

Capacity development for improved performance of water utilities: Regulation, Efficiency and Quality

Study Visit of ADKOM – Association of public service providers of the Republic of Macedonia

Torino, 12 – 13 June 2014

In collaboration with



AGENDA

Day 1 – 12 June 2014 (Thursday)

	<p>Welcome and opening remarks:</p> <ul style="list-style-type: none">- G. Bolatto, Secretary General of the Chamber of commerce of Turin- R. Ronco, President of the Local Water Regulator “ATO3 Torinese”- P. Romano, CEO of SMAT Società Metropolitana Acque Torino Spa- G. Genon, President of Fondazione per l’Ambiente – Turin School of Local Regulation
	<p>Introduction to regulation (Franco Becchis)</p> <p>Introduction to the concepts of public service, network service, natural and legal monopolies and market failures; what is regulation and what it is for; regulatory targets: price/demand, costs, profits, quality; the role of the regulator; regulation as a game of incomplete information.</p>
09.00 – 13.00	<p>Regulatory Agencies: Independence, Expertise and Learning (Yane Svetiev)</p> <p>Institutional arrangements for local regulation. Independent regulatory agencies versus local regulators. Building expertise, tailoring of regulation to local conditions and controlling opportunism</p>
Conference Centre Torino Incontra	
	<p>11.00 Coffee break</p>
	<p>Mapping the FIELD (Franco Becchis / Elisa Vanin)</p> <p>Brief interactive introduction to analyse the context of water regulation in Macedonia according to FIELD™ methodology: key players, incentives that drive their decisions, information endowment and relationships</p>
	<p>Water service regulation in Europe and beyond (Elisa Vanin)</p> <p>A comparative overview on regulation of water and sanitation services in 16 different Countries, around some specific questions identified by the Turin School of Local Regulation as key to understand the regulatory framework.</p>
13.00 – 14.30	Lunch

14.30 – 18.00	<p>Instruments and tools of regulation (Daniele Russolillo) Overview on regulatory policies and instruments (ex-ante and ex-post regulation, auction, price-cap, Internal Rate of Return, other instruments) in a comparative perspective.</p>
Conference Centre Torino Incontra	<p>16.00 Coffee Break</p> <p>Investment analysis and water regulation (Giovanni Fasano) Knowing the counterpart: economic analysis for water regulation. Focus on public and private costs, industrial economic analysis, capital budgeting, risk analysis.</p>
18.00 – 22.00	Free time and dinner

Day 2 – 13 June 2014 (Friday)

	<p>Visits to Treatment Plant “Po River” and SMAT Research Center <i>(in collaboration with SMAT SpA, water utility serving Torino metropolitan area)</i></p>
09.00 – 13.00	<p><u>Drinking Water Treatment Plant</u>: SMAT was the first utility in Italy to use river water for the production of drinking water and now they manage a plant that is recognized as highly innovative, with a treatment capacity of up to 2,500 liters-per-second of water caught from Po river. The plant is located in the southern district of the city of Turin. Link to the description of the Plant (In Italian)</p>
Site-visits in Torino	<p><u>Research Center</u>: the research center hosts the scientific research activity of SMAT, with fully operational chemical and biological labs that every year monitor and evaluate more than 700,000 water parameters. The research center is located in the same site of the Drinking Water Treatment Plant.</p>
13.00 – 14.30	Lunch
14.30 - 17.30	<p>Follow-up of the site visits: technological aspects influencing the costs of the water cycle (Giuseppe Genon) Making reference to the morning visit to the treatment plant, the lecturer will focus on the technological aspects of the water cycle that are more critical and therefore more expensive, having a relevant impact in informing the costs of the service.</p>
Conference Centre Torino Incontra	<p>15.30 Coffee Break</p> <p>Water pricing (Andrea Sbandati) Models of tariff setting in the water cycle for household and industrial final users: block-tariffs, subsidies for vulnerable households, environmental protection policies.</p> <p>The Turin-index as an instrument for regulation and arrearage monitoring (Daniele Russolillo) A focus on the phenomenon of arrearage in local public services and in the water sector in particular. Presentation of the Turin-Index on final user arrears status developed by the TSLR potential applications for service providers and for regulators.</p>
17.30 – 2200	Free time and dinner

Presentations will be in Italian. Simultaneous translation Italian - Macedonian will be provided.

Lecturers' short profile (in alphabetical order)

Franco Becchis



Scientific director of Foundation for the Environment and Turin School of Local Regulation, he coordinates research programmes on the interaction between economics, energy and environment and on local public services, as well as capacity building and support activities for local public entities. Contract professor in Environmental Economics at the Polytechnic of Torino and University of East Piedmont, and now at the Saint John International University in Vinovo (Torino). His scientific interests and his publications range from public economics to environmental and regulatory economics.

Giovanni Fasano



Financial Analyst and Business Consultant with a wide experience in financial and insurance markets, corporate finance and credit risk management. He is Professor of Enterprise Risk Management and Microeconomics at Saint John International University (American University based in Italy). He has deep knowledge in accounting and financial statements analysis under IFRS methods, Italian, US and UK GAAPs. After serving as Financial Risk Manager at some insurance companies, he is now Senior Financial Analyst at Beta Consulting, Turin.

Giuseppe Genon



Full professor in sanitary engineering at Politecnico di Torino. He is President of Foundation for the Environment and coordinator on the field of research on energy from renewable sources in the context of liberalization. He has been member of the Commission of Regione Piemonte Member for the evaluation of the purification plant of industrial wastes and consultant of the City of Turin for the writing out of the "White Book" on the environmental quality of the city. He is consultant of many Italian municipalities for the project analysis of public plants in the cycle of waste and water.

Daniele Russolillo



Program manager of the Foundation for the Environment Manager, he coordinates all the research and consultancy projects of the Foundation for the Environment and is responsible for the international development of capacity building modules and consultancy services of the Turin School of Local Regulation. His main areas of expertise range from environment&energy policies to project finance and economic regulation. He's passionate about multidisciplinary cost-benefit analysis, risk assessment and innovation. He regularly advises start-ups in the field of energy and environment.

Andrea Sbandati



General Director of CISPTEL Toscana, a Regional Association of local public services enterprises in the sector of public utilities. Since 1990 he has worked in the environmental sector with important institutions. A major part of his researches and works is related to public utilities, especially to water and waste management. He collaborates with the Italian Research Institute "Utilitatis" and he is in the Board of Directors of the Regional Agency for Resources Recovery (ARRR).

Yane Svetiev



Since 2013 with the Department of Legal Studies of Bocconi University. Previously research Fellow at the Law Department and Max Weber Fellow at the EUI. Master's and doctoral studies at Columbia University School of Law (New York, USA). Prior academic appointments as faculty at Brooklyn Law School, as teaching fellow at Columbia University Law School and as associate lecturer in economics at the University of Sydney (Australia), teaching game theory and mathematical economics. Research focus in the area of regulatory and competition law and the design of regulatory regimes. Received degrees in economics and in law from the University of Sydney (Australia). Worked as law clerk to the Hon. Justice Michael Kirby AC CMG of the High Court of Australia and as litigation associate at Cravath, Swaine & Moore (New York, USA).

Elisa Vanin



Graduated in International Relations at the University of Trieste. She worked some years in a consultancy specializing in European Policies and European project management. Since 2010 she has been collaborating with Foundation for the Environment, before as School Secretariat coordinator of the International Summer School on regulation of local public services and now as project manager of the Turin School of Local Regulation. She manages the secretariat of LO.RE.NET., Local Regulation Network of experts and the collection of contribution to the international comparative research on local regulation launched within the network. She co-authored some papers presented at international conferences, presenting the results of LO.RE.NET. research.

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