Advanced Workshop in Regulation and Competition:

NETWORK INDUSTRIES IN TRANSITION

10th Annual Western Conference
Catamaran Hotel, San Diego, California • July 9–11, 1997

The Conference features some of the latest developments in telecommunications and energy sectors, including:

- Innovations in Pricing and Technology
- Restructuring
- Mergers and Market Power
- Developments in Regulation

Who should attend?

- Industry Economists
- Marketing and Regulatory Managers
- Regulatory Commission Staff

The Center for Research in Regulated Industries, located at Rutgers University, 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 has almost twenty years of experience providing research, instruction, conferences, courses, seminars and workshops in the 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.

http://www.rci.rutgers.edu/~lbrennan/crri.html
School of Management • 180 University Avenue • Newark, NJ 07102
201-648-5761 • 201-648-1348 (fax)
TENTH ANNUAL WESTERN CONFERENCE

Wednesday, July 9, 1997

4:00 - 4:30  Welcome to Conference—Michael Crew
Robert J. Michaels: Electricity Prices: Opaque or Transparent?

4:30 - 6:00  William E. Kovacic: Regulation and the Law: The Year in Review

6:00 - 9:00  Cocktail Hour, Dinner & Speech:
Commissioner Joshua Neeper,
California Public Utilities Commission

Thursday, July 10, 1997

8:45 - 10:30  Concurrent Sessions
TRANSMISSION PRICING
Chair: Dewey Seeto
Discussants: Bob Levin and Kevin P. O'Meara
Hung-Po Chao and Stephen Peck: Incentives for Grid Investment in a Competitive Electricity Market
Robert Levin: Efficient Congestion Management Policy for Electricity Transmission: Description and Evaluation
Cliff B. Rochlin and Roger E. Clayton: Flow Based Access Fees: A Multiple Components Approach

MERGERS AND SHAREHOLDER VALUE
Chair: James Lechtenberg
Discussants: Richard Simnett and Dennis Weller
Alan J. Cox and Jonathan Portes: The Use of Event Study Analysis in Evaluating the Impact of Mergers in Regulated and Newly Deregulated Industries
Patrick G. Hager: The Enron/PGE Merger
Robert D. Adkins: Economic Value Creation in Regulated and Competitive Industries

10:30 - 10:45  Coffee Break

10:45 - 12:15  Concurrent Sessions
NEW TECHNOLOGIES
Chair: Ronald L. Reeder
Discussants: Joseph Hurd and Kathy Treleven
Jeremy A. Bloom: Strategic Assessment of Distributed Generation: Part II

Robin J. Walther: Market-Based Mechanisms for Supporting Renewable Generation: What Can Be Learned from the California Experience?
J. Stuart McMenamin: Short Term Energy Forecasting With Neural Networks

UNBUNDLING
Chair: Mark P. Sweeney
Discussants: Paul D. Nelson, Larry Schelhorse, and Timothy Sullivan
Jasmin Ansar and Roger Sparks: Productivity Measurement for an 'Unbundled' Electric Distribution Company

Dennis Weisman and Mingyuan Zhang: Optimal Product Building Under Price-Cap Regulation

Lunch Break

3:30
Friday, July 11, 1997

9:00 - 10:50  
**Concurrent Sessions**  
**RESTRUCTURING IMPACTS**  
Chair: Susan Schneider  
Discussants: Barry B. Douglas and Gary Stern  
**Christopher Garbacz:** Electric Retail Competition Impacts  
**Janie Chermak:** The Effects of Order 636 on the Natural Gas Industry  
**Colin J. Loxley:** An Economic Analysis of the Stranded Cost Issue Facing Electric Utilities and Policymakers Today

---

**UNIVERSAL SERVICE AND INTERCONNECTION**  
Chair: Stephen Levinson  
Discussants: Brenda Kahn, Don Laub, and Mark Lemler  
**Barbara Cherry:** Universal Service v. Competition: Impending Liability Crisis  
**Jiong Gong and Sandy Marble:** The Terms of Interconnection Agreements  
**Michael R. Ward, David Reiffen, and Laurence Schumann:** Is Local Exchange Interconnection Discriminatory?

10:50 - 11:10  
Coffee Break

11:10 - 12:55  
**INCENTIVE REGULATION**  
Chair: David Pitcher  
Discussants: Kelly Bordian, Jerry Brooks, and Fred L. Curry  
**Robert R. Berry:** Incentive and Restructuring  
**Paul T. Hunt:** Evaluation of Alternative PBR Mechanisms  
**Michael A. Crew and Ronald M. Harstad:** Franchise Bidding in Competitive Water, Telecommunications, Gas and Electric Utility Industries

12:55 - 1:00  
Closing Remarks—Michael Crew

---

**ORGANIZING COMMITTEE**

Jasmin Ansar (Pacific Gas & Electric)  
Jeremy Bloom (EPRI)  
Michael Crew (Rutgers University)  
Fred Curry (California Pub. Util. Comm.)  
John Jurewitz (Southern California Edison)  
Dennis Keane (Pacific Gas & Electric)  
William Kovacic (George Mason Univ.)  
Alexander Larson (Southwestern Bell)  
James Lechtenberg (Pacific Bell Tel.)  
Cliff Rochlin (Southern California Gas)  
Larry Schelhorse (San Diego Gas & Elec.)  
Frank Wolak (Stanford University)

---

**CONTACTING CRRI**

*Home page:*  
http://www.rci.rutgers.edu/~lbrennan/crrri.html  
*Address:* School of Management • 180 University Avenue • Newark, NJ 07102  
*Phone:* 201-648-5049 (office) • 201-648-1348 (fax)  
*E-mail:*  
lbrennan@gsmack.rutgers.edu (Linda Brennan)  
or mcrew@gsmack.rutgers.edu (Michael Crew)

---

**REGISTRATION INFORMATION**

*To Register:* Please complete and return the form on the back page. Registrations are accepted by mail, e-mail, fax, and telephone. Please confirm telephone registrations by sending in a completed and signed registration form. The deadline for registrations is May 15, 1997. Registrations received after May 15, 1997, will be admitted on a space available basis.

*Volume Discount:* Second and subsequent applications received in the same envelope or fax or made at the same time by phone or e-mail will receive a 5% volume discount.

*Payment Information:* Make checks payable to “Rutgers University” and mail to Linda Brennan at above address. Credit cards not accepted for payment of registration fees. Fees include prescribed learning materials, dinner on Wednesday, July 9, all receptions, and coffee breaks, but do not include lodging and other meals. The government rate registration fee is available to government employees.

---

**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 registrations form. Hotel reservation forms will be sent to participants after their registration forms have been received.
SPEAKERS, DISCUSSIONS, AND CHAIRS

Robert D. Atkins, Director—Corporate Forecasting, Utilicorp United
Inc./Energy One
Joseph Alexandrovich, Principal Economist, U.S. Postal Service
Jasmin Ansar, Director, Pacific Gas & Electric
Robert R. Berry, Energy Advisor to Commissioner Henry Duque,
Public Utilities Commission
Jeremy A. Bloom, MT & DSM Business Unit Manager, Electric Power
Research Institute
Kelly Bordian, Senior Economist, National Energy Board, Canada
Jerry Brooks, Senior Economist, Pacific Telesis Group
Hung-Po Chao, Program Manager, Electric Power Research Institute
Janie Chermak, Assistant Professor of Economics, University of New
Mexico
Barbara Cherry, Director-Issues Analysis, Ameritech
Roger E. Clayton, Consulting Engineer, General Electric Company
Alan J. Cox, Senior Consultant, National Economics Research
Associates
Michael A. Crew, Professor, Rutgers University
David R. Croyle, Team Leader—Pricing, San Diego Gas & Electric
Kant Currie, Manager—Economic Analysis, Ameritech
Fred L. Curry, Chief—Small Water Branch, California Public Utilities
Comm.
Michael J. Denton, Doctoral Candidate, University of Arizona
Barry B. Douglas, Director of Operations Support & Forecasting,
Pacific Gas & Electric
David M. Ganson, Commissioner’s Advisor, California Public Utilities
Commission
Christopher Garbacz, Director Economics & Planning Division,
Mississippi Public Utilities Staff
Jiong Gong, Member of Technical Staff, Bell Communications
Research
Lorna Greening, Economist, Lawrence Berkeley National Laboratory
Patrick G. Hager, Manager, Portland General Electric
Ronald M. Harstad, Associate Professor, Rutgers University
Paul T. Hunt, Senior Economist, Southern California Edison
Joseph Hurd, Director of Economics, Pacific Telesis Group
Akbir Jazayeri, Manager—Pricing Research, Southern California
Edison
John L. Jurewitz, Manager-Regulatory Policy, Southern California
Edison
Brenda Kahn, District Manager—Local Cost Studies, AT&T
Dennis M. Keane, Team Leader, Pacific Gas & Electric
Estathios Kostopoulos, Southern California Edison Co.
William E. Kovacic, Associate Professor, George Mason University
Don Laub, Senior Manager, MCI
James Lechtenberg, Director—Marketing Financials, Pacific Bell
Mark Lemier, Division Manager, AT&T Communications

Bob Levin, Rates Team Leader, Pacific Gas & Electric
Robert Levin, Senior Vice President, New York Mercantile Exchange
Stephen Levinson, District Manager, AT&T
Colin J. Loxley, Director-Resource Planning, PSE&G
Sandy Marble, Member of Technical Staff, Bell Communications
Research
J. Stuart McMenamin, Senior Vice President, Regional Economic
Research Inc.
Robert J. Michaels, Professor of Economics, California State
University at Fullerton
Paul D. Nelson, Regulatory Economist, Southern California Edison
Kevin P. O’Meara, Senior Economist, Public Power Council
Robert H. Patrick, Associate Professor, Rutgers University
Stephen Peck, Vice President, Electric Power Research Institute
Lon L. Peters, President, Northwest Economic Research
David Pitcher, Corporate Economist, Bell Atlantic
Jonathan Portes, Senior Analyst, National Economics Research
Associates
Ronald L. Reeder, Senior Competitive Analyst, Sprint
Cliff B. Rochlin, Market Advisor, Southern California Gas Co.
David J. Salant, Director, Law & Economics Consulting Group
Larry Schelhorse, Principal Econ. Advisor, San Diego Gas & Electric
Michael M. Schneider, Manager—Pricing Services, San Diego Gas &
Electric
Susan Schneider, Manager—Pricing and Regulatory Support, Pacific
Gas & Electric
Dewey Seeto, Senior Rates Analyst, Pacific Gas & Electric
Carl H. Silsbee, Supervisor Regulatory Economics, Southern
California Edison Co.
Richard Simmons, Director—Strategic Alternatives Analysis, Bell
Communications Research
Roger Sparks, Associate Professor of Economics, Mills College
Gary Stern, Director—Restructuring Strategies, Southern California
Edison
Timothy Sullivan, Commissioner’s Advisor, California Public Utilities
Commission
Mark P. Sweeney, Director—Competitive Transition, Southern
California Gas
Kathy Treleven, Assistant to the Vice President for Policy
Coordination, Pacific Gas & Electric
Glenn Vall, Financial Analyst, Southern California Edison
Robin J. Walther, Senior Regulatory Economist, Southern California
Edison Company
Michael R. Ward, Assistant Professor, University of Illinois
Dennis Weissman, Professor, Kansas State University
Dennis Wellner, Senior Economist, GTE Telephone Operations
Frank A. Wolak, Associate Professor, Stanford University

REGISTRATION FORM: 10th Annual Western Conference

Name

Title

Company

Address

Telephone __________________________________ Fax _______________________

Billing Information:

☐ Payment enclosed.
☐ Send invoice to participant at above address.
☐ Send invoice to: ______________________________

GOVERNMENT RATE: Government employees may apply
for reduced enrollment fees.

☐ I would like to apply for the government rate of $390.

CANCELLATION POLICY: Until May 15, 1997 cancellation is allowed without penalty and refunds will be allowed in full.
After this date the fee of $735 (Government $390) is due in full whether or not the participant actually attends.
Substitutions may be made at any time.

Signature of Participant: ____________________________