

# Utilities | Energy Suppliers

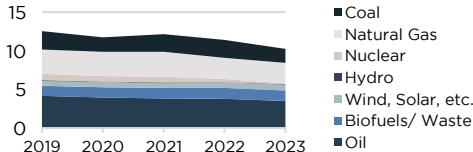
## Industry Perspectives and Insights

### Market Size

The power supply market is forecast to increase at a compound annual growth rate of ~4.81%, mainly driven by the growing demand for consumer electronic devices,

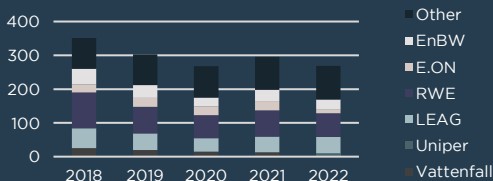
The war in Ukraine led to a sharp drop in energy consumption and in the supply of oil and gas. CO2 intensity increased in 2022 due to the increase in coal-fired power but is expected to decline sharply from 2023.

### Total energy supply (TES) by source, Germany 2017-2021 in million TeraJoule (TJ)



Source: <https://www.iea.org/countries/germany/energy-mix>, 14.04.2025

### Share of the 5 top-selling companies in the electricity first-time sales market (TWh)



Source: <https://data.bundesnetzagentur.de/Bundesnetzagentur/SharedDocs/Downloads/EN/Areas/ElectricityGas/CollectionCompanySpecificData/Monitoring/MonitoringReport2023.pdf>, 14.04.2025

### Facts

62% of the withdrawal volume of all households is still obtained from the basic supplier. The position of the basic supplier in their respective supply areas thus remains strong. Around 5.4 million household customers changed their electricity supplier in 2020. Household customers are increasingly opting for a supplier that is not the basic local supplier and thus for a lower-priced electricity supply contract.

### Key trends

- **Grid modernization:** utilities increasingly plan to deploy advanced metering infrastructure.
- **Grid flexibility:** battery storage deployment will accelerate despite supply chain issues.
- **ESG reporting:** environmental, social and governance reporting is gaining relevance.
- **Decarbonized fuels:** opportunities to use clean hydrogen will be pursued.
- **Electrification of transport:** greater focus on preparing for an increase in electric vehicles.

### Key Market Challenges

- High voltage direct current (HVDC), **renewable energy** sources, **regulatory** and **safety standards** are expected to hinder market growth.
- Due to Covid-19 economic **uncertainty**, partial **shutdowns**, and **hindered supply chains** growth was slowed down.
- Growing importance of the ability to store energy in large-scale **battery storage** and grid integration systems.

### Key Market Driver

- **Modern Energy Services:** the rise in economic growth, rapid urbanization, the increase in the need for reducing poverty, and improving the quality of life with the help of modern energy services has a positive impact on the market.
- **Sustainability:** increasing pressure from climate change and pollution is driving the development of alternative, renewable energies.
- Rise in the applications of the **Internet of Things (IoT)** including smart homes and cities, Machine-to-Machine (M2M) communications, Industrial IoT, and a **growing demand** for **consumer electronic devices** accelerate the market.
- **Timely Investment:** increasing need for long-term energy security offers potential for economic development and a sustainable environment.