

Joint ZEW and MISES ZOOM Webinar

It is our pleasure to invite you to our upcoming online seminar titled:

„Technology Policy and Market Structure: Evidence from the Power Sector“

The webinar will be given by **Sebastian Schwenen**, Assistant Professor of Economics of Energy Markets at TUM, on

May 15, 2020 at 16:00h

<https://zoom.us/j/95839822938>

Meeting ID: 958 3982 2938

Abstract:

The authors show how policies to trigger clean technologies change price competition and market structure. They present evidence from electricity markets, where regulators have implemented different policies to subsidize clean energy. Building on a multi-unit auction model, the authors show that currently applied subsidy designs either foster or attenuate competition. Fixed, price-independent output subsidies decrease firms' mark-ups. In contrast, designs that subsidize clean output via a regulatory premium on the market price lead to higher mark-ups. The authors confirm this finding empirically using auction data from the Spanish power market. The empirical results show that the design choice for technology subsidies significantly impacts pricing behavior of firms and policy costs for consumers.

We look forward to welcoming you at this online event!



Stefan Reichelstein, Ph.D.

Professor of Business Administration
Director, Mannheim Institute for Sustainable Energy Studies (MISES)