



Réseau de transport d'électricité

## PRESS RELEASE

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### **THE SECURITY OF FRANCE'S POWER SUPPLY SHOULD BE GUARANTEED UNTIL 2013**

**RTE has just published an updated version of its forecast analysis of the electricity supply-demand balance. In this new report, which looks ahead to 2015, RTE confirms the conclusion reached previously in the 2009 study. The security of France's power supply should be guaranteed until 2013, thanks to the planned development of new generating facilities. However, vigilance is needed with regard to peak demand levels during periods of cold weather, which continue to rise rapidly.**

In line with the missions assigned to RTE by the French Law of February 10<sup>th</sup> 2000, the purpose of the Generation Adequacy Report is to verify whether, over the long term, demand for electricity in metropolitan France is properly balanced with generation supply in the form of national generating fleet and import capacities, in order to guarantee the security of the country's power supply. The Report, which is produced every two years, is systematically updated the year following its publication.

The 2010 update takes into account new cyclical and structural factors, such as forecasts for economic recovery, the development of thermal equipments (heating) and other specific end uses that contribute to demand peaks, the rapid expansion of photovoltaic energy, as well as experience obtained last winter, which saw exceptionally consumptions during periods of cold weather .

The outcomes of this update overall confirm the conclusions of the 2009 Generation Adequacy Report. The security of France's power supply should be guaranteed until 2013, based on set projects currently under development. The period up to 2015 remains more open: the economic recovery and the rise in electricity consumption, coupled with the decommissioning of thermal generating facilities in Europe, could cut in the generation reserves in neighbouring countries, which contribute to satisfy peak demand in France.

By 2015, RTE estimates electricity demand will be 506 TWh, which represents a reduction of 10 TWh compared with the forecast established in July 2009. This reduction derives from the drop in French consumption observed in 2009. Under normal meteorological conditions, the fall in demand for electricity by industrial consumers would lead to a peak load reduction of 1,500 MW for the winter of 2012-2013, and 1,000 MW for 2014-2015. However, under cold weather conditions with a statistical likelihood of occurring once every ten years, the peak would only be

reduced by 1,000 MW for the winter of 2012-2013, and 600 MW in 2014-2015, due to increased demand for electricity for heating (by heat pumps or convectors).

Meanwhile, the forecast outlook for generation supply remains dynamic. The prospects for the development of PV are now thought to be higher than the previous forecasts established in 2009 (with 3,000 MW of installed capacity now expected by 2015, compared with 1,400 MW previously). On the other hand, the cycle of investment in thermal generation seems to be slowing, with uncertainty surrounding the profitability of projects. By 2015, the commissioning of combined cycle gas plants currently under construction and the EPR reactor at Flamanville will compensate for the planned closure of some of the country's coal-fired facilities and the likely erosion of the CHP fleet. Both in France and across Europe, EU environmental standards will mean the closure of a sizeable number of the oldest thermal plants by 2015.

In France, RTE once again points out that the security of the power supply in the eastern part of the Provence-Alps-Côte d'Azur (PACA) area and Brittany requires new investments immediately, as the situation in both these regions remains fragile. The security of supply to both these regions is dependent on three pillars: increased demand side management measures, particularly at times of demand peak, development of local generation, and simultaneous efforts to strengthen the power transmission grid.

The complete document "Update of the Generation Adequacy Report " can be found on the RTE website: [www.rte-france.com](http://www.rte-france.com)

*RTE is the French electricity transmission system operator. It is a public service company responsible for operating, maintaining and developing the high and extra high voltage network. It guarantees the safety and proper operation of the power network. RTE transports electricity between electricity suppliers (French and European) and consumers, whether they are electricity distributors (ERDF and the local distribution companies) or industrial consumers directly connected to the transmission system. With 100,000 km of lines between 63,000 and 400,000 volts and 45 cross-border lines, the network operated by RTE is the biggest in Europe. In 2009, RTE posted turnover of €4,130m and currently employs around 8,500 staff.*

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