

METHODOLOGY DOCUMENTATION

Forecasted Prices by Year

Sector-level forward price forecast, applying a technology cost floor, 2027–2050

DATE

September 2026

TYPE

SQL

Overview

For each year and sector, this query estimates a forecasted credit price by taking whichever is higher — the market-implied sector price or the expected technology cost — for each country, then averaging that across countries. When no credits are expected to be generated, prices are excluded from the average, to reflect prices that are effectively expected to trade.

Data Inputs

Field / Parameter	Description	Source / Notes
Year, sector, country, scenario	The core dimensions the forecast is broken down by	Sector price forecast
Sector price	The market-derived forecasted price for a given year, sector and country	Sector price forecast
Expected technology cost	A cost benchmark representing the expected cost of the underlying technology, by year, sector and country	Technology cost forecast
Credit volume	Projected volume of credits available, by year, sector, country and scenario	Credit supply forecast
Scenario, sector, country, year range, credit source	User-selected filters applied to narrow the forecast to a specific view	Dashboard filter parameters

Logical Flow

1

Start from the sector price forecast

Begin with the forecasted market price for every year, sector and country combination.

2

Attach the technology cost benchmark

For each matching year, sector and country, bring in the corresponding expected technology cost.

3

Attach projected credit volumes

For each matching year, sector, country and scenario, bring in the projected volume of credits expected to be available.

4

Apply dashboard filters

Narrow the data down to the scenario, sector, country, year range and credit source selected by the user.

5

Average the effective price and exclude sector-years with no supply

For each year and sector, average the higher-of-price-or-cost value across countries, keeping only sector-years with expected credit supply, and sort the results by year and sector.

Key Calculations

Effective price (cost floor)

For each country, the effective price is whichever is higher — the forecasted market price or the expected technology cost. This ensures the forecast never implies a price below what it would cost to produce the underlying technology. These country-level effective prices are then averaged to produce the sector-level result.

Non-zero supply filter

Only sector-years where the total projected credit volume is greater than zero are included in the final results. This excludes prices for sector-years where no credits are expected to be generated, since those prices are not expected to actually trade.

Assumptions

- Countries are equally weighted when averaged into the sector-level price — the average is not weighted by credit volume.
- Matching credit volume to a price record requires year, sector, country and scenario to all align; any mismatch on these dimensions means the volume is not counted.

Limitations

- The final output reflects year and sector level granularity only — country-level price differences are averaged away and not visible in the result.
- The forecast's accuracy depends on the completeness and currency of the technology cost benchmark; gaps or outdated figures there would understate the effective price floor.