

## 2011 News Archive

### December 2011

- **Energy Training for the Bermuda Department of Energy**

When assessing the costs necessary to provide safe, reliable electric service at reasonable rates, there are many cost recovery standards that regulators employ. Applying the standards of known and measurable, used and useful, and prudence can be complicated. Fortunately, the regulator may have many data sources available for these costs, such as audited financial statements and cost of service studies. Unfortunately, no single data source is useful for assessing every standard. PURC Director of Energy Studies Ted Kury and PURC Senior Fellow Raj Barua worked with commissioners and staff of the Bermuda Department of Energy in Hamilton to address the different sources of information available to regulators when conducting price reviews, and how these sources can be used to assess the costs necessary to provide service.

Details and Mr. Kury's presentation can be found [here](#).

- **New Directions for Energy, Telecommunications, and Administrative Practice**

The Florida Bar Administrative Law Section Public Utilities Law Committee in cooperation with the Florida Chapter of the Federal Communications Bar Association present New Directions for Energy, Telecommunications, and Administrative Practice. PURC Director Dr. Mark Jamison moderated the panel, Perspectives on Intercarrier Compensation: FCC's New Approach.

Details can be found [here](#).

- **African Water Academy Presentations**

The National Water and Sewerage Company of Uganda is one of the best performing utilities in Africa. Its new training center in Kampala is home to the African Water Academy, and where PURC Director of Water Studies Dr. Sandy Berg delivered several presentations. He discussed key communications lessons from the PURC/World Bank International Training Program at the African Water Association Workshop on Utility Communication. In addition, he delivered a presentation on Transformational Leadership at the IWA/AfWA Leadership and Change Management Summit, and participated in a panel on the determinants of utility performance.

Details and presentations can be found [here](#).

### November 2011

- **PURC Addresses Electricity Sector Performance in Iraq**

With the U.S. military withdrawal from Iraq, efforts to improve infrastructure have been stepped up. As part of its International Visitor Leadership Program, the U.S. State Department sponsored a five-member delegation from the Iraq Energy Ministry for a meeting at the University of Florida, organized by PURC. The delegation explored how to address the numerous challenges facing their electricity system including ways to alleviate electricity capacity shortages and how governance and incentives could improve sector performance in different regions of their country.

Details about the visit can be found [here](#).

### **9th Annual OOCUR Conference**

The implementation of renewable energy sources for electricity generation involves many characteristics of these resources. While cost is the characteristic most often cited, it is important to consider other characteristics as well. Price is an important dimension of service, but reliability and security of supply are

dimensions as well. At the 9th Annual Conference for the Organisation of Caribbean Utility Regulators in Barbados, PURC Director of Energy Studies Ted Kury discussed his [paper about the role of renewable energy resources on island electric systems](#). More about the conference [here](#).

- **2011 Critical Consumer Issues Forum**

How should regulators and policymakers protect consumers from the rising costs of electricity? They shouldn't, according to PURC Director Mark Jamison. Keynoting the Critical Consumer Issues Forum (CCIF) in St. Louis, Missouri, Dr. Jamison explained that utility costs are increasing because of new environmental regulations, cybersecurity mandates, replacement of aging infrastructure, and natural disasters to name a few.

More program details can be found [here](#).

## October 2011

- **2011 SMMPA Annual Meeting**

Energy policy in the United States always seems to be 'the next thing' that the government will address, without ever actually addressing it. At the Annual Meeting of the Southern Minnesota Municipal Power Agency, PURC Director of Energy Studies Ted Kury discussed the important energy issues facing utilities and consumers today. He also talked about how the government's inability or unwillingness to address issues related to the pricing of CO<sub>2</sub>, nuclear energy, natural gas, and consumer pricing reform, costs consumers and utilities money.

More program details can be found [here](#).

- **PURC Assistant Director Receives Top University Award**

PURC Assistant Director Araceli Castañeda has been named 2011 International Educator of the Year by the University of Florida. Up to two awards are given annually for staff with significant international accomplishments that impact students, international partners, and university stakeholders, and that raise UF's global profile. Her achievements include developing and managing important international relationships for PURC, including relationships with the Associação Brasileira de Agências de Regulação, Fundação Getulio Vargas of Brazil, Organisation of Caribbean Utility Regulators, and Thammasat University in Thailand. Ms. Castañeda has managed PURC's flagship international training program that has trained more than 2,500 professionals from 149 countries since 1997, and managed other international projects, including programs in Brazil, Jamaica, the Bahamas, Thailand, Bermuda, and Costa Rica. She's taught leadership classes for utility professionals from more than 30 countries, including courses for government and industry in Turks & Caicos and Uganda. She has represented PURC at numerous international events and spoken at international programs in Mexico City, Peru, Guyana, and the United States. Finally, she ensures that UF students are involved in PURC's international outreach so that they, too, become globally engaged.

- **Workshop for Performance in Network Industries**

When the Federal Energy Regulatory Commission began the restructuring of the U.S. electricity market in 1996, it envisioned "more efficient, lower cost power to the nation's electricity consumers." Fifteen years later, the question of whether this restructuring has had the desired result is still open. PURC Director of Energy Studies Ted Kury discussed his paper, Price Effects of Independent Transmission System Operators in the U.S. Electricity Market at the Florence School of Regulation's Workshop for

Performance in Network Industries.  
More program details can be found [here](#).

## September 2011

- **39th Telecommunications Policy Research Conference**

Contrary to convention wisdom, a merger between two large mobile telecom companies can benefit customers. This was the surprising message delivered by PURC Director Dr. Mark Jamison at the 39th TPRC in Arlington, Virginia. The case in point was the proposed acquisition of T-Mobile's U.S. operations by AT&T. The U.S. Department of Justice filed suit against the companies to stop the transaction. Research conducted by Dr. Jamison and PURC Senior Researcher Dr. Janice Hauge shows that the merged company is more likely to adopt the most advanced 4G technology, LTE, than either company is no merger occurs. Despite the decrease in the number of competitors in the market, the adoption of the advanced technology is so valuable that customers actually benefit in net. In fact, the merger is likely to drive other companies to accelerate their investments in LTE.

More about the conference [here](#).

- **Annual Summit of the Florida Energy Systems Consortium**

Four PURC experts presented information for energy professionals at the Annual FESC Summit. PURC Director Dr. Mark Jamison chaired a session on energy policy, with Drs. Sanford Berg and Colin Knapp presenting papers describing on-going PURC research in the area of renewable energy and energy efficiency. PURC Director of Energy Studies Ted Kury's work on CO2 pricing and the formation of public benefits funds for alternative energy and energy efficiency was presented by one of his co-authors, Zafar Siddiqui. Dr. Berg described the additions to the Body of Knowledge on Infrastructure Regulation web site, [www.regulationbodyofknowledge.org](http://www.regulationbodyofknowledge.org), where upcoming content expansions in clean energy will help regulators implement cost-effective policies. Dr. Knapp delivered the presentation, The Effect of Renewable Portfolio Standards on State-Level Employment: An Ex Post Analysis.

Details about the summit can be found [here](#).

- **2011 International Telecommunications Society Meeting**

Are the U.S. and Europe converging on a common telecom regulatory framework, or are they colliding? They are converging, according to PURC Director Mark Jamison, but he thinks they should collide. In his keynote address to the International Telecommunications Society of Europe, he explained that the rapid changes in telecommunications create uncertainty as to proper regulation.

More program details can be found [here](#).

## August 2011

- **PURC Advanced International Practices Program: Energy Pricing**

In attendance at this new course were 33 participants from 11 nations.

**Find more information [here](#).**

- **PURC Advanced International Practices Program: Benchmarking Infrastructure Operations**

In attendance at this new course were 21 participants from 8 nations.

**Find more information [here](#).**

- **PURC Advanced International Practices Program: Measuring Telecom Provider Costs**

In attendance at this new course were 10 participants from 7 nations.

Find more information [here](#).

- **Benchmarking: Performance Measurement - Economic and Service Quality Regulation**

Yardstick comparisons are important tools for regulating utilities. PURC Director of Water Studies Dr. Sandy Berg was the keynote speaker at a conference in Brazil organized for ARCE, the regulatory commission for water and electricity for the state of Ceará.

Due to scheduling conflicts, he prepared a video for the conference; his talk focused on developing and using benchmarking indicators to improve water sector performance. PURC Senior Research Associate Dr. Rui Marques, an associate professor at Technical University of Lisbon, organized the event and prepared a comprehensive report on ways in which indicators could be used to develop internal incentives (for utility managers), and regulatory targets and incentives (for regulators). Dr. Marques delivered a presentation on information transparency, Sunshine Regulation.

Presentations can be found [here](#).

## July 2011

- **Regulating SOE's: A Leadership Approach**

Is regulating a government-owned enterprise more complicated than a privately-owned company? It is, according to PURC Director Dr. Mark Jamison, as he explained in the seminar, Regulating SOE's: A Leadership Approach, for the National Water Agency of Brazil. Dr. Jamison noted that this regulation is hard because of unclear objectives, unclear financial controls, unclear governance, and very clear politics. The lack of clarity decreases the effectiveness of many traditional tools of regulation. In these situations, regulators need to take a more leadership-oriented approach to understand context, adapt their regulations to changing circumstances, and think politically without being political.

## June 2011

- **Practicing Leadership in a Political Environment: A One-Day Intensive Training Workshop for Emerging Leaders in Utility Policy in Gainesville, FL**

PURC Director Mark Jamison and Assistant Director Araceli Castañeda delivered a leadership workshop for international regulatory professionals.

Find more information about the program [here](#).

- **29th PURC/World Bank International Training Program on Utility Regulation and Strategy in Gainesville, FL**

In attendance for the 30th program were 99 participants from 37 nations.

Find the more information about the program [here](#).

## May 2011

- **Utility Conference in Curaçao**

Sometimes the things we hold onto most dearly are the things that hold us back. That was the message that PURC Director Mark Jamison conveyed in his keynote address, "[Developing Regulatory Institutions: A Leadership Perspective](#)," at a utility conference in Curaçao. Describing the linkage between the purposes and problems of utility regulation, Dr. Jamison explained the five key features of successful utility regulation.

Find more information [here](#).

- **PUCP/OSINERGMIN International Seminar: Measures to ensure the Autonomy of Regulatory Organisms**  
More than 120 infrastructure professionals listened as Dr. Sandy Berg served as the keynote speaker and addressed water regulatory issues. José Távara Martín (PURC/World Bank International Training Program on Utility Regulation and Strategy June 1999 alumnus) and Cecilia Blume Cillóniz (PURC/World Bank program January 1997 alumna) were two other featured speakers from Peru.

Find more information [here](#).

- **PURC Benchmarking Workshops in Lima**

Dr. Sandy Berg delivered a presentation about benchmarking water utilities, drawing from his International Water Association book on the topic. He also met with 40 staff from SUNASS, the water/wastewater regulatory commission. Señor José Salazar Barrantes, Presidente del Directorio of SUNASS, delivered an overview of the evolution of the agency, focusing on performance indicators. Ana Vergara (June 1998 PURC/WB alumna) translated his presentation into Spanish.

Find more information [here](#).

#### **PUCP Conference on Regulation in Energy, Water and Telecommunications**

More than 90 university students and faculty attended this conference to learn about regulation in energy, water and telecommunications from specialists in infrastructure. Dr. Sandy Berg delivered the presentation, Fundamentals of Regulatory Systems: Lessons from the Global Experience. This conference in Lima was organized by the Graduate School of PUCP: Masters Program on Regulation of Public Services. Roxana Barrantes (PUCP Professor and January 1997 PURC/WB alumna) was another featured speaker from Peru.

Find more information [here](#).

#### **April 2011**

- **Economic Regulatory Conference in India**

Why does policy implementation seem to go the wrong way? How can we adapt regulation when circumstances change? These were the issues addressed by Dr. Mark Jamison at the conference, Reviewing the Global Experience on Economic Regulation – A Forward Looking Perspective in New Delhi, India. Speaking before an audience of 50 international experts on competition policy and regulation, Dr. Jamison explained that stakeholder involvement changes between the steps of policy formulation and policy implementation, resulting in a change in perspectives and priorities. Once policies are written into laws, governmental agencies begin playing a bigger role, new interest groups form because of the new rent seeking possibilities, and other stakeholders change their perspectives because of the new environment. As a result, sometimes policymakers have trouble recognizing the policies they wrote once the policies are implemented. The conference was sponsored by CUTS and CIRC. Half the audience were government officials, 40 percent were think-tank professionals and academicians, and the remainder were consultants. The presentation that accompanies the seminar is [Can we get this right? Power, Influence, and Motivations for Coherence](#).

Find more presentations on the [faculty page](#).

#### **March 2011**

- **Regional Water Strategy Meeting in Orlando**

What is the 'missing link' between water management districts in Florida and utility delivery systems? Dr. Sandy Berg spoke to members of the [Regional Water Strategy Committee](#) meeting in Orlando. He shared his perspectives on the role of Economics in water policy in the presentation, [The Missing Link](#). The Committee was created by the Congress of Regional Leaders to develop programs to meet growth in the demand for water in seven Central Florida counties. More than 1,000 stakeholders have been involved in this process "to



avoid litigation and ensure an economically and environmentally sustainable water supply.” Dr. Berg’s observations emphasized how the group might address different types of conflicts in the region.

## February 2011

- **The PURC Report on Strategic Planning for Florida Government Broadband Capabilities**

PURC’s report details its study, developed for the State of Florida’s Department of Management Services, that outlines how governments can develop strategic plans and estimate the financial impacts of insourcing, outsourcing, and collaboration. The study compares Florida’s approach with the approaches of four other states, and finds that governments can learn a lot from each other, including how to develop an overarching strategic plan for ICT. The study also finds that, while decentralized decision-making can lead to lost economies of collaboration, some of the economies can be made up through effective information sharing and removal of barriers to collaboration, and that the benefits of experimentation and innovation can outweigh static efficiencies during times of rapid technological and economic change.

- **Oil Supply and Demand Presentation at PIEC**

Questions surrounding the role of oil in the economy of the United States and the state of Florida are rampant. Too frequently, questions regarding the supply and demand for oil are addressed with emotion or catchy slogans. At a panel addressing the DeepWater Horizon accident at the 17th Annual Public Interest Environmental Conference at the University’s Levin College of Law, PURC Director of Energy Studies Ted Kury attempted to supply context to the discussion by discussing the magnitude of the supply and demand for oil in his presentation, [The Role of Oil and the Gulf of Mexico in the United States Economy](#). He talked about the relationship of the U.S. as a member of the ‘big three’ oil producers in the world, as well as its singular position as an oil consumer. He also talked about the relationship of the Gulf of Mexico to the rest of the United States, and some of the expected impacts of increased drilling off of the coast of Florida.

Find more presentations on the [faculty page](#).

- **CCRP Winter Policy Workshop**

How do we form the questions to be addressed as we assess the ways in which we can alter global energy policy? This question was addressed by participants at a Winter Workshop in Birmingham, UK, co-hosted by the Aston Centre for Critical Infrastructure and Services at the Aston Business School and the Centre for Competition and Regulatory Policy at City University London. The workshop featured paper submissions from 11 authors engaged in energy policy research. Ted Kury presented his paper, [The Marginal Effects of the Price for Carbon Dioxide: Quantifying the Effects on Electric Generation](#), on the short and long term effects of CO2 pricing on the markets for electricity generation and stressed the understanding of the marginal effects. His paper addressed that little is known about policy alternatives and what really are the effects of relaxing or restricting carbon caps on costs. He presented a modeling approach that can help to address this question and improve the effectiveness of such policies.

Find more presentations on the [faculty page](#).

- **PURC Presentation on Florida’s Energy Future**

Florida’s energy future was the topic at a February breakfast sponsored by the Jacksonville Business Journal. Ted Kury participated in a panel discussion with Jim Dickenson, CEO of JEA, Barry Moline, Executive Director of the Florida Municipal Electric Association, and Todd Sack, Environment and Health Section chair for the Florida Medical Association. The panelists discussed prepared questions related to the future of natural gas, nuclear energy, renewable energy, and demand side programs in the state of Florida, as well as questions from the attendees. Kury noted that the trade-off between cleaner sources of energy and the higher

cost of these resources has yet to be quantified, and that the lack of a clear signal on whether CO<sub>2</sub> emissions should have a price associated with them leaves industry participants confused about the types of technologies they should be pursuing. He also pointed out the fact that Florida's new governor campaigned against a renewable portfolio standard, but supported clean energy and increased offshore drilling.



- **PURC Seminar in Economics**

Do higher electricity prices lead utility regulators to leave office? Maybe so, according to a study presented by Dr. Janice Hauge at an economics seminar at the University of Florida arranged by PURC after the 38th Annual PURC Conference. Using data on commissioner turnover in the United States, the study finds that political pressures can lead to commissioner departure, but does not find support for the conventional wisdom that commissioners are subject to a revolving door with stakeholders in utility regulation. The paper that formed the basis for the seminar is a PURC working paper, [Oust the Louse: Do Political Pressures Discipline Regulators?](#)

Find more papers on the [Research Papers Search Page](#).

- **38th Annual PURC Conference: "Next Generation Regulation: Strengthening the Foundation While Adapting to Change" in Gainesville, FL**

Andrew C. Barrett of The Barrett Group, and NorthWestern Energy CEO Bob Rowe each received a 2011 PURC Distinguished Service Award. Robert J. Casey of the Florida Public Service Commission was the recipient of the 2010 Gerald L. Gunter Distinguished Service Award. Following the conference, speaker Janice Hauge of the University of North Texas delivered the Economics seminar at the UF Warrington College of Business Administration, "Oust the Louse: Do Political Pressures Discipline Regulators?"

Find the speakers' presentations and more information [here](#).

## January 2011

- **Practicing Leadership in a Political Environment: A One-Day Intensive Training Workshop for Emerging Leaders in Utility Policy in Gainesville, FL**

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Find more information about the program [here](#).

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Find the more information about the program [here](#).