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of
Regulation

***The times they are changing:
Market, State, Regulation
AIEE
Rome— Friday 3d November 2017***

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Bob Dylan (1964)

- Come senators, congressmen
Please heed the call
Don't stand in the doorway
.../.../...
- There's a battle outside
And it is ragin'.
It'll soon shake your windows
And rattle your walls
- For the times they are a-changin'.





Bob Dylan (1964)

- Come mothers and fathers
Throughout the land
And don't criticize
What you can't understand
- Your sons and your daughters
Are beyond your command
- Your old road is
Rapidly agin'.
- Please get out of the new one
If you can't lend your hand
- For the times they are a-changin'.





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Markets, Regulation
= a governance issue
= Institutional economics

Institutional Economics
You know...

Ronald Coase 1991...

Douglass North 1993...

Elinor Ostrom...

& Oliver Williamson 2009



Andiamo!





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Regulation: a Lego to play...

- **Wave (1): Technological innovations + Institutional novelties**

1- Technological innovations

*Generation: CCGT (150-300 MW)

**information: ICT (Information & Computers Tech)

> Open Markets



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Regulation: a Lego to play...

- **Wave (1): Technological innovations + Institutional novelties**

2- National Institutional foundations: Unbundling

*Grids cut from Generation & Supply

**NRAs cut from Governments

> Incentive regulation



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Regulation: a Lego to play...

- **Wave (1):** Technological innovations + Institutional novelties

3- EU Institutional frames

*NordPool-like as EU market frame

**Mutualisation of NRAs & TSOs as EU regulatory frame

> Europeanisation



Regulation: a Lego to play...

- **Wave (2): Technological innovations + Institutional novelties**

1- Technological innovations

*Distributed Generation: Wind (1MW – 5MW); solar (1/4 to 2 Kw)

**Nano Information: Sensors, blockchain, Internet of things

> From micro-economics > to Individual nano-trade



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Regulation: a Lego to play...

- **Wave (2): Technological innovations + Institutional novelties**

2- National Institutional foundations: NO-Unbundling

*Distribution Grids not cut from Generation & Supply

**NRAs non cut from Countries

> No countries common frame in sight



Regulation: a Lego to play...

- **Wave (2):** Technological innovations + Institutional novelties

3- EU Institutional frames

*Non-energy regulations: Platforms, Blockchains; E.trade; E.finance

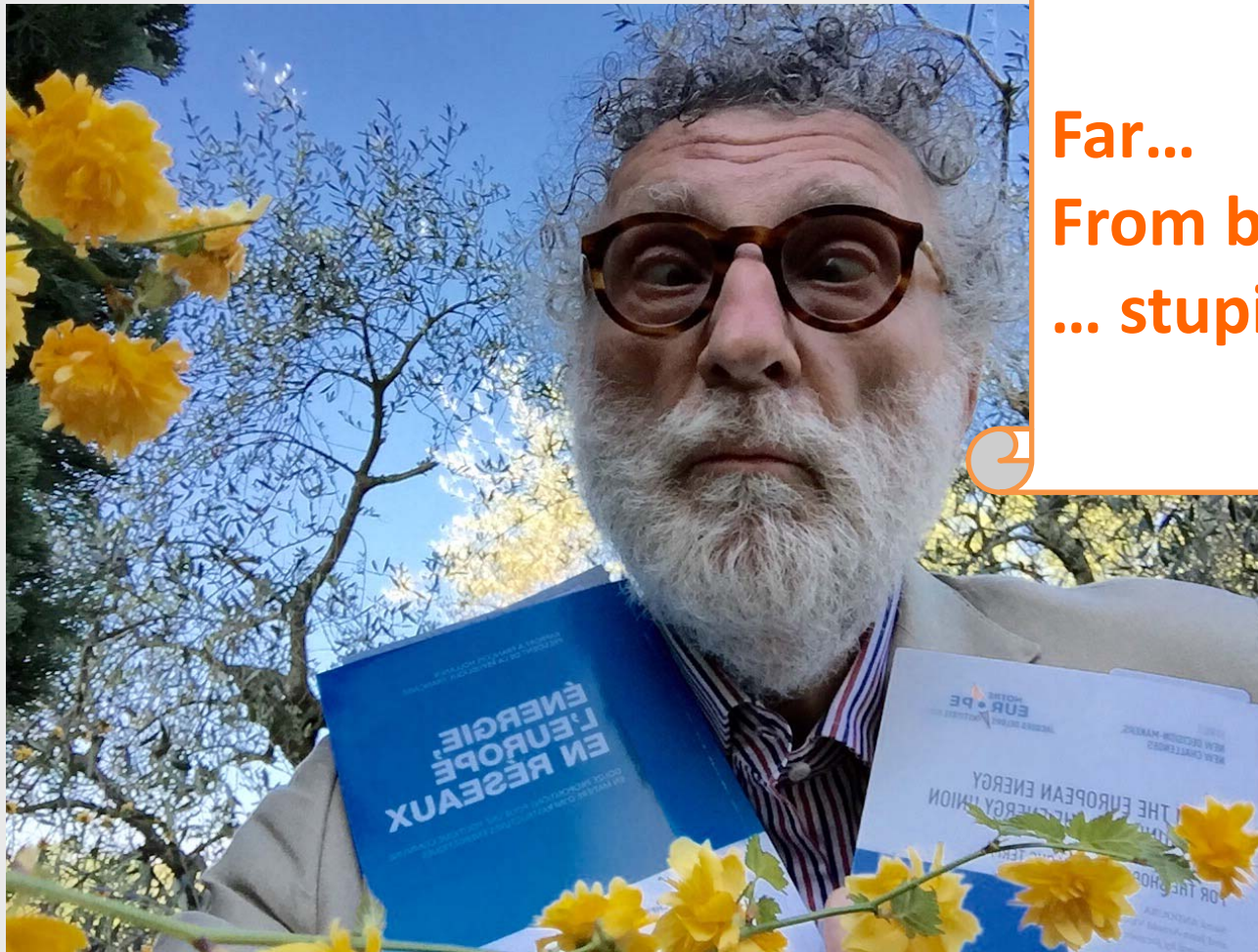
**New players as “*Energy Community*” – a social entity; not pure economy

> What kind of EU policy – if any?

- No clear frame yet for open distributed world of Gen & trade
- Facebook & Google everywhere but EU nothing to face them; Uber same



I did oversimplify but...



Far...
From being
... stupid



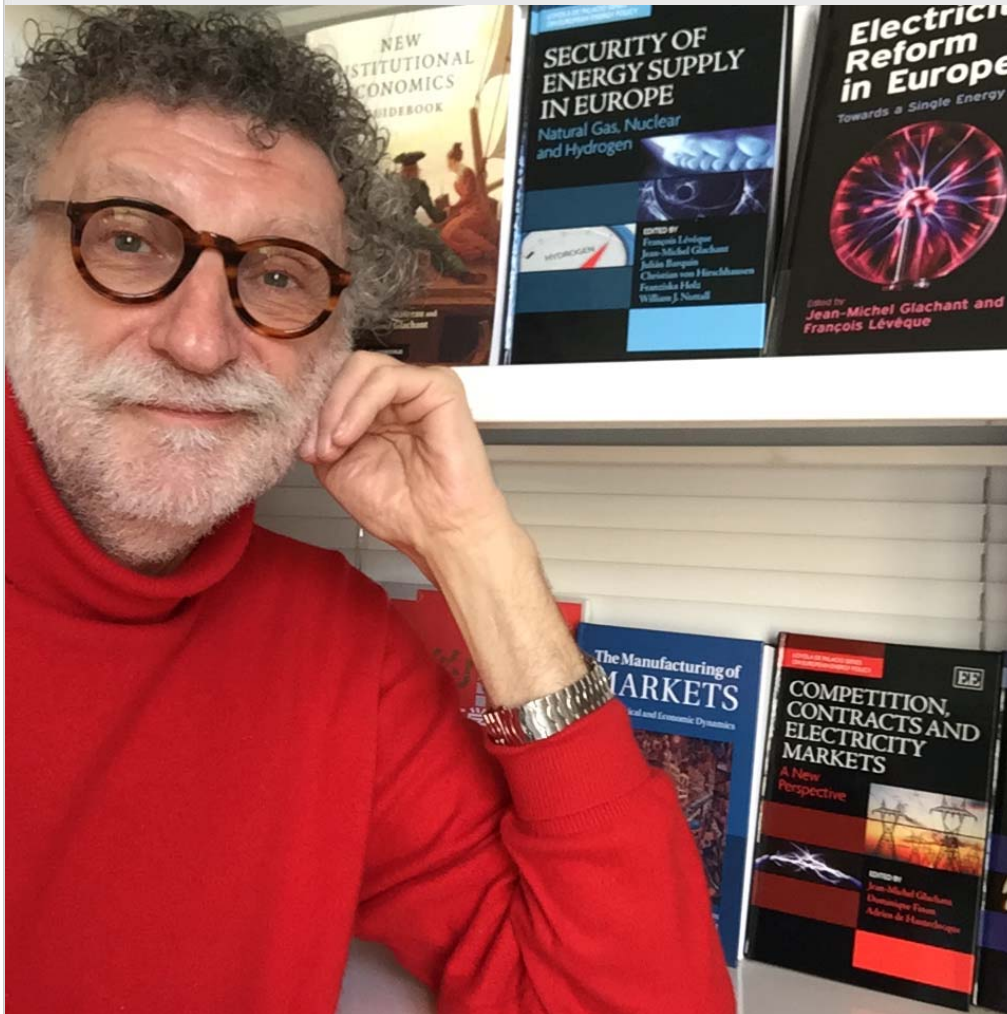
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How to conclude such amount of novelties?

#Pa & GrandPa both dead? #To see-smell corpses in 2025?



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Thank you for your attention

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