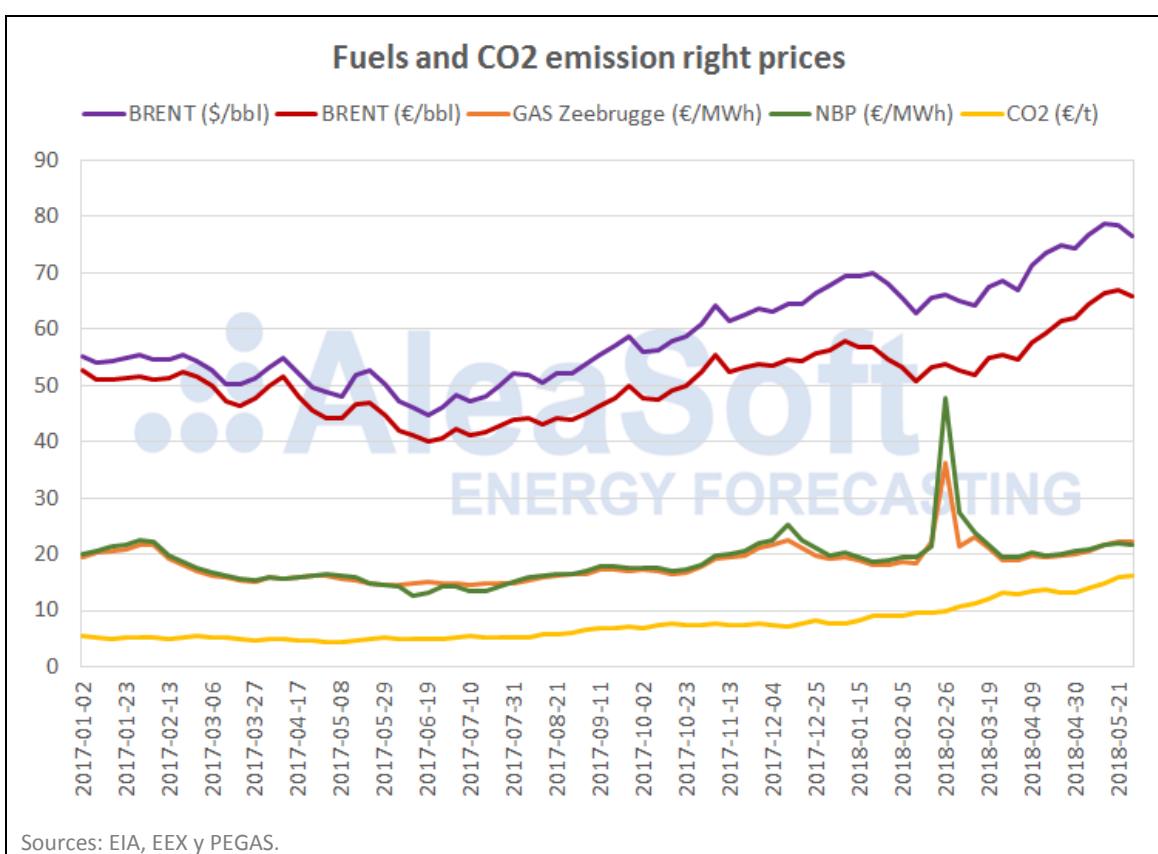


## THE SPANISH ELECTRICITY MARKET REGISTERED THE MOST EXPENSIVE MAY OF THE LAST DECADE

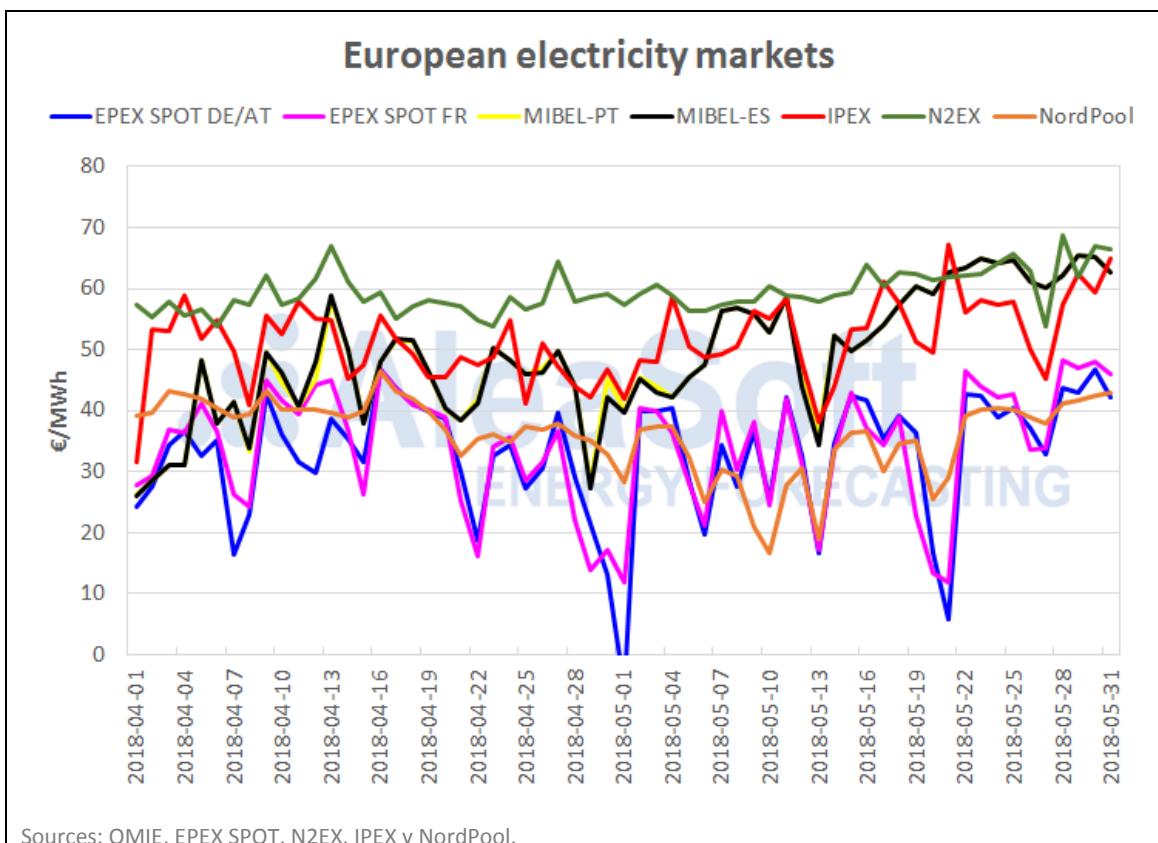
**AleaSoft, May 31<sup>st</sup>, 2018.-** The Spanish market MIBEL closed this month with the most expensive average price for a May since 2008. AleaSoft estimates that the main causes of these high prices are expensive fuel prices and CO<sub>2</sub> emissions rights, combined with a month end with little wind energy production and three nuclear power plants shut down.

The Spanish wholesale electricity market closed this May with an average price of 54.92 €/MWh, which means an increase of 12.25 €/MWh compared to the previous month, and only 1.36 €/MWh below May 2008 which is the most expensive May in history. It must be noted that in 2008 the electricity context was very different from the present one: there was 30% less wind power capacity in the mainland territory, and half solar power capacity than today, in addition to the price of the Brent barrel above \$140.

AleaSoft estimates that the main causes of these high prices, in a month that is usually among the cheapest of the year, are the high fuels and CO<sub>2</sub> emission rights prices, combined with a month end with little wind energy production and three nuclear power plants shut down. The price of CO<sub>2</sub> emissions rights deserves a special mention, although in 2008 the price was close to 30 €/t, far from the current 16 €/t, the price increase recorded in the last 12 months has been remarkable: from 4.38 €/t reached in May 2017 to 16.29 €/t recorded at the end of this May, a rise of 272% in just 12 months.



With respect to the main European markets, the Spanish market MIBEL, together with the British N2EX, kept being the most expensive one in the last seven days. A trend that keeps being valid with respect to last week. On the other hand, the NordPool together with EPEX SPOT of France and Germany registered the lowest prices.



The prices of fuels and CO<sub>2</sub> emissions rights slowed down, at least momentarily, their rise last days.

The low values of wind energy production recorded last week, clearly below the typical values for this time of year, continued to be the trend this week. Ascó II nuclear power plant had an unscheduled shutdown on Monday 28<sup>th</sup>, and makes already 3 the number of nuclear power stations shut down: Trillo power plant has been shut down for fuel recharging since the 19<sup>th</sup>, and Vandellós II is extending its shutdown from March 3<sup>rd</sup>.

Hydroelectric dams water reservoirs remain stable, and the emptying caused by hydroelectric production seems compensated by the contribution of snow melting and rainfall.

