ABB Power Reference Cases

Statement of qualifications

ABB’s Power Reference Cases are long-term electricity price forecasts and electricity market outlook projections produced by the ABB team.

ABB provides the energy industry with software solutions, energy market data, advisory services and strategic consulting that enables industry professionals to make better economic and strategic decisions.

Our customers rely on our solutions to:

• **Enhance** the performance of their generation assets through managing risks and enabling efficient participation in the electricity markets

• **Evaluate** assets to make merger and acquisition decisions

• **Identify** potential markets and projects for investments or divestments

• **Perform** strategic studies and competitor analyses to improve competitive positioning and evaluate the impact of potential policy or regulatory changes

Since 1975, ABB has been a trusted advisor to the energy industry, leveraging ABB’s proprietary software and data solutions to offer strategic advisory services in power markets. ABB is a leading provider of wholesale electricity and gas price forecasts of restructured electricity markets and fundamental energy models to a range of market participants including utilities, regulators, developers, investors, lenders, banks, large energy consumers and other third parties involved with energy markets.

We leverage our comprehensive market simulation framework to update an independent view of regional supply/demand fundamentals and wholesale electricity market prices. This is presented as **ABB Power Reference Cases** (i.e., electricity market outlook reports, produced since 2000) for Europe, North America and Asia-Pacific.
The energy and finance industries trust ABB’s Power Reference Cases as these are based on:

**ABB’s independent view**
Our forecasts are independent and generic for all customers that rely on our in-depth qualitative and quantitative analysis of global commodity markets and national/regional energy markets. ABB’s data and findings are not influenced by any commercial relationships or financial dependence on outcomes.

**Credible set of input data and assumptions**
We source our input data from a wide range of authentic public and private sources. The data is scrutinised by ABB’s market experts and gaps and errors are addressed resulting in high quality inputs used in the development of our Power Reference Cases. Our highly detailed datasets, prepared over decades of research, cover technical and cost characteristics of individual plants in the system.

**Robust market simulation tools**
ABB is a market leader in the power industry’s software space and its tools have been relied on for decades by the energy industry. We use only in-house developed and benchmarked tools in developing energy market forecasts.

**Calibration of tools and assumptions**
Periodically, ‘backcasting’ is carried out using actual historical data to calibrate our forecasting tools and refine input assumptions, so our data and models always stay fresh and relevant.

**Bi-annual update of all input data and assumptions**
Our Reference Case development process involves an extensive exercise to review and update all inputs and assumptions twice every year. This also includes research on the latest energy policy and regulatory developments in each market to inform our approach and capture the most up-to-date market trends.

**Established history of producing market forecasts**
ABB has over 20 years’ history of producing energy market forecasts across the globe that are relied on by our customers to inform their strategic decisions.

**Global team of energy market experts**
The Reference Cases are produced by a dedicated strong team of energy market professionals who are based in various countries across the globe to gather local market knowledge and incorporate that in the analysis.

**Incorporation of client feedback**
Our biggest asset is our clients; we therefore have an open policy to collect feedback from our clients, address their queries and apply that to continuously improve the quality of our Power Reference Cases. This helps us to ensure that ABB’s Power Reference Cases keep their value and relevance to our clients’ decision-making processes.