

24th Annual International Conference

Real Options

Theory Meets Practice

Organized by

Real Options Group
University of Porto

In cooperation with

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Main Sponsor

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September 2 – 4, 2021
Porto, Portugal

Program Sessions Summary Guide

DAY 1 – THURSDAY SEPTEMBER 2 (REMOTE VIA ZOOM)

	TRACK I	TRACK II
8:45 – 8:55	Welcome & Guidelines	
9:00 – 10:15	Strategy & Switching Applications	Operations & Applications
10:30 – 11:45	Energy & Renewables	Contract Design & Pricing
12:00 – 1:00	Luncheon	
1:00 – 2:15	Option Games & Exit	Investment Dynamics, Financing & Learning
2:30 – 3:45	Innovation	Product Markets & Investment
4:00 – 5:15	Public Policy Issues	Capital Investment & Financing

DAY 2 – FRIDAY SEPTEMBER 3 (IN PERSON)

	TRACK I	TRACK II
8:15 – 8:55	Registration/Coffee & President’s Welcome	
9:00 – 10:15	Acquisitions & Cooperation	Contract Design, Auctions & Concessions
10:45 – 12:00	Energy Applications	Network Interactions: Integration, Cost & Trade Credit
12:00 – 1:30	Luncheon	
1:30 – 2:45	Energy & Environmental Policy	Investment, Tech Adoption & Behavioral Finance
3:00 – 4:15	Investment & Learning	Public Ownership & Corporate Cash Holdings
4:45 – 5:30	Keynote Address by Erwan Morellec (EPFL)	
5:40 – 6:30	Panel Discussion – The Pandemic, Digitalization & Real Options: Challenges and Future Prospects	
6:30 – 7:30	Networking Reception	

DAY 3 – SATURDAY SEPTEMBER 4 (IN PERSON)

	TRACK I	TRACK II
9:00 – 10:15	Resource Suspension, Expansion & Exchange Options	Invest. Capacity & Timing I
10:45 – 12:00	Strategic Investment & Games	Invest. Capacity & Timing II

Program Sessions

Day 1 – Thursday September 2 (Remote)

8:45 – 8:55 WELCOME & GUIDELINES

9:00 – 10:15 TRACK I

STRATEGY & SWITCHING APPLICATIONS

CHAIRPERSON: DEAN PAXSON (UNIVERSITY OF MANCHESTER, UK)

Uncertain Commodity Prices and Informed Sensitivity Analyses

Babak Jafarizadeh (Heriot-Watt University, United Kingdom)

Discussant: Dean Paxson (University of Manchester, United Kingdom)

Optimization of an Investment Project Portfolio using the Omega Measure

Javier Castro (Federal University of Santa Catarina – UFSC, Brazil)

Edison Tito (Pontifical Catholic University of Rio de Janeiro – PUC-Rio, Brazil)

Luiz Brandão (Pontifical Catholic University of Rio de Janeiro – PUC-Rio, Brazil)

Discussant: Babak Jafarizadeh (Heriot-Watt University, United Kingdom)

Input-Output Switching Options

Dean Paxson (University of Manchester, United Kingdom)

Roger Adkins (Bradford University, United Kingdom)

Discussant: Javier Castro (Federal University of Santa Catarina – UFSC, Brazil)

9:00 – 10:15 TRACK II

OPERATIONS & APPLICATIONS

CHAIRPERSON: DANIEL MCKEEVER (BINGHAMTON UNIVERSITY, USA)

Evaluation of Flexible Concession Contracts

Naielly Marques (Pontifical Catholic University of Rio de Janeiro – PUC-Rio, Brazil)

Carlos Bastian-Pinto (Pontifical Catholic University of Rio de Janeiro – PUC-Rio, Brazil)

Luiz Brandão (Pontifical Catholic University of Rio de Janeiro – PUC-Rio, Brazil)

Bárbara Gonzaga (Pontifical Catholic University of Rio de Janeiro – PUC-Rio, Brazil)

Discussant: Daniel McKeever (Binghamton University, United States)

Hedging Agribusiness Price Risk with Crop Rotation: An Application in Brazil

Luiz Bastian (Independent Researcher, Brazil)

Carlos Bastian-Pinto (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)

Luiz Brandão (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)

Discussant: Naielly Marques (PUC-Rio, Brazil)

Tax-Loss Harvesting: Empirical Evidence

Daniel McKeever (Binghamton University, United States)

Kristian Rydqvist (Binghamton University, United States)

Discussant: Luiz Bastian (Independent Researcher, Brazil)

10:30 – 11:45 TRACK I

ENERGY & RENEWABLES

CHAIRPERSON: JACCO THIJSSEN (UNIVERSITY OF YORK, UK)

Renewable Energy Investment, Support Schemes and the Dirty Technology Option

Domenico De Giovanni (University of Calabria, Italy)

Elena Iakimova (University of Calabria, Italy)

Discussant: Laura Delaney (City, University of London, United Kingdom)

Leaving Well-Worn Paths: Reversal of the Investment-Uncertainty Relationship and Flexible Biogas Plant Operation

Gordon Briest (Otto-von-Guericke University Magdeburg, Germany)

Lars-Peter Lauven (University of Kassel, Germany)

Stefan Kupfer (Otto-von-Guericke University Magdeburg, Germany)

Elmar Lukas (Otto-von-Guericke University Magdeburg, Germany)

Discussant: Domenico De Giovanni (University of Calabria, Italy)

Optimal Abandonment with Levy Jumps, Randomization over Thresholds and Electricity Production

Laura Delaney (City, University of London, United Kingdom)

Jacco Thijssen (University of York, United Kingdom)

Discussant: Gordon Briest (Otto-von-Guericke University Magdeburg, Germany)

10:30 – 11:45 TRACK II

CONTRACT DESIGN & PRICING

CHAIRPERSON: LENOS TRIGEORGIS (UNIVERSITY OF CYPRUS)

LPVR Auctions and Flexible-Term Concession Contracts under Uncertainty

Carlos Bastian-Pinto (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)

Naielly Lopes Marques (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)

Luiz Brandão (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)

Discussant: Francesco Baldi (University of Turin and LUISS Guido Carli University, Italy)

Pricing Mechanisms and Early Termination in Road Infrastructure Projects

Carlos Andrés Zapata (Universidad Externado, Colombia)

Carlos Armando Mejía (Universidad Externado, Colombia)

Discussant: Carlos Bastian-Pinto (PUC-Rio, Brazil)

Designing Optionality in Biopharma Licensing Agreements

Francesco Baldi (University of Turin and LUISS Guido Carli University, Italy)

Lenos Trigeorgis (University of Cyprus, Cyprus)

Discussant: Carlos Andrés Zapata (Universidad Externado, Colombia)

12:00 – 1:00 LUNCHEON BREAK

1:00 – 2:15 TRACK I

OPTION GAMES & EXIT

CHAIRPERSON: KUNO HUISMAN (TILBURG UNIVERSITY, NETHERLANDS)

Who Exits First? Exit Games in Declining Industries

H. Dharma Kwon (University of Illinois at Urbana-Champaign, United States)

Discussant: Anne Balter (Tilburg University, Netherlands)

Get Out or Switch and Down-scale: Competitive Strategies in a Declining Market

Roger Adkins (Bradford University, United Kingdom)

Alcino Azevedo (Aston University, United Kingdom)

Dean Paxson (University of Manchester, United Kingdom)

Discussant: H. Dharma Kwon (University of Illinois at Urbana-Champaign, United States)

Effects of Creative Destruction on the Size and Timing of Investment

Anne Balter (Tilburg University, Netherlands)

Kuno Huisman (Tilburg University, Netherlands)

Peter Kort (Tilburg University, Netherlands)

Discussant: Alcino Azevedo (Aston University, United Kingdom)

1:00 – 2:15 TRACK II

INVESTMENT DYNAMICS, FINANCING & LEARNING

CHAIRPERSON: ELETTRA AGLIARDI (UNIVERSITY OF BOLOGNA, ITALY)

Optimal Capacity Investment Decisions with Production Flexibility and Supplier Trade Credit

Nicos Koussis (Frederick University, Cyprus)

Florina Silaghi (Universitat Autònoma de Barcelona, Spain)

Discussant: Elettra Agliardi (University of Bologna, Italy)

Investment and Financing Decisions with Learning-curve Technology

Sudipto Sarkar (McMaster University, Canada)

Chuanqian Zhang (William Paterson University, United States)

Discussant: Nicos Koussis (Frederick University, Cyprus)

Long-term Profitability, Earnings Mean-reversion and Optimal Capital Structure

Elettra Agliardi (University of Bologna, Italy)

Marios Charalambides (Frederick University, Cyprus)

Nicos Koussis (Frederick University, Cyprus)

Discussant: Sudipto Sarkar (McMaster University, Canada)

2:30 – 3:45 TRACK I

INNOVATION

CHAIRPERSON: ELMAR LUKAS (UNIVERSITY OF MAGDEBURG, GERMANY)

Radical vs. Incremental Innovation under Competition with Imitator Lag

Stefan Kupfer (Otto-von-Guericke-University Magdeburg, Germany)

Elmar Lukas (Otto-von-Guericke-University Magdeburg, Germany)

Gordon Briest (Otto-von-Guericke-University Magdeburg, Germany)

Discussant: Chang-Chih Chen (Providence University, Taiwan)

Innovation and Patent Litigation with Financial Constraints: American versus English Rule

Danmo Lin (University of Warwick, United Kingdom)

Du Liu (University of Warwick, United Kingdom)

Elizabeth Whalley (University of Warwick, United Kingdom)

Discussant: Stefan Kupfer (Otto-von-Guericke-University Magdeburg, Germany)

Innovation and Optimal Debt Policy

Chang-Chih Chen (Providence University, Taiwan)

Kung-Cheng Ho (Zhongnan University of Economics and Laws, China)

Jinqiang Yang (Shanghai University of Finance and Economics, China)
Discussant: (Du Liu, University of Warwick, United Kingdom)

2:30 – 3:45 TRACK II

PRODUCT MARKETS & INVESTMENT

CHAIRPERSON: HAMED GHODUSI (CALIFORNIA POLYTECHNIC STATE UNIVERSITY, USA)

The Role of Technological Uncertainty on Investment in a Two-sided Market

Hamed Ghodusi (California Polytechnic State University, United States)

Alexander Rodivilov (Stevens Institute of Technology, United States)

Baran Siyahhan (Institut Mines-Telecom Business School, France)

Discussant: Igor Kravchenko (IST-ID and CEMAT, Portugal)

Competition, Investment Reversibility and Stock Returns

Zhou Zhang (NEOMA Business School, France)

Discussant: Hamed Ghodusi (California Polytechnic State University, United States)

Investment with Switching Modes

Cláudia Nunes (Universidade de Lisboa, Portugal)

Carlos Oliveira (EMAPRE, Universidade de Lisboa, Portugal)

Igor Kravchenko (IST-ID and CEMAT, Portugal)

Discussant: Zhou Zhang (NEOMA Business School, France)

4:00 – 5:15 TRACK I

PUBLIC POLICY ISSUES

CHAIRPERSON: ELIZABETH WHALLEY (UNIVERSITY OF WARWICK, UK)

Optimal Market Entry Cap when Production has Negative Externalities: A Policy Perspective

Yishay Maoz (The Open University, Israel)

Luca Di Corato (Università Ca' Foscari, Italy)

Discussant: Chi Truong (Macquarie University, Australia)

The Value of Species Existence, Climate Variability, and Investments in Habitat Enhancement

Elizabeth Whalley (University of Warwick, United Kingdom)

Discussant: Yishay Maoz (The Open University, Israel)

Bayesian Adaptation to Catastrophic Risk under Climate Uncertainty

Chi Truong (Macquarie University, Australia)

Stefan Trueck (Macquarie University, Australia)

Ken Siu (Macquarie University, Australia)

Michael Goldstein (Babson College, United States)

Discussant: Elizabeth Whalley (University of Warwick, United Kingdom)

4:00 – 5:15 TRACK II

CAPITAL INVESTMENT & FINANCING

CHAIRPERSON: NICK HUBERTS (UNIVERSITY OF YORK, UK)

Optimal Project Promotion Strategies for Crowdfunding Platforms

Vineeth Varma (Université de Lorraine, CNRS, CRAN, France)

Linda Salahaldin (ESCE, France)

Salah Elayoubi (Université Paris Saclay, CNRS, France)

Discussant: Herbert David (Bielefeld University, Germany)

Hedging Effect of Low-Quality Capital Assets in Competitive Industries

Hamed Ghodduzi (California Polytechnic State University, United States)

Thomas Dangl (TU Wien, Austria)

Discussant: Vineeth Varma (Université de Lorraine, CNRS, CRAN, France)

Capacity Investment with Debt Financing: A Double Marginalization Effect

Herbert Dawid (Bielefeld University, Germany)

Nick Huberts (University of York, United Kingdom)

Kuno Huisman (Tilburg University, Netherlands)

Peter Kort (Tilburg University, Netherlands)

Xingang Wen (Bielefeld University, Germany)

Discussant: Hamed Ghodduzi (California Polytechnic State University, United States)

Day 2 – Friday September 3 (In Person)

8:15 – 8:45 REGISTRATION/COFFEE

8:45 – 8:55 PRESIDENT’S WELCOME

9:00 – 10:15 TRACK I

ACQUISITIONS & COOPERATION

CHAIRPERSON: ARKADIY SAKHARTOV (UNIVERSITY OF ILLINOIS, USA)

Toehold Acquisition as a Sequential Real Option

José Lacerda (Universidade do Porto, Portugal)

Paulo J. Pereira (Universidade do Porto, Portugal)

Artur Rodrigues (University of Minho, Portugal)

Discussant: Tine Compernelle (University of Antwerp, Belgium)

Resource Redeployment in Corporate Acquisitions

Arkadiy Sakhartov (University of Illinois at Urbana-Champaign, United States)

Jeffrey Reuer (University of Colorado, United States)

Discussant: José Lacerda (Universidade do Porto, Portugal)

Cooperation over Investment in CO2 Emission Reduction Technology

Tine Compernelle (University of Antwerp, Belgium)

Jacco Thijssen (University of York, United Kingdom)

Discussant: Arkadiy Sakhartov (University of Illinois at Urbana-Champaign, United States)

9:00 – 10:15 TRACK II

CONTRACT DESIGN, AUCTIONS & CONCESSIONS

CHAIRPERSON: LUIZ BRANDÃO (PUC-RIO, BRAZIL)

Bidding Price under Uncertainty: An Application to a Mineral Deposit Auction

Lucas Mesz (Pontifical Catholic University of Rio de Janeiro, Brazil)

Luiz Brandão (Pontifical Catholic University of Rio de Janeiro, Brazil)

Carlos Bastian-Pinto (Pontifical Catholic University of Rio de Janeiro, Brazil)

Discussant: Felipe Van de Sande Araujo (PUC – Rio, Brazil)

Fiscal Impact of Government Guarantees in PPP Highway Concession Projects

Rodrigo Sant’Anna (Pontifical Catholic University of Rio de Janeiro, Brazil)

Luiz Brandão (Pontifical Catholic University of Rio de Janeiro, Brazil)

Carlos Bastian-Pinto (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)
Leonardo Gomes (Pontifícia Universidade Católica of Rio de Janeiro, Brazil)
Discussant: Lucas Mesz (PUC – Rio, Brazil)

A Model of the Forward Curve of Electric Power: An Application in Brazil

Felipe Van de Sande Araujo (Pontifícia Universidade Católica do Rio de Janeiro, Brazil)
Leonardo Lima Gomes (Pontifícia Universidade Católica do Rio de Janeiro, Brazil)
Luiz Brandão (Pontifícia Universidade Católica do Rio de Janeiro, Brazil)
Discussant: Rodrigo Sant'Anna (PUC – Rio, Brazil)

10:15 – 10:45 MORNING COFFEE BREAK

10:45 – 12:00 TRACK I

ENERGY APPLICATIONS

CHAIRPERSON: VERENA HAGSPIEL (NTNU, NORWAY)

Investment in a Power-to-Gas Plant: An Application in Germany

Georg Schultes (RWTH Aachen University, Germany)
Reinhard Madlener (RWTH Aachen University, E.ON ERC, FCN, Germany)
Discussant: Semyon Fedorov (NTNU, Norway)

Dynamic Hedging for Management of Hydropower Production with Exchange Risk

Joakim Dimoski (Norwegian University of Science and Technology, Norway)
Stein-Erik Fleten (Norwegian University of Science and Technology, Norway)
Nils Löhndorf (University of Luxembourg, Luxembourg)
Sveinung Nersten (Norwegian University of Science and Technology, Norway)
Discussant: Georg Schultes (RWTH Aachen University, Germany)

Staged Marginal Oil Field Development with Optional Wells

Semyon Fedorov (Norwegian University of Science and Technology, Norway)
Verena Hagspiel (Norwegian University of Science and Technology, Norway)
Thomas Lerdahl (OKEA ASA, Norway)
Discussant: Joakim Dimoski (NTNU, Norway)

10:45 – 12:00 TRACK II

NETWORK INTERACTIONS: INTEGRATION, COST & TRADE CREDIT

CHAIRPERSON: FLORINA SILAGHI (UNIVERSITAT AUTÒNOMA DE BARCELONA, SPAIN)

Project Financing and Corporate Integration under Operational and Financial Risk

Maximilian Schreiter (HHL Leipzig Graduate School of Management, Germany)

Discussant: Florina Silaghi (Universitat Autònoma de Barcelona, Spain)

Investment with Declining Costs Following a Lévy Process

Fredrik Armerin (KTH Royal Institute of Technology, Sweden)

Discussant: Maximilian Schreiter (HHL Leipzig Graduate School of Management, Germany)

A Theory of Trade Credit and Procurement, Duration and Optimal Order Quantities

Nicos Koussis (Frederick University, Cyprus)

Florina Silaghi (Universitat Autònoma de Barcelona, Spain)

Discussant: Fredrik Armerin (KTH Royal Institute of Technology, Sweden)

12:00 – 1:30 LUNCHEON

1:30 – 2:45 TRACK I

ENERGY & ENVIRONMENTAL POLICY

CHAIRPERSON: STEIN-ERIK FLETEN (NTNU, NORWAY)

Investment in a Plastics Circular Economy under Policy Uncertainty

Loïc De Weerd (University of Antwerp, Belgium)

Verena Hagspiel (Norwegian University of Science and Technology, Norway)

Peter Kort (University of Antwerp, Belgium)

Carlos Oliveira (Instituto Superior de Economia e Gestão, Portugal)

Tine Compernelle (University of Antwerp, Belgium)

Discussant: Xingang Wen (Bielefeld University, Germany)

How Alternative Renewable Energy Support Policies Address Technology Development

Mariia Kozlova (LUT University, Finland)

Stein-Erik Fleten (Norwegian University of Science and Technology, Norway)

Verena Hagspiel (Norwegian University of Science and Technology, Norway)

Discussant: Loïc De Weerd (University of Antwerp, Belgium)

How Damaging are EU Environmental Policy Targets in Terms of Welfare?

Simona Bigerna (University of Perugia, Italy)

Verena Hagspiel (Norwegian University of Science and Technology, Norway)

Peter Kort (Tilburg University, Netherlands)

Xingang Wen (Bielefeld University, Germany)

Discussant: Mariia Kozlova (LUT University, Finland)

1:30 – 2:45 TRACK II

INVESTMENT, TECHNOLOGY ADOPTION & BEHAVIORAL FINANCE

CHAIRPERSON: PAULO J. PEREIRA (UNIVERSITY OF PORTO, PORTUGAL)

Postponing Investment Decisions: Theory and Experiment

Azzurra Morreale (LUT University, Finland)

Thi Thanh Tam Vu (University of Trento, Italy)

Luigi Mittone (University of Trento, Italy)

Mikael Collan (LUT University, Finland)

Discussant: Elmar Lukas (University Magdeburg, Germany)

Strategies of New Technology Adoption: Laboratory Experiments

Besma Teffahi (Manuba University, Tunisia)

Walid Hichri (Université Lumière Lyon 2, France)

Discussant: Azzurra Morreale (LUT University, Finland)

On the Choice between Mergers and Acquisitions: An Option Games Approach

Elmar Lukas (University Magdeburg, Germany)

Paulo J. Pereira (University of Porto, Portugal)

Artur Rodrigues (University of Minho, Portugal)

Discussant: Walid Hichri (Université Lumière Lyon 2, France)

3:00 – 4:15 TRACK I

INVESTMENT & LEARNING

CHAIRPERSON: PETER KORT (TILBURG UNIVERSITY, NETHERLANDS)

Real Options and Diagnosis Related Group Classification for Hospital Management

Milena Rocha (UFMG, Brazil)

Márcio Augusto Gonçalves (UFMG, Brazil)

Yuri Lawryshyn (University of Toronto, Canada)

Discussant: Martijn Ketelaars (Tilburg University, Netherlands)

Staged Manufacturing in New Market Entry

Stein-Erik Fleten (NTNU, Norway)

Mariia Kozlova (LUT, Finland)

Yuri Lawryshyn (University of Toronto, Canada)

Discussant: Milena Rocha (UFMG, Brazil)

Optimal R&D Investment: Private and Social Perspectives

Martijn Ketelaars (Tilburg University, Netherlands)

Peter Kort (Tilburg University, Netherlands)

Discussant: Stein-Erik Fleten (NTNU, Norway)

3:00 – 4:15 TRACK II

PUBLIC OWNERSHIP & CORPORATE CASH HOLDINGS

CHAIRPERSON: GRZEGORZ PAWLINA (LANCASTER UNIVERSITY, UK)

Voluntary Delisting from a Major Exchange

Izidin El Kalak (Cardiff University, United Kingdom)

Alcino Azevedo (Aston University, United Kingdom)

Radu Tunaro (University of Sussex, United Kingdom)

Gonul Colak (Hanken School of Economics, Finland)

Discussant: Maria Lavrutich (NTNU, Norway)

Monitoring and Managerial Entrenchment with Corporate Cash Holdings

Panagiotis Couzoff (Universidade Catolica Portuguesa, Portugal)

Shantanu Banerjee (Lancaster University, United Kingdom)

Grzegorz Pawlina (Lancaster University, United Kingdom)

Discussant: Izidin El Kalak (Cardiff University, United Kingdom)

Predatory Pricing and the Value of Corporate Cash Holdings

Maria Lavrutich (Norwegian University of Science and Technology, Norway)

Jacco Thijssen (University of York, United Kingdom)

Discussant: Panagiotis Couzoff (Universidade Catolica Portuguesa, Portugal)

4:15 – 4:45 AFTERNOON COFFEE BREAK

4:45 – 5:30 KEYNOTE ADDRESS BY ERWAN MORELLEC (EPFL)

5:40 – 6:30 PANEL DISCUSSION – THE PANDEMIC, DIGITALIZATION & REAL OPTIONS: CHALLENGES AND FUTURE PROSPECTS

MODERATOR: DEAN PAXSON (UNIVERSITY OF MANCHESTER, UK)

PANELISTS INCLUDE:

Luiç Brandao (PUC-Rio, Brazil)

Mikael Collan (LUT University, Finland)

Hamed Ghodduzi (California Polytechnic State University, United States)

Peter Kort (Tilburg University, Netherlands)

Elmar Lukas (University of Magdeburg, Germany)

Paulo J. Pereira (University of Porto, Portugal)

Grzegorz Pawlina (Lancaster University, United Kingdom)

6:30 – 8:00 NETWORKING RECEPTION

SPONSORED BY ROG AND UNIVERSITY OF PORTO

Day 3 – Saturday September 4 (In Person)

9:00 – 10:15 TRACK I

RESOURCE SUSPENSION, EXPANSION & EXCHANGE OPTIONS

CHAIRPERSON: TOBY LI (TEXAS A&M UNIVERSITY, USA)

Expansion of Foreign Subsidiaries by Multinational Corporations

Arkadiy Sakhartov (University of Illinois at Urbana-Champaign, United States)

Jeffrey Reuer (University of Colorado, United States)

Discussant: Marta Castellini (Università degli Studi di Brescia, FEEM, Italy)

Temporary Resource Suspension and Erosion of Firm Capability

Jan-Michael Ross (Imperial College London, United Kingdom)

Toby Li (Texas A&M University, United States)

Ashton Hawk (University of Colorado, United States)

Jeffrey Reuer (University of Colorado, United States)

Discussant: Arkadiy Sakhartov (University of Illinois at Urbana-Champaign, United States)

Setting up an Energy Community: An Application in Italy's Photovoltaic Market

Marta Castellini (Università degli Studi di Brescia, FEEM, Italy)

Luca Di Corato (Ca' Foscari University, Italy)

Michele Moretto (Università degli Studi di Padova, Italy)

Sergio Vergalli (Università degli Studi di Brescia, FEEM, Italy)

Discussant: Toby Li (Texas A&M University, United States)

9:00 – 10:15 TRACK II

INVESTMENT CAPACITY & TIMING I

CHAIRPERSON: MAXIMILIAN BRILL (UNIVERSITY OF ANTWERP, BELGIUM)

Optimal Capacity and Investment Timing with a Production Cap

Roger Adkins (University of Bradford, United Kingdom)

Dean Paxson (University of Manchester, United Kingdom)

Discussant: Maximilian Brill (University of Antwerp, Belgium)

Optimal Investment (Timing and Scale) in Flexible Combined Heat and Power (CHP) Generation

Dimitrios Zormpas (University of Brescia, Italy)

Giorgia Oggioni (University of Brescia, Italy)

Discussant: Dean Paxson (University of Manchester, United Kingdom)

Infrastructure Investment in Public Transport: An Option Game Analysis

Maximilian Brill (University of Antwerp, Belgium)
Bruno De Borger (University of Antwerp, Belgium)
Tine Compernelle (University of Antwerp, Belgium)
Peter Kort (Tilburg University, Netherlands)
Discussant: Dimitrios Zormpas (University of Brescia, Italy)

10:15 – 10:45 MORNING COFFEE BREAK

10:45 – 12:00 TRACK I

STRATEGIC INVESTMENT & GAMES

CHAIRPERSON: RICHARD RUBLE (EMLYON BUSINESS SCHOOL, FRANCE)

Technology Adoption by Risk-averse Firms in a Cournot Duopoly

Besma Teffahi (Manouba University, Tunisia)
Walid Hichri (Lyon 2 University, France)
Discussant: Farzan Faninam (Tilburg University, Netherlands)

The Dynamics of Preemptive and Follower Investments with Overlapping Ownership

Dimitrios Zormpas (University of Brescia, Italy)
Richard Ruble (Emlyon Business School & GATE CNRS, France)
Discussant: Besma Teffahi (Manouba University, Tunisia)

Strategic Investment Under Uncertainty in a Triopoly Market

Farzan Faninam (Tilburg University, Netherlands)
Peter Kort (Tilburg University, Netherlands)
Kuno Huisman (Tilburg University, Netherlands)
Discussant: Dimitrios Zormpas (University of Brescia, Italy)

10:45 – 12:00 TRACK II

INVESTMENT CAPACITY & TIMING II

CHAIRPERSON: MOTOH TSUJIMURA (DOSHISHA UNIVERSITY, JAPAN)

Investment Timing and Optimal Capacity Choice with Price Floors and Ceilings

Dean Paxson (University of Manchester, United Kingdom)

Paulo J. Pereira (Universidade do Porto, Portugal)

Artur Rodrigues (University of Minho, Portugal)

Discussant: *Nick Huberts (University of York, United Kingdom)*

Capital Expansion and Contraction with Fixed and Proportional Costs and Irreversibility Risk

Motoh Tsujimura (Doshisha University, Japan)

Hidekazu Yoshioka (Shimane University, Japan)

Discussant: *Dean Paxson (University of Manchester, United Kingdom)*

The Impact of Economic Depreciation on Capital Investment Size, Timing and Social Welfare

Nick Huberts (University of York, United Kingdom)

Rafael Rossi Silveira (University of York, United Kingdom)

Discussant: *Motoh Tsujimura (Doshisha University, Japan)*

CONFERENCE CONCLUDES

Conference Venue and Logistics

Venue The conference venue is the School of Economics and Management (FEP) of the University of Porto, Rua Dr. Roberto Frias, 4200-464 Porto. A UNESCO World Heritage, Porto is a favourite tourist destination, selected as Best European Destination in 2012, 2014 and 2017, renowned for the Douro River, Port wine, food, and beautiful Baroque architecture. The conference will follow a hybrid format, accommodating both in person attendance and remote participation. Although the first day (Thursday) is mostly devoted to remote sessions via Zoom and the other two days (Friday and Saturday) to in person participation, the FEP facilities allow seamless switching among the two in all sessions.

Fees & Registration Fees are €540 for in person participation and €100 for remote participation if register by May 15. For in person attendance, payment of the registration fee may be made in two installments: €100 by the early registration deadline of May 15, and the remainder (€440) by July 1, when the pandemic landscape is somewhat clearer. Registration fees go up by 20% after the registration deadlines i.e., to €120 after May 15 and €650 after July 1. Registration should be made online via the conference website www.realoptions.org

Important Administrative Information Registration fees include the conference program, as well as coffee breaks, lunches and a reception for in person participants. Cancellations made in writing by August 1 can be refunded, except for a 15% service charge. Only registrations made by May 15 are guaranteed and can be included on the list of participants. For registration and other general-type conference-related inquiries contact Eugenia at e-mail conference.registration@realoptions.org, tel +357 22893605. For information on local logistics regarding Porto or the University of Porto contact Prof. Paulo J. Pereira at pjpereira@fep.up.pt, tel. +351 225 571 225.

Hotels, Airport and Transport Information about recommended hotels and prices can be found on the conference website www.realoptions.org under Venue. Reservations should be made directly with the hotels using the provided reservation codes for group discount. Porto can be reached by air travel from any part of the world, either directly or through connecting flights. The city of Porto and the University is served by the Francisco Sá Carneiro International Airport (OPO) located about 11 km north of Porto. A taxi ride to the University of Porto takes about 13 minutes and costs 13-17€ (it takes about 20 minutes into Porto and costs around 23€). The airport also provides a quick journey to Porto via Metro that costs 2.45€ and takes 25 minutes. Please make advance provisions to obtain a timely visa to Portugal.

Organizers Lenos Trigeorgis (U. of Cyprus & ROG), Paulo J. Pereira and Miguel Sousa (University of Porto); VP Program: Gordon Sick (U. Calgary, Canada).