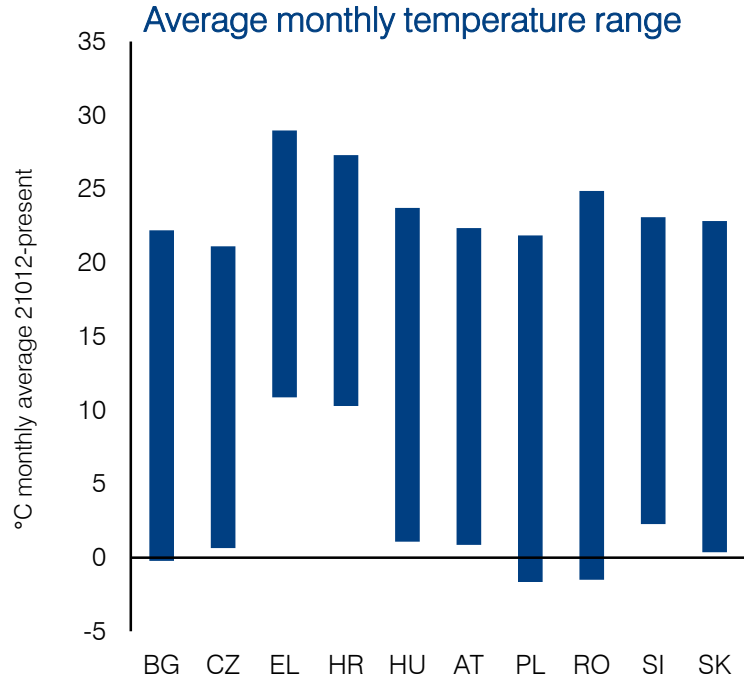
Gas import dependence



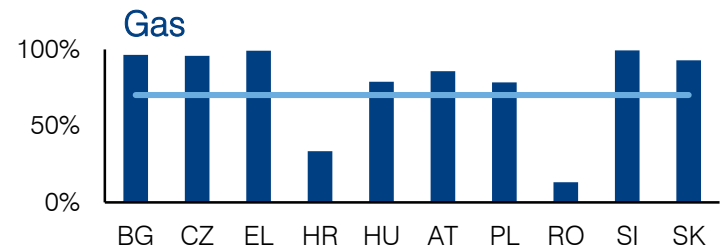
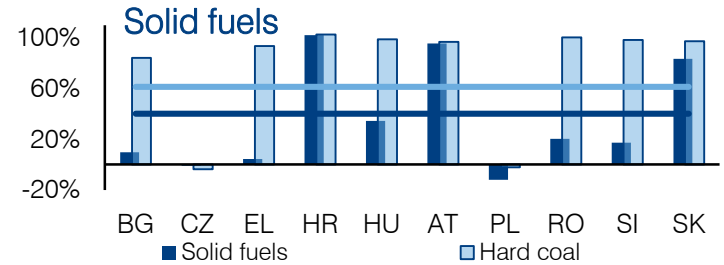
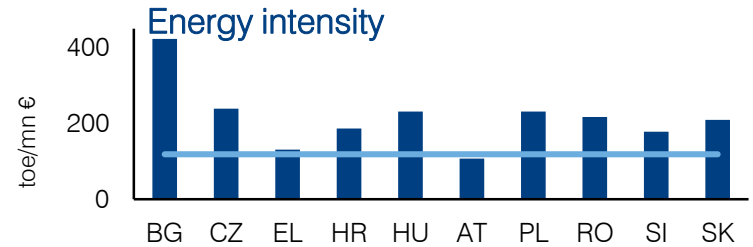
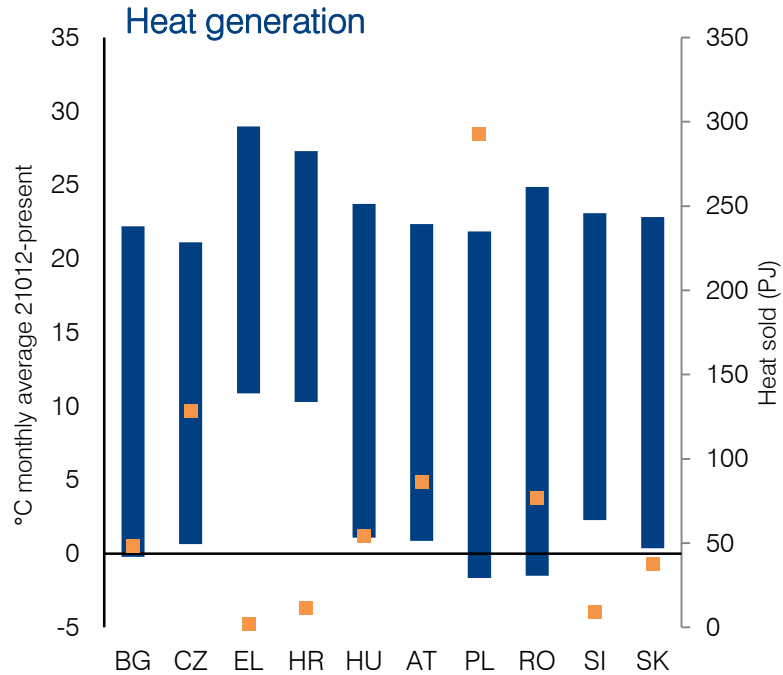
■ Gas balance — EU28



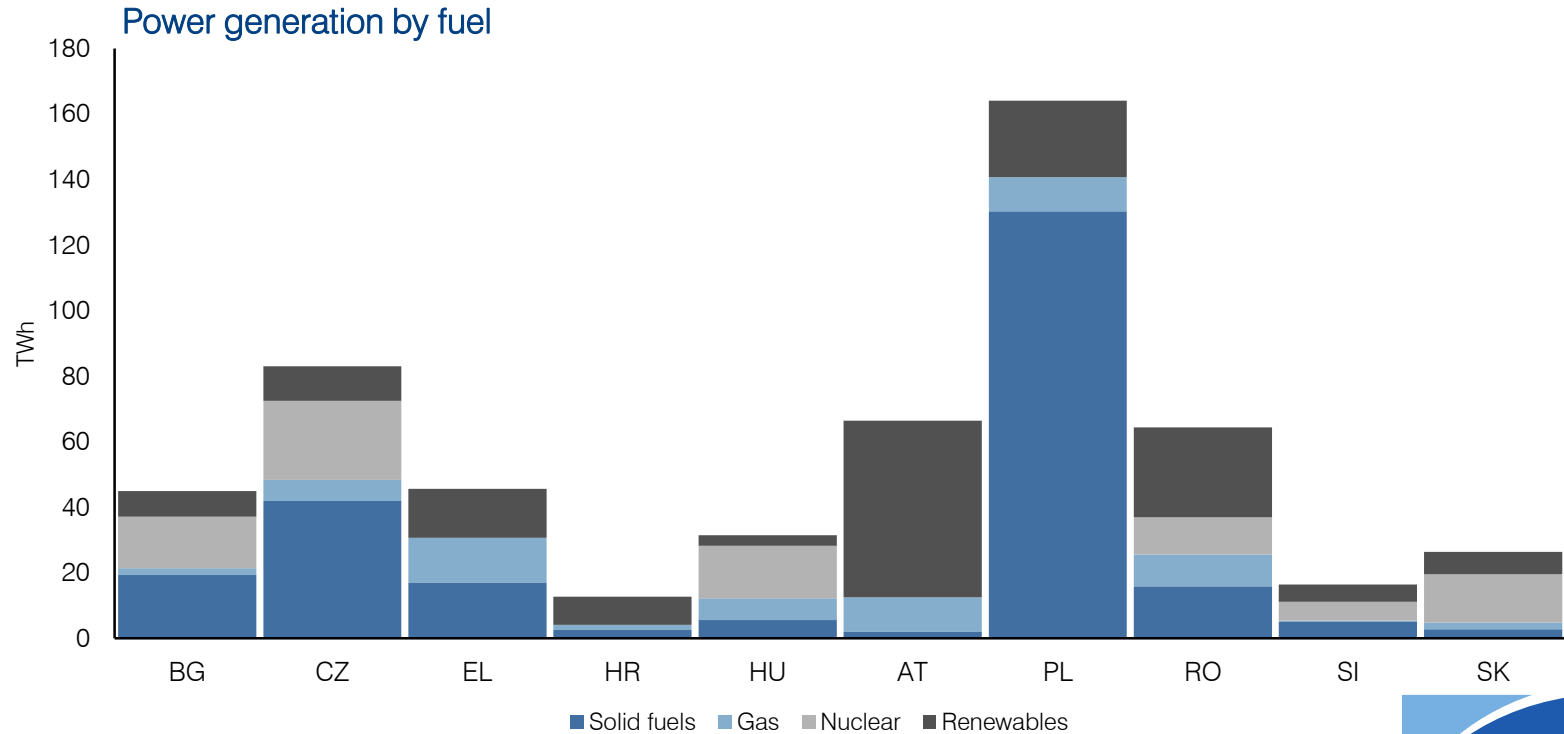
Weather matters



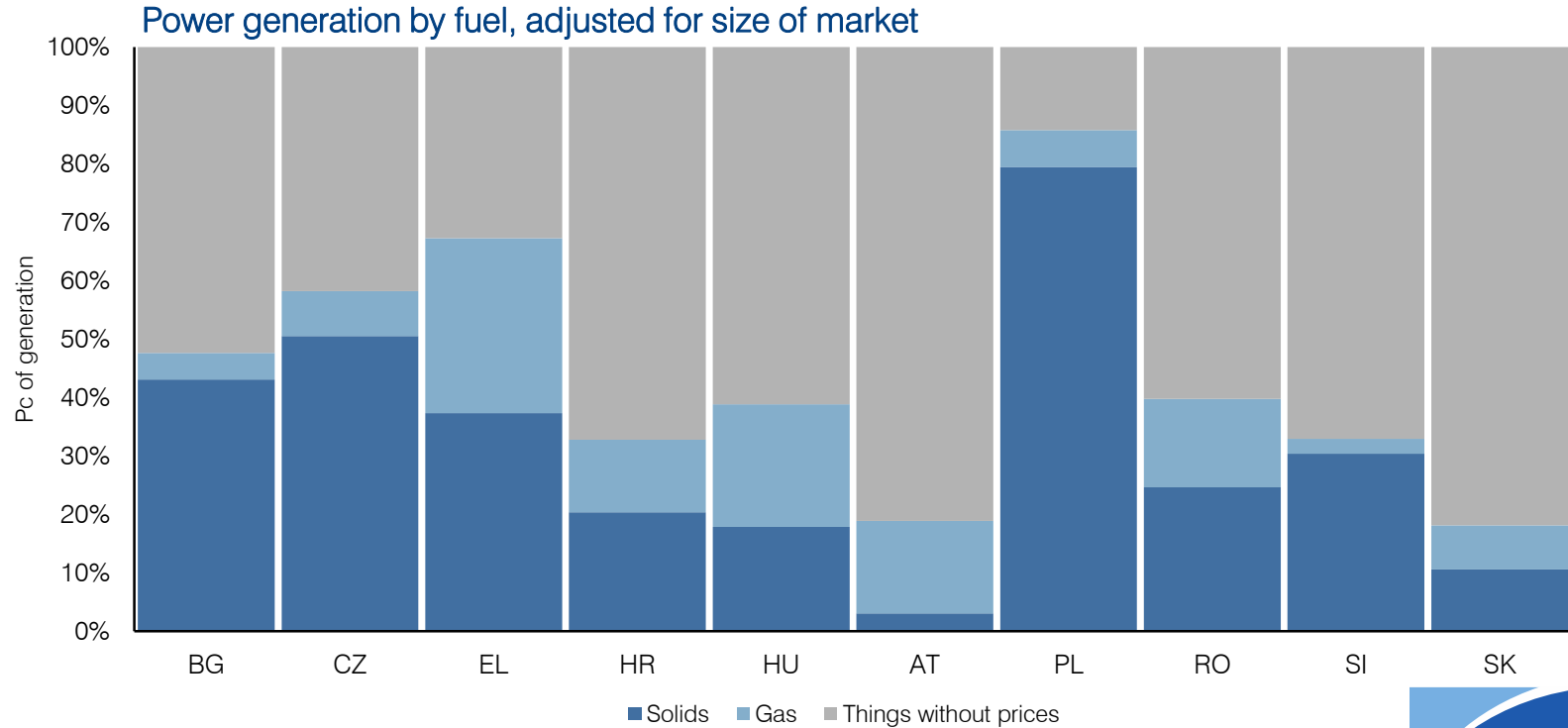
Climate matters



All of this matters for power generation



Power and fuels price formation



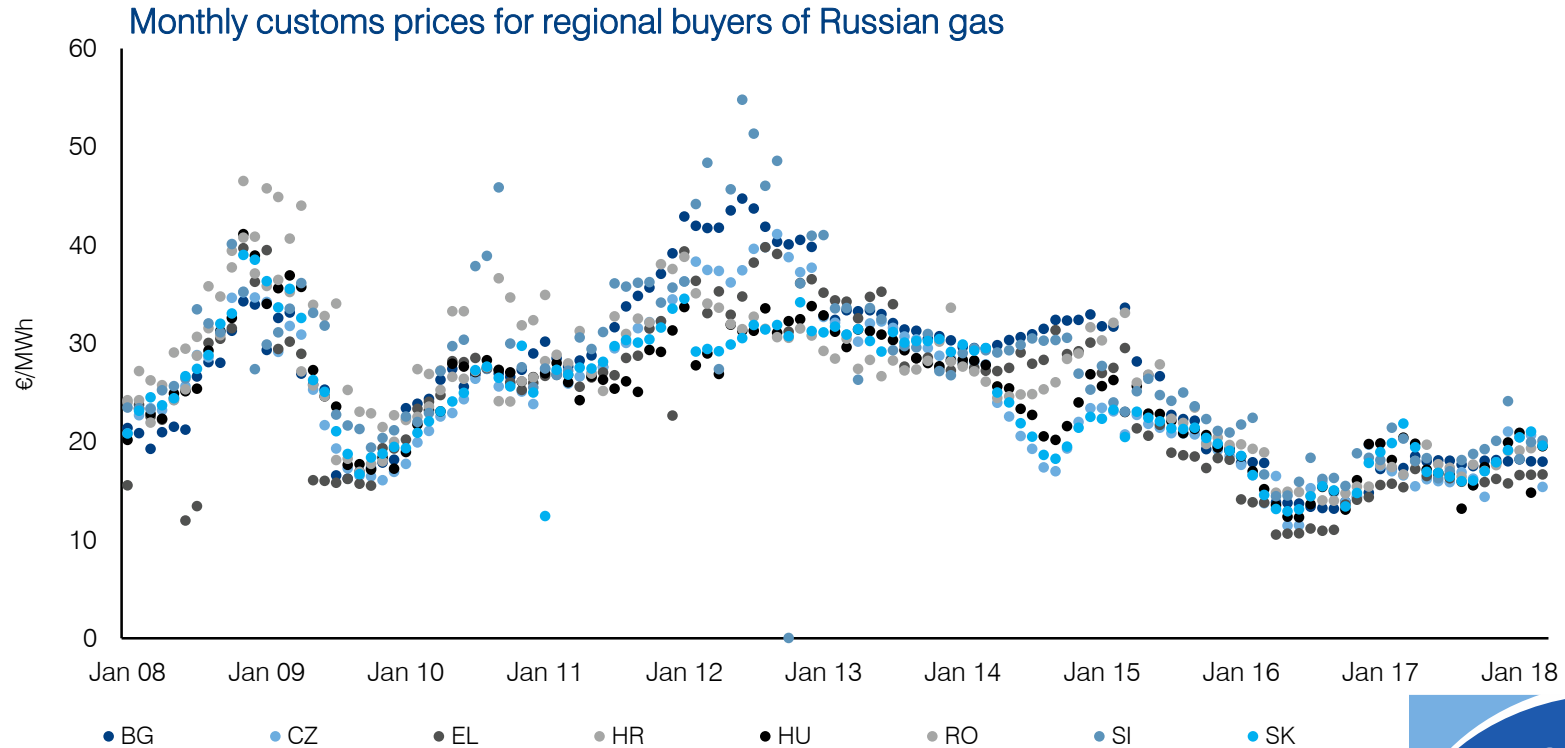
A nighttime city skyline is reflected in a body of water. A glowing blue line, resembling a light trail or a stylized path, curves across the water from the bottom left towards the right. The city lights are visible in the background, and the overall scene is dark with some highlights from the buildings and the glowing line.

Gas pricing: are long-term contracts less relevant?

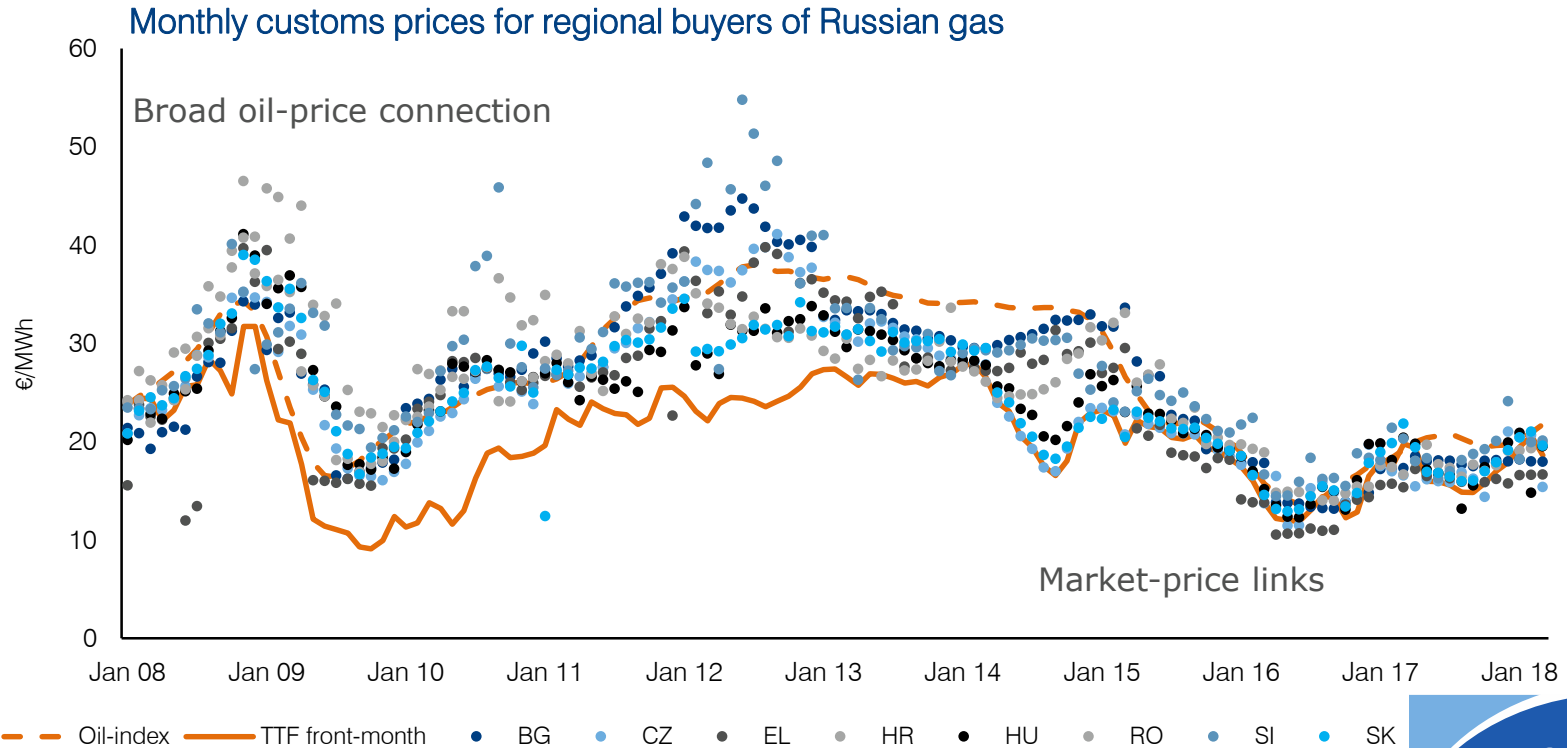
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Russian gas import prices are more homogeneous



Russian gas import prices are more homogeneous



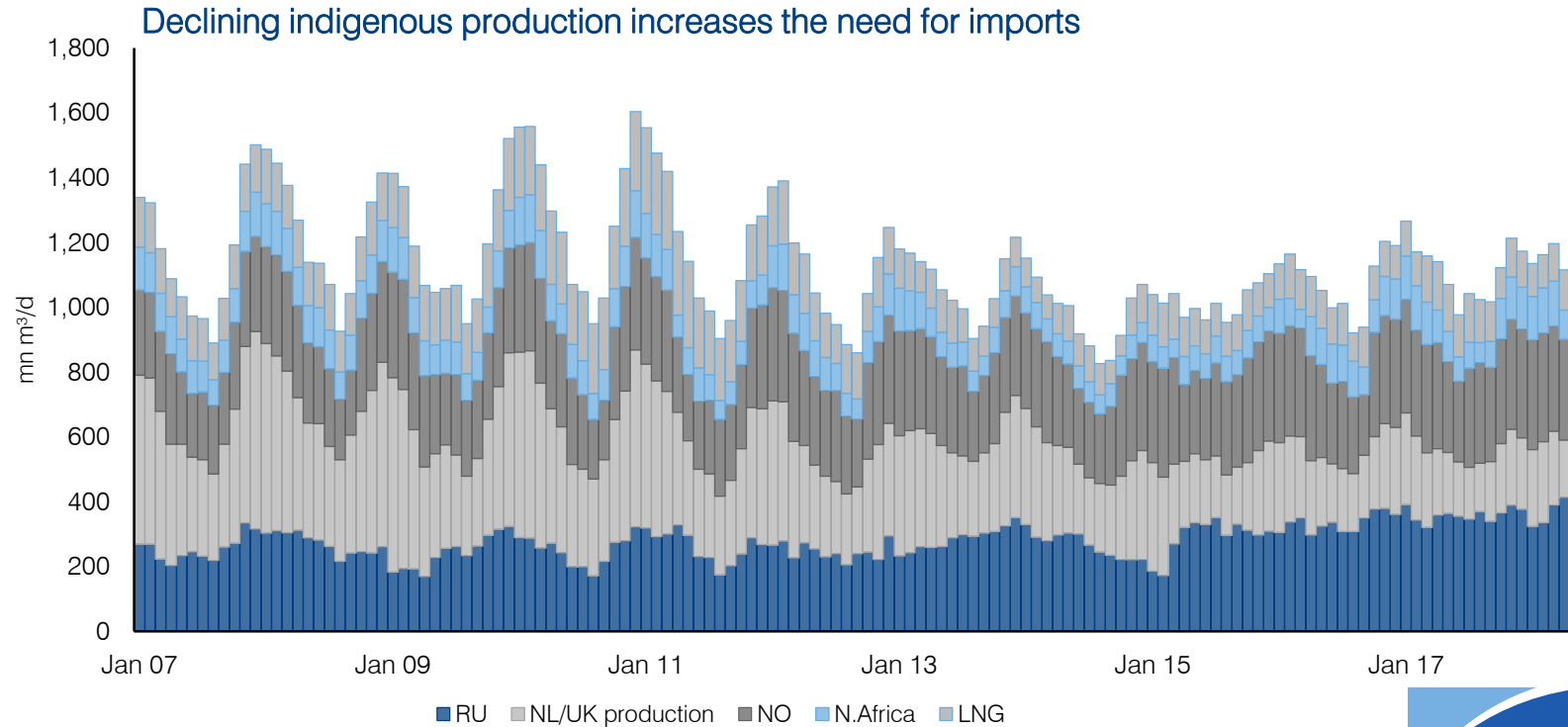
A nighttime city skyline is visible in the background, with various skyscrapers and buildings illuminated. A prominent glowing blue path or line curves across the lower half of the image, starting from the bottom left and moving towards the right. The overall scene is dark, with the city lights providing the primary illumination.

But transit routes and Russian supply still matter

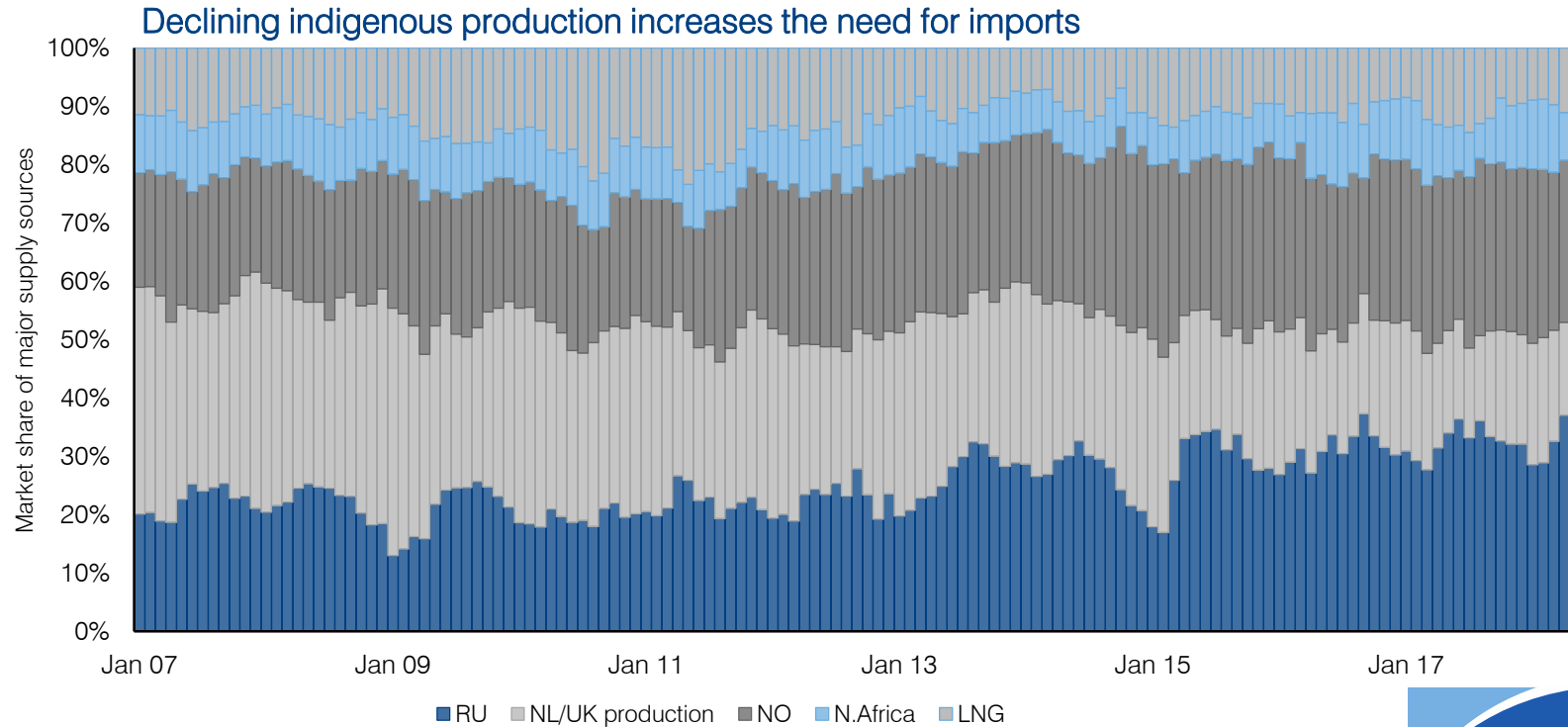
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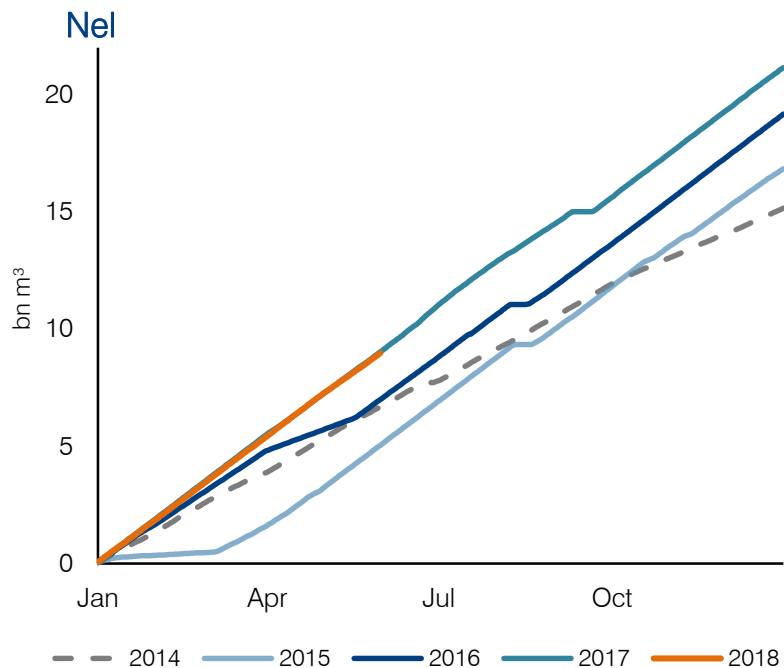
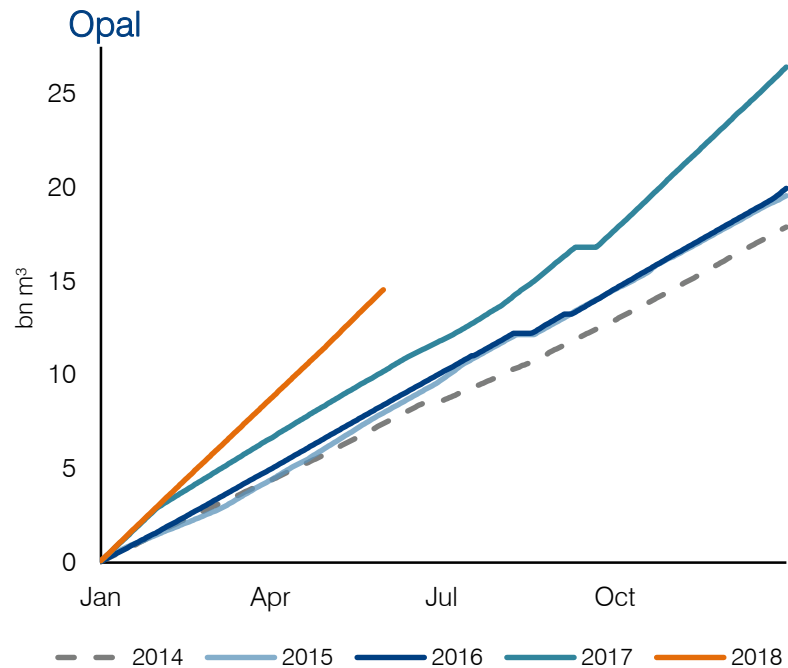
European dependence on Russian supply increases



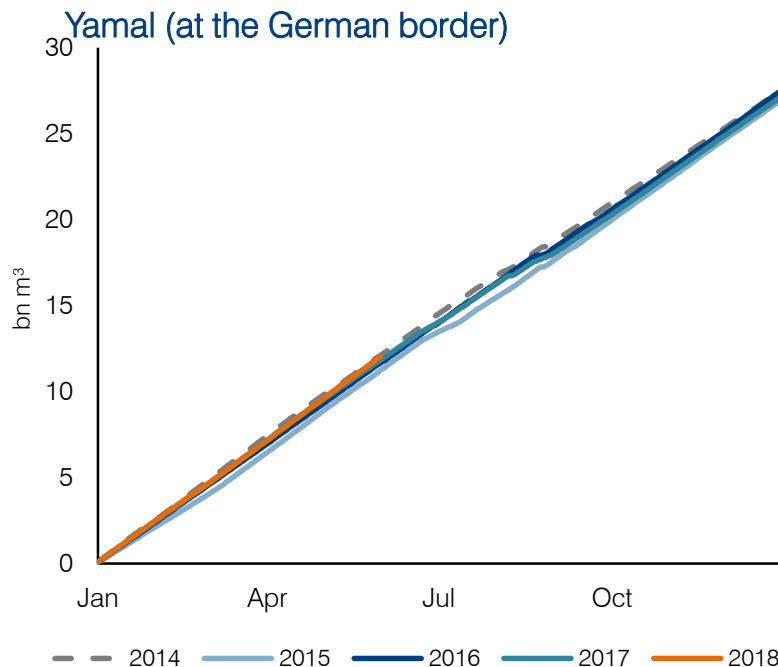
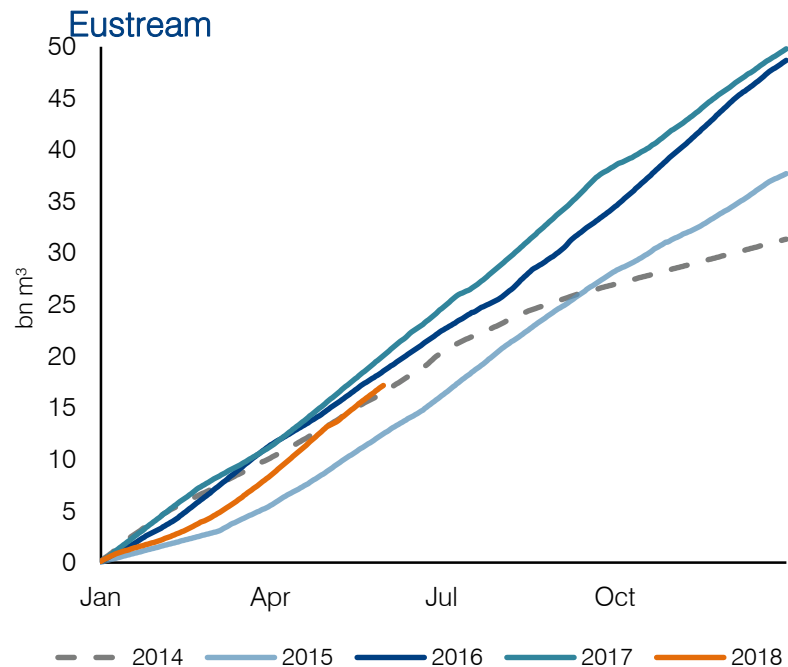
European dependence on Russian supply increases



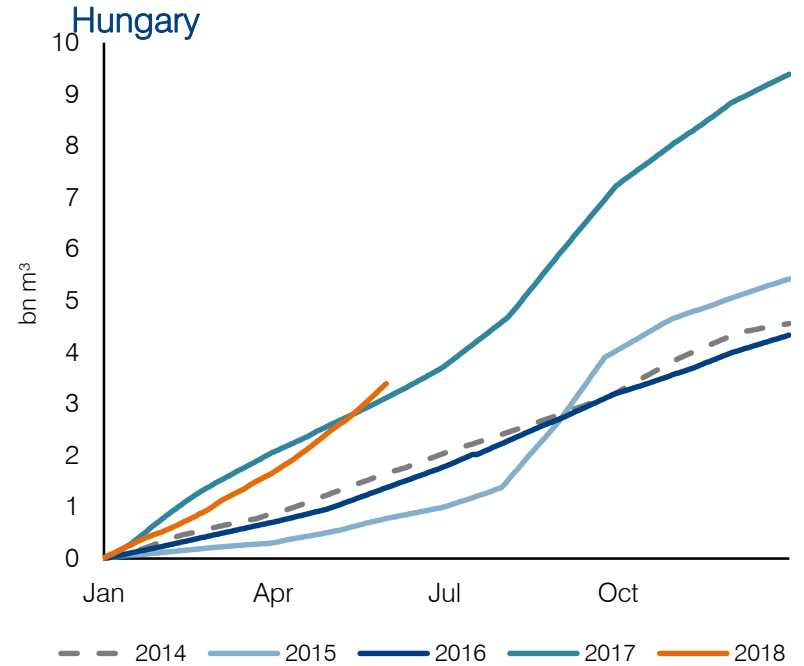
Nord Stream deliveries



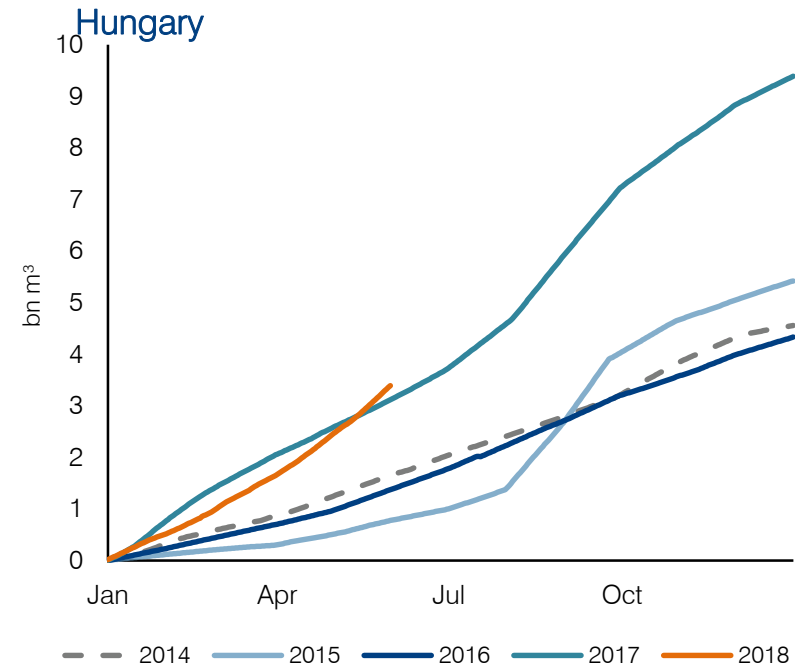
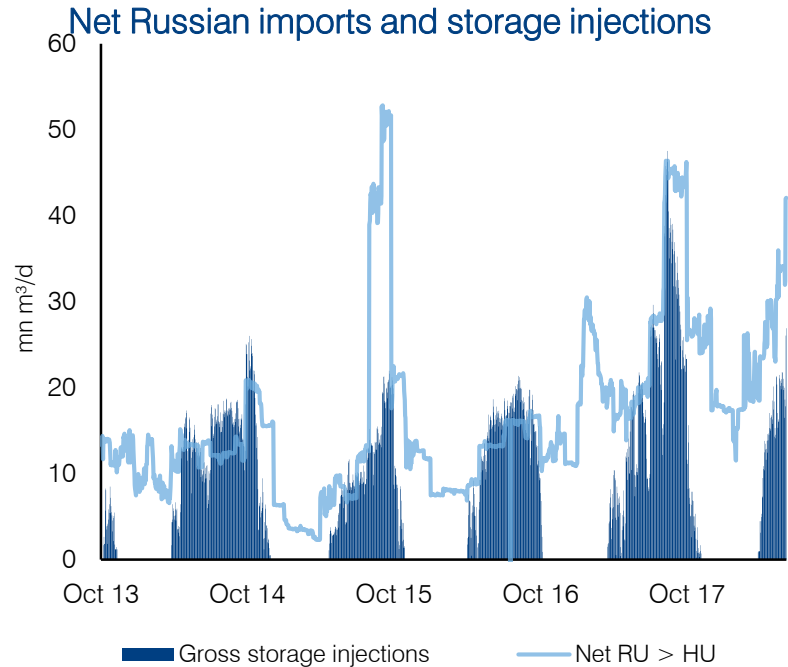
The old onshore routes



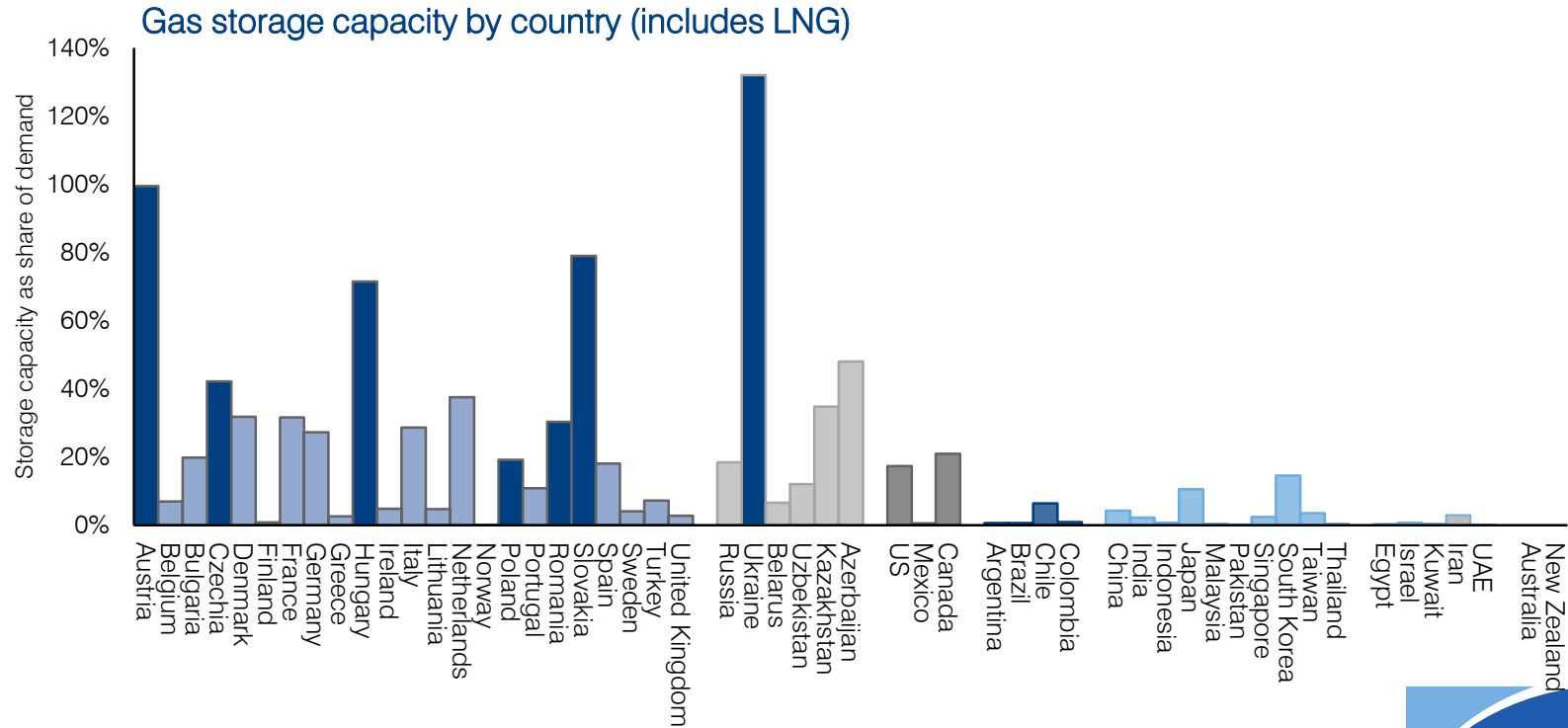
Hungary and points south



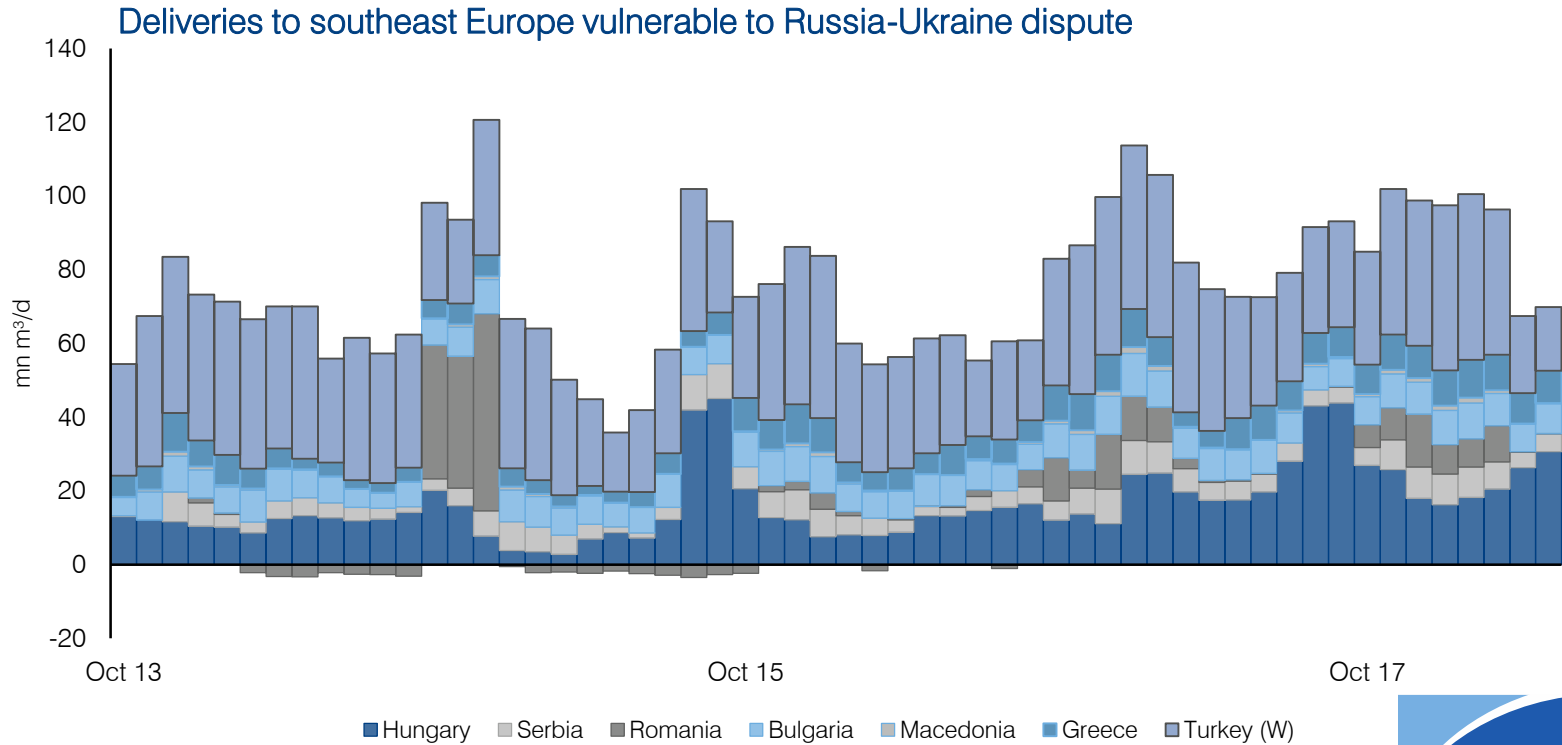
Russian imports support large storage injections




Finding new uses for old infrastructure



Southeastern Europe will need alternate supply



A nighttime photograph of a city skyline reflected in a body of water. The buildings are illuminated, and their lights are reflected on the water's surface. A glowing blue line, resembling a light trail or a stylized path, curves across the water from the bottom left towards the right side of the frame. The overall scene is dark, with the city lights providing the primary illumination.

A brief word on LNG

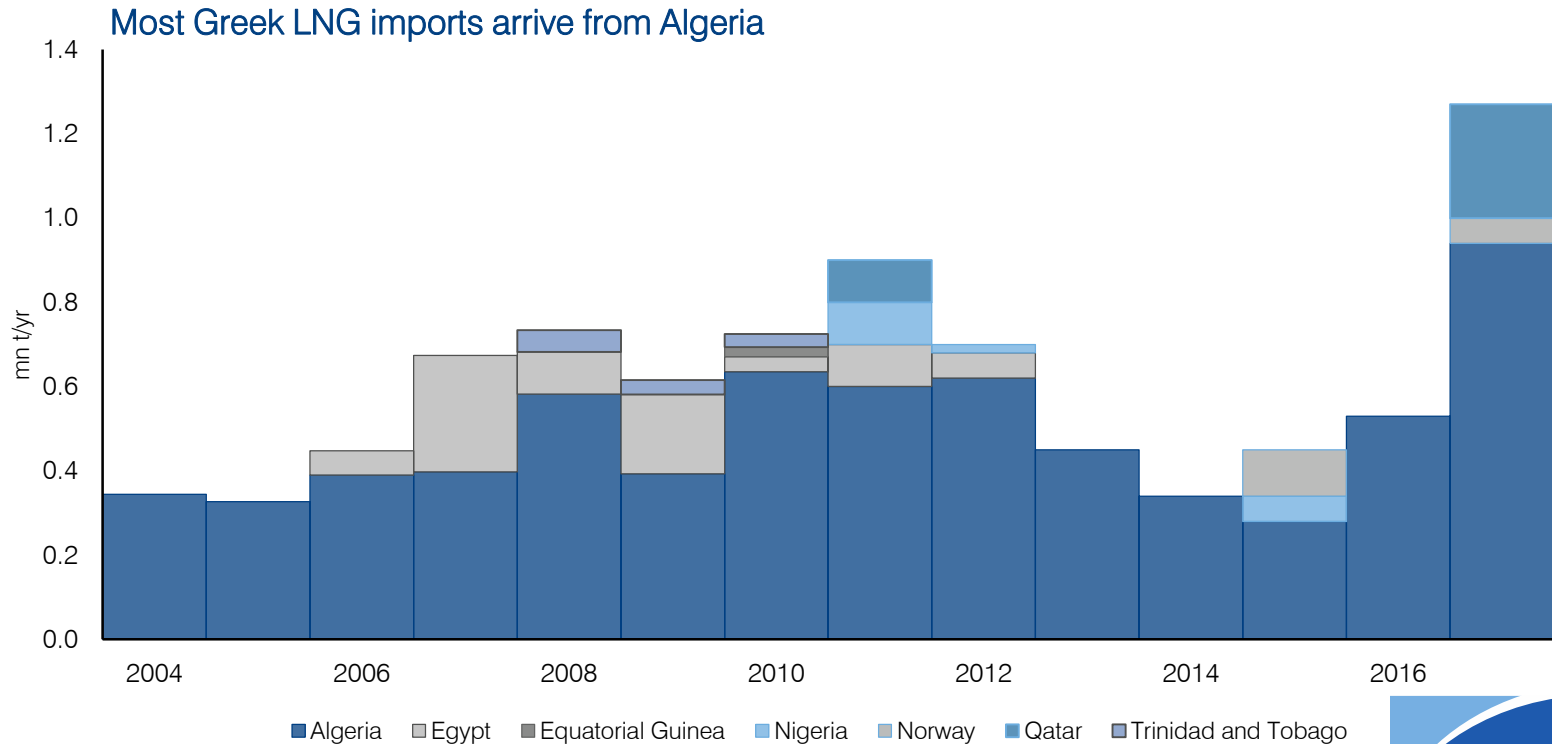
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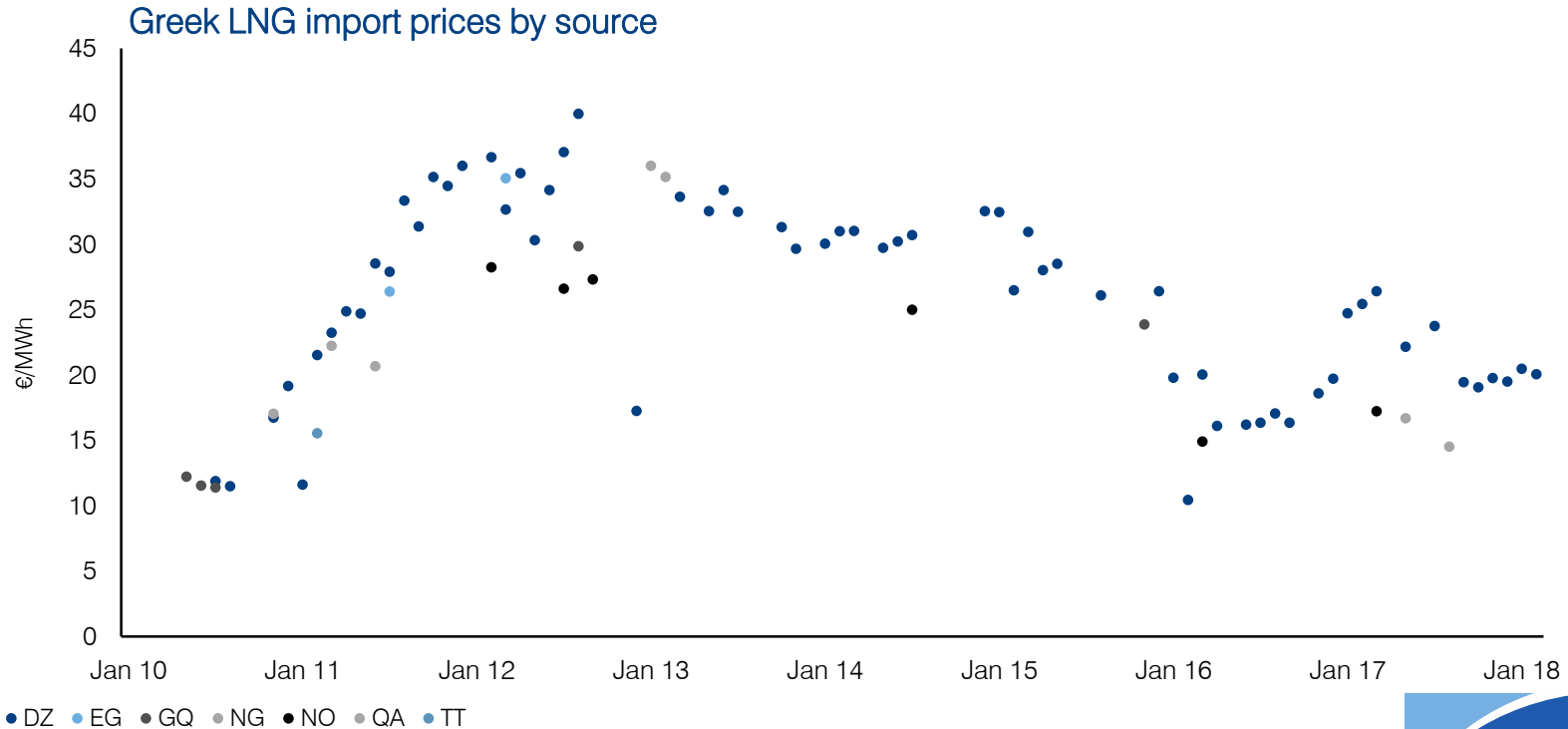
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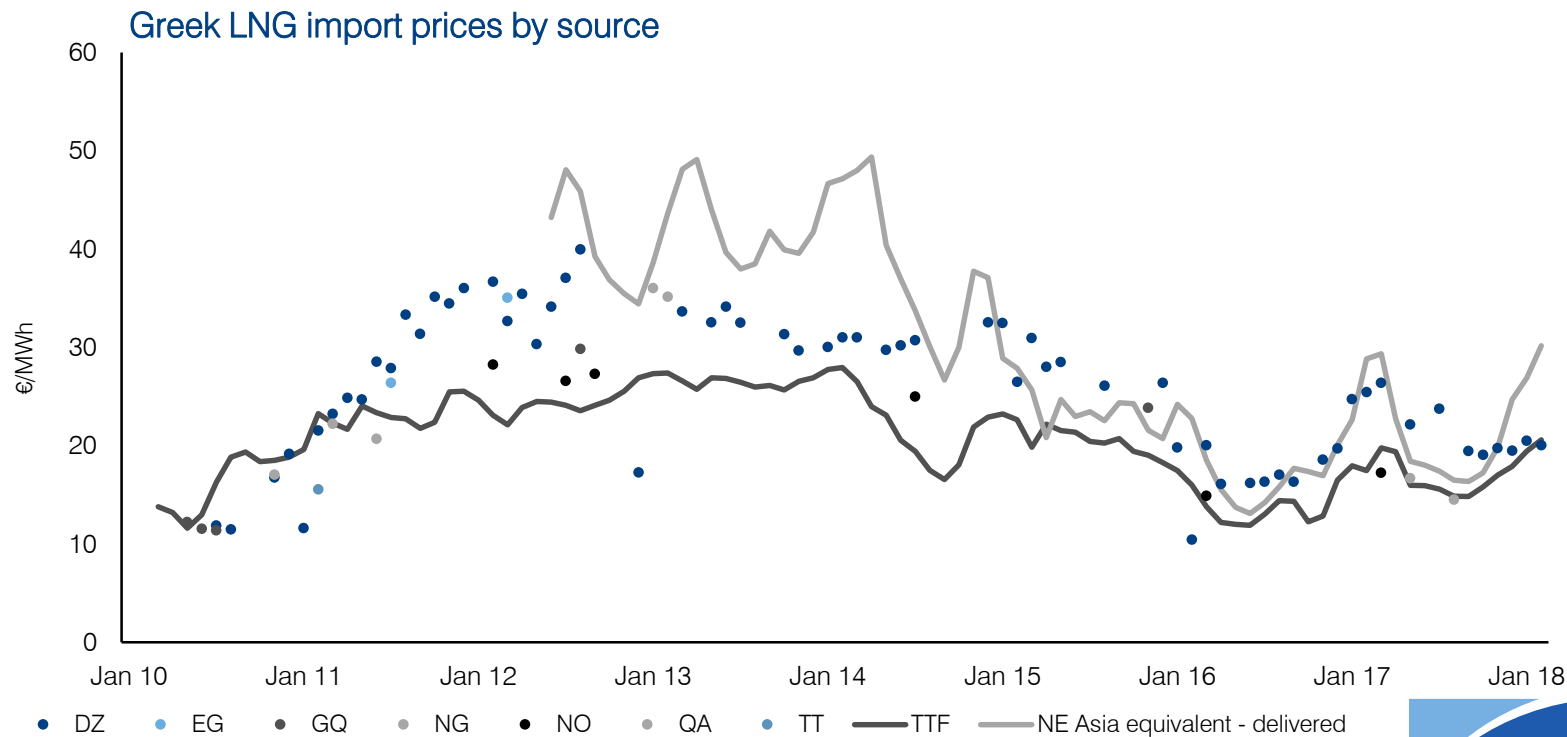
Greek LNG imports




LNG imports expose the regional to global prices



LNG imports expose the regional to global prices



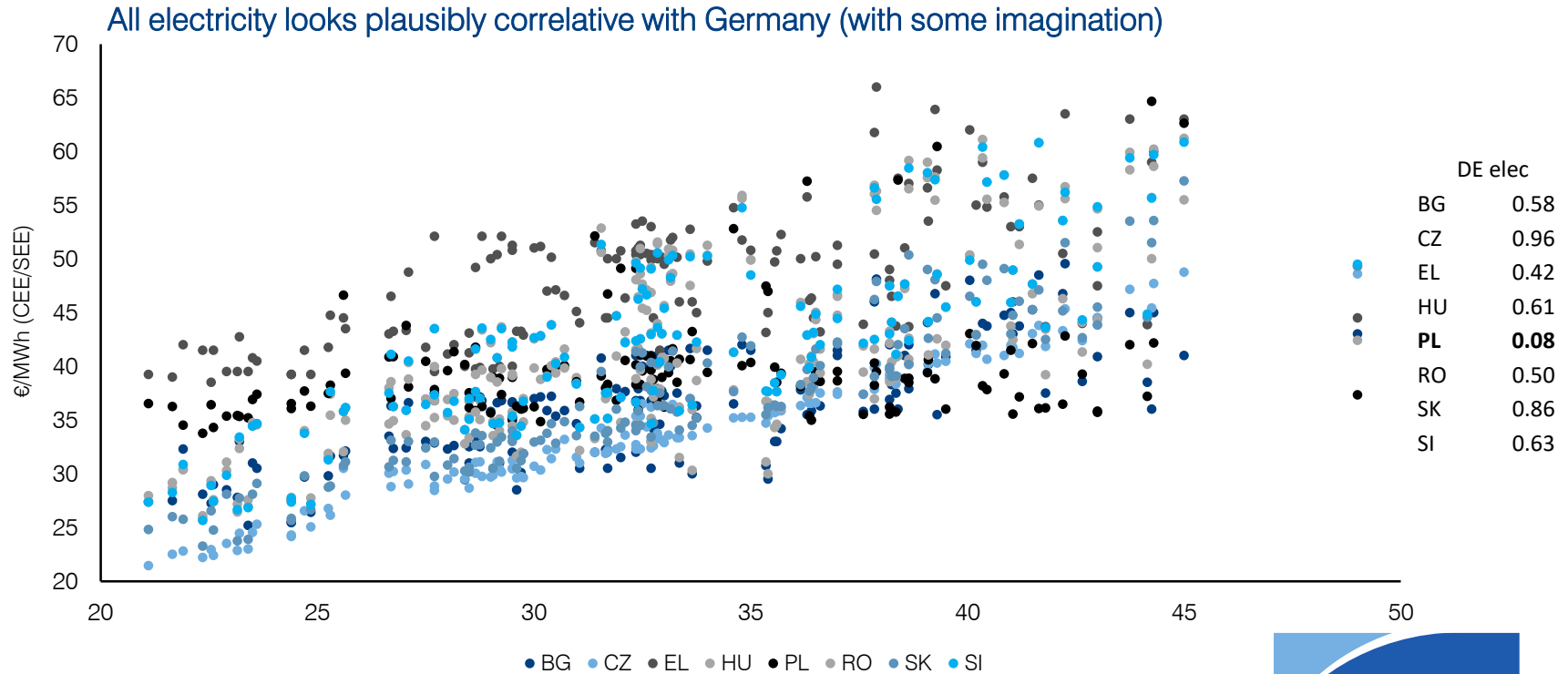
A nighttime photograph of a city skyline, likely New York City, with the Empire State Building and other skyscrapers illuminated. The lights are reflected in the water of a river or harbor. A glowing blue line, resembling a light trail or a stylized path, curves across the water in the foreground. The overall scene is dark, with the city lights providing the primary illumination.

Electricity: are there regional price drivers?

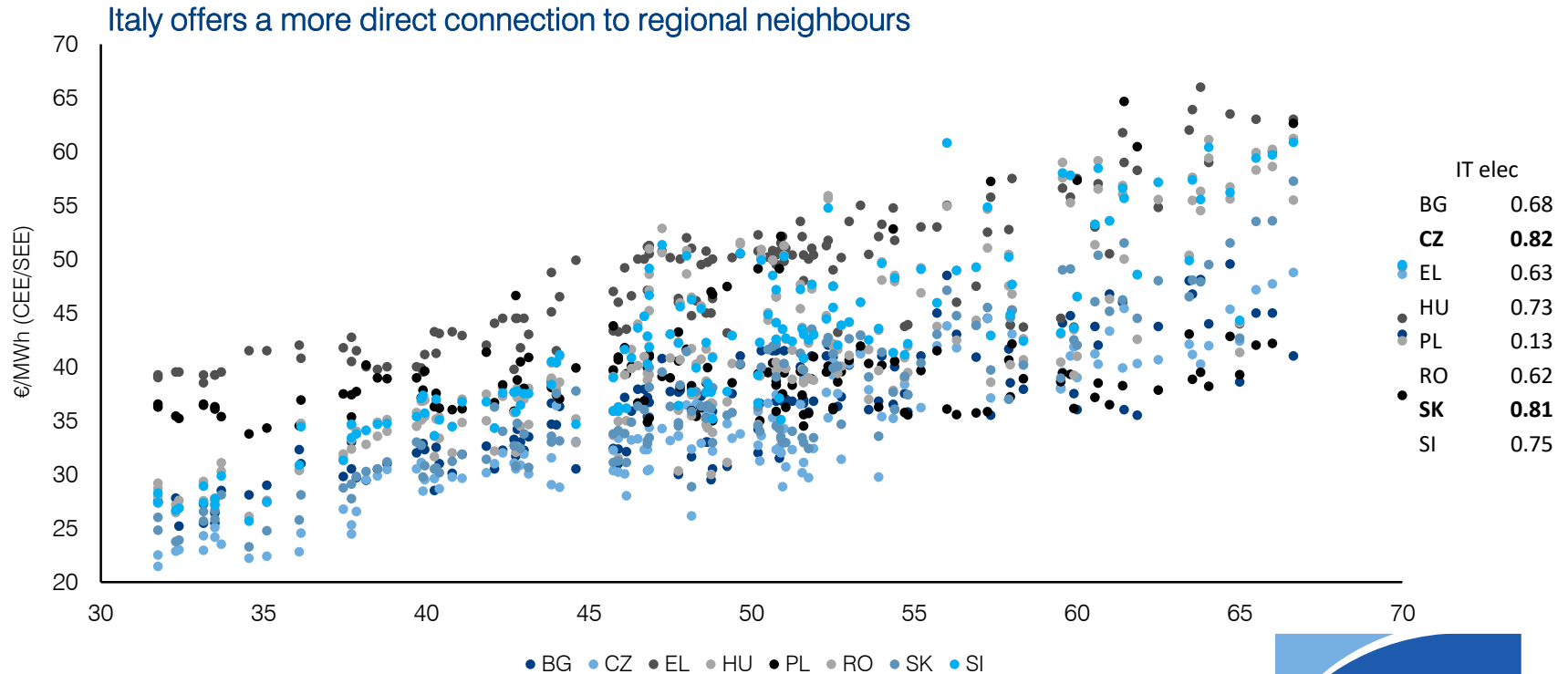
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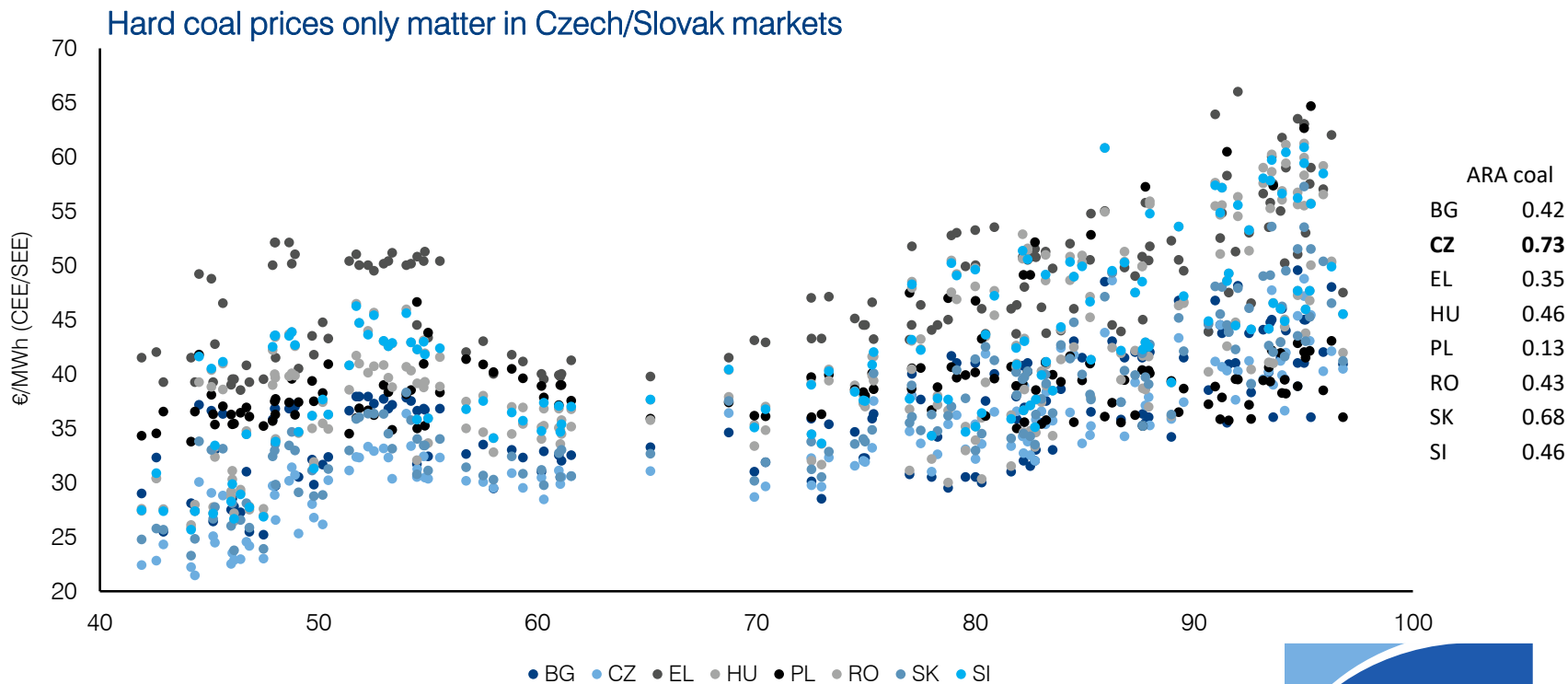
Finding regional power price drivers



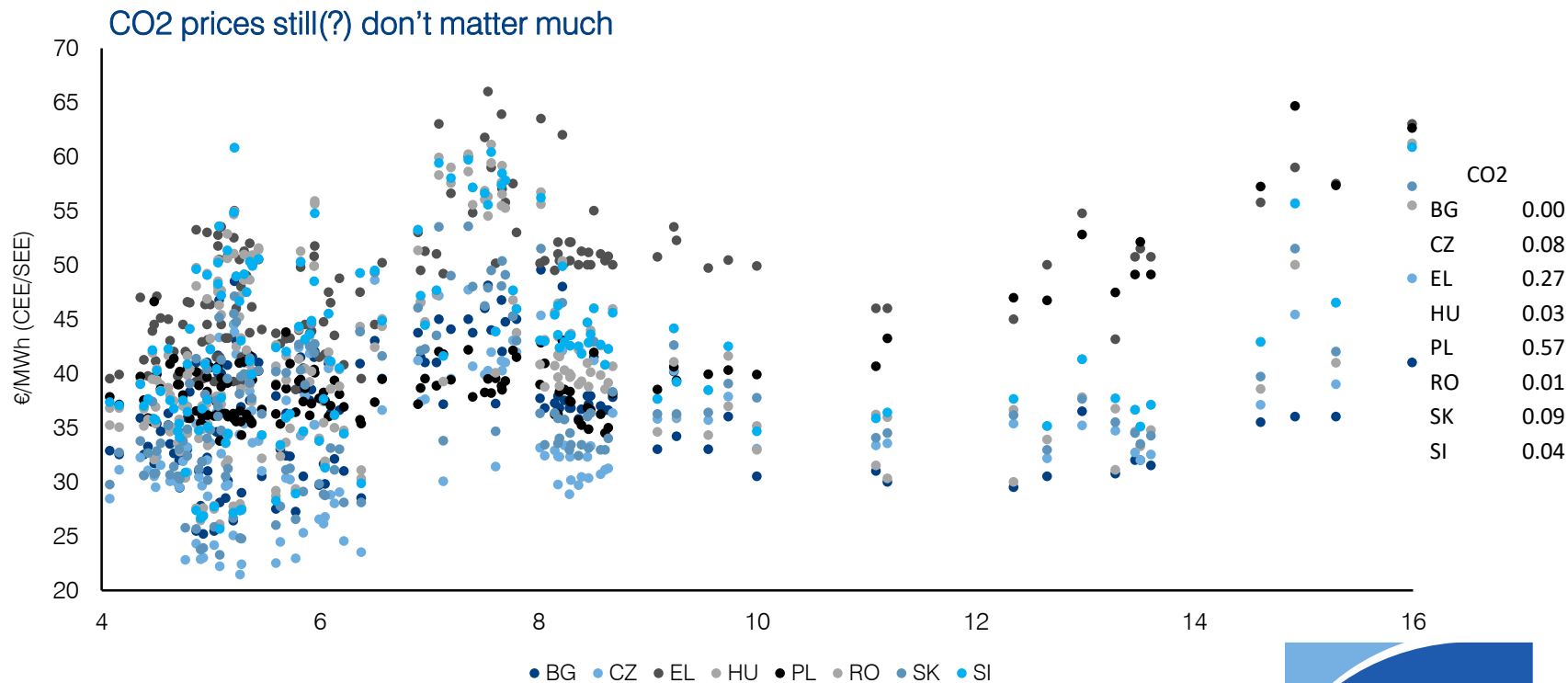
Finding regional power price drivers



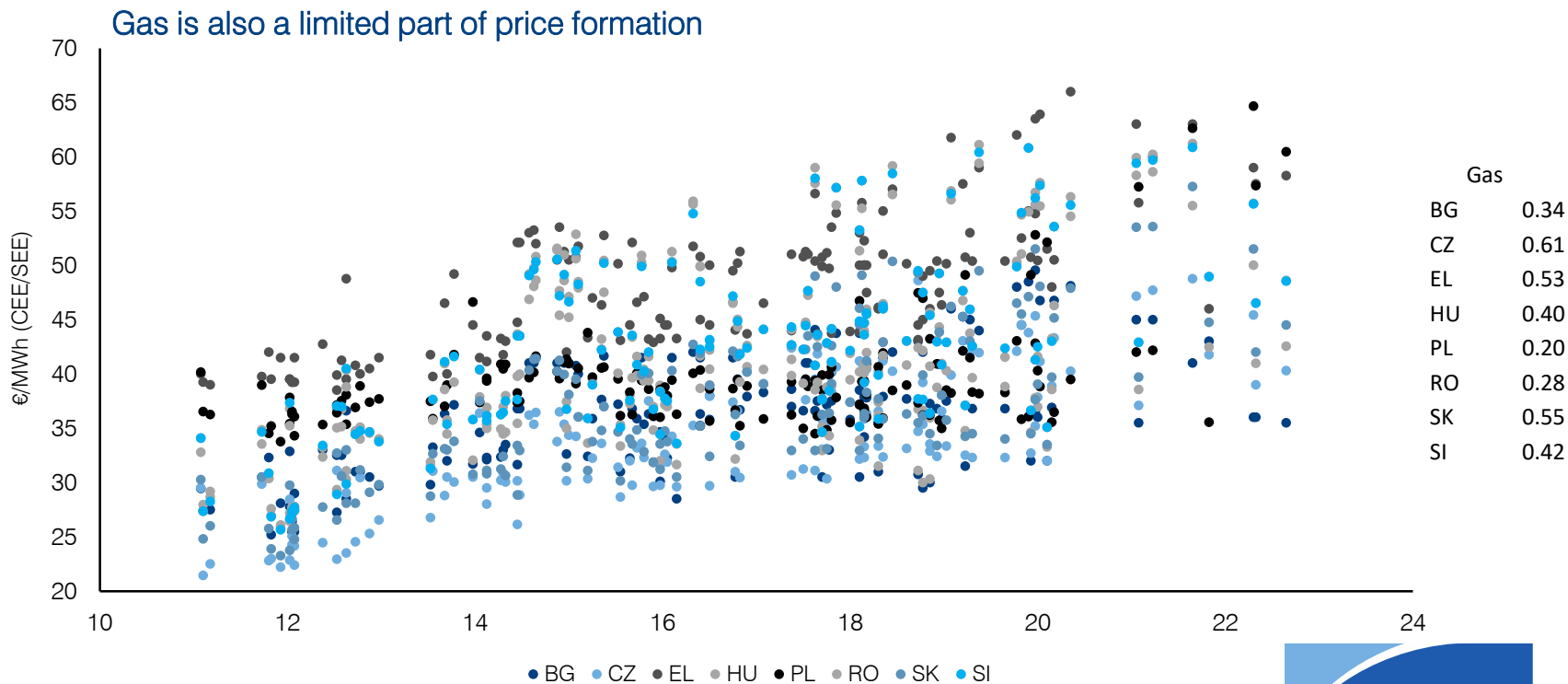
What about fuels?



What about fuels?



What about fuels?



A nighttime cityscape with a glowing blue line. The background shows a city skyline at night, with various buildings illuminated. A prominent feature is a glowing blue line that starts from the bottom left, curves upwards, and then curves back down towards the right side of the frame. The text 'Crossing borders' is overlaid on the left side of the image.


Crossing borders

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When it works



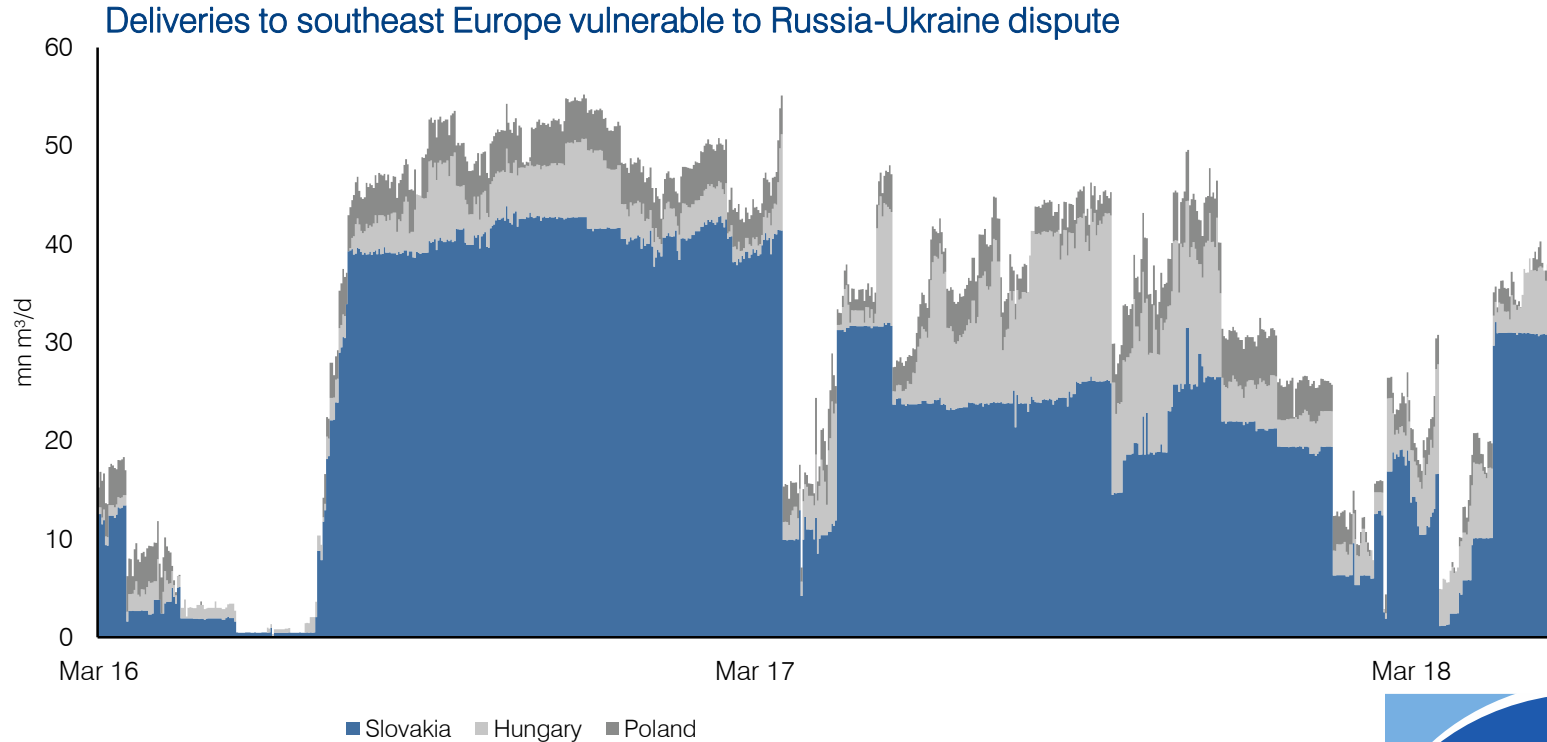
A nighttime photograph of a city skyline, likely London, with numerous illuminated buildings and a bridge over a river. A prominent blue line graphic starts from the bottom left, curves across the water, and ends near the right side of the image. The word "Ukraine" is written in white text on the left side.

Ukraine

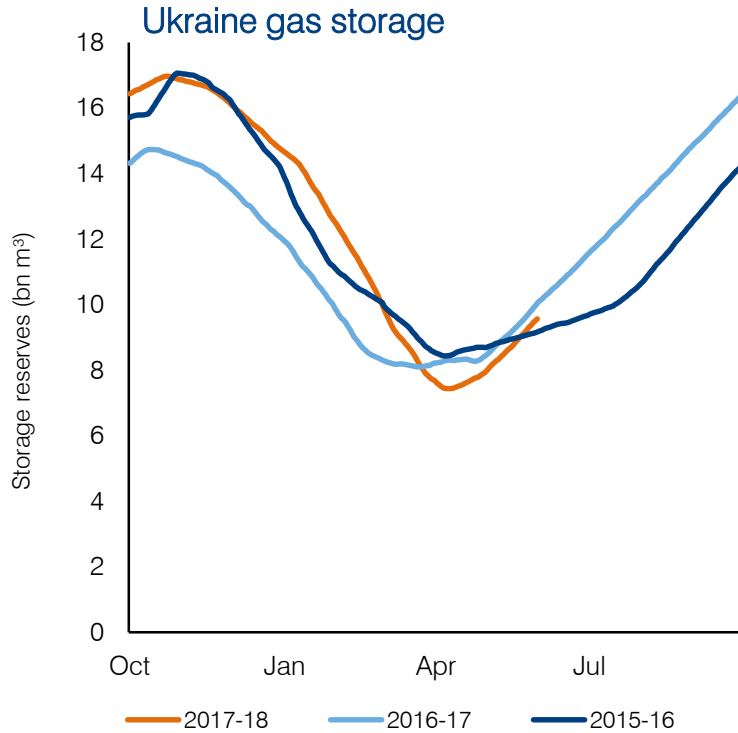
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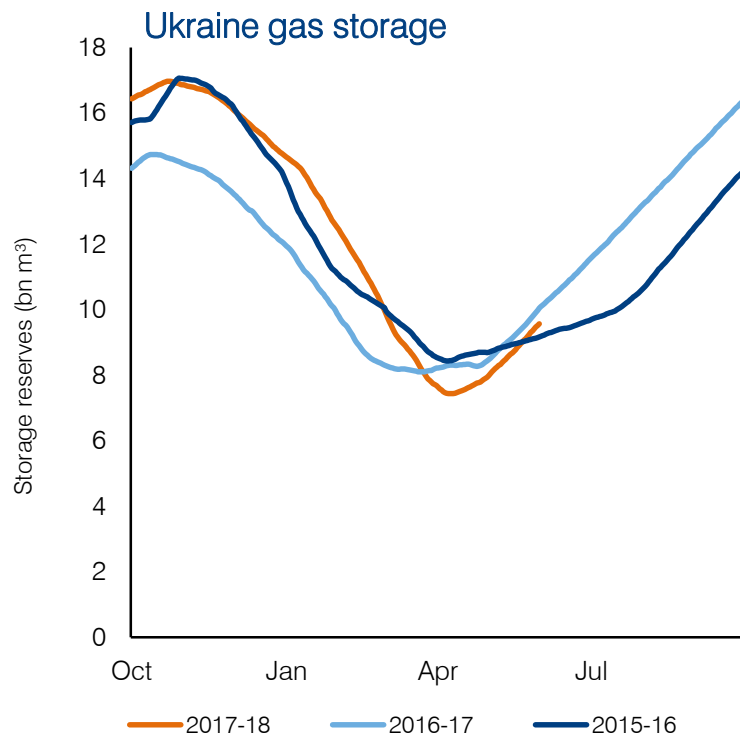
Ukraine still importing from Europe



Still filling storage



And still paying plausibly “European” prices



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The Argus logo consists of a blue rectangular box with a white curved line on the left side, and the word "argus" in white lowercase letters on the right side.