

Advanced Workshop in Regulation and Competition
28th Annual Eastern Conference

Skytop Lodge, Skytop, Pennsylvania, May 13–15, 2009

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:

Luis Jimenez, Managing Director, Luis Jimenez Consulting LLC
Nanci E. Langley, Vice Chairman, Postal Regulatory Commission

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CENTER FOR RESEARCH IN REGULATED INDUSTRIES

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)

WEDNESDAY, MAY 13, 2009

3:00 - 4:00 Registration

Pine Room

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

*East Laurel Room***Tim Mount:** The High Cost of Peak System Load in a Windy World**Ahmad Faruqui & Sanem Sergici:** A Comparative Evaluation of Seventeen Dynamic Pricing Pilots*South Porch*

6:00 - 7:00 Cocktail Hour

*West Windsor*Dinner & Keynote Speech: **Luis Jimenez**, Managing Director, Luis Jimenez Consulting LLC**THURSDAY, MAY 14, 2009**8:00 - 9:40 **Concurrent Sessions***Laurel Ballroom***DECOUPLING***West Laurel Room*

Chair: David Lamont

Discussants: John Kelly, Howard Spinner

Tim Brennan: Decoupling**Peter Cappers & C. Goldman:** Financial Implications of Using Shareholder Incentives & Decoupling Mechanisms to Contribute in the Achievement of a Federal Renewable Portfolio Standard**Sheldon Switzer:** A developing Story – Wall Street, the Credit Crisis and the Local Distribution Company**CAPITAL RECOVERY***East Laurel Room*

Chair: Saikat Sen

Discussants: Eric Ackerman, Robert Entriken

Lon Peters: The Impact of Auction Design on the Value of Bidders in PJM**Daniel Suh:** Industry Restructuring, Market Risk, and the Cost of Capital: A case study of the electric power industry Deregulation**Richard Michelfelder, Pauline M. Ahern & Frank Hanley:** A New Approach to Estimating the Cost of Common Equity Capital for Public Utilities

9:40 - 10:00 Coffee Break

10:00 - 11:55 **Concurrent Sessions***Laurel Ballroom***REGULATORY ACCOUNTABILITY** *West Laurel Room*

Chair: Sandra Bennett

Discussants: Collin Cain, Craig Glazer

Alan E. Finder: Regulatory Effectiveness Assessment – Monitoring the Regulatory Program**James Prieger, J. Hauge & M. Jamison:** Oust the louse: do political pressures discipline regulators?**D. Diaz-Fuentes, J. Clifton et al:** Understanding consumer behavior for better regulation**FUTURE OF MAIL***East Laurel Room*

Chair: Robert Curry

Discussants: Antoinette Crowder, Leon Pintsov, Marc A. Smith

Lawrence Buc, P. Soyka & S. Glick: Life Cycle Inventory of Mail in the United States**Edward S. Pearsall & C. Trozzo:** Liberal Strategies for Postal Liberalization**Luis Jimenez:** A Comparison of the Carbon Footprint of Mail and Electronic Communications

11:55 - 1:00 Lunch Break

*West Windsor*1:00 - 2:30 **Concurrent Sessions***Laurel Ballroom***TRANSMISSION & MARKETS** *West Laurel Room*

Chair: Craig Glazer

Discussants: Robert Entriken, Menahem Spiegel

R. Entriken, Depillis, et. al.: Preliminary Evaluation of an Energy & Reserve Co-optimization Market Design: for the ISO New England**K. Forbes & O.C. St. Cyr:** “Gaming” by Power Producers, Solar Storms, & “Loop” Electricity Flows: The Case of the PJM Power Grid**S. Oren & Y. Lee:** An Equilibrium Pricing Model for Weather Derivatives**USO & CONTRACTING***East Laurel Room*

Chair: Pauline M. Ahern

Discussants: A. Thomas Bozzo, Antoinette Crowder, Marc A. Smith

Emmett Rand Costich: Auctioning Postage Options**Norma B. Nieto, M. Bradley, J. Colvin & D. Tobias:** The Cost of a Uniform Price Rule in a Liberalized Environment**Michael Ravnitzky:** Electric Vehicles for Mail Delivery: Opportunities and Challenges2:30 - 4:00 **Concurrent Sessions***Laurel Ballroom***REGULATORY INITIATIVE** *West Laurel Room*

Chair: Dale Schoenberger

Discussants: Alan E. Finder, Tom Frantz, John W. Mayo

Karl McDermott: W(H)ither the Public Utility Concept: Obsolete, Passing or Timeless**J. Dean Craig:** Causes and Motivations for Market Restructuring: Evidence from US Electricity deregulation**Timothy Tardiff:** Evaluating Competition Policies: Efficiency Metrics for Network Industries**CARBON MARKETS***East Laurel Room*

Chair: Sandra Bennett

Discussants: David Lamont, John Caldwell

Brian Prusnek & T. White: Capping and Trading...**Seth Blumsack:** Electricity Markets, Emissions Markets and Rate Design**Paul Kleindorfer & L. Li:** Portfolio Risk Management and Carbon Emissions Valuation in Electric Power

4:00 Exercise Break

6:00 - 9:00 Cocktail Hour

*South Porch*Dinner & Keynote Speech: **Nanci E. Langley**, Vice Chairman, Postal Regulatory Commission

Friday, May 15, 20098:45 - 10:30 **Concurrent Sessions****PRICING****West Laurel Room**

Chair: John W. Mayo

Discussants: Pradip Chattopadhyay, Victor Glass, Kiwan Lee

John Caldwell: The Challenge of Price Elasticity in Demand Forecasting and Rate Design**John Kelly:** Case Study: A Practical and Useful Approach for Designing & Implementing Time-of-Use Pricing of Electricity Service**CAPACITY MARKETS****East Laurel Room**

Chair: William Deehan

Discussants: Joseph Cavicchi, Howard Spinner

Robert Stoddard: Multi-Stage Capacity Markets to Address Staged Investment Horizons**James F. Wilson:** One Day in Ten Years? Resource Adequacy for a Smarter Grid**Andrew Kleit, J. Doucet & S. Fikirdanis:** The Value of Electricity Transmission and the Case of the Island of Alberta**Panel**

10:30-12:45

ENERGY RESTRUCTURING IN A TIME OF FINANCIAL CRISISModerator: **James Reitzes****Eric Ackerman**, Senior Manager - Regulatory Policy, Edison Electric Institute**Tim Brennan**, Professor of Policy Sciences and Economics, University of Maryland Baltimore County**Hung-po Chao**, Director, Market Monitoring, ISO New England, Inc.**John Kelly**, Director of Economics and Research, American Public Power Association**Bryan Lee**, Director, Policy Development, Exelon Corporation

12:45 - 12:50 Concluding Remarks - Michael A. Crew

SPEAKERS DISCUSSANTS & CHAIRS**Eric Ackerman**, Senior Manager - Regulatory Policy, Edison Electric Institute**Pauline M. Ahern**, Principal, AUS Consultants**Sandra S. Bennett**, Managing Director - Regulatory, American Electric Power**Seth Blumsack**, Assistant Professor, Penn State University**A. Thomas Bozzo**, Vice President, Christensen Associates**Timothy Brennan**, Professor of Policy Sciences & Economics, University of Maryland Baltimore County**Lawrence Buc**, President, SLS Consulting**Collin Cain**, Manager, Bates White, LLC**John Caldwell**, Director of Economics, Edison Electric Institute**Peter Cappers**, Senior Scientific Engineering Associate, Lawrence Berkeley Laboratory**Joseph Cavicchi**, Senior Vice President, Compass Lexecon**Pradip Chattopadhyay**, Assistant Director - Telecom Division, New Hampshire Public Utilities Commission**E. Rand Costich**, Attorney, Office of General Counsel, U.S. Postal Regulatory Comm.**Joe Craig**, Department of Economic, University of Colorado at Boulder**Michael A. Crew**, Director and CRRI Professor of Regulatory Economics, Rutgers University**Antoinette Crowder**, Principal, Eagle Analytics LLC**Robert Curry**, Vice President Business Development & Sales, Siemens Energy & Automation, Inc.**William Deehan**, Vice President - Power Planning & Regulatory Affairs, Central Vermont Public Service Corporation**Mario DePillis**, ISO New England, Inc.**Daniel Diaz-Fuentes**, Professor of Applied Economics, University of Cantabria**Robert Enriken**, Manager Policy Analysis, EPRI**Ahmad Faruqui**, Principal, The Brattle Group**Alan E. Finder**, Director, KPMG LLP**Kevin Forbes**, Associate Professor and Chair, The Catholic University**Tom Frantz**, Director - Electric Division, New Hampshire Public Utilities Commission**Victor Glass**, Director of Demand Forecasting and Rate Development, National Exchange Carrier Association, Inc.**Craig Glazer**, Vice President - Federal Government Policy, PJM Interconnection**Luis Jimenez**, Managing Director, Luis Jimenez Consulting LLC**John Kelly**, Director of Economics and Research, American Public Power Association**Paul R. Kleindorfer**, Professor Emeritus, University of Pennsylvania and Distinguished Research Professor, INSEAD**Andrew Kleit**, Professor of Energy & Environmental Economics, Penn State Univ.**David Lamont**, Planning Economist, Vermont Department of Public Service**Kiwan Lee**, Manager, National Exchange Carrier Association, Inc.**Lide Li**, Power Team Exelon Corporation**John W. Mayo**, Professor of Economics, McDonough School of Business Georgetown**Karl McDermott**, Ameren Professor of Government and Business, University of Illinois-Springfield & Special Consultant, NERA Economic Consulting**Richard A. Michelfelder**, Assistant Professor of Finance, Rutgers University, School of Business - Camden**Timothy Mount**, Professor, Cornell University**Norma B. Nieto**, Managing Consultant, IBM Business Consulting Services**Shmuel Oren**, Industrial Engineering & Operations Research, University of California at Berkeley**Edward Pearsall**, Consultant**Lon Peters**, Visiting Professor of Economics, Reed College**James Prieger**, Associate Professor, Pepperdine University School of Public Policy**Brian Prusnek**, Vice President of US Market Development, Climate Change Capital**Michael Ravnitzky**, Special Assistant to Commissioner Ruth Goldway, U.S. Postal Regulatory Commission**Daniel Schoenberger**, Institute for Defense Analyses, Research Staff Member**Saikat Sen**, Executive Director - Public Policy, AT&T**Sanem Sergici**, Associate, The Brattle Group**Peter A. Soyka**, Soyka & Company, LLC**Marc A. Smith**, Financial Economist, United States Postal Service**Menahem Spiegel**, Associate Director - CRRI, and Associate Professor of Economics, Rutgers University**Howard Spinner**, Director, Division of Economics and Finance, Virginia State Corporation Commission**Robert Stoddard**, Vice President, CRA International**Sheldon Switzer**, Director- Electric Pricing and Tariffs, Baltimore Gas & Electric Company**Daniel Suh**, West Virginia University**Timothy Tardiff**, Managing Director, Huron Consulting Group**James Wilson**, Principal, LECG LLC

ORGANIZING COMMITTEE

Eric Ackerman (Edison Electric Institute)
Sandra Bennett (American Electric Power)
Hung-Po Chao (ISO New England, Inc.)
E. Rand Costich (U.S. Postal Regulatory Comm.)
Michael A. Crew (Rutgers University)
William Deehan (Central Vermont Public Service Corporation)
Alan E. Finder (KPMG LLP)
Tom Frantz (New Hampshire Public Utilities Commission)
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Menahem Spiegel (Rutgers University)
Howard Spinner (Virginia State Corporation Commission)
Sheldon Switzer (Baltimore Gas & Electric)

CONFERENCE STAFF

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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 March 31, 2009. 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 March 31, 2009. Registrations received after March 31, 2009, 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 Karen Walters 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.

REGISTRATION FORM: 28th Annual Eastern Conference

Name: _____

Title: _____

Company: _____

Complete Address: _____

Telephone: _____ Fax: _____

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Billing Information:

Payment enclosed \$1015.00 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 \$515.00

Card # _____

CANCELLATION POLICY: Until March 31, 2009 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: _____