

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 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, 1988. The deadline for the Conferences alone is April 29, 1989.

For further information, contact:

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

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  
1988-1989**

**Engelhard Hall  
92 New Street  
Newark, New Jersey 07102**

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, manager, and regulatory commission staff. The Center's new **Journal of Regulatory Economics** is an international scholarly quarterly intended to provide a forum for the highest quality research in regulatory economics.

## WESTERN CONFERENCE ORGANIZING COMMITTEE

The organizing committee for the Second Annual Western Conference consists of:  
George Cluff (California Public Utilities Commission)  
Michael Crew (Rutgers University)  
John Jurewitz (Southern California Edison)  
Jim Lechtenberg (Pacific Bell Telephone)  
Dennis Keane (Pacific Gas and Electric)  
Christina Kirschner (Gas Company of New Mexico)  
Larry Schelhorse (San Diego Gas and Electric)  
Dennis Weller (GTE Service Corporation)  
Dennis Weisman (Southwestern Bell Telephone)

## 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 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. Dr. Crew is the editor of the *Journal of Regulatory Economics*.

**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 latest 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*.

**Michael R. Frierman:** Assistant Professor of Economics, Graduate School of Management, Rutgers University; Ph.D. (Purdue University). Dr. Frierman is interested in microeconomic theory.

## 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 Western Conference are due **November 21, 1988** and those for the Annual Conference are due **December 15, 1988**. Please indicate the conference for which you are applying or whether you would present the paper at either one.

The Workshop Committee, which is responsible for the selection of the Annual Conference program, will meet in January. The Western Committee, responsible for the selection of the Western Conference program, will meet in December. Decisions on paper selections will be conveyed promptly. Copies of the completed paper are due by April 15, 1989.

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 AND FEES

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 18, 1988  
January 26, 1989  
April 14, 1989

- (b) The Eighth Annual Conference of the Advanced Workshop which is a residential meeting to be held at the Viking Hotel, Newport, Rhode Island, beginning at 4:00 p.m. Wednesday, May 24, 1989 through 2:30 p.m., Friday, May 26, 1989.

- (c) The Second Annual Western Conference of the Advanced Workshop which is a residential meeting to be held at the Monterey Sheraton Hotel, Monterey, California, beginning at 4:00 p.m. Wednesday, July 5, 1989 through 2:30 p.m., Friday, July 7, 1989.

The enrollment fees for the workshop are:

**Workshop I:** Includes the three Newark meetings only. \$450 (government rate: \$365)

**Workshop II:** Includes the three Newark meetings and one conference, either the Eighth Annual Conference or Second Annual Western Conference \$725 (government rate: \$365)

**Workshop III:** Includes the three Newark meetings and both conferences \$995 (government rate: \$500)

**Conference Only Rate:** Rate for attending only one conference (either the Eighth Annual Conference or the Second Annual Western Conference) \$525 (government rate: \$265)

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.

## ORGANIZING COMMITTEE

The organizing committee for the 1988-1989 workshop consists of:

Jeremy Bloom (GPU Service Corp.)  
Lawrence J. Cataldo (Bell Communications Research)  
Michael Crew (Rutgers University)  
Joseph Gatto (AT&T Communications)  
James Green (Southern New England Telephone)  
Terrence Halpin (Southwestern Bell Telephone)  
Pamela Heidt (New England Telephone)  
Elizabeth Jurman (Southern Connecticut Gas Company)  
Douglas Kinney (Maryland Public Service Commission)  
John Kling (Michigan Bell Telephone)  
Robert Mango (Niagara Mohawk)  
Mark Reeder (New York Public Service Commission)  
Richard Simnett (Bell Communications Research)  
Dennis Weller (GTE Service Corporation)

## 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 and one two-day conference. 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, mandatory 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, and the role of financial models in 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:

1. Instruction in relevant topics.
2. Interaction among academic researchers, industry managers, and staff of regulatory commissions, and opportunities for better communication and exchange of ideas.
3. Improved awareness by industry and commissions of research developments at universities that may be relevant to solving current problems.
4. Valuable scientific contributions in public utility economics and to the research literature.
5. Opportunities for participants to grow as researchers.

## THEME OF THE 1988-1989 WORKSHOP

The major theme of the program will be Changing Regulation to Reflect Competitive Entry. The topics for the first two meetings are:

### November 18, 1988

"Financial Risk and Regulation", Howard Thompson, University of Wisconsin

"Price Cap Regulation: Some Conceptual Problems," Michael Crew and Paul Kleindorfer

"Price Caps and Electric Utilities in New Jersey," Ralph Izzo and John Taylor, Governor's Office, State of New Jersey; and Jeremy Bloom

### January 27, 1989

"Outage Costs, Pricing and Reliability," Paul Kleindorfer and Chitru Fernando

"Telephone Networks and Service Quality," E.P. Gould, Bell Communications Research

"The Role of Competitive Bidding in Meeting Demands," Michael Rothkopf, Rutgers University and Stephen Gabel, New Jersey Board of Public Utilities

The topic for the third meeting, April 14, 1989, will be selected based upon the evolution of the first two sessions and the members' interests.

## SECOND ANNUAL WESTERN CONFERENCE

In recent years, attendance at the Annual Conference has steadily risen and the number of interesting papers submitted has exceeded the space available. In order to meet the growing demand for this type of conference, while maintaining the Workshop's informal, participatory atmosphere, we are again offering a second two-day conference on the West Coast.

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 Eighth Annual Conference, the papers presented will be different and will be drawn mainly from the western part of the United States.

A Call for Papers for the Western Conference will be sent out shortly. Persons interested in further information on the Call should address their questions either to Michael Crew or any other member of the Western Conference Organizing Committee.

**Rutgers University—Graduate School of Management**  
**Center for Research in Regulated Industries**  
**ADVANCED WORKSHOP IN REGULATION AND PUBLIC UTILITY ECONOMICS**

**APPLICATION**

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Degrees \_\_\_\_\_  
 Company \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone \_\_\_\_\_  
 Home Telephone (in case of snow day) \_\_\_\_\_

**Billing Information:**

- Send invoice to participant at above address  
 Send invoice to \_\_\_\_\_

**Please specify the Workshop package for which you are enrolling:**

- Workshop I (\$450): Newark sessions only  
 Workshop II (\$725): Newark sessions and one conference:  
      Annual Conference (Rhode Island, May 1989)  
      Western Conference (California, July 1989)  
 Workshop III (\$995): Newark sessions and both conferences  
 Annual Conference Only (\$525): Rhode Island, May 1989  
 Western Conference Only (\$525): California, July 1989

**Government Rate:** Employees of nonprofit organizations may apply for a reduced enrollment fee. Reduced fees are Workshop I: \$225; Workshop II: \$365; Workshop III: \$500; and Conference Only: \$265.

- 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. If applications for different packages arrive together, the discount will be taken off the least expensive packages.

**Telephone Reservations:** You may register for the Workshop by telephone (201-648-5049), however your call should be followed up by a completed and signed application form.

- This form confirms a telephone reservation.

**CANCELLATION POLICY:** Until October 31, 1988 refunds will be allowed in full. After this date the conference fee is due in full. Substitutes may be sent at any time. (The cancellation date for conference only applications is April 29, 1989.)

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

Please return by October 31, 1988\* to Linda S. Brennan, Graduate School of Management, Rutgers University, 180 University Avenue, Newark, NJ 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. Considerable economic research is being undertaken by commissions and companies into problems of public utility pricing, investment, and regulation. During the eight workshops held between 1980 and 1988, 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. The following organizations have sent at least one representative.

**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 Corporation  
 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 Electric & Gas Company  
 San Diego Gas and Electric Company  
 Southern California Edison  
 Southern California Gas Company  
 Southern Connecticut Gas Company  
 Texas Utilities

Southern New England Telephone Company  
 Southwestern Bell Telephone Company  
 United Telephone Systems  
 US Sprint  
 US West, Incorporated

**Public and Regulatory Agencies**

Bonneville Power Administration  
 California Energy Commission  
 California Public Utilities Commission  
 Connecticut Division of Public Utility Control  
 Connecticut Office of Policy and Management  
 Florida Public Service Commission  
 Idaho Public Utility Commission  
 Illinois Commerce Commission  
 Los Angeles Department of Water & Power  
 Maryland Public Service Commission  
 Massachusetts Department of Public Utilities  
 Minnesota Department of Public Service  
 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  
 New York State Public Service Commission  
 Oregon Public Utility Commission  
 Texas Public Utilities Commission  
 U.S. Department of Energy  
 U.S. Federal Communications Commission  
 U.S. Federal Energy Regulatory Comm.  
 Vermont Public Service Commission  
 Washington Utilities & Transportation Comm.

**Telephone Companies**

AT&T  
 AT&T Communications  
 Bell Atlantic  
 Bell Canada  
 Bell Communications Research  
 Bell of Pennsylvania  
 Bell South  
 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 Northwestern Bell Telephone Company  
 Rochester Telephone  
 Southern Bell Telephone Company

**Other Organizations**

American Gas Association  
 Analysis Group  
 Cambridge Systematics  
 Charles River Associates  
 Christensen Associates  
 Coopers & Lybrand  
 Economic Studies, Inc.  
 Electric Power Research Institute  
 Hackensack Water Company  
 Institute for Defense Analysis  
 Peat Marwick  
 Price Waterhouse  
 Reason Foundation  
 Small, Craig and Werkenthin  
 United States Postal Service  
 United Water Resources

\*Applications received after October 31 (April 29 for Conference Only) will be admitted on a space available basis.