

Risk premia in electricity spot markets - New empirical evidence for Germany and Austria

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- I investigate the impact of negative electricity prices on risk premia in the German/Austrian day-ahead market.
- I use hourly data of the EXAA (forward) and the EPEX (spot) from Oct. 1, 2005 to Dec. 31, 2015.
- Results suggest that negative prices have in total an increasing effect on the mean hourly risk premium.
- Moreover, forward prices tend to converge to unbiased predictors of subsequent spot prices.