



ELECTRICITY EXCHANGE EXERCISE

Please, remember the following few points about the game. **(1)** Market demand in peak periods is $D(p) = 8000 - 40 \times p$. **(2)** Market demand in off-peak periods is $D(p) = 4000 - 25 \times p$. **(3)** All power plants are the same: $FC = 2000$ \$, $MC = 40$ \$/MWh, $C_{max} = 1000$ MWh. **(4)** Fixed cost must only be paid when production is non-zero. **(5)** Bids are made in capacity blocks. At most two blocks can be set with different prices. Total capacity of the blocks cannot exceed 1000 MWh. **(6)** All accepted bids are paid the equilibrium price. **(7)** If supply exceeds demand at the equilibrium price, marginal bids are reduced proportionately. **(8)** Talking between teams is not permitted for the first three periods. **(9)** Your objective is to maximize total profits.

_____ Start of period 1 _____

Type of period: **PEAK**

Bids for the market:

	Quantity	Price	Accepted quantity	Equilibrium price	Profit
Block 1					
Block 2					

(please, only fill out the thick-framed region, then hand in the sheet)

_____ Start of period 2 _____

Type of period: **OFF-PEAK**

Bids for the market:

	Quantity	Price	Accepted quantity	Equilibrium price	Profit
Block 1					
Block 2					

(please, only fill out the thick-framed region, then hand in the sheet)

Start of period 3

Type of period: **PEAK**

Bids for the market:

	Quantity	Price	Accepted quantity	Equilibrium price	Profit
Block 1					
Block 2					

(please, only fill out the thick-framed region, then hand in the sheet)

Start of period 4

Type of period: **PEAK**

Bids for the market:

	Quantity	Price	Accepted quantity	Equilibrium price	Profit
Block 1					
Block 2					

(please, only fill out the thick-framed region, then hand in the sheet)

Start of period 5

Type of period: **OFF-PEAK**

Bids for the market:

	Quantity	Price	Accepted quantity	Equilibrium price	Profit
Block 1					
Block 2					

(please, only fill out the thick-framed region, then hand in the sheet)

Start of period 6

Type of period: **PEAK**

Bids for the market:

	Quantity	Price	Accepted quantity	Equilibrium price	Profit
Block 1					
Block 2					

(please, only fill out the thick-framed region, then hand in the sheet)

Game over