

# 51st Meeting of the EWGCFM

and 1st Conference of the RCEM & ICSTF

May 16-18  
2013 London  
(ESCP Europe Campus)

Special issue:  
Energy Economics



A workshop on: [Recent Developments on Energy Modelling and Regulation](#)



**Cass Business School**  
CITY UNIVERSITY LONDON





EURO Working Group for Commodities and Financial Modelling



RESEARCH CENTRE FOR ENERGY MANAGEMENT  
@ ESCP Europe Business School

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## Conference Organisers:



Cass Business School  
CITY UNIVERSITY LONDON

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## Welcoming Note: Conference Chair

Dear Colleagues,

Welcome to the 51st Meeting of the Euro Working Group on Commodities and Financial Modelling (EWGCFM) and 1st Conference of the Research Centre for Energy Management (RCEM) at ESCP Europe Business School (Paris-London-Berlin-Madrid-Torino) and the International Centre for Shipping, Trade and Finance (ICSTF) at Cass Business School, organized and hosted by ESCP Europe London campus.

The meeting aims to provide a forum for researchers and practitioners to exchange ideas and to present new research results on the theory and modern practice of modelling, risk management and asset pricing, with a special focus on commodities modelling and regulation within the framework of our workshop "Recent Developments on Energy Modelling and Regulation".

Few would go up against the view that the energy industry and policy makers are facing significant challenges as we enter a new era. The issues to be addressed are many: can we count on technological breakthroughs to cope with surging energy demand and at the same time handle the long term environmental constraints? What type of regulatory framework is most likely to provide the incentives for the necessary changes to take place? To what extent are nations ready to cooperate in addressing global energy and environmental challenges? Can we be assured that capital markets will provide the tremendous funds needed to develop energy infrastructures and improve energy efficiency? I believe that this conference will provide a unique opportunity for interchanging new ideas, having fruitful discussions on our common fields of interest, meeting old friends and making new colleagues.

Together with the Organizing Committee we have worked hard to ensure the success of this conference, and I think that we have achieved our goal. Overall, from 180 submissions, 120 papers were selected for presentation and inclusion in the final scientific programme. These are organized in 27 concurrent sessions. The programme also includes two plenary sessions with invited speeches by Ehud Ronn (University of Texas at Austin) and Michael Pollitt (University of Cambridge), and two panel discussions chaired by Jonathan Stern (Oxford Institute for Energy Studies) and Antonio Guglielmi (Director, Mediobanca Securities UK). I am sure that all participants will enjoy the rich scientific part of the conference and will find useful new ideas for their current and future research.

I would also like to deeply thank the members of the Scientific Committee for their help in selecting the papers to be included in the programme. Special thanks are also due to the conference secretariat Ms Georgia Makridou and the RCEM's manager Ms Linda Brunello for their hard work which was vital for the successful organization of the Conference.

I hope that you will find the programme highly interesting. However, a Conference is not only about presentations, it is also about meeting new colleagues, establishing networks and relaxing. So, I hope that you will have the chance to exchange ideas and enjoy your stay in London, discover its beauties and rich history, visit the numerous monuments and experience London living, making this conference a memorable event!

Conference Chair



**Kostas Andriosopoulos**

Director of Research Centre for Energy Management  
at ESCP Europe Business School and General Conference Chair

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## Keynote speakers

### Michael Pollitt, *University of Cambridge, UK*

Dr Pollitt is co-editor of *Economics of Energy and Environmental Policy* and a member of the editorial board of the *Review of Industrial Organization*. He is also a Research Associate of the Centre for Business Research (CBR) and a member of the Faculty of Economics. He is currently a member of Ofwat's Future Challenges expert panel and an energy advisor to the Consumers' Association (Which?). Since 2000 he has been convenor of the Association of Christian Economists, UK.

Dr Pollitt has advised the UK Competition Commission, the New Zealand Commerce Commission, Ofgem, ORR, ESRC, the Norwegian Research Council, the DTI, the World Bank and the European Commission. He has also consulted for National Grid, AWG, Eneco, Nuon, Roche and TenneT. He is the Coach on the Cambridge MBA's "Energy & Environment" concentration, and the University's Energy Champion for Policy, Economics and Risk. His research interests include industrial economics; privatisation and regulation of utilities especially in electricity; the measurement of productive efficiency; the relationship between Christian ethics and best practice business behaviour.

Michael Pollitt is a member of the Economics & Policy subject group.

### Ehud Ronn, *University of Texas at Austin*

Dr. Ronn's research is primarily in the area of energy risk: modeling, measurement and management. He has published articles on banking, investments, interest rate sensitive instruments, and energy derivatives in academic and practitioner literature, including *Journal of Finance*, *Journal of Business*, *American Economic Review* and *Energy & Power Risk Management*.

Prior to joining the University of Texas at Austin in July 1988, Dr. Ronn was a faculty member of the business schools at the University of California, Berkeley, and the University of Chicago. During a two-year leave of absence from the University of Texas, Dr. Ronn served as Vice President, Trading Research Group at Merrill Lynch & Co., where he was responsible for the valuation and hedging of a wide array of interest rate-sensitive securities, from callable bonds to exotic options. Since 1993, he has served as consultant to Federal and State government agencies, an insurance company, investment banks, a risk advisory firm and an energy-derivative software vendor in the interest-rate and energy-commodity arenas.

In the energy-consulting area, Dr. Ronn has addressed the multiple issues of Risk Assessment; Construction of Optimal Hedge Portfolios; VAR and CVAR; Dual-Fuel Options; Valuation of Load-Following Services; Modeling Energy Prices and Pricing Monthly and Daily Options; and the Valuation and Optimal Management of Storage Facility.

## Invited Speakers

### Riccardo Barbieri, *Chief European Economist and Interest Rate Strategist at Mizuho International plc*

Riccardo Barbieri has been with Mizuho International as Chief European Economist and Interest Rate Strategist since January 2011. Riccardo has been top-ranked in investment surveys of both developed and emerging markets investors. He holds a Ph.D. in Economics from New York University and a Research Degree with Honours in Economics and Social Sciences from Bocconi University.

Riccardo started his career in 1983 as an academic economist specialising in international economics and industrial organisation at Bocconi University. In 1990 Riccardo joined JP Morgan as senior Italian economist, later becoming head of research for Italy. In October 1995 he joined Morgan Stanley in London as senior economist for Southern Europe, later becoming co-head of European Economics and then Chief Emerging Markets Economist.

In 2007 Riccardo joined Bank of America as Head of Interest Rate, Currency and Commodity strategy for Europe. Following the acquisition of Merrill Lynch, in January 2009 he was appointed Global Head of International Economics and Rates and Currency Research for Bank of America - Merrill Lynch. In 2010 he worked for six months as head of macro strategies at Algebris Investments and then independently as economist and strategist advising asset management and brokerage firms.

### Jean-Pierre Favennec, *French Institute of Petroleum (IFP), President - Association for the Development of Energy in Africa*

Jean Pierre Favennec has a degree from Ecole Nationale Supérieure des Industries Chimiques - master in chemical engineering - (Nancy - France) and a degree in Oil Economics from the IFP School.

He began his career as a consultant in the oil industry and worked on a number of projects in the field of gas production, refining, and petrochemical complexes, including numerous studies concerning the strategies, pricing, and profitability of these sectors. He was a project manager in over fifty different countries from South America, Africa, the Middle East, Asia and Europe. Since 1990 Jean Pierre Favennec has been a professor at the IFP School where initially he was head of the "Economics and Corporate Management". He was responsible for training seminars for the major energy companies in France and worldwide. He was appointed Director of the Centre for Economics and Management at the IFP School in October 2000.

Jean Pierre Favennec is a specialist in energy, including energy economics, geopolitics and the strategic aspects. He has also worked more specifically on the downstream sector of the hydrocarbons industry, and has written a number of papers on these subjects. He is the editor of three books: *Refining Economics and Management*, *Research and Production of Oil and Gas: Reserves, Costs, Contracts and Energy Markets* (published in January 2006 in French). Several books are under preparation, including a book on *Energy Geopolitics* in 2006.

### Antonio Guglielmi, *Director of Mediobanca Securities UK*

Mr. Antonio Guglielmi is a Research Analyst at Mediobanca Securities, Research Division. He is the Head of pan-European banking research department at Mediobanca S.p.A. He was a Research Analyst of BofA Merrill Lynch, Research Division (Merrill Lynch & Co Inc., Research Division). He was an Equity Analyst of Citigroup Inc., Research Division. Mr. Guglielmi was a Senior Analyst at Merrill Lynch.

### Emanuele Minotti, *CEO of Theorema Asset Management*

Emanuele Minotti is partner and CEO at Theorema (2008-2012 Brenvey) previously he was a Senior Managing Director at Tisbury, responsible for Equity analysis, European Event Driven Trading and Global Financials. He joined Tisbury from Citadel where he has been Portfolio Manager and Director of the European Event Driven. Previously, Emanuele has been Senior Equity Analyst for European Banks at UBS Warburg, Senior Vice President in Merrill Lynch's FIG group in London and a Director in Salomon Smith Barney's European equity research department covering European banks.

Emanuele started to focus on financial institutions in 1996 in Salomon Brothers after completing an MBA at Bocconi University in Milan in 1995. He also has a degree in Chemistry from the University of Milan and a Diploma in Chemical Engineering. He worked for the Promox Group and Montedison Group in the 80s. In early 90s Emanuele was involved in the restructuring of operations at Pirelli SpA and in the reorganization of the company's finance department. He is a member of the Advisory Board of the Italian Banking Association.

In 2001 Emanuele's team was ranked 1st in European banks research by both fund managers and finance directors in the

Reuters/Institutional Investors survey. Emanuele has consistently awarded the Institutional Investor's "The Best of Buy Side" award every year since 2004. In 2006 Emanuele was awarded the Thomson Extel Excellence in Asset Management awards (General Equities). In 2010 Emanuele was ranked 1st in European banks research and 1st in European Insurance research by brokers in the Thomson Reuters/Extel survey. Emanuele again was awarded the Thomson Extel Excellence in Asset Management award (General Equities and Equity Strategy) in 2010.

➤ **Klaus Schafer**, *CEO of EON Energy Trading, Germany*

Klaus Schäfer, CEO of E.ON Ruhrgas AG, Essen, and since 2011 CEO of E.ON Energy Trading SE in personal union. Following his studies in business administration in Passau he completed his postgraduate studies at ESCP Europe. After starting his career as a financial analyst at Morgan Stanley he joined VIAG AG in 1996 and since then he has held various executive positions until the company merged with the VEBA concern into E.ON in 2000. Prior to his current function he was acting in different positions at E.ON SE and its affiliated companies both on a national and international level.

➤ **Jonathan Stern**, *Oxford Institute for Energy Studies, UK*

Jonathan Stern founded the OIES Natural Gas Research Programme in 2003 and was its Director until October 2011 when he became its Chairman and a Senior Research Fellow. He is Honorary Professor at the Centre for Energy, Petroleum & Mineral Law & Policy, University of Dundee; Visiting Professor at Imperial College's Centre for Environmental Policy in London; Part Time BP Professor at the Moscow School of Management's Energy Centre at Skolkovo; and a fellow of the Energy Delta Institute. Since 2011 he has been the EU speaker for the EU-Russia Gas Advisory Council.

He is the author of several books and many shorter works on energy and natural gas issues in: the UK, Europe (western and eastern), the former Soviet Union and Asia. The second edition of his edited volume: Natural Gas in Asia: the challenges of growth in China, India, Japan and Korea was published by Oxford University Press in 2008. He is co-editor with Bassam Fattouh of Natural Gas Markets in the Middle East and North Africa, published in 2011. His most recent edited book is The Pricing of Internationally Traded Gas, published by Oxford University Press in 2012.

➤ **Peter Steward**, *Chief Energy Analyst at Interfax, UK*

Peter Steward has been a frequent speaker at energy industry conferences for the last decade. He is currently the Chief Energy Analyst at Interfax Global Energy Services, and managing editor of Interfax Global Gas Analytics, a new monthly publication that provides expert insight into Gas markets fundamentals and short- and medium-term price forecasts. Before Interfax, he worked for 5 years as Principal Consultant at KBC Energy Economics, where he was chief economist and led the group's market analysis team.

He is currently involved in econometric research at Surrey University on the subject of oil and gas pricing benchmarks, building on his 20 years of experience with the Price Reporting Agency (PRA) Platts. He worked at Platts for 15 years in a number of different roles, including Director of Markets and Pricing, in which role he was responsible for Platts global assessment processes for all commodities. Peter is a frequent speaker at oil and energy industry conferences on all aspects of the oil and gas value chain, as well as emerging markets such as bio-fuels. He has spoken and chaired discussion sessions at conferences in Europe, Middle East, Russia and Asia for companies such as Euromoney, Oil Council, SMi, Platts, Informa, Lloyds List and others. He has also contributed to discussion on radio and TV programs on energy issues, and provided training on energy pricing to government departments, academic institutions and many large companies.

His specialisms include: oil and gas supply-demand fundamentals and trade; oil refining; oil and gas pricing; new fuels technology; technical and econometric analysis of markets; and the role and practices of the PRAs.

➤ **Marc Thiele**, *Head of EU Insurance research, Mediobanca Securities*

Marc Thiele covers the European insurance sector for 15 years. He joined Mediobanca in May 2012 as Head of Insurance Research, building a pan-European platform in addition to the existing Italian coverage. His universe consists of global multi-line insurers, reinsurers and Swiss mid-cap names. Marc worked for UBS for seven years before joining Mediobanca.

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## Organising Committee/Conference Co-Chairs

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➤ **Kostas Andriosopoulos**, *ESCP Europe Business School, UK (General Conference Chair)*

➤ **Patrick Gougeon**, *ESCP Europe Business School, UK*

➤ **Helyette Geman**, *ESCP Europe Business School & Birkbeck University, UK*

➤ **Nikos Nomikos**, *Cass Business School, UK*

➤ **Michael Tamvakis**, *Cass Business School, UK*

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## Scientific Committee

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**Alizadeh, A.**, City University, UK; **Andriosopoulos, D.**, Swansea University, UK; **Bertocchi, M.**, University of Bergamo, Italy; **Chevalier, A.**, ESCP Europe Business School, France; **Cole, O.**, ESCP Europe Business School, UK; **D' Ecclesia, R.**, Chair of EWGCFM, Sapienza University of Rome, Italy; **Delis, M.**, Surrey University, UK; **De Menezes, L.**, City University, UK; **Dimitropoulos, J.**, KEMA, UK; **Doumpos, M.**, Technical University of Crete, Greece; **Fiordelisi, F.**, University of Rome III, Italy; **Gaganis, Ch.**, University of Crete, Greece; **Galariotis, E.**, Audencia Nantes School of Management, France; **Geisendorf, S.**, ESCP Europe Business School, Germany; **Gupta, J.**, ESCP Europe Business School, UK; **Hasan, I.**, Fordham University, USA; **Lin, S.**, City University, UK; **Lozano-Vivas, A.**, University of Malaga, Spain; **Marcel, V.**, Chatham House, UK; **Mastroeni, L.**, University of Roma Tre, Italy; **Merikas, A.**, University of Piraeus, Greece; **Mester, L.**, Federal Reserve Bank of Philadelphia, USA; **Molyneux, P.**, Bangor University, UK; **Ohana, S.**, ESCP Europe Business School, France; **Papaefthimiou, S.**, Technical University of Crete, Greece; **Papapostolou, N.**, City University, UK; **Pardalos, P.**, University of Florida, USA; **Pasiouras, F.**, Surrey University, UK & Technical University of Crete, Greece; **Pouliasis, P.**, City University, UK; **Resti, A.**, Bocconi University, Italy; **Salameh, M.**, World Bank, UK; **Soldatos, O.**, Credit-Suisse, UK; **Spronk, J.**, Erasmus University, Netherlands; **Tanna, S.**, Coventry University, UK; **Troege, M.**, ESCP Europe Business School, France; **Voudouris, V.**, London Metropolitan University, UK; **Wachtel, P.**, New York University, USA; **Zopounidis, C.**, Chairman of FEBS, Technical University of Crete, Greece.

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## Conference Secretariat

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➤ **Georgia Makridou**, Research Centre for Energy Management (RCEM) at ESCP Europe Business School, UK

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➤ **Kasia Wolenska**, ESCP Europe Business School, UK

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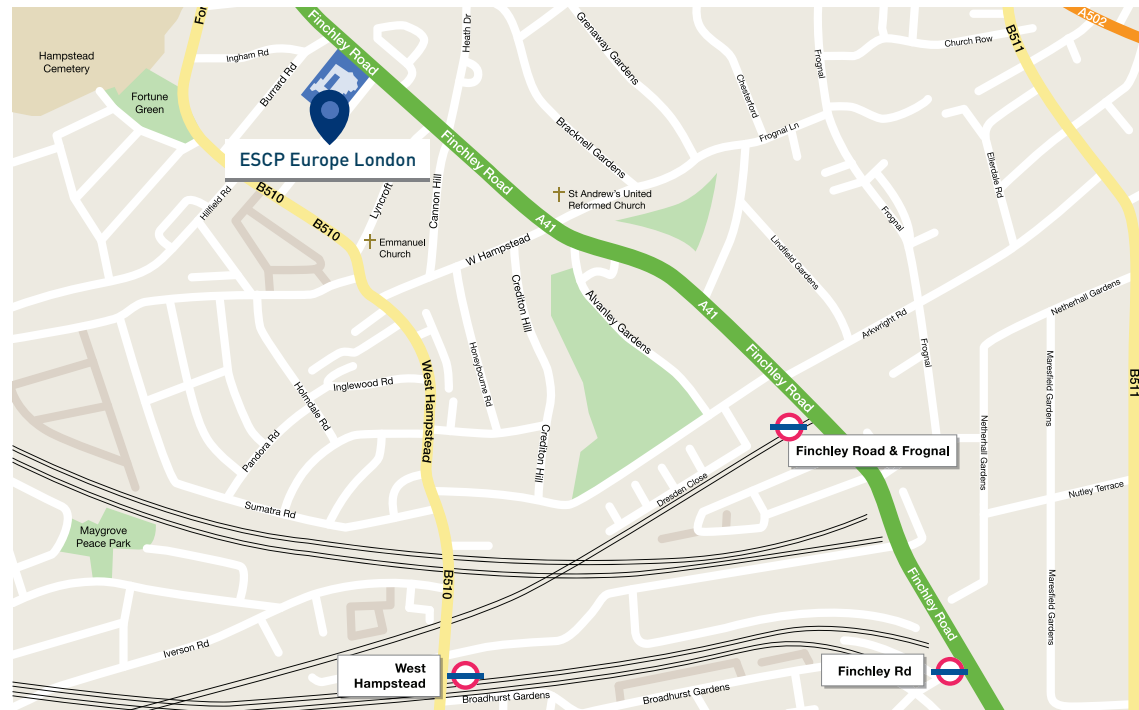
➤ **Linda Brunello**, Research Centre for Energy Management (RCEM) at ESCP Europe Business School, UK

**E-mail:** info@rcem.eu

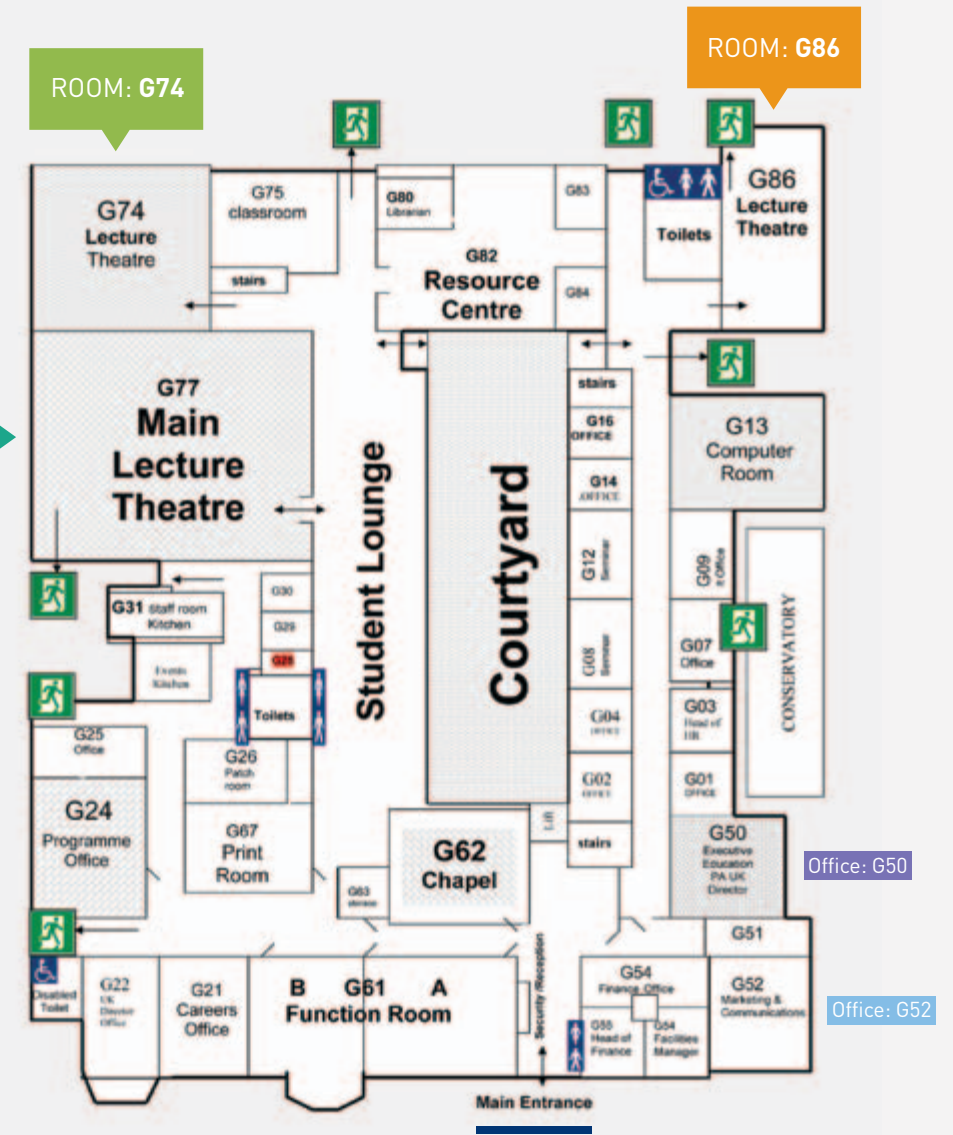
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# ESCP London Campus information & driving directions



# ESCP Europe London Campus



**ESCP Europe London Campus**  
527 Finchley Road  
London NW3 7BG  
UK

**Tel:** +44 (0)20 7443 8800  
**Fax:** +44 (0)20 7443 8874



If you are travelling to the campus by car, you will find the School between Parsifal and Burrand Roads. The campus does have a private car park, but please note that spaces are limited and cannot be guaranteed. A great deal of public parking space around the campus is available only with residential parking permits; as such, we highly recommend travelling to the School via public transport.

### Arriving By Public Transport

The nearest underground station to the School is Finchley Road on the Jubilee and Metropolitan lines. Turning left out of the station, the campus is a 20-minute walk along the Finchley Road. Alternatively, the number 13, 82 or 113 buses take five minutes to reach the campus and run every ten minutes.

### From London Heathrow Airport:

Via underground train, take the eastbound Piccadilly line train to Green Park station. Change to the northbound Jubilee line train.

### From London Gatwick Airport:

Take the Gatwick Express or train to Victoria Station. From here take the northbound Victoria line train to Green Park station. Here change to the northbound Jubilee line train and get off at Finchley Road

### From London Stansted Airport:

Take the Stansted Express to London Liverpool Street station. From here take the westbound Metropolitan line train to Finchley Road station

### By Eurostar

Visitors journeying by Eurostar arrive in London at St. Pancras International Station. From this station, take the westbound Metropolitan line and get off at Finchley Road.



Wi-Fi access for delegates:

**Login:** rcem2013  
**Password:** grope349



## The programme at a glance

### Thursday, May 16, 2013



🕒 08:00 - 08:45

Registration and Coffee

🕒 08:45 - 09:15

Welcome & Opening Remarks

Welcome address **Room: G77**

Kostas Andriopoulos, *Director of Research Centre for Energy Management at ESCP Europe Business School and General Conference Chair*

Patrick Gougeon, *Director of ESCP Europe London Campus and Conference Co-Chair*

Nikos Nomikos, *Cass Business School and Conference Co-Chair*

Rita D'Ecclesia, *University of Rome - La Sapienza and Chair of the EWGCFM*

🕒 09:15 - 11:15

Concurrent Sessions (A)

1. Electricity and renewables **Room: G77**

Chair: Spiros Papaefthimiou (*Technical University of Crete*)

2. Commodities and finance I **Room: G86**

Chair: Ryuta Takashima (*Tokyo University of Science*)

3. International energy markets I **Room: G74**

Chair: Rita Laura D'Ecclesia (*University of Rome - La Sapienza and Chair of the EWGCFM*)

🕒 11:15 - 11:30

Coffee Break

🕒 11:30 - 12:30

Plenary Session (A)

Economics of climate change and renewables **Room: G77**

Invited Speech by Dr. Michael Pollitt (*University of Cambridge*)

🕒 12:30 - 13:30

Lunch

🕒 13:30 - 15:00

Concurrent Sessions (B)

4. Electricity prices I **Room: G86**

Chair: Pär Holmberg (*Research Institute of Industrial Economics (IFN)*)

5. Energy markets regulation and policy I **Room: G74**

Chair: Davide Vannoni (*University of Torino*)

6. Commodities and finance II **Room: G77**

Chair: Yannick Le Pen (*Université Paris Dauphine*)

🕒 15:00 - 15:15

Coffee Break

🕒 15:15 - 16:45

Plenary Session (B)

Natural Gas in a Global Context: pricing, competition and politics **Room: G77**

Chair: Prof. Jonathan Stern (*Oxford Institute for Energy Studies, UK*)

Invited speakers:

Peter Steward (*Chief Energy Analyst at Interfax, UK*)

Klaus Schafer (*Chairman of the Board of Management on E.ON Globals Commodities, Germany*)

Prof. Jean-Pierre Favennec (*French Institute of Petroleum (IFP),*

*President - Association for the Development of Energy in Africa*)

🕒 16:45 - 17:00

Coffee Break

🕒 17:00 - 19:00

Concurrent Sessions (C)

7. Energy economics **Room: G77**

Chair: John Lockyer Simpson (*Curtin University*)

8. Generation and transmission I **Room: G74**

Chair: Marida Bertocchi (*University of Bergamo*)

9. Oil prices **Room: G86**

Chair: Nourah A. AlYousef (*King Saud University*)

🕒 19:45 - 23:00

Conference Dinner - HMS Belfast  info on page 30

### Friday, May 17, 2013



🕒 08:00 - 08:45

Registration and Coffee

🕒 08:45 - 10:30

Concurrent Sessions (D)

10. Commodities and finance III **Room: G77**

Chair: Ahmed Khalifa (*King Fahd University of Petroleum and Minerals*)

11. Financial modelling I **Room: G74**

Chair: Jesus David Moreno (*University Carlos III*)

12. Generation and transmission II **Room: G86**

Chair: George Papaefthymiou (*TU Delft / Ecofys GmbH*)

🕒 10:30 - 10:45

Coffee Break

🕒 10:45 - 12:15

Concurrent Sessions (E)

13. Carbon emissions I **Room: G86**

Chair: Miguel Rodriguez (*Universidade de Vigo*)

14. Commodity futures and pricing **Room: G74**

Chair: Paola Zerilli (*University of York*)

15. Electricity markets **Room: G77**

Chair: Silvana Stefani (*Università Milano Bicocca*)

🕒 12:15 - 12:30

### Coffee Break

🕒 12:30 - 13:15

### Plenary Session (C) Room: G77

#### The Current State of the Oil-Futures Markets – The ‘Message from Markets’

Invited Speech by **Prof. Ehud Ronn** (*University of Texas at Austin*)

🕒 13:15 - 14:00

### Lunch

🕒 14:00 - 15:30

### Concurrent Sessions (F)

#### 16. Modelling commodity prices Room: G77

Chair: Pierre Six (*Rouen Business School*)

#### 17. Aspects of energy transportation Room: G74

Chair: Takashi Kanamura (*J-POWER*)

#### 18. European carbon markets Room: G86

Chair: Iordanis Angelos Kalaitzoglou (*Audencia Business School*)

🕒 15:30 - 15:45

### Coffee Break

🕒 15:45 - 17:15

### Concurrent Sessions (G)

#### 19. Electricity prices II Room: G77

Chair: Mario Domingues Simoes (*IAG Business School/PUC-Rio, Brasil*)

#### 20. Commodities price and volatility dynamics Room: G74

Chair: Mark Cummins (*Dublin City University*)

#### 21. International energy markets II Room: G86

Chair: Ercem Erkul (*Hacettepe University*)

🕒 17:15 - 17:30

### Coffee Break

🕒 17:30 - 19:00

### Plenary Session (D)

#### Dealing with E.U. regulatory uncertainty Room: G77

Chair: Antonio Guglielmi (*Director, Mediobanca Securities UK*)

#### Invited speakers:

Riccardo Barbieri (*Chief economist at Mizuho Bank*)

Emanuele Minotti (*CEO of Theorema Asset Management*)

Marc Thiele (*Head of EU Insurance research, Mediobanca Securities*)

🕒 19:45 - 23:00

### Gala Dinner - Hotel Russell

 info on page 30

## Saturday, May 18, 2013



🕒 08:30 - 09:00

### Registration and Coffee

🕒 09:00 - 11:00

### Concurrent Sessions (H)

#### 22. Financial modelling II Room: G77

Chair: Miloš Kopa (*Charles University in Prague*)

#### 23. Carbon emissions II Room: G74

Chair: Duc Khuong Nguyen (*IPAG Business School & University Paris 1 Panthéon-Sorbonne*)

#### 24. Energy contracting Room: G86

Chair: Yueying Qiu (*Arizona State University*)

🕒 11:00 - 11:15

### Coffee Break

🕒 11:15 - 13:15

### Concurrent Sessions (I)

#### 25. Future trends of energy generation Room: G74

Chair: Vlasios Voudouris (*London Metropolitan University*)

#### 26. Commodities and finance IV Room: G77

Chair: Hayette Gatfaoui (*Rouen Business School*)

#### 27. Energy markets regulation and policy II Room: G86

Chair: Marina Di Giacomo (*University of Torino*)

🕒 13:15 - 14:00

### Closing remarks

#### Closing session Room: G77

Kostas Andriosopoulos, *Director of Research Centre for Energy Management at ESCP Europe Business School and General Conference Chair*

Michael Tamvakis, *Cass Business School and Conference Co-Chair*

Rita D'Ecclesia, *University of Rome - La Sapienza and Chair of the EWGCFM*

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The programme in detail



Thursday, May 16, 2013



🕒 08:00 - 08:45

Registration and Coffee

🕒 08:45 - 09:15

Welcome & Opening Remarks

Welcome address Room: G77

Kostas Andriosopoulos, Director of Research Centre for Energy Management at ESCP Europe Business School and General Conference Chair

Patrick Gougeon, Director of ESCP Europe London Campus and Conference Co-Chair

Nikos Nomikos, Cass Business School and Conference Co-Chair

Rita D'Ecclesia, University of Rome - La Sapienza and Chair of the EWGCFM

🕒 09:15 - 11:15

Concurrent Sessions (A)

1. Electricity and renewables Room: G77

Chair: Spiros Papaefthimiou (Technical University of Crete)

Optimal design of feed-in-tariffs to stimulate renewable energy investments under regulatory uncertainty – a real options analysis

Authors: Ingmar Ritzenhofen, Stefan Spinler

Presenter: Ingmar Ritzenhofen

Capacity payment impact on gas-fired generation investments under rising renewable feed-in -- a real options analysis

Authors: Daniel Hach, Stefan Spinler

Presenter: Daniel Hach

Quality Frontier of Electricity Distribution

Authors: Antti Mikael Saastamoinen, Timo Kuosmanen

Presenter: Antti Mikael Saastamoinen

Incorporating demand response in energy auction with nonconvexities and transmission constraints

Authors: Izabela Zoltowska

Presenter: Izabela Zoltowska

Organic waste treatment in urgent need for innovation

Authors: Stefan Petters, Michael Fuchs, Stefan Koppatz, Klaus Mauthner

Presenter: Stefan Petters

Impacts of future large-scale deployment of EVs in electricity markets

Authors: Alicja Lojowska, Lou van der Sluis, George Papaefthymiou

Presenter: George Papaefthymiou

2. Commodities and finance I Room: G86

Chair: Ryuta Takashima (Tokyo University of Science)

Model Risk and Power Plant Valuation

Authors: Anna Nazarova, Rüdiger Kiesel, Karl Bannör, Matthias Scherer

Presenter: Anna Nazarova



<p><b>Project financing for investments in energy technologies</b>  <i>Authors:</i> Ryuta Takashima, Kyoko Yagi, Shohei Ohata  <i>Presenter:</i> Ryuta Takashima</p>
<p><b>Co-movements and information transmission among major commodity markets</b>  <i>Authors:</i> Qiang Ji, Jianfeng Guo  <i>Presenter:</i> Jianfeng Guo</p>
<p><b>The expected role of accounting standards in accountability, transparency and firm reputation: the case of extractive industries</b>  <i>Authors:</i> Véronique Blum, Bernard GUMB  <i>Presenter:</i> Véronique Blum</p>
<p><b>Investment and Economic Value in Energy Firms</b>  <i>Authors:</i> Vicente Salas-Fumas, Jorge Rosell, Jose M. Delgado-Gomez  <i>Presenter:</i> Jorge Rosell</p>

### 3. International energy markets I Room: G74

**Chair:** Rita Laura D'Ecclisia (University of Rome - La Sapienza and Chair of the EWGCFM)

<p><b>Role of generating units maintenance in forecasting electricity spot prices on Czech &amp; Slovak electricity market</b>  <i>Authors:</i> Jan Smolen  <i>Presenter:</i> Jan Smolen</p>
<p><b>Total-factor energy performance growth and its decompositions of fossil fuel electricity generation in Korea: A non-radial metafrontier Malmquist index analysis</b>  <i>Authors:</i> Yongrok Choi  <i>Presenter:</i> Yongrok Choi</p>
<p><b>Modelling Electricity Demand in Turkey for 1998-2011</b>  <i>Authors:</i> Ipek Ayse Sayin, Esmâ Gaygisiz  <i>Presenter:</i> Ipek Ayse Sayin</p>
<p><b>Hedging patterns in the global energy market - the role of power plant technologies</b>  <i>Authors:</i> Thomas Schmid, Martin Lievenbrück  <i>Presenter:</i> Martin Lievenbrück</p>
<p><b>Cross-border infrastructure constraints, regulatory measures and economic integration of the Dutch-German gas market</b>  <i>Authors:</i> Gerard Kuper, Machiel Mulder  <i>Presenter:</i> Gerard Kuper</p>
<p><b>Gas and crude oil prices: a dynamic relationship</b>  <i>Authors:</i> Rita Laura D'Ecclisia, David Stack  <i>Presenter:</i> Rita Laura D'Ecclisia</p>

🕒 11:15 - 11:30

**Coffee Break**

🕒 11:30 - 12:30

**Plenary Session (A)**

### Economics of climate change and renewables Room: G77

Invited Speech by **Dr. Michael Pollitt** (University of Cambridge)

🕒 12:30 - 13:30

**Lunch**

🕒 13:30 - 15:00

**Concurrent Sessions (B)**

### 4. Electricity prices I Room: G86

**Chair:** Pär Holmberg (Research Institute of Industrial Economics (IFN))

<p><b>On the Effect of the Fukushima Nuclear Accident on European Power Futures</b>  <i>Authors:</i> Philipp Stroehle, Christoph M. Flath  <i>Presenter:</i> Philipp Stroehle</p>
<p><b>Congestion management in electricity networks: Nodal, zonal and discriminatory pricing</b>  <i>Authors:</i> Ewa Lazarczyk, Pär Holmberg  <i>Presenter:</i> Pär Holmberg</p>
<p><b>Cross-commodity futures price dynamics: A time varying risk factor sensitivity approach of power to gas, coal, and carbon prices</b>  <i>Authors:</i> Mehtap Kilic, Ronald Huisman, Stein-Erik Fleten, Sjur Westgaard  <i>Presenter:</i> Mehtap Kilic</p>
<p><b>A generalized class of locational pricing mechanisms on electricity markets</b>  <i>Authors:</i> Mariusz Kaleta  <i>Presenter:</i> Mariusz Kaleta</p>

### 5. Energy markets regulation and policy I Room: G74

**Chair:** Davide Vannoni (University of Torino)

<p><b>The Economic Impact of Chinese Power Industry Reform: a research based on cointegration with structural changes</b>  <i>Authors:</i> Feng Wang, XIN Liu, Zongyi Zhang  <i>Presenter:</i> Feng Wang</p>
<p><b>The determinants of board compensation in SOEs An application to Italian local public utilities</b>  <i>Authors:</i> Davide Vannoni, Anna Menozzi, Fabrizio Erbetta, Giovanni Fraquelli  <i>Presenter:</i> Davide Vannoni</p>
<p><b>Determinants of investment under incentive regulation: The case of Norwegian electricity distribution networks</b>  <i>Authors:</i> Rahmatallah Poudineh, Tooraj Jamasb  <i>Presenter:</i> Rahmatallah Poudineh</p>
<p><b>An institutional framework for district cooling and decentralized cogeneration (DCDC): Sao Paulo city study case</b>  <i>Authors:</i> Afonso Henriques Moreira Santos  <i>Presenter:</i> Afonso Henriques Moreira Santos</p>

### 6. Commodities and finance II Room: G77

**Chair:** Yannick Le Pen (Université Paris Dauphine)

<p><b>Co-movement of Oil Price and Stock Market in India Evidence from ARDL Bounds Tests and Threshold Cointegration</b>  <i>Authors:</i> Sajal Ghosh, Kakali Kanjilal  <i>Presenter:</i> Kakali Kanjilal</p>
<p><b>Return and volatility dynamics of crude oil and U.S. Equity sectors</b>  <i>Authors:</i> Ouriemi Ilief  <i>Presenter:</i> Ouriemi Ilief</p>

#### Fundamental and Financial Influences on the Co-movement of Oil and Gas Prices

Authors: Benoit Sevi, Derek Bunn, Julien Chevallier, Yannick Le Pen  
Presenter: Yannick Le Pen

#### Recent oil price dynamics: is this time speculation?

Authors: Rita Laura D'Ecclesia, Emiliano Magrini, Pierluigi Montalbano, Umberto Triulzi  
Presenter: Pierluigi Montalbano

🕒 15:00 - 15:15

### Coffee Break

🕒 15:15 - 16:45

### Plenary Session (B)

#### Natural Gas in a Global Context: pricing, competition and politics Room: G77

Chair: Prof. Jonathan Stern (Oxford Institute for Energy Studies, UK)

#### Invited speakers:

Peter Steward (Chief Energy Analyst at Interfax, UK)  
Klaus Schafer (Chairman of the Board of Management on E.ON Global Commodities, Germany)  
Prof. Jean-Pierre Favennec (French Institute of Petroleum (IFP), President - Association for the Development of Energy in Africa)

🕒 16:45 - 17:00

### Coffee Break

🕒 17:00 - 19:00

### Concurrent Sessions (C)

#### 7. Energy economics Room: G77

Chair: John Lockyer Simpson (Curtin University)

#### The Market Microstructure of the European Climate Exchange

Authors: Bruce Mizrach, Yoichi Otsubo  
Presenter: Yoichi Otsubo

#### Culture and investor perceptions: evidence from transatlantic market response to Fukushima

Authors: Anastasia V Shcherbakova, Zhen Lei  
Presenter: Anastasia V Shcherbakova

#### NRGI: Building an Energy Sentiment Index

Authors: Peter Deeney, Mark Cummins, Adam Bermingham, Michael Dowling  
Presenter: Peter Deeney

#### The impact of renewable energy consumption to economic welfare: A panel data application

Authors: Roula Inglesi-Lotz  
Presenter: Roula Inglesi-Lotz

#### The Influence of Economic, Financial and Political Factors on South East Asian Electricity Markets

Authors: John Lockyer Simpson  
Presenter: John Lockyer Simpson

#### On the dynamics of environmental performance in the European Union

Authors: Emili Tortosa-Ausina, David Conesa, Roberto Gómez-Calvet, Ana Rosa Gómez  
Presenter: Roberto Gómez-Calvet

#### 8. Generation and transmission I Room: G74

Chair: Marida Bertocchi (University of Bergamo)

#### An Economic and Environmental Assessment of Future Electricity Generation Mixes in Japan: An assessment using the E3MG macro-econometric model

Authors: Soochool Lee, Seung-Joon Park, Kazuhiro Ueta, Hector Pollitt  
Presenter: Hector Pollitt

#### Risk and Abnormal Returns in Markets for Financial Transmission Rights

Authors: Rimvydas Baltaduonis  
Presenter: Rimvydas Baltaduonis

#### Productivity growth in electric energy retail in Colombia. A bootstrapped Malmquist indices approach

Authors: Rodrigo Taborda  
Presenter: Rodrigo Taborda

#### A risk averse three-stage stochastic mixed integer optimization model for power generation capacity expansion

Authors: Marida Bertocchi, Paolo Pisciella, Stefano Zigrino, Maria Teresa Vespucci  
Presenter: Marida Bertocchi

#### Flexibility in Europe's power sector - a necessary good or an inevitable complement?

Authors: Joachim Bertsch, Christian Growitsch, Stephan Nagl, Stefan Lorenczik  
Presenter: Joachim Bertsch

#### Valuation of Nuclear Power Plant Completion: Real Option Approach Application

Authors: Miroslav Čulík, Zdeněk Zmeškal  
Presenter: Zdeněk Zmeškal

#### 9. Oil prices Room: G86

Chair: Nourah A. AlYousef (King Saud University)

#### Data Mining the Strategic Indicators driving Oil Prices

Authors: Neha Mehra Sehgal, Krishan Kumar Pandey  
Presenter: Neha Mehra Sehgal

#### Analysis of Crisis Events Impact on Interval-valued Crude Oil Prices: A New Approach Based on the ACIX Models with Dummy Variables

Authors: Ai Han, Wei Yang, Yongmiao Hong, Shouyang Wang  
Presenter: Ai Han

#### Small trends and big cycles of crude oil prices

Authors: Xiaoyi Mu  
Presenter: Xiaoyi Mu

#### Modeling Crude oil prices 1994-2012

Authors: Nourah A. AlYousef  
Presenter: Nourah A. AlYousef

#### Convenience Yield in Commodities Price Modeling: a Regime Switching Approach

Authors: Abdullah Almansour  
Presenter: Abdullah Almansour

🕒 19:45 - 23:00

### Conference Dinner - HMS Belfast

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Friday, May 17, 2013



🕒 08:00 - 08:45

Registration and Coffee

🕒 08:45 - 10:30

Concurrent Sessions (D)

**10. Commodities and finance III** Room: G77

**Chair:** Ahmed Khalifa (*King Fahd University of Petroleum and Minerals*)

**An Inflation Hedging Strategy with Commodities: A Core Driven Global Macro**

*Authors:* Nicolas Fulli-Lemaire  
*Presenter:* Nicolas Fulli-Lemaire

**Volatility Transmission across Currency, Commodity and Equity Markets under Multi Chain Regime Switching: Implications for Hedging and Portfolio Allocation**

*Authors:* Ahmed Khalifa, Sanjay Ramchander, Shawkat Hammoudeh, Edoardo Otranto  
*Presenter:* Ahmed Khalifa

**The US dollar exchange rate and the demand for oil**

*Authors:* Selien De Schryder, Gert Peersman  
*Presenter:* Selien De Schryder

**The Effects of Oil Price Shocks on Output and Inflation in China**

*Authors:* Xun Zhang, lin zhao, shanying xu, Shouyang Wang  
*Presenter:* Xun Zhang

**Return and Volatility Spillovers between China and world oil markets**

*Authors:* Bing Zhang, Peijie Wang  
*Presenter:* Bing Zhang

**11. Financial modelling I** Room: G74

**Chair:** Jesus David Moreno (*University Carlos III*)

**DEA-risk and stochastic dominance efficiency tests -- formulations and equivalences**

*Authors:* Martin Branda, Miloš Kopa  
*Presenter:* Martin Branda

**A New Raroc Based Criterion For Capital Allocation**

*Authors:* Marco Polvani, Laura d'Alessandro, Marco Giorgino  
*Presenter:* Marco Polvani

**Credit Risk Analysis with Creditor's Option to Extend Maturities**

*Authors:* Yoske Igarashi, Ryoichi Ikeda  
*Presenter:* Yoske Igarashi

**Management sub-advising: Mutual fund industry**

*Authors:* Jesus David Moreno, Rafael Zambrana, Rosa Rodriguez  
*Presenter:* Jesus David Moreno

**12. Generation and transmission II** Room: G86

**Chair:** George Papaefthymiou (*TUDeft / Ecofys GmbH*)

**Asymmetric Impacts of European Transmission Network Development towards 2050 on Its Stakeholders based on IRENE- 40 Scenarios**

*Authors:* Danny Pudjianto, Manuel Castro, Goran Strbac, Zongyu Liu, Lou van der Sluis, George Papaefthymiou  
*Presenter:* George Papaefthymiou

**Evaluating the ex ante cost of equity of power utilities in the UK and Brazil**

*Authors:* Devendra Kodwani, Savoia José Roberto Ferreira  
*Presenter:* Savoia José Roberto Ferreira

**Time Varying Fractional Cointegration Analysis of EU Electricity Markets**

*Authors:* Melanie Houllier, Lilian de Menezes  
*Presenter:* Melanie Houllier

**Stakeholder-Oriented Approach to Smart Grid Economic Efficiency Assessment**

*Authors:* Alina Vasilevna Fedosova, Irina Olegovna Volkova  
*Presenter:* Alina Vasilevna Fedosova

🕒 10:30 - 10:45

Coffee Break

🕒 10:45 - 12:15

Concurrent Sessions (E)

**13. Carbon emissions I** Room: G86

**Chair:** Miguel Rodriguez (*Universidade de Vigo*)

**Mishandling energy and carbon intensities**

*Authors:* Miguel Rodriguez, Yolanda Pena  
*Presenter:* Miguel Rodriguez

**The Drivers of Power System Emissions: An Econometric Analysis**

*Authors:* Amy O'Mahoney, Benjamin Hobbs, Mark O'Malley, Eleanor Denny  
*Presenter:* Amy O'Mahoney

**Why are European carbon markets informationally inefficient? Influence of Heterogeneous Traders: The Limit Order Book Slope as a Market Sentiment Proxy**

*Authors:* Yves Rannou  
*Presenter:* Yves Rannou

**The role of hedging in carbon markets**

*Authors:* Anne Schopp, Karsten Neuhoff  
*Presenter:* Anne Schopp

**14. Commodity futures and pricing** Room: G74

**Chair:** Paola Zerilli (*University of York*)

**Convenience Yield and Adjusted Basis Stylized Facts**

*Authors:* Pierre Six, Julien Fouquau  
*Presenter:* Pierre Six

**Futures price volatility in commodities markets: The role of short term vs long term speculation**

*Authors:* Marcella Nicolini, Matteo Manera, Ilaria Vignati  
*Presenter:* Marcella Nicolini

**How Is Convenience Yield Risk Priced?**  
*Authors:* Rangga Handika, Olaf Korn, Stefan Trueck  
*Presenter:* Rangga Handika

**Spikes and stochastic volatility in commodity prices: Evidence from crude oil futures prices using conditional moments of integrated volatility**  
*Authors:* Paola Zerilli, Christopher Baum  
*Presenter:* Paola Zerilli

**15. Electricity markets** Room: G77  
**Chair:** Silvana Stefani (Università Milano Bicocca)

**A New Approach for Modelling Electricity Spot Prices Based on Supply and Demand Spreads**  
*Authors:* Dennis Tuerk, Michael Eichler  
*Presenter:* Dennis Tuerk

**Changes in the form of State intervention: Twenty years of regulation in the Brazilian electricity market**  
*Authors:* Patricia Regina Pinheiro Sampaio, Elena Landau, Joisa Dutra  
*Presenter:* Joisa Dutra

**The ACEWEM framework for experimental designs of wholesale electricity markets: Comparison of statistically driven optimisation with reinforcement learning**  
*Authors:* Daniil Kiose, Vlasios Voudouris  
*Presenter:* Vlasios Voudouris

**Panel data analysis of the relation between electricity demand and oil price volatility in OECD countries**  
*Authors:* Gulsum Akarsu, Esmâ Gaygisiz  
*Presenter:* Gulsum Akarsu

**Setting the fair price for heating renewables**  
*Authors:* Silvana Stefani, Aurora Caridi, Alberto Rota, Fausto Bonacina  
*Presenter:* Silvana Stefani

🕒 12:15 - 12:30

**Coffee Break**

🕒 12:30 - 13:15

**Plenary Session (C)**

**The Current State of the Oil-Futures Markets – The ‘Message from Markets’**  
**Room: G77**  
 Invited Speech by **Prof. Ehud Ronn** (University of Texas at Austin)

🕒 13:15 - 14:00

**Lunch**

🕒 14:00 - 15:30

**Concurrent Sessions (F)**

**16. Modelling commodity prices** Room: G77  
**Chair:** Pierre Six (Rouen Business School)

**Energy Price Transmissions during Extreme Movements**  
*Authors:* Marc Joëts  
*Presenter:* Marc Joëts

**Correlation as a pricing factor for oil derivatives**  
*Authors:* Pierre Six  
*Presenter:* Pierre Six

**Extreme Value Theory and mixed C-vine Copulas on modelling energy price risks**  
*Authors:* Emmanouil Karimalis, Nikos Nomikos  
*Presenter:* Emmanouil Karimalis

**Risk Factors and Their Associated Risk Premia: An Empirical Analysis of the Crude Oil Market**  
*Authors:* Martin Daniel Hain, nils unger, Marliese Uhrig-Homburg  
*Presenter:* Martin Daniel Hain

**Tail events: A New Approach to Understanding Extreme Energy Commodity Prices**  
*Authors:* Nicolas Timon Koch  
*Presenter:* Nicolas Timon Koch

**17. Aspects of energy transportation** Room: G74  
**Chair:** Takashi Kanamura (J-POWER)

**Structural Linkage Model for Freight Rates**  
*Authors:* Takashi Kanamura  
*Presenter:* Takashi Kanamura

**Evolution of the world crude oil market system: a graph theory analysis**  
*Authors:* Qiang Ji, Ying Fan  
*Presenter:* Qiang Ji

**A novel methodology for environmental characterization of ports**  
*Authors:* Spiros Papaefthimiou, Alexandra Maragkogianni, Ioannis Sitzimis, Kostas Andriosopoulos  
*Presenter:* Alexandra Maragkogianni

**The influence of agent choices and spatial dynamics on oil tanker movements**  
*Authors:* Sophia Parker, Neil Strachan  
*Presenter:* Sophia Parker

**Comparing Efficiency of World Oil Markets Based on Generalized Spectrum Method**  
*Authors:* Xiang Chen, Bing Zhang  
*Presenter:* Bing Zhang

**18. European carbon markets** Room: G86  
**Chair:** Iordanis Angelos Kalaitzoglou (Audencia Business School)

**A Combined Model of Classical and Impulse Controls for Emission and Stock Abatement Policies**  
*Authors:* Motoh Tsujimura, Akira Maeda  
*Presenter:* Motoh Tsujimura

**How do OTC markets contribute to a global financial market inefficiency? Evidence from asymmetric information biases in the context of the European carbon derivatives**  
*Authors:* Yves Rannou, Pascal Barneto  
*Presenter:* Yves Rannou

**Autoregressive Conditional Weighted Duration: Measuring Temporal Dependence of Order Flow in the European Carbon Futures Market**  
*Authors:* Iordanis Angelos Kalaitzoglou, Boulis Ibrahim  
*Presenter:* Iordanis Angelos Kalaitzoglou

🕒 15:30 - 15:45

🕒 15:45 - 17:15

**A microstructure analysis of the Kyoto Phase of the EU Emissions Trading Scheme**  
*Authors:* Cal Bernard Muckley, Jiayuan Chen, Don Bredin  
*Presenter:* Jiayuan Chen

### Coffee Break

### Concurrent Sessions (G)

#### 19. Electricity prices II Room: G77

**Chair:** Mario Domingues Simoes (*IAG Business School/PUC-Rio, Brasil*)

**Electricity Price Forecast Risk Assessment using the Extreme Value Theory**  
*Authors:* Mario Domingues Simoes, Marcelo Cabus Klotzle, Antonio Carlos Figueiredo Pinto, Leonardo Lima Gomes  
*Presenter:* Mario Domingues Simoes

**Endogenous regimes in electricity prices**  
*Authors:* Roy Cerqueti, Rosella Castellano, Massimo Centra  
*Presenter:* Roy Cerqueti

**Neurofuzzy Inference in Electricity Prices**  
*Authors:* Carlo Lucheroni  
*Presenter:* Carlo Lucheroni

**Univariate Time-Series Model for Continuous Dynamic Forecasting on Italian Electricity Spot Market**  
*Authors:* Faddy Ardian, Anna Creti, Francesco Vallone  
*Presenter:* Faddy Ardian

#### 20. Commodities price and volatility dynamics Room: G74

**Chair:** Mark Cummins (*Dublin City University*)

**Price Clustering or Psychological Barriers in Energy Futures?**  
*Authors:* Michael Dowling, Brian Lucey, Mark Cummins  
*Presenter:* Mark Cummins

**Impact of Financial crisis on Indian commodity markets: Structural breaks and Volatility Dynamics**  
*Authors:* Shalini Velappan, Krishna Prasanna  
*Presenter:* Shalini Velappan

**Equilibrium Prices and Investment in Electricity Systems with CO2-Emission Trading and High Shares of Renewable Energies**  
*Authors:* Felix Muesgens  
*Presenter:* Felix Muesgens

**Is efficiency of crude oil market affected by multifractality? An evidence from the WTI crude oil market**  
*Authors:* Rongbao Gu, Bing Zhang  
*Presenter:* Rongbao Gu

**Testing the rationality of DOE's energy price forecasts under asymmetric loss preferences**  
*Authors:* Emmanuel mamatzakis  
*Presenter:* Emmanuel mamatzakis

#### 21. International energy markets II Room: G86

**Chair:** Ercem Erkul (*Hacettepe University*)

**Carbon Emission Permit Price Volatility Reduction through Financial Option Trading**  
*Authors:* Li Xu, Shi-Jie Deng  
*Presenter:* Shi-Jie Deng

**How to rate the efficiency of European Energy Markets ?**  
*Authors:* Fazil Gokgoz , Ercem Erkul  
*Presenter:* Ercem Erkul

**Has there been permanent change in the correlations between oil and equity markets: international evidence**  
*Authors:* Bing Zhang  
*Presenter:* Bing Zhang

**On the Rate of Return and Risk Factors to International Oil Companies in Iran's Buy-Back Service Contracts**  
*Authors:* Abbas Ghandi, C.-Y. Cynthia Lin  
*Presenter:* Abbas Ghandi

🕒 17:15 - 17:30

### Coffee Break

🕒 17:30 - 19:00

### Plenary Session (D)

#### Dealing with E.U. regulatory uncertainty Room: G77

**Chair:** Antonio Guglielmi (*Director, Mediobanca Securities UK*)

**Invited speakers:**  
Riccardo Barbieri (*Chief economist at Mizuho Bank*)  
Emanuele Minotti (*CEO of Theorema Asset Management*)  
Marc Thiele (*Head of EU Insurance research, Mediobanca Securities*)

🕒 19:45 - 23:00

### Gala Dinner - Hotel Russell

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## Saturday, May 18, 2013



🕒 08:30 - 09:00

### Registration and Coffee

🕒 09:00 - 11:00

### Concurrent Sessions (H)

#### 22. Financial modelling II Room: G77

**Chair:** Miloš Kopa (*Charles University in Prague*)

**Optimal and Investable Portfolios: An Empirical Analysis with Scenario Optimization Algorithms under Crisis Market Prospects**  
*Authors:* Mazin A. M. Al Janabi  
*Presenter:* Mazin A. M. Al Janabi

<p><b>A square-root T hedging rule</b>  <i>Authors:</i> Jukka Sihvonen  <i>Presenter:</i> Jukka Sihvonen</p>
<p><b>Concordance measures and stochastic dominance in portfolio efficiency analysis</b>  <i>Authors:</i> Miloš Kopa, Tomas Tichy  <i>Presenter:</i> Miloš Kopa</p>
<p><b>Stock markets and regulatory risk events detection in energy companies</b>  <i>Authors:</i> SILVIA Serrano Calle  <i>Presenter:</i> SILVIA Serrano Calle</p>
<p><b>Correlation Dynamics in the G7 Stock Markets</b>  <i>Authors:</i> Anita Suurlaht  <i>Presenter:</i> Anita Suurlaht</p>

<p><b>23. Carbon emissions II</b> Room: G74  <b>Chair:</b> Duc Khuong Nguyen (<i>IPAG Business School &amp; University Paris 1 Panthéon-Sorbonne</i>)</p>
<p><b>Carbon emissions - income relationships with structural breaks: the case of the Middle East and North African countries</b>  <i>Authors:</i> Duc Khuong Nguyen, Ghassen El Montasser, Ahdi Noomen Ajmi  <i>Presenter:</i> Duc Khuong Nguyen</p>
<p><b>EU ETS Market Interactions: The Case for Multiple Hypothesis Testing Approaches</b>  <i>Authors:</i> Mark Cummins  <i>Presenter:</i> Mark Cummins</p>
<p><b>Carbon emission sensitive productivity growth for Chinese fossil fuel power plants</b>  <i>Authors:</i> Ning Zhang  <i>Presenter:</i> Ning Zhang</p>
<p><b>Optimal pollution control under emission constraints: switching between regimes</b>  <i>Authors:</i> Giuseppe Travaglini, Enrico Saltari  <i>Presenter:</i> Giuseppe Travaglini</p>
<p><b>Tradable green certificates: market effects and impacts on net GHG emissions</b>  <i>Authors:</i> Åsa Grytli Tveten, Torjus Folsland Bolkesjø  <i>Presenter:</i> Åsa Grytli Tveten</p>

<p><b>24. Energy contracting</b> Room: G86  <b>Chair:</b> Yueming Qiu (<i>Arizona State University</i>)</p>
<p><b>Explaining the contract terms of energy performance contracting</b>  <i>Authors:</i> Yueming Qiu, Yan Li, Yi David Wang  <i>Presenter:</i> Yueming Qiu</p>
<p><b>Rethinking Transboundary Pollution: A Club Membership Approach</b>  <i>Authors:</i> Bihong Huang, Xudong Chen  <i>Presenter:</i> Bihong Huang</p>
<p><b>A Kernel-Based Approach to Energy Contracts Valuations in High Dimensions</b>  <i>Authors:</i> Denis Mazieres  <i>Presenter:</i> Denis Mazieres</p>

<p><b>Exploring the role of Government in NOC operations under the shadow of NOC-IOC alliances</b>  <i>Authors:</i> Piyali Rudra  <i>Presenter:</i> Piyali Rudra</p>
<p><b>Long-term Contract and Competition on the Spot: How indexation and duration matter?</b>  <i>Authors:</i> Chloe Le Coq  <i>Presenter:</i> Chloe Le Coq</p>

🕒 11:00 - 11:15

🕒 11:15 - 13:15

## Coffee Break

## Concurrent Sessions (I)

<p><b>25. Future trends of energy generation</b> Room: G74  <b>Chair:</b> Vlasios Voudouris (<i>London Metropolitan University</i>)</p>
<p><b>The Economics of Energy Transition</b>  <i>Authors:</i> Calvin Jones  <i>Presenter:</i> Calvin Jones</p>
<p><b>Potential Impacts of Unconventional Resources on Energy Markets</b>  <i>Authors:</i> Kenichi Matsumoto, Vlasios Voudouris, Kostas Andriosopoulos  <i>Presenter:</i> Vlasios Voudouris</p>
<p><b>A 100% renewable energy system in Belgium by 2050. Assessment of different long term trajectories to transform the current Belgian energy system into a 100% renewable energy mix</b>  <i>Authors:</i> Danielle Devogelaer, Jan Duerinck, Dominique Gusbin, Wouter Nijs, Yves Marenne, Marco Orsini  <i>Presenter:</i> Danielle Devogelaer</p>
<p><b>An integrated approach for energy efficiency analysis in European Union Countries</b>  <i>Authors:</i> Georgia Makridou, Kostas Andriosopoulos, Michael Doumpos, Constantin Zopounidis  <i>Presenter:</i> Georgia Makridou</p>
<p><b>Implications of wider availability of unconventional gas on global biomass consumptions: Long-term global low carbon scenarios</b>  <i>Authors:</i> Gabriel Anandarajah  <i>Presenter:</i> Gabriel Anandarajah</p>

<p><b>26. Commodities and finance IV</b> Room: G77  <b>Chair:</b> Hayette Gatfaoui (<i>Rouen Business School</i>)</p>
<p><b>Common Factors in Commodity Futures Curves</b>  <i>Authors:</i> Dennis Karstanje, Michel van der Wel, Dick van Dijk  <i>Presenter:</i> Dennis Karstanje</p>
<p><b>The Dynamic Relationship between Financial Markets, Risk Ratings and Oil and Gas Markets: Evidence from the USA</b>  <i>Authors:</i> John Lockyer Simpson  <i>Presenter:</i> John Lockyer Simpson</p>
<p><b>Valuation of Commodity Derivatives with a Partially Observable Convenience Yield</b>  <i>Authors:</i> Constantin Mellios  <i>Presenter:</i> Constantin Mellios</p>

**Pricing Asian-style options with discrete sampling under affine models: Application and analysis in oil market**

*Authors:* Ioannis Kyriakou, Nikos Nomikos, Nikos Papapostolou, Panos Pouliasis  
*Presenter:* Panos Pouliasis

**Linking the gas and oil markets with the stock market: Investigating the U.S. relationship**

*Authors:* Hayette Gatfaoui  
*Presenter:* Hayette Gatfaoui

**Recent oil price dynamics: the Role of Financialization**

*Authors:* Rita Laura D'Ecclesia, Emiliano Magrini, Pierluigi Montalbano, Umberto Triulzi  
*Presenter:* Pierluigi Montalbano

**27. Energy markets regulation and policy II** Room: G86

**Chair:** Marina Di Giacomo (*University of Torino*)

**The opening of the energy markets: effects on the cost efficiency of the European electricity and gas companies**

*Authors:* Marina Di Giacomo, Clementina Bruno, Giovanni Fraquelli  
*Presenter:* Marina Di Giacomo

**Greece facing the consequences of its coal based energy policy: the implementation of the third phase of Kyoto protocol**

*Authors:* Alexandra Maragkogianni, Stavroula Sarri, Constantin Zopounidis, Spiros Papaefthimiou, Kostas Andriosopoulos  
*Presenter:* Stavroula Sarri

**Taxing Fossil Fuels under Speculative Storage**

*Authors:* Semih Tumen, Deren Unalmis, Filiz Unsal, Ibrahim Unalmis  
*Presenter:* Ibrahim Unalmis

**A new WACC model in the regulation of the Norwegian electricity network operators**

*Authors:* Silje Cathrine Syvertsen, Tore Langset  
*Presenter:* Tore Langset

**The Need for an Integrated Energy and Climate Change Policy for Nigeria**

*Authors:* Muhammad Isma'il, Ibrahim Jaro Musa  
*Presenter:* Muhammad Isma'il

🕒 13:15 - 14:00

**Closing remarks**

**Closing session** Room: G77

*Kostas Andriosopoulos, Director of Research Centre for Energy Management at ESCP Europe Business School and General Conference Chair*

*Michael Tamvakis, Cass Business School and Conference Co-Chair*

*Rita D'Ecclesia, University of Rome - La Sapienza and Chair of the EWGCFM*

**51st Meeting  
of the EWGCFM**  
and 1st Conference of the RCEM & ICSTF

May 16-18  
**2013 London**  
(ESCP Europe Campus)  
Special issue:  
Energy Economics

**Dinners & Social Events** >

## Conference Dinner: 16th May 2013 at 19:45



### 📍 HMS Belfast

The Queen's Walk, Tooley St, London, SE1 2JH

HMS Belfast - a museum ship originally built in 1938 in Belfast as a Royal Navy light cruiser permanently moored in London on the River Thames.

📍 **Meeting Point:** The buses leave at 19.00 from ESCP Europe Business School (527, Finchley Road). Please meet other participants at the entrance of the School.

🚇 **Nearest underground station:** London Bridge (Jubilee line)

## Gala Dinner: 17th May 2013 at 19:45 Invitation ticket is required !



### 📍 Hotel Russell

1-8 Russell Square, Bloomsbury, London, WC1B 5BE

Hotel Russell is your ideal location when visiting the capital of the United Kingdom. Situated in the heart of Bloomsbury in the very centre of London, the historic Hotel Russell dominates the east side of Russell Square. Designed by Charles Fitzroy Doll, designer of the dining room on the RMS Titanic, the Hotel Russell was built in 1898 and is distinctively clad in decorative thé-au-lait ("tea with milk") terracotta.

📍 **Meeting Point:** The buses leave at 19.00 from ESCP Europe Business School (527 Finchley Road). Please meet other participants at the entrance of the School.

🚇 **Nearest underground station:** Russell Square (Piccadilly line)

⚠️ **Please note that transportation after the events will not be provided.**

## Social Events

### 📍 London Walk – Green Park to Westminster

📅 18th May 2013 at 15.00



### Visiting the Royal Parks and sightseeing famous royal and governmental buildings



📍 **Meeting point:** Outside Green Park underground station (Green Park exit), in the park, by the drinking fountain.

👤 **The guides:** Tina and Julie - The guides will be at the meeting point with a "Green Park to Westminster Walk" poster.

🕒 **Duration:** The walk will last just under 2 hours and will finish in Parliament Square.

📞 **Contact details if you get lost:**  
Tina Hodgkinson's mobile: +44 (0)7941218894  
Julie Chandler's mobile: +44 (0)7711759660

**Please confirm your attendance in advance to Kasia Wolenska by Friday 17th:**

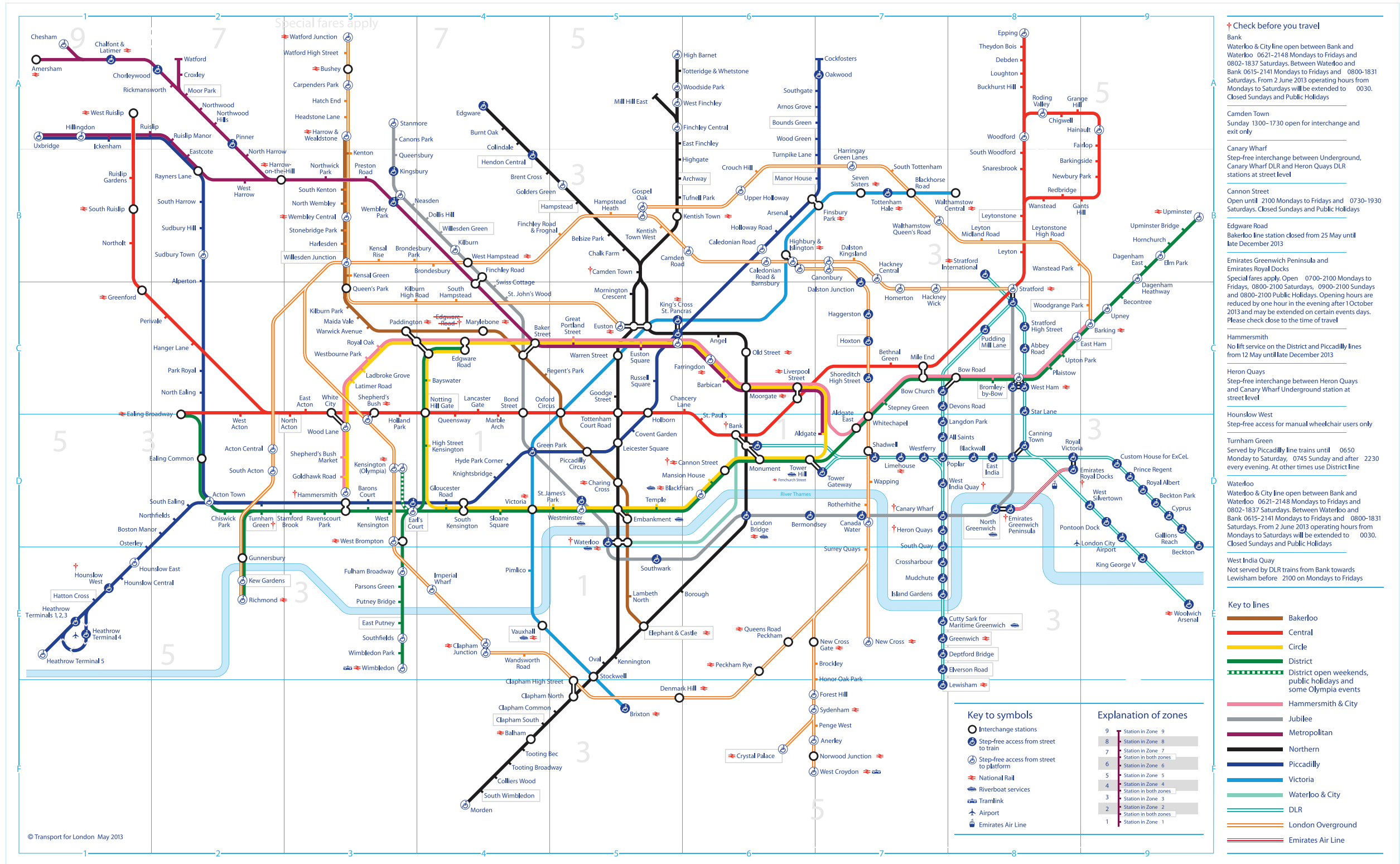
E-mail: [kwolenska@escpeurope.eu](mailto:kwolenska@escpeurope.eu)

Tel: +44 (0)207 4438819

Office on campus: [Room G50](#)



# London tube map





# List of participants

First name	Last name	Affiliation
Ahmed	Adamu	Newcastle University
Gulsum	Akarsu	METU
Mazin A. M.	Al Janabi	UAE University
Abdullah	Almansour	King Fahd University of Petroleum and Mineral
Nourah	A. AlYousef	King Saud University
Gabrial	Anandarajah	University College London
Kostas	Andriosopoulos	ESCP Europe Business School
Faddy	Ardian	Ecole Polytechnique - Cogenpower
Rimvydas	Baltaduonis	Gettysburg College
Marida	Bertocchi	University of Bergamo
Joachim	Bertsch	University of Cologne
Véronique	Blum	Université de Paris X
Martin	Branda	Charles University in Prague
Jiayuan	Chen	UCD
Alain	Chevalier	ESCP Europe Business School,
Othman	Cole	ESCP Europe Business School
Mark	Cummins	Dublin City University
Frederik	Dahlmann	University of Bath
Selien	De Schryder	Ghent University
Rita Laura	D'Ecclasia	Chair of EWGCFM, Sapienza University of Rome
Peter	Deeney	Dublin City University
Shi-Jie	Deng	Georgia Institute of Technology
Danielle	Devogelaer	Federal Planning Bureau
Marina	Di Giacomo	University of Torino
Joisa	Dutra	Getulio Vargas Foundation
Ercem	Erkul	Hacettepe University
Ying	Fan	Center for Energy & Environmental Policy research, Institute of Policy and Management, Chinese Academy of Sciences
Jean-Pierre	Favennec	French Institute of Petroleum
Alina Vasilevna	Fedosova	The Higher School of Economics
Giovanni	Fraquelli	University of Eastern Piedmont
Nicolas	Fulli-Lemaire	Amundi AM & Paris II University
Hayette	Gatfaoui	Rouen Business School
Helyette	Geman	ESCP Europe Business School & Birkbeck University
Abbas	Ghandi	University of California at Davis
Sajal	Ghosh	MDI
Humberto	Godinez Olivares	University of Liverpool
Fazil	Gokgoz	Ankara University
Roberto	Gómez-Calvet	Universitat Jaume I
Patrick	Gougeon	ESCP Europe Business School
Rongbao	Gu	Nanjing University of Finance & Economics
Bernard	Gumb	Grenoble Ecole de Management
Jianfeng	Guo	Center for Energy & Environmental Policy research, Institute of Policy and Management, Chinese Academy of Sciences
Dominique	Gusbin	Federal Planning Bureau
Nicolas	Habert	EM Grenoble
Daniel	Hach	WHU - Otto Beisheim School of Management
Martin Daniel	Hain	Chair of Financial Engineering and Derivatives
Ai	Han	Chinese Academy of Sciences
Rangga	Handika	Macquarie University
Pär	Holmberg	Research Institute of Industrial Economics (IFN)

First name	Last name	Affiliation
Melanie	Houllier	Cass Business School
Bihong	Huang	University of Macau
Andrew	Hunter	Cornell University
Boulis	Ibrahim	Heriot Watt University - Energy Academy
Yoske	Igarashi	The University of Exeter, Business School
Ryoichi	Ikeda	Nanzan University
Ouriemi	Ilef	Concervatoire National des Arts et métiers. (CNAM).
Roula	Inglesi-Lotz	University of Pretoria
Muhammad	Isma'il	Ahmadu Bello University, Zaria
Qiang	Ji	Center for Energy & Environmental Policy research, Institute of Policy and Management, Chinese Academy of Sciences
Marc	Joëts	IPAG Business School & EconomiX-CNRS
Calvin	Jones	Cardiff University
Savoia	José Roberto Ferreira	University of Sao Paulo, Brazil
Iordanis Angelos	Kalaitzoglou	Audencia Business School
Mariusz	Kaleta	Warsaw University of Technology
Takashi	Kanamura	J-POWER
Kakali	Kanjilal	International Management Institute
Emmanouil	Karimalis	Cass Business School
Dennis	Karstanje	Erasmus University Rotterdam
Ahmed	Khalifa	King Fahd University of Petroleum and Minerals
Mehtap	Kilic	Erasmus School of Economics
Jon Gustav	Kirkerud	Norwegian University of Life Sciences
Nicolas Timon	Koch	University of Hamburg
Miloš	Kopa	Charles University in Prague, Faculty of mathematics and physics
Gerard	Kuper	University of Groningen
Ioannis	Kyriakou	Cass Business School, City University London
Tore	Langset	Norwegian Water Resources and Energy Directorate
Chloe	Le Coq	Stockholm School of Economics
Yannick	Le Pen	Université Paris Dauphine
Xin	Li	School of Management, University of Chinese Academy of Science
Anne	Lieberman	Industry and Parliament Trust
Martin	Lievenbrück	Department for Financial Management and Capital Markets
Carlo	Lucheroni	University of Camerino
Georgia	Makridou	Technical University of Crete & ESCP Europe Business School
Alexandra	Maragkogianni	Technical University of Crete
Denis	Mazieres	LCH.Clearnet and Birkbeck, University of London
Balazs	Mellar	European Parliament
Constantin	Mellios	University of Paris 1 Panthéon-Sorbonne
Anna	Menozzi	Universita' del Piemonte Orientale "A. Avogadro"
Afonso Henriques	Moreira Santos	Universidade Federal de Itajuba
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Felix	Muesgens	Brandenburg University of Technology
Machiel	Mulder	Netherlands Authority Consumers & Markets / University of Groningen
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Marcella	Nicolini	Feem & University of Pavia
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Yoichi	Otsubo	University of Luxembourg
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George	Papaefthymiou	TU Delft / Ecofys GmbH
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Sophia	Parker	University College London

First name	Last name	Affiliation
Stefan	Petters	Bestrong International Ltd
Hector	Pollitt	Cambridge Econometrics
Marco	Polvani	Politecnico di Milano
Rahmatallah	Poudineh	Heriot-Watt University
Panos	Pouliasis	Cass Business School, City University London
Yueming	Qiu	Arizona State University
Yves	Rannou	IAE of Poitiers CEREGE EA 1722
Ingmar	Ritzenhofen	WHU - Otto Beisheim School of Management
Miguel	Rodriguez	Universidade de Vigo
Jorge	Rosell	Centro Universitario de la Defensa
Piyali	Rudra	Doctoral Researcher, Aalto University, School of Business
Antti Mikael	Saastamoinen	Aalto University School of Business
Sener	Salci	NO
Enrico	Saltari	University of Rome La Sapienza
Stavroula	Sarri	Technical University of Crete
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Neha Mehra	Sehgal	O. P. Jindal Global University
Silvia	Serrano Calle	Uned (Universidad Nacional De Educacion A Distancia) Faculty Of Economics And Business Administration, Spain
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Anastasia V	Shcherbakova	Penn State University
Jukka	Sihvonen	University of Vaasa
Mario Domingues	Simoes	IAG Business School/PUC-Rio, Brasil
John Lockyer	Simpson	Curtin University
Pierre	Six	Rouen Business School
Jan	Smolen	Comenius Univeristy
Torben	Sommer	Paris School of Business
David	Stack	Agrimax
Silvana	Stefani	Università Milano Bicocca
Philipp	Stroehle	Karlsruhe Institute of Technology
Anita	Suurlaht	NUI Maynooth
Rodrigo	Taborda	Universidad del Rosario, Bogota, Colombia
Ryuta	Takashima	Tokyo University of Science
Michael	Tamvakis	Cass Business School
Giuseppe	Travaglini	University of Urbino Carlo Bo
Motoh	Tsujimura	Doshisha University
Dennis	Tuerk	Maastricht University
Åsa Grytli	Tveten	Norwegian University of Life Sciences
Ibrahim	Unalmis	Specialist
Francesco	Vallone	Cogenpower
Davide	Vannoni	University of Torino
Shalini	Velappan	Indian Institute of Technology
Irina Olegovna	Volkova	The Higher School of Economics
Vlasios	Voudouris	London Metropolitan University
Feng	Wang	Chongqing University
Kyoko	Yagi	Akita Prefectural University
Paola	Zerilli	University of York
Xun	Zhang	Academy of Mathematics and Systems Science, Chinese Academy of Sciences
Bing	Zhang	Nanjing University
Rong	Zhang	Chongqing University
Lin	Zhao	Academy of Mathematics and Systems Science, Chinese Academy of Sciences
Zdeněk	Zmeškal	VSB-Technical University Ostrava, Faculty of Economics
Izabela	Zoltowska	Warsaw University of Technology

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EURO Working Group for Commodities and Financial Modelling



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