Contents

I Extended Summary **1**

1 Introduction **2**
1.1 Liberalization of European Gas Markets 3
1.2 Feasibility of Nominations 3
1.3 Feasibility of Bookings 4
1.4 Bilevel Optimization in Energy Networks and Markets 5
1.5 Contribution and Structure 6

2 Bilevel Optimization **8**
2.1 Notation 8
2.2 Single-Level Reformulations 10
2.3 Challenges and Solution Approaches 11
2.4 Bilevel-Correct Big-Ms 14
2.5 Valid Inequalities for a Big-M-Free Branch-and-Cut 16

3 Gas Transport and Market System **21**
3.1 Foundations of Gas Transport 21
3.2 A Potential-Based Flow Model for Gas Transport 23
3.3 The European Entry-Exit Gas Market 26
3.4 Results from the Literature 28

4 Feasibility of Bookings in the European Entry-Exit Gas Market **31**
4.1 General Passive Networks 31
4.2 Passive Tree-Shaped Networks 34
4.3 Passive Single-Cycle Networks 37
4.4 Networks with Linearly Modeled Active Elements 42
4.5 Computational Study 50

5 Conclusion **54**

Bibliography **58**

II Reprints of Published Journal Articles and Preprints **71**

1 Technical Note—There's No Free Lunch: On the Hardness of Choosing a Correct Big-M in Bilevel Optimization **72**

2 Closing the Gap in Linear Bilevel Optimization: A New Valid Primal-Dual Inequality **83**

3 Bookings in the European Gas Market: Characterisation of Feasibility and Computational Complexity Results 98

4 Deciding Feasibility of a Booking in the European Gas Market on a Cycle is in P for the Case of Passive Networks 125

5 Bilevel Optimization Approaches to Decide the Feasibility of Bookings in the European Gas Market 151