

PRICING FOR SUSTAINABILITY

Course Outline/Schedule

Activity and assignment details will be explained in detail within each week's corresponding learning module.

WEEK 1:

Introduction & Standards

- Competitive Outcome
- Demand
- Supply: Intro to Opportunity Costs
- Pricing and Intro to Consumer Surplus
- Over and Under Pricing the Product

WEEK 2:

Demand

- Marginal Revenue
- Price Elasticity and Consumer Response
- Cross-Price Elasticity
- Other Demand-Drivers
- Consumer Surplus and Social Welfare

WEEK 3:

Cost

- Accounting vs. Opportunity Cost
- Short Run and Long Run Cost
- Economies of Scale and Consequences for Production
- Economies of Scope
- Changes in Input Price and Technological Change

WEEK 4:

Pricing & Markets

- Competitive Outcome: Price Taker
- Imperfections and Market Failures
- Monopoly
- Monopoly with Quality Variations
- Monopoly with Advertising
- Financial and Environmental Sustainability

WEEK 5:

Rate Design

- Price Discrimination
- Ramsey Pricing
- Block Pricing and Consumption Incentives
- Multi-Part Pricing and Covering Cost
- Peak Load Pricing: Aligning Benefits and Costs
- Multi-Product Pricing
- Bundling

WEEK 6:

Pricing Across Organizational Boundaries

- Ring Fencing and Transfer Pricing
- Interconnection
- Subsidies and Market Failures
- Sustainability in the Presence of Externalities and Low Income Customers