

**Rutgers University, Graduate School of Management
Center for Research in Regulated Industries
Advanced Workshop in Regulation and
Public Utility Economics
SIXTH ANNUAL WESTERN CONFERENCE**

**Monterey Marriott, Monterey, California
Wednesday, July 7 to Friday, July 9, 1993**



**Graduate School of Management
Center for Research in Regulated Industries**

APPLICATION PROCEDURES

Please complete the attached application form and return it by **May 15, 1993**. Applications received after this date will be accepted on a space available basis. The fee for the Conference is **\$660** per person. This includes learning materials, receptions, coffee breaks, dinner on July 7; 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 other non-profit organizations, there is a reduced rate of **\$350** per person.

HOTEL RESERVATIONS

Sufficient rooms are reserved at the Monterey Marriott 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

Thomas A. Abbott, III, Assistant Professor of Economics, Graduate School of Management, Rutgers University
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, Associate Professor, George Mason University School of Law

For further information, please contact:

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Center for Research in Regulated Industries
Graduate School of Management
Rutgers University
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**Advanced Workshop in Regulation and
Public Utility Economics**

**SIXTH ANNUAL
WESTERN CONFERENCE**

July 7-9, 1993

**Monterey Marriott
Monterey, California**

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.

• The *Center for Research in Regulated Industries* is pleased to be the recipient of **The Hermes Award, 1992**, awarded by the European Express Organization.

SIXTH ANNUAL WESTERN CONFERENCE OF THE ADVANCED
WORKSHOP IN REGULATION AND PUBLIC UTILITY ECONOMICS

Wednesday, July 7, 1993

- 4:30 - 6:00 **Welcome to Conference**—Michael Crew
John C. Panzar: Rate Base Valuation and Incremental Costing in a Competitive Environment
William E. Kovacic: The Role of Relational Agreements in Responding to Efficiency Suppressing Regulatory Commands
- 6:00 - 9:00 **Cocktail Hour, Dinner & Speech**
Ralph Cavanaugh, Energy Program Director, Natural Resources Defense Council, “The Environmental Case against Retail Wheeling”

Thursday, July 8, 1993

- 8:45 - 10:30 **Concurrent Sessions:**
Chair: Stephen B. Levinson
Discussants: Barbara Cherry, James Lechtenberg, and Barry Zahn
Steve G. Parsons: The Decision/Action Specification of Costs
John Kling: The Demand for Second Lines
Kent A. Currie: Is Local Telephone Service Subsidized?
- Chair: John L. Jurewitz
Discussants: Robert Camfield, Lon L. Peters, and Michael Robinson
Robert Michaels: Open Access to Electrical and Gas Transmission: Where the Analogies End
Dean R. Tibbs: Changing Times, Changing Players and Changing Rules: What Path Will Transmission Follow in California
Michael M. Schneider, Jr. and Larry D. Schelhorse: Quantifying the Economic Cost of Transmission for QF Sales to Utilities: Use of Opportunity Cost Adders

10:30 - 10:45 **Coffee Break**

- 10:45 - 12:15 **Concurrent Sessions:**
Chair: David Loomis
Discussants: John Faris, Michael M. Schneider, Jr., and Carl H. Silsbee
Arthur DeVany: When Barriers to Markets Fall: Pipeline Deregulation, Spot Markets, and the Topology of the Natural Gas Market
Blair G. Swezey: The Regulatory Outlook for Renewable Electric Generation in the U.S.
Joseph Doucet: Incentives for Cogeneration Dispatchability: A Priority Purchase Approach

Chair: Kent Bjornstad
Discussants: Jasmin Ansar, Richard Simnett, and William Takis
Mary Simpson and Paul T. Hunt, Jr.: Econometric Estimation of Multifactor Productivity Growth for an Electric Utility
David Mendoza: Gas Utility Administration and General Expenses: A Cross-Sectional Regression Analysis
Frank A. Wolak: The Empirical Implications of the Asymmetric Infor-

12:15 - 1:45

Luncheon

1:45 - 3:00

Concurrent Sessions:

Chair: Manny Haas
Discussants: Kenneth C. Bailey, Laurna Hansen, and Michael Pelcovits
John Colias and Carlos Salazar-Velasquez: The Impact of IntraLATA Competition on the Local Exchange Carriers
Mark Sievers: Statistical Analyses Exploring the Relationship Between Local and Toll Prices and the Impact of Unblocking 10XXX IntraLATA Calling and Elimination IntraLATA Compensation

Chair: Michael A. Crew
Discussants: Larry D. Schelhorse and Ralph Zarumba
Akbar Jazayeri: Cost of Service for Standby Customers
Shu-Dong He and Dewey Seeto: The Impact of Non-Linear Loads on Electric Utility Costs and Rates

3:00

Exercise Break

Friday, July 9, 1993

9:00 - 10:50

Concurrent Sessions:

Chair: Arthur W. McGrath
Discussants: Jerry Bloom, Cliff B. Rochlin, and Robert Tarvydas
Thomas A. Abbott and Michael A. Crew: Incentives for Efficiency Under ‘Incentive’ Regulation
Mark Reeder: Broad Based Measures of Performance for Electric Utilities: Are Price Caps Next?
Eric C. Woycik and Fred L. Curry: Electric Utility Incentive Regulation: Strategies for Sustainable Competitive Advantage?

Chair: Carl H. Silsbee
Discussants: Lawrence Cole, Michael Kelleher, and Stephen Metague
Gary Stern: Changing the California Regulation of Electric Utility Resource Planning
Edward Kahn: Regulation by Simulation: The Role of Production Cost Models in Electricity Planning and Pricing
Lorna A. Greening: Integrated Resource Greenhouse Planning for the Electric Utility Industry in the Southeastern United States

10:50 - 11:10

Coffee Break

11:10 - 12:55

Chair: Stephen Pociask
Discussants: Robert Dansby, David Harrison, and Richard Michelfelder
Robert Patrick: Electric Utility Input Substitution and Conservation Incentives with Emission Allowance Endowments, Banking, and Markets
Robin J. Walther: Introducing Green Pricing in a Regulated Environment: Impediments to Innovation in the Electric Utility Industry
Dennis M. Keane and Howard J. Wenger: Integrated Local Area Resource Planning at PG&E: Exploring Innovative Ways to Meet Local Area Load Growth at Minimum Cost

Rutgers, The State University of New Jersey
Graduate School of Management
Center for Research in Regulated Industries
Advanced Workshop in Regulation and Public Utility Economics
Sixth Annual Western Conference
Monterey Marriott, Monterey, California, July 7-9, 1993

Application

Name _____
Title _____
Company _____
Address _____
Telephone Number _____
Fax Number _____

Billing Information:

- Payment enclosed*
 Send invoice to participant at above address
 Send invoice to: _____

Fees: The fee for the conference is \$660 per person which includes beverages and instructional materials. Food (except as stated in program) and lodging are not included.

Government Rate: Members of non-profit organizations may apply for the reduced enrollment fee of \$350 per person.

- I would like to apply for the government rate of \$350.

Volume Discount: Second and subsequent applications received in the same envelope 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 May 15, 1993 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, 1993**** to:

Linda S. Brennan, Rutgers University, Graduate School of
Management, 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.

** Applications received after May 15, 1993 will be admitted on a space available basis.

SPEAKERS, DISCUSSANTS AND CHAIRPERSONS

Jasmin Ansar, Corporate Planner, Pacific Gas & Electric
Kenneth C. Bailey, Manager, US West Communications
Kent Bjornstad, Staff Manager—Business Research, Bell Atlantic
Jerry Bloom, Program Manager, EPRI
Robert Camfield, Strategic Planner, Southern Company
Barbara Cherry, Director—Government Affairs, AT&T
Lawrence P. Cole, Manager—Economics & Statistics, GTE Laboratories
John Colias, Research Economist, BellSouth Telecommunications
Kent A. Currie, Manager—Cost Methods, Ohio Bell Telephone
Fred L. Curry, Chief—Water Branch, California Public Utilities Commission
Robert E. Dansby, Director—Economics Research, Bell Communications Research
Arthur DeVany, Professor, University of California-Irvine
Joseph Doucet, Assistant Professor of Economics, Laval University
John Faris, Financial Manager, Pacific Bell Telephone
Lorna A. Greening, Associate Research Economist, University of Alabama
Manny Haas, Director—Regulatory Economics, New York Telephone
Laurna Hansen, Research Staff Member, Institute for Defense Analysis
David Harrison, Vice President, National Economic Research Associates
Shu-Dong He, Rates Analyst, Pacific Gas & Electric
Paul T. Hunt, Jr., Regulatory Economics Consultant, Southern California Edison
Akbar Jazayeri, Rate Analysis Supervisor, Southern California Edison
John L. Jurwitz, Manager—Energy Policy, Southern California Edison
Edward Kahn, Staff Manager, Lawrence Berkeley Laboratories
Dennis M. Keane, Senior Project Manager, Pacific Gas & Electric
Michael J. Kelleher, Manager—Resource Economics, Niagara Mohawk Power
John Kling, Senior Economist, Michigan Bell
James Lechtenberg, Director—Marketing Financials, Pacific Bell
Stephen B. Levinson, Government Affairs—Regulatory Policy Analysis, AT&T
David Loomis, Analyst—Business Research, Bell Atlantic
Arthur W. McGrath, Director—Regulatory, New York Telephone
David Mendoza, Regulatory Analyst, California Public Utilities Commission
Stephen Metague, Manager—Transmission Contracts, Pacific Gas & Electric
Robert Michaels, Professor of Economics, California State University
Richard A. Michelfelder, Senior Analyst, Atlantic Electric
John C. Panzar, Professor, Department of Economics, Northwestern University
Steve G. Parsons, Area Manager, Southwestern Bell Telephone
Robert Patrick, Visiting Scholar, Stanford University & EPRI
Michael Pelcovits, Director—Regulatory Analysis, MCI
Lon L. Peters, Senior Economist, Public Power Council
Stephen Pociask, Manager—Applied Economics, Bell Atlantic
Mark Reeder, Chief of Regulatory Economics, New York State Public Service Commission
Michael Robinson, Senior Energy Economist, PSI Energy
Cliff B. Rochlin, Electric Energy Analyst, Southern California Gas
Carlos Salazar-Velasquez, Research Economist, BellSouth Telecommunications
Larry D. Schelhorse, Pricing Analyst, San Diego Gas & Electric
Michael M. Schneider, Jr., Pricing Design Analyst, San Diego Gas & Electric
Dewey Seeto, Senior Rates Analyst, Pacific Gas & Electric
Mark Sievers, Director—Regulatory Policy and Coordination, Sprint Communications
Carl H. Silsbee, Supervisor—Regulatory Economics, Southern California Edison
Richard Simnett, Director—Services Planning & Mkt. An., Bell Communications Research
Mary Simpson, Manager—Regulatory Finance, Southern California Edison
Gary Stern, Supervisor of Research Strategy, Southern California Edison
Blair G. Swezey, Senior Economist, National Renewable Energy Laboratory
William Takis, Manager, Price Waterhouse
Robert Taryvdas, Senior Economist, National Energy Board, Canada
Dean R. Tibbs, Senior Resource Analyst, Pacific Gas & Electric
Robin J. Walther, Senior Economist, Southern California Edison
Howard J. Wenger, Planner, Pacific Gas & Electric
Frank A. Wolak, Associate Professor of Economics, Stanford University
Eric C. Woyckik, President, Strategy Integration
Barry Zahn, District Manager—Supplier Management, AT&T