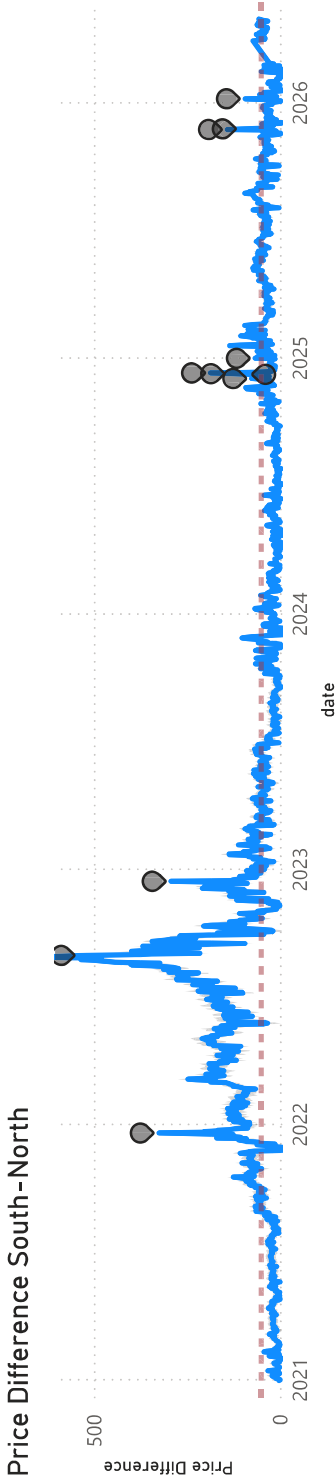


Norwegian Electricity Prices 2021-2026, South vs North



Explaining Price Spikes

The visualizations show significant price spikes, with some exceeding 800 EUR/MWh.

These spikes are typically driven by:

- 1.Extreme Weather:** Severe cold snaps in winter drastically increase demand for electric heating in Norway.
- 2.Hydrological Balance:** Norway relies heavily on hydropower. Low precipitation or low reservoir levels can tighten supply.

- 3.Interconnector Exposure:** The Southern regions (NO2 especially) are connected to Germany and the UK. High prices or gas shortages in Europe can pull Norwegian prices up through these links.

Price Converge Analysis

While the North-South divide is persistent, we occasionally see periods of **price convergence**. This happens when:

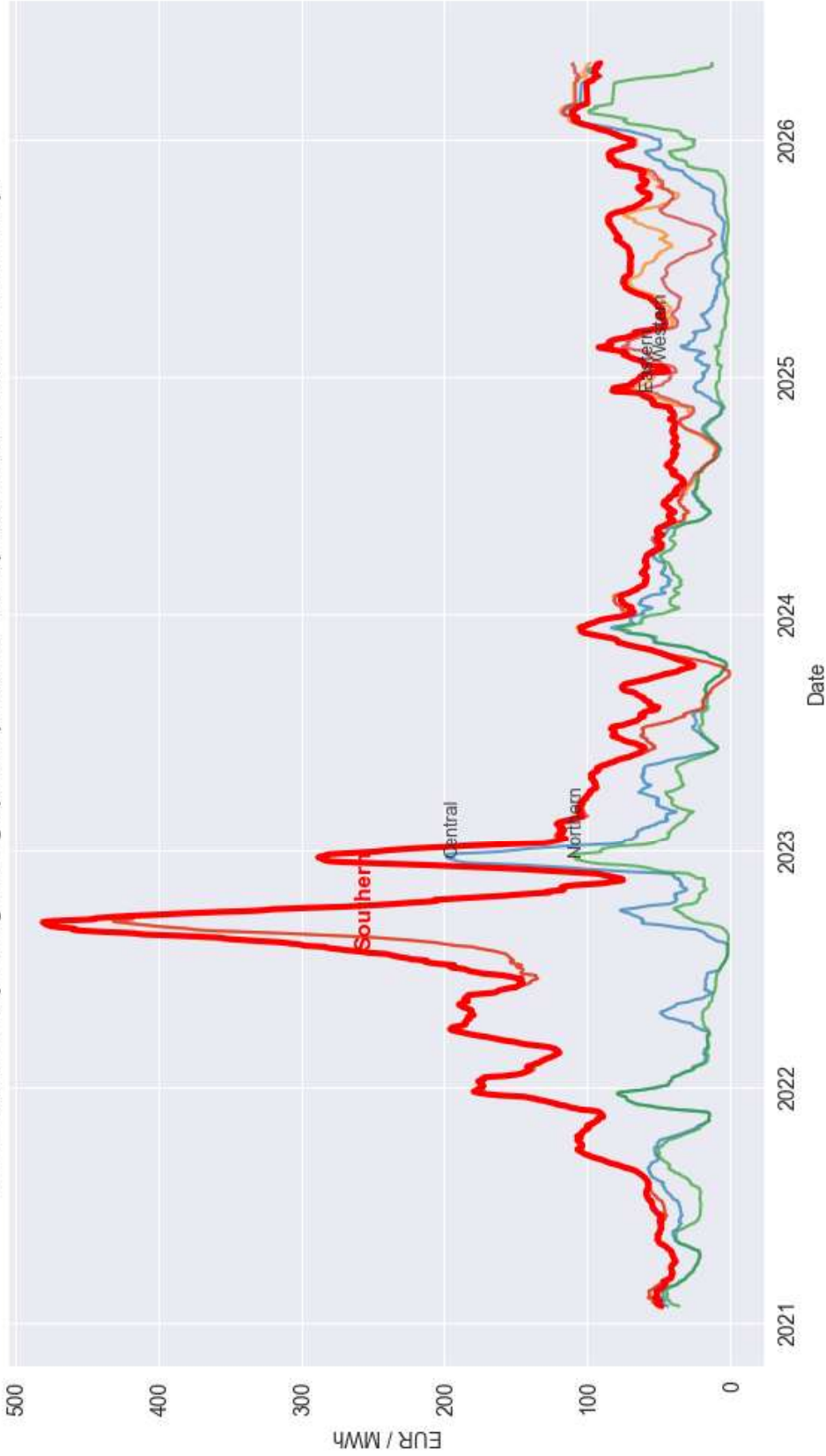
- 1.High Renewable Output in Europe:** If wind and solar production are very high in the UK and Germany, prices in Southern Norway drop to match the cheap northern prices.
- 2.Grid Upgrades:** Ongoing investments in the Norwegian transmission grid (Statnett) slowly increase the capacity to move power between zones, reducing bottlenecks.
- 3.Extreme Low Demand:** During periods of very low demand (mild spring/autumn weekends), the existing grid capacity may be sufficient to equalize prices across the country.



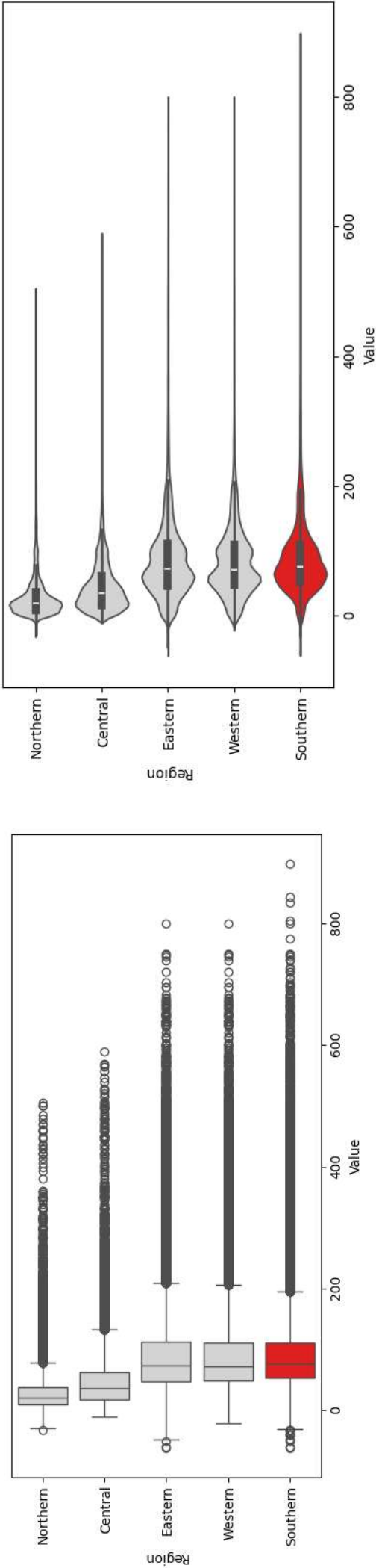
North-South	Zone Code	Zone Name
North	NO3	Trondheim (Central Norway)
North	NO4	Tromsø (Northern Norway)
South	NO1	Oslo (Eastern Norway)
South	NO2	Kristiansand (Southern Norway)
South	NO5	Bergen (Western Norway)

Esri, TomTom, FAO, NOAA, USGS, Esri

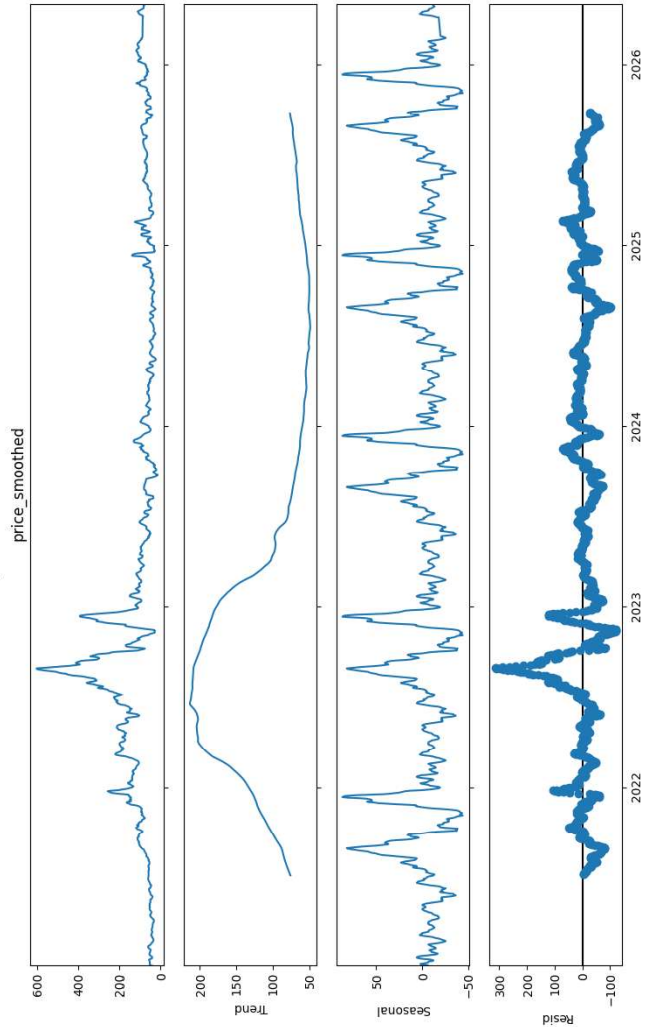
2021-2026, 30-day rolling average power prices for the 5 price zones: Southern area on top



Distribution Spot Price MWH EUR 2021 -2026



Seasonal Decomposition - Southern Prices



Seasonal Decomposition - Northern Prices

