THIRD ANNUAL WESTERN CONFERENCE

The Western Conference aims to provide the same blend of high technical quality and relevance achieved by the previous Workshops and Annual Conferences. While the general theme of the Western Conference will be the same as that of the Ninth Annual Conference, the papers presented will be different and will be drawn mainly from the western United States.

WESTERN CONFERENCE ORGANIZING COMMITTEE

Manuel Alvarez (California Energy Commission)
Joel Balbin (Southern California Gas)
Douglas Clark (Southwestern Bell Telephone)
George Cluff (California Public Utilities Commission)
Michael Crew (Rutgers University)
John Jurewitz (Southern California Edison)
Dennis Keane (Pacific Gas & Electric)
Christina Kirschner (Gas Company of New Mexico)
Alexander Larson (Southwestern Bell Telephone)
James Lechtenberg (Pacific Bell Telephone)
Richard Reinking (Mountain Bell Telephone)
Larry Schelhorse (San Diego Gas and Electric)
Dennis Weller (GTE Service Corporation)
Evan White (Oregon Public Utilities Commission)

For further information regarding the Workshop or any of the programs of the Center for Research in Regulation, please contact:

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

ADVANCED WORKSHOP IN REGULATION AND PUBLIC UTILITY ECONOMICS 1989-1990

ENGELHARD HALL
92 NEW STREET
NEWARK, NEW JERSEY

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.
FACULTY
The workshop faculty are all active in regulatory economics. Michael A. Crew and Paul R. Kleindorfer will coordinate the activities of the workshop with Keith J. Crocker. Brief biographies are given below.

Michael A. Crew: Professor of Economics, Graduate School of Management Rutgers University; Ph.D. (University of Bradford, England). Dr. Crew has published articles in the fields of industrial organization, applied microeconomics and public utilities in the major economic journals. His current research is in the areas of pricing under regulation and alternative systems of regulation.

Paul R. Kleindorfer: Universal Furniture Professor of Economics and 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 book, The Economics of Public Utility Regulation, (with M.A. Crew), M.I.T. Press, 1986, is background reading for the workshop.

Keith J. Crocker: Associate Professor of Economics, Pennsylvania State University; 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.

Associated Rutgers University Faculty
Thomas A. Abbott, III, Assistant Professor of Economics, Graduate School of Management
James Bickler, Professor of Finance, Graduate School of Management
Michael Einhorn, Assistant Professor of Economics, Newark College of Arts & Sciences
Michael R. Frierman, Assistant Professor of Economics, Graduate School of Management
Michael Rothkopf, Professor of Economics, School of Business

VISITING SPEAKERS
Visiting speakers from a variety of related fields will present their research to the group. This greatly assists members in keeping in touch with some of the leading researchers in the field.

CALL FOR PAPERS
Persons interested in submitting papers are invited to submit abstracts not exceeding two double-spaced pages for consideration for either of the two conferences. Abstracts for the Third Annual Western Conference are due November 20, 1989 and those for the Ninth Annual Conference are due December 15, 1989. Please indicate the conference for which you are applying or whether you would present the paper at either one.

The Workshop Organizing Committee, which is responsible for the selection of the Annual Conference program, will meet in January. The Western Committee, responsible for selection of the Western Conference program, will meet in December. Decisions on the papers will be conveyed promptly. Copies of the completed papers are due by April 17, 1990.

All persons presenting papers must register for the conference at the usual enrollment fee. In the case of faculty of colleges and universities selected for the program, an honorarium plus full support for registration and lodging may be available.

SCHEDULE & LOCATION
The Workshop will consist of:

(a) Three one-day meetings held in Engelhard Hall, Rutgers University, Graduate School of Management, Newark, NJ, beginning at 10:00 a.m. and ending at 4:00 p.m. The dates of these meetings are:
   November 17, 1989
   January 26, 1990
   April 20, 1990

(b) The Ninth Annual Conference of the Advanced Workshop which is a residential meeting to be held at the Mohonk Mountain House, New Palz, New York, 4:00 p.m. Wednesday, May 30, through 2:00 p.m., Friday, June 1, 1990.

(c) The Third Annual Western Conference of the Advanced Workshop, also a residential meeting, to be held at the Catamaran Hotel, San Diego, California, 4:00 p.m. Wednesday, July 11, through 2:00 p.m., Friday, July 13, 1989.

FEES
The enrollment fees for the workshop are:

Workshop I: Includes the three Newark meetings only.
           $475 (government rate: $240)

Workshop II: Includes the three Newark meetings and one conference:
             Ninth Annual Conference or Third Annual Western Conference
             $750 (government rate: $375)

Workshop III: Includes the three Newark meetings and both conferences
             Ninth Annual Conference or Third Annual Western Conference
             $999 (government rate: $500)

Conference Only: Ninth Annual Conference or Third Annual Western Conference
                 $550 (government rate: $275)

The enrollment fees are per person and include prescribed learning materials, meals at the Newark meetings, all receptions, and coffee breaks. The enrollment fees do not include the cost of overnight lodging and meals at the residential meetings, which is to be paid directly by participants to the hotels.

The government rate is available to government employees and to employees of non-profit organizations. There is a volume discount of 5% on second and subsequent applications received in the same envelope or made at the same time over the phone. If applications for different Workshop packages arrive together, the discount will be taken off the least expensive packages. All registrations received by telephone should be confirmed by sending in a completed and signed application form.

APPLICATION PROCEDURES
Utilities, regulatory commissions, consulting companies and others are encouraged to propose candidates currently active in research in public utility economics and regulation. Consideration should be given to the candidate's potential for development within the company or commission.

To apply for the workshop, please complete and return the attached application form. The deadline for Workshop applications is October 31, 1989. The deadline for the Conferences alone is April 30, 1990.
PARTICIPATING ORGANIZATIONS

The following organizations have sent at least one representative to past sessions of the Workshop:

**Gas & Electric Utility Companies**
- Atlantic Electric Company
- Baltimore Gas & Electric Company
- Boston Edison Company
- Central Hudson Gas & Electric Company
- Central Vermont Public Service Corp.
- Consolidated Edison of New York
- Duke Power Company
- Elizabethtown Gas Company
- Gas Company of New Mexico
- Georgia Power Company
- GPU Service Company
- Jersey Central Power & Light Company
- Louisiana Power & Light Company
- Long Island Lighting Company
- Middle South Services
- Montana Power Company
- New England Power Services Corporation
- New York State Electric & Gas Company
- Niagara Mohawk Power Corporation
- Northeast Utilities Service Company
- Orange and Rockland Utilities
- Pacific Gas and Electric Company
- Public Service Company of Colorado
- Public Service Company of New York
- San Diego Gas and Electric Company
- Southern California Edison
- Southern California Gas Company
- Southern Connecticut Gas Company
- Texas Utilities

**Telephone Companies**
- Ameritech Services
- AT&T
- AT&T Communications
- Bell Atlantic
- Bell Canada
- Bell Communications Research
- Bell of Pennsylvania
- BellSouth
- Chesapeake & Potomac Telephone General Telephone Company of California
- GTE Corporation
- GTE Laboratories
- Illinois Bell Telephone Company
- Indiana Bell Telephone Company
- Michigan Bell Telephone Company
- Mountain Bell Telephone Company
- New England Telephone Company
- New Jersey Bell Telephone Company
- New York Telephone Company
- Northwestern Bell Telephone Company
- NYNEX Corporation
- NYNEX Service Company
- Ohio Bell Telephone Company
- Pacific Bell Telephone Company
- Pacific Northern Bell Telephone Company
- Pacific Telecom
- Rochester Telephone
- Southwestern Bell Telephone Company
- Southern New England Telephone Company
- Southwestern Bell Telephone Company
- United Telephone Systems
- US Sprint
- US West, Incorporated

**Public and Regulatory Agencies**
- Alabama Public Service Commission
- Bonneville Power Administration
- California Energy Commission
- California Public Utilities Commission
- Connecticut Division of Public Utility Control
- Connecticut Office of Policy and Management
- District of Columbia Public Service Commission
- Florida Public Service Commission
- Idaho Public Utility Commission
- Illinois Commerce Commission
- Iowa State Utilities Board
- Los Angeles Department of Water & Power
- Maryland Public Service Commission
- Massachusetts Department of Public Utilities
- Minnesota Department of Public Service
- Montana Public Service Commission
- Nevada Public Service Commission
- New Hampshire Public Utilities Commission
- New Jersey Board of Public Utilities
- New Jersey Dept. of Environmental Protection
- New Jersey Public Advocate
- New York State Consumer Protection Board
- New York State Department of Law
- New York State Energy Office
- Ohio Public Utilities Commission
- Oregon Public Utilities Commission
- Public Service Commission
- Tennessee Public Service Commission
- Texas Public Utilities Commission
- U.S. Department of Energy
- U.S. Federal Communications Commission
- Vermont Public Service Commission
- Washington Utilities & Transportation Commission

**Other Organizations**
- American Gas Association
- Analysis Group
- Applied Economic Analysis
- Bank One
- Bank of America
- Bank of New York
- Bank of Tokyo-Mitsubishi
- Barakat Howard & Chamberlin
- Cambridge Systematics
- Charles River Associates
- Christensen Associates
- Cooper & Lybrand
- Department of Veteran’s Affairs
- Economic Studies, Inc.
- Electric Power Research Institute
- Kennecott Copper Corporation
- Institute for Defense Analysis
- Meters Inc.
- National Exchange Carriers Association
- Paul Weller, Jansen, & Associates
- Price Waterhouse
- Reason Foundation
- Small, Ferris, & Associates
- United States Postal Service
- United Water Resources

WORKSHOP ORGANIZING COMMITTEE

Jeremy Bloom (GPU Service Corp.)
Lawrence J. Cataldo (Bell Communications Research)
Joel Charkow (Consolidated Edison)
Michael Crew (Rutgers University)
Joseph Gatto (AT&T Communications)
James Green (Southern New England Telephone)
Elizabeth Jurman (Southern Connecticut Gas Company)
John Kling (Michigan Bell Telephone)
Alexander Larson (Southwestern Bell Telephone)
Carl Pechman (New York State Public Service Commission)
Mark Reeder (New York Public Service Commission)
Joseph Schuh (Orange & Rockland Utilities)
Richard Simnett (Bell Communications Research)
Dennis Weller (GTE Service Corporation)

THEME OF THE 1989-1990 WORKSHOP

The major theme of the program will be **Regulatory and Structural Implications of New Technologies**. The topics for the meetings are:

**November 17, 1989**

“The Contribution of Information Economics and Incentives to Regulation: An Introduction and Survey for Company Economists and Commission Staff”
- **Michael Frieman**, Rutgers University

“Alternative Governance Structures for the Information Age: Integrated Broadband Networks, CATV and Telecommunications”
- **James Green**, Southern New England Telephone
- **Richard Simnett**, Bell Communications Research
- **Dennis Weller**, GTE

**January 26, 1990**

“The Economic and Marketing Implications of Privacy on the Development and Implementation of New Services: Applications to Telecommunications and Other Utilities”
- **Bernd Pfeiffer**, Bell Communications Research

“Privacy and the Law: The Responsibilities of Regulators”
- **Raymond Makul**, New Jersey Division of the Rate Counsel

“Flexibility in the Design of Long Term Contracts and Applications to Utilities”
- **Keith Crocker**, Pennsylvania State University

**April 20, 1990**

“Service Differentiated Pricing for Postal Service with Extensions to Electricity, Gas and Telecommunication”
- **Michael Crew**, Rutgers University
- **Paul Kleindorfer**, University of Pennsylvania
- **Marc Smith**, U.S. Postal Service

“More on Competitive Bidding: The New Jersey Experience”
- **Jeremy Bloom**, GPU Service

“Follow Up on Governance Structures for Broadband Networks”
- **James Green**, Southern New England Telephone
- **Richard Simnett**, Bell Communications Research
- **Dennis Weller**, GTE
Advanced Workshop in Regulation and Public Utility Economics

APPLICATION

Name ____________________________

Title ____________________________

Company ____________________________

Address __________________________________________________________

Telephone Number ____________________________

Home Telephone Number (in case of snow day) ____________________________

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

Package: Please specify the Workshop package for which you are enrolling:
☐ Workshop I ($475): Newark sessions ONLY
☐ Workshop II ($750): Newark and ONE conference:
☐ Ninth Annual Conference (New York, May-June 1990)
☐ Third Annual Western Conference (San Diego, July 1990)
☐ Workshop III ($999): Newark sessions and BOTH conferences
☐ Third Annual Western Conference ONLY ($550): California, July 1990

Government Rate: Members of non-profit organizations may apply for the following reduced enrollment fees: Workshop I: $240; Workshop II: $375; Workshop III: $500; and Conference Only: $275.

☐ I would like to apply for the government rate for my Workshop fee.

Volume Discount: Second and subsequent applications received in the same envelope or made at the same time by phone 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 October 31, 1989 cancellation is allowed without penalty and refunds will be allowed in full. After this date the indicated fee is due in full. Substitutions may be made at any time. (The cancellation date for conference only applications is April 30, 1990.)

Signature of Participant: ____________________________

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Please return completed application form by October 31, 1989* to:

Linda S. Brennan, Rutgers University, Graduate School of Management,
180 University Avenue, Newark, NJ 07102.

* Applications received after October 31, 1989 will be admitted on a space available basis.

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 regulatory agencies. Considerable economic research is being undertaken by commissions and companies into problems of public utility pricing, investment, competition, and regulation. During the nine workshops held between 1980 and 1989, several hundred economists, commission staff members, and managers have participated in the Advanced Workshop at the Graduate School of Management, Rutgers University and the Conferences.

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. Thus, the workshop has direct benefits for the individual's employer and offers career development opportunities for the participants.

APPROACH

For the first six years, the Workshop was organized annually as three one-day meetings combined with a two-day conference. Beginning in 1987-1988, a second two-day conference was offered on the West Coast. This year the Workshop will again offer two conferences in addition to the three one-day meetings. A basic theme is established for the Workshop and then speakers are asked to address special topics related to the general theme. The meeting format is designed to allow for both presentation of recent research and the open discussion of new ideas.

Examples of some of the types of research topics that are examined in the workshop include pricing policy of public utilities, equity and efficiency in regulation, 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, capital recovery, phase-ins and nuclear plants, effects of energy price changes on electric and gas utilities, voluntary and voluntary wheeling of power, and the implications of diversification for utilities. Where relevant, instruction is 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, the role of financial models in regulation. This Workshop features an introduction to information economics with implications for regulation.

Participants should be active in public utility economics or regulation. 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.

BENEFITS

The workshop will provide the following benefits to participants and their employers:

• 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 that may be relevant to solving current problems.
• Opportunities to contribute and improved access to the literature of regulatory economics.
• An atmosphere that encourages participants to grow as researchers.