Advanced Workshop in Regulation and Competition

20th Annual Western Conference

Hyatt Regency, in Monterey, California, on June 27-29, 2007

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

- Deregulation
- Market Structure
- Policy and Regulatory Issues
- Emissions and Environmental Policy
- Telecommunications
- Demand Response

Who should attend:

- Industry Economists
- Marketing and Regulatory Managers
- Regulatory Commission Staff

Dinner Speakers: Steven Kline, Vice President, Pacific Gas and Electric Corp & John Jurewitz, Director of Regulatory Policy, Southern California Edison

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, workshop, and courses make available the latest advances to academics, managers, and regulatory commission staff. The Center has twenty-eight 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)
### 20th ANNUAL WESTERN CONFERENCE

**WEDNESDAY, JUNE 27, 2007**

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<tr>
<th>Time</th>
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<td>3:00 - 4:00</td>
<td>Registration</td>
<td>Windjammer 1&amp;2</td>
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<td>4:00 - 6:00</td>
<td>Welcome to Conference: Michael A. Crew</td>
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<td></td>
<td><strong>Cliff B. Rochlin</strong>: Contract Alternative to an All-Volumetric Tariff</td>
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<td></td>
<td><strong>William E. Kovacic</strong>: Evaluating the Performance of Regulatory Agencies and Their Leadership – A Suggested Scorecard</td>
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<td>6:00 - 7:00</td>
<td>Cocktail Hour</td>
<td>Oak Tree 1-3 &amp; Terrace</td>
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<td>7:00 -</td>
<td>Dinner &amp; Keynote Speech:</td>
<td>Cypress Room</td>
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<td></td>
<td><strong>John L. Jurewitz</strong>, Director of Regulatory Policy, Southern California Edison</td>
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**THURSDAY, JUNE 28, 2007**

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<thead>
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<th>Time</th>
<th>Activity</th>
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<td>8:00 - 9:40</td>
<td><strong>Concurrent Sessions</strong></td>
<td>Windjammer 1&amp;2, 3&amp;4</td>
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<td><strong>MARGINAL COST</strong></td>
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<td></td>
<td>Chair: Dennis Keane</td>
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<td></td>
<td>Discussants: Michael Alexander, Fred Curry &amp; Paul Nelson</td>
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<td></td>
<td><strong>John Kelly</strong>: The Impact of Marginal Cost Pricing on Electric Utility Revenues – A Quantitative Case Study</td>
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<td><strong>Robert D. Levin</strong>: Efficient Pricing of Electric Distribution</td>
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<td><strong>Stephen St. Marie</strong>: Implications of High Tail-Block Rates in Utility Service Tariffs</td>
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<td>9:40 - 10:00</td>
<td>Coffee Break</td>
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<td>10:00 - 11:40</td>
<td><strong>Concurrent Sessions</strong></td>
<td>Windjammer 1&amp;2, 3&amp;4</td>
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<td><strong>INTERCARRIER CHARGES</strong></td>
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<td>Chair: Michael A. Crew</td>
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<td>Discussants: Larry R. Blank Victor Glass &amp; Denise Mann</td>
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<td></td>
<td><strong>Richard Clarke &amp; Thomas Makarewicz</strong>: Economic Benefits from Reform of Intercarrier Compensation Mechanisms</td>
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<td><strong>Gregory M. Duncan</strong>: Infeasibility of Business Plans Based on Unbundling</td>
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<td>11:40 - 1:00</td>
<td>Lunch Break</td>
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<td>1:00 - 2:30</td>
<td><strong>Concurrent Sessions</strong></td>
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<td><strong>FORECASTING</strong></td>
<td>Windjammer 1&amp;2</td>
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<td>Chair: Lee Huffman</td>
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<td>Discussants: Herb Thompson &amp; Aram Shumavon</td>
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<td><strong>Larry Butler</strong>: Changes in the Use of Demand Management in Load Forecasting</td>
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<td><strong>Ahmad Faruqui, Philip Hanser &amp; Johannes Pfeifenberger</strong>: The Return of the Load Forecaster</td>
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<td>2:30 - 4:00</td>
<td><strong>Concurrent Sessions</strong></td>
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<td><strong>DEMAND RESPONSE</strong></td>
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<td>Chair: Fred Curry</td>
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<td>Discussants: Phillip McLeod &amp; Robin Walther</td>
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<td><strong>Carl B. Linvill &amp; Eric Woychik</strong>: Consumer Choice and More Complete Contracting – Removing the Barriers to Demand-Side Investment</td>
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<td><strong>Carl H. Silsbee</strong>: Evaluating Demand Response and Dynamic Pricing Programs in a Hybrid Electricity Market</td>
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<td><strong>Art Altman, Remi Audouin &amp; David Andrade</strong>: Energy Risk Management – Current Practices and Future Directions</td>
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<td><strong>Robert T. Howard</strong>, Vice President – Gas Transmission and Distribution, Pacific Gas and Electric Corporation</td>
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20th ANNUAL WESTERN CONFERENCE
FRIDAY, JUNE 29, 2007

8:45 - 10:40  Concurrent Sessions

RENEWABLES & PORTFOLIO SELECTION  1&2
Chair: Ray D. Williams
Discusssants: Colin Loxley & Herb Thompson
Frank W. Harris: Renewable Portfolio Standards and the Growth in Renewable Selection in a Deregulated Environment
Arthur Mazer & Marc L. Ulrich: Contract Selection in Electric Power Competitive Solicitations

10:40 – 11:00  Coffee Break

11:00 - 12:55  Concurrent Sessions

VALUE IN REGULATION  1&2
Chair: Rami Kahlon
Discusssants: Michael Crew, Paul Hunt & Julie Kelly
John Mayo & Larry Blank: Endogenous Regulatory Constraints and the Emergence of Hybrid Regulation
Terry F. Urbine & Jordan N. Prassinos: Hoover Value
Ron Knecht: Discount Rates for Utility Regulatory and Planning Analyses

12:55  Conference Concludes

DEREGULATION!
Chair: Dennis Stevens
Discusssants: Michael Plunkett & Menahem Spiegel
Alan E. Finder: Non-traditional Approaches to Regulating Utility Revenues
Ted Howard: Will Public-Private Collaboration Avert a Water and Energy Crisis in California?
Kevin Woodruff: Is the Electric Grid a Market or a Machine? Observations on one ISO’s Struggles with this Question

BIDDING & TRANSMISSION
Chair: Bob Lane
Discusssants: Philippe Auclair, Phillip McLeod & David Salant
Robert Entriken, John Stone, & Steve Wan: Transmission Investment Incentives – Economic Analysis
Ramteen Sioshansi & Alva Svoboda: Optimal Hydro Bidding in a Market with Centralized Commitment and Dispatch

SPEAKERS DISCUSSANTS & CHAIRS

Michael Alexander, Manager, Energy Projects, Southern California Edison
David Andrade, Senior Associate, Brattle Group
Jasmin Ansar, Manager, Environmental Policy, PG&E & Electric
Phil Auclair, Principal, Auclair Consulting
Matthew Barnack, Principal Policy & Planning Analyst, PG&E & Gas & Electric
Larry R. Blank, Assistant Professor, New Mexico State University
Larry Butler, Southern California Edison
Richard N. Clarke, Director of Economic Analysis, AT&T
Michael A. Crew, Director – CRRI, Rutgers University
Fred Curry, Chief, Water Branch, California P.U.C.
Larry Dale, Lawrence Berkeley National Laboratory
Gregory M. Duncan, Director, Deloitte FAS LLP and University of California, Berkeley
Robert Entriken, Manager Policy Analysis, EPRI
Ahmad Faruqui, Principal, Brattle Group
Alan E. Finder, Director, KPMG LLP
Tom Frantz, Director - Electric Division, New Hampshire P.U.C.
Victor Glass, Director, National Exchange Carrier Association, Inc.
Charles A. Goldman, Lawrence Berkeley National Laboratory
Frank W. Harris, Financial Analyst, Southern California Edison
Scott M. Harvey, Director, LECG
Eric Hildebrandt, Manager, Analysis & Mitigation , California Independent System Operator
Robert T. Howard, Vice President – Gas Transmission and Distribution, Pacific Gas and Electric Corporation
Ted Howard, California P.U.C.
Lee Huffman, Hearing Examiner, New Mexico Public Regulation Commission
Paul T. Hunt, Manager of Regulatory Finance and Economics, Southern California Edison
John L. Jurewitz, Director of Regulatory Policy, Southern California Edison
Rami Kahlon, Advisor to President Peccey, California P.U.C.
Dennis Keane, Manager, Service Analysis, Pacific Gas & Electric
John Kelly, Director of Economics and Research, American Public Power Association
Julie Kelly, Research Staff Member, Institute for Defense Analyses
Ron Knecht, Economist, P.U.C. of Nevada
William E. Kovacic, Commissioner, Federal Trade Commission
Bob Lane, Manager Corporate Regulatory Policy, Sempra Energy
Robert D. Levin, Consultant (formerly Pacific Gas & Electric)
Carl B. Linvill, Director - Energy Planning and Analysis, Aspen Environmental Group

Colin Loxley, Director-Resource Planning, PSE&G
Denise Mann, California P.U.C.
Thomas Makarewicz, Director, Cost Analysis, AT&T
Arthur Mazer, Manager, Energy Planning, Southern California Edison
Karla A. McDermott, Vice President, NERA Economic Consulting
Philip McLeod, Principal, LECG LLC
Robert J. Michaels, Professor of Economics, California State University at Fullerton
Timothy D. Mount, Professor, Cornell University
Scott Murêtshaw, Senior Analyst, Climate Change, California P.U.C.
Paul D. Nelson, Senior Regulatory Economist, Southern California Edison
Jeffrey Nelson, Project Manager – Market Strategy, Southern California Edison
Victor Niemeyer, Manager for Power Markets Research, EPRI
Ren Orans, Managing Partner, Energy and Environmental Economics, Inc.
Laurna Prantil, Research Staff Member, Institute for Defense Analyses
Shmuel S. Oren, University of California at Berkeley
Michael K. Plunkett, Manager, Pricing Strategy, United States Postal Service
Cliff B. Rochlin, Market Consultant, Southern California Gas Company
David Salant, Independent Consultant
Lee L. Selwyn, President, Economics and Technology, Inc.
Karen Shea, Public Utility Regulatory Analyst, California P.U.C.
Aram Shumavon, California P.U.C.
Carl H. Silsbee, Manager of Regulatory Economics, Southern California Edison
Roger Sparks, Professor of Economics, Mills College
Stephen St. Marie, California P.U.C.
Gary A. Stern, Director of Market Monitoring and Analysis, Southern California Edison

Dennis Stevens, Principal Economist, United States Postal Service
John K. Stranlund, Professor – Natural Resource Economics, University of Massachusetts – Amherst
Alva J. Svoboda, Senior Energy Supply Analyst, Pacific Gas & Electric
SheLDon Switzer, Manager, Electric Pricing and Tariffs, Baltimore Gas & Electric Company
Herbert Thompson, Assistant Professor, Ohio University
Marc L. Ulrich, Director of Energy Planning, Southern California Edison
Terry F. Urbine, Analyst, Arizona Public Service Company
Robin Walther, Consultant
Ray D. Williams, Director, Long-term Energy Policy, Pacific Gas & Electric Company
Kevin Woodruff, Principal, Woodruff Expert Services
Eric C. Woychik, Executive Consultant, Strategy Integration, LLC
**ORGANIZING COMMITTEE**

Jasmin Ansar (Pacific Gas and Electric)  
Jeremy Bloom (EPRI)  
Michael A. Crew (Rutgers University)  
Fred Curry (California Public Utilities Commission)  
Carl Danner (Wilk & Associates/LECG)  
Ahmad Faruqui (Brattle Group)  
John Jurewitz (Southern California Edison)  
Dennis Keane (Pacific Gas & Electric)  
Ron Knecht (Public Utilities Commission of Nevada)  
Carl Pechman (Power Economics)  
Cliff Rochlin (Southern California Gas)  
David Salant  
John Sumpter (Pac-West Telecomm, Inc.)

**HOTEL RESERVATIONS**

Sufficient Rooms are reserved at the Hyatt Regency for all of the Conference participants. Participants should register for the conference by returning registration forms to Hyatt Regency. Reservations must be received by June 1, 2007. Hotel reservation can be made by phone.

1 Old Golf Course Road,  
Monterey, California, USA

Tel: 1-800-233-1234 or 831 372 1234  
Fax: 831 375 3960

**REGISTRATION INFORMATION**

To Register: Please complete and return the form to CRRI. 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 May 22, 2007. Registrations received after May 22, 2007, 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, dinner on Wednesday night, June 27, all receptions and coffee breaks, but do not include lodging and other meals. The government registration fee is available for government employees.

REGISTRATION FORM: 20th Annual Western Conference

Name

Title:

Company:

Complete Address:

Telephone:  
Fax:

Email:

Billing Information:

- Payment enclosed $1,000 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 $535

Card #________________________________________

CANCELLATION POLICY: Until May 11, 2007 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: ____________________________