

Michael A. Crew: Professor of Economics, Graduate School of Management, Rutgers, The State University of New Jersey; Ph.D. (University of Bradford, England). Dr. Crew has published articles in the fields of industrial organization, applied microeconomics and public utilities in major economics journals. His current research is in the areas of pricing under regulation and alternative systems of regulation. His other professional interests include serving on the Editorial Boards of the *Journal of Economics and Business* and the *Journal of Industrial Affairs*. He is a member of the Board of Directors of Energy Initiatives Incorporated.

Paul R. Kleindorfer: Professor of Decision Sciences, University of Pennsylvania; Ph.D. (Carnegie-Mellon University). Dr. Kleindorfer has published articles in the fields of systems, management science, and public utilities. His current research is in the areas of public utility pricing and regulation with stochastic demand, alternative systems of regulation, the theory of incentives and labor-managed firms. His recent book, *Public Utility Economics* (with M.A. Crew), St. Martin's Press, 1979, is background reading for the Workshop.

Keith J. Crocker: Assistant Professor of Economics, University of Virginia; Ph.D. (Carnegie-Mellon University). Dr. Crocker has published in the areas of the New Institutional Economics, regulation and risk analysis in such journals as the *American Economic Review* and *Journal of Political Economy*.

Michael Einhorn: Assistant Professor of Economics, Rutgers, The State University of New Jersey.

Devra Golbe: Assistant Professor of Economics, Rutgers, The State University of New Jersey.

David Levy: Assistant Professor of Economics, Rutgers, The State University of New Jersey.

Ephraim F. Sudit: Associate Professor of Accounting, Graduate School of Management, Rutgers, The State University of New Jersey.

Schedule, Location and Fees

The Workshop will consist of:

- (a) Three one-day meetings held in Engelhard Hall, Rutgers' Graduate School of Management, Newark N.J., beginning at 10:00 a.m. and ending at 4:00 p.m. The dates of these meetings are November 15, 1985, February 14, and April 18, 1986.
- (b) A residential meeting to be held at the New Seabury Conference Center, New Seabury, Mass., beginning at 4:00 p.m. on Wednesday, May 28, 1986 and ending at 2:30 p.m. on Friday, May 30, 1986.

The physical facilities of the School and the Conference Center are excellent.

The enrollment fee of \$625 per person includes prescribed learning materials, meals in Newark, receptions, and coffee breaks. It is possible to enroll for the residential meeting at New Seabury separately from the whole Workshop package for a fee of \$450. A limited number of fellowships of up to \$310 are available to employees of non-profit organizations in partial remission of fees. (Fees do not include the cost of overnight lodging and meals which is to be paid directly by participants to the hotel.)

Nomination and Application Procedures

Utilities, regulatory commissions, consulting companies and others are encouraged to nominate persons currently active in research in public utility economics and regulation. In presenting the nomination, consideration should be given to the candidate's potential for development within the company or commission.

Application forms are enclosed which should be returned by October 31, 1985. Applications will be reviewed when received. The admission decision will be conveyed as soon as possible.

For further information, contact:

Dr. Michael A. Crew
Rutgers, The State University of New Jersey
Graduate School of Management
180 University Avenue
Newark, New Jersey 07102
Phone: 201/648-5049 (office)
221-0524 (home)

GRADUATE SCHOOL OF MANAGEMENT

THE STATE UNIVERSITY OF NEW JERSEY
RUTGERS

**Advanced Workshop in Regulation
and Public Utility Economics
1985-86**

Engelhard Hall
180 University Avenue
Newark, New Jersey 07102

ADVANCED WORKSHOP IN REGULATION AND PUBLIC UTILITY ECONOMICS

The increasing need to apply economic analysis to many of the economic and regulatory problems of public utilities has resulted in an increase in the number of professional economists employed by utility companies and commissions. In the Tri-State area alone, considerable economic research is being undertaken by commissions and companies into problems of public utility pricing, investment and regulation. During the five workshops held between 1980 and 1985, over one hundred economists and managers participated in an Advanced Workshop at the Graduate School of Management, Rutgers University, and the following organizations sent at least one representative.

AT&T Communications	New England Power Services Corporation
Atlantic City Electric Company	New England Telephone Company
Bell Atlantic	New Jersey Bell
Bell Labs	New Jersey Board of Public Utilities
Bell of Pennsylvania	New Jersey Department of
Bellcore	Environmental Protection
Bonneville Power Administration	New Jersey Public Advocate
Central Hudson Gas & Electric Company	New York Public Service Commission
Central Vermont Public Utility Services Corp.	New York State Consumer Protection Board
Charles River Associates	New York State Electric and Gas Company
Chesapeake and Potomac Telephone Companies	New York Telephone
Connecticut Division of Public Utility Control	Niagara Mohawk
Duke Power Company	Northeast Utilities
Economic Studies Inc.	Northwestern Bell Telephone Company
Elizabethtown Gas Company	NYNEX
Federal Communications Commission	Ohio Bell
GTE Corporation	Orange and Rockland Utilities
GPU Service Corporation	Public Service Electric and Gas Company
Hackensack Water Company	Rochester Telephone
Idaho Public Utility Commission	Southern Bell Telephone
Illinois Commerce Commission	Southern Connecticut Gas Company
Integral Research	Southern New England Telephone Company
Long Island Lighting Company	Southwestern Bell Telephone Company
Maryland Public Service Commission	Texas Electric Service Company
Massachusetts Department of Public Utilities	Texas Public Utilities Commission
Michigan Bell	U.S. Department of Energy
Middle South Services	Vermont Public Service Commission

The committee for the 1985-86 Workshop consists of:

Miles Bidwell (New York Public Service Commission)
Ed Boyer (Bell Atlantic)
Noel Doherty (New York Telephone)
Michael Gettings (Orange and Rockland Utilities)
James Green (Southern New England Telephone)
Pamela Heidt (New England Telephone)
Elizabeth Jurman (Southern Connecticut Gas Company)
Charlotte Kuh (AT&T)
Edwin Overcast (Northeast Utilities)
Richard Simnett (Bell Communications Research)
Dennis Weller (GTE Service Corporation)
Michael Crew (Rutgers, The State University of New Jersey)

Objective

The general objective of the workshop is to promote economic research and improve understanding of current issues facing regulators, regulated industries and consumers. To this end the Workshop attempts to develop the individual's research capacity in the field of public utility economics and regulation. This is intended to have benefits for the individual's employer to the extent that persons attending are working on company or commission research.

Approach

- Evidence of current activity and interest in public utility economics or regulation is required.
- Since the approach of the workshop is to create open discussion of ideas, members will be encouraged to produce a paper which is intended as a contribution to knowledge or provide comments and discussion of the papers presented.
- Visiting speakers from a variety of related fields will, on occasion, present their own research to the group. This will greatly assist members in keeping in touch with some of the leading researchers in the field. Charles Blankart (Technical University, Berlin, West Germany), Frank Gollop (Boston College), Wesley Magat (Duke University), Jerry Mashaw (Yale University), Scott Masten (University of Michigan), John Panzar (Northwestern University), Almarin Phillips (University of Pennsylvania), Mark Roberts (Pennsylvania State University), Charles Rowley (George Mason University), Peter Schwarz (University of North Carolina), Roger Sherman (University of Virginia), Lester Taylor (University of Arizona), John Trapani (University of Texas at Arlington), Ingo Vogelsang (Boston University), and Edward Zajac (University of Arizona) presented and discussed some of their current work in the workshop.
- Where relevant, instruction would be provided in areas where economists need at least background knowledge, but often lack formal training; for example, procedures in regulatory accounting, depreciation and capital recovery, and the role of financial models in regulation.
- Examples of some of the type of research topics that are examined in the Workshop include pricing policy of public utilities, equity and efficiency in regulation, implications of deregulation, regulation and incentives, developments in demand analysis and forecasting in utilities, conflicts in State and Federal regulation, the interaction of antitrust and regulation, economics of multiproduct utilities, cross subsidy issues, cost allocation, and diversification and utilities.
- The topics for the first two meetings are:
November 15, 1985:
A Primer on Contestable Markets
Roger Sherman, University of Virginia
Transfer Prices and the Partially Regulated Firm
Lawrence Cole, GTE Service Corp.
February 14, 1986:
Regulating Utilities in an Era of Deregulation
Michael A. Crew and Paul Kleindorfer
Mandatory Carriage for Utilities
Michael A. Crew and Keith Crocker
The topic for the third meeting on April 18, 1986 will be selected based upon the evolution of the first two sessions and members' interests.

Output

The Workshop will provide the following:

- Instruction in relevant topics.
- Interaction among academic researchers, industry managers and staff of regulatory commissions, and opportunities for better communication and exchange of ideas.
- Improved awareness by industry and commissions of research developments at universities.
- Valuable scientific contributions in public utility economics, and to the research literature.
- Opportunities for participants to grow as researchers.

Faculty

The workshop faculty are all active in public utility economics. Michael A. Crew and Paul R. Kleindorfer will coordinate the activities of the workshop with Keith J. Crocker. Brief biographies are given on the following page.