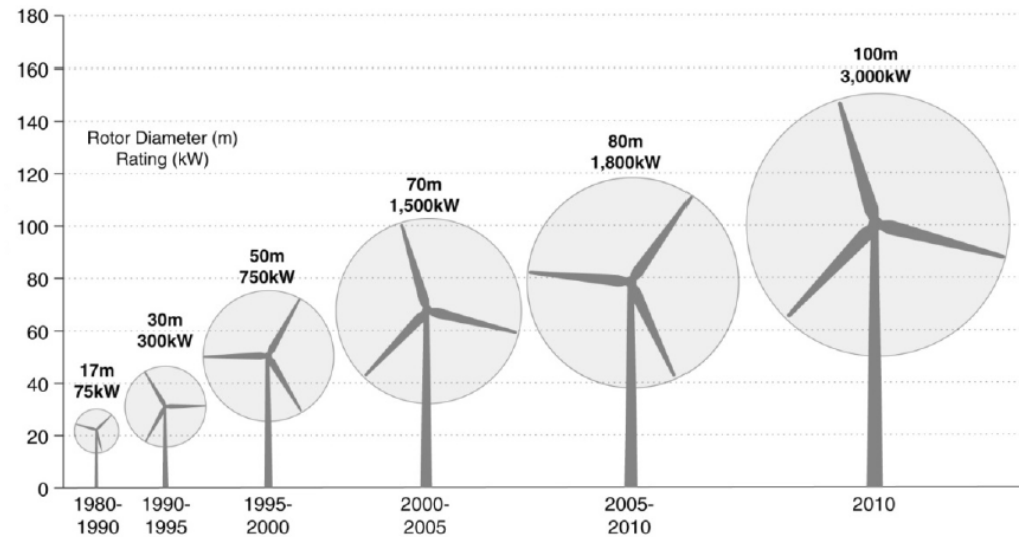
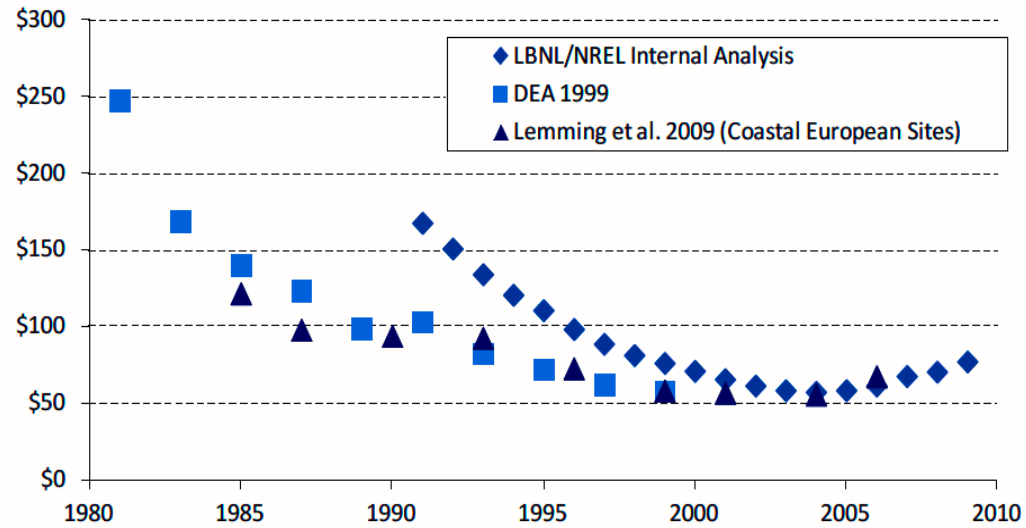


Falling production costs - new opportunities and challenges

Lars Andersson,
Head Wind Power Unit



Development historically



Aim of the study



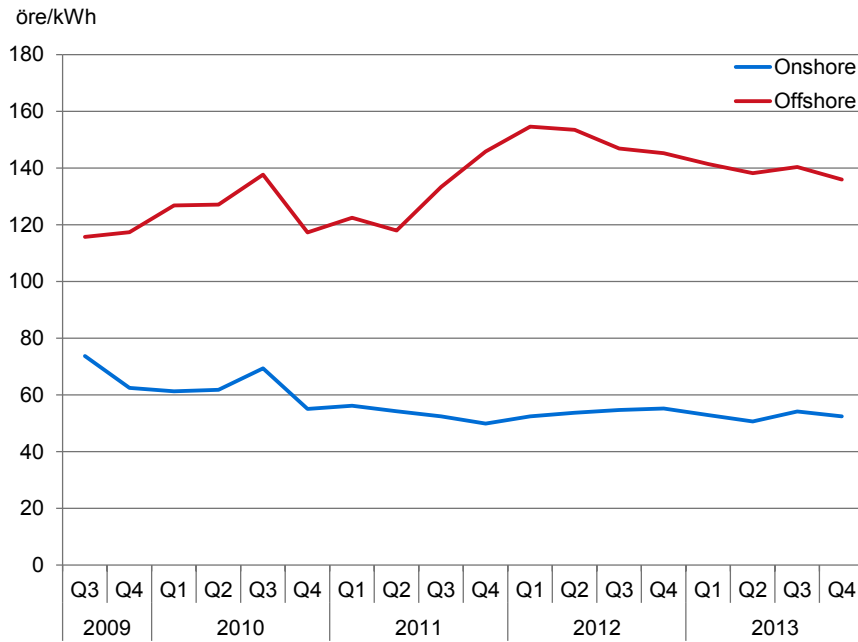
- Improving the basis for forecasts
- Policy analysis
- Build knowledge internally
- Create an intensified dialogue based on facts

Energy Agency's report on production costs

- Retrieved data on projects from wind farming protocols, a total of 1400 projects
- Interviews with wind energy companies , project developers, venture capitalist corporation, trade union, banks
- Review of international studies on production costs
- Workshop for reconciliation of assumptions and results with the players on the wind energy market

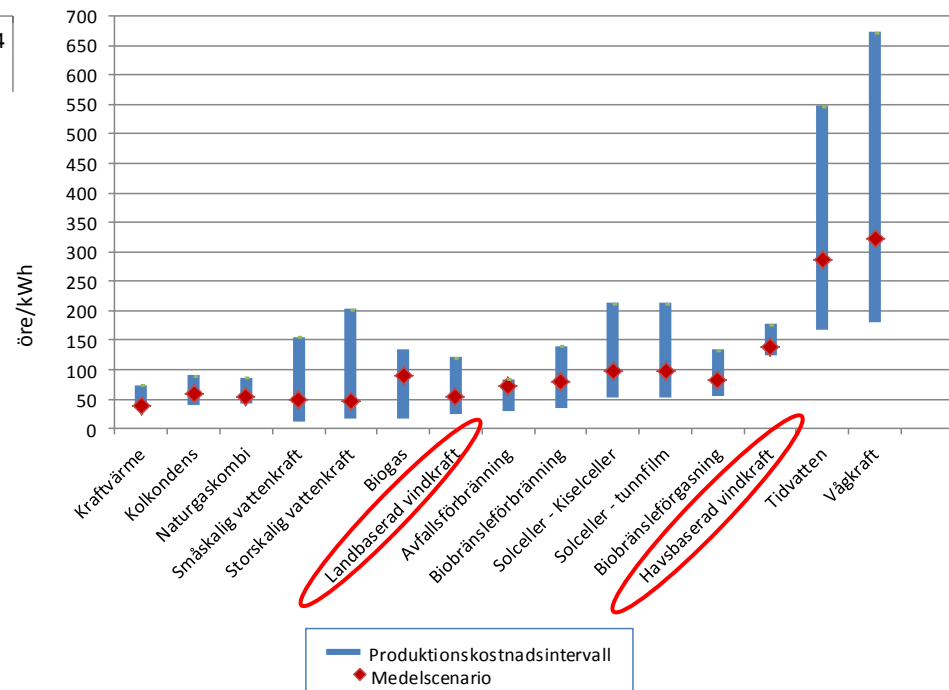


International development

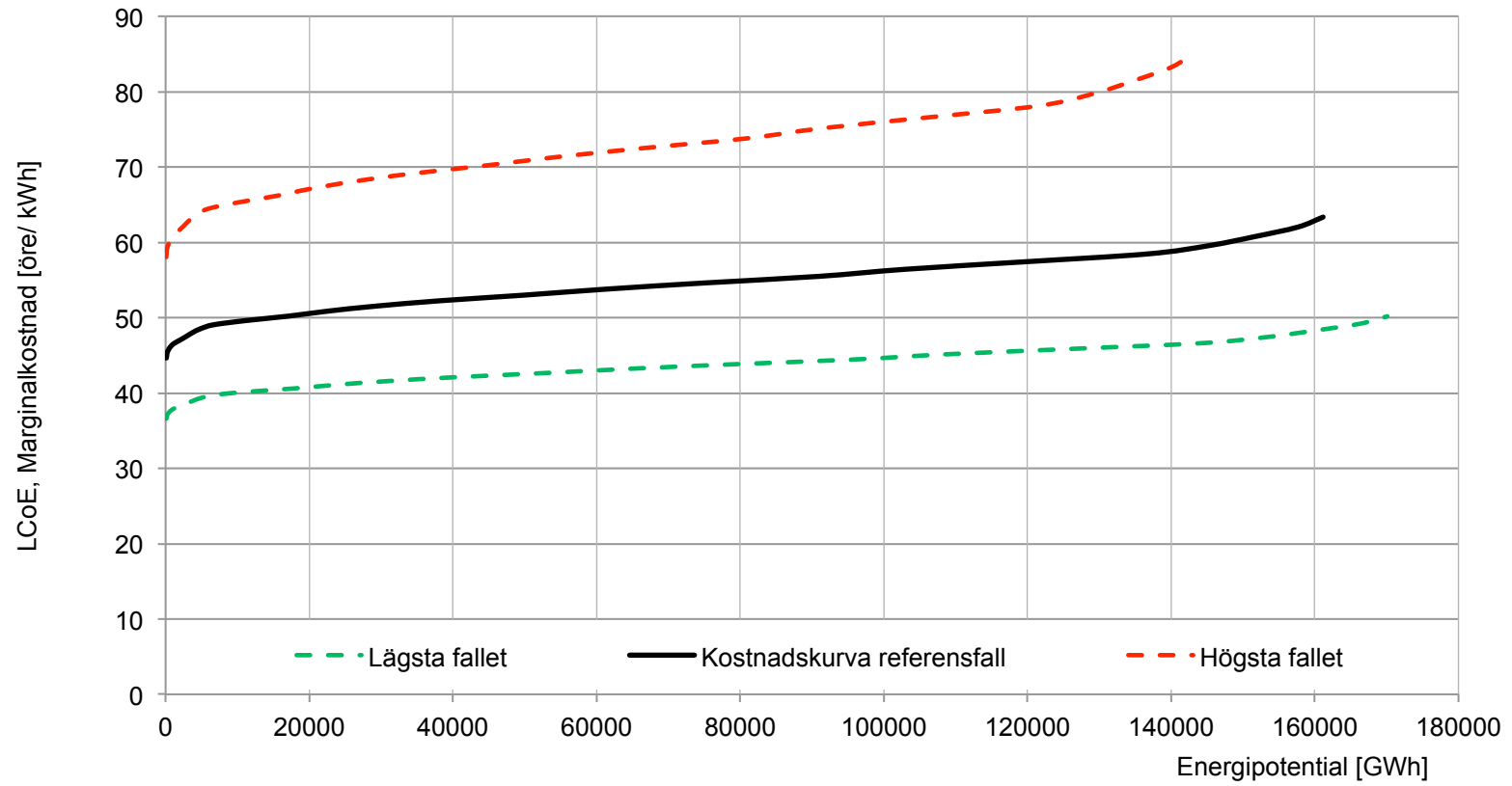


+17%

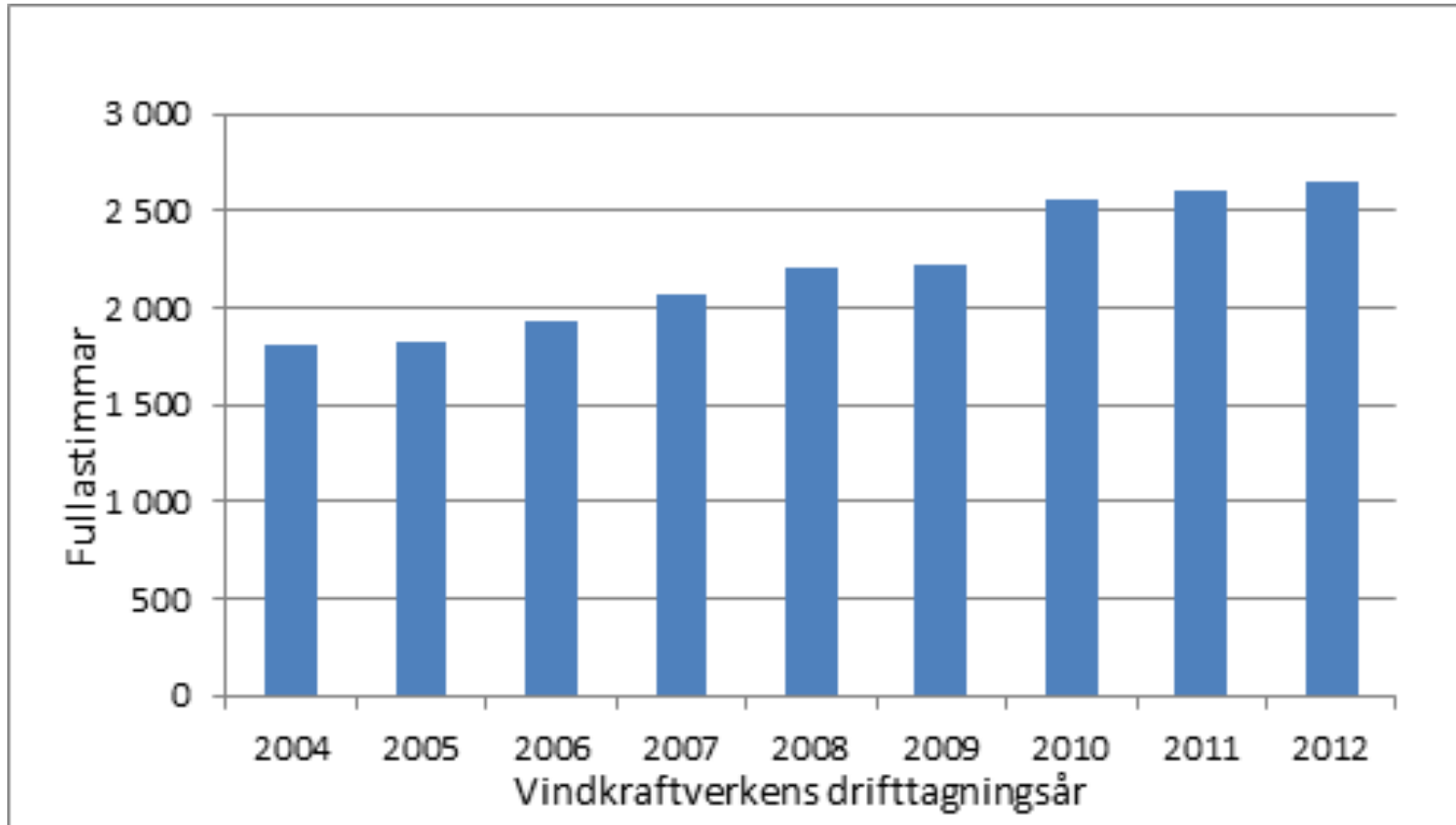
-30 %



Great potential for wind - at a cost of 50-60 öre (7-8 cents)/ kWh



Increasing - full load hours



In the future...

- Production costs for wind power goes down
- ...and down
- Additions higher costs of regulation, etc.
- Slower technological development and the removal of subsidies will eventually give a new type of power plant with a long life and only change of moving parts - compare with hydropower. And even lower costs...

Challenges

- Creating a common goal, which will be the basis for action
- Acceptance / Local benefits
- Integration in the electricity market / higher demands on variable power prod / exploit opportunities through new regulation / development of storage
- Long-term sustainable use of wind resource

Thank you for the attention!

