

West Balkans market influence to CE Power Exchange electricity prices, spillover effect due to the regional transit route positioning, the role of electricity traders and power generators

Article examines the demand and supply conditions of the 14 countries, the network restrictions existing in the region, domestic wholesale power prices that will develop under the given restrictions and the conditions of a perfect competition, as well as commercial trends that have developed in the region. Additional factors are changes in border capacities, fluctuations in water output, assumptions regarding prices outside the region. The major players of international trading are also the incumbents of the individual countries; these often purchase or sell power at publicly announced annual tenders. Via these international tenders, due to their publicity and frequency, international trading prices can indicate the relations between demand and supply more precisely than domestic prices could.

Prices in the Central-European region, along with realistic technological assumptions and under conditions of a perfect competition, will never exceed the market prices of the German price zone (Germany - Austria - Switzerland)