Advanced Workshop in Regulation and Competition

21st Annual Western Conference

Hyatt Regency, in Monterey, California, on June 18-20, 2008

The Conference features some of the latest developments in the network industries, especially energy, including:

- Deregulation
- Market Structure
- Policy and Regulatory Issues
- Emissions and Environmental Policy
- Telecommunications and Water
- Pricing and Demand Response
- Capacity and Reliability

Who should attend:

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

Featured Speaker: William E. Kovacic, Chairman – FTC
Dinner Speaker: G. Mitchell Wilk, Managing Director, LECG, Inc. San Francisco CA

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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 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.

centerforresearchineconomics.rutgers.edu
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973-353-5761 ● 973-353-1348 (fax)
### Wednesday, June 18, 2008

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<th>Time</th>
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<tr>
<td>3:00 - 4:00</td>
<td>Registration</td>
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<tr>
<td>4:00 - 6:00</td>
<td>Welcome to Conference: Michael A. Crew</td>
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<tr>
<td><strong>Carl Pechman</strong>: Enron in the West</td>
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<td><strong>William E. Kovacic</strong>: Regulatory Archipelago</td>
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<tr>
<td>6:00 - 7:00</td>
<td>Cocktail Hour</td>
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<tr>
<td>7:00 -</td>
<td>Dinner &amp; Keynote Speech: G. Mitchell Wilk, Managing Director, LECG, Inc. San Francisco CA</td>
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### Thursday, June 19, 2008

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<th>Time</th>
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<td>8:00 - 9:40</td>
<td>DEREGULATION IMPACT 1&amp;2</td>
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<tr>
<td><strong>Chair</strong>: Marc Ulrich</td>
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<tr>
<td>Discussants: Frank Harris, Kevin Woodruff</td>
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<tr>
<td><strong>Joe Craig &amp; Scott Savage</strong>: Market restructuring and productive Efficiency: Plant-level evidence from U.S. electricity generation</td>
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<tr>
<td><strong>John Kelly</strong>: Review and Critique of Prominent Analyses of the Effect of Deregulation Policies on Retail Rates</td>
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<td><strong>Carl Peterson</strong>: Efficiency in the US Electric Industry – the Influence of Regulatory Policy</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>GREEN HOUSE GASES I 1&amp;2</td>
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<tr>
<td><strong>Chair</strong>: Dennis Stevens</td>
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<td>Discussants: Carl B. Linvill</td>
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<tr>
<td><strong>Michael Jaske &amp; Lana Wong</strong>: Scenario analyses of California’s electricity system to achieve GHG emission reduction goals</td>
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<td><strong>Scott Murtishaw, Adam Langton &amp; Karen Griffin</strong>: Developing a Greenhouse Gas Reduction Program for California’s Electricity Industry</td>
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<td><strong>Gary Stern</strong>: Allowance Allocation under a Cap &amp; Trade System for GHG Reduction – Some Alternatives to Consider</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>GREEN HOUSE GASES II 1&amp;2</td>
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<td><strong>Chair</strong>: Irene Balotro</td>
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<td>Discussants: Adam Langton &amp; Dennis Stevens</td>
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<tr>
<td><strong>Jasmin Ansar &amp; Roger Sparks</strong>: Experience Economies and Energy-Saving Investments</td>
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<tr>
<td><strong>Ted Howard &amp; Raj Naidu</strong>: How Water Utilities can Improve Energy Efficiency and Reduce Greenhouse Gas Emissions</td>
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<td>2:30 - 4:00</td>
<td>RENEWABLES 1&amp;2</td>
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<td><strong>Chair</strong>: Fred Curry</td>
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<td>Discussants: Paul Douglas, Tom Frantz &amp; Colin Loxley</td>
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<tr>
<td><strong>Robert Michaels</strong>: Why so little compliance with state renewable electricity requirements?</td>
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<td><strong>Steve Rahon &amp; James Magill</strong>: Promoting Renewables – Options and Impacts</td>
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<td><strong>Terry Urbine</strong>: When is a Windmill Dirty?</td>
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### Additional Events

- **CAPACITY 3&4**: Chair: John Yu
  - Discussants: Keith Casey, Robin J. Walther
  - **Matthew Barmack & Sebastien Csapo**: New Reliability Challenges
  - **C. Chaton, F. Gasmi, M. Guillermi, & J. Oviedo**: Gas release and transport capacity investment as instruments to foster competition in gas markets
  - **David Salant**: Auction Design for Capacity Markets

- **REGULATORY TRENDS 3&4**: Chair: Rami Kahlon
  - Discussants: Fred Curry & Victor Glass
  - **G. Duncan, J. Huber, & W.K. Viscusi**: Estimating Willingness to Pay for Clean Water by Means of Adaptive, Sequential Conjoint Experiment
  - **Chris Grier & Linda Thompson**: Compliance Framework to Help an Electric Utility Meet Regulatory Requirements
  - **Julie Kelly, John Fry and Laurna Prantil**: Telecom Pricing Simplification in the Department of Defense

- **PRICING DESIGN 3&4**: Chair: Eric Ackerman
  - Discussants: Phillip McLeod, Carl Silsbee, Howard Spinner
  - **Robert Earle, Ahmad Faruqui & Ryan Hledik**: Evaluating alternative dynamic pricing designs
  - **Carl Danner**: Marking Up Retail Energy Prices for Externalities
  - **Robert D. Levin**: Pricing Electricity for Cars: Impact of Electric Rate Design on EVs, Utilities, and the Environment

- **TRANSMISSION/RELIABILITY 3&4**: Chair: Kevin O’Beirne
  - Discussants: Cliff Rochlin & Kevin Woodruff
  - **Philippe Auclair**: California’s Hybrid Transmission Benefit Evaluation Methodology
  - **Timothy Mount, et al.**: The Economic Value of Improving the Reliability of Supply on a Bulk Power Transmission Network
  - **Farrokh Rahimi**: Comparison of Market Designs, Opportunities, and Risks
21st ANNUAL WESTERN CONFERENCE
DRAFT October 16, 2008
FRIDAY, JUNE 20, 2008
8:45 - 10:40  Concurrent Sessions  Windjammer 1&2, 3&4

DEFAULT SERVICE  1&2
Chair: Menahem Spiegel
Discussants: Christian Jaag, Frank Harris
Laurie Duhan & Sheldon Switzer: Utility Standard Offer
Service Service – Beauty ‘or’ the Beast?
Steve Parsons: Broadband and Mobility – The New Paradigm for Universal Service
Steve Watson: Eliminating the Regulatory Gap

10:40 – 11:00  Coffee Break
11:00 - 12:55  Concurrent Sessions  Windjammer 1&2, 3&4

ENERGY CONSERVATION  3&4
Chair: Joseph Abhulimen
Discussants: Eric Ackerman
Larry Dale & Michael Hanemann: Impact of Changes in Household Energy and Water Rates, Rate Structures
Carl Danner: Economics of Energy Efficiency Programs
Joseph Wharton, Ahmad Faruqui & Sunita Surana: Conditions for Equivalence of Three Shareholder Incentive Mechanisms for Demand Side Management

PROPHETS & PROFITS  1&2
Chair: Michael A. Crew
Discussants: Phillip McLeod
Paul Hunt: Utility cost of capital – expanding the set of financial models
Menahem Spiegel: Real Time Pricing with Switching Costs
Karl McDermott: The Uncertain Role of Profit in Regulation – A Love-Hate Affair

DEMAND RESPONSE  3&4
Chair: Muir Davis
Discussants: Paul Nelson, Aram Shumavon & Robin J. Walther
Robert Enriken: Agents of Demand Response: A Plug-In Hybrid Electric Vehicle Agent
Jordan Prassinos: Behind the Veil of Demand Response

SPEAKERS DISCUSSANTS & CHAIRS

Joseph Abhulimen, Program Supervisor, California Public Utilities Commission
Eric Ackerman, Senior Manager – Regulatory Policy, Edison Electric Institute
Jasmin Ansar, Manager of Environmental Policy, Pacific Gas & Electric
Philippe Auclair, Energy Policy and Economics, Auclair Consulting
Irene Balotro, Manager, Huron Consulting Group
Matthew A. Barmack, Principal Policy & Planning Analyst, Pacific Gas & Electric
Keith Casey, Director-Market Monitoring, CAISO
Joe Craig, University of Colorado at Boulder
Michael A. Crew, Director – CRRRI, Rutgers University
Sebastian Csapo, Case Manager - Energy Proceedings, PG&E
Fred Curry, Chief, Water Branch, California Public Utilities Commission
Larry L. Dale, Lawrence Berkeley National Laboratory
Carl R. Danner, Director, Wilk & Associates/LECG
Muir Davis, Project Manager, Demand Resource Integration, Southern California Edison
Paul Douglas, California Public Utilities Commission
Laurie H. Duhan, Director, Choice Programs, BGE
Gregory M. Duncan, Managing Director, Huron Consulting Group
Robert L. Earle, Principal, The Brattle Group
Robert Enriken, Manager Policy Analysis, EPRI
Tom Frantz, Director - Electric Division, New Hampshire Public Utilities Commission
John Fry, Institute for Defense Analyses
Farid Gasmii, Professor of Economics, IDEI - Universite des Sciences Sociales
Victor Glass, Director of Demand Forecasting and Rate Development, National Exchange Carrier Association, Inc.
Chris Grier, Director Advisory, KPMG LLP
Frank Harris, Financial Analyst, Southern California Edison
Ted Howard, Division of Strategic Planning, California Public Utilities Commission
Paul T. Hunt, Jr., Manager of Regulatory Finance and Economics, Southern California Edison
Christian Jaag, Economist, Swiss Post, University of St. Gallen
Michael R. Jaske, California Energy Commission
Rami Kahlon, Director of the Water Division, California Public Utilities Commission
John Kelly, Director of Economics and Research, American Public Power Association
Julie Kelly, Research Staff Member, Institute for Defense Analyses
William E. Kovacic, Chairman, Federal Trade Commission
Adam Langton, Regulatory Analyst, California Public Utilities Commission
Robert D. Levin, Regulatory Analyst, California Public Utilities Commission
Carl B. Linnell, Director Energy Planning and Analysis Division, Aspen Environmental Group

Colin Loxley, Director-Resource Planning, PSE&G
Karl A. McDermott, Ameren Professor of Government and Business, University of Illinois-Springfield & Special Consultant, NERA Economic Consulting
Phillip McLeod, Principal
Robert J. Michaels, Professor, California State University at Fullerton
Timothy D. Mount, Professor, Cornell University
Scott Murtishaw, Senior Analyst, Climate Change, California Public Utilities Commission
Raj Naidu, Water & Audits Division, California Public Utilities Commission
Paul Nelson, Senior Regulatory Economist, Southern California Edison
Kevin O’Birne, Regulatory Case Manager, San Diego Gas & Electric Company
Steve G. Parsons, President, Parsons Applied Economics, L.L.C.
Carl Pechman, President, Power Economics
Carl R. Peterson, Senior Consultant, NERA Economic Consulting
Laurna Prantil, Research Staff Member, Institute for Defense Analyses
Jordan N. Prassinos, Arizona Public Service Company
Farrokh Rahimi, Vice President, Market Design and Consulting, Open Access Technology International, Inc.
Steve Rahon, Director - Regulatory Policy and Analysis, SDG&E
Cliff Rochlin, Market Consultant, Southern California Gas Company
David J. Salant, Columbia, Clemson and CRA
Aram Shumavon, California Public Utilities Commission
Carl Silsbey, Manager of Regulatory Economics, Southern California Edison
Menahem Spiegel, Associate Professor, Rutgers University
Howard Spinner, Director, Division of Economics and Finance, Virginia State Corporation Commission
Gary A. Stern, Director of Market Monitoring and Analysis, Southern California Edison
Dennis Stevens, Principal Economist, United States Postal Service
Sunita Surana, Associate, The Brattle Group
Sheldon Switzer, Director, Pricing and Tariffs, BGE
Linda Thompson, Ethics & Compliance Director, Arizona Public Service Company
Marc Ulrich, Director of Energy Planning, Southern California Edison
Terry F. Urbine, Analyst, Arizona Public Service Company
Robin J. Walther, Consultant
Steve Watson, Capacity Products Staff Manager, Southern California Gas Co.
Joseph B. Wharton, Principal, The Brattle Group
G. Mitchell Wilk, Managing Director, LECG, Inc. San Francisco CA
Kevin Woodruff, Principal, Woodruff Expert Services
Eric Woychik, Principal, Strategy Integration, LLC
John Yu, Operations & Statistical Research Analyst, Los Angeles Department of Water and Power
ORGANIZING COMMITTEE

Jasmin Ansar (Pacific Gas and Electric)
Michael A. Crew (Rutgers University)
Fred Curry (California Public Utilities Commission)
Carl Danner (Wilk & Associates/LECG)
Robert Earle (Brattle Group)
Robert Entriken (EPRI)
Ahmad Faruqui (Brattle Group)
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Carl Pechman (Power Economics)
Cliff Rochlin (Southern California Gas)
David Salant (Columbia, Clemson and CRA)
Carl Silsbee (Southern California Edison)

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 May 19, 2008. Hotel reservation can be made by phone.

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Monterey, California, USA

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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 15, 2008. Registrations received after May 15, 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 Jose Lugo at the above address. Fees include prescribed learning materials, dinner on Wednesday night, June 19, all receptions and coffee breaks, but do not include lodging and other meals. The government registration fee is available for government employees.

REGISTRATION FORM: 21st Annual Western Conference

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__ Payment enclosed $1,045 U.S. Dollars.
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__ 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 $560

CANCELLATION POLICY: Until May 5, 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: ______________________________