

# Energy Non-Commodity Costs

Life Is On



Where do they come from & what should i do?



## MARKET DRIVERS

Geopolitical Instability

Rejection of Nuclear

Climate Change Imperative

Aging Grids

Aging Power Stations

Subsidies to Support Low Carbon Technologies



Investment in Infrastructure



## MARKET & ORGANIZATIONAL IMPLICATIONS

Higher Commodity Volatility (intermittency)

Lower Commodity Costs

Higher Costs for Backup Thermal Power

Grid Flexibility Measures

Lack of New Thermal Capacity

Price Guarantees

Less Spare Capacity

Higher Non-Commodity Costs



## OPPORTUNITY FOR ORGANIZATIONS

1

Optimizing Non-Commodity Costs

2

Implement Energy Efficiency Measures

3

Participate in Demand Response

4

Implement On-site Renewables



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