Advanced Workshop in Regulation and Competition

32nd Annual Eastern Conference

Shawnee Inn & Golf Resort, Shawnee on Delaware, Pennsylvania, May 15-17, 2013

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 & Reliability
- Demand Response

Who should attend:

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

Dinner Speakers:

Ralph LaRossa, President and CEO, PSE&G Company
Scott Ungerer, Managing Director and CEO, EnerTech

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-five 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 and Advances in Regulatory Economics.

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<td>3:00 - 4:00</td>
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<td>4:00 - 6:00</td>
<td>Welcome to Conference: Michael A. Crew</td>
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<td>Waring Room</td>
<td>Hung-Po Chao and Robert Wilson: Coordination of Electricity Transmission and Generation Planning</td>
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<td>Karl A. McDermott: Regulatory Lag and the Incentives Question – Fact, Fiction and Myth</td>
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<td>John W. Mayo, and David Sappington: Targeting Rivals – Moving from ‘Whether’ to ‘Whom’</td>
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<td>6:00 - 7:00</td>
<td>Cocktail Hour</td>
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<td>7:00 - 9:00</td>
<td>Dinner &amp; Speech: Jorge Cardenas, Vice President, PSE&amp;G Company</td>
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**Wednesday, May 15, 2013**

**8:00 - 9:40** Concurrent Sessions

**FUTURE DIRECTIONS**

**Payette Room**

Chair: Robert Sidman

Discussants: Toni Crowder, Jody Berenblatt

**Michael Bradley, Jeff Colvin and Mary Perkins:** On Alternative USO Financing Mechanisms

**Kirk Kaneer and Shoshana Grove:** Adapting America’s Regulatory Framework to the Global-Digital Age

**Robert A. F. Reisner and Lawrence G. Buc:** Anticipating the Reform Debate – How will the Trajectory of Postal Reform II be Guided by the Consequences of the First Round?

**9:40 - 10:00** Coffee Break

**10:00 - 11:55** Concurrent Sessions

**FUTURE OF DISTRIBUTION**

**Waring Room**

Chair: Sheldon Switzer

Discussants: Tim Fagan, Asa Hopkins

**Eric Ackerman:** The Changing Electricity Distribution Business

**John Caldwell:** New Business Strategies for the Changing Electricity Distribution Business

**Blaine Gilles:** New Regulatory Frameworks for the Changing Electricity Distribution Business

**11:55 - 1:00** Lunch

**1:00 - 2:30** Concurrent Sessions

**ELASTICITY/COMPETITION**

**Payette Room**

Chair: Neil Lessem

Discussants: Larry Buc, Carl Peterson

**Toufic M. El Masri:** Cooperation and Competition in Network Industries

**Katalin Clendenin, Margaret M. Cigno, and Edward S. Pearsall:** Are U.S. Postal Price Elasticities Changing?

**Thomas Bozzo, Kristen Capogrossi, Kelly Eakin, John Pickett, and Mithuna Srinivasan:** Are postal price elasticities “in flux?” Evidence from market dominant products of the U.S. Postal Service

**11:55 - 1:00** Lunch

**1:00 - 2:30** Concurrent Sessions

**LOGISTICS**

**Payette Room**

Chair: Ann Daley

Discussants: Jeff Colvin and Michael Crew

**Amanda Stafford, Christopher Backley, and Charles Crum:** The Global Logistics Revolution – Forces, Trends, and Opportunities for the United States Postal Service

**Lyudmila Y. Bzhilyanskaya, Michael J. Ravnitzky, and JP Klingenberg:** A Quantitative Approach to the Effective Consolidation of the U.S. Postal Retail Network

**William L. Jusino:** On the Perverse Incentives of US Postal Service Transportation Practices

**11:55 - 1:00** Lunch

**1:00 - 2:30** Concurrent Sessions

**REGULATION**

**Waring Room**

Chair: Mark Freise

Discussants: Frank Felder, Huan Zhao

**Tim Brennan:** Holding Distribution Utilities Liable for Outage Costs – An Economic Look

**Anne Coultas:** Formula Regulation – A Case Study of the Recent Commonwealth Edison and Smart Grid Modernization

**Alan Finder:** State Regulatory Commission Oversight of Electric Retailers

**11:55 - 1:00** Lunch

**1:00 - 2:30** Concurrent Sessions

**TRANSACTIONS**

**Waring Room**

Chair: Saikat Sen

Discussants: Malcolm Ainspan, Juan Oviedo, David Sappington

**Timothy J. Tardiff:** Reregulation or Better Deregulation? – Economic Evaluation of Recent FCC Competition Actions

**Xu Chen and Andrew N. Kleit:** Incentives and manipulations of CBL in demand response in PJM territory

**Ahmad Faruqui and Sanem Sergici:** The Persistence of Price Response Evidence from a Four-Year Dynamic Pricing Experiment in Maryland
### THURSDAY, MAY 16, 2013 (CONTINUED)

**2:30 - 4:00  Concurrent Sessions**

**NEW REVENUES**
Chair: Kent Smith  
Discussants: Larry Buc, Kirk Kaneer  
*JP Klingenberg, Chris Laver and Claude Lawrence*: Postal Pricing and Profit Making in a Capped Regime  
*Paola Piscioneri, Christopher Backley, Charles Crum, and Amanda Stafford*: e-Government and the U.S. Postal Service—A Conduit to Help Government Meet Citizens’ Need  
*Laraine Balk Hope, Bruce Marsh and Virgil Ian Stanford*: Peer-to-Peer Commerce—Implications and Opportunities for the U.S. Postal Service

**SUPPLY/STORAGE**
Chair: Julie Kelly  
Discussants: Howard Haas, Kiwan Lee  
*Dick Van Atta*: The Role of Energy Storage in Meeting Twenty-First Century DOD Energy Demands  
*Wooyoung Jeon and Tim Mount*: Evaluating the Spatial Effects of Storage on an Electric Grid with High Penetration of Wind Generation  
*Seth Blumsack, Mostafa Sahraei-Ardakani, and Andrew Kleit*: Estimating Zonal Supply Curves in Transmission-Constrained Electricity Markets

4:00  Exercise Break

6:00 - 7:00  Cocktail Hour

7:00 – 9:00  Dinner & Speech: Scott Ungerer, Managing Director and CEO, EnerTech Capital

### FRIDAY, MAY 17, 2013

**8:45 - 10:30  Concurrent Sessions**

**ENERGY COORDINATION**
Chair: Tom Frantz  
Discussants: Beverly Brereton, Frank Felder  
*Mario S. DePillis Jr. and Huan Zhao*: Natural Gas and Electric Market Coordination under Pipeline Constraints  
*J.D. Oviedo and F. Gasmi*: Investment in Transport Capacity and Regulation of Regional Monopolies in Natural Gas Commodity Markets  
*Robert B. Stoddard and Seabron Adamson*: Addressing the Gas/Electric Coordination Issue with Regional Pipeline Operators

**ESTIMATION**
Chair: Lee Huffman  
Discussants: Edward S. Pearsall, Joseph Fuhr  
*Victor Glass and Stela Stefanova*: Estimating Price Elasticity of Demand for Bandwidth—Do “Data Hogs” Care About Price?  
*Victor Glass, Stela Stefanova and Ron Dibelka*: Customer Price Sensitivity to Broadband Service Speed—What are the Implications for Public Policy?

10:30 - 11:00  Coffee Break

**CAPITAL ATTRACTION**
Chair: Michael Ravitzky  
Discussants: Huan Zhao, Carl Linvill and A. Sadiq  
*H. Edwin Overcast*: Managing the Rate Impacts of Infrastructure Replacement  
*Joseph Wharton, Michael Vilbert, Toby Brown, and Rich Goldberg*: The Impact of Decoupling on the Cost of Capital an Empirical Investigation

12:45 – Lunch
Speakers Discussants & Chairs

Mohammad Adra, Assistant Inspector General, USPS-OIG
Pauline Ahern, Principal, AUS
Malcolm Ainspan, Economist, Israel Public Utilities Authority-Electricity
Jody Berenblatt, Senior Director, GrayHair Advisors
Christopher W. Backley, Public Policy Analyst, USPS-OIG
Seth Blumsack, Assistant Professor, Pennsylvania State University
Tim Brennan, Professor of Policy & Economics, University of Maryland Baltimore County & Senior Fellow. Resources for the Future
Beverly A. Berreten, Economist, ISO New England
Larry Buc, President, SLS Consulting, Inc.
John Caldwell, Director of Economics, Edison Electric Institute
Pradip Chattopadhyay, Regional Energy Analyst, New Hampshire Public Utilities Commission
Jeff Colvin, Director, USPSOIG
Michael A. Crew, Director and CRI Professor of Regulatory Economics, Rutgers University
Toni Crowder, Eagle Analytics, LLC
Dylan W. D’Ascendis, Associate, AUS Consultants
Lyudmila Y. Bzhilyanskaia, Economist, US Postal Regulatory Commission
Ann M. Daley, Vice President, Pitney Bowes Government & Regulatory Affairs
Mario DePillis, Supervisor, Market Assessment, ISO New England, Inc.
Toufic M. El Masri, Leuphana University of Lueneburg, Institute of Economics
Tim Fagan, Director - Public Policy, PSE&G
Frank Felder, Professor, Bloustein School, Rutgers University
Alan Finder, Managing Director, Global Regulatory Advisors LLC
Tom Frantz, Director of the Electricity Division, New Hampshire Public Utilities Commission.
Mark Freise, Reliability Contract Manager, ISO New England
Joseph Fuhr, Professor, Widener University
Blaine Gilles, Pacific Economics Group
Victor Glass, Director of Demand Forecasting and Rate Development, National Exchange Carrier Association, Inc.
Howard Haas, Chief Economist, Monitoring Analytics, LLC
Laraine Balk Hope, Economist USPSOIG
Asa Hopkins, Director of Energy Policy and Planning, Vermont Public Service Department
Lee Huffman, Big Sky Physics, Santa Fe, NM
Marc Ivaldi, IDEI - Universite des Sciences Sociales
Kirk Kaneer, Economist, USPSOIG
Arwen Kandt, Consultant, Bates White Economic Consulting
Julie Kelly, Research Staff Member, Institute for Defense Analyses
J.P. Klingenberg, Economist, U.S. Postal Regulatory Commission
Kiwan Lee, Manager, Special Access, NECA
Neil Lessem, The Brattle Group
Carl Linvill, Regulatory Assistance Project
John Mayo, Professor of Economics, Georgetown University
Karl A. McDermott, Ameren Professor of Government and Business, University of Illinois-Springfield & Special Consultant, NERA Economic Consulting
Richard A. Michelfelder, Clinical Associate Professor of Finance, Rutgers University, School of Business – Camden
John Mayo, Professor of Economics, Georgetown University
Timothy D. Mount, Professor, Cornell University
Mark J. Niefer, Attorney, Antitrust Division, U.S. Dept. of Justice
Juan Oviedo, Universidad del Rosario
Edward S. Pearsall, Consultant, U.S. Postal Regulatory Commission
Carl Peterson, Assistant Professor, University of Illinois-Springfield & Special Consultant, NERA Economic Consulting
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Saikat Sen, Executive Director - Public Policy AT&T
Sanem Sergici, Associate, The Brattle Group
Richard E. Schuler, Jr., Chief, Utility Programs, New York State Department of Public Service
Robert Sidman, Attorney, Postal Regulatory Commission
Kent Smith, Strategic Planning, United States Postal Service
Matthew Stirling, Operations Research Analyst Office of Inspector General, USPS, RARC Group
Robert Stoddard, Vice President & Practice Leader, Energy & Environment, Charles River Associates
Sheldon Switzer, Manager, DSM Evaluation, Measurement and Verification, Baltimore Gas & Electric Company
Timothy Tardiff, Advanced Analytical Consulting Group
Dick Van Atta, Research Staff Member, Institute for Defense Analyses
Mike Vilbert, Principal, The Brattle Group
Huan, Zhao, Market Monitoring, ISO, New England
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Kurt Strunk (NERA Economic Consulting)
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Conference Chair

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REGISTRATION FORM: 32nd Annual Eastern Conference

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Billing Information

__ Payment enclosed $950.00 U.S. Dollars
(Applies to registrations paid by February 15, 2013)
__ Payment enclosed $1015.00 U.S. Dollars
(Applies to registrations paid after February 15, 2013)
__ Send invoice to participant at above address.
__ Send invoice to ____________________________
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GOVERNMENT RATE: Government employees may apply for reduced enrollment fees.

__ I would like to apply for the government rate of $485.00
(Applies to registrations paid by February 15, 2013)
__ I would like to apply for the government rate of $515.00
(Applies to registrations paid after February 15, 2013)

CANCELLATION POLICY: Until April 3, 2013 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 ____________________________