

Accepted Manuscript

Market power and forward prices

Keith Ruddell, Anthony Downward, Andy Philpott

PII: S0165-1765(18)30064-8
DOI: <https://doi.org/10.1016/j.econlet.2018.02.016>
Reference: ECOLET 7948

To appear in: *Economics Letters*

Received date: 17 October 2017
Revised date: 31 January 2018
Accepted date: 12 February 2018



Please cite this article as: Ruddell K., Downward A., Philpott A., Market power and forward prices. *Economics Letters* (2018), <https://doi.org/10.1016/j.econlet.2018.02.016>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

- Market power can explain the forward premium in electricity prices
- Producers with forward commitments have reduced incentive to raise spot prices
- Large consumers buy forward at a premium in order to obtain lower spot prices
- The premium is not open to arbitrage by speculators who lack market power

Download English Version:

<https://daneshyari.com/en/article/7348982>

Download Persian Version:

<https://daneshyari.com/article/7348982>

[Daneshyari.com](https://daneshyari.com)