Energy Markets at the Crossroads

December 12, 2002
Crowne Plaza Hotel
Springfield, Illinois

Institute for Regulatory Policy Studies
Illinois State University

Purpose
The workshop examines active electricity markets and the financially viable and efficient electricity market topics include:

Industry financial performance
New industry environment
Utility issues
Regulators.

Registration
Registrations are accepted by mail, fax or on-line at http://www.irps.ilstu.edu. Payment must be received prior to the workshop. Early registration is advised as seating is limited. The registration fee covers attendance at all workshop sessions, continental breakfast, lunch, coffee breaks and workshop materials. The registration fee is:

Utility/Industrial.............................................$399
Institute Member Firms...................................$250
Government/Academic....................................$150

Cancellations
Refund requests must be submitted in writing to the Institute for Regulatory Policy Studies. These requests will be honored until Dec. 6. Refunds will be reduced by a non-refundable fee of $50. Substitutions are welcomed and encouraged. Should you designate a substitute, please contact the Institute at 309-438-8625.

Accommodations
The workshop will be held at the Crowne Plaza Hotel, 3000 S. Dirksen Parkway, Springfield, IL. The hotel has a block of rooms for workshop participants at a special reduced rate of $89. Contact the hotel at 217-529-7777 by Nov. 27 to qualify for the discount. Please mention the "Energy Markets Workshop" when making your reservation.

The Organizer
Institute for Regulatory Policy Studies, residing in the Economics at Illinois State University, was founded to address the education, communication, and policy issues of critical importance to the electricity, gas, and telecommunications industries. The Institute pursues conference and workshop programs, and conducts research. Information about the Institute and updates to future programs are provided on the Institute’s web site: www.irps.ilstu.edu/

Acknowledges the support of its corporate sponsors:

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can Energy Company
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AGENDA

7:45 Registration and Continental Breakfast

8:30 Welcome and Opening Remarks
   Dean Hiebert, Co-director
   Institute for Regulatory Policy Studies
   Illinois State University

8:35 Keynote Address
   Scott Pearl, Vice President,
   Equity Research for Integrated Electric Utilities
   Credit Suisse First Boston

9:15 Market Design and Performance:
   A Wall Street Perspective
   • Market design and industry financial performance
   • Risk assessment in the new industry environment
   • Fate of the integrated utility
   • Role of the merchant power producer
   • Role of the independent transmission company
   Moderator:
   Hon. Kevin Wright, Chairman
   Illinois Commerce Commission
   Speakers:
   Larry Alberts, Vice President
   American Express
   Peter Rigby, Director
   Standard and Poor's

10:00 Morning Break

10:15 Market Design and Performance:
   An Industry Perspective
   • Market design and industry financial performance
   • Risk assessment in the new industry environment
   • Fate of the integrated utility
   • Role of the merchant power producer
   • Role of the independent transmission company
   Moderator:
   Hon. Mary Frances Squire
   Illinois Commerce Commission
   Speakers:
   Larry Oliva, Managing Director
   Navigant Consulting
   Vito Stagliano, Vice President
   Calpine

11:00 Roundtable Discussion
   Moderator:
   Karl McDermott, Vice President
   National Economic Research Associates
   Panelists:
   Morning Speakers

12:00 Luncheon and Address
   Rep. J. Philip Novak
   Illinois House of Representatives

1:30 Standard Wholesale Markets
   • Market power monitoring
   • Alternatives for congestion management
   • Assuring generation adequacy
10:15 **Market Design and Performance: An Industry Perspective**
- Market design and industry financial performance
- Risk assessment in the new industry environment
- Fate of the integrated utility
- Role of the merchant power producer
- Role of the independent transmission company

**Moderator:**
*Hon. Mary Frances Squires, Commissioner*
*Illinois Commerce Commission*

**Speakers:**
*Larry Oliva, Managing Director*
*Navigant Consulting*
*Vito Stagliano, Vice President*
*Calpine*

11:00 **Roundtable Discussion**

**Moderator:**
*Karl McDermott, Vice President*
*National Economic Research Associates*

**Panelists:**
*Morning Speakers*

12:00 **Luncheon and Address**

*Rep. J. Philip Novak*
*Illinois House of Representatives*

1:30 **Standard Wholesale Market Design**
- Market power monitoring and mitigation
- Alternatives for congestion management
- Assuring generation adequacy

**Standard Wholesale Market Design (cont.)**

**Moderator:**
*Hon. Terry Harvill, Commissioner*
*Illinois Commerce Commission*

**Speakers:**
*Lisa Carter, Acting Director, Division of Integrated Market Assessment*
*Federal Energy Regulatory Commission*
*Ken Rose, Senior Institute Economist*
*National Regulatory Research Institute*
*Hon. Stan Wise, Commissioner*
*Georgia Public Service Commission*

2:45 **Afternoon Break**

3:00 **Managing Multiple RTOs Within a State**
- MISO-PJM-SPP single market design
- Jurisdictional issues
- Regional planning issues

**Moderator:**
*Scott Wiseman, Executive Director*
*Illinois Commerce Commission*

**Speakers:**
*Hon. Gary Gillis, Commissioner*
*Kentucky Public Service Commission*
*Kenneth Langblin, Vice President, Market Services*
*PJM*
*Doug Taylor, Director of Strategy*
*Midwest ISO*

4:15 **Close**
Scope and Purpose

The electricity industry is currently undergoing a period of regulatory and structural transition accompanied by considerable financial distress. This workshop examines the design of competitive electricity markets and the requirements for a financially viable and efficient electricity supply industry. Workshop topics include:

- Market design and industry financial performance
- Risk assessment in the new industry environment
- Fate of the integrated utility
- Regional planning issues
- Concerns of state regulators

About the Organizer

The Institute for Regulatory Policy Studies, residing in the Department of Economics at Illinois State University, was founded to foster education, communication, and research on regulatory policy issues of critical importance to consumers, regulators, and utilities. The Institute pursues these goals by sponsoring conferences and workshops, funding support for students, and conducting research. Further information about the Institute and updates to the workshop agenda are provided on the Institute's web page:

http://www.irps.ilstu.edu/

The Institute gratefully acknowledges the support of its contributing members:

- AT&T
- Ameren CIPS
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- Illinois Power Company
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- Nicor Energy
- The Peoples Gas Light and Coke Company

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