Cost of electrification pathways

Client

Fortum

The task:

Copenhagen Economics was commissioned by Fortum to evaluate the socio-economic potential of electrification investments in Finland and Sweden through 2040 and to recommend optimal market designs to facilitate the energy transition in these countries.

We assessed investments in electrifying transportation, industrial processes, clean hydrogen production, data centres, and CO₂-neutral electricity generation.

We found that **ambitious electrification could generate €178–300 billion in investments and create up to 160,000 high-productivity jobs** across both countries.

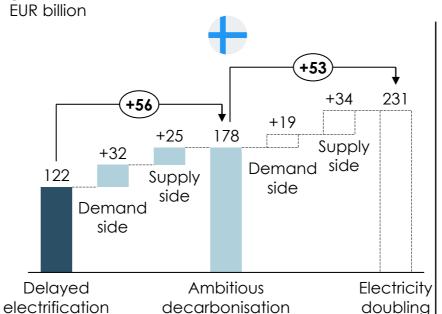
See more at:

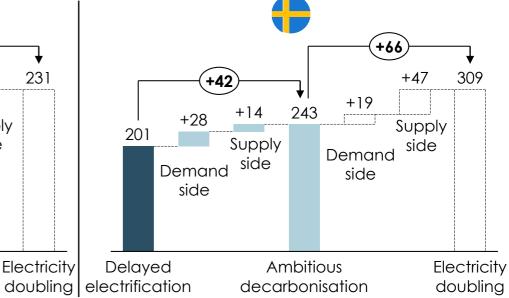
https://copenhageneconomics.com/publication/society-optimal-investment-framework/

Why INTERSECT:

INTERSECT captures the full macroeconomic impact of climate and energy transitions by simulating how households, industries, and countries respond to changes in prices, incomes, and policy. Unlike sector-specific tools, **INTERSECT offers a holistic view of the economy.** It models entire value chains, from electricity and hydrogen production to their end uses, under varying decarbonisation targets.

Accumulated investments 2025-2040 in the delayed electrification scenario and additional investment generated to reach an ambitious decarbonisation scenario





INTERSECT