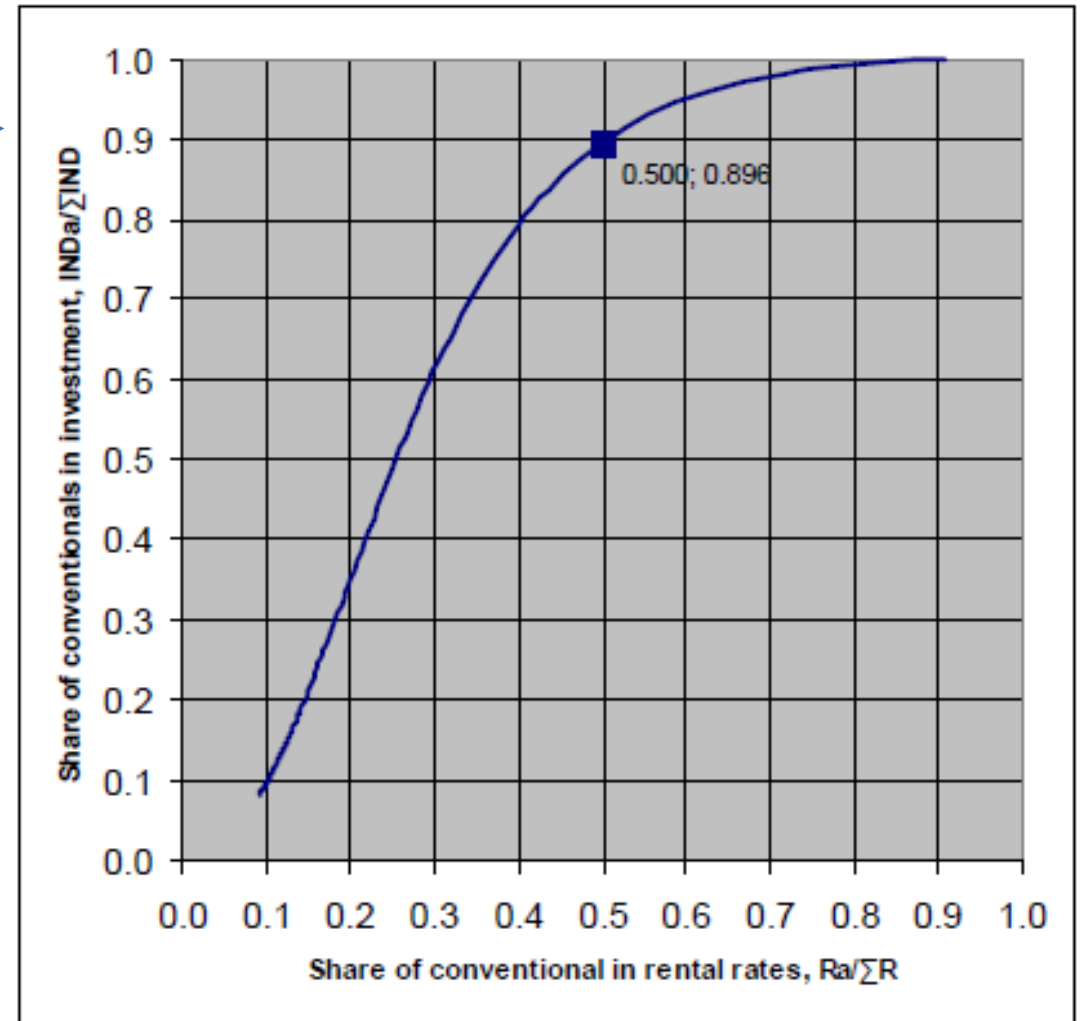# STANDARD FUNCTIONAL FORM

Nested CES for electricity generated from:

i. fossil fuels or

ii. renewables

Initial position
Fossil fuel = 90%
Renewables =10%
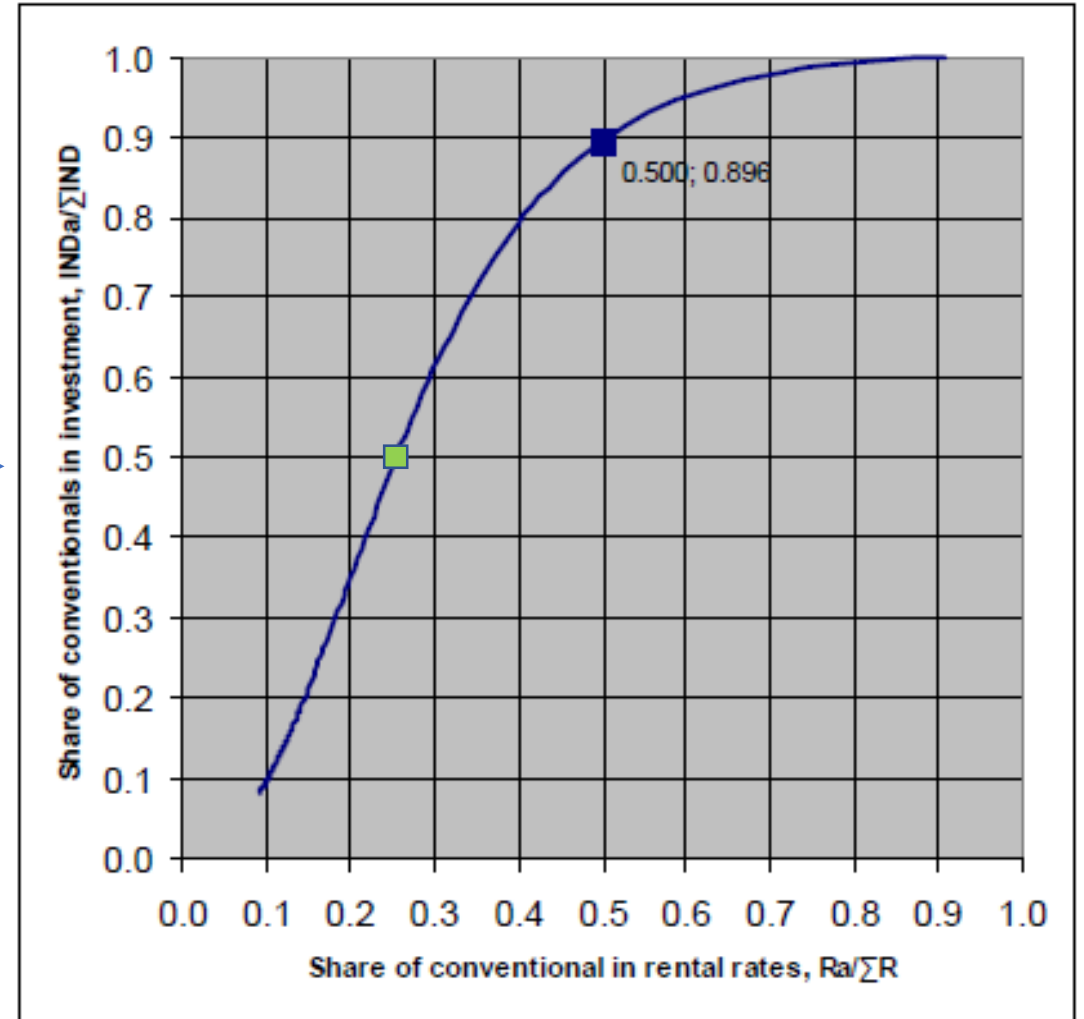(known)

Initial position
Equally profitable
(assumed)

0.500; 0.896

Share of conventionals in investment, $INDa/\sum IND$

Share of conventional in rental rates, $Ra/\sum R$

STANDARD FUNCTIONAL FORM

Nested CES for electricity generated from:

i.   fossil fuels or

ii. renewables

Potential future
Renewable **three times** more profitable

Potential future
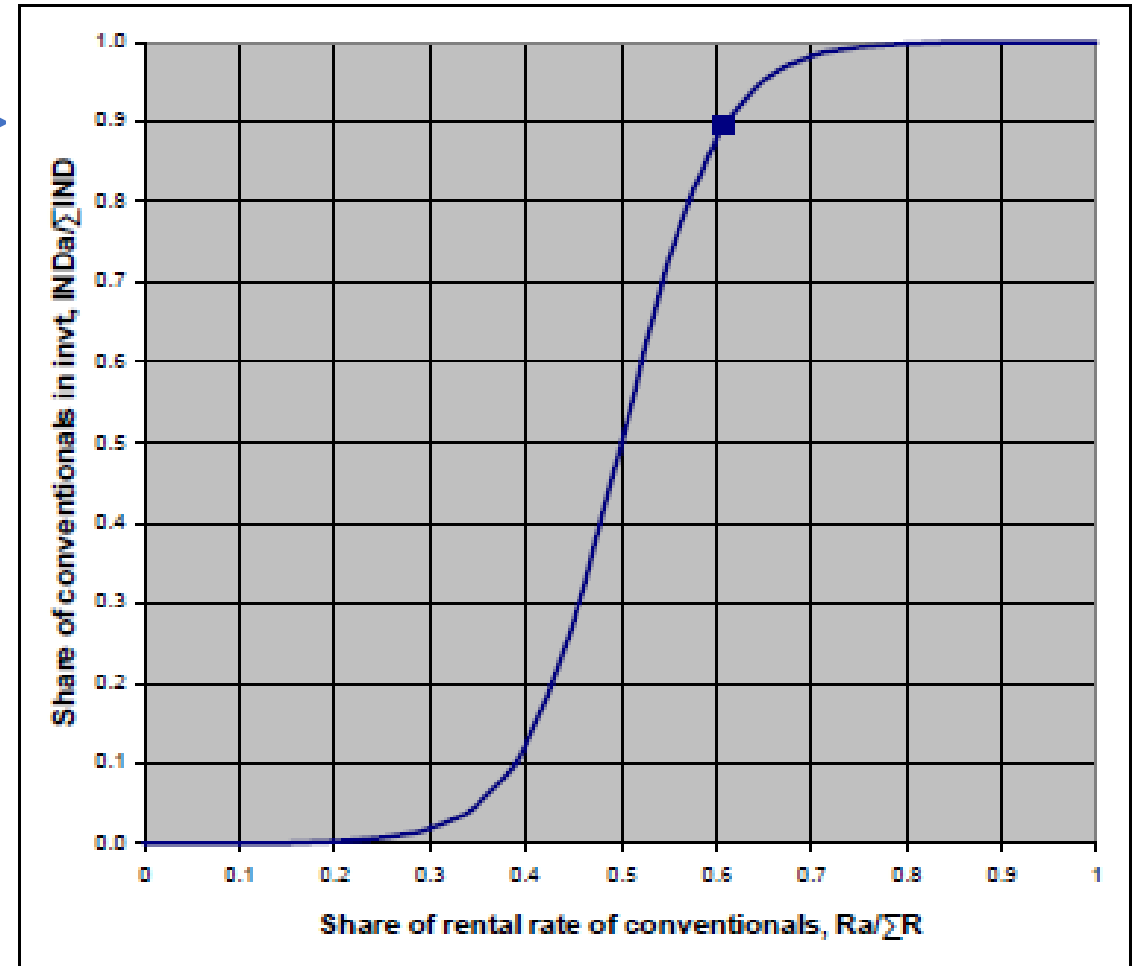Fossil fuel = 50%
Renewables = 50%

NEW FUNCTIONAL FORM
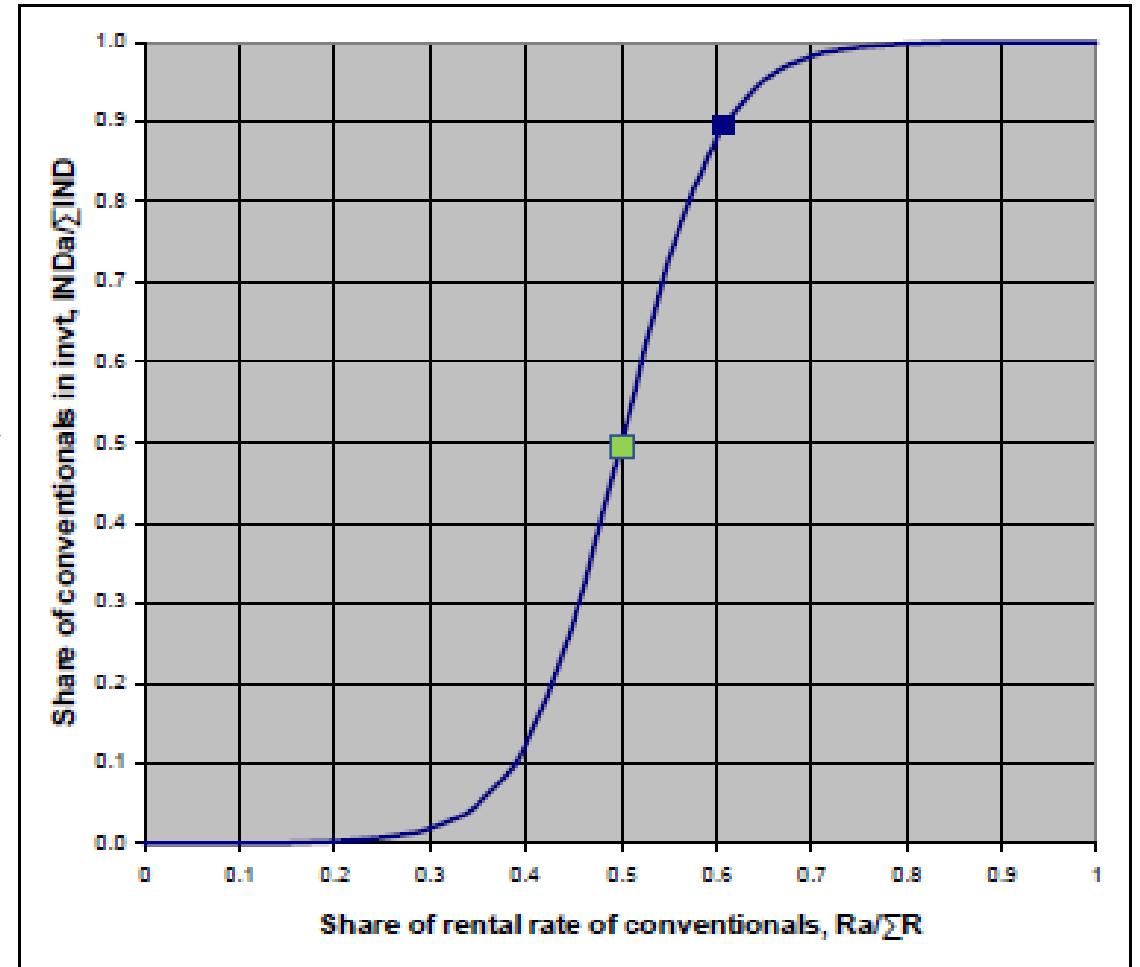
Logistic function for electricity generated from:

i.   fossil fuels or

ii. renewables

(any sigmoid function could be fitted)

Initial position
Fossil fuel = 90%
Renewables = 10%
(known)

NEW FUNCTIONAL FORM

Logistic function for electricity generated from:

i.   fossil fuels or

ii. renewables

(any sigmoid function could be fitted)

NEW
FUNCTIONAL FORM

Logistic function
for electricity
generated from:

i.   fossil fuels or

ii.   renewables

(any sigmoid
function could be
fitted)