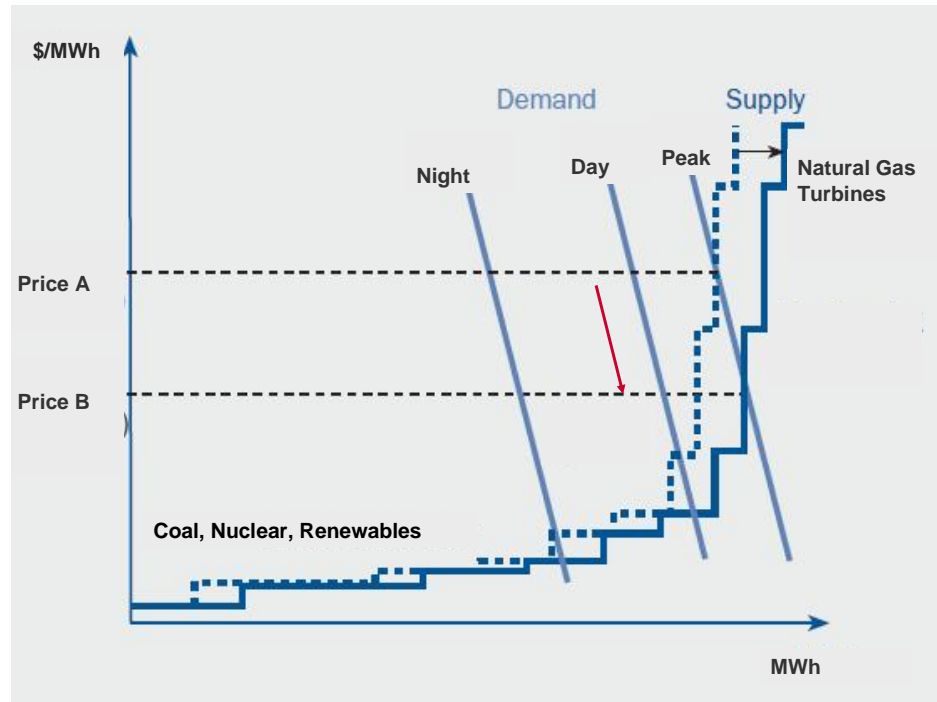


## Wind Energy Lowers Wholesale Energy Prices



Generators bid in the cost of their next unit of production. The market price is set at the intersection of the supply stack and demand. Every generator is paid that price for each unit of energy. The marginal costs of wind power are essentially zero with wind incurring no fuel costs; wind generators bid their price accordingly. More wind added to the grid shifts the supply stack (dotted supply curve) to the right (solid supply curve) when wind power is being produced. The result is a lowering of the clearing price from Price A to Price B.