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**Policy Integrity**

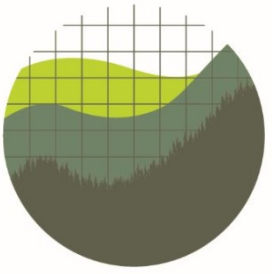
NEW YORK UNIVERSITY SCHOOL OF LAW

# Market and Regulatory Policy Design in the Face of Climate Change

IAEE Webinar

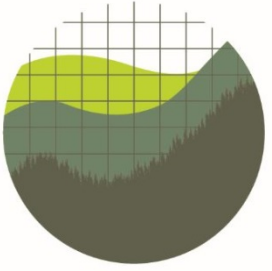
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Burçin Ünel, Ph.D.



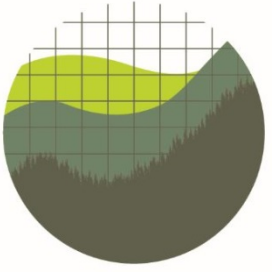
# What is the problem?

- Not:
  - Capacity markets vs. energy-only markets
  - A single type of resource
- How do we prepare our energy system for a future with more frequent extreme weather events?



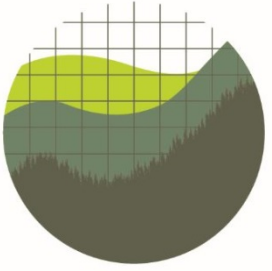
# Understanding Market Failures

- Externalities
- Public goods
  - Reliability
  - Resilience
- Information asymmetry



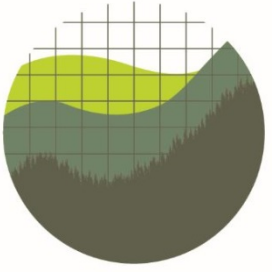
# Understanding Markets & Policy Tools

- Market incentives
- Market design & interactions
- Regulatory tools



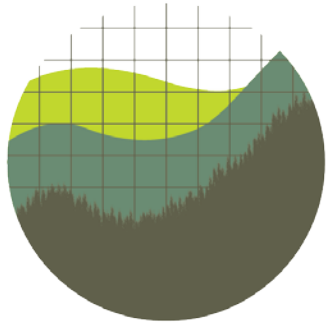
# Cross-sector Analysis & Planning

- Power systems
  - Generation
  - Transmission
  - Distribution
- Other systems:
  - Gas
  - Water
  - Communications
  - Transportation



# Policy Design in the Face of Climate Change

- Ask the right questions
- Understand the problem and available tools
- Be open to market-based incentives, as well as direct regulation
- Coordinate and take action across multiple sectors



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For questions and comments:

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