

The Role of Green Energy in Investment Strategy Plans of European Listed Electricity Utility Companies

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In recent years green energy has become popular topic among of different investors. Adapting of this investor's need more and more companies target to increase their contribution into using of renewable energy sources. Electricity utilities companies with significant carbon-footprint are representing the backbone of total energy generation which are typically listed on the local stock exchange.

The aim of this paper is to analyse and summarize the tendencies and future visions of electricity utilities companies with regard to renewable energy sources (RES). The main question is to what extend are the electricity generator companies planning with RES power plants. What do their expectations shows in light of their CAPEX for the following years? Are there significant differences between central and western European countries?

This article scrutinises and compares the investment strategy and investment policies of western and central European electricity utilities companies. Overall 105 listed companies have found in Europe within the 'Conventional Electricity' sector (based on Bloomberg sector classification). From these relevant companies TOP20 Western and TOP20 Central European groups (based on market capitalization) have been analysed in this paper. The research was conducted based on publicly submitted management reports, official investment strategies presentation and strategic plans for the following years.

The obtained results indicate significant differences with regard to strategy vision of investment policies, but in general RES takes a significant part of further CAPEX of analysed companies. Almost each companies calculate with organic growth in their business strategy for the following years, but their investment focused not only on power plants, but also on other energy services such as (i) innovation and digitalization in power generation: battery storage and flexible demand response, cloud solutions (ii) e-mobility: construction of electricity car charging points (iii) new opportunities in waste management.

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