

Department of Industrial and Systems Engineering

“Benchmarking and Regulation”

Monday, January 14, 2013

Monday, January 14, 1:50 – 2:40
4002 Emerging Technologies Building



Abstract:

Benchmarking methods, and in particular Data Envelopment Analysis (DEA), have become well-established and informative tools for economic regulation. DEA is now routinely used by European regulators to set reasonable revenue caps for energy transmission and distribution system operators. In this talk, we review the modern foundations for frontier-based regulation and we discuss its actual use in several jurisdictions.

Bio:

Dr. Bogetoft has held a professorship in applied microeconomics at Copenhagen Business School since August 2007. Previously, he was professor in managerial economics at the Royal Agriculture University and University of Copenhagen for more than 12 years.

Performance evaluation has been a primary focus area for much of his research. In particular, he has worked with Data Envelopment Analysis (DEA) and more recently Stochastic Frontier Analysis (SFA). His interests include incentive design, principal agent models and regulation. His work has led to contributions in planning, accounting, political economics, industrial organization, theory of cooperatives, design of production contracts, etc.

Dr. Bogetoft's research ranges from pure theory, over empirical testing of theory, to normative applications in regulation, contract design and decision support. He has been involved in a series of projects with industry and governmental bodies on the application of theories, in particular with respect to regulation of local monopolists, design of auctions, design of payment schemes for cooperatives, and benchmarking.