André Dorsman • Wim Westerman Mehmet Baha Karan • Özgür Arslan Editors

Financial Aspects in Energy

A European Perspective



Contents

1	Introduction: Financial Aspects in Energy Wim Westerman, Özgür Arslan, André Dorsman, and Mehmet Baha Karan
Pa	art I Markets
2	The Development of Energy Markets in Europe 11 Mehmet Baha Karan and Hasan Kazdağli 11
3	Renewables in the Energy Market: A Financial-TechnologicalAnalysis Considering Risk and Policy Options33Onno Kuik and Sabine Fuss
4	The CO₂ Trading Market in Europe: A Financial Perspective 51 George Daskalakis, Gbenga Ibikunle, and Ivan Diaz-Rainey
Pa	rt II Prices
5	Market Perfection in a Changing Energy Environment
6	The Price Forming Process in Energy Markets 85 Don Bredin and Cal Muckley 6
7	The Electricity Market, Day-Ahead Market and Futures Market 109 Goknur Umutlu, André Dorsman, and Erdinc Telatar
Pa	rt III Regulations
8	The Disintegration of the Concept of Sovereignty and the EnergySector in the Europe13.Jennifer Westaway and John Simpson

9	The EU Energy Policy After the Lisbon Treaty Johann-Christian Pielow and Britta Janina Lewendel	147
10	The Development of the European Electricity Market in a Juridical No Man's Land Simone Pront-van Bommel	167
Part IV Firms		
11	Value Creation from Wood-Based Energy Sources	197
12	Tackling with Natural Monopoly in Electricity and NaturalGas IndustriesÖzgür Arslan and Hasan Kazdağli	213

~