



# **BIEE Seminar: Climate Policy in Crisis?**

## Market Failures and Failures of Intervention

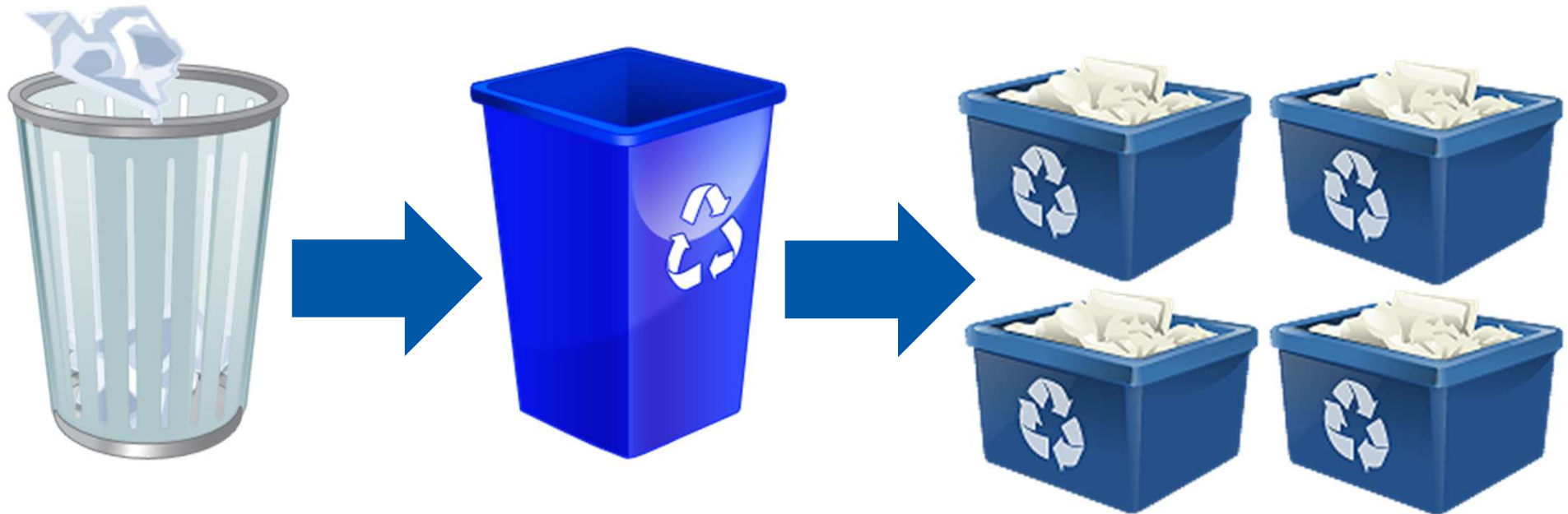
**Graham Shuttleworth**

Director, NERA London

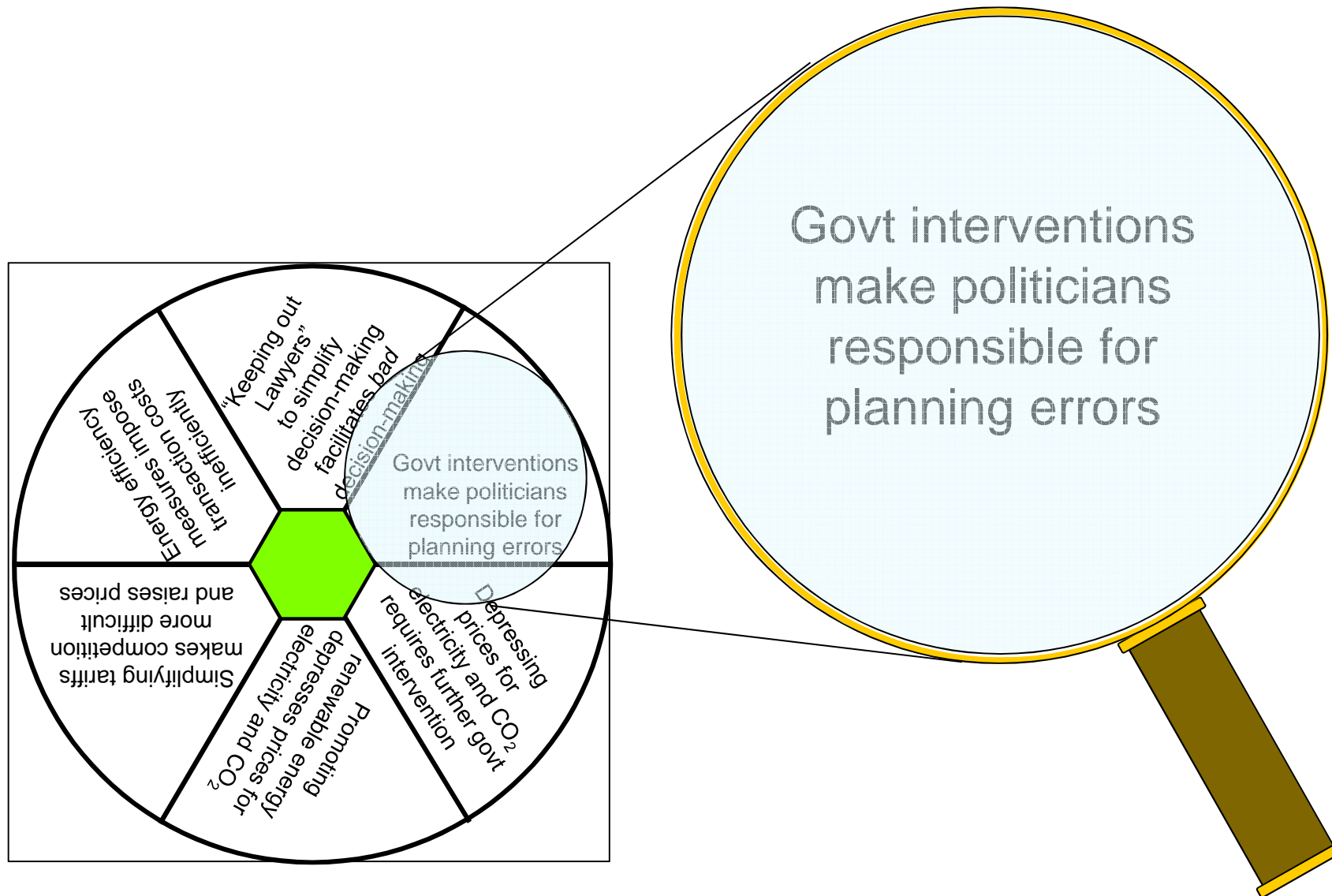
NERA London

Tuesday 18 June 2013

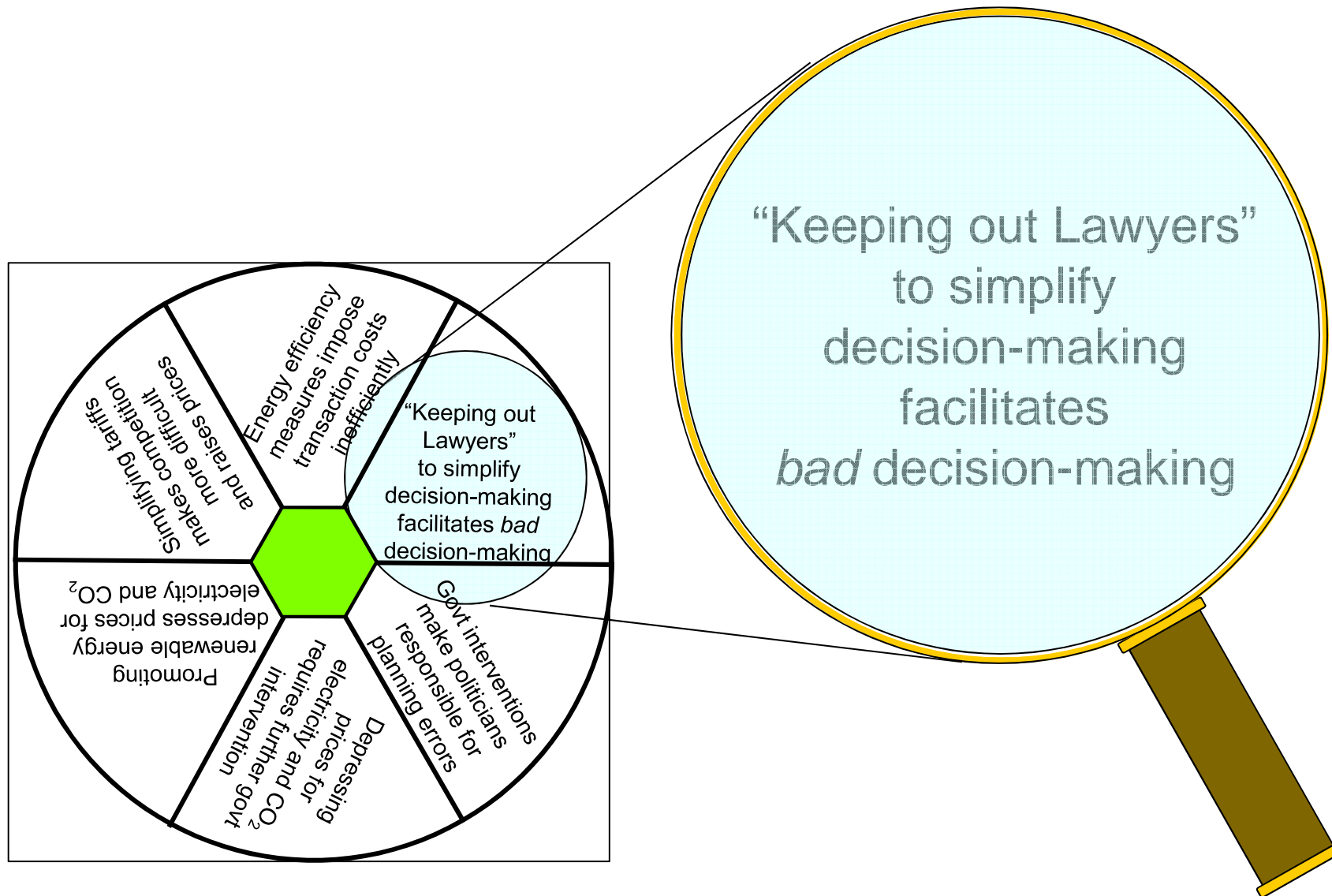
# Unforeseen consequences are unfortunately all around us



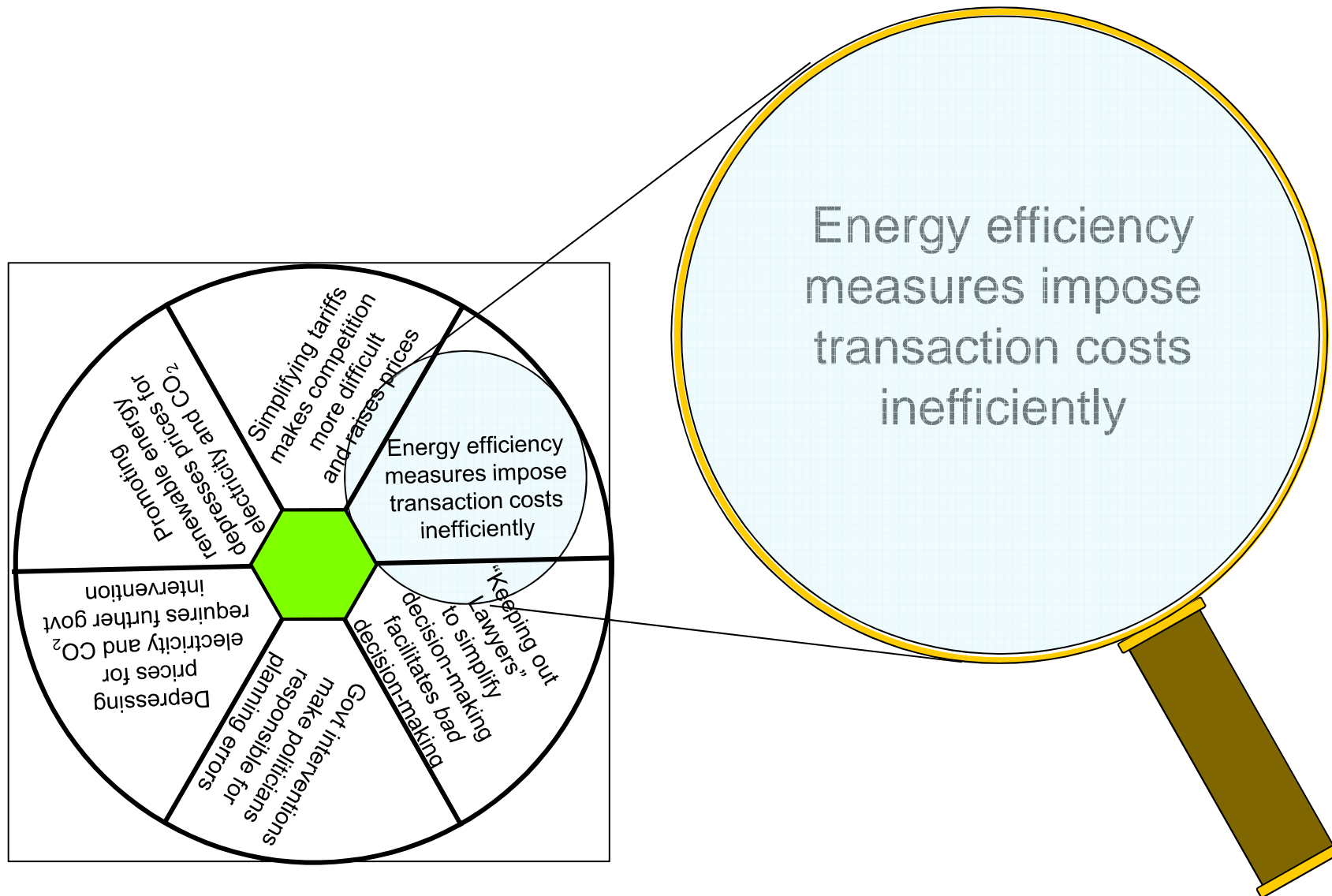
# In the 1980s, governments tried to reduce their role in energy markets



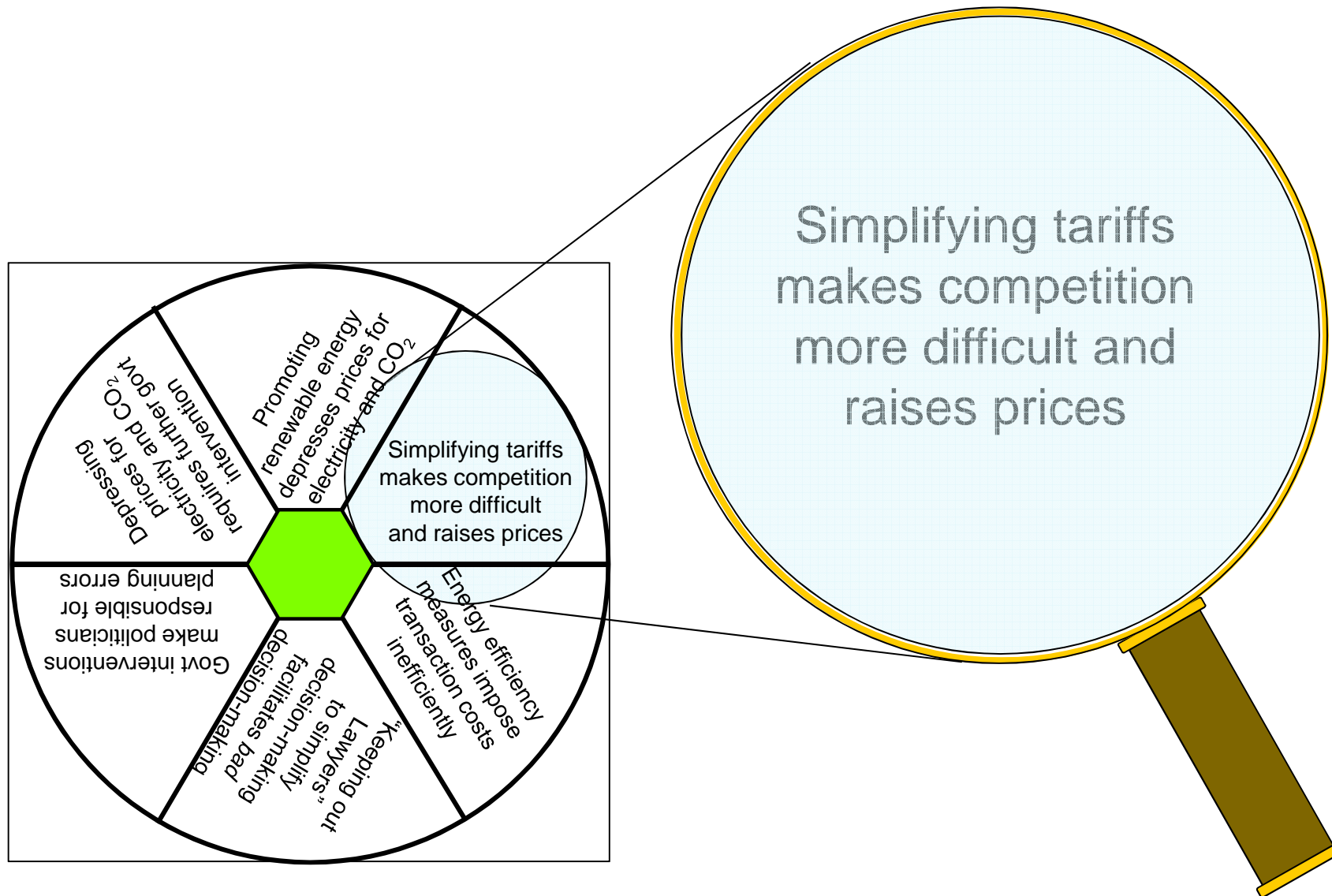
# In the 1990s, the UK missed an opportunity to set up procedures



# Recent interventions have overlooked obvious difficulties

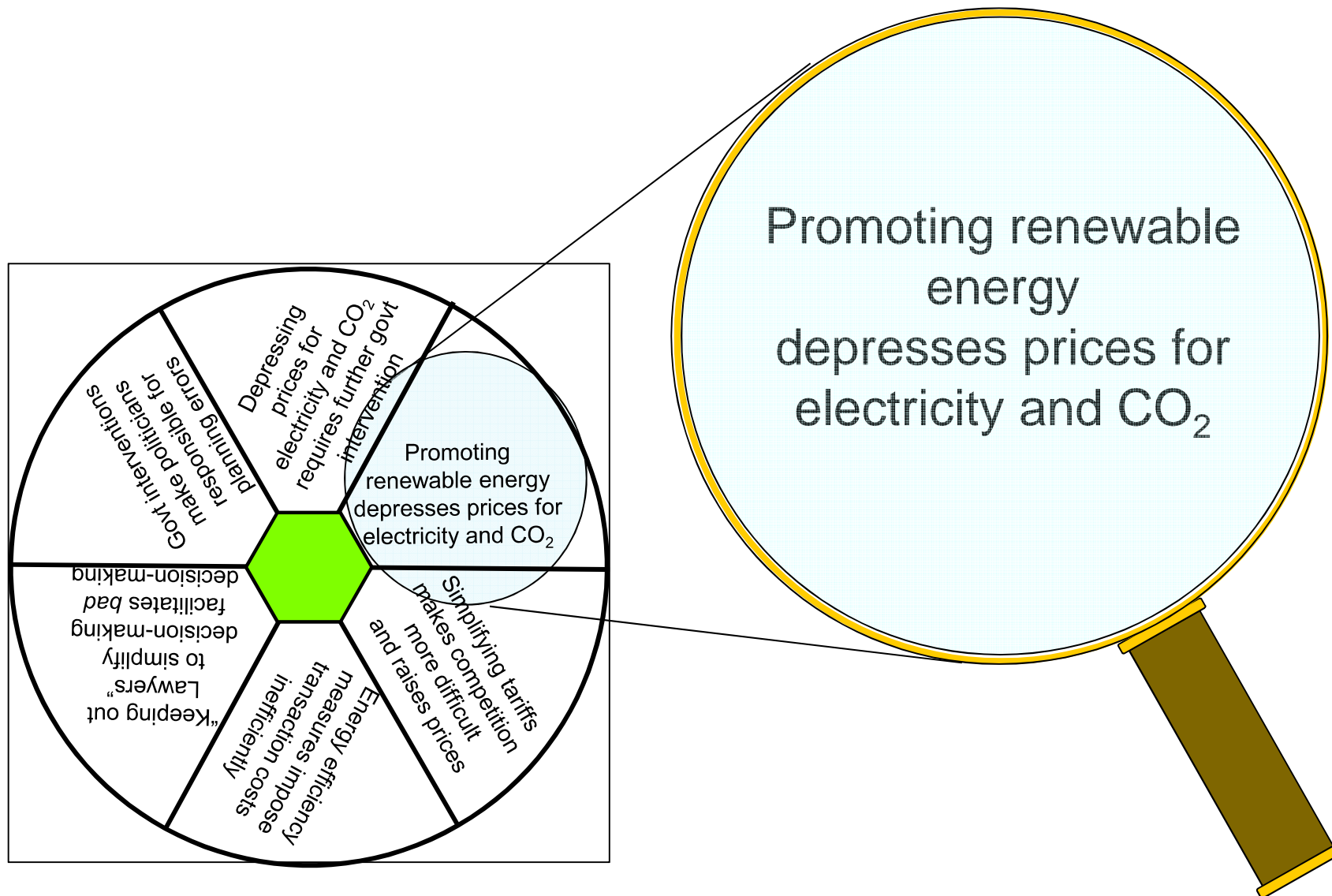


# Intervening in markets is likely to have a number of adverse effects

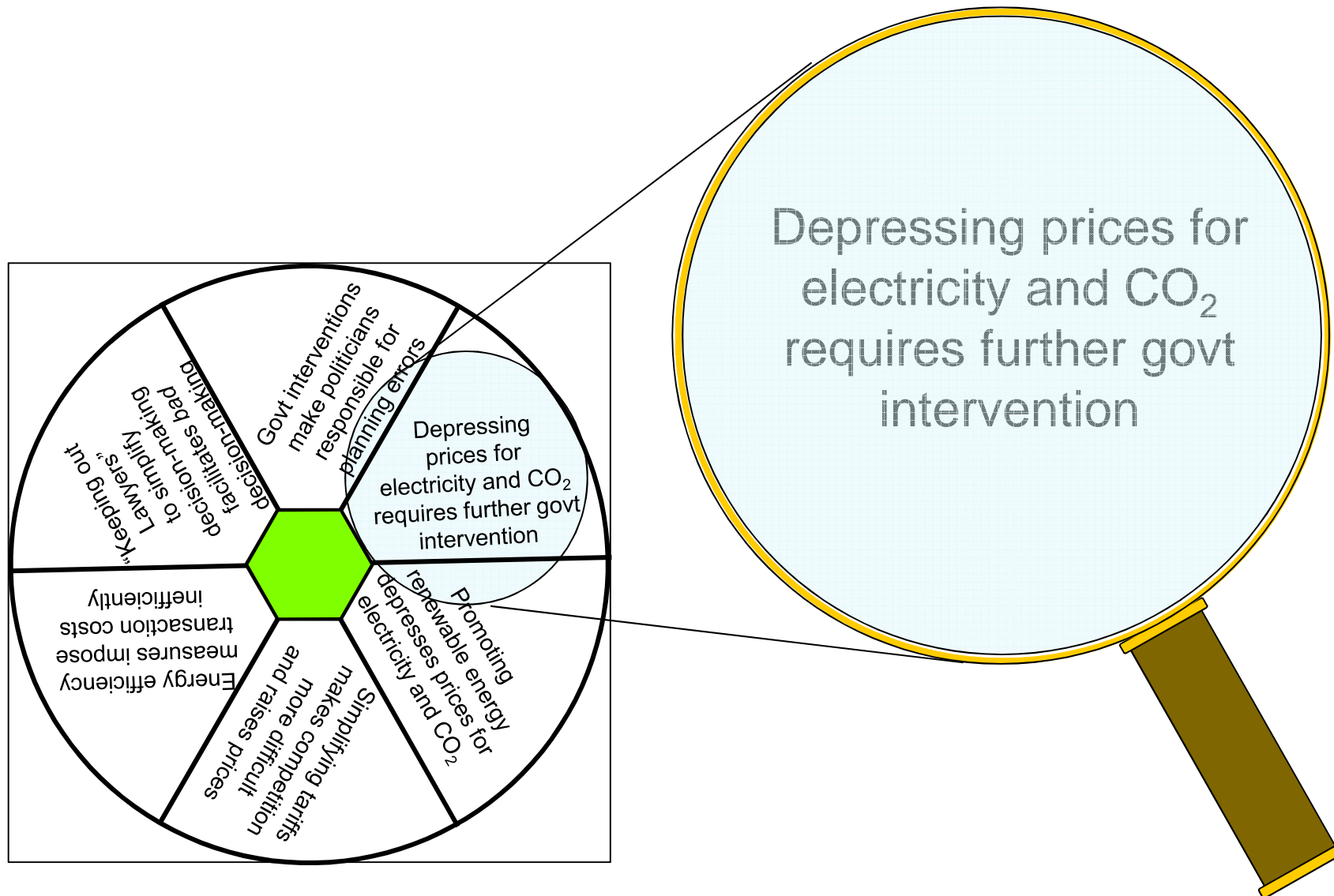




# Renewable energy policy does not sit well within the EU ETS (CO<sub>2</sub> pricing)

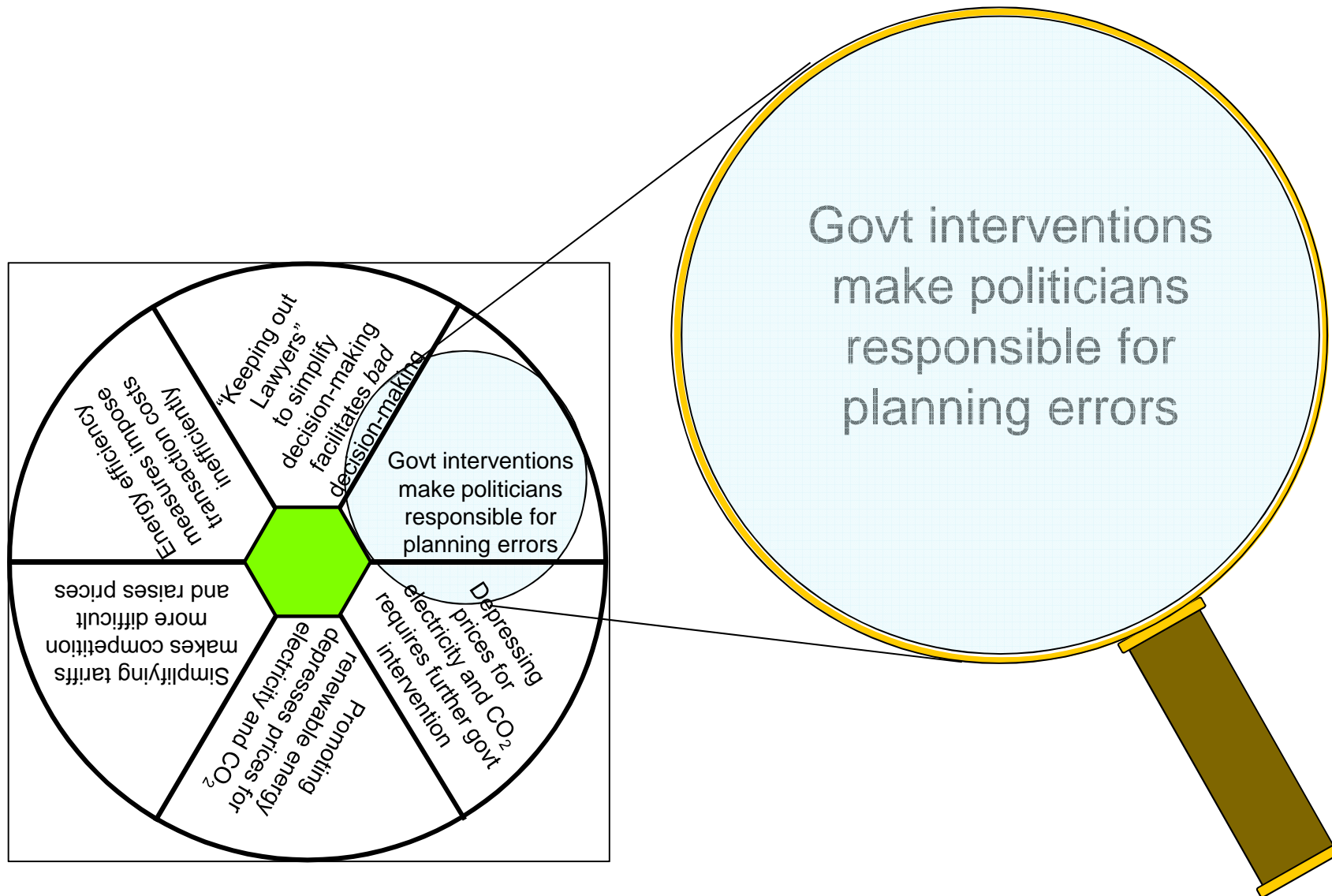


# Governments cannot intervene in *part* of a competitive market





# And so the cycle begins again.....but when?





**Good decision-makers learn from the mistakes of others, not just their own**



# Contact Us

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