

The Russian electricity supply industry: from reform to reform?

EPRG Working Paper 1319

Cambridge Working Paper in Economics 1342

Nadia Chernenko

Abstract The paper looks at the development of the industry in the post-Soviet Russia, starting from the early 1990s. The main focus is on the last reform 2003-11 and the relationship of cost, prices and investment. In particular, the author examines the new designs for the electricity and capacity markets and their impact on incentives for short-run production and long-term planning and construction. The author defends the pro-competitive approach to the electricity industry reform in Russia and traces the roots of its success and failures.

Keywords Russian Electricity Industry, RAO EES, reform 2003-11, restructuring, market liberalisation, capacity markets

JEL Classification L11, L22, L43, L52, L94

Contact nc346@cam.ac.uk
Publication June 2013
Financial Support Trinity College Eastern European Research Bursary