



**PROGRAM ON ENERGY AND SUSTAINABLE DEVELOPMENT
STANFORD UNIVERSITY**

February 6, 2003

Dear Conference Participant,

The briefing book before you holds materials for the 19-20 February conference on the political economy of power market reform, hosted by the Program on Energy and Sustainable Development (PESD). Presentations at the conference will be brief, allowing for extensive commentary and questions; the authors will proceed on the assumption that you will have had the opportunity to look over the attached materials before the meeting. Also enclosed are additional conference logistics materials for your information.

We are holding this conference at the early stages in a cluster of related studies on the political economy of electric power systems in developing countries. We have timed the event to allow us to present first drafts of the overall framework as well as individual case studies—to provide results that you can critique, but not at such a late stage in the research that we are unable to benefit from your counsel. After the conference the authors will revise the introduction and the case studies and we will also add a conclusion. We expect to finalize the study in summer 2003, publish the results with a major university press, and work with each team to present the material in seminars and country visits that will allow on-the-ground comparisons with key stakeholders.

Each paper is also published as a working paper and posted on the Program's website (<http://cesp.stanford.edu/pesd>), where you will find other documents and presentations about the Program's three major research areas: 1) electric power markets, 2) the future for international trade and marketing of natural gas, and 3) rural energy.

The introductory overview provides a framework for thinking about the “political economy” of reform—the legal, political and institutional issues that, we argue, largely determine the organization of electric power systems and explain the outcomes of different attempts at reform. One of the key tasks in front of the team after the conference is to integrate more fully the case studies with the intellectual overview. Many of the case studies are long, and as with all other studies on electric power systems

we are working to strike the right balance between overview and critical detail. We are mindful that these are drafts and we very much welcome your comments.

We will make additional copies of the briefing book available at the conference, so please feel free to write your notes in the margins of this book, and to leave your annotated copy with us in exchange for a fresh copy.

We look forward to seeing you in two weeks.



Thomas C. Heller



David G. Victor



Henri Tjong