



\*\*\* 10<sup>th</sup> Anniversary \*\*\*

Utility Commissioners/ Wall Street Dialogue  
Waldorf=Astoria Hotel  
301 Park Avenue  
New York, New York 10022  
(212) 355-3000

May 23 - 24, 2013

## DRAFT

### AGENDA

#### Ground Rules for Dialogue

1. Discussion shall not involve any pending cases before commissioners.
2. Conversations are not intended to arrive at a consensus.
3. Remarks are not for attribution.

#### Wednesday, May 22, 2013

Welcome Reception and Dinner at TBD  
6:30 p.m.

#### Thursday, May 23, 2013

7:00 – 8:00 a.m.	<b>Registration and Continental Breakfast</b> Sutton Suite, 18 <sup>th</sup> Floor
8:00 a.m. – 5:00 p.m.	<b>General Session</b> Metropolitan Suite, 18 <sup>th</sup> Floor
8:00 a.m. – 8:15 a.m.	<b>Welcome</b>  <b>Overview and Ground Rules</b>  Robert W. Gee President Gee Strategies Group, LLC
8:15 a.m. – 10:00 a.m.	<b>Chief Executive Officers' Perspectives on the Current Business Environment for Utilities under Challenging Conditions</b>  <b>Introduction:</b> Investor-owned electric utilities today confront a host of challenges ranging from evolving market models to environmental compliance costs, compounded by the need to increase capital expenditures for system maintenance and upgrades, all while confronting declining sales growth. How will these multiple challenges looming on the horizon be met? This panel will address these subjects, with an emphasis on how regulation can facilitate or impede the current operating environment.  <b>Moderator:</b> Commissioner TBD  <b>Panelists:</b> TBD

**Lead Respondent:** Commissioner TBD

10:00 a.m. – 10:15 a.m. **Break**

10:15 a.m. – 11:15 a.m. **Keynote Address: Perspectives from the Federal Energy Regulatory Commission**

The Honorable Cheryl A. LaFleur (invited)  
Commissioner  
U.S. Federal Energy Regulatory Commission

11:15 a.m. – 12:00 p.m. **Emerging Energy and Environmental Issues: Implications for Utilities and Their Customers**

David K. Owens  
Executive Vice President  
Edison Electric Institute

12:00 p.m. – 1:15 p.m. **Lunch**  
**Sutton Suite, 18<sup>th</sup> Floor**

1:15 p.m. -- 2:45 p.m. **What “Wall Street” Does, Part I: The Credit Rating Agencies and Debt Analysts**

**Introduction:** Who are the principal players in the financial sector, and how do their roles influence the cost of and access to capital by electric utilities? What is the capital markets' outlook given the need for utilities to access capital to fund their capital expenditure plans? **This first panel will explore the role of credit rating agencies, and how their opinions influence the cost of and access to capital, augmented by the viewpoint of a debt analyst.**

**Moderator:** Commissioner TBD

**Panelists:** Michael G. Haggarty  
Senior Vice President  
Moody's Investor Service

Gerald Hanrahan  
Senior Managing Director, Team Leader  
John Hancock Financial Services

Peter Quinn (Invited)  
Managing Director  
Bank of America Merrill Lynch

2:45 p.m. – 3:00 p.m. **Lead Respondent:** Commissioner TBD  
**Break**

3:00 p.m. – 4:30 p.m. **What “Wall Street” Does, Part II: The Investors and Equity Analysts**

**Introduction:** Continuing with our discussion of who are the principal players in the financial sector, and how their roles influence the cost of and access to capital by electric utilities, **our second panel will** feature perspectives from the equity investment sector, including those of an investment banker, a private equity investor, and an equity analyst.

**Moderator:** Commissioner TBD

**Panelists:** Leslie Rich  
Executive Director, U.S. Equity Research  
JP Morgan Asset Management, Inc.

Angie Storzynski  
Managing Director, Equity Research  
US Utilities and Alternative Energy  
Macquarie Capital (USA) Inc.

Greg Gordon (invited)  
Senior Managing Director  
International Strategy & Investment

**Lead Respondent:** Commissioner TBD

4:30 p.m. – 5:00p.m.

**Perspectives for the Day**

**Moderator:** Commissioner TBD

5:00 p.m.

**Adjourn for the Day**

6:00 – 8:30 p.m.

**Reception & Dinner with Securities Analysts**

Friday, May 24, 2013

7:00 a.m.--8:00 a.m.

**Registration & Breakfast**  
**Gramercy Suite, 18<sup>th</sup> Floor**

8:00 a.m.-- 12:00 p.m.

**General Session**  
**Metropolitan Suite, 18<sup>th</sup> Floor**

8:00 a.m.—9:30 a.m.

**“Disruptive Challenges” Affecting the Utility Distribution Business, and Their Implications for the Cost of Capital and Cost Recovery**

Increasingly, the electric utility distribution business is moving away from the central power station, linear directional transmission model and becoming more of a networked, distributed generation model with the proliferation of distributed energy resources (DER), among other factors. However, legacy tariff structures continue to employ cross-subsidies from non-DER customers. This situation – coupled with the need to harden or upgrade infrastructure to address disturbances caused by forces of nature in the face of declining or flat demand – increases risk and uncertainty to investors, and exerts upward pressure on the cost of capital. What role has regulation played – and continues to play – in advancing the changes in the utility distribution business, and how can policy be fashioned to minimize risk and thus increases in the cost of capital?

**Moderator:** Commissioner TBD

**Panelists:** Peter Kind (invited)  
Executive Director  
Energy Infrastructure Advocates, Inc.

David M. Velazquez  
Executive Vice President – Power Delivery  
Pepco Holdings, Inc.

Paula M. Carmody  
People's Counsel  
Maryland Office of People's Counsel

**Lead Respondent:** Commissioner TBD

9:30 a.m. – 10:00 a.m.

**Refreshment Break**

10:00 a.m.-11:30 a.m.

**Clean Air Act Compliance Challenges and the Perspectives of the Financial Community**

**Introduction:** Over the past year, a large number of electric utilities were required to shoulder compliance costs required by the Clean Air Act, and administered by the Environmental Protection Agency pursuant to court order. This has prompted decisions by utilities to retrofit plants at substantial cost, decommission existing plants, and shift emphasis from coal use toward lower emitting resources, or a combination of these actions. How have the financial markets reacted to this, and what opinions do the experts hold regarding the winners and losers?

**Moderator:** Commissioner TBD

**Panelists:** Hugh Wynne  
Senior Research Analyst  
Sanford C. Bernstein & Co., Inc.

Emily Fisher, Director  
Legal Affairs, Energy and Environment  
Edison Electric Institute

**Lead Respondent:** Commissioner TBD

**11:30 a.m. – 12:00 p.m.** **Final Thoughts on the Dialogue: The Commissioners Get the Last Word**

**Moderator:** Commissioner TBD

**12:00 p.m.**

**Adjournment**

(Box lunches will be available starting at 11:30 a.m. for departure)