

# End-User Tariff

## A TLG Case Study

Real world projects with real world impact.

We work on some of Asia's most demanding energy questions, helping the region solve the energy challenges that really matter.

Contributing to policy analysis in China takes more than just data and knowledge

It takes real understanding as well

Ian Yao



*"As the world's largest power market, China is a target market for TLG, and a place where we have a real competitive advantage in knowledge, contacts and understanding. I was delighted to be involved at the forefront of policy analysis in China and excited to be able to contribute to a project with such clear environmental benefits".*

A leading province in China's green energy transition, Zhejiang is both one of the country's most advanced economies and one of its largest electricity markets.

China now has the world's largest solar generating capacity and Zhejiang province has its own ambitious targets to contribute to China's sustainable development through rooftop solar.

The Lantau Group was asked to provide expert analysis to estimate both medium and long-term on-grid wholesale prices and end-user tariffs. In addition, TLG was tasked to analyse the consequence of solar and wind penetration and of the effects of battery storage on thermal generation.

TLG's deep research capabilities and extensive networks enabled the project team to reach beyond the ever-present data limitations when working in China. Using a combination of existing power plants, planned projects, government targets and the constraints of inter-provincial power, the TLG team were able to build up a set of robust scenarios to consider on-going policy reforms and review their effect on power prices.

The analysis has fed into the provincial government's ongoing work to optimise the solar power sector's business model, for the benefit of Zhejiang, China and, ultimately, the world.

China; 2018