



Department of Economics Course Outline

		Term:	Winter 2008
Course:	Economics 399.29 Electricity Markets	Section:	01
Time:	TR 18:00 – 19:15	Place:	ST 130
Instructor:	M.C. Moore		
Office:	SS 447 ES 662	Telephone:	220-6550 (SS 447) 220-4386 (ES 602)
Office Hours:	TBA	E-mail:	mcmoore@ucalgary.ca

Textbook(s):

Stoft, Steven, Power System Economics: Designing Markets for Electricity, Wiley-Interscience
[Required]

Book(s) on Reserve:

None

Additional readings will be available via blackboard each week

Grades and Testing

There will be a midterm and a final exam, along with one unannounced quiz during term. In addition there will be a project paper not to exceed 2,500 words that will be presented in class in the second half of term.

Date	Topic	Topic areas, notes and reading
January 15	Introduction	Scope, grades, papers
17	Microeconomic review	Supply and demand
22	Microeconomic review	Marginal cost pricing
24	Energy, Power and Electricity Fundamentals	Stoft, Chapters 1-5 to 1-7
29	Reliability, pricing and operation	Stoft Ch. 2-1 to 2-5
31	Risk, hedging and settlement	Stoft Ch. 2-6 to 2-10
February 1	Market Design and Structure	Stoft Ch. 1-8 to 1-9
5	Markets in theory and practice	Stoft Ch. 3-1 to 3-8
7	Markets in theory and practice	Stoft Ch. 3-9 to 3 - 10 <i>Doern</i> , Canadian Energy Policy in Historical Context, National Energy Board, Alberta Energy and Utilities Board <i>Wolak</i> , Designing a Competitive Wholesale Electricity Market that Benefits Consumers
12	Externalities and markets	<i>Coase</i> , The Problem of Social Cost <i>Boyle</i> , Costing Energy <i>Kula</i> , The Economics of Environmental Degradation
14	Meteorology, Forecasting and Hedging	Dr. Manda Adams
26	Guest Lecture Market Regulation Issues	Dr. Brenda Kenny
28	Midterm	
February 17 - 24	Reading Week	Assignments in Blackboard
March 4	Market Power	Stoft Ch. 4-1 to 4-2
6	Exercise of Market Power	Stoft Ch. 4-3 to 4-6
11	The Role of the Regulator	<i>Readings in Blackboard</i>
13	Transmission systems and pricing	Stoft Ch. 5-1 to 5-2 <i>Mitchell</i> , Peak-load pricing
18	Guest Lecture the market monitor	Representative of Market Monitor
20	Congestion pricing and losses	Stoft Ch. 5-4 to 5-9
25	Alternative Energy - Renewable resources	<i>Miller</i> , Renewable Energy's Place in the Global Energy Market <i>Masri et al</i> , Renewable Electric Generation in Competitive Markets
27	Guest Lecture - Dynamics of The Wind Industry	
April 1	Competition and Deregulation	Stoft Ch. 1-1 to 1-2 <i>Borenstein and Bushnell</i> , Electricity Restructuring: Deregulation or Reregulation <i>Joskow</i> , California's Electricity Crisis <i>Newberry</i> , Power Markets and Market Power,
3	Papers and Presentations	
8	Papers and Presentations	
10	Papers and Presentations	
15	Deregulation and market Failure	<i>Readings in Blackboard</i>
17	Recap and Final Prep	

Grade Determination and Final Examination Details:

Midterm	30%	
Quiz	20%	
Paper	20%	
Final Exam	30%	Registrar Scheduled

Tests and final exams are marked on a numerical (percentage) basis, and then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	99- 100	B+	88 – 90	C+	74 – 77	D+	60 - 63
A	92 - 98	B	83 – 87	C	68 – 73	D	55 - 59
A-	90 - 91	B-	78 - 82	C-	64 - 67	F	< 55

Below 64 – We need to talk.

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators will not be allowed during the writing of tests or final examinations.

There will be a Registrar scheduled final examination, lasting **2** hours and held in a classroom.

Tests and exams not involve multiple choice questions.

Students' Union Vice-President, Academic

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Notes:

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor within two weeks of the work being returned to the class.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course.

Safewalk / Campus Security: 220-5333
