

# Potential Improvements from EIA's Clean Power Investment Workshop on June 23, 2022

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## Background

The U.S. Energy Information Administration (EIA) held a workshop on June 23, 2022, to explore topics related to energy investment that could bring about a future low-carbon energy mix. We focused on factors that influence decisions about transitioning to less carbon-intensive sources of electric power capacity around the world. The workshop brought together experts from government entities and investment communities to discuss technical considerations for improving the International Electricity Market Module, the primary module used to provide electricity supply projections for our *International Energy Outlook*. Although resources have not yet been allocated, we are considering the improvements listed below as a result of this workshop.

## Potential improvements

- Research, and model (if feasible), additional governmental policies supporting renewable generation or capacity targets, beyond the set of policies we currently model
- Improve the representation of electricity prices and how they drive investment in the electric power sector
- Consider the following cost and investment decisions:
  - Refine our cost of capital and project financing assumptions to more realistically model investment decisions at the country and region level
  - Research and potentially incorporate funding mechanisms from external sources (for example, grants, concessional loans, and investment and risk-sharing instruments) for clean energy projects in developing countries
  - Research and potentially incorporate constraints on the supply of renewable resources that could affect their cost
  - Where applicable, incorporate costs of externalities—side effects or consequences of an industrial or commercial activity that affect other parties without being reflected in the cost of the goods or services involved
  - Incorporate grid infrastructure costs and supply chain considerations when assessing regional costs for deployment of technologies
  - Implement additional risk indicators representing concepts such as ownership rights, stranded assets, or political, economic, and financial considerations

## Contact

Please contact [the \*International Energy Outlook\* team](#) with questions.