

# **Advanced Workshop in Regulation and Competition 1998–1999**

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## **MEETING THE COMPETITIVE CHALLENGES IN NETWORK INDUSTRIES**

November 13, 1998

### **MERGERS AND ACQUISITIONS IN REGULATED INDUSTRIES**

January 8, 1999

### **PRICING IN EMERGING COMPETITIVE MARKETS**

April 16, 1999

### **UNIVERSAL SERVICE UNDER COMPETITION**

18th Annual Conference

**Newport, Rhode Island • May 26–28, 1999**

12th Annual Western Conference

**San Diego, California • July 7–9, 1999**

## ADVANCED WORKSHOP IN REGULATION AND COMPETITION

Network industries—telecommunications, electricity, gas, water, postal, etc.—are currently undergoing major changes, the most significant being the entry of competitors and the resulting impact on regulation. The Workshop presents some of the latest economic thinking used to analyze major current problems of network industries. Competition, incentives for efficiency, and the increased use of market rather than regulatory processes outline in very broad terms the material to be covered. In addition, the Workshop will provide some of the latest legal thinking and its economic impact upon the increasingly competitive environment of network industries.

### OBJECTIVE

To promote a better understanding amongst company managers, regulatory staff and academics of the economic forces currently shaping network industries, to understand better the nature of competition in network industries, and to assist companies and regulators in meeting the challenges.

### WHO SHOULD ATTEND?

Individuals interested in developing a better understanding of competition in network industries and applying it in their company or regulatory commission.

### APPROACH

The Workshop is organized annually as three one-day meetings combined with a two-day conference in the Eastern U.S. and a second two-day conference on the West Coast. The meeting format is designed to allow for both presentation of recent research and the open discussion of new ideas. The topics covered provide not only the latest research on competitive developments in network industries, but also instruction on subjects required for a better understanding of competition.

### SCHEDULE AND TOPICS OF THE 1997-1998 WORKSHOP

Three one-day meetings held at Rutgers University, School of Management, Newark, NJ, beginning at 10:00 a.m. and ending at 4:00 p.m. :

#### November 13, 1998

##### *Mergers and Acquisitions in Regulated Industries*

**Michael Crew** (*Rutgers University*): Some Underlying Economic Principles

**William Kovacic** (*George Mason University*): Law and Economics of Mergers and Acquisitions

**John Graham** (*GPU*): Mergers and Acquisitions—The CFO's View

#### January 8, 1999

##### *Pricing in Emerging Competitive Markets*

**Robert Levin** (*New York Mercantile Exchange*): Update on Market Institutions in Natural Gas and Electricity

**J. Douglas Zona and William Taylor** (*NERA*): Emerging Competitive Markets and the Competitive Dynamic in Telecommunications

**Colin Loxley** (*PSE&G*) and **Eugene Meehan** (*NERA*): Electricity Price Volatility in Immature Markets—PJM and ECAR

**Mark Reeder** (*New York State Public Service Comm.*): Market Power: A Regulator's View

#### April 17, 1998

##### *Universal Service and Competition*

**Michael Crew** (*Rutgers University*) and **Paul Kleindorfer** (*University of Pennsylvania*): Economic Rationale for the Universal Service Obligation—Who Pays and How?

**Richard Simnett** (*Bellcore*): Universal Service—How Universal? What Service!

**Colin Loxley** (*PSE&G*): Universal Service—What Does it Mean to Energy Utilities?

**Jeff Colvin** (*U.S. Postal Service*): The Universal Service Obligation in Postal Service

#### The 18th Annual Conference

Newport Marriott, Newport, Rhode Island, 4:00 p.m., Wednesday, May 26, through 1:00 p.m., Friday, May 28, 1999.

#### The 12th Annual Western Conference

Hyatt Islandia, San Diego, California, 4:00 p.m. Wednesday, July 7, through 1:00 p.m., Friday, July 9, 1999.

## CENTER FOR RESEARCH IN REGULATED INDUSTRIES

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.

**Michael A. Crew:** Professor of Economics, School of Management, Rutgers University and Director of the Center for Research in Regulated Industries.

**Paul R. Kleindorfer:** Universal Furniture Professor of Economics and Decision Sciences, University of Pennsylvania.

**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.

**Menahem Spiegel:** Associate Professor of Economics, School of Management, Rutgers University.

**Dennis Weisman:** Associate Professor of Economics, Kansas State University.

**Frank A. Wolak:** Associate Professor of Economics, Stanford University.

#### **Associated Rutgers University Faculty:**

*Ronald Harstad*, Associate Professor of Economics, School of Management

*Shashidhar Murthy*, Assistant Professor of Economics, School of Management

*Michael Rothkopf*, Professor of Operations Research, School of Business

*Emilio Venezian*, Associate Professor of Economics, School of Management

### **WORKSHOP ORGANIZING COMMITTEE**

Shimon Awerbuch

Lawrence J. Cataldo (Ballentrae International)

Kent Currie (Ameritech)

Michael Crew (Rutgers University)

William Deehan (Cen. Vermont Pub. Serv.)

Christopher Garbacz (Miss. Public Util. Staff)

Wayne Hallard (Bell Atlantic)

Brenda Kahn (AT&T)

Robert A. Levin (NY Mercantile Exchange)

Colin Loxley (Public Service Electric & Gas)

Robert Patrick (Rutgers University)

David Pitcher (Bell Atlantic)

Mark Reeder (NY Pub. Service Comm.)

Joseph Schuh (Rutgers University)

Richard Schuler (NY Pub. Service Comm.)

Richard Simnett (Bellcore)

Mark Smith (U.S. Postal Service)

J. Douglas Zona (NERA)

### **WESTERN CONFERENCE ORGANIZING COMMITTEE**

Jasmin Ansar (Pacific Gas & Electric)

Michael Crew (Rutgers University)

Fred Curry (California Pub. Util. Comm.)

Christopher Garbacz (Miss. Public Util. Staff)

John Jurewitz (Southern California Edison)

Dennis Keane (Pacific Gas & Electric)

William Kovacic (George Mason Univ.)

James Lechtenberg (Pacific Bell Tel.)

Robert Patrick (Rutgers University)

Cliff Rochlin (Southern California Gas)

David Salant (Law & Econ. Consulting Group)

Larry Schelhorse (San Diego Gas & Elec.)

#### **P Gas & Electric**

Arizona Public Service • Baltimore Gas & Electric Company • Boston Edison Company • Brooklyn Union Gas Company • Central Hudson Gas & Electric Company • Central Vermont Public Service Corp. • Coastal Gas Markets • Consolidated Edison of New York • Duke Power Company • Eastern Utility Associates • Edison Electric Institute • Elizabethtown Gas Company • Entergy • Gas Company of New Mexico • Georgia Power Company • GPU Service Corporation • Green Mountain Power • Green Mountain Energy Resources • Houston Industries • Independent Power Producers of New York • Louisiana Power & Light Company • Long Island Lighting Company • Michigan Consolidated Gas • Missouri Public Service • Montana Power Company • Nevada Power Company • New England Electric • New England Power Services Corporation • New York Power Pool • New York State Electric & Gas Company • Niagara Mohawk Power Corporation • Northeast Utilities Service Company • Orange and Rockland Utilities • Pacific Gas and Electric Company • PECO Energy • Portland General Electric • Public Service Company of Colorado • Public Service Electric & Gas Company • Rochester Gas & Electric Company • San Diego Gas and Electric Company • Sierra Pacific Power • South Carolina Electric & Gas • Southern California Edison • Southern California Gas Company • Southern Company • Southern Connecticut Gas Company • Texas Utilities • Utilicorp United • Wisconsin Electric Power

#### **P Telecommunications**

Ameritech • AT&T • AT&T Bell Laboratories • Bell Atlantic • Bell Canada • Bell Communications Research • Bell South • British Telecommunications • Edmonton Telephones Corp. • GTE Corporation • GTE Laboratories • Illinois Bell Telephone Company • MCI • Pacific Bell Telephone Company • Pacific Telecom • Rochester Telephone • Southern New England Telephone Company • Southwestern Bell • Sprint • US West

#### **P Public and Regulatory Agencies**

Alabama Public Service Commission • Bonneville Power Administration • California Energy Commission • California Public Utilities Commission • Canadian National Energy Board • Colorado Department of Law • Connecticut Division of Public Utility Control • Connecticut Office of Consumer Counsel • Connecticut Office of Policy and Management • Delaware Office of the Public Advocate • 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 • Mississippi Public Utilities Staff • Montana Public Service Commission • National Energy Board of Canada • Nevada Public Service Commission • New Hampshire Public Utilities Commission • New Jersey Board of Regulatory Commissioners • New Jersey Dept. of Environmental Protection • New Jersey Public Advocate • New Mexico Public Service Commission • New York State Consumer Protection Board • New York State Department of Law • New York State Department of Economic Development • New York State Energy Office • New York State Energy Research & Development Authority • New York State Public Service Commission • Ohio Public Utility Commission • Oklahoma Corporation Commission • Oregon Public Utility Commission • Public Power Council • Sacramento Municipal Utility District • Tennessee Public Service Commission • Texas Public Utilities Commission • Tompkins County • U.S. Bureau of Labor Statistics • U.S. Department of Energy • U.S. Energy Information Administration • U.S. Federal Communications Commission • U.S. Federal Energy Regulatory Commission • U.S. Federal Trade Commission • U.S. Postal Rate Commission • United States Postal Service • V.A. Medical Center • Vermont Public Service Commission • Virginia State Corporation Commission • Washington Utilities & Transportation Commission • Wisconsin Public Service Commission

#### **P Other Organizations**

American Gas Association • Analysis Group • Analytic Support Network • Applied Economic Analysis • Applied Energy Group • Barakat & Chamberlin • Ballantrea International • Brattle Group • California Independent System Operator • Cambridge Systematics • Cato Institute • Charles River Associates • Christensen Associates • CInergy • Converge Technologies • Coopers & Lybrand • econ ONE • Economic Decisions • Economic Studies, Inc. • Economics Research Group • Electric Power Research Institute • Energy Management Association • Federal Reserve Bank of Cleveland • General Electric Company • Hackensack Water Company • Hagler Bailly • Heiden Associates, Inc. • INDETEC • Institute for Defense Analysis • International Express Carriers Conference • Korean Information Society Development Institute • Lawrence Berkeley Laboratory • Law and Economics Consulting Group • Medgal & Associates • Metering Services, Inc. • National Economic Research Associates • National Exchange Carriers Association • National Regulatory Research Institute • National Renewable Energy Lab • New Jersey—American Water • New York Mercantile Exchange • Paul, Weiss, Rifkind, Wharton & Garrison • Peat Marwick • Price Waterhouse • PSI Energy • Regional Economic Research • Research Triangle Institute • Resource International • Resources for the Future • Sithe Energies • Richard Silkman Associates • Small, Craig and Werkenthin • Strategy, Inc. • Synergic Resources Corp. • Telesector Resources Group • U.S. Department of Veteran's Affairs • United Water Resources • WIK Institute • Xenergy

Persons interested in presenting papers are invited to submit abstracts not exceeding two double-spaced pages for consideration for either of the two conferences. Abstracts for the 12th Annual Western Conference are due **November 23, 1998** and those for the 18th Annual Conference are due **December 18, 1998**. Please indicate the conference for which you are applying and whether you would be prepared to present the paper at either one. Abstracts may be faxed to 973-353-1348 or e-mailed to lbrennan@andromeda.rutgers.edu.

The Workshop Organizing Committee is responsible for the selection of the 18th Annual Conference program. The Western Committee is responsible for selection of the Western Conference program. Decisions on the papers will be conveyed promptly. Copies of the completed papers are due by **April 15, 1999**, for the Eastern Conference and **May 15, 1999**, for the Western.

All persons presenting papers are required to register for the conference at the reduced enrollment fee of \$695 (govt. \$350) for the Eastern and \$735 (govt. \$390) for the Western Conference, provided that completed application forms are received by February 28, 1999. After this date, the full conference fee will apply. In the case of full-time faculty of colleges and universities selected for the program, an honorarium plus full support for registration and lodging may be available.

## CONTACTING THE CENTER FOR RESEARCH IN REGULATED INDUSTRIES

Home page: <http://www.rci.rutgers.edu/~crr>

Address: School of Management • 180 University Avenue • Newark, NJ 07102

Phone: 973-353-5049 (office) • 973-353-1348 (fax)

E-mail: lbrennan@andromeda.rutgers.edu (Linda Brennan) or mcrew@andromeda.rutgers.edu (Michael Crew)

## REGISTRATION INFORMATION

To register, please complete and return the form below. Registrations are accepted by mail, e-mail, fax, and telephone. Please confirm telephone registrations by sending in a completed and signed application form. The deadline for Workshop applications is October 30, 1998. Applications received after October 30, 1998, 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. VISA and Master Card are accepted for payment of registration fees. Fees include prescribed learning materials, meals at the Newark meetings, all receptions, and coffee breaks, but do not include lodging and meals at the residential meetings. The government rate registration fee is available to government employees. Rates for the Annual Conference and Western Conference apply only for applications received by December 31, 1998; after this date full rates apply.

### REGISTRATION FORM: Advanced Workshop in Regulation and Competition 1998-1999

Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone \_\_\_\_\_

Fax \_\_\_\_\_

E-mail \_\_\_\_\_

#### Billing Information:

Payment enclosed.

Send invoice to participant at above address.

Send invoice to: \_\_\_\_\_

Charge to:  VISA  Master Card # \_\_\_\_\_ Exp. \_\_\_\_/\_\_\_\_

#### Package:

Workshop I (\$615/Gov. \$310): Newark sessions ONLY

Single Newark Session (\$325/Gov. \$165):

November 13, 1998

January 8, 1999

April 16, 1999

Workshop II (\$925/Gov. \$465): Newark sessions and ONE conference:

18th Annual Conference (May 1999)

12th Annual Western Conference (July 1999)

Workshop III (\$1225/Gov. \$615): Newark sessions and BOTH conferences

18th Annual Conference ONLY (\$725/Gov. \$365)

12th Annual Western Conference ONLY (\$765/Gov. \$405)

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

I would like to apply for the government rate.

**CANCELLATION POLICY:** Until October 30, 1998 cancellation is allowed without penalty and refunds will be allowed in full. After this date, the indicated fee is due in full whether or not the participant actually attends. Substitutions may be made at any time.

Signature of Participant: \_\_\_\_\_