Lehrstuhl für Wirtschaftliche Staatswissenschaften, insbesondere Energiewirtschaftslehre

Staatswissenschaftliches Seminar
Mikroökonomik, Institutionen und Märkte

Masterarbeit zum Thema

The impact of the market stability reserve on price paths and the market equilibrium of the EU ETS - empirical analysis

Market based mechanisms, such as emission trading schemes provide the opportunity to cut emissions in a cost-efficient way. The resulting carbon price shall incentivise the reduction of CO_2 emissions, i.e. through investments in low-carbon technology. In the light of the significant surplus of allowances within the EU's carbon market which is spotted to be the reason for a low carbon price and thus a challenge for reaching the European emission reduction targets in the long run, a market stability reserve was agreed upon in 2015 and will start operating in January 2019. Instead of auctioning of surplus allowances that were back-loaded between 2014-2016, the certificates will be transferred to a reserve. In addition to adjusting the auction volume, the market stability reserve is also intended to improve the resilience of the trading scheme to major shocks, such as an economic crisis.
The thesis should quantify how the announcement of the MSR impacted the price path of CO_2 by conducting an empirical analysis. Furthermore, the thesis should analyse how the market stability reserve might alter the market-equilibrium of the EU ETS in the future based on the results of the empirical analysis.

Einstiegsliteratur

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Salant, S. W., 2016. What ails the European Union's emissions trading system?, *Journal of Environmental Economics and Management, 80*, pp. 6-19.

Koch, N., Fuss, S., Grosjean, G. and Edenhofer, O., 2014. Causes of the EU ETS price drop: Recession, CDM, renewable policies or a bit of everything? – New evidence, Energy Policy, 73, pp. 676-685.

Keppler, J. H. and Mansanet-Bataller, M., 2010. Causalities between CO2, electricity, and other energy variables during phase I and phase II of the EU ETS, Energy Policy, 38, pp. 3329-2241.

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Hotelling, H., 1931. The Economics of Exhaustible Resources, *Journal of Political Economy, 39(2),* pp. 137-175.

Ansprechpartner

Weitere Informationen sind auf Anfrage bei Johanna Bocklet erhältlich.
Tel.: +49 221 27729-225, jbocklet@uni-koeln.de.