APPLICATION PROCEDURES

Please complete the attached application form and return it by May 15, 1995. Applications received after this date will be accepted on a space available basis. The fee for the Conference is $690 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 $365 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

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, Professor, George Mason University School of Law
Robert H. Patrick, Associate Professor of Economics, Graduate School of Management, Rutgers University
Frank Wolak, Associate Professor, Department of Economics, Stanford University

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)
EIGHTH ANNUAL WESTERN CONFERENCE
Wednesday, July 5, 1995
4:30 - 6:00 Welcome to Conference—Michael Crew
Carl Pechman: The Regulator and Anti-Competitive Behavior
William E. Kovacic: Improving the Quality of Appointments to Regulatory Commissions
6:00 - 9:00 Cocktail Hour, Dinner & Speech
Warren I. Mitchell, President, Southern California Gas Company

Thursday, July 6, 1995
8:45 - 10:30 Concurrent Sessions:
Real-Time Pricing
Chair: Ralph Carlson
Discussants: Dennis M. Keane and Richard Simnett
Peter Schwarz & Thomas Taylor: Real-Time Pricing and Advance Notice
Dewey Seeto & Chi-Keung Woo: Load Factor Rates versus Time-of-Use Rates Under Competition
Riaz Siddiqi: Retail Market Management—Spot Pricing and Product Design in the Electricity Markets
Market Changes—Risk & Response
Chair: James Lechtenberg
Discussants: Milan Cuc and Carl Silsbee
Patrick Hager, Stan Perry & Bart Jones: The Effect of Regulatory Reform on Risk in the Marketplace
10:30 - 10:45 Coffee Break
10:45 - 12:15 Concurrent Sessions:
Electric Industry—The Future
Chair: Susan Schneider
Discussants: Jasmin Ansar and Michael Robinson
John L. Jurewitz: Differences Between the Electricity and Natural Gas Industries and Their Implications for Electricity Industry Restructuring
Cliff Rochlin: Electricity Industry—CIRCA 2005
Robert J. Michaels: Retail Electricity Competition: Its Likely and Unlikely Futures
Telecommunications
Chair: Stephen Levinson
Discussants: Barbara Cherry, Charles Goldfarb, and Mark Jamison
Dennis L. Weisman: Incentives of the Vertically Integrated Firm: The Case of RBOC Entry and InterLATA Long Distance
Frank A. Wolak: Can Universal Service Survive in a Competitive Telecommunications Environment? Evidence from the Consumer Expenditure Survey
12:15 - 1:45 Lunch Break
1:45 - 3:30 Concurrent Sessions:
Electricity-Future Markets
Chair: David Pitcher
Discussants: Robert Adkins and Kevin P. O’Meara
Eric Woychik: Electricity Restructuring Options: More or Less Competition?
Paul D. Nelson: Overhead Cost Allocation with Industry Restructuring
Gary Stern: The Competitive Transition Charge or How to Recover Costs While Entering a Brave New World
Social Programs & Rating
Chair: Mark P. Sweeney
Discussants: John Colias, Kent Currie, and Laura Hansen
Fred L. Curry: Rate Design and Social Programs
Kerrie Evans: Ratepayers’ Deep Pockets and Education’s Telecommunications Needs
Christopher Garbacz: Assessing FCC and State Lifeline and Link-up Programs
3:30 Exercise Break
Friday, July 7, 1995
9:00 - 10:50 Concurrent Sessions:
Electricity Pricing
Chair: Arthur McGrath
Discussants: Susan Schneider and Robin J. Walther
Abdul Khan: Pricing Strategies for Non-Standard Electric Utility Services in a Semi-Deregulated Environment
Jeremy A. Bloom: Strategic Assessment of the Role of Distributed Resources in Electric Power Systems
Chair: John Dura
Discussant: Sandra Burns and Barry B. Douglas
Art De Vany & W. David Walls: Arbitrage and Price Dynamics in Natural Gas City Gate Markets
Janie M. Chermak & Robert H. Patrick: Incentives in Pipeline Pricing, Capacity, and Vertical Integration into Exhaustible Natural Resource Production
Edward P. Kahn: The Production Tax Credit for Wind Turbine Powerplants is an Ineffective Incentive
10:50 - 11:10 Coffee Break
11:10 - 12:55 Concurrent Sessions:
Chair: Kenneth C. Bailey
Discussants: Larry Schelhorse and Carl Silsbee
William J. Golenboski: Regional Economic Multiplier Impacts of Firm Location Decisions on Utility Net Revenues
Michael A. Crew & Paul R. Kleindorfer: Revenue Caps: Disincentive Regulation for Electric Utilities
Brenda Kahn: LEC Price Caps: Opportunity or Opportunism
12:55 Finish Event
Analytical Foundations of Regulatory Economics
Wednesday, July 5, 1995

The purpose of this module is to introduce participants to the analytical foundations of regulatory economics. This will include some of the relevant developments in information economics and incentives, econometrics and regulatory law. The approach will involve setting out the framework of incentive regulation which will tie together the developments in economic theory, law and econometrics.

The incentive regulation framework and the theory of incentives will be developed by Michael Crew and Robert Patrick. For example, the Revelation Principle, incentive compatibility, and the power of alternative incentive schemes will be contrasted and examined in terms of applicability in various regulatory settings, including implications for partial and total deregulation. The legal developments will be provided by William Kovacic, Esquire. His approach will involve providing a summary of recent developments plus a few recent landmark cases which he will analyze using the Socratic method, along law school lines, but emphasizing the economics implications. Frank Wolak will examine how econometrics may be used in regulatory economics, the econometrics of incentive regulation, including some of the problems, pitfalls, and limits of what can be analyzed using empirical methods.

Program
10:00-11:25  Incentive Regulation and Underlying Economic Theory—M.A. Crew and R.H. Patrick
11:25-11:35  Coffee Break
11:35-1:00  Legal Foundations—W.E. Kovacic
1:00-2:00  Lunch
2:00-3:30  Empirical Methods and Regulatory Economics—F. Wolak

Fee
The registration fee for this is $250 ($135 government). However, persons registering for the conference at this time on the enclosed form can obtain this module for an extra $200 ($110 government). Lunch is included in the registration fee.

Faculty
Michael A. Crew, Professor of Economics, School of Management, Rutgers University and Director of the Center for Research in Regulated Industries
William E. Kovacic, Professor of Law, George Mason University, School of Law
Robert H. Patrick, Associate Professor of Economics, School of Management, Rutgers University and Associate Director of the Center for Research in Regulated Industries
Dennis L. Weisman, Assistant Professor of Economics, Kansas State University
Frank A. Wolak, Associate Professor of Economics, Stanford University
Center for Research in Regulated Industries

The Center’s programs include:

Advanced Workshop in Regulation and Public Utility Economics

The Workshop brings together typically over 60 practicing economists from industry and regulatory commissions. It meets three times a year in Newark, NJ (November, January, and April) and also includes the Annual Conference held in the Northeast and the Annual Western Conference held in California. Presentations at the Workshop and Conferences are geared toward practicing economists and are made both by industry researchers and by academics.

Postal Workshop—1995 Postal Workshop: Naantali, Finland, June 7-10, 1995

The Center’s first conferences on postal economics and policy were held in July 1990 in Rugby, England and in March 1992 in la Londe les Maures, France. The Center has been honored for its work in the area of postal and delivery economics by the European Express Organization with their Hermes Award for 1992. The first Workshop in Postal Economics was held in Daun, Germany in June 1993. In 1994, a conference was held in Stockholm, Sweden in May, and a workshop was held in Hakone, Japan, in June. A workshop will be held June 7-10, 1995 in Naantali, Finland. Sponsors of previous conferences and workshops include: British Post Office and Royal Mail, Coopers-Lybrand, Deutsche Bundespost Postdienst, European Commission, European Express Organization, Federal Express, Finland Post, Institute for Posts and Telecommunications (Japan), the International Express Carriers Conference, La Poste, Ministere de l’Industries des Postes et Telecommunications, New Zealand Post, Price Waterhouse, PTT Post International, Sweden Post, TNT World Wide Express, United Parcel Service, United States Postal Rate Commission, United States Postal Service, and WIK.


The Research Seminars are funded by area utilities and structured as two one-day seminars held in Newark, one in the fall and one the following spring. Five papers are presented at each seminar by academics and industry researchers and are then published in a volume. Although the subject matter may be technical, presentations at the Seminars are designed for a general audience of professionals and regulators. Sponsors of the Research Seminar 1994 were: Public Service Electric & Gas Company, New Jersey Bell Telephone Company, AT&T, Jersey Central Power & Light, Hackensack Water Company, New York Telephone Company, Atlantic Electric, NYNEX, New Jersey—American Water Company, Elizabethtown Gas Company, New Jersey Natural Gas Company, and United Telephone of New Jersey.

Health Economics and Regulation Program

The Center held its second Workshop on Health Care Policy and Regulation Workshop in 1994-1995. The Workshop provides a forum for individuals from a wide range of disciplines and interests to meet and discuss health care policy and regulation, and how reforms affect their organizations, institutions, and society at large. Two forms of interacting regulations in which are discussed: price regulations and quality regulations. Workshop participants include representatives from national, state, and local government and regulatory agencies, the academic community (health and regulatory economists, health care policy analysts, etc.), health care industry (pharmaceutical, health insurance, hospitals, and physicians), and non-profit health care organizations. The Workshop is funded by the Robert Wood Johnson Foundation, New Jersey Department of Health, Pfizer Inc., and Miyeres Inc.

Journal of Regulatory Economics—Starting in 1995: Six Issues per Year

The Journal of Regulatory Economics serves as a high quality forum for the analysis of regulatory theories and institutions by developing the rigorous economic foundations of regulation. Both theoretical and applied work, including experimental research, are encouraged. Research in all aspects of regulation is of interest, including the traditional problems of natural monopoly, deregulation, and new policy instruments, health and safety regulation, environmental regulation, insurance and financial regulation, hazardous and solid waste regulation, and consumer product regulation. The JRE provides researchers, policy-makers, and institutions with current perspectives on the theory and practice of the economics of regulation. While there are a number of journals and magazines that include the study of regulation, JRE is unique in that it fills a gap in the market for a high quality journal dealing solely with the economics of regulation. The JRE is sponsored by Ameritech, AT&T, BellSouth, the Electric Power Research Institute, Ford Motor Company, GTE Laboratories, NYNEX, Pacific Gas & Electric, San Diego Gas & Electric, Southern California Gas, and Southern Bell Foundation.

For more information or to place an order, contact the Center’s mailing list:

Phone: (201) 648-7651 Fax: (201) 748-1128

SPEAKERS, DISCUSSANTS, AND CHAIRPERSONS

Robert Adkins, Manager—DSM Planning & Load Forecasting, Utilicorp United
Jasmin Ansar, Director, Pacific Gas & Electric
Kenneth C. Bailey, Manager, US West Communications
Jeremy A. Bloom, Program Manager, Integrated Resource Planning, Electric Power Research Institute
Sandra Burns, Team Leader, Pacific Gas & Electric
Ralph Carlson, Rates Manager, Los Angeles Department of Water and Power
Janie M. Chernaz, Assistant Professor, Naval Post Graduate School
Barbara A. Cherry, Director—Issues Analysis, Public Policy, Ameritech
John Collins, Research Economist, BellSouth Telecommunications
G. Alan Connors, Scientific Engineering Associate, Lawrence Berkeley Laboratory
Milan Cac, Senior Economist, National Energy Board, Canada
Kent Currie, Manager—Economic Analysis, Ameritech
Fred L. Curry, Chief—Water Branch, California Public Utilities Commission
Arthur DeVary, Professor, University of California, Irvine
Barry B. Douglass, Director of Operations Support & Forecasting, Pacific Gas & Electric
John Dunn, Manager—Economic Analysis and Number Services, Bellcore
Kerrie Evans, Assistant Utilities Engineer, California Public Utilities Commission
Christopher Garbacz, Director, Economics & Planning Division, Mississippi Public Utilities Staff
Charles Goldfarb, Senior Policy Advisor, MCI Telecommunications Corp.
William J. Golomboski, Assistant Vice President, Applied Energy Group
Patrick Hager, Manager, Revenue Requirements, Portland General Electric
Laurna Hansen, Research Staff Member, Institute for Defense Analysis
Mark A. Jamison, Director, Sprint
John L. Jurewitz, Manager-Energy Policy & Regulation, Southern California Edison
Brenda Kohn, Staff Manager, AT&T
Edward P. Kohn, Group Leader, Lawrence Berkeley Laboratory
Dennis M. Keane, Senior Consultant, Freeman, Sullivan & Company
Abdul Khan, Regulatory Economics Analyst, Southern California Edison
Alexander C. Larson, Senior Economist, Southern Bell

James Lechtenberg, Director—Marketing Financials, Pacific Bell
Robert A. Levin, Senior Vice President, New York Mercantile Exchange
Stephen B. Levinson, Government Affairs—Regulatory Policy Analysis, AT&T
Arthur McGraw, Director—Regulatory, New York Telephone
Robert J. Michel, Professor of Economics, California State University at Fullerton
Paul D. Nelson, Regulatory Economics Analyst, Southern California Edison
Kevin P. O’Meara, Economist, Public Power Council
Steve G. Parsons, Area Manager, Southern California Edison
Carl Rechman, Supervisor of Energy, Environmental Economics, New Mexico State Department of Public Service
David Pichler, Manager of Economic Research, Bell Atlantic
Michael Robinson, Economist, CINergy
Cliff Rochlin, Energy Analyst, Southern California Gas
Larry Schelhorse, Principal Economic Advisor, San Diego Gas & Electric
Susan Schneider, Manager—Pricing & Regulatory Support, Pacific Gas & Electric
Peter Schwarz, Professor, University of North Carolina at Charlotte
Dewey Seet, Senior Rates Analyst, Pacific Gas & Electric
Ria Siddiqi, General Manager of Market Management Service, CINergy
Carl Sisbee, Supervisor—Regulatory Economics, Southern California Edison
Richard Sinnett, Director—Network Economic Research, Bellcore
Gary Stern, Supervisor, Resource Strategies, Southern California Edison
Mark P. Sweaney, Manager—Strategic & Economic Analysis, Southern California Gas Company
William Taki, Economic Consultant, Price Waterhouse
Thomas Taylor, Senior Economist, Duke Power Company
Robin J. Walther, Senior Economist, Southern California Edison
Dennis W. Weissman, Assistant Professor of Economics, Kansas State University
Chi-Keung Wu, Principal, Energy & Environmental Economics
Eric Woychik, President, Strategy Integration
Rutgers University, School of Management
Center for Research in Regulated Industries
Advanced Workshop in Regulation and Public Utility Economics
Eighth Annual Western Conference
Catamaran Hotel, San Diego, California, July 5-7, 1995

Application

Name ____________________________
Title ____________________________
Company _________________________
Address __________________________
Telephone Number ____________________
Fax Number _______________________

Analytical Foundations Module: Wednesday, July 5, 1995. Registration fee with Western Conference Registration is $200 ($110 government).*

☐ I would like to sign up for the Analytical Foundations Module.

Billing Information:
☐ Payment enclosed*
☐ Send invoice to participant at above address
☐ Send invoice to: ____________________________

Fees: The fee for the conference is $690 per person, including beverages and instructional materials. Food (except dinner on July 5) and lodging are not included.

Government Rate: Members of governmental and regulatory organizations may apply for the reduced enrollment fee of $365 per person.

☐ I would like to apply for the government rate of $365.

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

Telephone Reservations: Registrations may be made 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, 1995 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, 1995** to:
Linda S. Brennan, Rutgers University, GSM, 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.

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Center for Research in Regulated Industries
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