Forbes: Political Risk, Price Freezes To Hammer UK Energy

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From Forbes.com, April 28, 2015:

> Dr. Iris Mack, a lecturer, market consultant and author of the book *Energy Trading and Risk Management*, opines that should natural gas be considered as a primary energy source, its pricing is affected by quantifiable exogenous variables including but not limited to weather, storage, transmission and seasonality.
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> "Electric energy is a secondary energy source. It has to be generated from the conversion of other primary energy products – such as, oil, natural gas, coal, wind, nuclear, solar, hydro, etc. Hence, the price of electric power is affected by the prices and availability of these primary energy sources," she adds.
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> Factoring in the supply chain, we'd be looking at numerous market participants including brokers, power exchanges, system operators, dealers, traders, transmission operators, distribution operators, power producers and more – highlighting the challenges a carte blanche price freeze would face.
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> "The only way I think Miliband can fulfill his campaign promise is via government subsidies. However, that means the taxpayers will end up paying in the end," Mack says.

To read the article in its entirety, visit Forbes.com:

http://www.forbes.com/sites/gauravsharma/2015/04/28/political-risk-price-freezes-and-dumb-economics-to-hammer-uk-energy-inc/