



JACK SHREVE
PUBLIC COUNSEL

STATE OF FLORIDA
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature
111 West Madison St.
Room 812
Tallahassee, Florida 32399-1400
850-488-9330

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RECORDS AND
REPORTING

October 18, 1999

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. 990001-EI

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of Direct Testimony of David E. Dismukes, on behalf of the Citizens of the State of Florida, for filing in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Direct Testimony of David E. Dismukes in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

Stephen C. Burgess
Deputy Public Counsel

- AFA Van Dwei
- APP SCB/dsb
- CAF Enclosures
- CMU _____
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12692 OCT 18 99

FPSC-RECORDS/REPORTING

In re: Fuel and Purchased Power)
Cost Recovery Clause with)
Generating Performance Incentive)
Factor.)

Docket No. 990001-EI
Filed: October 18, 1999

Direct Testimony

of

David E. Dismukes

On Behalf of the Citizens of the State of Florida

Jack Shreve
Public Counsel

Office of the Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400

(850) 488-9330

Attorney for the Citizens
of the State of Florida

DOCUMENT NUMBER-DATE

12692 OCT 18 99

FPSC-RECORDS/REPORTING

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2 DOCKET NUMBER 990001-EI
3 DIRECT TESTIMONY OF DAVID E. DISMUKES, PH.D.
4 ON BEHALF OF THE CITIZENS OF THE STATE OF FLORIDA
5

6 Q. State your name and business address.

7 A. My name is David E. Dismukes. My business address is 6455 Overton Street, Baton, Rouge,
8 Louisiana 70808.

9 Q. What is your current occupation?

10 A. I am a Consulting Economist and Principal in the Acadian Consulting Group. I also serve as
11 an Assistant Professor at the Center for Energy Studies, and as an Adjunct Assistant Professor in the
12 E. J. Ourso College of Business Administration at the Louisiana State University.

13 Q. Have you prepared an appendix outlining your professional qualifications?

14 A. Yes, Appendix I was prepared for this purpose.

15 Q. What is the purpose of your testimony?

16 A. I have been retained by the Office of Public Counsel (OPC), on behalf of the Citizens of the
17 State of Florida (the Citizens), to recommend the removal of the 20 percent incentive return allowed
18 to Florida's electric utilities on gains from sales of purchased power. The Citizens recommend that
19 100 percent of the gain on these sales be credited to ratepayers through the fuel adjustment clause.

20 Q. Would you please explain how the existing sharing mechanism for broker sales was
21 established?

22 A. Yes. The broker system was established in 1978 during a period of significant change in
23 energy markets, particularly the electric power industry. In the same year, Congress passed the
24
25

1 National Energy Act (NEA) which was composed of five different statutes.¹ The general purpose
2 of the NEA was to ensure sustained economic growth during a period in which the availability and
3 price of future energy resources was becoming increasingly uncertain. The two major themes of the
4 legislation were to: (1) promote the use of conservation and renewable/alternative energy, and (2)
5 reduce the country's dependence on foreign oil.

6 Florida was not exempt from the economic and energy crises occurring during this period.
7 The state relied heavily on large steam generation, a large portion of which was oil-fired. In the later
8 part of this volatile period, the Florida Energy Efficiency and Conservation Act (FEECA) was enacted
9 to explicitly promote energy conservation and energy reliability. It was out of this environment that
10 the state of Florida explored a broker system as a means to increase power exchanges, coordination,
11 and reliability.

12 Earlier in this proceeding, it was noted that the origins of the Florida broker system were
13 based on an early investigation by the Commission regarding the possibilities of optimized generation
14 expansion within peninsular Florida. [Howell Deposition, Docket Number 990001-EI, January 14,
15 1999, 17:15-21]. In addition to increased generation planning, the Commission explored the idea of
16 creating a state-wide central dispatch organization. The centralized broker system, which works like
17 a loose power pool arrangement, appears to be the compromise solution to enhance state-wide bulk
18 power system coordination. At the time the Florida broker system was created, it was recognized as
19 a unique coordination arrangement between different types of utilities. In many ways, the
20 arrangement can be thought of as an early precedent for today's competitive spot wholesale markets.

21 Between 1978 and 1984, the Commission considered the effects of economy (broker system)
22 sales on retail revenue requirements in the electric utilities' base rate cases. Gains on economy sales
23

24 ¹The Public Utilities Regulatory Policy Act (PURPA); the National Energy Tax Act; the National Energy
25 Conservation Policy Act; the Power Plant and Industrial Fuels Act (FUA); and the Natural Gas Policy Act.

1 were recognized either as an increase to test year revenues or as a reduction in test year expenses.
2 Under either approach, the effect of the adjustment was to increase test year net operating income
3 (NOI), which reduced the magnitude of the rate increase, or increased the magnitude of any rate
4 decrease. An adjustment had to be made because, to do otherwise, would ignore wholesale revenues
5 acquired by the use of retail transmission and generation assets.

6 The uncertainty associated with economy sales from year to year, however, created a
7 regulatory problem. Test year retail rates would be unnecessarily high if actual gains from economy
8 energy sales were greater than those estimated for the test year. The opposite would hold if gains
9 from economy sales were less than anticipated.

10 In order to eliminate the uncertainty associated with economy energy sales, the Commission
11 decided in 1984, to move the ratemaking treatment of gains from base rates to the fuel adjustment
12 clause. In addition to this move, the staff witness in this proceeding, Mr. C. K. Hvostik,
13 recommended that there be a sharing of the gain on economy sales between utility shareholders and
14 ratepayers. Instead of reducing fuel and purchased power costs by the full amount of the gains, the
15 Commission approved the recommendation to apply 80 percent of those gains to ratepayers and
16 allowed the remaining 20 percent of the gain to flow through to utility shareholders. The 20 percent
17 incentive was given to utilities to encourage them to participate in the broker system since under the
18 old regulatory recovery regime, utilities had incentives to participate so that they could retain earnings
19 from unforecasted gains from economy energy sales.

20 Q Why should the Commission remove the 20 percent incentive return?

21 A. For the reasons outlined in the testimony and recommendations filed earlier in this docket by
22 Commission Staff witness Tom Ballinger. In his testimony, Mr. Ballinger noted the extensive
23 industry changes that have occurred since the inception of the incentive program in 1984. These
24 changes are the result of a confluence of economic, technical, and public policy factors that have had
25 the net result of making the power industry more open and competitive than it was in 1984. The

1 competitive nature of these markets, and the signals they send to market participants, should be
2 enough to encourage Florida's utilities to take full advantage of all available market opportunities
3 including increased sales on the Florida broker system.

4 Mr. Ballinger recommended that the 20 percent incentive return be removed because of the
5 increased competitive nature of the industry. I agree with this recommendation and its rationale. The
6 continued use of these incentives is not only anti-competitive, it denies ratepayers the full benefits of
7 enhanced wholesale competition envisioned in the Energy Policy Act of 1992 and FERC Order 888.

8 Q. Won't the removal of these incentives discourage utilities from participating in competitive
9 wholesale markets?

10 A. No. Since economy energy sales are opportunistic in nature it is a questionable proposition
11 as to whether utilities can strategically (and consistently) manipulate their economy sales for profit.
12 In fact, it is important to keep in mind that the whole issue of the uncertainty associated with
13 forecasting these gains was one of the main reasons for moving their ratemaking treatment from base
14 rate cases to fuel adjustment proceedings.

15 However, even if you assume that utilities have a reasonable amount of control over the level
16 of their economy sales, there are still a number of incentives to participate in these competitive
17 wholesale markets including the Florida broker system. Indeed, the competitive nature of the industry
18 gives Florida's utilities a number of incentives to participate in these markets without an additional
19 incentive adder. These incentives include:

- 20 (1) Opportunities to reduce rates through credits to the fuel adjustment clause;
- 21 (2) Greater bulk power system efficiencies; and
- 22 (3) Increased name recognition as a reliable competitive player in bulk power markets.

23 Q. How will rates be reduced through increased economy energy sales, and if so, what incentives
24 do utilities have to reduce rates when retail competition is currently not allowed in Florida?

25

1 A. Gains from economy energy sales are used to reduce fuel expenses within the fuel adjustment
2 clause. If 100 percent of the gains from these sales were passed through to customers, average retail
3 rates would be lowered via reductions in the fuel adjustment clause (other things being equal).
4 Utilities should be in a position in the current environment to take full advantage of every opportunity
5 to reduce rates. Two forms of competition, existing and anticipated, provide utilities with strong
6 incentives to make rates as competitive as possible.

7 Existing competitive threats, while limited, typically take the form of self-generation and
8 cogeneration opportunities. These opportunities have traditionally been restricted to large electricity
9 users and particularly those that have combined heat and power applications. However, technological
10 innovations, and the advent and rapid promotion of small scale generation capabilities at the 1 MW
11 level and less, are providing utilities with a greater number of threats at the distribution level as well.
12 Failure to address rate competitiveness with commercial customers and potentially residential
13 customers could lead to a loss of these customers through self-generation opportunities available with
14 distributed energy resources (DER).

15 The threat of future competition gives utilities additional incentives to reduce their rates. Rate
16 comparisons between utilities within and between various regions are being made on an almost daily
17 basis. In some states, these comparisons have been used to sound the clarion call for retail
18 restructuring. Utilities must be cognizant of this fact, particularly those that have rates that may be
19 greater than state, regional, and national averages.

20 Other competitive threats include the potential siting of competitive merchant facilities. The
21 power industry trade press report regularly on the legal battles in Florida over the siting of
22 competitive merchant facilities. In most all cases, Florida's investor-owned utilities (IOUs) have
23 protested these applications. I believe that it is unreasonable for Florida's IOUs to, on the one hand,
24 protest these competitive wholesale merchant facilities, and on the other hand, ask for incentives to
25 participate in wholesale power markets. It would appear from recent events that if Florida's IOUs

1 are unwilling to participate in these markets without an incentive, there are plenty of other
2 competitors that will do so without a regulatory entitlement.

3

4 Q. How would enhanced operating efficiencies serve as an incentive to utilities to make economy
5 wholesale transactions?

6 A. Increased economy sales will have the effect of increasing overall system capacity utilization.
7 As a result, there is the strong possibility that this increased capacity utilization will increase overall
8 operating efficiencies by reducing average system heat rates. In the absence of a base rate case
9 proceeding, these increased efficiencies gains can be flowed-through to shareholders. Thus, utilities
10 that make additional economy sales have the potential to offer their retail customers additional rate
11 decreases through reduced fuel adjustments and their shareholders higher earnings through increased
12 profits. If utilities are serious about getting ready for competition, then they should need no
13 additional incentives to take advantage of this "win-win" opportunity.

14 Q. Why would gaining name recognition be important to a utility?

15 A. Wholesale and retail markets are becoming more and more competitive on a daily basis. New
16 entrants enter and old participants are merging into new players. More and more we see electric
17 utility companies advertising and coming up with creative tag lines to define themselves as
18 competitive and full service energy providers. Actively participating in wholesale markets, whether
19 through the broker system, other spot transactions, forward market, or other long term wholesale
20 contracts establishes Florida's utilities as experienced, flexible, and reliable providers of wholesale
21 electricity. Utilities in Florida can point to their expertise and historic participation in the Florida
22 broker system as evidence of their credibility as a wholesale power provider. This experience and
23 reputation is an "intangible" asset in many respects, but clearly participation in a wholesale market
24 like the broker system at the least helps to maintain this solid reputation, and at best, only serves to
25 enhance it.

1 Q. Would you please summarize your testimony?

2 A. Yes. In my testimony, I have made the following points:

3 (1) the development of the Florida broker system was a unique and precedent setting
4 development for wholesale markets not only in Florida, but the rest of the United
5 States;

6 (2) the broker system was established in a era of energy uncertainty when policy
7 measures were being taken at the federal and state level to secure cost effective and
8 reliable power supplies;

9 (3) over the years, the power industry has experience a confluence of economic,
10 technical, and public policy changes that have increased the number of market
11 participants and the overall competitiveness of the industry;

12 (4) the competitiveness of the industry is such that incentive returns on wholesale
13 power transactions are not needed and they deprive ratepayers of the full wholesale
14 benefits envisioned by the Energy Policy Act and Orders 888 and 889; and

15 (5) the competitive marketplace gives utilities incentives to facilitate economy energy
16 opportunities. These incentives include the opportunities to reduce overall customer
17 rates, increase generator efficiency, increase profitability, and increase name
18 recognition.

19 Because of the increased competitive nature of the industry, and the market-based incentives
20 prevalent in wholesale markets today, I recommend that the Commission remove the 20 percent
21 incentive return on gains from economy sales and flow-through 100 percent of these gains to
22 ratepayers.

23 Q. Does this conclude your testimony pre-filed on October 18, 1999?

24 A. Yes.

25

**CERTIFICATE OF SERVICE
DOCKET NO. 990001-EI**

I HEREBY CERTIFY that a true and correct copy of the foregoing Direct Testimony of David E. Dismukes has been furnished by *hand delivery, or U.S. Mail this 18th day of October, 1999, to the following parties:

William Cochran Keating, IV*
Florida Public Service Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Matthew M. Childs, Esquire
Steel Hector & Davis, LLP
215 South Monroe Street
Suite 601
Tallahassee, FL 32301

Lee L. Willis, Esquire
James D. Beasley, Esquire
Ausley & McMullen
227 S. Calhoun Street
Tallahassee, FL 32302

Jeffrey A. Stone, Esquire
Russell A. Badders, Esquire
Beggs & Lane
Post Office Box 12950
Pensacola, FL 32576

James A. McGee, Esquire
Florida Power Corporation
Post Office Box 14042
St. Petersburg, FL 33733

Norman H. Horton, Esquire
Messer, Caparello & Self
215 South Monroe Street
Suite 701
Tallahassee, FL 32302

John T. English
Florida Public Utilities Company
Post Office Box 3395
West Palm Beach, FL 33402

Suzanne Brownless, ESquire
1311-B Paul Russell Road
Suite 201
Tallahassee, FL 32301

Kenneth A. Hoffman, ESquire
Rutledge, Ecenia, Underwood,
Purnell & Hoffman, P.A.
Post Office Box 551
Tallahassee, FL 32302-0551

Angela Llewellyn
Post Office Box 111
Tampa, FL 33601

Joseph A. McGlothlin, Esquire
Vicki Gordon Kaufman, Esquire
McWhirter, Reeves, McGlothlin,
Davidson, Rief & Bakas, P.A.
117 South Gadsden Street
Tallahassee, FL 32301

John W. McWhirter, Esquire
McWhirter, Reeves, McGlothlin,
Davidson, Rief & Bakas, P.A.
Post Office Box 3350
Tampa, FL 33601-3350



Stephen C. Burgess
Deputy Public Counsel

Appendix I

David E. Dismukes

Center for Energy Studies
Louisiana State University
One East Fraternity Circle
Baton Rouge, Louisiana 70803-0301

Phone: (225) 388-4343
Fax: (225) 388-4541

Internet: david@enrg.lsu.edu

Education

A.A., Liberal Arts, Pensacola Junior College, 1985.
B.A., History, University of West Florida, 1987.
M.S., International Affairs, Florida State University, 1988.
M.S., Economics, Florida State University, 1992.
Ph.D., Economics, Florida State University, 1995.

Master's Thesis: *Nuclear Power Project Disallowances: A Discrete Choice Model of Regulatory Decisions*

Ph.D. Dissertation: *An Empirical Examination of Environmental Externalities and the Least-Cost Selection of Electric Generation Facilities*

Academic Appointments

Louisiana State University, Baton Rouge, Louisiana
Center for Energy Studies

1995- Assistant Professor

E.J. Ourso College of Business Administration
Department of Economics

1999- Adjunct Assistant Professor

Florida State University, Tallahassee, Florida
Department of Economics

1995 Instructor

Professional Experience

Acadian Consulting Group, Baton Rouge, Louisiana

1995- Consulting Economist/Principal

Florida Public Service Commission, Tallahassee, Florida
Division of Communications, Policy Analysis Section

1995 Planning & Research Economist

Division of Auditing & Financial Analysis, Forecasting Section

1993 Planning & Research Economist

1992-1993 Economist

Project for an Energy Efficient Florida &
Florida Solar Energy Industries Association, Tallahassee, Florida

1994 Energy Economist

Ben Johnson Associates, Inc., Tallahassee, Florida

1991-1992 Research Associate

1989-1991 Senior Research Analyst

1988-1989 Research Analyst

Publications: Peer Reviewed Academic Journals

“The Demand for Long Distance Telephone Communication: A Route-Specific Analysis of Short-Haul Service.” (1996). *Studies in Economics and Finance* 17:33-45.

“A Comment on Cost Savings from Nuclear Regulatory Reform” (1997). *Southern Economic Journal*. 63:1108-1112.

“Oil Spills, Workplace Safety, and Firm Size: Evidence from the U.S. Gulf of Mexico OCS.” (1997). With O. O. Iledare, A. G. Pulsipher, and Dmitry Mesyanzhinov. *Energy Journal* 4: 73-90.

“Capacity and Economies of Scale in Electric Power Transmission” (1999). With Robert F. Cope and Dmitry Mesyanzhinov. *Utilities Policy* 7: 155-162.

“Cogeneration and Electric Power Industry Restructuring” (1999). With Andrew N. Kleit. *Resource and Energy Economics*. 21:153-166.

Publications: Peer Reviewed Proceedings

“Comparing the Safety and Environmental Records of Firms Operating Offshore Platforms in the Gulf of Mexico.” (1996). With Allan Pulsipher, Omowumi Iledare, Dmitry Mesyanzhinov, William Daniel, and Bob Baumann. *Proceedings of the American Society of Mechanical Engineers: Offshore and Arctic Operations 1996*, January.

“Safety Regulations, Firm Size, and the Risk of Accidents in E&P Operations on the Gulf of Mexico Outer Continental Shelf” (1996). With Allan Pulsipher, Omowumi Iledare, and Bob Baumann. *Proceedings of the American Society of Petroleum Engineers: Third International Conference on Health, Safety, and the Environment in Oil and Gas Exploration and Production*, June.

“New Paradigms for Power Engineering Education.” (1997). With Fred I. Denny. *Proceedings of the International Association of Science and Technology for Development*. October: 499-504.

“Power System Operations, Control, and Environmental Protection in a Restructured Electric Power Industry” (1998). With Fred I. Denny. *IEEE Proceedings: Large Engineering Systems Conference on Power Engineering*. June: 294-298.

Publications: Other Proceedings

“Comparing the Safety and Environmental Performance of Offshore Oil and Gas Operators.” (1995). With Allan Pulsipher, Omowumi Iledare, Dmitry Mesyanzhinov, William Daniel, and Bob Baumann. *Proceedings of the 15th Annual Information Transfer Meeting*. U.S. Department of Interior, Minerals Management Service: New Orleans, Louisiana.

“Assessing Environmental and Safety Risks of the Expanding Role of Independents in E&P operations on the Gulf of Mexico OCS.” (1996). With Allan Pulsipher, Omowumi Iledare, Bob Baumann, and Dmitry Mesyanzhinov. *Proceedings of the 16th Annual Information Transfer Meeting*. U.S. Department of Interior, Minerals Management Service: New Orleans, Louisiana: 162-166.

“Modeling Electric Power Markets in a Restructured Environment” (1998). With Robert F. Cope and Dan Rinks. *Proceedings of the International Association for Energy Economics: Technology's Critical Role in Energy and Environmental Markets*. October: 48-56.

“Asymmetric Choice and Customer Benefits: Lessons from the Natural Gas Industry.” (1999). With Rachelle F. Cope and Dmitry Mesyanzhinov. *Proceedings of the International Association for Energy Economics: The Only Constant is Change* August: 444-452.

Publications: Books

Power System Operations and Planning in a Competitive Market. (2000) With Fred I. Denny. New York: CRC Press. (In Progress, Anticipated Completion December 2000)

Publications: Book Chapters

“Electric Power Generation.” (1999). In the *Macmillan Encyclopedia of Energy*. Edited by John Zumerchik. New York: Macmillan Reference. (forthcoming)

Publications: Book Reviews

Review of *Electric Cooperatives on the Threshold of a New Era* by Public Utilities Reports. (Vienna, Virginia: Public Utilities Reports, 1996) pp. 232. ISBN 0-910325-63-4. *Energy Journal* 17 (1996): 161-62.

Review of *Electricity Transmission Pricing and Technology*, edited by Michael Einhorn and Riaz Siddiqi. (Boston: Kluwer Academic Publishers, 1996) pp. 282. ISBN 0-7923-9643-X. *Energy Journal* 18 (1997): 146-148.

Publications: Trade and Professional Journals

“Electric Utility Mergers and Acquisitions: A Regulator’s Guide.” (1996). With Kimberly H. Dismukes. *Public Utilities Fortnightly*. January 1.

“Reliability or Profit? Why Entergy Quit the Southwest Power Pool.” (1998). With Fred I. Denny. *Public Utilities Fortnightly*. February 1: 30-33.

“Stranded Investment and Non-Utility Generation.” (1999). With Michael T. Maloney. *Electricity Journal* 12: 50-61.

“Slow as Molasses: The Political Economy of Electric Restructuring in the South.” (1999). With Skip Hughes. *Oil, Gas, and Energy Quarterly*. 48: 163-183.

“Coming to a Neighborhood Near You: The Merchant Electric Power Plant.” (1999). With Skip Hughes. *Oil, Gas, and Energy Quarterly*. (forthcoming, December).

Publications: Reports, Monographs, and Other Publications

Restructuring the Electric Utility Industry: Implications for Louisiana. (1996). With Allan Pulsipher and Kimberly H. Dismukes. Louisiana State University: Center for Energy Studies.

Assessing the Environmental and Safety Risks of the Expanded Role of Independents in Oil and Gas E&P Operations on the U.S. Gulf of Mexico OCS. (1996). With Allan Pulsipher, Omowumi Iledare, Dmitry Mesyanzhinov, William Daniel, and Bob Baumann. Louisiana State University: Center for Energy Studies.

Publications: Internet Publications/Homepages

Electric Restructuring In Louisiana. Louisiana State University, Center for Energy Studies.
[HTTP://WWW.ENRG.LSU.EDU](http://www.enrg.lsu.edu)

Grant Research

Co-Principal Investigator. “Assessing the Environmental and Safety Risks of the Expanded Role of Independents in Oil and Gas E&P Operations on the U.S. Gulf of Mexico OCS.” (1996). With Allan Pulsipher, Omowumi Iledare, Dmitry Mesyanzhinov, William Daniel, and Bob Baumann. U.S. Department of Interior, Minerals Management Service, Grant Number 95-0056. Total Project Funding: \$109,361. Status: Completed.

Principal Investigator. “The Industrial Supply of Electricity: Commercial Generation, Self-Generation, and Industry Restructuring” (1996). With Andrew Kleit. Louisiana Energy Enhancement Program, LSU Office of Research and Development. Total Project Funding: \$19,948. Status: Completed.

Principal Investigator. “Energy Conservation and Electric Restructuring in Louisiana.” (1997). Louisiana Department of Natural Resources. Petroleum Violation Escrow Program Funds. Total Project Funding: \$43,169. Status: Awarded, In Progress.

Principal Investigator. “An Economic Impact Analysis of OCS Activities on Coastal Louisiana.” (1998). With Dmitry Mesyanzhinov and David Hughes. U.S. Department of Interior, Minerals Management Service. Total Project Funding: \$190,166. Status: Awarded, In Progress.

Principal Investigator. “Cost Profiles and Cost Functions for Gulf of Mexico Oil and Gas Development Phases for Input Output Modeling.” (1998). With Dmitry Mesyanzhinov and Allan G. Pulsipher. U.S. Department of Interior, Minerals Management Service. Total Project Funding: \$244,956. Status: Awarded, In Progress.

Co-Principal Investigator. “Deepwater OCS-Related Infrastructure in the Gulf of Mexico.” (1999). With Allan G. Pulsipher, Omowumi Iledare, and Dmitry Mesyanzhinov. U.S. Department of Interior, Minerals Management Service. Total Proposed Project Funding: \$174,582. Status: Awarded, In Progress.

Principal Investigator. “Operational Support for Creation of a Gulf Coast Regional Distributed Energy Resource Center.” (1999). With Ritchie Priddy. Variable Funding Sources and Amounts. Status: Ongoing, Currently Under Review by Institute of Gas Technology, Chicago, Illinois.

Academic Conference Presentations

“A Cross-Sectional Model of IntraLATA MTS Demand.” (1995). Southern Economic Association, Sixty-Fifth Annual Conference. New Orleans, Louisiana.

“Empirical Determinants of Nuclear Power Plant Disallowances.” (1995). Southern Economic Association, Sixty-Fifth Annual Conference. New Orleans, Louisiana.

“Comparing the Safety and Environmental Performance of Offshore Oil and Gas Operators.” (1995). With Allan Pulsipher, Omowumi Iledare, Dmitry Mesyanzhinov, William Daniel, and Bob Baumann. U.S. Department of Interior, Minerals Management Service, 15th Annual Information Transfer Meeting. New Orleans, Louisiana.

“Spatial Perspectives on the Forthcoming Deregulation of the U.S. Electric Utility Industry.” (1996) With Dmitry Mesyanzhinov. Southwest Association of American Geographers Annual Meeting. Norman, Oklahoma.

“Recovery of Stranded Investments: Comparing the Electric Utility Industry to Other Recently Deregulated Industries” (1996). With Farhad Niemi and Dmitry Mesyanzhinov. Southern Economic Association, Sixty-Sixth Annual Conference. Washington, D.C.

“Input Price Fluctuations, Total Factor Productivity, and Price Cap Regulation in the Telecommunications Industry” (1996). With Farhad Niemi. Southern Economic Association, Sixty-Sixth Annual Conference. Washington, D.C.

“Empirical Modeling of the Risk of a Petroleum Spill During E&P Operations: A Case Study of the Gulf of Mexico OCS.” (1996). With Omowumi Iledare, Allan Pulsipher, and Dmitry Mesyanzhinov. Southern Economic Association, Sixty-Sixth Annual Conference. Washington, D.C.

“Assessing Environmental and Safety Risks of the Expanding Role of Independents in E&P Operations on the Gulf of Mexico OCS.” (1996). With Allan Pulsipher, Omowumi Iledare, Dmitry Mesyanzhinov, and Bob Baumann. U.S. Department of Interior, Minerals Management Service, 16th Annual Information Transfer Meeting. New Orleans, Louisiana.

"The Unintended Consequences of the Public Utilities Regulatory Policies Act of 1978." (1997). National Policy History Conference on the Unintended Consequences of Policy Decisions. Bowling Green State University. Bowling Green, Ohio. June 5-7.

"Cogeneration and Electric Power Industry Restructuring." (1997). With Andrew N. Kleit. Western Economic Association, Seventy-fifth Annual Conference. Seattle, Washington. July 9-13.

"New Paradigms for Power Engineering Education." (1997). With Fred I. Denny. International Association of Science and Technology for Development, High Technology in the Power Industry Conference. Orlando, Florida. October 27-30

"A Non-Linear Programming Model to Estimate Stranded Generation Investments in a Deregulated Electric Utility Industry." (1997). With Robert F. Cope and Dan Rinks. Institute for Operations Research and Management Science Annual Conference. Dallas Texas. October 26-29.

"Benchmarking Electric Utility Transmission Performance." (1997). With Robert F. Cope and Dmitry Mesyanzhinov. Southern Economic Association, Sixty-seventh Annual Conference. Atlanta, Georgia. November 21-24.

"Power System Operations, Control, and Environmental Protection in a Restructured Electric Power Industry." (1998). With Fred I. Denny. IEEE Large Engineering Systems Conference on Power Engineering. Nova Scotia, Canada. June.

"Benchmarking Electric Utility Distribution Performance." (1998) With Robert F. Cope and Dmitry Mesyanzhinov. Western Economic Association, Seventy-sixth Annual Conference. Lake Tahoe, Nevada. June.

"Modeling Electric Power Markets in a Restructured Environment." (1998). With Robert F. Cope and Dan Rinks. International Association for Energy Economics Annual Conference. Albuquerque, New Mexico. October.

"Empirical Issues in Electric Power Transmission and Distribution Cost Modeling." (1998). With Robert F. Cope and Dmitry Mesyanzhinov. Southern Economic Association. Sixty-Eighth Annual Conference. Baltimore, Maryland. November.

"Economic Impact of Offshore Oil and Gas Activities on Coastal Louisiana" (1999). With Dmitry Mesyanzhinov. Annual Meeting of the Association of American Geographers. Honolulu, Hawaii. March.

"Modeling Regional Power Markets and Market Power." (1999). With Robert F. Cope. Western Economic Association Annual Conference. San Diego, California. July.

"Asymmetric Choice and Customer Benefits: Lessons from the Natural Gas Industry." (1999). With Rachelle F. Cope and Dmitry Mesyanzhinov. International Association of Energy Economics Annual Conference. Orlando, Florida. August.

"Parametric and Non-Parametric Approaches to Measuring Efficiency Potentials in Electric Power Generation." (1999). With Williams O. Olatubi. International Atlantic Economic Society Annual Conference, Montreal, October.

"Potential Generation Efficiency Gains from Electric Power Industry Competition." (1999). With Williams O. Olatubi. Southern Economic Association Annual Conference. New Orleans, November. *(forthcoming)*

Academic Seminars and Presentations

“The Empirical Determinants of Cogenerated Electricity: Implications for Electric Power Industry Restructuring.” (1997). With Andrew N. Kleit. Florida State University. Department of Economics: Applied Microeconomics Workshop Series. October 17, Tallahassee, Florida.

“Electric Restructuring and Nuclear Power.” (1997). Louisiana State University. Department of Nuclear Science. November 7, Baton Rouge, Louisiana.

“Electric Restructuring and the Environment.” (1998). Environment 98: Science, Law, and Public Policy. Tulane University. Tulane Environmental Law Clinic. March 7, New Orleans, Louisiana.

Professional and Civic Presentations

Panelist, “Deregulation and Competition.” American Nuclear Society: Second Annual Joint Louisiana and Mississippi Section Meetings, Baton Rouge, Louisiana, April 20, 1996.

Roundtable Moderator, “Stakeholder Perspectives on Electric Utility Stranded Costs.” Louisiana State University, Center for Energy Studies Seminar on Electric Utility Restructuring in Louisiana, Baton Rouge, May 29, 1996.

“Electric Utility Restructuring.” Sunshine Rotary Club Meetings, Baton Rouge, Louisiana, August 8, 1996.

“Electric Utility Restructuring -- Background and Overview.” Louisiana Public Service Commission, Baton Rouge, Louisiana, August 14, 1996.

“Electric Utility Restructuring” Louisiana Electric Cooperative Association, Baton Rouge, Louisiana, August 27, 1996.

“Electric Utility Restructuring in Louisiana.” Entergy Services, Transmission and Distribution Division, Energy Centre, New Orleans, Louisiana, September 12, 1996

“Electric Utility Restructuring in Louisiana.” Jennings Rotary Club, Jennings, Louisiana, November 19, 1996.

“Deregulating the Electric Utility Industry.” Eighth Annual Economic Development Summit, Baton Rouge, Louisiana, November 21, 1996.

“Restructuring the Electric Utility Industry.” Louisiana Propane Gas Association Annual Meeting, Alexandria, Louisiana, December 12, 1996.

“Electric Restructuring: Louisiana Issues and Outlook for 1997.” Louisiana State University, Center for Energy Studies Industry Associates Meeting, Baton Rouge, Louisiana, January 15, 1997.

“The Electric Utility Restructuring Debate In Louisiana: An Overview of the Issues.” Annual Conference of the Public Affairs Research Council of Louisiana. Baton Rouge, Louisiana. March 25, 1997.

“Electric Utility Restructuring: Issues and Trends for Louisiana.” Opelousas Chamber of Commerce, Opelousas, Louisiana. June 24, 1997.

"Electric Utility Restructuring." Louisiana Association of Energy Engineers. Baton Rouge, Louisiana. September 11, 1997.

"Electric Utility Restructuring in Louisiana." Hammond Chamber of Commerce, Hammond, Louisiana. October 30, 1997.

"Reflections and Predictions on Electric Utility Restructuring in Louisiana." With Fred I. Denny. Louisiana State University, Center for Energy Studies Industry Associates Meeting. November 20, 1997.

"How Will Utility Deregulation Affect Tourism." Louisiana Travel Promotion Association Annual Meeting, Alexandria, Louisiana. January 15, 1998.

"The Implications of Electric Restructuring on Independent Oil and Gas Operations." Petroleum Technology Transfer Council Workshop: Electrical Power Cost Reduction Methods in Oil and Gas Field Operations. Shreveport, Louisiana, October 13, 1998.

"A Short Course on Electric Restructuring." Central Louisiana Electric Company. Sales and Marketing Division. Mandeville, Louisiana, October 22, 1998.

"What's Happened to Electricity Restructuring in Louisiana?" Louisiana State University, Center for Energy Studies Industry Associates Meeting. March 22, 1999.

"The Implications of Electric Restructuring on Independent Oil and Gas Operations." Petroleum Technology Transfer Council Workshop: Electrical Power Cost Reduction Methods in Oil and Gas Field Operations. Lafayette, Louisiana, March 24, 1999.

"The Dynamics of Electric Restructuring in Louisiana." Joint Meeting of the American Association of Energy Engineers and the International Association of Facilities Managers. Metairie, Louisiana. April 29, 1999.

"The Political Economy of Electric Restructuring In the South" Southeastern Electric Exchange, Rate Section Annual Conference. New Orleans, Louisiana. May 7, 1999.

Roundtable Discussant. "Environmental Regulation in a Restructured Market" The Big E: How to Successfully Manage the Environment in the Era of Competitive Energy. PUR Conference. New Orleans, Louisiana. May 24, 1999.

Expert Witness and Legislative Testimony

Docket 920188-TL, (1992). Before the Florida Public Service Commission. On the Behalf of the Florida Public Service Commission Staff. Company analyzed: GTE-Florida. Issues: Telephone Demand Forecasts and Empirical Estimates of the Price Elasticity of Demand for Telecommunication Services.

Docket 920260-TL, (1993). Before the Florida Public Service Commission. On the Behalf of the Florida Public Service Commission Staff. Company analyzed: BellSouth Communications, Inc. Issues: Telephone Demand Forecasts and Empirical Estimates of the Price Elasticity of Demand for Telecommunication Services.

Docket 940448-EG – 940551-EG, (1994). Before the Florida Public Service Commission. On the Behalf of the Legal Environmental Assistance Foundation. Companies analyzed: Florida Power & Light Company; Florida Power

Corporation; Tampa Electric Company; and Gulf Power Company. Issues: Comparison of Forecasted Cost-Effective Conservation Potentials for Florida.

Docket 950495-WS, (1996). Before the Florida Public Service Commission. On the Behalf of the Citizens of the State of Florida. Company analyzed: Southern States Utilities, Inc. Issues: Revenue Repression Adjustment, Residential and Commercial Demand for Water Service.

Louisiana House of Representatives, Special Subcommittee on Utility Deregulation. (1997). On Behalf of the Louisiana Public Service Commission Staff. Issue: Electric Restructuring.

Editorial Appointments

Referee, *Energy Journal*

Contributing Editor, *Oil, Gas and Energy Quarterly*

Professional Associations

American Economic Association, American Statistical Association, Econometric Society, Omicron Delta Epsilon, Southern Economic Association, Western Economic Association, and the International Association of Energy Economists.

University Service and Activities

Louisiana State University Graduate Faculty, Associate Member. Term: 1999-2005.

Louisiana State University Faculty Senate, Student Recruiting and Retention Committee. Term: 1999-2002.

Louisiana State University Faculty Senate, Public Relations Committee. Term: 1996-1999

Co-Chairman, Review Committee, Louisiana Port Construction and Development Priority Program Rules and Regulations, On Behalf of the LSU Ports and Waterways Institute. 1997.

Advisor on Electric Utility Restructuring Issues. Louisiana Public Service Commission Staff. (1996-Current).

Conference Coordinator. Center for Energy Studies Seminar Series on Electric Utility Restructuring. 1996-Current. Organized seminars include:

“Efficiency and Environmental Implications of Electric Restructuring.” Louisiana State University, LSU Faculty Club. April 29, 1996

“Stranded Costs and Electric Restructuring.” Louisiana State University, Lod Cook Alumni Center. May 29, 1996

“Electric Restructuring: Costs and Benefits.” Louisiana State University. Lod Cook Alumni Center. September 30, 1996.

“Electric Restructuring Experiments and Proposals.” Louisiana State University. Lod Cook Alumni Center. October 31, 1996.

"Federal and State Electric Restructuring Legislation." Louisiana Public Service Commission Hearing Room. March 18, 1997.

"Independent System Operators." Louisiana State University. Lod Cook Alumni Center. September 22, 1997.

Center for Energy Studies, Energy Information Center/CCEER Building Committee. 1999-Current.