

Report on Bachelor Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Katarína Líšková
Advisor:	doc. PhDr. Ladislav Křišťoufek, Ph.D.
Title of the thesis:	The impact of renewable resources on price volatility in the European power markets

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

Author of the bachelor thesis Katarína Líšková concentrates her effort on a highly discussed impact of renewable resources on the volatility of electricity prices. She studies two interconnected yet different markets - the Czech and German spot market - with the focus on volatility drivers and divides realised volatility into its jump and continuous component. The continuous component, central topic of the thesis, is approached in three different ways. I appreciate the complexity of approach taken, which includes also forecasting performance for each version of the model. The results confirm that volatility drivers are country specific.

- **Contribution** – Given characteristics of electricity, general conclusions about its behavior are not common, thus every analysis is worth it. Moreover, the comparison with Germany is valuable, as we share some electricity flows with the Germans. Results show that Czech volatility series do not exhibit any time trend, as oppose to German data. Further, the thesis confirms different impact of photovoltaic and wind renewable sources.
- **Methods** - Econometrics methods, employed in the analysis, exceed bachelor level.
- **Literature** - Literature used is vast and covers relevant and up-to-date sources connected to the field of interest.
- **Manuscript form** - The thesis is nicely written, easy to follow and logically structured, also the level of English is very good. No obligations can be raised against the manuscript form.

In my opinion the author has devoted a lot of time to her thesis and proved extensive knowledge of the topic. Altogether it is an outstanding piece of work therefore, **I do recommend the thesis to be defended and graded as excellent.**

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
<i>Contribution (max. 30 points)</i>	28
<i>Methods (max. 30 points)</i>	30
<i>Literature (max. 20 points)</i>	20
<i>Manuscript Form (max. 20 points)</i>	20
TOTAL POINTS (max. 100 points)	98
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: PhDr. Petra Luňáčková

DATE OF EVALUATION: 6.9.2017



Referee Signature

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EXPLANATION OF CATEGORIES AND SCALE:

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	0

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
30	15	0

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
30	15	0

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	0

Overall grading:

TOTAL POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě