



## PROGRAM

### Conference

# *“The Economics of Energy Markets”*

**Toulouse, June 20-21, 2008**

## VENUE



## Friday, June 20

### 9:20 - 9:30 Welcoming address

Room: Amphi Verdi

- **P. Rey** (TSE, director of IDEI)

### 9:30 - 10:30 Keynote lecture

- **W. W. Hogan** (John F. Kennedy School of Government, Harvard University ),  
P. R. Gribik (Midwest Independent System Operator) and S. L. Pope (LECG, LLC)  
“*Market-Clearing Electricity Prices and Energy Uplift*”  
Discussant: N. H. von der Fehr (University of Oslo)

### 10:30 - 11:00 Coffee break

### 11:00 - 12:30 Parallel sessions

#### a) Auctions

Room: Oratorio

- **N. Fabra** (Universidad Carlos III), M. Angeles de Frutos (Universidad Carlos III) and  
N. H. von der Fehr (University of Oslo)  
“*Investment Incentives and Auction Design in Electricity Markets*”  
Discussant: P. Rey (IDEI and TSE)
- **D. Salant** (Columbia University and visiting TSE) and R. Stoddard ()  
“*Auction Design for Capacity Markets*”  
Discussant: T. O. Léautier (IDEI and TSE)

#### b) Market power

Room: Amphi Verdi

- **P. Polinori** (University of Perugia) and C. A. Bollino (University of Perugia)  
“*Measuring Market Power in Wholesale Electricity Italian Market*”  
Discussant: M. A. Plagnet (EDF)
- **D. Perekhodtsev** (LECG consulting France)  
“*Assessment of Geographic Scope of Electricity Markets: The Case of Flow-Based  
Market Coupling*”  
Discussant: B. Willems (TILEC - Tilburg University)

### 12:30 - 14:00 Lunch

### 14:00 - 15:30 Parallel sessions

#### a) Natural gas

Room: Oratorio

- **R. van Eijkel** (University of Groningen), M. H. Haan (University of Groningen ) and  
L. Moraga-Gonzalez (University of Groningen and CESifo)  
“*Transportation Pricing and Market Power in the Natural Gas Industry*”  
Discussant: W. Sand-Zantman (IDEI and TSE)
- **J. Rosellón** (CIDE and Dresden University of Technology) and D. L. Brito (Baker  
Institute, Rice University and CIDE)  
“*Lumpy Investment in Regulated Natural Gas Pipelines: An Application of the Theory of  
the Second Best*”  
Discussant: H. Cremer (IDEI and TSE)

#### Competition in electricity markets

Room: Amphi Verdi

- **C. Crampes** (IDEI - TSE) and M. Moreaux (IDEI - TSE)  
“*Pumping Water to Compete in Electricity Markets*”  
Discussant: H. Thille (University of Guelph)

- **H. Weigt** (Dresden University of Technology), I. Rumiantseva (Dresden University of Technology) and B. Willems (Tilburg University, TILEC & CentER, K.U. Leuven, Energy Institute & CES)  
 “*Cournot versus Supply Functions: What does the data tell us?*”  
 Discussant: R. Sioshansi (National Renewable Energy Laboratory)

**15:30 - 16:00 Coffee break**

**16:00 - 18:00 Roundtable: Transmission issues**

**Room: Amphi Verdi**

**Chairman: W. Hogan**

**✚ Introductory papers:**

- **T. O. Léautier** (IDEI - TSE)  
 “*Optimal Expansion of the Power Transmission Grid: Why not?*”
- **F. Höffler** (WHU, Otto Beisheim School of Management) and S. Kranz (University of Bonn)  
 “*Legal Unbundling can be a Golden Mean between Vertical Integration and Separation*”

**✚ Panelists: C. Schoser** (European Commission), **J. Alba Rios** (Endesa), **P. Sandrin** (RTE)

**20:00 Conference diner**

## Saturday, June 21

**9:00-10:30 Parallel sessions**

**a) Carbon emissions**

**Room: Amphi Verdi**

- **F. Gulli** (Bocconi University)  
 “*Modelling the Short-Run Impact of “Carbon Trading” on the Electricity Sector with Endogenous Market Power*”  
 Discussant: N. Fabra (Universidad Carlos III)
- **C. Wolfram** (University of California, Berkeley), M. Fowle (University of Michigan) and C. R. Knittel (University of California, Davis)  
 “*Sacred Cars? Optimal Regulation of Stationary and Non-Stationary Pollution Sources*”  
 Discussant: C. Gollier (IDEI and TSE)

**b) Investment**

**Room: Oratorio**

- **V. Rioux** (Supélec), P. Dessante (Supélec) and Y. Perez (Université Paris-Sud XI)  
 “*Is Combination of Nodal Pricing and Average Participation Tariff the Best Solution to Coordinate the Location of Power Plants with Lumpy Transmission Investments?*”  
 Discussant: M. Barmack (Pacific Gas & Electric)
- **G. Zoettl** (University of Cologne and CORE/UCL)  
 “*Investment Decisions in Liberalized Electricity Market: A Framework of Peak Load Pricing with Strategic Firms*”  
 Discussant: M. Baritaud (AREVA)

**10:30-11:00 Coffee break**

**11:00-13:00 Parallel sessions**

**a) Hydroelectricity**

**Room: Amhi Verdi**

- **M. Liski** (Helsinki School of Economics)  
“*Market Power and Storage: Evidence from Hydro Resource use in the Nordic Power Market*”  
Discussant: M. Moreaux (TSE (IDEI and LERNA))
- **H. Thille** (University of Guelph) and T. S. Genc (University of Guelph)  
“*Dynamic Competition in Electricity Markets: Hydropower and Thermal Generation*”  
Discussant: S. Ambec (TSE and INRA-LERNA)
- **L. F. Rangel** (Energy Centre, University of Auckland)  
“*Forward Contracts and Allocation of Water Resources in Deregulated Hydrothermal Electricity Markets*”  
Discussant: P. Mahenc (Université de Perpignan)

**b) Wind Power**

**Room: Oratorio**

- **N. Boccoard** (Economic Department, Girona University)  
“*The Social Cost of Wind Power*”  
Discussant: N. Treich (TSE)
- **R. Sioshansi** (National Renewable Energy Laboratory) and W. Short (National Renewable Energy Laboratory)  
“*Evaluating the Impacts of Real-Time Pricing on the Usage of Wind Generation*”  
Discussant: N. Ladoux (IDEI and TSE)
- **R. Green** (University of Birmingham) and N. Vasilakos (University of Birmingham)  
“*Market behaviour with Large Amounts of Intermittent Generation*”  
Discussant: C. Bobtcheff (CNRS-LERNA and TSE)

**13:00-14:00 Lunch**

**14:00-15:30 Plenary session**

**Room: Amphi Verdi**

- **P. Cramton** (University of Maryland)  
“*Colombia's Forward Energy Market*”  
Discussant: T. Magnac (IDEI and TSE)
- **N. H. von der Fehr** (University of Oslo) and P. Vegard Hansen (Statistics Norway, Research Department)  
“*Electricity Retailing in Norway*”  
Discussant: J. Tirole (IDEI and TSE)

**15:30-15:45 Concluding comments**

- **J. Tirole** (IDEI and TSE)