

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

**Newport Marriott, Newport, Rhode Island  
Wednesday, May 25, to Friday, May 27, 1994**

**APPLICATION PROCEDURES**

Please complete the attached application form and return it by **April 15, 1994**. Applications received after this date will be accepted on a space available basis. The fee for the Conference is **\$630** per person. This includes learning materials, receptions, and coffee breaks; it does not cover 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 **\$315** per person.

**HOTEL RESERVATIONS**

Sufficient rooms are reserved at the Newport 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 and Associate Director—CRRI,  
Graduate School of Management, Rutgers University

*Linda S. Brennan*, Administrative Assistant, CRRI, Graduate School of Management,  
Rutgers University

*Michael A. Crew*, Professor of Economics and Director—CRRI, Graduate School of Management,  
Rutgers University

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

*William E. Kovacic*, Associate Professor, George Mason University School of Law

*Robert H. Patrick*, Visiting Project Manager, Electric Power Research Institute

*Kathleen Rutledge*, Senior Clerk, CRRI, Graduate School of Management, Rutgers University

***For further information, please contact:***

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THE STATE UNIVERSITY OF NEW JERSEY  
**RUTGERS**

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

**Advanced Workshop in Regulation and  
Public Utility Economics**

**13<sup>TH</sup> ANNUAL CONFERENCE**

**May 25-27, 1994**

**Newport Marriott  
Newport, Rhode Island**

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.

THIRTEENTH ANNUAL CONFERENCE OF THE ADVANCED WORKSHOP

Wednesday, May 25, 1994

4:30 - 6:00 **Welcome to Conference**—Michael Crew  
**Miles O. Bidwell, Jr., and J. Douglas Zona:** Rockets and Feathers II: Empirical Estimation of Asymmetric Response and Reconciliation of Asymmetric Behavior with Classical Utility Theory  
**Timothy J. Brennan:** Is Cost of Service Regulation Worth the Cost?  
 6:00 - 9:00 **Cocktail Hour, Dinner & Speech**  
**P. George Benson,** Dean, School of Management, Rutgers University

Thursday, May 26, 1994

8:45 - 10:30 **Concurrent Sessions:**  
**Electric** Chair: Richard Onofry  
 Discussants: Robert Camfield, Melissa A. Piper, and Mark Reeder  
**Joseph Doucet, Eftichios Sartzetakis, and Todd Strauss:** Strategic Bundling of Emissions Allowances in Coal Markets  
**Robert Patrick:** Incentives for Public Utility Conservation & Pollution Control with Unknown Costs  
**Ajay K. Sanghi:** Are Externalities Extraneous Under Emission Cap and Offset Regulation

**Telephone** Chair: Richard E. Schuler, Jr.  
 Discussants: Patrick Garzillo, Cindy Rhodes, and Mark Sievers  
**John Colias and Carlos Salazar:** The impact of IntraLata Competition on the Local Exchange Carriers  
**John C. Garrett:** A Review of Robert Hall's Study, Long Distance: Public Benefits From Increased Competition  
**John W. Mayo:** Competitive Entry, Regulation, and the Determinants of IntraLata Toll Prices

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

10:45 - 12:30 **Concurrent Sessions:**  
**Electric** Chair: Stacey A. Renner  
 Discussants: Joseph Schuh, Howard M. Spinner, and Stephen A. Wreschnig  
**Fred Barney:** The Use of Exponential Forecasting of Electric Power Demand as a Regulatory screening Tool  
**Richard A. Michelfelder:** The Impact of the Electric Revenue Adjustment Mechanism on the Systematic Risk of Electric Utility Stocks  
**Lisa L. Wood and William H. Desvousges:** Evaluating the Market for Green Products: Measuring Customer Willingness to Pay

**Telephone** Chair: Michael J. Kaczmar  
 Discussants: Kent Currie, Edwin Holmquist, and David Korn  
**August H. Ankum:** A Dynamic Programming Model For Telecommunications Pricing  
**Milton Mueller and Terrence J. Schroepfer:** Spectrum Auctions: Lessons from New Zealand  
**Rick Pfau:** Evidence of the Effect of Uncertainty on Consumers' Choice of Two-Part Tariffs

12:30 - 2:00  
 2:00 - 3:15  
**Electric**

**Luncheon**  
**Concurrent Sessions:**  
 Chair: Wayne Hallard  
 Discussants: Malcolm D. Ainspan and Paul R. Kleindorfer  
**Richard Iteilag:** Using Customer Satisfaction Benchmarking to Re-engineer Utility Operations  
**Sushil Nelson and Robert D. Adkins:** Developing an Integrated Resource Planning for Small Electric Utilities

**Telephone** Chair: Jesse John Pietras  
 Discussants: Lawrence J. Cataldo, Richard Simnett and Richard W. Steeves  
**James R. Green:** Pots to Video- USTA New Services and Technologies Issues Subcommittee  
**David J. Salant:** Exclusion and Integration in the Market for Video Entertainment Delivered to the Home

3:15 **Exercise Break**

Friday, May 27, 1994

9:00 - 10:45 Chair: Kent Bjornstad  
 Discussants: Edward C. Boyer, Michael Robinson, and Donald C. Ryan  
**Shimon Awerbuch and William J. Deehan:** Do Consumers Discount the Future Correctly? A Market-Based Valuation of Residential Fuel Switching  
**Timothy P. Duffy:** Residential Self-Selecting Rates Within a Fully-Distributed Cost Framework  
**Tom Okure:** Competitive Pricing of Energy Services in New York State: Current Trends and Issues

10:45 - 11:00 **Coffee Break**

11:00 - 12:55 Chair: John J. Dura  
 Discussants: Lawrence P. Cole, William E. Kovacic, and Lorraine Scudieri  
**Andrew N. Kleit:** Antitrust, Rent-Seeking, and Regulation: The Continuing Errors of Otter Tail  
**Thomas P. Lyon:** Innovation & Imitation in a Partially-Regulated Industry  
**Yossef Spiegel and Simon Wilkie:** Investment in a New Technology as a Signal of Firm Value Under Regulatory Opportunism

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

1:00 **Lunch**

## SPEAKERS, DISCUSSANTS AND CHAIRPERSONS

Robert D. Adkins, Manager, DSM Planning & Load Festg., Missouri Public Service  
Malcolm D. Ainspan, Rate Analyst, Green Mountain Power  
August H. Ankum, Economist, Public Utility Comm. of Texas  
Shimon Awerbuch, Independent Researcher, Nashua, NH  
Fred Barney, Econometrician I, NYS Department of Public Service  
Miles O. Bidwell, Jr., Vice President, National Economic Research Associates, Inc.  
Kent Bjornstad, Staff Manager—Business Research, Bell Atlantic  
Edward C. Boyer, Visiting Assistant Professor of Finance, Drexel University  
Timothy J. Brennan, Professor, University of Maryland, Baltimore  
Robert Camfield, Economist—Strategic Planning, Southern Company  
Lawrence J. Cataldo, Director—Client Relations, Bell Communications Research  
Lawrence P. Cole, Department Manager, GTE Labs  
John Colias, Research Economist, BellSouth Telecommunications  
Kent Currie, Manager—Economic Analysis, Ameritech  
William J. Deehan, Assistant Vice President, Central Vermont Public Service Corp.  
William H. Desvousges, Program Director, Research Triangle Institute  
Joseph Doucet, Assistant Professor of Economics, Laval University  
Timothy P. Duffy, Senior Consultant, Applied Energy Group, Inc.  
John J. Dura, Member of Technical Staff, Bell Communications Research  
John C. Garrett, Manager, Bell South Telecommunications  
Patrick Garzillo, Managing Director—Usage Services, New York Telephone Company  
James R. Green, Director, Regulatory, SNET  
Wayne Hallard, Economist  
Edwin Holmquist, Associate Director of Economic Analysis, NYNEX Corp.  
Richard Itteilag, Director—Mktg., Missouri Public Service-Div. of UtiliCorp United, Inc.  
Michael J. Kaczmar, Associate Director, Telesector Resources Group  
Andrew N. Kleit, Assistant Professor, Louisiana State University  
David Korn, Manager—Economic & Competitive Analysis, AT&T  
Thomas P. Lyon, Assistant Professor, Business Econ. & Public Policy, Indiana University  
John W. Mayo, Associate Professor of Economics, University of Tennessee  
Richard A. Michelfelder, Senior Professional—Bus. Planning Services Dept., Atlantic Electric  
Milton Mueller, Professor, Rutgers University  
Sushil Nelson, Sr. DSM Engineer, Utilicorp United-Missouri Public Service  
Tom Okure, Deputy Director-Energy, Pricing, & Ec., NYS Dept. of Economic Development  
Richard Onofry, Manager—Independent Power & Cogen., Orange & Rockland Utilities  
Robert Patrick, Visiting Project Manager, Electric Power Research Institute  
Rick Pfau, Ph.D. Candidate, Economics, University of Michigan  
Jesse John Pietras, Telecom. Research Analyst, Connecticut Public Utility Comm.  
Melissa A. Piper, Corporate Planner, Niagara Mohawk Power  
Mark Reeder, Chief of Regulatory Economics, New York State Dept. of Public Service  
Stacey A. Renner, Assistant Rates & Forecasts Analyst, Central Hudson Gas & Electric  
Cindy Rhodes, Manager—State Regulatory Policy, AT&T  
Michael Robinson, Manager of Load Forecasting, PSI Energy  
Donald C. Ryan, Supervisor, Market Planning & Forecasting, Eastern Utilities Associates  
David J. Salant, Senior Member Technical Staff, GTE Laboratories  
Carlos Salazar, Research Economist, BellSouth  
Ajay K. Sanghi, Chief-Impact Analysis Unit, NYS Energy Office  
Terrence J. Schroepfer, Area Manager—Economics, Southwestern Bell Telephone  
Joseph Schuh, Rutgers University  
Richard E. Schuler, Jr., Associate Economist, New York State Dept. of Public Service  
Lorraine Scudieri, Analyst, New Jersey Bell  
Mark Stevers, Director of Regulatory Policy & Coordination, US Sprint Communications  
Richard Simnett, Director—Services Plan. & Mkt. An., Bell Communications Research  
Yossef Spiegel, Member of Technical Staff, Bell Communications Research  
Howard M. Spinner, Manager—Econ. & Reg. Analysis, Central Vermont Public Service  
Richard W. Steeves, Finance Specialist, Connecticut Office of Consumer Counsel  
Todd Strauss, Assistant Professor, Yale University  
Simon Wilkie, Member of Technical Staff, Bell Communications Research  
Lisa L. Wood, Program Director, Research Triangle Institute  
Stephen A. Wreschnig, Economist, Duquesne Light Company  
J. Douglas Zona, Senior Consultant, National Economic Research Associates

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## Application

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax Number \_\_\_\_\_

### Billing Information:

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

**Fees:** The fee for the conference is \$630 per person which includes beverages and instructional materials. Food and lodging are not included.

**Government Rate:** Members of non-profit organizations may apply for the reduced enrollment fee of \$315 per person.

- I would like to apply for the government rate of \$315.

**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 April 15, 1994 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 **April 15, 1994\*\*** 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 April 15, 1994 will be admitted on a space available basis.