



**CEE** CENTER FOR ENERGY ECONOMICS  
Bureau of Economic Geology, Jackson School of Geosciences  
The University of Texas at Austin

THE UNIVERSITY OF TEXAS AT AUSTIN  
**JACKSON**  
SCHOOL OF GEOSCIENCES



## ARE “WE” ASKING TOO MUCH OF ELECTRICITY MARKETS?

CEE 4<sup>th</sup> Mid-Year Meeting, June 28, 2016

8 AM – 2:30 PM

Houston Branch – Federal Reserve Bank of Dallas Conference Center

<http://www.dallasfed.org/houston.cfm>

*By tradition, our meetings are conducted on a non-attribution basis. “Chatham House” rules apply.*

### DRAFT AGENDA

- |          |  |                             |
|----------|--|-----------------------------|
| 8:00 AM  | Arrival, Registration & Coffee   |                             |
| 8:30 AM  | Welcome & Overview<br>“We” want cheap, clean, reliable and secure electric power service. Cognitive dissonance? <ul style="list-style-type: none"><li>- Conflicting objectives and policies creating a wide range of potentially very large uncertainties</li></ul>  | Gürcan Gülen                |
| 9:00 AM  | Competitive electricity markets are being sidelined <ul style="list-style-type: none"><li>- Can enhancing day-ahead and real-time price signals, reforming capacity markets, and/or other market design adjustments address the “missing money” problem?</li></ul>   | Gülen, Chen-Hao Tsai        |
| 9:30 AM  | What is the Full Cost of Electricity? <ul style="list-style-type: none"><li>- LCOE, LACE and system costs</li><li>- Financial support mechanisms</li><li>- Energy webs</li></ul>   | Gülen, Michelle Michot Foss |
| 10:15 AM | Break  |                             |
| 10:30 AM | Resource adequacy, capacity expansion optimization, and system costs <ul style="list-style-type: none"><li>- Importance of assumptions: demand growth, technology cost trends, etc.</li><li>- Impact of environmental regulations</li><li>- Impact of rapid expansion of renewables capacity</li><li>- Impact of nuclear retirements</li></ul> | Tsai, Gülen                 |
| 11:30 AM | Lunch – Guest Speaker  | Marc Spitzer, Steptoe       |
| 1:00 PM  | Musings on why retail electricity prices diverge from wholesale prices   | Tsai                        |
| 1:30 PM  | Minerals supply chains for battery storage   | Foss, Rahul Verma           |
| 2:00 PM  | Overflow discussion  |                             |
| 2:30 PM  | Adjourn  |                             |