



The Education Committee of the  
National Federation of Municipal Analysts  
**ADVANCED SEMINAR**  
ON  
**MUNICIPAL UTILITIES**

January 22-23, 2004  
The Westin La Paloma Resort & Spa  
Tucson, Arizona

**PROGRAM**

**Thursday, January 22**

7:30-8:00 a.m.      ***Registration and Continental Breakfast***

8:00-8:15 a.m.      ***Opening Remarks***  
*Eric Friedland, FSA, NFMA Education Committee Chairman*

8:15-9:30 a.m.      ***Challenges Facing Public Power: Transmission Issues***  
This panel will provide an overview of the federal regulatory issues surrounding transmission and the financial implications for the electric industry. The panel will also explore the issues involved in financing new transmission projects in the current environment, the importance of new transmission for the electric market, and the impact that success or failure will have on the financial health of electric systems.

Moderator: *Dan Hartman*, Director, Citigroup Global Markets Inc.  
Speakers: *Jim Curtis*, CFO, Bonneville Power Administration, *Bob Johnston*, President and CEO, MEAG Power, *Jim Feider*, Vice Chairman, Transmission Agency of Northern California

9:30-9:45 a.m.      ***Break***

9:45-11:00 a.m.      ***Competing Water Uses***  
Do water shortages in the West stem from an inadequate water supply or from poor management and allocation of existing supplies? Panelists will discuss competing water uses from an urban and agricultural perspective. Environmental views will also be taken into consideration on how best to maximize resources.

Moderator: *Howard Cure*, Director, FGIC

Speakers: *Bob Campbell*, CFO, San Diego County Water Authority, *Michael George*, President and CEO of the Western Water Company, *John Wise*, Retired, United States Environmental Protection Agency

11:00-11:15 a.m.

***Break***

11:15-12:30 p.m.

***Municipal Utility Strategies for Managing Gas Supplies in a Volatile Market***

The natural gas market has exhibited a great deal of volatility in recent years, with spot prices fluctuating widely. Municipal utilities that rely on natural gas - retail and wholesale gas utilities and electric systems that generate with gas - have demonstrated a variety of innovative ways to secure more dependable forward gas supplies. This panel will discuss some of the techniques municipal utilities have employed and the factors analysts should consider as we evaluate issuers and issues

Moderator: *Brian Tournier*, AVP, A.G. Edwards & Sons, Inc.

Speakers: *Susan Reeves*, CFO, Municipal Gas Authority of Georgia, *Mitchell Rapaport*, Partner, Nixon Peabody LLP, *Jim Tracy*, Chief Risk Officer and Director, Business Planning and Budget; Sacramento Municipal Utility District

12:30-2:00 p.m.

***Luncheon.***

2:00- 3:15 p.m.

***Challenges Facing Public Power: New Generation***

The electric power shortages suffered in the early part of this decade caused major disruptions to the electric power markets on both coasts and revealed the need for additional generation. Since then municipal utilities have been building new generation plants in an effort to create additional native load and be less reliant on a volatile spot market. The panel will discuss the strategies being employed by several municipal utilities to create new generation and how these projects are being creatively financed.

Moderator: *Scott Lord*, VP, FSA

Speakers: *Steven Dworkin*, Senior Managing Director, Bear Stearns, *Bill Carnahan*, Executive Director, Southern California Public Power Authority, *Gary Krellenstein*, VP, JPMorgan, *Representative*, eastern region municipal power system (to be determined)

3:15-3:30 p.m.

***Break***

3:30-4:45 p.m.

***Solid Waste Financings 101***

A panel of industry experts discusses credit attributes/fundamentals distinguishing investment grade facilities from their non-investment grade counterparts; industry wide cost control efforts; emerging sector trends and

financing vehicles; and expectation versus reality in transaction pricing and relative security value.

Moderator: *Douglas J. Kilcommons*, Fixed Income Analyst, Neuberger Berman

Speakers: *Edward R. McGlade*, Director, Standard & Poor's, *Ruth McMorrow*, Director, Municipal Underwriting, American Capital Access, *Chuck Emrich*, Principal, Manager, Municipal Credit Research & Strategies, Legg Mason Wood Walker, *Jeffrey M. Wilson*, Managing Director, Saybrook Capital, LLC

5:00-6:00 p.m. ***Cocktail Reception***

**Friday, January 23**

8:00-8:30 a.m. ***Continental Breakfast***

8:30-9:45 a.m. ***State Revolving Fund Programs: Highly Rated, But The Demand Only Increases***

As a group, state revolving funds are the most highly rated in the utilities sector. But while SRFs have been successful in financing improvements to water quality nationwide, the demand for additional financing only increases. Panelists, representing issuers, programmatic borrowers and intermediaries, will discuss current trends and potential future developments as this sector continues to strive to provide the capital to meet the needs of local water and wastewater treatment systems.

Moderator: *Ed Roche*, VP, Moody's

Speakers: *Tom Paolicelli*, Treasurer, New York City Municipal Water Finance Authority, *Guy Nagahama*, SVP, First Albany Corporation, *Jay Spector*, Executive Director, Water Infrastructure Finance Authority of Arizona

9:45- 10:00 a.m. ***Break***

10:00 – 11:15 a.m. ***Water in the West: What Price Credit Quality?***

The Colorado River has been a focal point of Western water issues for years. Recent developments outline river use, including California's reduced use to its entitlement level, and clarify the outlook for other states. This panel will discuss the implications of these developments and what needs to be done to live within this framework. Discussions will include: Who will monitor and enforce the agreements? What happens if participants cannot live within the framework? What might the increased costs be? Finally, will it affect credit quality? And if not, should analysts care?

Moderator: *Peter Bianchini*, Managing Director, XL Capital Assurance

Speakers: *John Costagliola*, Managing Director, UBS, Inc., *Representative*,

*US Bureau of Reclamation (to be determined), Brian Thomas, CFO,  
Metropolitan Water District of Southern California, Representative, Arizona  
or Nevada Water Issuer (to be determined)*

11:15 – 11:30 a.m. ***Break***

11:30 – 12:45 p.m. ***What's happening in the IOU, IPP & Energy Trading World***  
The turbulent energy market events of the past three years have had a significant impact on corporate utilities. This panel will provide an overview of the challenges facing IOUs, merchants, and wholesale traders going forward.

Moderator: *Scott Andreson, Associate Director, Fitch Ratings*

Speakers: *Kevin Larson, CFO, Tucson Electric Power, George Given, Director, Henwood Consulting, Representative from IPP (to be determined), Jeff Fuller, VP and Risk Manager, Power Resource Managers, LLP*

12:45 p.m. ***Seminar Adjourns***

*The views expressed at the Advanced Seminar are those of the speakers alone and do not necessarily represent those of the National Federation of Municipal Analysts.*

### **EDUCATION COMMITTEE CHAIRMEN:**

Eric Friedland, FSA

Judi Harvey, American Express

### **NATIONAL FEDERATION OF MUNICIPAL ANALYSTS**

NFMA

P.O. Box 14893

Pittsburgh, PA 15234

Phone: 412-341-4898

Fax: 412-341-4894

Web site: [www.nfma.org](http://www.nfma.org)

Email: [lgood@nfma.org](mailto:lgood@nfma.org)

## **REGISTRATION:**

Registration for the seminar is \$450, which includes all seminar materials, two continental breakfasts, one luncheon and the cocktail reception. Firms sending three or more registrants to the seminar may deduct \$50 per person. Please make checks payable to the NFMA and send to: NFMA, P.O. Box 14893, Pittsburgh, PA 15234. The registration deadline is December 22, 2003. Cancellations will not be accepted after December 22, 2003; however, substitutions may be made with advanced notice to the NFMA. Please call Lisa Good, Executive Director, at 412-341-4898 with any questions. *Registrations will be confirmed via email.*

## **HOTEL:**

The Westin La Paloma, 3800 E. Sunrise Drive, Tucson, Arizona, ([www.westinlapalomaresort.com](http://www.westinlapalomaresort.com)), has been selected as the site of the Advanced Seminar. A block of rooms has been set aside for seminar attendees for the nights of January 21 and 22. The group rate is \$188/night single or double. Subject to availability, the group rate will be charged for rooms reserved three days before and three days after the meeting. Individuals should call the hotel directly at (520) 742-6000 and request the National Federation of Municipal Analysts' group rate. *The room block will be closed on **December 22, 2003**. Reservations received after the cut-off date will be accepted on a space availability basis.*

## **ATTIRE:**

Business casual is acceptable for the seminar.

## **2003 PLATINUM SPONSORS:**

DAC An Ernst & Young LLP Company  
McDonnell Investment Management LLC  
Moody's Investors Service  
Radian Asset Assurance  
Standard & Poor's Corporation

**REGISTRATION FORM**  
**NFMA ADVANCED SEMINAR**  
**ON**  
**MUNICIPAL UTILITIES**

**January 22 – 23, 2004**  
**The Westin La Paloma Resort & Spa**  
**Tucson, Arizona**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Society: \_\_\_\_\_ Change of firm/address? \_\_\_\_\_

Payment Method:

Check made payable to NFMA: \$ \_\_\_\_\_ enclosed

MasterCard \_\_\_ Visa \_\_\_ Number: \_\_\_\_\_ Expiration: \_\_\_\_\_

Amount: \_\_\_\_\_ CD Code (last 3-4 digits on back of card): \_\_\_\_\_

Billing address (street number): \_\_\_\_\_ Zip: \_\_\_\_\_

Signature \_\_\_\_\_ Date: \_\_\_\_\_

*To pay by credit card, please complete the form and send it by mail to NFMA, P.O. Box 14893, Pittsburgh, PA 15234 or fax to 412-341-4894.*