Advanced Workshop in Regulation and Competition

22nd Annual Eastern Conference

Skytop Lodge

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

- Regulatory Reform
- Innovations in Pricing and Technology
- Restructuring
- Strategies under Competition and Deregulation
- Incentive Regulation
- Market Innovation

Who should attend:

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

CENTER FOR RESEARCH IN REGULATED INDUSTRIES

The Center for Research in Regulated Industries (CRRI), located at Rutgers University, aims to further study of regulation by research in economics, finance, and institutions. Its publications, seminars, workshops, and courses make available the latest advances to academics, managers, consultants, and regulatory commission staff. The Center has over twenty-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.

crri@andromeda.rutgers.edu
http://crri.rutgers.edu

Rutgers Business School ~ 180 University Avenue ~ Newark, NJ 07102-1897
973-353-5761 ~ 973-353-1348 (fax)
<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<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></td>
<td><strong>Thomas P. Lyon and John Mayo:</strong> Regulatory Opportunity and Investment Behavior: Evidence from the U.S. Electric Utility Industry</td>
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<td><strong>Timothy J. Brennan:</strong> Preventing Monopoly or Discouraging Competition? The Perils of Price-Cost Tests for Market Power in Electricity</td>
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<tr>
<td>6:00 - 9:00</td>
<td>Cocktail Hour, Dinner, and Keynote Speech:</td>
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<td><strong>Laurence M. Downes</strong></td>
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<td>Chairman &amp; CEO, New Jersey Resources Corporation</td>
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**Wednesday, May 21, 2003**

**Thursday, May 22, 2003**

<table>
<thead>
<tr>
<th>Time</th>
<th>Concurrent Session</th>
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<tr>
<td>7:15 – 8:15</td>
<td>Breakfast</td>
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<td>8:15 - 10:00</td>
<td><strong>DEMAND RESPONSE</strong></td>
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<tr>
<td></td>
<td>Chair: David Kathan</td>
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<td>Discussants: William Deehan &amp; Joseph Schuh</td>
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<td><strong>C. William Uhr:</strong> Demand Response Pricing in a Regulated Utility</td>
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<td><strong>Schlegel, Coleman, Frantz, &amp; Sirois:</strong> The Effect of Rates and Energy Efficiency Policies on Electricity Demand</td>
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<td><strong>Steve Sunderhaus:</strong> The Market Role of Demand Response within the PJM Electricity Market</td>
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<tr>
<td>10:00- 10:15</td>
<td>Coffee Break</td>
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<td>10:15 - 12:00</td>
<td><strong>MARKET MANIPULATION</strong></td>
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<td></td>
<td>Chair: Craig Glazer</td>
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<td>Discussants: Joseph Doucet &amp; Christian Hogendorn</td>
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<td><strong>J. Douglas Zona:</strong> Trading Strategies and Market Manipulation</td>
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<td><strong>David E. Hunger:</strong> Manipulation of Natural Gas Price Indices: Causes, Effects and Solutions</td>
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<td><strong>Michael J. Quinn:</strong> Gas Commodity Trading and the California Meltdown</td>
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<tr>
<td>12:00 - 1:00</td>
<td>Lunch Break</td>
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<td>1:00 - 2:30</td>
<td><strong>MARKET DESIGN</strong></td>
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<td>Chair: James Cater</td>
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<td>Discussants: Martin Ringo &amp; Ralph Zarumba</td>
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<td><strong>George Campbell:</strong> What Happens if FERC Opens a Market and Nobody Comes?</td>
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<td><strong>Andrew Kleit and James Reitzes:</strong> Transaction Costs Across Electricity Markets: Does Restructuring Matter?</td>
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<td><strong>David S. Saal:</strong> The Introduction of Competition to Former State Owned Network Industries: Lessons from the British Experience</td>
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**MARKET DESIGN**

**COST & PRODUCTIVITY**

Chair: Thomas Sharkey
Discussants: Chris Schlegel & Menahem Spiegel

**Subhendu Roy:** Effect of Incomplete Information on Using Cost Proxy Models in Telecommunications

**David M. Mandy:** Toward Dynamic Proxy Costing and Pricing of Network Elements and Interconnection: A Report to the FCC

**Christopher Garbacz & Herb Thompson:** Telecommunications and Productivity: A World View

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<thead>
<tr>
<th>Time</th>
<th>Concurrent Session</th>
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<tr>
<td>10:15 - 12:00</td>
<td><strong>REGULATION &amp; COMPETITION</strong></td>
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<td>Chair: Saikat Sen</td>
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<td>Discussants: Stephen Friedlander, Christian Hogendorn &amp; Dale Schoenberger</td>
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<td><strong>Timothy Tardiff and William Taylor:</strong> Aligning Price Regulation with Telecommunications Competition</td>
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<td><strong>Sarah B Eckenrod:</strong> Regulatory Reform and Consumer Welfare: An Analysis of Local Exchange Telecom</td>
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<td><strong>Richard E. Schuler Jr.:</strong> New York Local Telecommunications Market Share Dynamics</td>
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<td>2:30 - 4:00</td>
<td><strong>ENVIRONMENTAL</strong></td>
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<td>Chair: Ralph Zarumba</td>
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<td>Discussants: James Reitze</td>
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<td><strong>Eric Helland &amp; Andrew Whitford:</strong> Pollution Incidence &amp; Political Jurisdiction: Evidence from the TRI</td>
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<td><strong>Menahem Spiegel, Paul Kleindorfer &amp; Shim Sham:</strong> The Impact of Political Borders on Regulated Pollution Trading</td>
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<td><strong>Shunsuke Managi, Jim Opaluch, Di Jin, and Tom Grigalunas:</strong> Environmental Regulations and Technological Change: Rethinking the Porter Hypothesis</td>
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**ENVIRONMENTAL**

**RESTRUCTURING**

Chair: Martin Ringo
Discussants: Marc Smith & Howard Spinner

**Hans de Bruijn & Mark de Bruijne:** Regulating Utility Sectors: Fragmentation or Integration?

**David Parker:** Electricity Sector Reform in Developing Countries

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<tr>
<td>4:00</td>
<td>Exercise Break</td>
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<td>6:00 - 9:00</td>
<td>Cocktail Hour, Dinner, and Keynote Speech:</td>
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<td><strong>Hullihen W. Moore</strong></td>
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<td>Chairman – Virginia State Corporation Commission</td>
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22nd Annual Eastern Conference
Friday, May 23, 2003

7:30 – 8:30 Breakfast
8:30 - 10:25 Concurrent Sessions
Chair: Ming Mui
Discussants: Joseph Doucet & John Graham
Eric Ackerman & Tim McClive: Rebuilding the Distribution Business: An Agenda For Regulatory Reform
Sheldon Switzer: Utility Charges for Extensions: Pay us Now or Pay us Later
Karl McDermott & Carl Peterson: Contractibility and Asset Ownership in the U.S. Natural Gas Industry
Chair: Wayne Hallard
Discussants: E. Rand Costich & Don Laub
Corinne Chaton & Laurent David: Bertrand Competition with entry and asymmetric information
Scott Reid & Tony Ballance: Access pricing for network industries with diminishing returns and opportunities for supply side substitution
William C. Miller: Postal Access Pricing through Negotiated Service Agreements
10:25 - 10:45 Coffee Break
10:45- 12:40 Chair: Mark Beyer
Discussants: Paul Kleinendorf & Timothy Mount
Richard Michelfelder & Panayiotis Theodossiou: Asymmetric Response of Electric Utility Stock Returns to Up and Down Markets
Shmuel Oren & Rajnish Kamat: Forward & spot prices in electricity markets: Market power & congestion effects
Aniruddha Banerjee & Agustin Ros: Drivers of Demand Growth for Mobile Telecommunications Services: Evidence from International Panel Data
12:40 - 12:45 Closing Remarks–Michael A. Crew
12:45 - Lunch

SPEAKERS DISCUSSANTS & CHAIRS

Eric Ackerman: Manager, Regulatory Policy, Edison Electric Institute
Aniruddha Banerjee: Vice President, NERA
Timothy J. Brennan: Professor of Policy Sciences and Economics, University of Maryland, Baltimore County
George Campbell: Manager - Power Marketing Group, South Carolina Electric & Gas Company
James Cater: Director, Resource Analysis, Central Vermont Public Service Corporation
Corinne Chaton: Economist, Gaz de France
Seth Cohen: Senior Associate, KPMG
E. Rand Costich: Attorney, Office of Consumer Advocate, U.S. Postal Rate Commission
John Cita: Chief Economist, Kansas Corporation Commission
Mark de Bruijn: Delft University of Technology
Joseph Doucet: Associate Professor, School of Business, University of Alberta
William J. Deehan: Vice President, Central Vermont Public Service Corporation
Laurence M. Downes: Chairman & CEO, New Jersey Resources Corporation
Sarah B Eckenrod: University of Wisconsin-Milwaukee
Steve Friedlander: Manager, Law and Government Affairs, AT&T
Christopher Garbacz: Director, Economics & Planning Division, Mississippi Public Utilities Staff
Craig Glazer: Vice President – Government Policy, PJM Interconnection
John Graham: Adjunct Professor at Rutgers Law School
Wayne Hallard: Independent Consultant
Eric Helland: Assistant Professor of Economics, George J. Stigler Center for the Study of the Economy, University of Chicago
Christiann Hogendorn: Assistant Professor of Economics, Wesleyan University
David E. Hunger: Senior Economist, Federal Energy Regulatory Commission
Vincent Kaminski: Senior Vice President, Reliant Resources, Inc.

SPEAKERS DISCUSSANTS & CHAIRS (CONT)

David Kathan: Economist, Federal Energy Regulatory Commission
Paul R. Kleinendorf: Anheuser Busch Professor of Management Science and Economics, University of Pennsylvania
Andrew N Kleit: Professor of Energy, Environmental, and Mineral Economics, Pennsylvania State University
David M. Laurent: Economist, Gaz de France
Lide Li: Senior Quantitative Analyst, Excelon Power Team
Colin Loxley: Director – Resource Planning, PSEG
Thomas P. Lyon: Gilbert White Fellow, Resources for the Future
Shunsuke Managi: Assistant Professor, South Carolina State University
David M. Mandy: Professor of Economics, University of Missouri
Karl A. McDermott: Vice President, NERA
David Meschk: Associate, KPMG
Richard A. Michelfelder: Assistant Professor of Finance, School of Business – Camden, Rutgers University
William C. Miller: President, Miller & Associates
Hillicea W. Moore: Chairperson - Virginia State Corporation Commission
Timothy Mount: Professor, Cornell University
Ming Mui: Manager, Electric Market Planning, Keyspan
Shmuel S. Oren: Professor, University of California at Berkeley
David Parker: Professor, Aston University
Michael J. Quinn: Vice President, Analysis Group / Economics
Scott Reid: Associate Director, Regulation and Privatisation Practice, S&W Consultants Limited

James D. Reitzes: Principal, Brattle Group
Martin Ringo: Economist, Power Economics
Agustin J. Ros: Senior Consultant, NERA
Subhendu Roy: Specialist – Service Costs, Verizon
David S. Saal: Lecturer in Industrial Economics, Aston University
Saikat Sen: District Manager - Law and Government Affairs, AT&T
Chris M. Schlegel: Utility Analyst, New Hampshire Public Utilities Commission
Dale Schoenberger: Research Staff, Institute for Defense Analyses
Joseph Schuh, Associate Director – CRR1, Rutgers University
Richard E. Schuler Jr.: Associate Economist, New York State Department of Public Service
Thomas Sharkey: Manager Government Relations, USPS
Marc Smith: Economist, USPS
Menahem Spiegel: Associate Professor, Rutgers University
Howard Spanner: Director – Division of Economics and Finance, Virginia State Corporation Commission
Steve Sunderhauf: Manager-Program Design and Evaluation, PEPCO
Sheldon Switzer: Director, Electric Pricing and Tariffs, Baltimore Gas & Electric Company
Timothy J. Tardiff: Vice President, NERA
Herbert G. Thompson: School of Communication Systems Management, Ohio University
C. William Uhr Jr.: President, UHR Technologies L.P.
Ralph Zarumba: Independent Consultant
J. Douglas Zona: Vice President, Cornerstone Research

ORGANIZING COMMITTEE

Eric Ackerman (Edison Electric Institute)
Michael Ambrosio (Deloitte and Touche LLP)
Michael A. Crew (Rutgers University)
Kent Currie (SBC)
William Deegan (Central Vermont Public Service Corp)
Christopher Garbacz (Mississippi Public Utility Staff)
Wayne Hallard (Verizon)
Brenda Kahn (AT&T)
Julie Kelly (IDA)
Paul R. Kleinendorf (University of Pennsylvania)
Colin Loxley (PSEG)
Tim McClave (Edison Electric Institute)
Mark Reeder (New York State Depart. of Public Service)
Agustin Ros (NERA)
Joseph Schuh (Rutgers University)
Richard Schuler (New York State Depart. of Public Service)
Richard Simnett (Telcordia Technologies)
Marc Smith (United States Postal Service)
Menahem Spiegel (Rutgers University)
Douglas Zona (Cornerstone Research)

Updated May 20, 2003
22nd Annual Eastern Conference

CONFERENCE STAFF

Michael A. Crew, Director—CRRR
  Conference Chair
Joseph C. Schuh, Associate Director—CRRR
  Conference Co-Chair
Menahem Spiegel, Associate Professor of Economics
Jeremy T. Guenter, Administrative Assistant—CRRR,
  Conference Administrator

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  schuh@andromeda.rutgers.edu (Joseph Schuh)
  crri@andromeda.rutgers.edu (Jeremy Guenter)
Website:  http://crri.rutgers.edu

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 4, 2003. 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

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 10, 2003. Registrations received after April 10, 2003, 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 Marriott Hotel will be required to pay for meals separately. The government registration fee is available for government employees.


Name
Title
Company
Complete Address:
Telephone:        Fax:
Email

Billing Information:
  __ Payment enclosed $830.00 U.S. Dollars.
  __ Send invoice to participant at above address.
  __ Send invoice to ____________________________
  __ Credit Card: __ VISA __ MC    Exp. _____/_____ Card # ____________________________

GOVERNMENT RATE: Government employees may apply for reduced enrollment fees.
  __ I would like to apply for the government rate of $430.00

CANCELLATION POLICY: Until April 10, 2003 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: ____________________________