



CBS GLOBAL CASE COMPETITION 2025

Betting on Batteries



[Click me](#)

“What drives us every day is our ambition to accelerate the green transition at speed and scale.”



Knud Erik Andersen
CEO & Co-Founder, European Energy

Letter from CEO

Dear students,
Welcome to CBS GLOBAL Case Competition 2025!

At European Energy, we are proud to be this year’s case company and to invite you into one of the most pivotal questions shaping the global energy transition: how to unlock the full potential of renewable energy through large-scale storage solutions.

Since our founding in 2004, European Energy has grown into a global renewable energy developer headquartered in Denmark, with projects across Europe, North and South America, and the Asia-Pacific region. Our portfolio spans solar PV, onshore and offshore wind, Power-to-X, and increasingly, battery energy storage systems (BESS). What drives us every day is our ambition to accelerate the green transition at speed and scale.

Renewable energy has reached a new phase of maturity – but also new complexity. As solar and wind power continue to scale, production increasingly peaks when demand is low, leading to price volatility, grid congestion, and even negative power prices.

For European Energy, the answer to this challenge, lies in BESS. By storing excess electricity during hours of oversupply and releasing it when prices and demand rise, BESS transforms instability into value. It allows us to make better use of our renewable assets, strengthens grid reliability, and opens new revenue streams.

In short, BESS is how we future-proof our business model and accelerate the next chapter of the green transition.

This is where your creativity and analytical skills come in – helping us explore how European Energy can scale this opportunity, prioritise investments, and shape the future of flexible renewable power.

Between 2026 and 2028, European Energy must decide how and where to expand in the BESS market to create long-term value – while carefully managing risk, capital constraints, and organisational capacity. With a total equity investment budget of €300 million, your task is to recommend how it should be allocated optimally to achieve the best overall outcome.

We encourage you to think boldly, but also realistically. This challenge is not only financial or technical – it is about strategic choice, prioritisation, and long-term resilience.

We are excited to see your ideas and look forward to your insights on how European Energy can lead the next wave of the global energy transition. Together, let’s shape the next chapter of the green transition.

With best wishes,

Knud Erik Andersen
CEO & Co-founder,
European Energy

Table of contents

4	01 SETTING THE STAGE FOR THE CASE	21	04 MARKET DYNAMICS AND INDUSTRY CHALLENGES
5	Setting the stage	22	Introduction to power markets
6	Problem formulation	23	The opportunities in BESS
		24	BESS fundamentals
7	02 INTRODUCTION TO EUROPEAN ENERGY	26	05 THE CASE FOR ACCELERATING BESS
8	European Energy at a glance	27	BESS Strategy
10	Corporate values	28	Market opportunity
11	Business model and value proposition	29	Metrics and case constraints
13	Markets and technologies	31	Tradeoffs to consider
14	Revenue streams	32	Closing remarks
15	European Energy leadership team		
16	European Energy customer overview	33	APPENDICES
18	03 THE STRATEGY OF EUROPEAN ENERGY	34	Appendix 1: Market data
19	The Strategy of European Energy	35	Appendix 2: European Energy capabilities and experience
		36	Appendix 3: Regulatory support and competition
		37	Appendix 4: Glossary

Vier Berge Wind
Park, Germany



Mokoan Solar
Park, Australia

01 SETTING THE STAGE FOR THE CASE

- 1.1 Setting the stage
- 1.2 Problem formulation

Setting the stage

The renewable energy industry continues to evolve at unprecedented speed.

The large-scale deployment of renewables has been transformative for society, with global renewable energy generation surpassing coal for the first time in history in 2025. At the same time, it is also reshaping the competitive landscape for developers. What once was a high-growth opportunity driven by falling technology costs and favorable policies is now becoming a complex arena marked by price volatility, regulatory uncertainty, and intense competition for land, grid access, and talent.

The business case for traditional, standalone renewable projects, particularly solar PV, is becoming increasingly strained. The growing penetration of variable renewables across Europe and beyond has led to more frequent periods of negative electricity prices and higher curtailment rates. As supply outpaces the grid's ability to absorb intermittent generation, profitability for conventional projects is coming under pressure. Simply building more capacity is no longer enough to ensure stable returns.

At the same time, the market is demanding new forms of flexibility and resilience. BESS has emerged as a

critical enabler of this next phase in the energy transition. By storing excess power during times of oversupply and delivering it back to the grid during scarcity, BESS can transform volatility into value, stabilise system operations, and unlock new revenue opportunities.

For European Energy, this shift represents both a challenge and an opportunity. As the company continues to scale globally, its ability to integrate new technologies into its portfolio, such as large-scale battery storage and Power-to-X, will determine its competitiveness and long-term relevance. To win in this changing landscape, European Energy must not only deploy projects efficiently but continuously innovate its technology mix, business model, and market approach.

European Energy now stands at a decisive point. The renewable transition is no longer defined solely by growth, but by adaptability. Those who can evolve beyond traditional project models, capture new forms of value, and leverage technology to make renewables reliable and dispatchable will define the next era of leadership in the global green transition.



Kragerup
Battery Storage,
Denmark



PROBLEM FORMULATION

“How should European Energy expand its presence in the BESS market in 2026–2028, creating long-term value while managing risk and capital limitations?”

Case criteria
Your solutions must adhere to the following criteria:

Market prioritisation & sequencing:	Propose a roadmap for 2026–2028 that identifies and justifies which markets to enter first. Markets are defined as individual countries where BESS projects can be developed
Go-to-market approach:	Decide the share of retrofitting vs. standalone projects, share of mature vs. emerging markets, and the extent of value-chain control (e.g. partner vs. build in-house). Based on this, outline a go-to-market plan that considers timing and sequencing of rollout, including trade-offs such as projects risk vs. return, speed vs. value, and diversification vs. focus.
CAPEX allocation plan:	Recommend how to allocate the €300 million BESS equity budget across markets for the 2026–2028 period, capped at €100 million per year, while highlighting key trade-offs and opportunity costs.
Business model innovation:	Find ways to capture additional business value from BESS deployment through innovation of the business model.

Assesment criteria:

30% Analysis	Is the recommendation based on a thorough understanding of the company, market, and target customers? Is financial modelling accurate and complete?
30% Solution	To what degree does the solution answer the case question at hand?
15% Creativity	Is the solution bold and challenging industry standards?
15% Feasibility	How realistic is the implementation of the solution?
10% Visuals	Is the solution clearly communicated through the submitted material?



Lidsø Solar Park,
Denmark

02 INTRODUCTION TO EUROPEAN ENERGY

- 2.1 European Energy at a glance
- 2.2 Corporate values
- 2.3 Value proposition and business model
- 2.4 A diverse technology portfolio
- 2.5 Markets and technologies
- 2.6 Revenue streams
- 2.7 European Energy leadership team
- 2.8 European Energy customer overview

European Energy at a glance

The history of European Energy

Founding vision

European Energy is a Danish renewable energy company that develops, constructs, and operates wind, solar, and Power-to-X across 4 continents. The company was founded in 2004 by Knud Erik Andersen and Mikael D. Pedersen, with Jens-Peter Zink joining soon after. What set them apart from the beginning was that the founders believed firmly that independent developers could act faster and more decisively than traditional, state-owned utilities. On top of that, many of these state-owned utilities were even reluctant to shift from fossil fuels. By positioning themselves as private pioneers, they helped shape a new market for renewable energy in Europe at a time of liberalisation and rapid change.

Early roots

However, the story goes way back to when Knud Erik Andersen was a student at the Technical University of Denmark in the 1980s. Inspired by Denmark's push for alternatives after the oil crises, he began experimenting with turbine control systems and launched his first start-up to improve efficiency. After ventures in embedded computing during the 1990s, he returned to the energy sector in the early 2000s. Deregulation and climate urgency provided the opening to establish European Energy in 2004, combining technical expertise with entrepreneurial agility to seize opportunities where larger utilities hesitated.

From Germany to Denmark

European Energy's first projects were onshore wind farms in Germany, laying the foundation for the company's early growth. In 2008, the company made a bold move into solar development in Spain — at a time when solar power was still expensive and unproven. This early conviction proved right, as falling costs quickly made solar a central pillar of the portfolio. Over the following decade, European Energy expanded across Europe, developing some of the region's largest renewable projects, including the Kassø Solar Park in Denmark — one of the biggest in Northern Europe. The company has also advanced offshore development over the past decade, most recently through partnerships with TotalEnergies.

Today, European Energy operates globally, with renewable projects spanning Europe, the Americas, and the Asia-Pacific region.

Pioneering Power-to-X and Battery Storage

A defining moment came in 2025 with the inauguration of the Kassø e-methanol plant. This became the world's first commercial-scale Power-to-X facility, capable of producing 42,000 tons of e-methanol annually. The plant supplies global, Danish-founded companies such as Maersk, the LEGO Group, and Novo Nordisk and proves a new example of European Energy's ability to pioneer new technologies - just like with solar panels in Spain back in 2008. More recently, the company has also invested in BESS, seeing storage as a natural extension of its mission to balance fluctuating renewable supply with stable demand, as well as being a logical addition to existing technologies.

“It must be built now, by harnessing the power of tomorrow, today.”

—
Holmen Wind
Park, Denmark

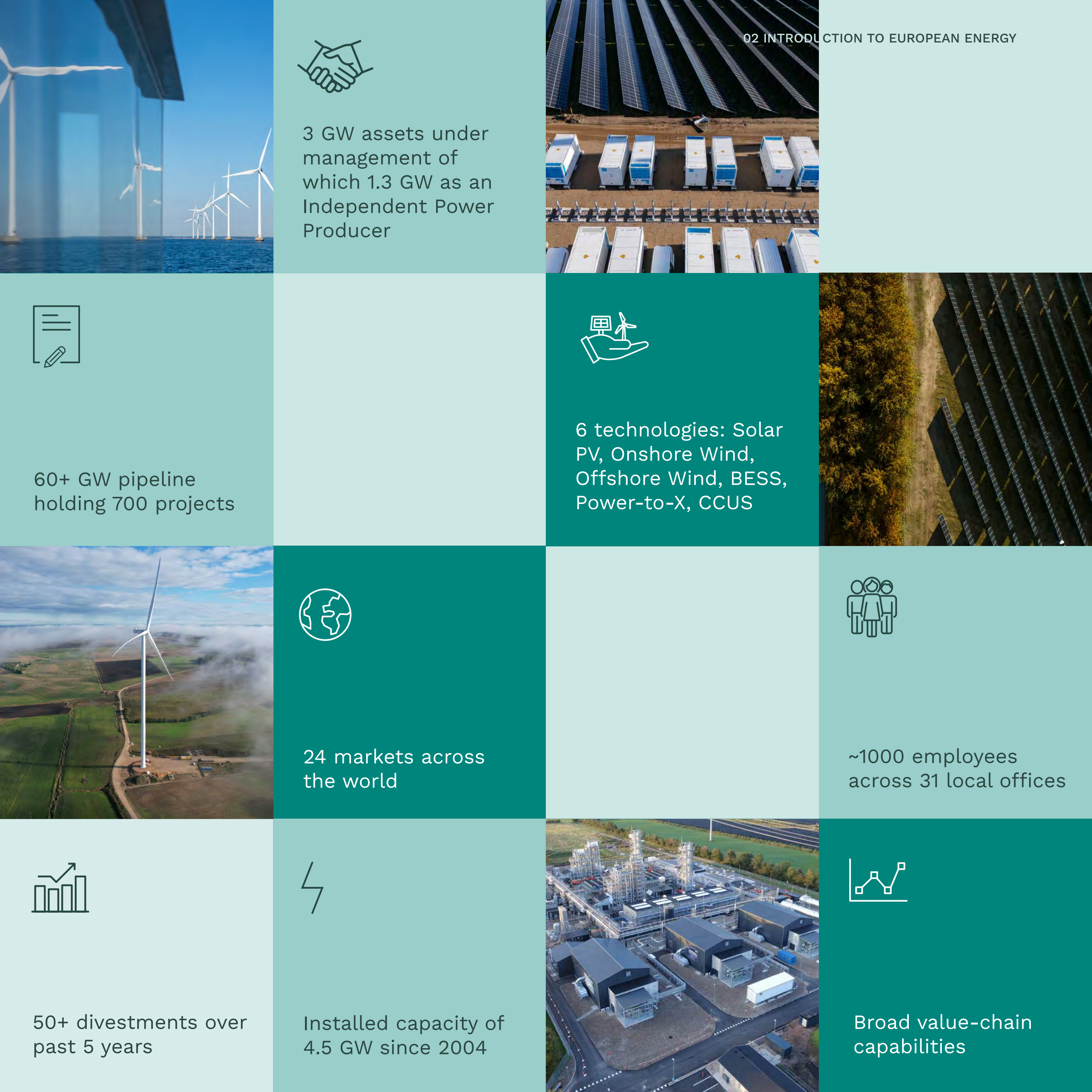
The future of European Energy

Our vision
European Energy aims to be a transformative global leader in the green transition by evolving from a power company to a full-scale energy company.

We will deliver sustainable, high-quality energy solutions through our core technologies, Solar PV, Onshore Wind and Offshore Wind, while advancing and solidifying our position as industry leader in innovative frontiers like Power-to-X, BESS and Carbon Capture.

We aim to become a top player in our key markets whilst selectively expanding into high-growth regions setting our position as a global major force in driving the decarbonisation of industries, enhancing global energy resilience, and actively supporting a fossil-free future.

Our mission
European Energy’s mission is to grow into a global force that champions the green transition, develop green energy solutions and encourage the world to join the movement towards a fossil free society.





In it together

We enjoy collaborating to achieve the green transition – with our colleagues and everyone else who wants to be part of the journey. Focus for us is on solving the task – not on who is formally responsible. If you reach out to colleagues, they are always eager to help. When we see a problem – we solve it together. When we succeed, we celebrate together.



Excitement

We are excited and passionate about our work, the journey we are on towards a greener planet and what we are achieving. The excitement is contagious – and we enjoy inspiring and being inspired by each other. We love what we are doing, and we have fun doing it.



Inclusion

We celebrate our differences – and we respect and appreciate the individual. You can be yourself and be accepted as you are.



Agility

We like to act quickly and smartly. We are open minded, willing to take risks and carefully consider all opportunities. We push the limits of the technologies we work with and ourselves. We think and act in non-bureaucratic ways and make decisions effectively.



Trust and courage

We have a high degree of trust between each other. We think creatively, think outside of the box and enter uncharted territory. We have a flat hierarchy with an open and honest dialogue, and we empower each other. When you have been given a mandate, we trust in your abilities.



Ambition

We want to become a global major in order to create a better world. We are driven to push each other in order to facilitate the green transition. We have a winner’s mentality – we do not give up before we succeed. To us it is about achieving together.

Corporate values

Throughout its journey from a small Danish start-up to a global renewable energy player, European Energy has been guided by a clear set of values. These define how the company operates, collaborates, and innovates across borders. Together, the company’s values form the foundation for its culture and strategy, driving every decision in pursuit of a fossil-free future.

Value proposition and business model

Empowering the green transition through scalable investments

European Energy offers stakeholders access to scalable, low-risk renewable energy assets with strong returns and measurable sustainable impact, alongside green power offtake and sustainable fuels.

Building a global platform for sustainable energy growth

With broad control of the value chain, a diversified technology portfolio, and a robust global project pipeline spanning more than 20 markets, we deliver renewable infrastructure in an environmentally and socially sustainable way, combining long-term profitability with the global demand for energy independency.

Leading with responsibility and climate impact

We demonstrate substantial contribution to climate change mitigation with six renewable energy technologies and sustainable and responsible business practices at the core of how we conduct business.



A diverse technology portfolio

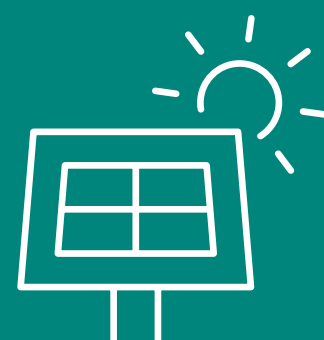
At European Energy, we have built a strong and integrated value chain spanning solar PV, onshore wind, Power-to-X, and offshore wind development. In recent years, we have expanded our portfolio to include battery energy storage systems and carbon capture and utilisation. These additions position us to capitalise on two high-growth sectors that will play a crucial role in the future energy landscape.

We are intensifying efforts in several key areas to strengthen our market position further. First, we are driving synergies across our technology portfolio by integrating solar, wind, and Power-to-X. This approach enhances energy flexibility in key markets and supports grid stability, reinforcing our role as a reliable energy provider.

Secondly, we are scaling new technologies such as BESS and carbon capture, building the capabilities and partnerships needed to lead in these emerging segments.

By combining these efforts, we accelerate the green transition while ensuring long-term value creation for our stakeholders.

In recent years, we have expanded our portfolio to include battery energy storage systems and carbon capture and utilisation



Solar PV



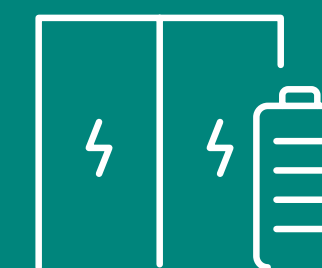
Onshore wind



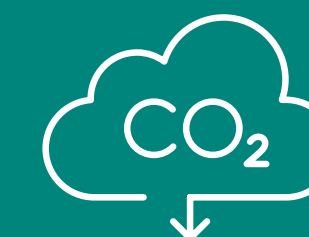
Power-to-X



Offshore wind



Battery storage



Carbon capture

Markets and technologies

This section provides an overview of our company’s project pipeline and market footprint. The figures presented represent our total development activities across all technologies in our portfolio, not limited to battery energy storage. Together, they illustrate the scale and diversity of our ongoing efforts to expand our presence and deliver renewable energy solutions across key markets.

North America

In the US, we focus on developing innovative energy projects, with a pipeline of almost 7 GW. Our projects primarily involve solar PV and battery storage, with an expected expansion in Power-to-X assessments over the next three years.

South America

In Brazil, we are active in developing, constructing and operating energy projects, with a 1-GW pipeline primarily focused on solar PV, complemented by onshore wind and a growing interest in Power-to-X. In the next period, our strategy will emphasise exploring Power-to-X opportunities through our evolving partnership with Petrobras.

Central Europe

We have a well-established legacy in Central Europe, particularly in Germany and Poland, with a pipeline exceeding 12 GW across solar PV, onshore wind, battery storage and Power-to-X projects. In the coming years, we anticipate continued construction in our core markets and initiation of projects in newer, less established markets.

Northern Europe

We maintain a strong presence in Northern Europe, including our home market, which is Denmark. Our total pipeline exceeds 30 GW across onshore and offshore wind, solar PV and Power-to-X technologies. Our strategy prioritises ongoing construction across multiple markets, while advancing new projects within diverse technologies.

Southern Europe

In Southern Europe, we have a robust project pipeline, led by Italy, with ongoing developments in newer markets such as Greece, where our first projects are currently under construction. Our pipeline currently stands at approximately 8 GW, comprising solar PV and onshore wind projects. We plan to further scale up construction efforts over the next three years.

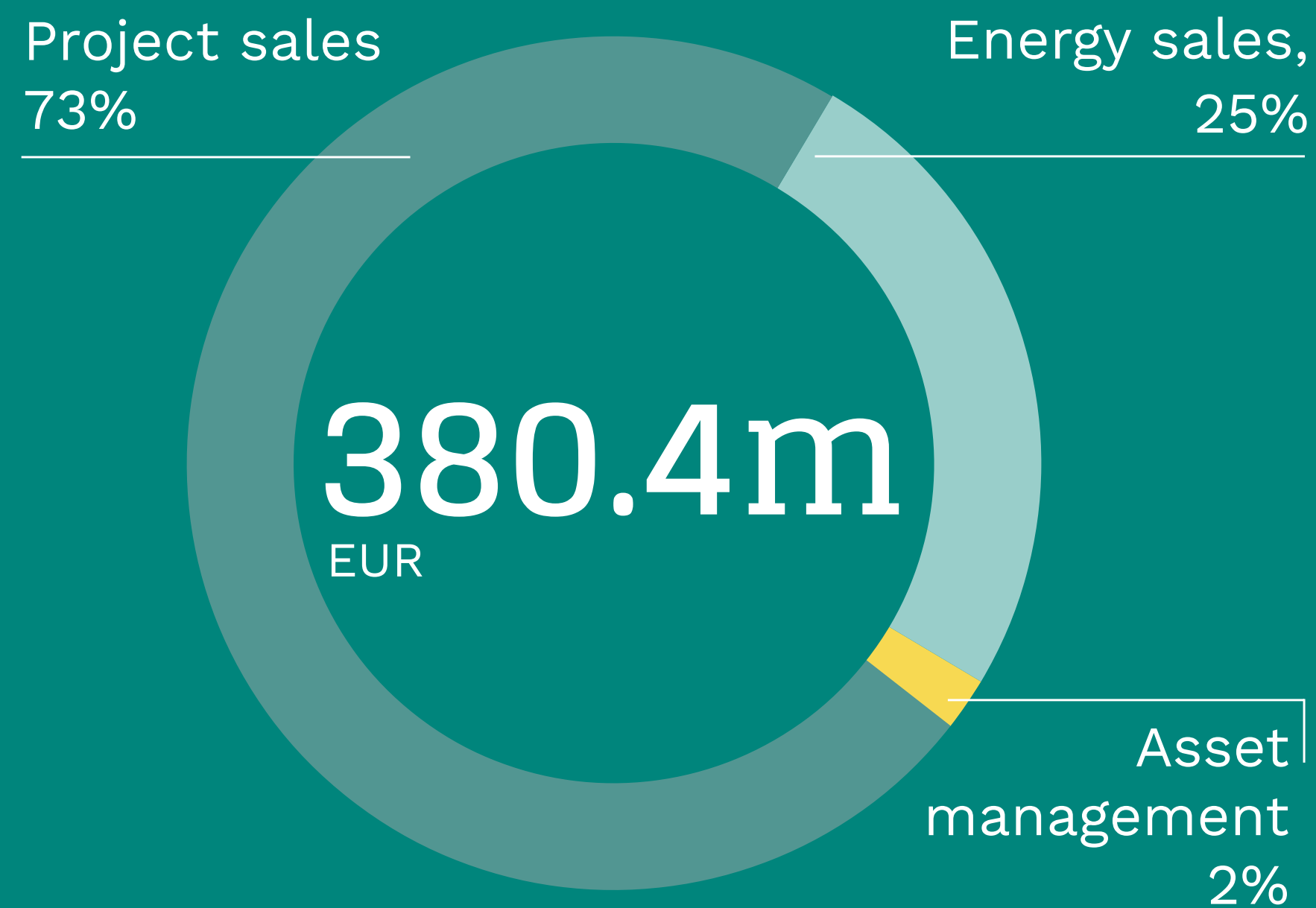
Oceania

In Australia, we are developing solar PV and onshore wind projects, with construction of our first project having commenced in 2024. With a pipeline exceeding 10 GW, spanning solar PV, onshore wind, BESS and Power-to-X, we are well-positioned to capitalise on market opportunities.

Technologies					Office
	DK				
	AU				
	PL				
	DE				
	IT				
	FR				
	UK				
	US				
	SE				
	RO				
	BG				
	GR				

Technologies					Office
	IE				
	NL				
	LT				
	LV				
	FI				
	BR				
	ES				
	ME				
	EE				
	CZ				
	HR				
	SK				

Revenue streams in 2024



Revenue streams

European Energy's business model is built around three main revenue streams: project sales, energy sales, and asset management.

- **Project sales** account for the largest share of total revenue, representing 73%. These revenues are primarily generated from the development and divestment of solar PV and onshore wind projects — the company's most mature and established business areas.
- **Energy sales** contribute 25%, derived from electricity generation from European Energy's owned and operated assets. This share is expected to increase as the company expands its IPP (Independent Power Producer) portfolio.

- **Asset management** services make up the remaining 2%, covering operation, maintenance, and technical management of both internally and externally owned projects.

While wind and solar remain the financial backbone of European Energy, the company is now broadening its revenue base through new technologies such as BESS and Power-to-X. These emerging segments are expected to strengthen long-term earnings stability and open new value pools within the energy value chain.

European Energy leadership team

European Energy’s Leadership Team consists of twelve members led by CEO and Co-founder Knud Erik Andersen. Together, they bring extensive experience across the renewable energy value chain — spanning project development, engineering, finance, operations, and international growth.

The team represents a broad set of perspectives and professional backgrounds, reflecting European Energy’s multidisciplinary approach to driving the green transition. Collectively, they are responsible for setting the company’s strategic direction, ensuring strong execution across markets, and positioning European Energy at the forefront of the renewable energy industry.



Knud Erik Andersen
CEO / Co-founder
European Energy



Jens-Peter Zink
Deputy CEO



Emil Vikjær-Andresen
Executive Vice President,
Head of Power-to-X



Jonny Thorsted Jonasson
Chief Financial Officer



Thorvald Spanggaard
EVP, Head of Project
Development



Poul Jacobsen
Executive Vice President,
Head of EPC



Jacob Saust Johansen
EVP, Head of Asset
Management & Operations



Birgitte Brix Bendtsen
Chief People Officer



Mikael D. Pedersen
VP, Head of Chief
Engineers and Co-founder



Rasmus Sandfeld
Chief Commercial Officer



Simon Bjørnholt
Vice President, Head of
Legal



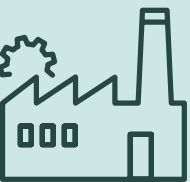
Peter Møllebjerg Andersen
Chief Information Officer

European Energy customer overview

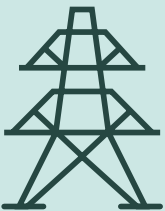
When selling power:

European Energy sells renewable electricity primarily through Power Purchase Agreements (PPAs)—long-term contracts where clients agree to buy electricity at a predefined price. While some power is sold on the merchant market, PPAs are generally preferred due to the reduced risk and predictable income they provide. Selling power provides European Energy with stable, predictable income while supporting clients in achieving their sustainability objectives.

Examples of clients



Utilities & energy companies - Integrated utilities purchasing renewable generation to meet supply needs or decarbonisation targets



Industrial & technology offtakers - Large corporations, such as technology companies or heavy manufacturing or other industrial companies seeking renewable electricity via PPAs for sustainability goals



Power traders & aggregators - Market intermediaries buying electricity to resell or balance portfolios in wholesale and balancing markets

When divesting full parks:

European Energy also develops and divests renewable energy projects to a wide range of investors. Projects can be sold at various stages of development: Ready-to-Build (no CAPEX invested yet), Forward Sale, or Commercial Operation Date (COD). COD sales are preferred as they typically yield the highest value. Divesting projects allows European Energy to recycle capital into new developments while providing investors with bankable, income-generating assets.

Examples of clients



Infrastructure & energy transition funds - Specialised investment funds focused on operational renewables and long-term yield generation



Institutional investors - Pension funds, insurance companies, and sovereign wealth funds seeking inflation-linked, low-risk cash flows



Independent Power Producers (IPPs) - Companies expanding their generation portfolios through acquisition rather than greenfield development

CASE



A landmark renewable energy project in eastern Denmark

In 2024, European Energy began constructing Lidsø Solar Park, in Lolland Municipality, Denmark. Once completed, it will be one of the country’s largest solar parks, with a total capacity of 213 MW and an estimated annual production of 262 GWh — enough to power approximately 65,000 European households.

One of the key off-takers for the park’s electricity is the Danish State Railways (DSB), which has signed a Power Purchase Agreement (PPA) for 80 GWh annually.

As electrification expands across various sectors, the demand for renewable energy continues to rise.

Large entities such as DSB play a crucial role in the green transition, supporting the development of new renewable energy projects like Lidsø Solar Park. While Eastern Denmark currently faces a shortage of renewable energy, several municipalities, including Lolland Municipality, are at the forefront of expanding renewable capacity.

Lidsø Solar Park at a glance

- Capacity: 213 MW
- Annual production: 262 GWh
- Location: Lolland Municipality, Denmark
- Construction start: 2024
- Expected completion: 2025

CASE



Kragerup Battery Storage: our first battery project in Denmark

European Energy has initiated testing of our first battery solution in Denmark at a small-scale facility located at Kragerup Estate in the western part of Zealand. This 3.75 MW battery can store and deliver electricity equivalent to the consumption of 750 European households for eight hours.

This is the company’s first operational battery project in Denmark. It will explore battery storage as a tool for managing the increasing volumes of renewable energy generated in Denmark. The integration of the battery system is in line with European Energy’s strategy of integrating a wide set of energy solutions, to support a

stable grid, and a resilient and flexible energy system. Through this project, European Energy is gaining hands-on battery storage experience, enabling us to develop and scale integrated energy solutions across all key markets.

Kragerup battery storage at a glance

- Capacity: 3.75 MW (expandable to 7.5 MW)
- Location: Kragerup Estate, Kalundborg Municipality, Denmark
- Grid connection: Q1 2025
- Energy storage: Supplies electricity for 750 households for eight hours when fully charged.



Sprogø Wind
Park, Denmark

03 THE STRATEGY OF EUROPEAN ENERGY

3.1 Corporate strategy of European Energy

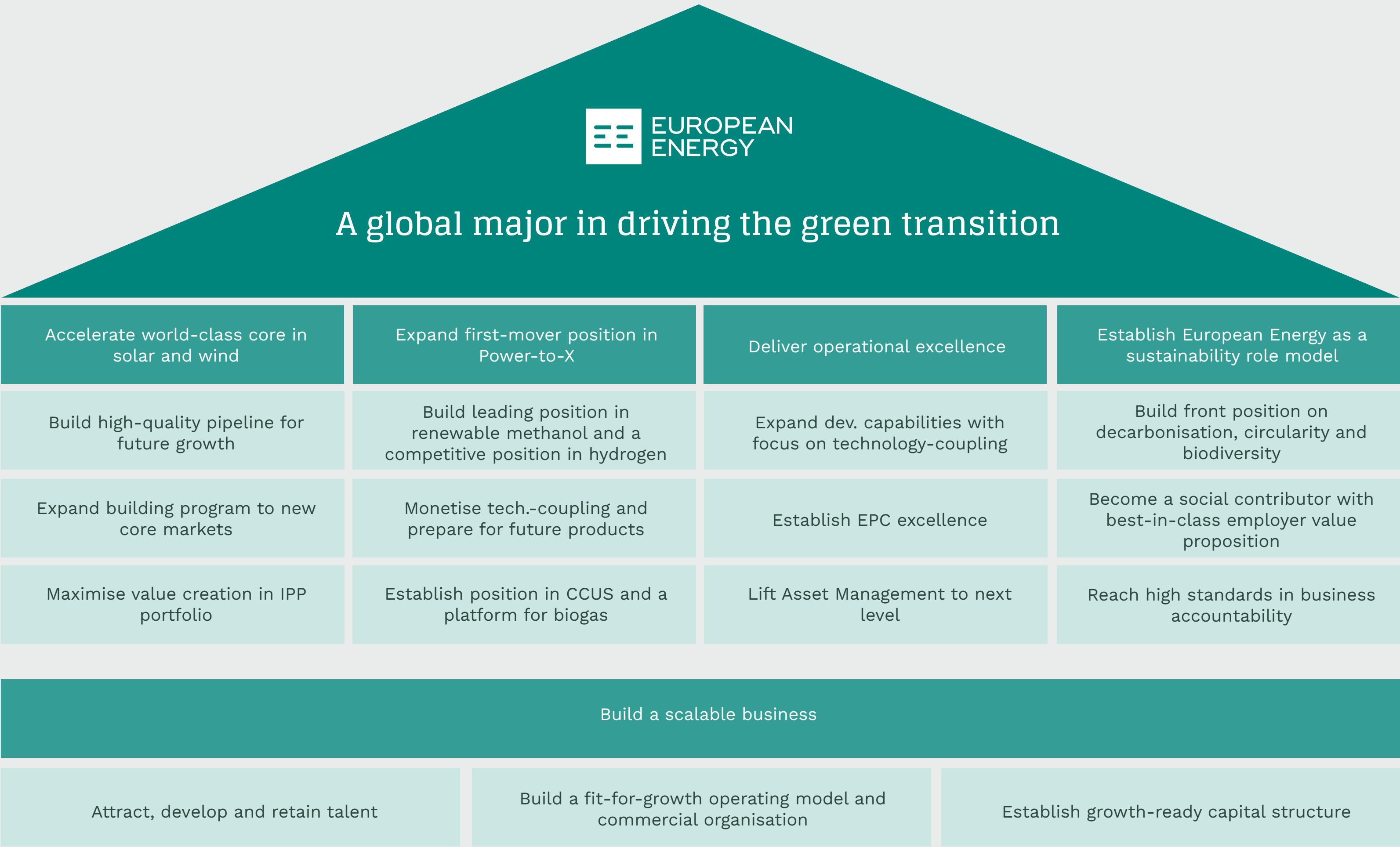
The strategy of European Energy

Powering Up! 2026

European Energy’s current corporate strategy, Powering Up!, sets the direction for the company through 2026. It builds on our ambition to become a major global force in driving the green transition and defines how we scale our business in a rapidly evolving renewable energy landscape.

Our Strategy, Powering Up!, is structured around four strategic pillars and one foundation, together forming the backbone of our growth agenda. The strategy focuses on expanding our core business in solar and wind, while simultaneously developing and integrating new technologies such as BESS and Power-to-X to unlock new sources of value and flexibility, whilst maintaining a strong focus on being a sustainability role model.

Building on strong performance in recent years, the Powering Up! Strategy aims to strengthen European Energy’s financial resilience, enhance operational excellence, and position the company for long-term sustainable growth — combining proven business models with innovation across the renewable energy value chain.





Kragerup
Battery Storage,
Denmark

Diving into strategic pillar 1

Accelerating world-class core in solar and wind

The first pillar of the Powering Up! strategy focuses on strengthening and scaling European Energy’s core business areas: solar PV and onshore wind. Its overarching goal is to accelerate development, improve value creation, and ensure that our foundational technologies remain competitive in a rapidly evolving energy landscape.

Each strategic pillar consists of three must-win battles — the critical initiatives European Energy must deliver on to achieve its long-term ambition. Within the first pillar, these focus areas span the entire project development value chain:

Build a high-quality pipeline for future growth – Strengthen origination and project maturation to focus on high-value opportunities, while increasing the efficiency of project delivery through improved tools, processes, and governance.

Expand the building program into new core markets – Scale Engineering, Procurement, and Construction (EPC) capabilities into new geographies to capture additional value and establish localised operating models that accelerate growth.

Maximise value creation in the Independent Power Producer (IPP) portfolio – Optimise returns from operating assets through production efficiency, cost reduction, and enhanced asset management. Explore opportunities to expand the IPP portfolio in attractive, high-performing markets.

Evolving the core: adapting to market shifts

While solar PV and onshore wind remain central to European Energy’s growth strategy, market conditions have changed significantly. Increasing price volatility, curtailment, and grid congestion are putting pressure on the traditional business case for standalone solar projects.

To sustain performance and long-term competitiveness, European Energy is now reconsidering how to strengthen and diversify its core — by coupling established technologies with new, flexible solutions such as BESS. This marks an important strategic evolution: from building generation capacity alone to developing integrated renewable systems that can deliver power when and where it’s needed.

The following section explores the market dynamics and industry challenges driving this strategic shift — and how they shape European Energy’s next phase of growth.



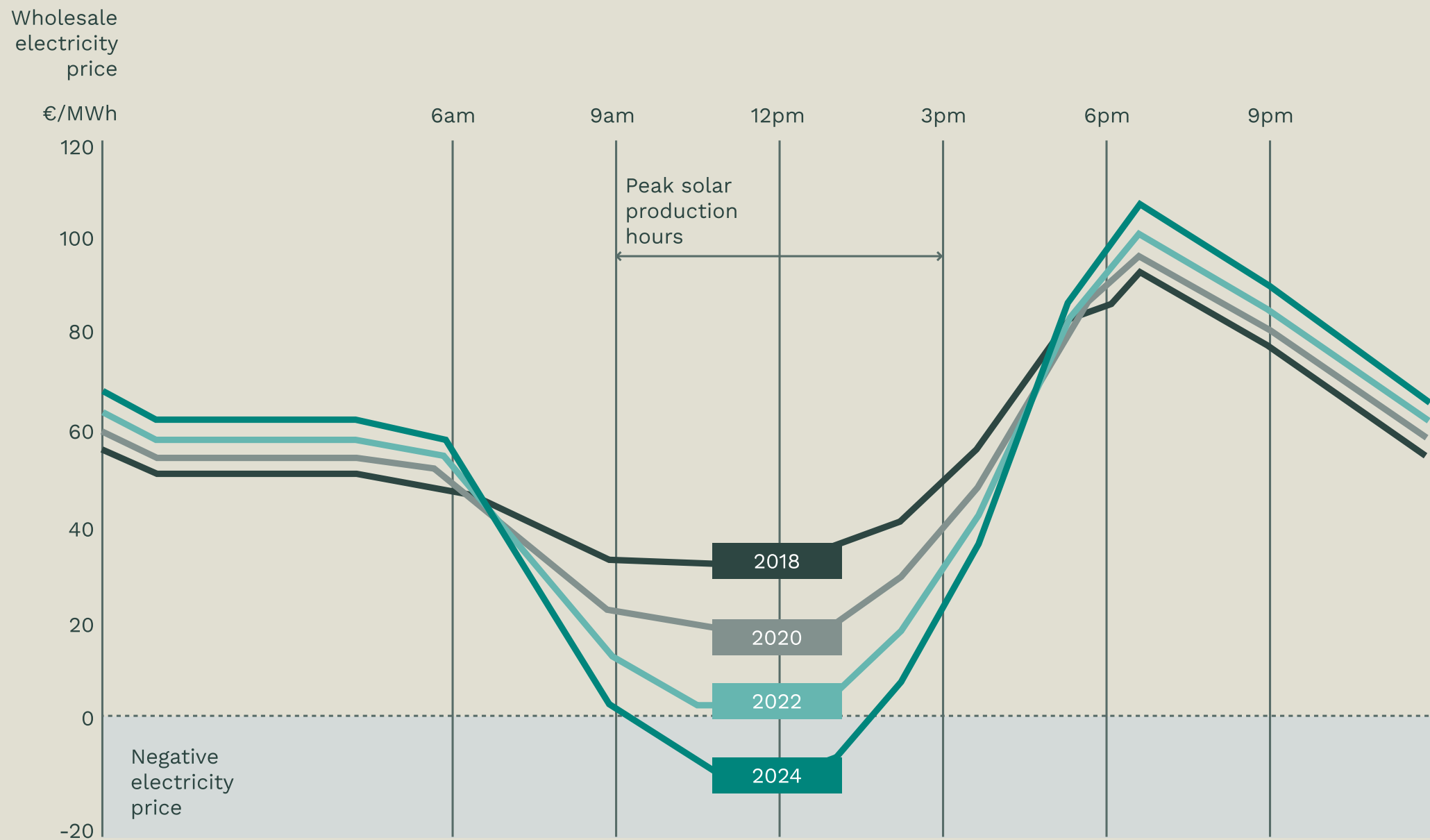
Sprogø Wind
Park, Denmark

04 MARKET DYNAMICS AND INDUSTRY CHALLENGES

- 4.1 Introduction to power markets
- 4.2 The opportunities in BESS
- 4.3 Fundamentals of BESS

Introducing the ‘Duck Curve’

The “duck curve” creates extremely low or even negative wholesale electricity prices during midday hours when solar energy generation is high, and causes high, volatile prices during the late afternoon and evening as solar power drops and demand surges. This is because solar power suppresses midday prices, and rapid ramp-up of other generation sources are needed to meet demand after sunset.



Example of wholesale electricity prices in Denmark during summer. Values are for illustrative purposes

Introduction to power markets

Power markets are systems in which electricity is traded between producers and consumers, often through competitive exchanges. These markets continuously balance supply and demand in real time, and the resulting price per megawatt hour (MWh) reflects this dynamic equilibrium. Electricity producers earn revenue by selling their output into these markets, where prices fluctuate with consumption patterns and generation levels.

As renewable energy penetration increases, these markets are undergoing rapid transformation. Unlike conventional power plants, which can adjust output to meet demand, renewable assets such as wind and solar generate electricity intermittently—only when the wind blows or the sun shines. This intermittency introduces new challenges for both system operators and developers, placing greater strain on the business case for these assets and fundamentally reshaping how value is created in the power sector.

A key outcome of this shift is greater price volatility, including the emergence of negative electricity prices. Periods of high renewable generation and low demand—such as midday during peak solar output—can drive wholesale prices below zero, meaning producers effectively pay the grid to take their electricity. This so-called duck curve illustrates how renewable output

can exceed both local consumption and grid capacity. Conversely, markets can experience sharp price spikes during scarcity events, amplifying revenue uncertainty. At the same time, developers face rising levels of curtailment, where grid operators limit renewable generation to prevent congestion or maintain system stability. Curtailment leads to both lost revenue and wasted green energy, further weakening the economics of new projects.

Together, increasing price volatility and curtailment underscore the need for more flexible solutions—such as battery energy storage systems (BESS)—that can stabilise returns and support the continued integration of renewables into European power markets.

For European Energy, the implications of these challenges are twofold:

- Existing renewable energy assets face increasing production challenges
- Price volatility itself creates a new business opportunity for standalone BESS projects

The opportunities in BESS

The rapid growth of renewable energy and evolving power market dynamics are creating a broad landscape of opportunities for Battery Energy Storage Systems (BESS). As energy systems shift toward greater flexibility, storage is emerging as a critical enabler of reliability, efficiency, and value optimisation across the electricity value chain. This section outlines the main opportunity areas for BESS deployment—highlighting where storage can unlock new revenue streams, enhance system resilience, and support the transition to a cleaner and more responsive energy system.

1. It absorbs negative prices

Batteries provide a natural hedge against the growing occurrence of negative prices. Instead of being forced to curtail renewable output or accept financial losses, developers can redirect excess generation into storage. By charging during these periods of low or even negative wholesale prices, BESS transforms a liability into an asset, ensuring that green electricity is not wasted and revenue streams are protected.

2. Turns volatility into value

Price swings, once a source of uncertainty, become a core driver of profitability with storage. BESS enables energy arbitrage. They can charge when prices are low and discharge when prices spike. This ability to actively shape market exposure means volatility is no longer a risk to be managed, but an opportunity to be monetised.

3. Supports overall grid stability

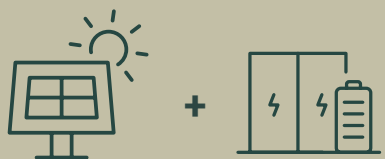
Beyond pure arbitrage, batteries also deliver essential system services. With their rapid response times, BESS can provide frequency regulation, balancing services, and congestion relief far more effectively than conventional solar PV assets. These services are referred to as ‘ancillary services.’ As renewable penetration increases and grids become more fragile, this system-level flexibility grows increasingly valuable. Both to operators and to renewable developers seeking stable access to the grid.

4. Enables renewables to compete

Perhaps most importantly, BESS changes the role of renewables in the market. Without storage, wind and solar projects are often passive “price takers,” forced to accept whatever market conditions dictate. By integrating BESS, developers gain control over when and how their electricity is delivered. This shift allows renewables not only to mitigate risks like curtailment and negative pricing but also to compete more effectively with conventional generation in delivering reliable, dispatchable power.



Visualisation of
Callemondah
BESS, Australia



Retrofit existing projects

Integrate BESS with existing European Energy solar assets

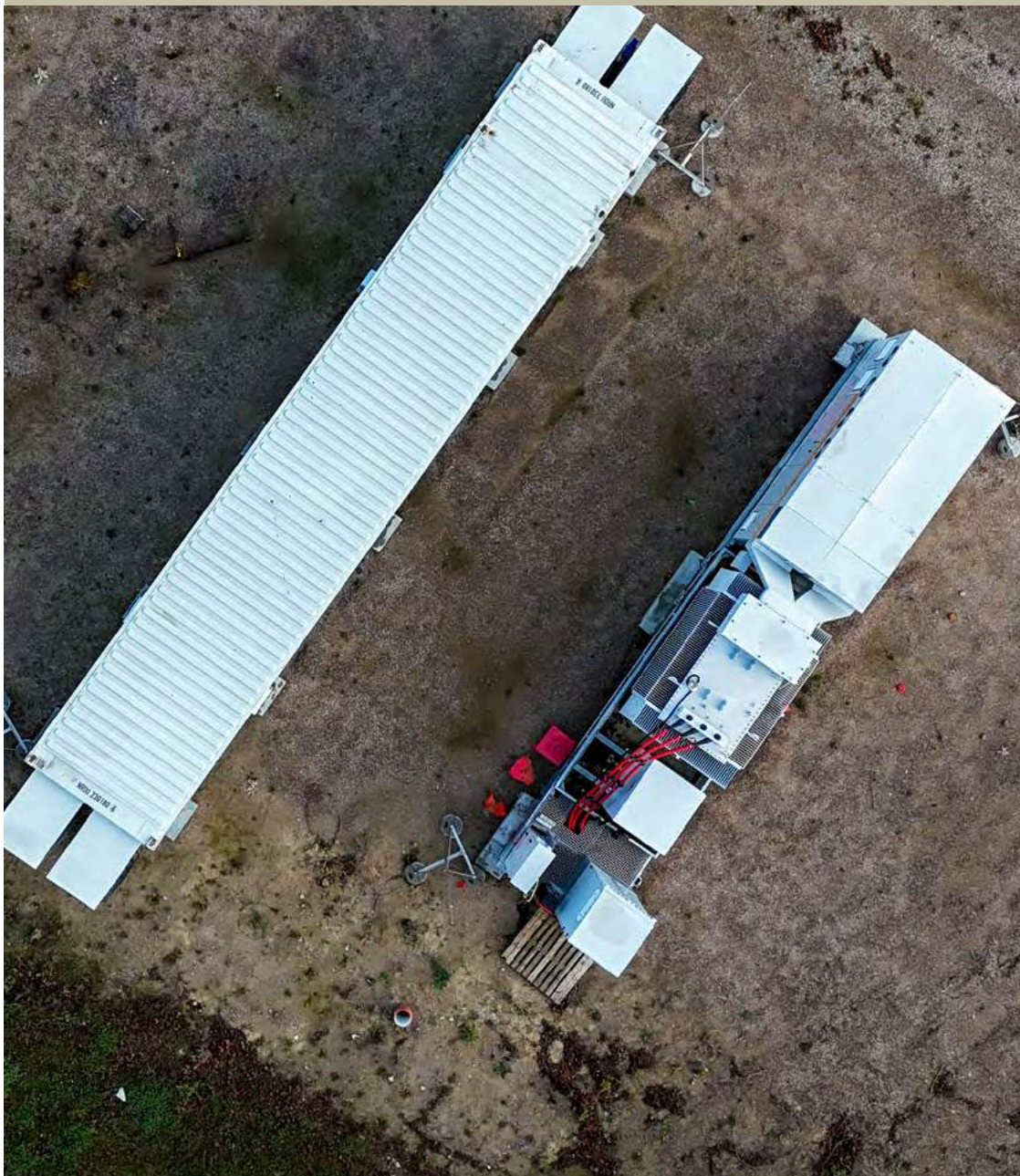
- Stores excess generation during low or negative price hours and releases it when demand and price increase
- Increases the utilisation rate and economic value of existing renewable assets
- Suitable for sites already experiencing curtailment or volatility



Standalone solutions

Integrate BESS as an independent grid-connected battery asset

- Charges when prices are low or negative and discharges during high-price periods
- Captures daily price differentials and supports grid stability
- Enables flexibility and additional revenue independent of already existing generation assets



BESS fundamentals

BESS introduction

To address these challenges, developers are turning to battery storage as a key enabler of the next phase of the energy transition. BESS is a large-scale system that stores electrical energy in batteries for later use, much like a rechargeable battery but on a much larger scale. BESS directly addresses the challenges caused by high renewable penetration such as negative prices, volatility, and curtailment. They are also emerging as a standalone investment opportunity.

For the purpose of the case two pathways¹ of deploying BESS should be considered.

BESS revenue stack

BESS assets generate revenue from several distinct streams, depending on the market, contract structure, and the battery’s capabilities.

There are generally three main revenue streams:

- **Energy arbitrage** – buying electricity when prices are low, storing it, and selling when prices are high
- **Ancillary services** – services that help maintain grid stability. BESS assets are usually remunerated by the Transmission System Operator (TSO) or Distribution System Operator (DSO). Revenues can be steady if contracted, or market-driven
- **Capacity markets** – seasonal payments made by the system operator for providing grid capacity services

In this case it is assumed that retrofit BESS assets generate a slightly higher revenue per megawatt than standalone assets. This is because retrofit BESS projects do not incur additional tariff costs for charging the asset from the grid.

BESS offtake agreements

In addition to understanding the revenue stack, it is important to define the three main types of BESS offtake agreements. These agreements are typically signed with power trading companies, utilities, or grid operators, and they directly influence the asset’s revenue potential, the level of risk borne by both parties, and the proportion of CAPEX that can be financed with debt. Generally, the higher the project risk, the lower the allowable debt share. The three agreements are:

- **Tolling agreement** – the BESS operator pays a fixed fee to the BESS owner and retains the revenue upside. Since the BESS owner receives no upside, this agreement typically yields the lowest absolute revenue
- **Floor agreement** – the operator of the BESS agrees to pay a minimum (floor) price per MWh and shares in any potential upside. Typically, the floor price is relatively low. Revenues are slightly less predictable than in a tolling agreement, but the potential upside is higher
- **Full merchant agreement** – the BESS has full exposure to market prices (through arbitrage and ancillary services). This offers potentially high rewards but carries the greatest risk among the three options

The availability of these agreements varies by market, depending on factors such as the capabilities of local power trading firms. Market-by-market view of availability is provided in the subsequent sections.

Note: 1. A third pathway also exists—the opportunity to develop new hybrid projects that combine a renewable energy source with BESS. However, for simplicity, only the two pathways described above should be considered in your solutions.

BESS costs

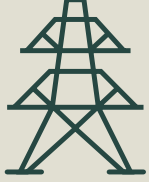
BESS projects are typically capital-intensive, with capital expenditures (CAPEX) constituting the largest share of expenditure. Operational expenses (OPEX) are relatively lower, compared to solar PV and onshore wind assets, due to less moving parts and a simple modular battery design. Development expenses (DEVEX) are also incurred by developers in each project but have been omitted from this case.

The CAPEX in projects is typically financed through a mix of equity and debt. Equity is provided by the parent company (the renewable energy developer) and debt is typically provided by lender such as a national bank. Each asset is set up as a Special Purpose Vehicle - a legally separate company that keeps project- specific risks separate from the parent company.



Construction

Main cost drivers:
CAPEX: equipment procurement, EPC contracts, logistics, quality control



Operation

Main cost drivers:
OPEX: maintenance, performance optimisation, asset management

BESS financing

The extent of debt availability depends on the offtake agreement for the BESS asset. More mature markets benefit from having a choice of different offtake agreements, whilst less mature markets generally only have fully merchant offtake options available. The offtake agreements have also implications for the cost of capital. The weighted average cost of capital (WACC) tends to be higher for projects with greater risk.

Typical values for the share of debt financing and the WACC changes are provided in the table below

Offtake agreement	Share of debt available for CAPEX financing	Weighted average cost of capital (example)	Rationale
Tolling	80%	5% (baseline)	Revenue is highly predictable, allowing for high leverage and lowest WACC
Floor	65%	7% (+2 pp to the baseline)	Revenue is more uncertain, but the floor price acts as a safety net, allowing for substantial leverage and a slightly higher WAVV
Merchant	50%	8% (+3 pp to the baseline)	The high level of risk typically limits debt financing

BESS development

Development of new BESS assets depends largely on the regulatory and permitting environment and differs significantly between countries. Generally retrofitted BESS assets can be deployed slightly faster than standalone BESS assets as the land for the project has been secured and most of the permitting work has been completed.



Mads Lykke Andersen,
Director, Head of Technology Development

“Battery Energy Storage Systems are the linchpin of a resilient renewable electricity grid. At European Energy, we’re engineering BESS to dynamically balance supply and demand, optimise hybrid asset performance, and unlock new revenue streams through grid services and energy arbitrage.





Kragerup
Battery Storage,
Denmark

05 THE CASE FOR ACCELERATING BESS

- 5.1 BESS strategy
- 5.2 Market opportunity
- 5.3 Trade-offs to consider
- 5.4 Metrics and case constraints



“BESS is no longer just an add-on—they’re a cornerstone of renewable integration. At European Energy, we’re deploying BESS to ensure that our solar and wind assets deliver stable, dispatchable power to serve the needs of our customers, even when the sun isn’t shining or the wind isn’t blowing.

Lise Lotte Lyck,
Vice President, Head of Asset PMO



BESS strategy

Responding to market shifts

Rooted in the Powering Up! strategy and driven by the recent market developments, European Energy now sees a need to adjust and accelerate its focus on BESS.

Falling power prices, growing curtailment, and increasing grid constraints are putting pressure on the profitability of our core solar and wind technologies. At the same time, BESS presents a powerful opportunity to enhance the value of existing assets and build new, flexible revenue streams.

By integrating large-scale storage into our portfolio, European Energy aims to both protect its core business and capture new growth opportunities in one of the fastest-growing segments of the energy sector.

Accelerating the BESS agenda

To translate this ambition into action, European Energy is advancing a focused BESS strategy aimed at scaling storage deployment across both new and existing assets. The goal is to identify where BESS can deliver the greatest strategic and financial value — whether by enhancing utilisation and stability in our current portfolio or by developing new, standalone storage projects that capture emerging market opportunities such as arbitrage and ancillary services.

This effort is not about isolated projects, but about building a coherent and scalable BESS platform across

our key markets. It requires careful prioritisation of where to invest, how to execute, and how fast to move, given differences in market maturity, regulation, and return potential.

European Energy has therefore launched a structured process to determine where and how to expand BESS over the next three years, balancing speed, risk, and long-term value creation to ensure that each investment strengthens both our core business and our future growth platform.

Setting the direction

As part of this initiative, European Energy has shortlisted ten priority markets for potential BESS rollout. These markets differ significantly in maturity, regulatory landscape, and commercial outlook — each offering distinct trade-offs between time-to-market, scalability, and return potential.

The objective is to identify where European Energy can achieve the optimal balance between strategic impact and execution feasibility within a total investment envelope of €300 million.

The following section introduces the market assessment framework that will guide this analysis. It outlines the key metrics used to evaluate market attractiveness and operational feasibility — forming the foundation for your recommendations on how European Energy should accelerate its BESS expansion and shape the next phase of the green transition.

“Battery storage is the catalyst that will unlock the full potential of renewables in Poland. We’re not just planning for BESS—we’re building the backbone of a smarter, more resilient energy system. European Energy’s commitment to innovation and local partnerships is what makes this transformation possible

Olga Sypula,
Vice President, Regional Manager, Central Europe



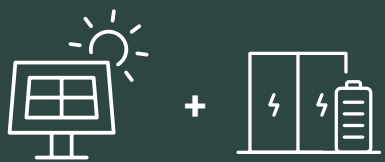
Market opportunity

BESS market opportunities

European Energy has identified two high-potential segments within the BESS market that will guide its near-term expansion: BESS retrofits and standalone BESS projects. These segments represent where storage can most effectively create value — either by improving utilisation across existing renewable assets or by enabling new, independent revenue streams.

Unlocking growth potential

The figures presented in the following section illustrate the pipeline of maximum BESS power output (in megawatts) that European Energy could realistically develop in each market over the next three years, divided into 1) BESS retrofit and 2) BESS standalone. For simplicity, the analysis focuses on installed capacity (MW) only, excluding total energy storage (MWh) and “born-hybrid” projects where batteries are integrated with new renewable generation from the outset.



BESS retrofits

This opportunity leverages European Energy’s existing operational solar PV portfolio. Several of these assets face increasing production challenges due to more frequent negative prices and curtailment events. Retrofitting them with BESS can help mitigate these issues and enhance asset value. The total potential for this segment corresponds to the combined capacity of the operational solar PV portfolio.

When assessing the business case, focus solely on the battery component of the asset, not on the combined battery–solar asset.”



Standalone BESS

Standalone BESS projects can generate value through electricity price arbitrage and participation in ancillary services markets, where operators are remunerated by transmission system operators for providing grid stability services. The estimated market potential for this segment is based on European Energy’s current development pipeline and market feasibility assessments.



Metrics and case constraints

To guide decision-making and ensure a consistent approach across geographies, European Energy uses a structured market assessment framework to evaluate where and how to expand its BESS activities. The framework captures the economic, regulatory, and operational factors that determine the feasibility and value potential of battery storage investments in each market.

The parameters shown on the next page are designed to help balance speed, risk, and value creation — three central considerations in European Energy’s BESS strategy. They enable a data-driven comparison across markets at different stages of maturity, ensuring that opportunities can be assessed on a comparable basis.

Each metric provides insight into one of the following areas:

- Economic factors – indicators of market volatility, revenue potential, and investment required.
- Regulatory and financing conditions – including policy support, permitting timelines, and access to project finance.
- Operational context – such as grid capacity, competition intensity, and development lead times.

Please refer to Appendix 1 for country-level datapoints

Table 1: Metrics for market assessment		
Metric	Definition	Remarks
Annual revenue potential (€k/MW/year)	Estimated average annual gross revenue that a BESS asset can generate per megawatt of installed power capacity. This includes revenues from energy arbitrage, ancillary services, capacity payments, or other market mechanisms.	For countries where multiple offtake agreements are available, the revenue values provided assume a tolling offtake agreement as the baseline. For floor agreements, an additional 7.5% revenue should be added on top of the baseline, and for merchant agreements, an additional 15% should be added. For countries where merchant exposure is the only option, use the default values provided. Remember that whilst some agreements can result in a higher upside, they also result in taking on more risk. Since battery capacity degrades over time, assume a 2% annual decline in revenue. You assume a BESS asset lifetime of 15 years.
CAPEX (€k/MW)	Total capital expenditure required to build and commission one megawatt of BESS capacity, including equipment (battery modules, inverters, transformers), construction, grid connection, and development costs.	Note that the extent of available debt financing, expressed as a share of CAPEX, varies depending on the offtake agreement. The current values are 80% for tolling, 65% for floor, and 50% for merchant agreements. Assume that the CAPEX expenditure occurs at the beginning of the development of a project, that is in the first year. Keep this in mind considering the limited equity pool available. End-of-life and decommissioning costs should be ignored.
OPEX (€k/MW/year)	Annual operating expenditure per megawatt of installed capacity, covering maintenance, system management, insurance, degradation-related replacements, and other recurring costs.	Assume that the CAPEX expenditure occurs at the beginning of the development of a project, that is year 0
WACC (%)	Weighted Average Cost of Capital — the blended rate of return required by both equity investors and debt providers for financing a project in that market.	The default WACC value corresponds to a tolling offtake agreement. For a floor agreement, add 2 percentage points to the baseline, and for a merchant agreement, add 3 percentage points.
Offtake agreement availability	Indicates the types of revenue contract structures accessible for BESS projects in a given market: - Tolling agreements – the BESS is operated by a third party, and the developer receives a fixed fee for providing storage capacity. - Floor contracts – the BESS receives a minimum guaranteed revenue with upside participation if market prices exceed a floor. - Merchant – the BESS sells electricity and grid services directly on the market without guaranteed revenues.	More mature markets typically offer all three options, whereas less mature markets often offer only merchant exposure, which carries the highest risk.
Development timeline (years)	Average duration required to bring a BESS project from initial development (site identification, permitting) to commercial operation.	
Identified market potential for EE (MWs)	Total volume of BESS capacity (in MW) that European Energy could realistically develop in that market, based on grid capacity, land availability, project pipeline or operational solar PV portfolio	Consider the trade-offs between keeping assets as part of the independent power producer portfolio and selling them to investors for the purpose of cash recycling. Creating models of capital recycling is not necessary for this case

When preparing your recommendations, please use these parameters to justify your prioritisation of markets and sequencing of investments. You are also encouraged to supplement your analysis with additional research or assumptions where relevant.

Timing of investments (capital constraints)

European Energy has committed a total of €300 million in equity capital for BESS deployment over the 2026–2028 period. Of this, up to €100 million per year can be allocated, reflecting the company’s current capacity to raise and recycle capital through project divestments. Your proposed roadmap should therefore consider both market attractiveness and annual investment pacing to ensure a realistic and actionable rollout plan.

Cont. Table 1: Metrics for market assessment

Metric	Definition	Remarks
Market capabilities and experience	This metric describes the company’s existing footprint, capabilities, and experience of developing solar PV or onshore wind projects in each market — including the presence of local teams, past project delivery, and familiarity with regulatory, technical, and permitting processes. Please refer to Appendix 2 for country-level information	A strong local platform enables greater control across the value chain and smoother execution, while a limited footprint may require building new competencies and relationships from the ground up. Expanding internal capabilities in a new market can, however, extend development timelines, as it involves establishing local expertise, and originating projects from scratch.
Regulatory support	Qualitative assessment of how supportive the market’s regulatory environment is for BESS deployment — including clarity of grid rules, permitting procedures, and market participation rights Please refer to Appendix 3 for country-level information	Keep in mind that the regulatory environment can change with each election, potentially affecting the level of support for renewable energy development
Competition intensity	Assessment of how many developers, investors, and operators are already active in the BESS segment of that market, and how advanced their projects are. Please refer to Appendix 3 for country-level information	A highly competitive market may result in lower profitability, increased difficulty in securing sites or contracts, and challenges in selling projects. Consider potential first-mover advantages for markets with low competition



“Securing financing for BESS is not just about funding infrastructure—it’s about enabling flexibility, resilience, and long-term value. At European Energy, we structure our investments to align with both climate goals and commercial returns, ensuring that BESS projects are bankable, scalable, and future proof

Jeremy Bennett,
Director, Global Head of Project and Asset Finance

Market portfolio

Trade off:

Entering multiple markets spreads risk and captures more optionality but increases complexity and resource requirements. Focusing on a single or few markets simplifies execution but increases exposure to local events.

Guiding question:

What is the optimal balance between exposure to mature and emerging BESS markets?

Contracted vs. merchant revenue

Trade off:

Increasing contracted exposure provides revenue certainty and improves bankability, which can reduce financing costs and mitigate downside risk. In contrast, greater merchant exposure allows participation in price spikes and upside potential but increases revenue volatility and the risk of stranded investment.

Guiding question:

What is the optimal balance between contracted and merchant revenue given risk/return assumptions and CAPEX needs?

Time to market

Trade off:

Accelerating time to market through retrofits or fast-track projects allows earlier cash flow and potential first-mover advantage, but may constrain asset optimisation and market positioning. Longer development timelines for greenfield projects can unlock higher long-term returns through optimised design and market alignment, but delay revenue and increase exposure to regulatory or market shifts.

Guiding question:

How should European Energy weigh the return vs. time to market consideration, given different development timelines?

Value-chain ownership

Trade off:

Owning more of the value chain increases operational control, margin capture, and the ability to shape market strategy, but adds complexity, capital requirements, and deployment time. Outsourcing or limiting integration improves flexibility, accelerates deployment, and reduces organisational strain, but may sacrifice margin and strategic control.

Guiding question:

Should the company prioritise control and margin capture, or flexibility and speed?

Tradeoffs to consider

To make a sound recommendation, you should consider the strategic trade-offs involved in shaping European Energy’s BESS strategy. This includes evaluating how different choices — such as the balance between mature and emerging markets, retrofitted versus stand-alone projects, and the degree of in-house versus partner-driven development — affect the overall mix of risk, return, and implementation speed. The optimal portfolio will not simply maximise financial value, but also ensure a resilient and scalable foundation for European Energy’s long-term position in the storage market.

Closing remarks

European Energy has entered the next phase of its evolution. Having proven its ability to scale wind and solar globally, the company is now faced with a more complex question: how to integrate BESS into its portfolio at speed and scale. The shift is not optional. As renewable penetration grows, market dynamics are changing rapidly, negative prices are becoming more frequent, volatility is increasing, and curtailment threatens project economics. Storage is no longer a side bet, but a necessary capability to remain competitive.

For European Energy, the timing could not be more critical. Over the next three years, the company has set aside €300 million in capital to establish a meaningful presence in BESS. Yet capital and organisational capacity are limited. European Energy cannot pursue every promising market at once. It must prioritise, sequence, and allocate resources with precision. This decision is complicated by the very nature of the markets themselves. Some offer high volatility and attractive arbitrage opportunities but come with long permitting timelines. Others are easier to enter quickly but present lower upside. In certain regions, European energy's existing pipeline offers synergies, lowering barriers to entry. In others, first-mover advantage might open doors before competitors arrive, but with greater regulatory risk.

The trade-offs are real, and the stakes are high.



Troia Solar Park,
Italy

APPENDICES

Appendix 1: Market data

Appendix 2: European Energy capabilities and experience

Appendix 3: Regulatory support and competition

Appendix 4: Glossary

Appendix 1: Market data

Market	Annual revenue potential (€/MW/year)		CAPEX (€/MW)		OPEX (€/MW/year)		WACC (%)	Offtake agreement availability	Development timeline from initiation to comissioning (years)		Identified market potential for EE (MWs)	
	Retrofit	Standalone	Retrofit	Standalone	Retrofit	Standalone			Retrofit	Standalone	Retrofit	Standalone
United Kingdom	90	75	440	500	25	30	5%	All 3 contract types	1	1.5	200	800
Poland	110	100					7%	Merchant-only	1	1.5	200	600
Germany	150	130					5%	All 3 contract types	1.5	2	0	1000
Denmark	95	90					5%	All 3 contract types	1	1.5	400	500
Lithuania	120	120					7%	Merchant-only	0.5	1.5	200	200
Australia	105	95					5%	All 3 contract types	1	1.5	300	1200
Finland	120	110					5%	All 3 contract types	1	1.5	0	200
Czechia	110	100					7%	Merchant-only	1	2	0	300
Romania	120	110					9%	Merchant-only	1	1.5	0	500
Greece	120	115					9%	Merchant-only	1.5	2	0	300

Appendix 2: European Energy capabilities and experience

Market	European Energy Capabilities and Experience
United Kingdom	The company has an established platform in the UK with broad capabilities covering project development, engineering, procurement, and construction. Local teams have delivered several renewable assets, supported by mature relationships with suppliers and grid operators.
Poland	The Polish business has developed a strong market position with full project development and construction expertise. Local operations are well integrated, benefiting from prior large-scale renewable deployments and established connections with national stakeholders.
Germany	The company has a well-developed presence in Germany with comprehensive experience across the renewable value chain. The team is familiar with permitting processes, technical standards, and the German grid environment, supporting consistent project execution.
Denmark	As the home market, Denmark remains the company’s operational and strategic core. All major functions — development, engineering, procurement, construction, and operations — are coordinated locally, drawing on extensive experience and internal resources.
Lithuania	The company holds a meaningful position in Lithuania, having developed and built multiple renewable projects. Its local operations encompass the main stages of the value chain and are supported by a strong network of regional suppliers and contractors.
Australia	The company’s footprint in Australia is expanding quickly, with active development and construction teams. Experience from solar and hybrid projects has established a versatile local presence capable of managing large-scale initiatives.
Finland	In Finland, the company’s activities are centred on early-stage project origination and development. Local efforts focus on market analysis, site acquisition, and permitting groundwork as part of a growing presence in the Nordic region.
Czechia	The Czech market is in an early build-up phase, currently represented by a small local team exploring new opportunities. Operations are focused on establishing the initial pipeline and developing institutional knowledge of the regulatory and grid environment.
Romania	The company has an expanding footprint in Romania, with a team engaged in project development and market scouting. Activities include site identification, early permitting, and stakeholder engagement across emerging renewable zones.
Greece	The Greek presence is developing steadily, with active early-stage project work and growing local expertise. The company has initiated limited construction activity, supported by increasing familiarity with local permitting and grid procedures.

Appendix 3: Regulatory support and competition

Market	Regulatory Support	Competitive intensity
United Kingdom	The UK has implemented mechanisms like the Ofgem-led policy consultations and the National Grid ESO Capacity Market and system-services frameworks, making storage eligible for several routes (balancing, ancillary services). However, some key subsidy schemes (e.g., long-duration storage cap-and-floor) still carry eligibility constraints and investor uncertainty persists, so while support is well-established, there remain gaps in ease of entry and clarity for new projects.	Deployment has surged (several GW commissioned since 2020) and a large developer and fund community (independents, utilities and specialist storage owners) is pursuing both merchant and contracted routes — creating a deep pipeline, heavy queueing for grid connections, and fierce auction competition for capacity and ESO contracts. Recent industry analysis highlights queue over-subscription and intense bidding behavior.
Poland	Poland is rolling out a major subsidy programme (approx. EUR 1 billion) for storage systems (≥2 MW) through its National Fund for Environmental Protection and Water Management, with grants covering up to ~65 % of project cost and a goal of +5 GWh by 2028. These clear, large-scale signals and state-backed financing mark a strong and rapidly emerging regulatory platform for storage.	Large incumbent utilities and state-affiliated players are deploying multi-site portfolios, while new private entrants and regional developers are responding to public procurement and state support — creating a competitive mid-sized project market where grid-connection availability and access to state incentives often determine winners.
Germany	Germany has comprehensive storage-relevant regulation embedded in the Erneuerbare-Energien-Gesetz (EEG), Energiewirtschaftsgesetz (EnWG) and by the Bundesnetzagentur around grid-fees/levies. That said, the rules still present significant complexity (e.g., ambiguity around avoided grid charges, levy exemption) and fewer recent headline incentives dedicated exclusively to battery storage — the regulatory support is in place but less aggressive than in some peer markets.	Very high in certain segments — particularly short-duration, frequency and behind-the-meter aggregation. Established utilities, industrial players and specialist storage developers are all active, and the market dynamics are shaped by complex grid-fee/levy rules and subsidy eligibility that savvy developers exploit or game.
Denmark	Denmark offers a solid technical and grid-integration framework (via Energinet connection regulations and national demonstration programmes) which provides clarity around pilot and demonstration storage projects. However, large-scale commercial subsidy or dedicated storage tenders remain limited, so regulatory support is present but modest in scale and commercial maturity.	Moderate to low for large commercial BESS today — activity is driven by technology providers, research institutions and a smaller set of utilities running pilots and demonstration projects. Commercial utility-scale pipelines are growing but the market is not yet as densely populated with bidders as the largest EU markets.
Lithuania	Lithuania is moving fast: the government has launched storage-specific procurement and subsidy calls (targets ~1.7 GW/4 GWh) and allows storage to bid in technology-neutral capacity mechanisms. Grants of up to 30 % of capex have been made available for 15–150 MW projects. These strong, targeted measures make the regulatory environment among the most supportive in the region.	The market has seen a handful of sizeable projects and competition from both local and Baltic regional developers, but it remains less crowded than major EU markets; public procurement often concentrates activity among a small set of bidders.
Australia	Australia’s support framework includes rule reforms (via the Australian Energy Market Commission/Energy Security Board) to recognise aggregation, virtual power plants and scheduled storage, plus state and federal incentive programmes. Nonetheless, dedicated large-scale battery subsidy schemes are fewer in number and competition for grid access remains a challenge — so support is clear but at an intermediate level.	Mixed and growing — strong competition from Virtual Power Plant (VPP) aggregators, energy retailers, large developers and community projects. Retailer-led VPP growth and several marquee grid-scale projects have created a diverse competitive set where merchant and contracted business models coexist.
Finland	Finland has begun to clarify and standardise framework conditions for grid-scale storage (via national grid operator and Ministry planning documents) and is opening up dispatch and congestion-relief roles. On the other hand, major dedicated storage subsidy or large procurement programmes are still few, meaning the regulatory environment is supportive, but still in an earlier development stage.	Moderate-high: established utilities and specialist developers are moving from pilot to pipeline stages; the base is smaller than core EU markets but developer interest and financing appetite are both visible, increasing competition for good sites and grid slots.4
Czechia	Czechia is aligning with EU storage and system-flexibility directives, and regulatory clarification is underway. However, it lacks large-scale, dedicated storage tenders and the commercial conditions are still emerging rather than fully matured. Thus regulatory support exists but remains modest and relatively early-stage.	A small number of local developers and a few regional players dominate early projects; the market is at an earlier commercial stage so competition is limited but accelerating as market rules clear.
Romania	Romania has increasing regulatory signals (EU-driven funding, some large connected projects) and is improving transparency for storage licensing and grid connection. But dedicated nationwide subsidy programmes for storage remain scarce and many of the regulatory details are still evolving — so support is emerging rather than strongly established.	Incumbent renewables developers and some new entrants are integrating storage to firm portfolios; while the market lacks the depth of the largest EU countries, active projects and early procurement are creating a noticeable competitive set.
Greece	Greece now features tenders and pilot programmes aimed at supporting storage (e.g., firming renewables through dispatchable storage) and regulatory discussions around grid integration are underway (via Regulatory Authority for Energy). While this represents a clear signal to developers, the ecosystem of dedicated storage-support programmes is only moderately mature.	Utilities, incumbent renewables companies and specialist storage developers are all active; the market sees several commercial pilots and tendered projects but remains less saturated than the biggest EU markets.

Appendix 4: Glossary

Solar PV
Technology that converts sunlight directly into electricity using photovoltaic cells.

Power-to-X
Technology converting electricity into other energy carriers like hydrogen, ammonia, or synthetic fuels.

Electricity curtailment
Intentional reduction of electricity output from a renewable energy source due to grid constraints or low demand.

Negative prices (electricity)
Occurs when electricity supply exceeds demand, and producers effectively pay to feed power into the grid.

E-methanol
Methanol produced using renewable electricity, often via hydrogen from water electrolysis.

Project pipeline
The collection of projects a company is developing, at various stages from concept to construction.

Megawatt (MW) / Gigawatt (GW)
Units of power. MW = 1 million watts, GW = 1,000 MW. Indicates generation or storage capacity.

Divestment
Sale of an asset or project, often to free capital for other investments.

Installed capacity
Maximum power output a plant or system can produce under ideal conditions.

Asset management
Ongoing operation and optimisation of energy assets to maximise value.

Assets under Management (AUM)
Total value or capacity of projects/assets being managed by a company.

Megawatt hour (MWh)
Unit of energy representing one megawatt of power delivered over one hour.

CAPEX
Capital expenditures: upfront costs to develop or construct a project.

DEVEX
Development expenditures: costs incurred in project development before construction starts.

OPEX
Operating expenditures: ongoing costs to operate and maintain an asset.

WACC
Weighted Average Cost of Capital: average rate a company pays for capital from debt and equity.

EPC
Engineering, Procurement, and Construction: contracting model covering design, supply, and construction of projects.

Battery Energy Storage System (BESS)
System that stores electricity in batteries for later use, enhancing grid flexibility and stability.

Retrofit BESS project
Adding new technology, e.g., BESS, to an existing asset.

Standalone BESS project
A battery project built independently without being coupled to an energy source

Born-hybrid BESS project
Project designed from the start to combine multiple technologies, e.g., solar + BESS.

Ready to build
Project stage where permits, design, and financing are complete; construction can start immediately.

Forward sale
Sale of a project before construction begins, typically under an agreement with a buyer or investor.

Commercial Operation Date (COD)
The date on which a project is officially declared fully operational and able to deliver its product or service at the agreed performance levels

Arbitrage
Buying electricity when prices are low and selling or discharging stored energy when prices are high.

Ancillary services
Services provided by energy assets to support grid stability, like frequency regulation or voltage support.

Capacity markets
Markets where operators are paid to maintain available power capacity, even if not actively generating.

Revenue stack
Combined revenue streams a project can access, showing total potential earnings.

Power Purchase Agreement (PPA)
Contract selling electricity from a project to a buyer at agreed terms, providing revenue certainty.

Tolling agreement (BESS)
Contract where the battery operator provides storage services to a third party for a fixed fee.

Floor agreement (BESS)
Contract guaranteeing a minimum price for electricity stored and sold, mitigating downside risk.

Merchant (BESS)
Revenue from selling stored electricity directly on the wholesale market without guaranteed contracts.

The content of this case is solely the responsibility of its developers. European Energy A/S assumes no responsibility for any statements, data, or references contained herein. This document is intended exclusively for use in the CBS Case Competition 2025 and may not be cited, reproduced, or distributed publicly without the prior written consent of the authors.

Thank you for your contribution.
We wish you all good luck!