Advanced Workshop in Regulation and Competition

27th Annual Eastern Conference


The Conference features some of the latest developments in the telecommunications and energy sectors, including:

- Policy and Regulatory Issues
- Postal and Telecommunications
- Market Structure & RTOs
- Performance and Reliability
- Demand Response

Who should attend:

- Industry Economists, Attorneys and Consultants
- Marketing and Regulatory Managers
- Regulatory Commission Staff

Dinner Speakers:
Ruth Goldway, Commissioner, U.S. Postal Regulatory Commission
Robert Chiste, Chairman, President & CEO, Comverge, Inc.

The Center for Research in Regulated Industries, located at Rutgers University, aims to further study of regulation in economics, finance, and institutions. Its publications, seminars, workshops, and courses make available the latest advances to academics, managers, and regulatory commission staff. The Center has over thirty years of experience providing research, instruction, conferences, courses, seminars, and workshops in economics of network industries. The Center’s Journal of Regulatory Economics is an international scholarly bi-monthly publication intended to provide a forum for the highest quality research in regulatory economics. Other research from the Center’s programs has been published in the book series Topics in Regulatory Economics and Policy.

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973-353-5761 ● 973-353-1348 (fax)
27th ANNUAL EASTERN CONFERENCE

WEDNESDAY, MAY 14, 2008

3:00 - 4:00 Registration
Pine Room

4:00 - 6:00 Welcome to Conference: Michael A. Crew
Central Evergreen Ballroom

Alan Finder: Prudence Policy Options – Alternatives in a Time of Risks

Karl McDermott: Balancing Effective Regulation and Utility Control – Is Managerial Discretion (Prerogative) a Myth?

6:00 - 7:00 Cocktail Hour
South Porch

Dinner & Keynote Speech: Ruth Goldway, Commissioner, U.S. Postal Regulatory Commission
Westwindsor

THURSDAY, MAY 15, 2008

8:00 - 9:40 Concurrent Sessions

RESTRUCTURING
West Evergreen
Chair: Mark Freise
Discussants: Alan Finder, Colin Loxley & Richard Steeves
Laurie Duhan & Sheldon Switzer: Utility Standard Offer
Service Service – Beauty ‘or’ the Beast?
Timothy Mount & John Taber: Forecasts of the Retail Prices of Electricity in Regions with Restructured Wholesale Markets

USO
Central Evergreen
Chair: Robert Curry
Discussants: E. Rand Costich & Menahem Spiegel
Margaret Cigno, Diane Monaco & Matthew Robinson: Modeling the Mail Processing Cost of the USO
Jeffrey Colvin, Michael D. Bradley & Mary K. Perkins: The USO under Asymmetric Market Power

9:40 - 10:00 Coffee Break

10:00 - 11:55 Concurrent Sessions

PJM PERFORMANCE
West Evergreen
Chair: William Deehan
Discussants: Joseph Bowring
Andrew Kleit: Market Monitoring, ERCOT Style
Gary Newell & Ransom E. Ted Davis: Regulatory Capture and Regional Transmission Organizations
James Wilson: Resource Adequacy in Restructured Electricity Markets - Initial Results of PJM’s New RPM

TELECOMMUNICATIONS
Central Evergreen
Chair: Saikat Sen
Discussants: Victor Glass & Kiwan Lee
Larry Blank & Lucinda Blume: Can Regulators Stop the Tax Bleeding of Universal Service Support?
D. Schoenberger, J. Kelly, J. Fry & L. Prantil: Telecom Pricing Simplification in the Department of Defense
Richard Schuler: Economies of Scope and Scale in New York Local Telecommunications Markets
Timothy Tardiff & Agustin Ros: Establishing Mobile Termination Rates – Lessons from the Caribbean

11:55 - 1:00 Lunch Break

1:00 - 2:30 Concurrent Sessions

RESOURCE PLANNING
West Evergreen
Chair: Bill Bayard
Discussants: Larry Blank & Kiwan Lee
Lide Li: Cross-Commodity Correlations and ARMA Process
John Caldwell: Natural Gas Supply and Demand Model
Timothy Brennan: Is the Benefit of Reserve Requirements in the ‘Reserve’ or the ‘Requirement’?

PAEA PRICING
Central Evergreen
Chair: Diane Elmer
Discussants: Ann Daley, Kathryn Kobe & Marc Smith
Antoinette Crowder & William C. Miller: Analysis of USPS Price Capped Standard Mail Rates under PAEA
John Haldi & William J. Olson: Evaluating Negotiated Service Agreements under PAEA
Jessica Lowrance, Greg Dawson & Michael Plunkett: Demand Modeling in Regulated Markets – Examples of USPS

2:30 - 4:00 Concurrent Sessions

REGULATION
West Evergreen
Chair: Glenn Meyers
Discussants: Mario DePillis & John Kelly
Dave Lamont: Vermont’s Energy Future – A Public Involvement Process
Catherine McDonough & Robert Kraus: How Should We Collect Capacity Costs from Real Time Pricing Customers?

INNOVATION
Central Evergreen
Chair: Charlie Crum
Discussants: Gene Del Polito, Marc Smith & Phillip Tabbita
Leon Pintsov & Andrei Obrea: Postal Product Innovation and New Opportunities for Postal Commerce
Robert Reisner, Maynard Benjamin and Derek Osborn: Innovation in Postal Products and Pricing
John Baldwin & Daniel Doonan: Merits and Drawbacks of Moving from Defined Benefit to Defined Contribution Plans

4:00 Exercise Break

6:00 - 9:00 Cocktail Hour
South Porch

Dinner & Keynote Speech: Robert M. Chiste, Chairman, President & CEO, Converge, Inc.
Westwindsor
27th ANNUAL EASTERN CONFERENCE

Friday, May 16, 2008

8:45 - 10:30 Concurrent Sessions

DEMAND RESPONSE
Chair: Colin Loxley
Discussants: Christopher Graves
Seth Blumsack, R. Walawalkar, J. Apts & S. Fernands: A Social Welfare Analysis of Economic Demand Response in PJM
Doug Thomas: Efficiency Programs and Reliable Electric System Planning - An Examination of Technical Difficulties Posed by DSM and DR Programs in Vermont
Eric Woychik: Demand Response Option Value – Maximum Benefits and Model Contract

10:40 – 11:00 Coffee Break

11:00 - 12:55 Concurrent Sessions

RENEWABLES
Chair: James Reitzes
Discussants: Colin Loxley & James Reitzes
Malcolm Ainspan, Amit Mor & Shimom Seroussi: Optimal Design of Renewables Incentives for Markets in Transition
Thomas Lyon & Haitao Yin: Why Do States Adopt Renewable Portfolio Standards? An Empirical Investigation
Timothy Mount, et. al.: The Economic Implications of Adding Wind Capacity to a Bulk Power Transmission Network

12:55 - 1:00 Concluding Remarks – Michael A. Crew

COST & VALUE
Chair: Emmett Rand Costich
Discussants: Donald O’Hara & Alan Robinson
A. Thomas Bozzo: Using Operating Data to Measure Labor Input Variability and Density Economies in U.S. Postal Service Mail Processing Operations
Pearsall, Fenster, Monaco, Waller, Willette & Xenakis: A Complete Test of U.S. Postal Rates for Cross-Subsidies
Dennis Stevens: The United States Postal Service – A Question of Value

REVISED March 31, 2008

SPEAKERS DISCUSSIONS & CHAIRS

Malcolm Ainspan, Senior Consultant - Advisory, Corporate Finance, KPMG
Bill Bayard, Economist, New Hampshire Electric Cooperative, Inc.
Geoff Bickerton, Research Director, Canadian Union of Postal Workers
Larry Blank, Assistant Professor and Senior Associate, New Mexico State University and Center for Public Utilities
Lucinda Blume, Associate Consultant, TAHOEconomics, LLC
Seth Blumsack, Assistant Professor, Penn State University
Joseph Bowring, Market Monitor, PJM
A. Thomas Bozzo, Vice President, Christensen Associates
Timothy Brennan, Professor of Policy Sciences & Economics, University of Maryland Baltimore County
John Caldwell, Director of Economics, Edison Electric Institute
Robert M. Chiste, Chairman, President & CEO, Converge, Inc.
Margaret Cigno, Postal Rate & Classification Specialist, U.S. Postal Regulatory Comm.
Jeffrey Colvin, Manager – Finance, USPS
E. Rand Covitch, Attorney, Office of General Counsel, U.S. Postal Regulatory Comm.
Michael A. Crew, CRRI Scholar, Rutgers University
Antoimette Crowder, Principal, Eagle Analytics LLC
Charlie Crum, Economist, USPS – O.I.G.
Robert Curry, Vice President Business Development & Sales, Siemens Energy & Automation, Inc.
Ann Daley, Vice President, Pitney Bowes, Inc.
William J. Deehan, Vice President - Power Planning & Regulatory Affairs, Central Vermont Public Service Corporation
Gene A. Del Polito, President, Association for Postal Commerce
Marie DePillis, ISO New England, Inc.
Daniel Doonan, Research Director, National Association of Letter Carriers
Jean-Philippe Ducasse, Director – Postal Policy and Strategy, Pitney Bowes, Inc.
Laurie Duhan, Director – Choice Programs, BGE
Diane Elmer, ValPak
Alan E. Finder, Director, KPMG LLP
Mark Freise, Reliability Contract Manager, ISO New England, Inc.
Victor S. Glass, Director of Demand Forecasting and Rate Development, National Exchange Carrier Association, Inc.
Christopher Graves, Principal Economist, N.Y. S. Dept. of Public Service
Ruth Goldway, Commissioner, U.S. Postal Regulatory Commission
John Haldi, President, Haldi Associates, Inc.
Guy Holburn, Professor, University of Western Ontario
Juan Ianni, Postal Policy Expert
John Kelly, Director of Economics and Research, American Public Power Association
Andrew Kleit, Professor of Energy & Environmental Economics, Penn State Univ.
Kathryn Koe, Director of Price, Wage and Productivity Analysis, Economic Consulting Services, Inc.

Michael M. Kubayanda, Government Relations Representative, USPS
Dave Lamont, Planning Economist, Vermont Department of Public Service
Kiwan Lee, Manager, National Exchange Carrier Association, Inc.
Lide Li, Power Team Exelon Corporation
Jessica Lowrance, Manager, Pricing Strategy, USPS
Colin Loxley, Director-Resource Planning, PSE&G
Thomas Lyon, Dow Chemical Professor of Sustainable Science, Technology and Commerce, University of Michigan Business School
Karl McDermott, Vice President, NERA Economic Consulting
Catherine McDonough, Senior Strategic Planner, National Grid USA
Glenn Meyers, Managing Director, FTI
Nathaniel F. Medina, Strategy Analyst, Pitney Bowes, Inc.
William C. Miller, Senior Economist, Eagle Analytics LLC
Timothy Mount, Professor, Cornell University
Gary Newell, Partner, Thompson Coburn LLP
Donald O’Hara, Manager, Product Redesign, USPS
Edward Pearsall, Consultant
Leon Pintov, Pitney Bowes Fellow and Vice President, Pitney Bowes, Inc.
Robert Reisner, President and CEO, Transformation Strategy
James D. Reitzes, Principal, The Brattle Group
Alan Robinson, President, Direct Communications Group
Dale Schoenberger, Research Staff Member, Institute for Defense Analyses
Richard E. Schuler, Jr., Chief, Utility Programs, N.Y.S. Dept. of Public Service
Saikat Sen, Executive Director, AT&T
Marc Smith, Financial Economist, USPS
Menahem Spiegel, Associate Professor, Rutgers University
Howard Spinney, Director, Division of Economics and Finance, Virginia State Corporation Commission
Richard Steves, Principal Utilities Finance Specialist, Connecticut Office of Consumer Counsel
Dennis Stevens, Principal Economist, USPS
Sheldon Switzer, Director, Pricing and Tariffs, BGE
Phillip Tabbita, Manager Negotiation Support & Special Projects, American Postal Workers Union
Timothy Tarliff, Managing Director, Huron Consulting Group
Doug Thomas, Utilities Economist, Vermont Department of Public Service
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Victor Glass (National Exchange Carrier Association, Inc.)  
Guillermo Israilevich (Bates & White)  
Julie Kelly (Institute for Defense Analysis)  
John Kelly (American Public Power Association)  
Colin Loxley (PSE&G)  
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James Reitzes (Brattle Group)  
Agustin Ros (NERA)  
Richard E. Schuler Jr. (New York State Depart. of Public Service)  
Marc Smith (United States Postal Service)  
Menahem Spiegel (Rutgers University)  
Howard Spinner (Virginia State Corporation Commission)  
Sheldon Switzer (Baltimore Gas & Electric)

**HOTEL RESERVATIONS**

Sufficient Rooms are reserved at the Skytop Lodge for all of the Conference participants. Participants should register for the conference by returning registration forms to Skytop Lodge must be received by April 2, 2008. Hotel reservation can be made through:

Skytop Lodge  
One Skytop  
Skytop, PA 18357-1099  
Phone: 1-800-617-2389 or 1-570-595-7401  
Fax: 1-570-595-9691  
http: www.skytop.com

**CONFERENCE STAFF**

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**REGISTRATION INFORMATION**

To Register: Please complete and return the form below. Registrations are accepted by mail, email, fax, and telephone. Please confirm telephone registrations by sending in a completed and signed registration form. The deadline for registrations is April 4, 2008. Registrations received after April 4, 2008, will be admitted on a space available basis.  

**Volume discount:** Second and subsequent applications received in the same envelope, fax, email, or made at the same time by phone will receive a 5% volume discount.  

**Payment Information:** Make checks payable to “Rutgers University” and mail to the attention of Jeremy Guenter at the above address. Fees include prescribed learning materials, receptions and coffee breaks, but do not include lodging and meals. All persons that do not stay at the Skytop Lodge will be required to pay for meals separately. The government registration fee is available for government employees.

**BILLING INFORMATION:**

- Payment enclosed $995.00 U.S. Dollars.  
- Send invoice to participant at above address.  
- Send invoice to ________________________________

- Credit Card: __ VISA __ MC Exp. _______/

**GOVERNMENT RATE:** Government employees may apply for reduced enrollment fees. __ I would like to apply for the government rate of $495.00

**CANCELLATION POLICY:** Until April 4, 2008 cancellation is allowed without penalty and refunds will be allowed in full. After this date, the indicated fee is due in full whether or not the participant actually attends. Substitutions may be made at any time.

**Signature of Participant:** ________________________________