

**Rutgers University, Graduate School of Management
Center for Research in Regulated Industries
Advanced Workshop in Regulation and
Public Utility Economics
SEVENTH ANNUAL WESTERN CONFERENCE
Catamaran Hotel, San Diego, California
Wednesday, July 6 to Friday, July 8, 1994**

THE STATE UNIVERSITY OF NEW JERSEY
RUTGERS

**Graduate School of Management
Center for Research in Regulated Industries**

**Advanced Workshop in Regulation and
Public Utility Economics**

**SEVENTH ANNUAL
WESTERN CONFERENCE**

July 6-8, 1994

**Catamaran Hotel
San Diego, California**

The *Center for Research in Regulated Industries* aims to further the study of regulation by research 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's **Journal of Regulatory Economics** is an international scholarly quarterly intended to provide a forum for the highest quality research in regulatory economics.

✪ The *Center for Research in Regulated Industries* is pleased to be the recipient of *The Hermes Award, 1992*, awarded by the European Express Organization.

APPLICATION PROCEDURES

Please complete the attached application form and return it by **May 15, 1994**. Applications received after this date will be accepted on a space available basis. The fee for the Conference is **\$670** per person. This includes learning materials, receptions, coffee breaks, dinner on July 6; it does not cover other food and lodging which are to be paid directly to the hotel by the participant. For participants affiliated with governmental and regulatory organizations, there is a reduced rate of **\$355** per person.

HOTEL RESERVATIONS

Sufficient rooms are reserved at the Catamaran Hotel for all of the Conference participants. Participants should register for the conference by returning the application form. Hotel reservation forms will be sent to participants after their conference application forms have been received.

CONFERENCE FACULTY AND STAFF

Thomas A. Abbott, III, Assistant Professor of Economics, Graduate School of Management, Rutgers University
Linda S. Brennan, Administrative Assistant, Center for Research in Regulated Industries, Graduate School of Management, Rutgers University
Michael A. Crew, Professor of Economics, Graduate School of Management, Rutgers University
William E. Kovacic, Associate Professor, George Mason University School of Law

For further information, please contact:

Michael A. Crew
Center for Research in Regulated Industries
Graduate School of Management
Rutgers University
180 University Avenue
Newark, NJ 07102
Phone: (201) 648-5049 (office)
(201) 648-1348 (fax)
(908) 221-0524 (home)
(908) 221-0435 (home fax)

**SEVENTH ANNUAL WESTERN CONFERENCE OF THE ADVANCED
WORKSHOP IN REGULATION AND PUBLIC UTILITY ECONOMICS**

Wednesday, July 6, 1994

4:30 - 6:00 **Welcome to Conference**—Michael Crew
Michael A. Crew and Thomas A. Abbott, III: Rate Regulation of Medical Care: Some Lessons from Utility Regulation
William Kovacic: Post-Appointment Preference Shaping and Judicial Voting in Antitrust Cases

6:00 - 9:00 **Cocktail Hour, Dinner & Speech**
 Commissioner Gregory Conlon, California Public Utilities Commission

Thursday, July 7, 1994

8:45 - 10:30 **Concurrent Sessions:**
Contracts Chair: Lorraine Scudieri
 Discussants: Karen T. Hyde, Lon L. Peters, and Dean R. Tibbs
Frank A. Wolak: Electric Utility Participation in Spot and Contract Markets: An Application to the U.S. Steam Coal Market
Edward Kahn: Impact of Power Purchases from Nonutilities on the Utility Cost of Capital
Robert Michaels: Stranded Assets, Stranded Contracts, And Stranded DSM: The Regulators Meet the Theorists

DSM Chair: David Pitcher
 Discussants: Richard A. Michelfelder and Michael Robinson
Jeremy Bloom, Ahmad Faruqui, and Connie Smyser: IRP and DSM Implications of Alternative Utility Industry Futures
Elsia O. Galawish and William Miller: DSM and Deregulation: A Pragmatic Approach
Vlado Bevc: Effect of the Electric Car on the Environment and Energy Supply

10:30 - 10:45 **Coffee Break**

10:45 - 12:15 **Concurrent Sessions:**
Telephone Chair: Stephen Levinson
 Discussants: Barbara A. Cherry, Clark Hammelman, and Barry Zahn
Andrew Banerjee: The Case Against Imputation of Access Charges in Intra-Lata Toll Prices: Economic Efficiency and Fairness Reconsidered
Mark Sievers: Should the InterLATA Restriction Be Lifted? An Economic and Legal Analysis of the Significant Issues
John Kling, Paul Rappaport, William Newman, and Lester Taylor: A Disaggregated Analysis of Point-to-Point Calling

Gas Chair: Mark Sweeney
 Discussants: Barry B. Douglas and Johannes Van Lierop
Alan Comnes: A Review of Rate Incentives for U.S. Gas Distribution Companies
Janie Chermak: Improving the Competitiveness of Natural Gas in Emerging Environmental Markets
Keith Crocker and Thomas P. Lyon: What do Facilitating Practices Facilitate?: An Empirical Investigation of Most-Favored Nation Clauses in Natural Gas Contracts

12:15 - 1:45

Luncheon

1:45 - 3:30

Rates

Concurrent Sessions:

Chair: Arthur McGrath
 Discussants: Dan Berry, Susan Schneider, and Robert Tarvydas
Paul Edmundson, Stuart McMenamin, and Daniel Nore: Impact of Residential Rate Structure on Equipment Selection and Electricity Demand
Mark A. Jamison: Sustainable Prices & Cross-Subsidization in Monopolies
Glenn Vail: A Defense of the Rental-Value Approach to Long-Run Marginal Cost-Based Pricing for Regulated Utilities

Quality & Reliability

Chair: John Dura
 Discussants: Kent Currie and Richard Simnett
Jasmin Ansar, Simon Salcedo, and Shu-Dong He: The Planning Criteria for Peak Day Gas Demand, the Trade-off Between Capital and Outage Costs
Yossef Spiegel and Bhaskar Chakravorti: Regulating Quality through Entry
Dennis Weisman: Designing Carrier of Last Resort Obligations

3:30

Exercise Break

Friday, July 8, 1994

9:00 - 10:50

Environmental

Concurrent Sessions:

Chair: James Lechtenberg
 Discussants: Mark Berkman, Fred L. Curry, and Roger Sparks
Robert Patrick: Designing Public Utility Regulatory Policy for Conservation and Pollution Control with Limited Information
Stephen Peck and Hung-Po Chao: Comparison of Alternative Market Mechanisms for Environmental Regulation
Robin J. Walther and Margaret T. Cheng: Accelerating the Development of Renewable Resources: Policies and Implications

Pricing

Chair: Eric C. Woychik
 Discussants: Manny Haas, Akbar Jazayeri, and Carl H. Silsbee
Robert Cruz, Dennis M. Keane, and Michael Sullivan: Can Dispatchable Pricing Options Be Used to Delay Distribution Investments? Some Empirical Evidence
Riaz Siddiqi and John Woodley: Real Time Pricing—A Comparison of Implementation under Different Market Structures
Dewey Seeto and Shu-Dong He: Practical Ramsey Pricing to Prevent Uneconomic Electric Bypass Under Regulation: Issues and Solutions

10:50 - 11:10

Coffee Break

11:10 - 12:55

Chair: John L. Jurewitz
 Discussants: Ali Reza, Cliff B. Rochlin, and Dean R. Tibbs
Larry Schelhorse and Stephen A. Keehn: Incentive Regulation in California: An Alternative to Price Caps
Jeffrey Dasovich: An Electric Industry in Transition—Like It or Not
Alexander C. Larson and Steve G. Parsons: Looking Toward the Third Decade of Airline Deregulation: Costs, Benefits and Lessons for other Industries

12:55 - 1:00

Closing Remarks—Michael Crew

SPEAKERS, DISCUSSANTS, AND CHAIRPERSONS

Jasmin Ansar, Director of Operations Research, Pacific Gas & Electric
Andrew Banerjee, Research Economist, BellSouth Telecommunications
Mark Berkman, Vice President, NERA
Dun Berry, Associate Economist, New York State Department of Public Service
Vlado Bevc, Program and Project Supervisor, CA Public Utilities Commission
Jeremy Bloom, Program Manager—Integrated Resource Planning, EPRI
Hung-Po Chao, Program Manager, Electric Power Research Institute
Margaret T. Cheng, Supply Planning Supervisor, Southern California Edison
Janie Chermak, Assistant Professor of Economics, Naval Post Graduate School
Barbara A. Cherry, Director—Issues Analysis, Public Policy, Ameritech
Alun Connes, Scientific Engineering Associate, Lawrence Berkeley Laboratory
Keith Crocker, Associate Professor of Economics, Pennsylvania State University
Robert Cruz, Project Manager, PG&E
Kent Currie, Manager—Economic Analysis, Ameritech
Fred L. Curry, Chief—Water Branch, California Public Utilities Commission
Jeffrey Dasovich, Senior Policy Analyst, California Public Utilities Commission
Barry B. Douglas, Director of Operations Support & Forecasting, Pacific Gas & Electric Company
John Dura, Manager—Economic Analysis and Number Services, Bellcore
Paul Edmundson, Corporate Planner, Niagara Mohawk Power Corporation
Ahmad Faruqi, Principal, Barakat & Chamberlin, Inc.
Elsia O. Galawish, Senior Planner, CEE Policy & Evaluation, Pacific Gas & Electric Company
Manny Haas, Director—Regulatory Economics, New York Telephone
Clark Hammelman, Executive Director—Public Policy, US West
Shu-Dong He, Senior Analyst, Pacific Gas & Electric
Karen T. Hyde, Senior Planning Engineer, Public Service Company of Colorado
Mark A. Jamison, Manager, Sprint
Akbar Jazayeri, Rate Analysis Supervisor, Southern California Edison
John L. Jurewitz, Manager—Energy Policy, Southern California Edison
Edward Kuhn, Staff Manager, Lawrence Berkeley Laboratories
Dennis M. Keane, Senior Consultant, Freeman, Sullivan & Company
Stephen A. Keehn, Tariff Analyst, Southern California Edison
John Kling, Senior Economist, Michigan Bell
James Lechtenberg, Director—Marketing Financials, Pacific Bell
Stephen Levinson, District Manager—State Government Affairs, AT&T

Arthur McGrath, Director—Regulatory, New York Telephone
J. Stuart McMenamin, Senior Vice President, Regional Economic Research, Inc.
Robert Michaels, Professor of Economics, California State University
Richard A. Michelfelder, Senior Professional Bus. Planning Services Dept. Atlantic Electric
Steve G. Parsons, Area Manager, Southwestern Bell Telephone
Robert Patrick, Visiting Scholar, Stanford University & Visiting Project Manager, EPRI
Lon L. Peters, Senior Economist, Public Power Council
David Pitcher, Manager of Economic Research, Bell Atlantic
Ali Reza, Coordinator—Corporate Planning, Pacific Gas & Electric
Michael Robinson, Senior Energy Economist, PSI Energy
Cliff B. Rochlin, Electric Energy Analyst, Southern California Gas
Simon Salcedo, Senior Analyst, PG&E
Larry Schelhorse, Principal Economic Advisor, San Diego Gas & Electric
Susan Schneider, Manager—Pricing and Regulatory Support, Pacific Gas & Electric
Lorraine Scudieri, Analyst, New Jersey Bell
Dewey Seeto, Senior Rates Analyst, Pacific Gas & Electric
Riaz Siddiqi, Project Manager, Electric Power Research Institute
Mark Stevers, Director of Regulatory Policy and Coordination, US Sprint Communications
Carl H. Silsbee, Supervisor—Regulatory Economics, Southern California Edison
Richard Simnett, Director—Network Economic Research, Bellcore
Roger Sparks, Assistant Professor of Economics, Mills College
Yossef Spiegel, Member of Technical Staff, Bell Communications Research
Mark Sweeney, Manager—Planning, Southern California Gas Company
Robert Tarvydas, Division Chief, National Energy Board of Canada
Dean R. Tibbs, Director—Power Contracts, Pacific Gas & Electric
Glenn Vail, Regulatory Economic Analyst, Southern California Edison
Johannes Van Lierop, Rate Design & Demand Forecast Manager, Southern California Gas Company
Robin J. Walther, Senior Economist, Southern California Edison
Dennis Weisman, Assistant Professor of Economics, Kansas State University
Frank A. Wolak, Associate Professor of Economics, Stanford University
John Woodley, Southern Company Services
Eric C. Woychik, President, Strategy, Inc.
Barry Zahn, District Manager—Access Management, AT&T

Rutgers, The State University of New Jersey
Graduate School of Management
Center for Research in Regulated Industries
Advanced Workshop in Regulation and Public Utility Economics
Seventh Annual Western Conference
Catamaran Hotel, San Diego, California, July 6-8, 1994

Application

Name _____
Title _____
Company _____
Address _____

Telephone Number _____
Fax Number _____

Billing Information:

- Payment enclosed*
 Send invoice to participant at above address
 Send invoice to: _____

Fees: The fee for the conference is \$660 per person which includes beverages and instructional materials. Food (except as stated in program) and lodging are not included.

Government Rate: Members of governmental and regulatory organizations may apply for the reduced enrollment fee of \$350 per person.

- I would like to apply for the government rate of \$350.

Volume Discount: Second and subsequent applications received in the same envelope will receive a 5% volume discount.

Telephone Reservations: You may register for the Conference by telephone (201-648-5049), however, your call should be followed up by a completed signed application form.

- This form confirms a telephone reservation.

CANCELLATION POLICY: Until May 15, 1994 refunds will be allowed in full. After this date the conference fee is due in full whether or not the participant actually attends the conference. Substitutions may be made at any time.

Signature of Participant: _____

Please return completed application form by **May 15, 1994**** to:

Linda S. Brennan, Rutgers University, Graduate School of Management, 180 University Avenue, Newark, NJ 07102
or FAX your application to: (201)648-1348.

* Make check payable to "Rutgers University." Credit cards are *not* acceptable for payment of conference fees.

** Applications received after May 15, 1994 will be admitted on a space available basis.