



# Great Britain Electricity Market Reform

*The consultation launched by the Department of Energy and Change (DECC) on 16 December 2010 could lead to the most important changes to the electricity sector in Great Britain since privatisation. The range of options to support decarbonisation – including a carbon price floor, emissions performance standard, low carbon obligation, fixed price contracts or contracts for difference for low carbon generators – is broad. Combined with potential capacity payment mechanisms for security of supply, the range of packages is complex. The implications are profound.*

## What can we offer?

We can provide a full range of support for market participants affected by EMR:

- Standard or customised briefings on policy options and implications
- Market scenarios incorporating impact of potential policies on generation and prices
- Assessment of impact on asset values and operating regimes
- Bespoke market and policy analysis, using the modelling framework deployed for DECC
- Understanding and assessing key implementation and design issues
- Assessing longer term implications for the wholesale market
- Support in strategic positioning and consultation response

## Why Redpoint?

Redpoint conducted the detailed policy analysis for DECC in support of the EMR consultation. We used our unique modelling framework to assess the impact on emissions, generation investment decisions, wholesale prices, profitability of different classes of generators, and costs for consumers. We are at the centre of the decarbonisation agenda more broadly, advising Ofgem, the Committee on Climate Change, and the Energy Technologies Institute.

Our capabilities and depth of expertise across the policy, investment and commercial spaces enable us to understand the wider implications of policies for companies – from earnings impacts through to risk management considerations, and from long term strategies to operational consequences. Combined with our insights into the perspective of policy makers, we are ideally positioned to provide flexible support to your team.

## What next?

For more information, please contact:

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Click to view our report for DECC here: [Redpoint EMR Report for DECC\\*](#)

\*Or download from [http://www.redpointenergy.co.uk/images/uploads/EMR\\_Policy\\_Options\\_-\\_Redpoint\\_v1.0.pdf](http://www.redpointenergy.co.uk/images/uploads/EMR_Policy_Options_-_Redpoint_v1.0.pdf)



# About Us



## Redpoint Energy

Redpoint Energy ([www.redpointenergy.com](http://www.redpointenergy.com)) is a specialist economic and commercial energy consultancy, advising clients on investments, strategy, policy and regulation across Europe's power, gas and carbon markets.

Since its formation in 2004, Redpoint's clients have included some of Europe's largest energy companies and financial institutions, as well as governments and regulators. Its team provides advice and analysis centred on four key service lines:

### **Policy and Regulation Consultancy, Market Advisory, Investment Analytics, and Commercial & Risk Strategies**

For more information, contact [info@redpointenergy.com](mailto:info@redpointenergy.com)

## Our services

### **Market Advisory**

- Market scenarios
- Long term price projections
- Price simulation
- Green certificate pricing
- Transmission modelling
- Investment dynamics
- Market model deployment
- Energy systems model development

### **Investment Analytics**

- Market entry strategies
- Asset valuation
- Contract analysis
- Mergers and acquisitions financial modelling
- Project financing support
- Due diligence
- Investment strategy
- Sell side advice

### **Energy Policy & Regulation Consultancy**

- Market design
- Renewables policy
- CCS policy
- Smart metering policy
- Grid access
- Price regulation and incentives
- Competition economics

### **Commercial & Risk Strategies**

- Hedging strategies
- Contract analysis
- Risk measurement
- Risk policy
- Governance
- Organisational design
- Transfer pricing