

Advanced Workshop in Regulation and Competition
34th Annual Eastern Conference

Shawnee Inn & Golf Resort, Shawnee on Delaware, Pennsylvania, May 13-15, 2015

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:

David Owens, Executive Vice President of Business Operations and Regulatory Affairs, Edison Electric Institute.

CENTER FOR
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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-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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34th ANNUAL EASTERN CONFERENCE

REVISED July 30, 2015

WEDNESDAY, MAY 13, 2015

3:00 - 4:00	Registration	<i>Waring Room</i>
4:00 - 6:00	Welcome to Conference: Michael A. Crew	<i>Waring Room</i>
	Tim Brennan: Net Neutrality – Economics, Law, and Politics	
	Menahem Spiegel: The Divestiture of a Vertically Integrated Monopoly and some Unintended Consequences	
	Timothy J. Tardiff: Net Neutrality – Economic Evaluation of Market Developments	
6:00 - 7:00	Cocktail Hour	<i>Worthington Ballroom</i>
7:00 – 9:00	Dinner & Speech: Michael A. Crew, CRRRI Distinguished Professor	<i>Worthington Ballroom</i>

THURSDAY, MAY 14, 2015

8:30 - 10:00	Concurrent Sessions			
	ADAPTIVE REGULATION	<i>Waring Room</i>	SOCIAL COSTS	<i>Payette Room</i>
	Chair: Alan Finder		Chair: Michael Crew	
	Discussants: Paul Sotkiewicz and John R. Woodward		Discussants: Larry Buc, Andrew German, and David M. Levy	
	Eric Ackerman and Karl McDermott: New Regulatory Models		Don Soifer: Practices of the U.S. Postal Service that Imply Anti-Competitive Behavior	
	David Brown and David Sappington: On the Optimal Design of Distributed Generation Policies		David Asher, Lisa Nieman, and Kelly Thresher: Transactional Mail Study	
	Frank Felder: Efficiency and Equity Considerations in Designing Rates in the Context of the Death Spiral for Electric Utilities		Kirk Kaneer, Benjamin Gough, and Margaret Cigno: The Unrecorded Cost of Mail – A Consumer and Small Business Perspective	
10:00 - 10:20	Coffee Break			
10:20 - 11:50	Concurrent Sessions			
	PRICING & COMPETITION	<i>Waring Room</i>	CUSTOMER FOCUS	<i>Payette Room</i>
	Chair: John Caldwell		Chair: Preston Finley	
	Discussants: Sheldon Switzer and Lee Upton III		Discussants: Larry Buc	
	Wesley W. Wilson: Competition and Prices over Railroad Networks		Jody Berenblatt and Jessica Lowrance: Authenticity and Transparency of Postal Operators in the Connection/Sharing Economy	
	Victor Valdes and Maria Rosa Nieto: Price Discrimination by Mexican Regulated Airports		Laraine Balk Hope, Michael Bradley and John Pickett: Mode of Delivery and Customer Use of Mail	
	Sean P. Isakower: Prices Cycles and the Level of Margin in Retail Fuel Markets		Jennifer Bradley, Michael Bradley, and Jeff Colvin: Which Universal Service Obligation Attributes Do Americans Value?	
11:50 - 12:55	Lunch			<i>Worthington Ballroom</i>
12:55 - 2:25	Concurrent Sessions			
	FINANCIAL PERSPECTIVES	<i>Waring Room</i>	TELEPHONY	<i>Payette Room</i>
	Chair: Eric Ackerman		Chair: Larry Buc	
	Discussants: Joel Andruski and James Cater		Discussants: Joseph Fuhr and Victor Glass	
	Sharon Brown-Hruska and Trevor Wagener: Cost Benefit Analysis of Margin Requirements for Uncleared Swaps		Wesley W. Wilson and Michael J. Thacker: Telephony Choices and the Evolution of Cell Phones	
	Richard Michelfelder: Electricity Forward Pricing Characteristics – Empirical Analysis of a Mature Market Using Hourly Data		Victor Glass and Roman Sysuyev: Using Disaggregated Data to Develop Leading Demand Indicators	
	Kurt Strunk and Jeff Makhholm: Rate of Return Analysis for Public Utilities – A Retrospective		Tim Brennan: Bidding for Spectrum – The Absence of a “Foreclosure Premium”	
2:25 - 2:30	Break			

THURSDAY, MAY 14, 2015 (CONTINUED)

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

BEHAVIORAL METRICS

Waring Room

Chair: Howard Spinner

Discussants: Carl Peterson and Paul Sotkiewicz

Agustin J. Ros: An Econometric Assessment of Electricity Demand and Supply in the United States Using Panel Data and the Impact of Competition

Jeff Colvin, Michael D. Bradley and Mary K. Perkins: Privacy, Behavioral Targeting and Postal Services

Ahmad Faruqui and Jurgen Weiss: Customer and Utility Perceptions of Combined Heat and Power

INNOVATIONS

Payette Room

Chair: Emil Dzuray Jr.

Discussants: Larry Buc and Menahem Spiegel

Laraine Balk Hope, Lee Upton, III, and Virgil Stanford: Brand as a Financial and Strategic Asset: Lessons in Brand Valuation for Postal Operators and Others

Amanda Stafford, Angelika Dimoka, and Khoi Vo: Using Neuroscience to Understand the Value of Direct Mail

Timothy Walker, David Asher, Lisa Nieman; and Amanda Stafford: Framing the Future: Trends, Scenarios, and Opportunities for Tomorrow's Postal Service

4:00 Exercise Break

6:00 - 7:00 Cocktail Hour

Worthington Ballroom

7:00 – 9:00 **Dinner & Speech: David Owens,** Executive Vice President, Edison Electric Institute

Worthington Ballroom

FRIDAY, MAY 15, 2015

9:00 - 10:30 **Concurrent Sessions**

REGULATORY INNOVATION

Waring Room

Chair: Tom Frantz

Discussants: Sheldon Switzer

Eric Ackerman: Next-Generation PBR

Tim Brennan and Michael Crew: Price Cap Regulation and Declining Demand

Eric Woychik: Electric Utility Adaption to Disruptive Change – Dashboards for Success and Profitability by 2020?

POLICY ASSESSMENT

Payette Room

Chair: Pradip Chattopadhyay

Discussants: Mario DePillis, Frank Felder and Paul Sotkiewicz

Niel Lessem, Ahmad Faruqui and Sanem Sergici: Impact Evaluation of Ontario's Full-Scale Time-of-Use Program

Gabrielle Maguire and Nina Hitchins: Comparing Generators' Demand for Gas Pipeline Capacity – New England and Australia

Andrea Okie, Paul Hibbard, and Katherine Franklin:

Assessment of EPA's Clean Power Plan: Evaluation of Energy Efficiency Program Ramp Rates and Savings Levels

10:30 - 11:00 Coffee Break

11:00-12:30 **Concurrent Sessions**

NETWORKS

Waring Room

Chair: Julie Kelly

Discussants: Howard Spinner and John R. Woodward

Frank Felder, et al: Optimizing Reliability and Resiliency of Electric Distribution Systems

John Caldwell: From Channel to Network – Will New Delivery Systems Overturn Existing Economic/Regulatory Models for Utilities?

WHOLESALE MARKETS

Payette Room

Chair: Paul Sotkiewicz

Discussants: Mario DePillis and Christopher Geissler

Hung-po Chao and Robert Wilson: Ramsey Pricing of Energy and Capacity in a Congested Transmission Network

Alberto Lamadrid, Tim Mount and Wooyoung Jeon:

Can Pay-for-Performance Pricing Replace Capacity Markets and Establish a Viable Energy-Only Market?

Jeffrey Mayes and Howard Haas: Market Manipulation

12:30 – 12:35 Closing Remarks: Michael A. Crew

12:35 – Lunch

Worthington Ballroom

SPEAKERS DISCUSSANTS & CHAIRS

Eric Ackerman, Director, Alternative Regulation, Edison Electric Institute

David Asher, Economist Specialist, USPS – OIG

Joel Andruski, Associate Economist, New York State Department of Public Service

Jody Berenblatt, Senior Advisor, GrayHair Advisors

Jennifer Bradley, Economist Specialist, USPS – OIG

Tim Brennan, Professor of Policy & Economics, University of Maryland Baltimore County

David Brown, Assistant Professor, University of Alberta

Sharon Brown-Hruska, Visiting Professor of Finance, Tulane University

Larry Buc, President, SLS Consulting, Inc.

John Caldwell, Director of Economics, Edison Electric Institute

James Cater, Director of Economic and Financial Policy, American Public Power Association

Pradip Chattopadhyay, Asst. Consumer Advocate/Rate and Market Policy Director, New Hampshire Office of Consumer Advocate

Hung-po Chao, President, Energy Trading Analytics

Jeff Colvin, Director, USPS – OIG

Michael A. Crew, Director and CRR Professor of Regulatory Economics, Rutgers University

Mario S. DePillis, Jr., Economist, Market Monitoring, ISO-New England, Inc.

Emil Dzuray Jr., Director of Strategic Planning, USPS

Ahmad Faruqui, Principal, The Brattle Group

Frank Felder, Professor, Bloustein School, Rutgers University

Alan Finder, Managing Director, Global Regulatory Advisors

Preston Finley, Manager, Strategic Business Planning, USPS

Tom Frantz, Director, Electric Division, New Hampshire Public Utilities Commission

Joseph P. Fuhr, Professor of Economics, Widener University

Christopher Geissler, Economist, Market Development, ISO-New England, Inc.

Andrew German, Managing Counsel, Legal Strategy, USPS

Victor Glass, Director of Demand Forecasting and Rate Development, National Exchange Carrier Association, Inc.

Laraine Balk Hope, Senior Economist, USPS – OIG

Sean P. Isakower, Associate Economist, New York State Department of Public Service

Kirk Kaneer, Economist, USPS – OIG

Julie Kelly, Research Staff Member, Institute for Defense Analyses

Alberto J. Lamadrid, Assistant Professor of Economics, Lehigh University

Neil Lessem, Associate, The Brattle Group

David M. Levy, Partner, Venable LLP

Gabrielle Maguire, Senior Analyst, NERA Economic Consulting

Jeffrey Mayes, General Counsel, Monitoring Analytics

Karl A. McDermott, Ameren Professor of Government and Business, University of Illinois-Springfield & Special Consultant, NERA Economic Consulting

Richard Michelfelder, Clinical Associate Professor, Rutgers University

Timothy D. Mount, Professor, Cornell University

Lisa Nieman, Director, USPS – OIG

Andrea Okie, Vice President, Analysis Group, Inc.

Agustin J. Ros, Vice President, NERA Economic Consulting

Don Soifer, Executive Vice President, Lexington Institute

Menahem Spiegel, Professor, Rutgers University

Howard Spinner, Manager – Regulatory Affairs, NOVEC

Amanda Stafford, Economist Specialist, USPS – OIG

Kurt Strunk, Vice President, NERA Economic Consulting

Sheldon Switzer, Manager - DSM Evaluation, Baltimore Gas & Electric Company

Timothy Tardiff, Advanced Analytical Consulting Group

Lee Upton III, President, Premier Quantitative Consulting, Inc.

Victor Valdes, Professor, Universidad Anahuac – Mexico Norte

Trevor Wagener, Research Analyst, NERA Economic Consulting

Timothy Walker, Policy Analyst, USPS – OIG

Wesley W. Wilson, Professor of Economics, University of Oregon

John R. Woodward, Economic Utilities Analyst, Vermont Department of Public Service

Eric Woychik, Executive Consultant and Principal, Strategy Integration, LLC

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ORGANIZING COMMITTEE

Eric Ackerman (Edison Electric Institute)
Timothy Brennan (University of Maryland, Baltimore County)
John Caldwell (Edison Electric Institute)
Hung-po Chao (Energy Trading Analytics.)
Michael A. Crew (Rutgers University)
Alan E. Finder (Global Regulatory Advisors LLC)
Tom Frantz (New Hampshire Public Utilities Commission)
Victor Glass (National Exchange Carrier Association, Inc.)
Julie Kelly (Institute for Defense Analysis)
James D. Reitzes (Brattle Group)
Richard E. Schuler Jr. (New York State Depart. of Public Service)
Marc Smith (United States Postal Service)
Menahem Spiegel (Rutgers University)
Howard Spinner (NOVEC)
Kurt Strunk (NERA Economic Consulting)
Sheldon Switzer (Baltimore Gas & Electric)

HOTEL RESERVATIONS

Sufficient Rooms are reserved at the Shawnee Inn and Golf Resort for all of the Conference participants. Participants are required to make their own reservations with the hotel by calling 1-800-742-9633 extn:1414 and identify the CRRRI Conference. All reservations must be made by April 12, 2015.

Shawnee Inn and Golf Resort
One River Road
Shawnee on Delaware, PA 18356

Phone: 1-800-742-9633
<http://shawneeinn.com/>

The Hotel rate is \$406.25 for single occupancy and \$283.95 per double occupancy for two nights. This rate includes the following: Two Night's Lodging, Two Breakfast Buffets, Two private Luncheons, Two Private plated Dinners, PA State Tax, Monroe County Room Occupancy Tax, Gratuity on meals and rooms in Package, and resort fee which includes Unlimited Local and 800 Toll-Free Phone Calls, Incoming Faxes, Safety Deposit Box usage at Front Desk, Newspaper, Fitness Center access, Business Center access, Wireless Internet access in guest rooms and public areas, use of Lighted 9-Hole Par 3 Approach Golf Course for night play, Clubs for use on Approach Course, Tennis Courts usage with Rackets (Tennis Balls Extra), use of Sand Volleyball Court, Hiking/Walking Trails on grounds, Indoor Pool with adult 12-person Jacuzzi and Pool Towels.

CONFERENCE STAFF

Michael A. Crew, Director—CRRRI
Conference Chair

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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 2, 2015. Registrations received after April 2, 2015, 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 CRRRI 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 Shawnee Inn and Golf Resort will be required to pay for meals separately. The government registration fee is available for government employees.

REGISTRATION FORM: 34th Annual Eastern Conference

Name: _____

Title: _____

Company: _____

Complete Address: _____

Telephone: _____ Fax: _____

Email: _____

Billing Information

- Payment enclosed \$985.00 U.S. Dollars
(Applies to registrations paid **by** February 23, 2015)
- Payment enclosed \$1050.00 U.S. Dollars
(Applies to registrations paid **after** February 23, 2015)
- 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 \$505.00
(Applies to registrations paid **by** February 23, 2015)
- I would like to apply for the government rate of \$535.00
(Applies to registrations paid **after** February 23, 2015)

CANCELLATION POLICY: Until April 2, 2015 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 _____

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