

**Advanced Workshop in Regulation and Competition**  
**37th Annual Eastern Conference**

**Turf Valley Resort, Ellicott City Maryland, June 6-8, 2018**

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: Jeanne Fox and Christopher Perry

**C**ENTER FOR  
**R**ESearch IN  
**R**EGULATED  
**I**NDUSTRIES

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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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# 37th ANNUAL EASTERN CONFERENCE

UPDATED May 24, 2018

## WEDNESDAY, JUNE 6, 2018

- 3:00 - 4:00 Registration *Amphitheater*
- 4:00 - 6:00 Welcome to Conference: Victor Glass *Amphitheater*
- Tim Brennan:** Behavioral Economics in Regulatory Policy  
**Karl A. McDermott:** Regulatory Compact: Can/Does Tradition Trump Wishful Thinking?  
**Christine Stearn:** Utility Models of the Future  
**Casimir Bielski:** Misimpressions about Electric Utilities
- 6:00 - 7:00 Cocktail Hour *Terrace on the Green*
- 7:00 - 9:00 **Dinner & Speech:** Jeanne Fox *Terrace on the Green*

## THURSDAY, JUNE 7, 2018

- 7:30- 8:30 Breakfast
- 8:30 - 10:00 **Concurrent Sessions**
- |   |   |
|---|---|
| <b>PRICING DESIGN &amp; ESTIMATION</b> <i>Amphitheater</i><br>Chair: Howard Spinner<br>Discussant: Sheldon Switzer<br><b>John Caldwell:</b> Price Elasticity and Electricity Rate Design<br><b>Xiaolong Kuang, Alberto Lamadrid, and Luis F. Zuluaga:</b><br>Pricing in Electricity Markets<br><b>Jeffrey T. Macher and John Mayo:</b> Evolution of Contracting:<br>Evidence from Deregulated Freight Rail Industry | <b>POSTAL QUALITY</b> <i>Merriweather Room</i><br>Chair: Larry Buc<br>Discussants: A. Thomas Bozzo, Emil Dzuray<br><b>Tim Brennan:</b> Quality Levels under Price Caps: Policy<br>Implications<br><b>Jeff Colvin and Mary Perkins:</b> Crowdsourcing the Last Mile<br><b>Marten Ovaere:</b> Cost Efficiency and Quality Regulation of a<br>Public Utility |
|---|---|
- 10:00 - 10:20 Coffee Break
- 10:20 - 11:50 **Concurrent Sessions**
- |   |  |
|---|--|
| <b>WHOLESALE MARKET PRICING PERFORMANCE</b> <i>Amphitheater</i><br>Chair: Alberto Lamadrid<br>Discussants: Alan Finder, Tomas Torres<br><b>Bente Villadsen and Michael Tolleth:</b> Impact of New Tax Law<br>on Utility Deferred Taxes<br><b>Hung-po Chao:</b> Integer Relaxation for Electricity Market<br>Clearing<br><b>Elise Caplan:</b> Financial Arrangements behind New Generating<br>Capacity | <b>POSTAL PRICING</b> <i>Merriweather Room</i><br>Chair: Robert Reisner<br>Discussants: Leo Tudela, Carl Peterson<br><b>Larry Buc and Michael Scanlon:</b> USPS Pricing and Costing<br>for Competitive Products<br><b>Lyudmila Y. Bzhilyanskaya and Samuel M. Poole:</b><br>Measuring the Efficiency of Postal Services<br><b>Nicholas Powers and Kevin Neels:</b> Testing for Cross-<br>Subsidy: Dynamic Considerations |
|---|--|
- 11:50 - 12:55 Lunch *Worthington Ballroom*
- 12:55 - 2:25 **Concurrent Sessions**
- |  |   |
|--|---|
| <b>REGULATORY EFFECTS ON INVESTMENT</b> <i>Amphitheater</i><br>Chair: John Mayo<br>Discussants: Eric Woychik, Tim Tardiff<br><b>John Hughes:</b> Financing Clean Energy Investments of Large<br>U.S. Manufacturers<br><b>Karl McDermott and Carl Peterson:</b> Financial Regulation and<br>Use of Hypothetical Capital Structures<br><b>Howard Spinner:</b> Data Center Issues | <b>POSTAL VOLUMES AND E-COMMERCE</b> <i>Merriweather Room</i><br>Chair: Lily Hwang<br>Discussants: Peter Bernstein, Lyudmila Y Bzhilyanskaya<br><b>Katalin Clendenin, Soiliu Namoro, and Edward Pearsall:</b><br>Relating Postal Volumes to the Business Cycle<br><b>Robert Reisner:</b> Universal Postal Services and eCommerce<br>Marketplace<br><b>Virgil Ian Stanford:</b> Reverse Logistics and eCommerce<br>Returns: USPS |
|--|---|
- 2:25 - 2:30 Break

## THURSDAY, JUNE 7, 2018 (CONTINUED)

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

### RESILIENCY

Chair: McKenzie Yezzi

Discussants: Alan Finder, John Caldwell

**Metin Celebi, Marc Chupka, and Ira Shavel:** The Fate of Baseload Coal and Nuclear

**Victor Glass, Eric Ackerman, Shalom Flank, and Tim Tardiff:** Class of Service/Reliability: Lessons from Telecom

**Richard Michelfelder and Eugene A. Pilotte:** Electricity Supply Curve during Extreme Weather

*Amphitheater*

### TELECOM BUSINESS PRACTICES *Merriweather Room*

Chair: Carl Peterson

Discussants: Menahem Spiegel, Jerry Ellig

**Victor Glass and Tim Tardiff:** Does Net Neutrality Equate to Internet Freedom?

**Catherine Sandoval:** Cybertroops, Critical Infrastructure, and Net Neutrality

**Fan Liu, David S. Sibley, and Wei Zhao:** Vertical Contracts that Reference Rivals

4:00 Exercise Break

6:00 - 7:00 Cocktail Hour

*Worthington Ballroom*

7:00 – 9:00 **Dinner & Speech:** Christopher Perry

*Worthington Ballroom*

## FRIDAY, JUNE 8, 2018

8:00 – 9:00 Breakfast

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

### WHOLESALE MARKET PLANNING

Chair: Howard Spinner

Discussants: Hung-po Chao

**Juan Pablo Carvallo:** Long-Term Load Forecasting in Electric Utility Integrated Resource Planning

**Claude Crampes and David Salant:** A Multi-Regional Model of Electric Resource Adequacy

**Mary M. Straub and Sheldon Switzer:** Wholesale Competition in Restructured Electricity Markets

*Amphitheater*

### COORDINATING METHODOLOGIES

Chair: Daniel Gadomski

Discussants: Eric Ackerman

**Seth Blumsack:** The Value of Coordinated Expansion Planning for Electric Power and Gas Transmission

**Philip Q. Hanser, Agustim J. Ros, and T. Bruce Tsuchida:** Brattle's Locational Marginal Cost of Service Model

**Eric Woychik, Ken Skinner, and Tom Ostrehus:** What if Distribution and System Level Models are Joined?

*Merriweather Room*

10:30 - 11:00 Coffee Break

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

### PUERTO RICO AND MEXICAN ISSUES

Chair: John Caldwell

Discussant: Seth Blumsack

**Karl McDermott and Ross Hemphill:** Is there a Future for Performance-Based Regulation?

**Tomas Torres and Kathy Kunkle:** A Proposal Towards Puerto Rico's Energy Sustainability

**Eric Woychik and Eric Ackerman:** Rebuilding the Grid in Puerto Rico: A Case Study

**Willis Geffert and Kurt Strunk:** Mexican Capacity Market Design and Market Power Potential

*Amphitheater*

### EVOLVING NETWORK STRUCTURES

Chair: Menahem Spiegel

Discussants: Tim Brennan

**Victor Glass and Tim Tardiff:** The FCC's Rural Infrastructure Auction

**Carl Peterson:** Regulation and Platform Services: Are the Compatible?

**Patrick Rey and David Salant:** Auctions for Essential Inputs

*Merriweather Room*

12:30 – 12:35 Closing Remarks: Victor Glass

12:35 – Lunch

*Worthington Ballroom*

## SPEAKERS DISCUSSANTS & CHAIRS

- Eric Ackerman**, Managing Director, New Regulation LLC.  
**Peter Bernstein**, Vice President, RCF Economic & Financial Consulting Inc.  
**Casimir Bielski**, Manager, Rate and Regulatory Business, Edison Electric Institute  
**Seth Blumsack**, Associate Professor, Pennsylvania State University  
**A. Thomas Bozzo**, Vice President, Christiansen Assoc. University  
**Tim Brennan**, Professor of Policy & Economics, University of Maryland Baltimore County  
**Romkaew Broehm**, Principal, The Brattle Group  
**Carrie Brownlie**, Managing Counsel, Legal Strategy USPS  
**Larry Buc**, President, SLS Consulting, Inc.  
**Lyudmila Bzhilyanskaya**, Senior Econometrician, U.S. Postal Regulatory Commission  
**John Caldwell**, Director of Economics, Edison Electric Institute  
**Elise Caplan**, Senior Manager, Electric Market Analysis, American Public Power Association  
**Juan Pablo Carvallo**, Sr. Scientific Engineering Associate, Lawrence Berkeley National Laboratory  
**Metin Celebi**, Principal, The Brattle Group  
**Hung-po Chao**, Chief Economist and Senior Director Economics – Operations and Markets, PJM Interconnection  
**Katalin Clendenin**, Public Representative, PRC  
**Jeff Colvin**, Director, USPS – OIG  
**Emil Dzuray**, Director of Strategic Planning, USPS  
**Jerry Ellig**, Chief Economist, FCC  
**Alan Finder**, Managing Director, Global Regulatory Advisors  
**Jeanne Fox**, former NJBPU President, NJDEP and EPA Region II Administrator, and Adj. Professor Columbia SIPA  
**Tom Frantz**, Director, Electric Division, New Hampshire Public Utilities Commission  
**Daniel Gadomski**, Utility Analyst, New York State Department of Public Service  
**Willis Geffert**, Senior Consultant, NERA  
**Victor Glass**, Director – CRRI and Professor of Professional Practice, Rutgers University  
**Ross C. Hemphill**, RCHemphill Solutions, LLC  
**John Hughes**, President & CEO Electricity Consumers Resource Council (ELCON)  
**Lily Hwang**, Strategic Planning Specialist, USPS  
**Cathy Kunkel**, Energy Analyst, Institute for Energy Economics and Financial Analysis  
**Alberto J. Lamadrid**, Assistant Professor of Economics, Lehigh University  
**John Mayo**, Professor, Georgetown University  
**Karl A. McDermott**, Ameren Professor of Government and Business, University of Illinois-Springfield  
**Richard Michelfelder**, Clinical Associate Professor, Rutgers University  
**Kevin Neels**, Principal, The Brattle Group  
**Soiliu Namoro**, Economist, PRC  
**Marten Ovaere**, Postdoctoral Researcher, KU Leuven  
**Christopher Perry**, former Lead Associate, Booz-Allen-Hamilton  
**Carl R. Peterson**, Professor, University of Illinois Springfield  
**Eugene Pilotte**, Professor of Finance, Rutgers University  
**Nicholas Powers**, Senior Associate, The Brattle Group  
**Robert A.F. Reisner**, Director, PricewaterhouseCoopers  
**Agustin J. Ros**, Principal, The Brattle Group  
**David Salant**, Associate Faculty, Toulouse School of Economics  
**Cynthia Sanchez Hernandez**, Manager Pricing Regulatory Review, USPS  
**Catherine Sandoval**, Associate Professor, Santa Clara University School of Law  
**David Sibley**, Professor, University of Texas, Austin  
**Menahem Spiegel**, Professor, Rutgers University  
**Howard Spinner**, Manager – Regulatory Affairs, NOVEC  
**Christine Stearn**, Senior Manager, Smart Electric Power Alliance  
**Sheldon Switzer**, Manager - DSM Evaluation, Baltimore Gas and Electric  
**Timothy J. Tardiff**, Principal, Advanced Analytical Consulting Group  
**Mike Tolleth**, Senior Associate, The Brattle Group  
**Tomas Torres**, General Coordinator, ICSE – PR  
**Russell Tucker**, Chief Economist, NRECA  
**Leo Tudela**, Strategic Initiatives Program Manager, USPS  
**Eric Woychik**, Executive Consultant and Principal, Strategy Integration, LLC  
**McKenzie Yezzi**, Econometrician, New York State Department of Public Service

# 37th ANNUAL EASTERN CONFERENCE

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## ORGANIZING COMMITTEE

Eric Ackerman (Consultant)  
Timothy Brennan (University of Maryland, Baltimore County)  
Larry Buc, SLS Consulting  
John Caldwell (Edison Electric Institute)  
Hung-po Chao (Energy Trading Analytics.)  
Alan E. Finder (Global Regulatory Advisors LLC)  
Tom Frantz (New Hampshire Public Utilities Commission)  
Victor Glass (Rutgers University)  
Sean Isakower (New York State Depart. of Public Service)  
James D. Reitzes (Brattle Group)  
Matthew Robinson (U.S. Postal Regulatory Commission)  
Menahem Spiegel (Rutgers University)  
Howard Spinner (NOVEC)  
Sheldon Switzer (Baltimore Gas and Electric)

## HOTEL RESERVATIONS

Sufficient Rooms are reserved at the Turf Valley Resort for all of the Conference participants. Participants are required to make their own reservations with the hotel by calling 1-410-465-1500 and identify the CRRRI Conference, group code 2843BA. All reservations must be made by May 7, 2018.

Turf Valley Resort  
2700 Turf Valley Road  
Ellicott City, Maryland 21042  
Phone: 1-410-465-1500

visitus@turfvalley.com

**The Hotel rate is \$322.00 for single occupancy.** This rate includes the following: Two Night's Lodging, Two Breakfast Buffets, Two private Luncheons, Two Private plated Dinners.

## CONFERENCE STAFF

Victor Glass, Director – CRRRI and Professor of Professional Practice  
*Conference Chair*

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Website: [www.business.rutgers.edu/CRRRI](http://www.business.rutgers.edu/CRRRI)

## 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, 2016. Registrations received after April, 2016, 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: 37th Annual Eastern Conference

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Complete Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

### Billing Information

Payment enclosed \$1,070.00 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 \$545.00

Card # \_\_\_\_\_

CANCELLATION POLICY: Until April 1, 2016 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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