

**BEFORE THE
PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD**

In Re: The Philadelphia Water)	
Department's Proposed Change in Water,)	
Wastewater and Stormwater Rates and)	Special Rate Filing:
Related Charges)	Reconciliation Proceeding
)	for Fiscal Year 2023

**DIRECT TESTIMONY
OF
LAFAYETTE K. MORGAN, JR.**

**ON BEHALF OF
THE PUBLIC ADVOCATE**

April 5, 2022

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1 **I. Introduction**

2 **Q. WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?**

3 A. My name is Lafayette K. Morgan Jr. My business address is 10480 Little Patuxent
4 Parkway, Suite 300, Columbia, Maryland, 21044. I am a Public Utilities Consultant
5 working with Exeter Associates, Inc. (“Exeter”). Exeter is a consulting firm specializing
6 in issues pertaining to public utilities.

7 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**
8 **QUALIFICATIONS.**

9 A. I received a Master of Business Administration degree from The George Washington
10 University, with a concentration in Finance. I also have a Bachelor of Business
11 Administration degree with a concentration in Accounting from North Carolina Central
12 University. I was previously a Certified Public Accountant licensed in the state of North
13 Carolina, however, in 2009, I elected to place my license in an inactive status as I focused
14 on start-up activities for other business interests.

15 **Q. WOULD YOU PLEASE DESCRIBE YOUR PROFESSIONAL**
16 **EXPERIENCE?**

17 A. From May 1984 until June 1990, I was employed by the North Carolina Utilities
18 Commission - Public Staff in Raleigh, North Carolina. I was responsible for analyzing
19 testimony, exhibits, and other data presented by parties before the North Carolina Utilities
20 Commission. I had the additional responsibility of performing the examination of books
21 and records of utilities involved in rate proceedings and summarizing the results into
22 testimony and exhibits for presentation before that Commission. I was also involved in
23 numerous special projects, including participating in compliance and prudence audits of a
24 major utility and conducting research on several issues affecting natural gas and electric
25 utilities.

1 From June 1990 until July 1993, I was employed by Potomac Electric Power
2 Company (“Pepco”) in Washington, D.C. At Pepco, I was involved in the preparation of
3 the cost of service, rate base and ratemaking adjustments supporting the company's
4 requests for revenue increases in the State of Maryland and the District of Columbia.

5 From July 1993 through 2010, I was employed by Exeter Associates as a Senior
6 Regulatory Analyst. During that period, I was involved in the analysis of the operations of
7 public utilities, with emphasis on utility rate regulation. I reviewed and analyzed utility
8 rate filings, focusing primarily on revenue requirements determinations. This work
9 involved natural gas, water, electric, and telephone companies.

10 In 2010, I left Exeter Associates to focus on start-up activities for other ongoing
11 business interests. In late 2014, I returned to Exeter Associates and resumed work in a
12 similar capacity as I did prior to my hiatus.

13 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN REGULATORY**
14 **PROCEEDINGS ON UTILITY RATES?**

15 A. Yes. I have previously presented testimony and affidavits on numerous occasions before
16 the North Carolina Utilities Commission, the Pennsylvania Public Utility Commission, the
17 Virginia Corporation Commission, the Louisiana Public Service Commission, the Georgia
18 Public Service Commission, the Maine Public Utilities Commission, the Kentucky Public
19 Service Commission, the Public Utilities Commission of Rhode Island, the Vermont Public
20 Service Board, the Illinois Commerce Commission, the West Virginia Public Service
21 Commission, the Maryland Public Service Commission, the Corporation Commission of
22 Oklahoma, Kansas Corporation Commission, the Philadelphia Gas Commission, the
23 Philadelphia Water, Sewer and Storm Water Rate Board, the Colorado Public Utilities
24 Commission, the Public Service Commission of South Carolina, and the Federal Energy
25 Regulatory Commission (“FERC”). My résumé is attached hereto as Appendix A.

1 Q. ON WHOSE BEHALF ARE YOU APPEARING?

2 A. I am presenting testimony on behalf of the Public Advocate.

3 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
4 PROCEEDING?

5 A. Exeter Associates has been retained by the Public Advocate to assist in the evaluation
6 of the Formal Notice of the rate filing submitted by the Philadelphia Water Department
7 (“Department” or “PWD”) in support of its Special Rate Filing to reconcile its rates and
8 charges for water, wastewater and stormwater services consistent with the Philadelphia
9 Water, Sewer and Storm Water Rate Board’s (“Rate Board”) 2021 Rate Determination
10 dated June 16, 2021. In this testimony, I present my findings on behalf of the Public
11 Advocate regarding the appropriate reconciliation adjustment to apply to PWD’s rates
12 for the rate period beginning September 1, 2022.

13 Q. PLEASE EXPLAIN HOW YOUR TESTIMONY IS ORGANIZED.

14 A. First, I provide a summary of the Settlement and the Rate Board’s directives in the
15 Department’s 2021 Rate Determination. Next, I summarize and explain PWD’s filing
16 and the positions taken by the Department. I then discuss the Departments financial
17 performance and explain the Public Advocate’s position with respect to the adequacy of
18 PWD’s rates. Finally, I present the Public Advocate’s recommendation for the
19 resolution of the rate reconciliation.

20 **II. Summary of 2021 Rate Determination Proceeding**

21 Q. PLEASE SUMMARIZE PWD’S 2021 RATE DETERMINATION
22 PROCEEDING AS IT RELATES TO THE INITIATION OF THIS
23 SPECIAL RATE FILING.

24 A. On February 16, 2021, the Department filed a Formal Notice of Proposed Changes in
25 Water, Sewer and Stormwater Rates and Related Charges with the proposed rates to

1 become effective for service provided on and after September 1, 2021, and September
2 1, 2022, respectively. After a period of review and a series of hearings and public
3 comment, PWD and the Public Advocate submitted a Joint Petition for Partial
4 Settlement (“the Settlement”) dated May 5, 2021. The Settlement provided for a
5 resolution of all the substantive issues raised in that proceeding, except for the
6 following issues:

- 7 1. The Department’s proposal to implement arrearage forgiveness (which was
8 challenged by the Public Advocate who presented an alternative proposal);
- 9 2. The Department’s proposal for cost recovery of arrearage forgiveness through
10 the TAP Rider (which was challenged by the Public Advocate who presented an
11 alternative proposal); and
- 12 3. Those issues raised by the individuals who, as active participants, opposed the
13 proposed increased rates and charges by the Department and who expressed
14 opposition to the Settlement.

15 The key provisions of the Settlement that are pertinent to this proceeding are:

16 • **FY 2022 Rate Increase**

17 The Settlement allowed for a \$10.411 million increase in water, wastewater, and
18 stormwater revenue effective on September 1, 2021.

19 • **FY 2023 Rate Increase**

20 The Settlement allowed for a \$34.110 million increase in water, wastewater, and
21 stormwater revenue effective on September 1, 2022. When combined, the Settlement
22 resulted in an authorization of \$57.521 million increase in PWD’s rates over the two-year
23 rate period, representing 41 percent of PWD’s original request of \$140.960 million.

24 • **Reconciliation Adjustments for FY 2023**

1 The Settlement contained a reconciliation procedure. It was agreed that the FY 2023 rate
2 increase would be subject to two potential adjustments: one related to any Federal
3 Stimulus Funding received by PWD, and the other related to PWD's FY 2021 Financial
4 Performance.

5 As part of the reconciliation framework for the Federal Stimulus Funding, the FY
6 2023 approved rate increase is subject to reduction on a dollar-for-dollar basis to reflect
7 any impact of "Stimulus Funding" (as defined in the Settlement) received by PWD
8 during the "Receipt Period" (from July 1, 2021 to December 31, 2021) in excess of \$2
9 million. In short, funds qualifying for the Federal Stimulus Funding adjustment had to
10 meet a specific set of criteria.

11 The reconciliation framework regarding FY 2021 performance subjects the FY
12 2023 rate increase to a dollar-for-dollar reduction based on the amount of PWD's
13 reserves held in the Rate Stabilization Fund. It was envisioned that the Department would
14 file a reconciliation request for FY 2023, setting forth the amount by which it would
15 request the Rate Board to reduce the FY 2023 rate increase to share with customers the
16 amounts above a minimum threshold in the Rate Stabilization Fund as of the end of FY
17 2021. The reconciliation under this adjustment was limited in that it cannot lower the FY
18 2023 rate increase below zero dollars.

19 The Special Rate Reconciliation Proceeding, this current proceeding, is intended
20 to be a simple proceeding that would be limited to the two adjustments defined in the
21 Settlement and similar to the annual TAP-R Reconciliation Proceeding.

22 **III. Summary of PWD's Special Rate Filing**

23 **Q. PLEASE SUMMARIZE PWD'S FILING IN THIS PROCEEDING?**

24 On February 25, 2022, the Department filed its Formal Notice in support of the Special
25 Rate Reconciliation Proceeding for Fiscal Year 2023 regarding proposed changes in rates

1 and charges for water, wastewater and stormwater services pursuant to the Settlement in
2 its 2021 Rate Determination Proceeding, as explained above. As stated in the testimony of
3 PWD’s witness Melissa La Buda, the Department’s Deputy Commissioner of Finance,
4 “PWD maintains that no reduction in FY 2023 rates and charges is warranted related to
5 either the Federal Stimulus Adjustment or the FY 2021 Financial Performance
6 Adjustment.” Accompanying Ms. La Buda’s testimony, PWD submitted testimony of its
7 financial advisors, Katherine Clupper and Peter Nissen, and a team from Black & Veatch
8 Management Consulting, LLC (“Black & Veatch”).

9 The testimonies that comprise PWD’s rate filing take on three themes. First, PWD
10 submits that no reduction in FY 2023 rates and charges is warranted because PWD has
11 not met the conditions set forth in the Settlement for a downward adjustment to the
12 Department’s rates for FY 2023. Related to that is the argument that no minimum
13 threshold was established for the RSF in the Settlement or the 2021 Rate Determination.
14 The Department suggests that the minimum threshold be set at \$135 million for sharing,
15 on the basis that this amount was recognized in the Board’s 2018 rate determination.

16 The second theme is PWD’s submission that a reduction in the FY 2023 rate
17 increase or the establishment of a minimum threshold less than \$135 million is likely to
18 result in a negative reaction or trigger a credit downgrade by the rating agencies.

19 The third theme is that the Department claims to be facing cost pressures and
20 other challenges due to inflation escalation, and changes in regulatory requirements.
21 PWD argues that a rate reduction will exacerbate its financial challenges and lead to
22 higher future rate increases.

23 **Q. ABOVE, YOU STATE THIS SPECIAL RATE RECONCILIATION**
24 **PROCEEDING WAS INTENDED TO BE A SIMPLE PROCEEDING**

1 **THAT WOULD BE LIMITED TO THE TWO ADJUSTMENTS DEFINED**
2 **IN THE SETTLEMENT. WHAT IS THE BASIS OF YOUR STATEMENT?**

3 A. The basis of that statement is the Settlement document itself. The first sentence of the
4 second paragraph at page 5 of the Settlement states: “The Special Rate Reconciliation
5 Proceeding is intended to be simple, limited to the two adjustments defined in Paragraph
6 11.A.(2)(a), and analogous to the TAP-R Reconciliation Proceeding.”

7 **Q. HOW DOES THE PUBLIC ADVOCATE INTEND TO ADDRESS THE**
8 **ISSUES PRESENTED BY THE PWD IN THIS PROCEEDING?**

9 A. Contrary to the Settlement, PWD’s filing presents new financial assumptions, new data
10 and testimony describing PWD’s perspective of future operating conditions, and an
11 updated Financial Plan that is beyond the scope of this proceeding. PWD’s filing appears
12 intended to convert the reconciliation mechanism approved in the 2021 Rate
13 Determination into a complete reassessment of PWD’s future rates. From the Public
14 Advocate’s perspective, the new data described above are irrelevant to this Special Rate
15 Proceeding and distract from the assessment of the reconciliation mechanism as it relates
16 to any Federal Stimulus Funding received by PWD and its FY 2021 Financial
17 Performance.

18 Rather than responding to all the claims made in PWD’s filing, I will address
19 specific claims made by the Department where I believe it is necessary, and comment on
20 the other claims at a general or high level. Consistent with the Settlement, I will focus on
21 the two reconciling adjustments to which the parties agreed and which were accepted by
22 the Rate Board.

23 **IV. PWD’s Financial Performance**

24 **Q. HOW WOULD YOU DESCRIBE PWD’S FINANCIAL PERFORMANCE**
25 **FOR FY 2021?**

1 A. I would describe PWD’s financial performance as good. To put this into perspective, in
2 the 2021 rate proceeding, the Department sought \$48.9 million in additional revenues,
3 and I recommended no increase for FY 2022. The Department argued that if my
4 recommendation were excepted, it would force the Department to make operational cuts
5 that will reduce customer service levels; it would delay necessary capital improvements
6 that will result in higher incurred costs; and it would jeopardize the Department’s
7 financial condition.¹ Ultimately, the Department was granted only \$10.4 million, or 21
8 percent of its request for FY 2022. Yet, as shown below, the Department has
9 outperformed the metrics that are used to determine the adequacy of its rates. Hence, the
10 attempts by the Department to characterize its FY 2021 financial operating results as
11 negative is not valid. The analysis below compares PWD’s actual results of operations for
12 FY 2021 as reflected in the Black & Veatch model with the projected outcomes presented
13 in PWD’s Formal Notice in the 2021 rate case.

¹ PWD 2021 Rate Proceeding, PWD Rebuttal Statement 1, at page 6, lines 7 to 11.

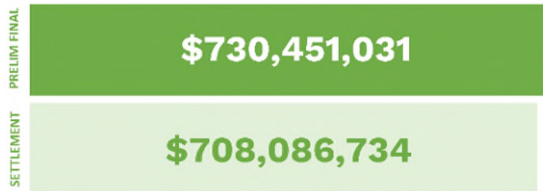
**Comparison of Actual & Projected 2021 Cost of Service, Residual Fund & Rate
Stabilization Fund
Base and TAP-R Surcharge Rates
(in thousands of dollars)**

Line No.	Description	Actual 2021	Formal Notice Projection 2021	Difference
NET OPERATING REVENUE				
1	<u>Operating Revenue</u>			
2	Water Service - Existing Rates	\$ 288,423	\$ 256,215	\$ 32,208
3	Wastewater Service - Existing Rates	426,465	411,294	15,171
4	Total Service Revenue - Existing Rates	714,888	667,509	47,379
5	Other Income:			
6	Other Operating Revenue	17,641	38,160	(20,519)
7	Operating Fund Interest Income	498	1,071	(574)
8	Rate Stabilization Interest Income	558	1,298	(740)
9	Total Revenues	733,584	708,038	25,546
10	<u>Operating Expenses</u>			
11	Total Operating Expenses	(521,377)	(525,844)	4,467
12	Transfer From/(To) Rate Stabilization Fund	25,990	41,464	(15,474)
13	NET REVENUES AFTER OPERATIONS	<u>\$ 238,197</u>	<u>\$ 223,658</u>	<u>\$ 14,540</u>
DEBT SERVICE				
14	Senior Debt Service	\$ -	\$ -	
15	Revenue Bonds	-	-	
16	Outstanding Bonds	(175,527)	(175,726)	
17	PENNVEST Parity Bonds	(10,631)	(10,651)	
18	Projected Future Bonds	-	-	
19	Commercial Paper	-	-	
20	Total Senior Debt Service	(186,158)	(186,377)	
21	TOTAL SENIOR DEBT SERVICE COVERAGE	1.28 x	1.20 x	
22	Transfer to Escrow	(134)	-	
23	Total Debt Service on Bonds	(186,292)	(186,377)	
24	CAPITAL ACCOUNT DEPOSIT	(27,833)	(27,833)	
25	TOTAL COVERAGE	1.11 x	1.04 x	
RESIDUAL FUND				
26	Beginning of Year Balance	\$ 16,261	\$ 16,261	\$ -
27	Interest Income	66	156	(90)
28	Plus:			
29	End of Year Revenue Fund Balance	24,072	9,448	14,625
30	Deposit for Transfer to City General Fund	2,586	1,855	731
31	Less:			
32	Transfer to Construction Fund	(24,117)	(10,800)	(13,317)
33	Transfer to City General Fund	(2,586)	(1,855)	(731)
34	Transfer to Debt Service Reserve Fund	-	-	-
35	End of Year Balance	16,283	15,064	1,218
RATE STABILIZATION FUND				
36	Beginning of Year Balance	\$ 150,652	\$ 150,652	\$ -
37	Deposit From/(To) Revenue Fund	(25,990)	(41,464)	15,474
38	End of Year Balance	124,661	109,188	15,474

1 One need not depend on my presentation of the operating results. Even Ms. La Buda's
 2 Schedule ML-2 included in the Formal Notice demonstrates similar results. Below is a
 3 reproduction of pages from Schedule ML-2.

FINANCIAL PERFORMANCE
FY21 Revenues
 System-generated revenue results (excluding transfers from Rate Stabilization Fund) were **higher than projections, with a 3.16% variance.**

FY 2021 REVENUES



Note: Revenue totals presented exclude revenues from the Rate Stabilization Fund.

FINANCIAL PERFORMANCE
FY21 Expenses
 Expense results were nearly equal to projections, with a 0.002% variance.

FY 2021 EXPENSES



Note: Obligations include transfers to the Rate Stabilization Fund and liquidated encumbrances.

FINANCIAL PERFORMANCE
Debt Service & Capital Funding

Debt Service	FY21 Prelim Final	Minimum Requirement	Target
Revenue Bonds Debt Service Coverage	1.27x	1.20x	1.30X
90% Test Coverage	1.12X	0.90X	NA
Total Debt Service Coverage	1.12x	1.00x	NA

4
 5
 6

FINANCIAL PERFORMANCE
Cash Balances

Cash Balances	Residual Fund	Rate Stabilization Fund	TOTAL Cash Reserve
FY2021 Prelim Final	\$16.33M	\$124.66M	\$140.69M
Target	\$15 M	\$135 M	\$150 M

1 It is worth noting that PWD achieved these results despite operating during the COVID-
2 19 pandemic and damages experienced due to Hurricane Ida in 2021. The ability to
3 achieve these results despite the challenges provides a positive statement about the
4 adequacy of the current rates.

5 **Q. HOW DOES THE ACTUAL RESULTS COMPARE TO THE COST OF**
6 **SERVICE AFTER REFLECTING THE SETTLEMENT IN THE RATE**
7 **ORDER?**

8 A. Below, I have presented a comparison of the actual FY 2021 results with the projected
9 FY 2021 results produced from the Black & Veatch model used in support of the Rate
10 Board's rate order. There are some differences in the Other Income and Operating
11 Expenses categories. However, there is a significant difference of approximately \$10.7
12 million in the ending balance of the Rate Stabilization Fund.

**Comparison of Actual & Projected 2021 Cost of Service, Residual Fund & Rate Stabilization
Base and TAP-R Surcharge Rates
(in thousands of dollars)**

Line No.	Description	Actual 2021	Rate Order Projection 2021	Difference
NET OPERATING REVENUE				
1	Operating Revenue			
2	Water Service - Existing Rates	\$ 288,423	\$ 256,215	\$ 32,208
3	Wastewater Service - Existing Rates	426,465	411,294	15,171
4	Total Service Revenue - Existing Rates	714,888	667,509	47,379
5	Other Income:			
6	Other Operating Revenue	17,641	38,160	(20,519)
7	Operating Fund Interest Income	498	1,096	(598)
8	Rate Stabilization Interest Income	558	1,322	(764)
9	Total Revenues	733,584	708,087	25,497
10	Operating Expenses			
11	Total Operating Expenses	(521,377)	(521,015)	(362)
12	Transfer From/(To) Rate Stabilization Fund	25,990	36,664	(10,674)
13	NET REVENUES AFTER OPERATIONS	<u>\$ 238,197</u>	<u>\$ 223,736</u>	<u>\$ 14,461</u>
DEBT SERVICE				
14	Senior Debt Service	\$ -	\$ -	
15	Revenue Bonds	-	-	
16	Outstanding Bonds	(175,527)	(175,726)	
17	PENNVEST Parity Bonds	(10,631)	(10,651)	
18	Projected Future Bonds	-	-	
19	Commercial Paper	-	-	
20	Total Senior Debt Service	(186,158)	(186,377)	
21	TOTAL SENIOR DEBT SERVICE COVERAGE	1.28 x	1.20 x	
22	Transfer to Escrow	(134)	-	
23	Total Debt Service on Bonds	(186,292)	(186,377)	
24	CAPITAL ACCOUNT DEPOSIT	(27,833)	(27,833)	
25	TOTAL COVERAGE	1.11 x	1.04 x	
RESIDUAL FUND				
26	Beginning of Year Balance	\$ 16,261	\$ 16,261	\$ -
27	Interest Income	66	156	(90)
28	Plus:			
29	End of Year Revenue Fund Balance	24,072	9,526	14,546
30	Deposit for Transfer to City General Fund	2,586	1,855	731
31	Less:			
32	Transfer to Construction Fund	(24,117)	(10,900)	(13,217)
33	Transfer to City General Fund	(2,586)	(1,855)	(731)
34	Transfer to Debt Service Reserve Fund	-	-	-
35	End of Year Balance	<u>16,283</u>	<u>15,043</u>	<u>1,240</u>
RATE STABILIZATION FUND				
36	Beginning of Year Balance	\$ 150,652	\$ 150,652	\$ -
37	Deposit From/(To) Revenue Fund	<u>(25,990)</u>	<u>(36,664)</u>	<u>10,674</u>
38	End of Year Balance	124,661	113,988	10,674

1 **Q. THE ACTUAL OPERATING RESULTS THAT YOU HAVE PRESENTED**
2 **SHOWS A RSF BALANCE AS OF THE END OF FY 2021 OF \$124.661**
3 **MILLION. DOES THIS REPRESENT A WEAK FINANCIAL**
4 **PERFORMANCE?**

5 A. No, it does not. In fact, it demonstrates that PWD has over-performed. As I have
6 indicated earlier, PWD's ability to achieve that amount as the ending balance in its RSF
7 is an indication of the adequacy of current rates. As shown above, based upon the
8 projections at the time, the rates were projected to produce \$10.674 million less in the
9 RSF. When you factor in operations during the COVID-19 pandemic, the incurrence of
10 \$10.0 million in additional expenditures related to Hurricane Ida,² the \$13.217 million
11 additional transfer to the Construction Fund (in addition to the required Capital Account
12 Deposit), it would not be fair to state that PWD's operating results are lackluster.

13 **Q. THE ENDING BALANCE IN THE RSF IS LESS THAN \$135 MILLION.**
14 **DOES THAT SHOW THAT THE OPERATING EARNINGS ARE**
15 **INADEQUATE?**

16 A. No. In fact, when one adds back the amounts identified above related to Hurricane Ida
17 and the extra amount transferred to the Construction Fund, the Department would have
18 surpassed the ending balance of \$135 million by approximately \$20 million.

19 I understand there is likely to be a counter argument that those were legitimate
20 expenditures, and there could be a question about why one would add them back to prove
21 the \$135 million was achievable. There are a couple of reasons. First, the hurricane is
22 an unexpected and extraordinary event. When rates are being determined, an additional
23 amount is not added to account for the cost of a possible hurricane. Therefore, I believe
24 that is an exception that should be recognized. Regarding the \$13.217 million that was

² Schedule ML-2 Formal Notice, Operational Overview.

1 transferred to the Construction Fund (resulting in PWD exceeding its senior debt service
2 coverage target of 1.20x), simply stated, if PWD did not have the available funds
3 collected through rates, the additional transfer would not have been made.

4 **V. Minimum Threshold**

5 **Q. WAS A MINIMUM THRESHOLD ESTABLISHED FOR PERFORMANCE**
6 **MEASUREMENT?**

7 A. Both the Public Advocate and PWD acknowledge that a minimum threshold was not
8 defined in the 2021 Rate Determination. PWD has suggested that a minimum threshold of
9 \$135 million should be used to determine any adjustment for reconciliation purposes.
10 According to Ms. La Buda, the rating agencies expect the Department to maintain, or
11 exceed, the target/goal of \$135 million in the Rate Stabilization Fund. She states that
12 “using a minimum threshold amount lower than the previously set target level of \$135
13 million, much less below the current balance of \$124.66 million in the Rate Stabilization
14 Fund would not be reasonable given PWD’s financial position and the need to preserve
15 the Department’s claimed already tenuous and below peer ratings from Fitch Ratings
16 (“Fitch”), Moody’s Investors Service (“Moody’s”), and S&P Global Ratings (“S&P” and
17 together with Fitch and Moody’s, the “Rating Agencies”).”³

18 **Q. IS THERE ANY EVIDENCE THAT A MINIMUM THRESHOLD OF LESS**
19 **THAN \$135 MILLION WOULD RESULT IN A CREDIT RATING**
20 **DOWNGRADE?**

21 A. No. Out of the three rating agencies that PWD presents in Schedule ML-3, only one,
22 S&P, mentions the RSF balance as a factor to cause a downgrade. S&P states that an RSF
23 balance below \$120 million could lead to a downgrade. The point here is not that other
24 rating agencies don’t consider the RSF balance, but that the evidence suggests that a

³ PWD Statement No. 1, page 15, line 10.

1 balance of concern is \$120 million, not \$135 million. Additionally, it is unreasonable to
2 assert that setting a minimum threshold in this proceeding, based on FY 2021 operating
3 results, would have any impact on PWD's credit ratings. Simply put, adoption of a
4 minimum threshold for purposes of this reconciliation proceeding (and based solely on
5 PWD's FY 2021 financial performance) will not determine the ending balance in PWD's
6 Rate Stabilization Fund in FY 2022 or FY 2023. Indeed, whether or not PWD's fund
7 balance is below \$120 million, \$135 million, or some other amount in future fiscal years
8 is not a determination before the Board in this proceeding. Finally, it should be noted
9 that the 2021 Rate Determination projected FY 2022 and 2023 Rate Stabilization Fund
10 balances of \$103.857 and \$92.303, respectively.

11 **Q. WHAT IS THE PUBLIC ADVOCATE RECOMMENDING AS THE**
12 **THRESHOLD FOR THIS PROCEEDING?**

13 A. This proceeding is not a general rate case, but instead, it is a reconciliation proceeding
14 pursuant to an agreement entered into by the Public Advocate and PWD. Therefore, for
15 the purpose of the reconciliation it is appropriate to use \$113.988 million, the projected
16 Rate Stabilization Fund balance at the time the Settlement was entered, as the threshold.
17 The Settlement was achieved during a unique period with unprecedented circumstances.
18 The \$113.988 million is the threshold on which the rates were established in that
19 proceeding and therefore it should be the basis or the threshold for the reconciliation in
20 this proceeding.

21 **Q. PWD STATES THAT IT IS FACING COST PRESSURES AND OTHER**
22 **CHALLENGES IN FY 2023. HOW HAVE YOU FACTORED IN PWD'S**
23 **CLAIMS IN REACHING YOUR CONCLUSIONS?**

24 A. The adjustment I have calculated is based on PWD's FY 2021 financial outperformance
25 only. Although I considered PWD's statements regarding cost pressures, I did not find

1 them to be compelling, as I will explain below. In June 2021, when the Board approved
2 the two rate increases proposed in the Settlement, it was anticipated that PWD would
3 meet its minimum senior debt service coverage target of 1.20 and have combined
4 reserves of \$107.4 million at the end of FY 2023. PWD exceeded its senior debt service
5 coverage target, and accumulated nearly \$12 million more in combined reserves in FY
6 2021.

7 Additionally, in the context of this narrow proceeding, it is not possible, nor
8 appropriate, to undertake a thorough review of all of the factors that could impact PWD's
9 financial condition in the coming months and years. However, it is noteworthy that PWD
10 projects its history of outperformance will continue, despite the potential cost pressures it
11 identifies.

12 Although Ms. La Buda states that PWD generated 3.16% more in system-wide
13 revenues, PWD's rate consultants provide more and different detail. Comparing Black &
14 Veatch's confidential and proprietary financial plan model as it existed at the time of the
15 Settlement versus the updated projections utilized for Schedule BV-4 reveals that PWD
16 generated 3.60% (\$25.497 Million) more in system-wide revenues in FY 2021. More
17 significantly, however, this comparison shows that PWD generated 7.10% more (\$47.379
18 Million) from customer rates and charges in FY 2021 than anticipated. Black & Veatch
19 assumes some outperformance in service revenues (just under 3% outperformance in
20 revenues under existing rates in FY 2022 and FY 2023), but FY 2021's results suggest that
21 assumption is understated. In fact, Black & Veatch estimates PWD's FY 2022 revenues
22 to be lower than FY 2021's actual results, notwithstanding the fact that PWD received a
23 \$10 million rate increase.

24 Nonetheless, PWD's rate consultants anticipate PWD's outperformance will
25 continue and that PWD will conclude FY 2023 with more than \$28 million in combined

1 reserves than projected in settlement of the 2021 Rate Proceeding. Based on PWD's own
2 projections set forth in Schedule BV-4, which are illustrative only, as well as PWD's
3 consistent history of financial outperformance, even in the context of an unprecedented
4 global pandemic, I am confident PWD will be able to meet its obligations and maintain
5 adequate reserves.

6 **Q. DO YOU HAVE ANY OTHER CONCERNS ABOUT THE FINANCIAL**
7 **PLAN?**

8 A. Yes. The model utilized to produce Schedule BV-4 does not use PWD's FY 2021
9 financial results as supplied in response to PA-I-13. Accordingly, PWD's consultants
10 have used a starting point for projections that is inconsistent with PWD's FY 2021
11 financial results. This is another reason why it would be inappropriate for the Board to
12 place much reliance upon PWD's projections in its financial plan.

13 **VI. Peer Comparisons**

14 **Q. PWD CLAIMS THAT IT HAS PERFORMED BELOW ITS PEERS.**
15 **PLEASE COMMENT ON THE INFERENCES YOU HAVE DRAWN**
16 **FROM PWD'S PEER COMPARISONS.**

17 A. As part of Schedule ML-2, the Department presents a Peer Comparison in which PWD is
18 compared to seven other municipal water and sewer utilities. The criteria for the selection
19 of these seven utilities are not clear. PWD only states "[t]he peer comparison reflects
20 utilities from the east coast and Midwest region."⁴ The categories in the comparison are:
21 1) Long-term Debt Rating; 2) Annual Debt Service Coverage; 3) Days Cash on Hand; 4)
22 Affordability. With respect to the Long-term Debt Rating and Days Cash on Hand
23 criteria, PWD is on the lower end of the metric rating. With respect to Annual Debt
24 Service Rating and Affordability, PWD is in the middle of the pack. Four out of the seven

⁴ See the response to PA-III-7.

1 utilities' rates are regulated by their City Council, Board of Aldermen, or the utility's
2 Board of Directors. The utilities with the higher Long-term Debt Rating, Days Cash on
3 Hand, Annual Debt Service Coverage and Bill as a Percentage of the City's Median
4 Household Income, are utilities whose rates are set by their City Council, Board of
5 Aldermen, or the utility's Board of Directors. Based on my review of the peer
6 comparison, it occurs to me that those utilities have a different form of regulation and
7 that, in Philadelphia, there is an attempt to balance the interest of the customers and the
8 utility. Therefore, I would recommend that the Rate Board not establish rates based upon
9 what is presented in peer comparisons in this proceeding for the following reasons. First,
10 the criteria for selection of the utilities are not known. There are certainly more than
11 seven municipal utilities from the east coast and Midwest region. Hence, one has to
12 question whether the peer selection skews the result of the comparison to support PWD's
13 narrative. Second, ratemaking should be conducted on a case-by-case basis that focuses
14 on the facts of each proceeding, not what other utilities are doing.

15 **VII. Cost Pressures**

16 **Q. PLEASE ADDRESS PWD'S CLAIMS THAT CHANGES IN COSTS**
17 **WOULD IMPACT ITS FINANCIAL OPERATIONS IF THERE IS A**
18 **CHANGE IN THE FY 2023 RATES.**

19 A. As I have explained, under the framework set forth in the Settlement, the FY 2023 rate
20 increase is subject to reduction based upon two specific metrics. PWD's discussion of the
21 possible cost pressures takes the form of presenting new financial assumptions that are
22 beyond the scope of the proceeding. Moreover, PWD's approach is one-sided where it has
23 focused on highlighting primarily cost increases while ignoring cost savings. For example,
24 the 2021 rate filing included \$73.753 million for pension expense for FY 2022. In the
25 response to PA-I-1, the Department reveals that the FY 2022 pension expense has been

1 reduced to \$56.0 million. PWD does not offer this information to demonstrate that there
2 are cost savings as well. Additionally, some utilities have been able to identify cost savings
3 that have resulted from remote work, including reduction in travel and employee activities.
4 None of these types of savings have been identified by PWD. Hence, the cost increases
5 presented by PWD cannot be considered in a vacuum and should be deemed irrelevant to
6 this proceeding.

7 Furthermore, as explained above, PWD significantly outperformed its projections
8 of revenues from rates, collecting more than \$47 million in additional revenues. PWD's
9 updated projections for FY 2022 and 2023 revenues from rates are marginally higher, but
10 nonetheless appear understated in light of PWD's actual performance.
11

12 **VIII. Recommendation**

13 **Q. WHAT DO YOU RECOMMEND FOR THIS PROCEEDING?**

14 A. Based upon my review of the filing and the related data requests, I agree with PWD that
15 no reduction in FY 2023 rates and charges is warranted with respect to the receipt of
16 Stimulus Funds as established in the Settlement. PWD reports it did not receive Federal
17 Stimulus Funding in an amount sufficient to warrant an adjustment and that the funds it
18 received in FY 2021 are already reflected in FY 2021's financial performance. However,
19 with respect to the financial performance, PWD has over performed. Therefore, ratepayers
20 are entitled to a sharing of the \$10.7 million that I have previously identified.

21 I have considered whether the Board should share this amount equally, resulting in
22 a \$5.35 million reduction to FY 2023's incremental increase. I believe that is the minimum
23 reduction that can reasonably be considered. However, I recommend a larger reduction.
24 PWD's outperformance enabled it to transfer an additional \$13.217 million to the
25 Construction Fund that otherwise could have been preserved in the Rate Stabilization Fund.

1 Since those dollars have been spent, I do not base my adjustment on them, but note that the
2 transfer and resulting higher coverage demonstrates outperformance that is not apparent by
3 looking at PWD's reserves. However, the FY 2021 year-end balance in the Residual Fund
4 is \$1.24 million higher than projected. As a result, I recommend that the \$5.35 million
5 adjustment be increased by \$1.24 million, for an overall reduction of \$6.6 million
6 (rounded).

7 I have provided Schedule LKM-1, attached to this testimony, which is provided for
8 illustrative purposes. Schedule LKM-1 provides a summary of the results of operation after
9 reflecting the reduction of \$6.6 million to PWD revenues.

10 **Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?**

11 A. Yes, it does

**BEFORE THE
PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD**

**In Re: The Philadelphia Water
Department's Proposed Change in Water,
Wastewater and Stormwater Rates and
Related Charges**

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**Special Rate Filing:
Reconciliation Proceeding
for Fiscal Year 2023**

**SCHEDULES ACCOMPANYING THE
DIRECT TESTIMONY**

OF

LAFAYETTE K. MORGAN, JR.

ON BEHALF OF

THE PUBLIC ADVOCATE

TABLE C-1: PROJECTED REVENUE AND REVENUE REQUIREMENTS
(in thousands of dollars)

Line No.	Description	2021	2022	2023
OPERATING REVENUE				
1	Water Service - Existing Rates	279,468	266,656	269,813
1a	Water Service - Existing Rates	279,468	266,656	269,813
2	Wastewater Service - Existing Rates	426,144	427,613	433,417
2a	Wastewater Service - Existing Rates	426,144	427,613	433,417
3	Total Service Revenue - Existing Rates	705,612	694,269	703,230
3a	Total Service Revenue - Existing Rates	705,612	694,269	703,230
	Calc %			
	Year	Increase	Months Effective	
4	FY 2021	0.00%		
4a	FY 2021	0.00%	9.81	-
5	FY 2022	0.00%	10.00	10,411
5a	FY 2022	1.83%	9.81	10,411
6	FY 2023	8.61%	10.00	34,110
6a	FY 2023	4.70%	9.81	27,513
7	FY 2024		10.00	
7a	FY 2024		9.81	
8	FY 2025		10.00	
8a	FY 2025		9.81	
9	FY2026			
9a	FY2026		9.81	
10	Total Additional Service Revenue Required		10,411	47,011
10a	Total Additional Service Revenue Required		10,411	40,411
11	Total Water & Wastewater Service Revenue	705,612	704,680	750,241
11x	Other Income (a)			
11a	Total Water & Wastewater Service Revenue	705,612	704,680	743,641
11xa	Other Income (a)			
12	Other Operating Revenue	24,839	21,719	21,638
12a	Other Operating Revenue	24,839	21,719	21,638
13	Debt Reserve Fund Interest Income	-	-	-
13a	Debt Reserve Fund Interest Income	-	-	-
14	Operating Fund Interest Income	-	1,230	1,249
14a	Operating Fund Interest Income	-	1,230	1,249
15	Rate Stabilization Interest Income	-	1,088	982
15a	Rate Stabilization Interest Income	-	1,088	982
16	Total Revenues	730,451	728,717	774,110
16a	Total Revenues	730,451	728,717	767,510
OPERATING EXPENSES				
17	Total Operating Expenses	(521,096)	(517,471)	(533,065)
17a	Total Operating Expenses	(521,096)	(517,471)	(533,065)
NET REVENUES				
18	Transfer From/(To) Rate Stabilization Fund	27,000	10,131	11,554
18a	Transfer From/(To) Rate Stabilization Fund	27,000	10,131	18,154
19	NET REVENUES AFTER OPERATIONS	236,355	221,377	252,599
19a	NET REVENUES AFTER OPERATIONS	236,355	221,377	252,599

TABLE C-1: PROJECTED REVENUE AND REVENUE REQUIREMENTS
(in thousands of dollars)

Line No.	Description	2021	2022	2023
DEBT SERVICE				
20	Outstanding Bonds	(175,661)	(163,516)	(164,558)
20a	Outstanding Bonds	(175,661)	(163,516)	(164,558)
21	Pennvest Parity Bonds	(10,651)	(10,885)	(11,067)
21a	Pennvest Parity Bonds	(10,651)	(10,885)	(11,067)
22	Projected Future Bonds	-	(8,000)	(30,798)
22a	Projected Future Bonds	-	(8,000)	(30,798)
23	Commercial Paper	-	(2,000)	(4,000)
23a	Commercial Paper	-	(2,000)	(4,000)
24	Total Senior Debt Service	(186,312)	(184,401)	(210,423)
24a	Total Senior Debt Service	(186,312)	(184,401)	(210,423)
25	TOTAL SENIOR DEBT SERVICE COVERAGE (L1	1.27	1.20	1.20
25a	TOTAL SENIOR DEBT SERVICE COVERAGE (L1	1.27	1.20	1.20
26	Subordinate Debt Service	-	-	-
26a	Subordinate Debt Service	-	-	-
27	Transfer to Escrow	-	-	-
27a	Transfer to Escrow	-	-	-
28	Total Debt Service on Bonds	(186,312)	(184,401)	(210,423)
28a	Total Debt Service on Bonds	(186,312)	(184,401)	(210,423)
29	CAPITAL ACCOUNT DEPOSIT	(27,833)	(29,447)	(31,155)
29a	CAPITAL ACCOUNT DEPOSIT	(27,833)	(29,447)	(31,155)
30	TOTAL COVERAGE (L19/(L24+L26+L29))	1.10	1.04	1.05
30a	TOTAL COVERAGE (L19a/(L24a+L26a+L29a))	1.10	1.04	1.05
RESIDUAL FUND				
31	Beginning of Year Balance	16,261	15,042	15,021
31a	Beginning of Year Balance	16,261	15,042	15,021
32	Interest Income	22	150	150
32x	Plus:			
32a	Interest Income	22	150	150
32xa	Plus:			
33	End of Year Revenue Fund Balance	22,210	7,529	11,021
33a	End of Year Revenue Fund Balance	22,210	7,529	11,021
34	Deposit for Transfer to City General Fund (b)	2,586	1,839	2,037
34x	Less:			
34a	Deposit for Transfer to City General Fund (b)	2,586	1,839	2,037
34xa	Less:			
35	Transfer to Construction Fund	(22,210)	(7,700)	(11,100)
35a	Transfer to Construction Fund	(22,210)	(7,700)	(11,100)
36	Transfer to City General Fund	(2,586)	(1,839)	(2,037)
36a	Transfer to City General Fund	(2,586)	(1,839)	(2,037)
37	Transfer to Debt Service Reserve Fund	-	-	-
37a	Transfer to Debt Service Reserve Fund	-	-	-
38	End of Year Balance	16,283	15,021	15,092
38a	End of Year Balance	16,283	15,021	15,092

TABLE C-1: PROJECTED REVENUE AND REVENUE REQUIREMENTS
(in thousands of dollars)

Line No.	Description	2021	2022	2023
RATE STABILIZATION FUND				
39	Beginning of Year Balance	150,652	113,988	103,857
39a	Beginning of Year Balance	150,652	124,661	114,530
40	Deposit From/(To) Revenue Fund	(27,000)	(10,131)	(11,554)
40a	Deposit From/(To) Revenue Fund	(27,000)	(10,131)	(18,154)
41	End of Year Balance	113,988	103,857	92,303
41a	End of Year Balance	124,661	114,530	96,376

**BEFORE THE
PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD**

**In Re: The Philadelphia Water
Department's Proposed Change in Water,
Wastewater and Stormwater Rates and
Related Charges**

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**Special Rate Filing:
Reconciliation Proceeding
for Fiscal Year 2023**

APPENDIX A

RESUME OF

LAFAYETTE K. MORGAN, JR.

LAFAYETTE K. MORGAN, JR.

Mr. Morgan is an independent regulatory consultant focusing in the area of the analysis of the operations of public utilities with particular emphasis on rate regulation. He has reviewed and analyzed utility rate filings, focusing primarily on revenue requirements determination, accounting and regulatory policy and cost recovery mechanisms. This work has included natural gas, water, electric, and telephone utilities.

Education and Qualifications

B.B.A. (Accounting) – North Carolina Central University, 1983

M.B.A. (Finance) – The George Washington University, 1993

C.P.A. – Licensed in the State of North Carolina (Inactive status)

Previous Employment

1993-2010 Senior Regulatory Analyst
Exeter Associates, Inc.
Columbia, MD

1990-1993 Senior Financial Analyst
Potomac Electric Power Company
Washington, D.C.

1984-1990 Staff Accountant
North Carolina Utilities Commission – Public Staff
Raleigh, NC

Professional Experience

As a Staff Accountant with the North Carolina Utilities Commission – Public Staff, Mr. Morgan was responsible for analyzing testimony, exhibits, and other data presented by parties before the Commission. In addition, he performed examinations of the books and records of utilities involved in rate proceedings and summarized the results into testimony and exhibits for presentation before the Commission. Mr. Morgan also participated in several policy proceedings and audits involving regulated utilities.

As a Senior Financial Analyst with Potomac Electric Power Company, Mr. Morgan was a lead analyst and was involved in the preparation of the cost of service, rate base, and ratemaking adjustments supporting the Company's request for revenue increases in its retail jurisdictions.

As a Senior Regulatory Analyst with Exeter Associates, Inc., Mr. Morgan has been involved in the analysis of the operations of public utilities with particular emphasis on rate regulation. He has reviewed and analyzed utility rate filings, focusing primarily on revenue requirements determination, accounting and regulatory policy and cost recovery mechanisms. This work included natural gas, water, electric, and telephone utilities.

Expert Testimony
of Lafayette K. Morgan, Jr.

Kings Grant Water Company (North Carolina Utilities Commission, Docket No. W-250, Sub 5), 1984. Presented testimony on rate base, cost of service, and revenue and expense adjustments on behalf of the North Carolina Utilities Commission – Public Staff.

Northwood Water Company (North Carolina Utilities Commission, Docket No. W-690, Sub 1), 1985. Presented testimony on rate base, cost of service, and revenue and expense adjustments on behalf of the North Carolina Utilities Commission – Public Staff.

Emerald Village Water System (North Carolina Utilities Commission, Docket No. W-184, Sub 3), 1985. Presented testimony on rate base, cost of service, and revenue and expense adjustments on behalf of the North Carolina Utilities Commission – Public Staff.

General Telephone Company of the South (North Carolina Utilities Commission, Docket No. P-19, Sub 207), July 1986. Presented testimony on the level of cash working capital allowance on behalf of the North Carolina Utilities Commission – Public Staff.

Heins Telephone Company (North Carolina Utilities Commission, Docket No. P-26, Sub 93), November 1986. Presented testimony on rate base, cost of service, and revenue and expense adjustments on behalf of the North Carolina Utilities Commission – Public Staff.

Carolina Power and Light Company (North Carolina Utilities Commission, Docket No. E-2, Sub 537), March 1988. Presented testimony on rate base, cost of service, and revenue and expense adjustments on behalf of the North Carolina Utilities Commission – Public Staff.

Public Service Company of North Carolina, Inc. (North Carolina Utilities Commission, Docket No. G-5, Sub 246), August 1989. Presented testimony on rate base, cash working capital allowance, cost of service, and revenue and expense adjustments on behalf of the North Carolina Utilities Commission – Public Staff.

Conestoga Telephone and Telegraph Company (Pennsylvania Public Utility Commission, Docket No. I-00920015), September 1993. Presented testimony on cost of service on behalf of the Pennsylvania Office of Consumer Advocate.

Louisiana Power and Light Company (Louisiana Public Service Commission, Docket No. U-20925), February 1995. Presented testimony on rate base and working capital issues on behalf of the Louisiana Public Service Commission Staff.

South Central Bell Telephone Company – Louisiana (Louisiana Public Service Commission, Docket No. U-17949, Subdocket E), June 1995. Presented testimony on rate base and working capital issues on behalf of the Louisiana Public Service Commission Staff.

Expert Testimony
of Lafayette K. Morgan, Jr.

Apollo Gas Company (Pennsylvania Public Utility Commission, Docket No. R-00953378), August 1995. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Carnegie Natural Gas Company (Pennsylvania Public Utility Commission, Docket No. R-00953379), August 1995. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Tennessee Gas Pipeline Company (Federal Energy Regulatory Commission, Docket No. RP95-112), September 1995. Presented testimony rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Virginia-American Water Company (Virginia State Corporation Commission, Case No. PUE-950003), March 1996. Presented testimony on rate base and cost of service issues on behalf of the City of Alexandria.

GTE North, Inc. Interconnection Arbitration (Pennsylvania Public Utility Commission, Docket No. A-310125F0002), September 1996. Presented testimony on the determination of the appropriate resale discount on behalf of the Pennsylvania Office of Consumer Advocate.

United Cities Gas Company (Georgia Public Service Commission, Docket No. 6691-U), October 1996. Presented testimony on rate base and cost of service issues on behalf of the Office of Governor, Consumer Utility Counsel Division.

GTE North, Inc. (Pennsylvania Public Utility Commission, Docket Nos. R-00963666 and R-00963666C001), February 1997. Presented testimony on the determination of the appropriate resale discount on behalf of the Pennsylvania Office of Consumer Advocate.

Consumers Maine Water Company (Maine Public Utilities Commission, Docket No. 96-739), May 1997. Presented testimony on rate base, cost of service, and rate of return issues on behalf of the Maine Office of the Public Advocate.

Pennsylvania-American Water Company (Pennsylvania Public Utility Commission, Docket No. R-00973944), July 1997. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Pennsylvania-American Water Company – Wastewater Operations (Pennsylvania Public Utility Commission, Docket No. R-00973973), July 1997. Presented testimony on rate base, cost of service, depreciation, and rate design issues on behalf of the Pennsylvania Office of Consumer Advocate.

Expert Testimony
of Lafayette K. Morgan, Jr.

Jackson Purchase Electric Cooperative Corporation (Kentucky Public Service Commission, Case No. 97-224), December 1997. Presented testimony on rate base and cost of service issues on behalf of the Kentucky Office of the Attorney General.

Henderson Union Electric Cooperative Corporation (Kentucky Public Service Commission, Case No. 97-220), January 1998. Presented testimony on the return of patronage capital on behalf of the Kentucky Office of the Attorney General.

Green River Electric Corporation (Kentucky Public Service Commission, Case No. 97-219), January 1998. Presented testimony on the return of patronage capital on behalf of the Kentucky Office of the Attorney General.

Western Kentucky Gas Company (Kentucky Public Service Commission, Case No. 99-070), November 1999. Presented testimony on rate base and cost of service issues on behalf of the Kentucky Office of the Attorney General.

American Broadband, Inc. (Rhode Island Public Utilities Commission, Docket No. 2000-C-3), June 2000. Presented report and testimony on the Company's financing plan on behalf of the Rhode Island Division of Public Utilities and Carriers.

PPL Utilities (Pennsylvania Public Utility Commission, Docket No. R-00005277), October 2000. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

T.W. Phillips Oil and Gas Company (Pennsylvania Public Utility Commission, Docket No. R-00005459), October 2000. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Pike County Light & Power Company (Pennsylvania Public Utility Commission, Docket No. P-00011872), May 2001. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Vermont Gas Systems, Inc. (Vermont Public Service Board, Docket No. 6495), June 2001. Presented testimony on rate base and cost of service issues on behalf of the Vermont Public Service Department.

Community Service Telephone Company (Maine Public Utilities Commission, Docket No. 2001-249), July 2001. Presented joint testimony on rate base and cost of service issues on behalf of the Maine Office of the Public Advocate.

Expert Testimony
of Lafayette K. Morgan, Jr.

West Virginia-American Water Company (Public Service Commission of West Virginia, Docket No. 01-0326-W-42-T), August 2001. Presented testimony on rate base and cost of service issues on behalf of the Consumer Advocate Division.

Philadelphia Suburban Water Company (Pennsylvania Public Utility Commission, Docket No. R-00016750) February 2002. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Illinois-American Water Company (Illinois Commerce Commission, Docket No. 02-0690) January 2003. Presented testimony on cost of service issues on behalf of Citizens Utility Board.

Pennsylvania-American Water Company (Pennsylvania Public Utility Commission, Docket No. R-00027983), February 2003. Presented testimony addressing surcharge mechanism to recover security costs on behalf of the Pennsylvania Office of Consumer Advocate.

FairPoint New England Telephone Companies (Maine Public Utilities Commission, Docket Nos. 2002-747, 2003-34, 2003-35, 2003-36, and 2003-37), June 2003. Presented testimony on rate base and cost of service issues on behalf of the Maine Office of the Consumer Advocate.

Pennsylvania-American Water Company (Pennsylvania Public Utility Commission, Docket No. R-00038304), August 2003. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

PPL Electric Utilities Corporation (Pennsylvania Public Utility Commission, Docket No. R-00049255), June 2004. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Entergy Louisiana, Inc. (Louisiana Public Service Commission, Docket No. U-20925 RRF 2004), August 2004. Presented testimony on rate base and cost of service issues on behalf of the Louisiana Public Service Commission Staff.

Vectren Energy Delivery of Indiana (Indiana Utility Regulatory Commission, Cause No. 42598), September 2004. Presented testimony on O&M expense issues on behalf of the Indiana Office of Utility Consumer Counselor.

National Fuel Gas Distribution Corporation (Pennsylvania Public Utility Commission, Docket No. R-00049656), December 2004. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Expert Testimony
of Lafayette K. Morgan, Jr.

Block Island Power Company (Rhode Island Public Utilities Commission, Docket No. 3655), April 2005. Presented testimony on cash working capital on behalf of the Rhode Island Division of Public Utilities & Carriers.

Verizon New England, Inc. (Maine Public Utilities Commission, Docket No. 2005-155), September 2005. Presented joint testimony with Thomas S. Catlin on rate base and cost of service issues on behalf of the Maine Office of the Public Advocate.

T.W. Phillips Oil and Gas Company (Pennsylvania Public Utility Commission, Docket No. R-00051178), May 2006. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Duquesne Light Company (Pennsylvania Public Utility Commission, Docket No. R-00061346), July 2006. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

National Fuel Gas Distribution Company (Pennsylvania Public Utility Commission, Docket No. R-00061493), September 2006. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Southern Indiana Gas & Electric Co. (Indiana Utility Regulatory Commission, Cause No. 43112), January 2007. Presented testimony on rate base and cost of service issues on behalf of the Indiana Office of Utility Consumer Counsel.

PPL Electric Utilities (Pennsylvania Public Utility Commission, Docket No. R-00072155), July 2007. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Aqua Pennsylvania, Inc. (Pennsylvania Public Utility Commission, Docket No. R-00072711), February 2008. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Equitable Gas Company (Pennsylvania Public Utility Commission, Docket No. R-2008-2029325), October 2008. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

The Narragansett Bay Commission (Rhode Island Public Utilities Commission, Docket No. 4026), April 2009. Presented testimony on rate base and cost of service issues on behalf of the Rhode Island Division of Public Utilities and Carriers.

Expert Testimony
of Lafayette K. Morgan, Jr.

Maryland-American Water Company (Maryland Public Service Commission, Case No. 9187), July 2009. Presented testimony on rate base and cost of service issues on behalf of the Maryland Office of People's Counsel.

Monongahela Power Company & The Potomac Edison Company, both d/b/a Allegheny Power Company (West Virginia Public Service Commission, Case No. 09-1352-E-42T), February 2010. Presented testimony on rate base and cost of service issues on behalf of the West Virginia Consumer Advocate Division.

PPL Electric Utilities (Pennsylvania Public Utility Commission, Docket No. R-2010-2161694), June 2010. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Pawtucket Water Supply Board (Rhode Island Public Utilities Commission, Docket No. 4550), June 2015. Presented testimony on revenue requirements issues on behalf of the Rhode Island Division of Public Utilities and Carriers.

Columbia Gas of Pennsylvania (Pennsylvania Public Utility Commission, Docket No. R-2015-2468056), June 2015. Presented testimony on rate base and cost of service issues on behalf of the Pennsylvania Office of Consumer Advocate.

Indianapolis Power and Light Company (Indiana Utility Regulatory Commission, Cause No. 44576/44602), July 2015. Presented testimony on revenue requirements issues on behalf of the Indiana Office of Utility Consumer Counselor.

Public Service Company of Oklahoma (Corporation Commission of Oklahoma, Cause No. PUD 201500208), October 2015. Presented testimony on revenue requirements and environmental compliance rider issues on behalf of the United States Department of Defense and the Federal Executive Agencies.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission, Cause No. 44688), January 2016. Presented testimony on the company's electric division operating revenues, operating expenses and income taxes issues on behalf of the Indiana Office of Utility Consumer Counselor.

Philadelphia Water Department (Philadelphia Water, Sewer And Storm Water Rate Board, FY2017-2018 Rate Proceeding), March 2016. Presented testimony on revenue requirements issues on behalf of the Public Advocate.

Columbia Gas of Maryland (Public Service Commission of Maryland, Case No. 9417), June 2016. Presented testimony on rate base and cost of service issues on behalf of the Office of People's Counsel.

Expert Testimony
of Lafayette K. Morgan, Jr.

Chesapeake Utilities Corporation (Delaware Public Service Commission, PSC Docket No. 15-1734), August 2016. Presented testimony on rate base and cost of service issues on behalf of the Staff of the Delaware Public Service Commission.

Kent County Water Authority (Public Service Commission of Rhode Island, Docket No. 4611), September 2016. Presented testimony on rate base and cost of service issues on behalf of the Division of Public Utilities and Carriers.

Northern Utilities, Inc. (Maine Public Utilities Commission, Docket No. 2017-00065), August 2017. Assisted the Maine Office of Public Advocate (OPA) with Northern Utilities application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements, the utility's request to renew and modify its alternative rate plan, and its Targeted Infrastructure Replacement Adjustment.

Indiana Michigan Power Company (Indiana Utility Regulatory Commission, Cause No. 44967), November 2017. Presented testimony on rate base, operating revenues and operating expenses issues on behalf of the Indiana Office of Utility Consumer Counselor.

Emera Maine (Maine Public Utilities Commission, Docket No. 2017-00198), December 2017. Assisted the Maine Office of Public Advocate (OPA) with Emera Maine's application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements, the utility's request to reflect the changes brought about by the Tax Change and Jobs Act of 2017.

UGI-Electric (Pennsylvania Public Utility Commission, Docket No. R-2017-2640058), April 2018. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with UGI-Electric's application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OCA, on accounting issues including test year revenue requirements, the utility's request to reflect the changes brought about by the Tax Change and Jobs Act of 2017.

Philadelphia Water Department (Philadelphia Water, Sewer And Storm Water Rate Board, FY2019-2020 Rate Proceeding), April 2018. Presented testimony on revenue requirements and the Department's three-year rate plan issues on behalf of the Public Advocate.

Westar Energy, Inc. (Westar Energy) and Kansas Gas and Electric Company (KGE), (Kansas State Corporation Commission, Docket No. 18-WSEE-328-RTS), May 2018. Presented testimony on revenue requirements on behalf on behalf of the Federal Executive Agencies.

Expert Testimony
of Lafayette K. Morgan, Jr.

Duquesne Light Company (Pennsylvania Public Utility Commission, Docket No. R-2018-3000124), June 2018. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with UGI-Electric's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including test year revenue requirements, the utility's request to reflect the changes brought about by the Tax Change and Jobs Act of 2017.

Bangor Natural Gas Company (Maine Public Utilities Commission, Docket No. 2018-00007), June 2018. Assisted the Maine Office of Public Advocate (OPA) Presented testimony, on behalf of the OPA, on the changes brought about by the Tax Change and Jobs Act of 2017.

SUEZ Water Pennsylvania, Inc. (Pennsylvania Public Utility Commission, R-2018-3000834), July 2018. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with SUEZ Water's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including Rate Base, Operating Income, Inclusion of Costs Related to Expansion Territories and the utility's request to reflect the changes brought about by the Tax Change and Jobs Act of 2017.

Woonsocket Water Division (Public Service Commission of Rhode Island, Docket No. 4879), January 2019. Presented testimony on cost of service issues on behalf of the Division of Public Utilities and Carriers.

Central Maine Power Company (Maine Public Utilities Commission, Docket No. 2018-00194), January 2019. Assisted the Maine Office of Public Advocate (OPA) with Central Maine Power's application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements, the utility's request to reflect the changes brought about by the Tax Change and Jobs Act of 2017.

Newport Water Department (Public Service Commission of Rhode Island, Docket No. 4933), July 2019. Presented testimony on cost of service issues on behalf of the Division of Public Utilities and Carriers.

UGI-Gas (Pennsylvania Public Utility Commission, Docket No. R-2018-3006814), April 2019. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with UGI-Gas' application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OCA, on accounting issues including Rate Base and Net Operating Income.

Columbia Gas of Maryland (Public Service Commission of Maryland, Case No. 9609), August 2019. Presented testimony on rate base and cost of service issues on behalf of the Office of People's Counsel.

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Public Service Company of Colorado (Colorado Public Utility Commission, Proceeding No. 19AL-0268E), September 2019. Mr. Morgan provided testimony, on behalf of the Department of Energy and the Federal Executive Agencies, on accounting issues including test year revenue requirements, Rate Base and Net Operating Income.

Northern Utilities, Inc. (Maine Public Utilities Commission, Docket No. 2019-00092), September 2019. Assisted the Maine Office of Public Advocate (OPA) with Northern Utilities application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements and the utility's request to institute a Capital Investment Recovery Mechanism.

Citizens' Electric Company of Lewisburg (Pennsylvania Public Utility Commission, Docket No. R-2019-3008212), October 2019. Provided testimony on Plant in Service, Construction Work in Progress, Materials and Supplies, Customer Deposits, Depreciation Expense, Growth Factor, and The Tax Cuts and Jobs Act. Mr. Morgan provided testimony, on behalf of the Pennsylvania Office of Consumer Advocate (OCA).

Valley Energy, Inc. (Pennsylvania Public Utility Commission, Docket No. R-2019-3008209), October 2019. Provided testimony on Plant in Service, Construction Work in Progress, Materials and Supplies, Customer Deposits, Depreciation Expense, Growth Factor, and The Tax Cuts and Jobs Act. Mr. Morgan provided testimony, on behalf of the Pennsylvania Office of Consumer Advocate (OCA).

Wellsboro Electric Company (Pennsylvania Public Utility Commission, Docket No. R-2019-3008208), October 2019. Provided testimony on Plant in Service, Construction Work in Progress, Materials and Supplies, Customer Deposits, Depreciation Expense, Growth Factor, and The Tax Cuts and Jobs Act. Mr. Morgan provided testimony, on behalf of the Pennsylvania Office of Consumer Advocate (OCA).

Blue Granite Water Company (Public Service Commission of South Carolina, (Docket No. 2019-290-WS), January 2020. Assisted the South Carolina Department of Consumer Affairs. Presented testimony on accounting policy issues including test year revenue requirements.

UGI-Gas (Pennsylvania Public Utility Commission, Docket No. R-2019-3015162), May 2020. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with UGI-Gas' application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OCA, on accounting issues including Rate Base and Net Operating Income.

Columbia Gas of Maryland (Public Service Commission of Maryland, Case No. 9644), July 2020. Presented testimony on rate base and cost of service issues on behalf of the Office of People's Counsel.

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PECO Energy Company - Gas Division (Pennsylvania Public Utility Commission, Docket No. R-2020-3018929), December 2020. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with PECO-Gas' application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OCA, on accounting issues including Rate Base and Net Operating Income.

Philadelphia Water Department (Philadelphia Water, Sewer And Storm Water Rate Board, Fiscal Years 2022 - 2023 Rates Proceeding), March 2021. Presented testimony on revenue requirements and the Department's three-year rate plan issues on behalf of the Public Advocate.

Versant Maine (Maine Public Utilities Commission, Docket No. 2020-00316), April 2021. Assisted the Maine Office of Public Advocate (OPA) with Emera Maine's application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements.

Maine Water Company (Maine Public Utilities Commission, Docket No. 2021-00053), April 2021. Assisted the Maine Office of Public Advocate (OPA) with Maine Water Company's Request for Approval of Rate Increase and Rate Smoothing Mechanism Pertaining to The Maine Water Company Biddeford & Saco Division. Mr. Morgan provided testimony, on the authorization of the Rate Smoothing Mechanism.

UGI-Electric (Pennsylvania Public Utility Commission, Docket No. R-2021-3023618), May 2021. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with UGI-Electric's application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OCA, on accounting issues including Rate Base and Net Operating Income.

Bangor Natural Gas Company (Maine Public Utilities Commission, Docket No. 2021-00024), June 2021. Assisted the Maine Office of Public Advocate (OPA) with Bangor Natural Gas' application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements.

Philadelphia Gas Works (Philadelphia Gas Commission, Fiscal Years 2021 - 2022 Operating Budget Proceeding), June 2021. Presented testimony on the reasonableness of the Fiscal Year 2022 Operating Budget on behalf of the Public Advocate.

Duquesne Light Company (Pennsylvania Public Utility Commission, Docket No. R-2021-3024750), June 2021. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with UGI-Electric's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including test year revenue requirements.

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Columbia Gas of Maryland (Public Service Commission of Maryland, Case No. 9664), July 2021. Presented testimony on rate base and cost of service issues on behalf of the Office of People's Counsel.

Palmetto Wastewater Reclamation, Inc. (Public Service Commission of South Carolina, (Docket No. 2021-153-S), September 2021. Assisted the South Carolina Department of Consumer Affairs. Presented testimony on accounting policy issues including test year revenue requirements.

Maine Water Company (Maine Public Utilities Commission, Docket No. 2021-00289), November 2021. Assisted the Maine Office of Public Advocate (OPA) with Maine Water Company's application for an increase in rates. Mr. Morgan provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements.

City of Lancaster – Water Department (Pennsylvania Public Utility Commission, Docket No. R-2021-3026682), December 2021. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with the City of Lancaster – Water Department's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including test year revenue requirements.

Maryland Water Service (Public Service Commission of Maryland, Case No. 9671), January 2022. Presented testimony on rate base and cost of service issues on behalf of the Office of People's Counsel.

Special Projects

Developed a Uniform System of Accounts and Financial Data Collection Template for five countries participating in the National Association of Regulatory Utility Commissioners (NARUC)/East Africa Regional Energy Regulatory Partnership. Also conducted training seminars and participated as a panel member addressing issues in the utility industry from the perspective of the regulator. This work was conducted by NARUC) and the United States Agency for International Development (USAID).

Other Projects

Texas Gas Transmission Corporation (Federal Energy Regulatory Commission, Docket No. RP93-106). Technical analysis and participation in settlement negotiations on cost of service, invested capital, and revenue deficiency on behalf of the Indiana Office of Utility Consumer Counselor.

Natural Gas Pipeline Company of America (Federal Energy Regulatory Commission, Docket No. RP93-36). Technical analysis and participation in settlement negotiations on cost of service, invested capital, and revenue deficiency on behalf of the Indiana Office of Utility Consumer Counselor.

Texas Gas Transmission Company (Federal Energy Regulatory Commission, Docket No. RP94-423). Technical analysis and participation in settlement negotiations on cost of service, invested capital, and revenue deficiency on behalf of the Indiana Office of Utility Consumer Counselor.

Lafourche Telephone Company (Louisiana Public Service Commission, Docket No. U-21181). Analysis and investigation of earnings and appropriate rate of return on behalf of the Louisiana Public Service Commission Staff.

Natural Gas Pipeline Company of America (Federal Energy Regulatory Commission, Docket No. RP95-326). Technical analysis and participation in settlement negotiations on cost of service, invested capital, and revenue deficiency on behalf of the Indiana Office of Utility Consumer Counselor.

Pymatuning Independent Telephone Company (Pennsylvania Public Utility Commission, Docket No. R-00953502). Technical analysis and development of settlement position in the Company's rate case on behalf of the Pennsylvania Office of Consumer Advocate.

Illinois Bell Telephone Company (Illinois Commerce Commission, Docket No. 96-0172). Technical analysis of the Company's annual rate filing pursuant to its Price Cap Plan on behalf of Citizens Utility Board.

Illinois Bell Telephone Company (Illinois Commerce Commission, Docket No. 97-0157).
Technical analysis of the Company's annual rate filing pursuant to its Price Cap Plan on behalf of Citizens Utility Board.

TDS Telecom (Pennsylvania Public Utility Commission, Docket Nos. R-00973892 and R-00973893). Technical analysis regarding rate base, cost of service, rate design, and rate of return, and assistance in settlement negotiations in the Company's rate case and alternative regulatory filing on behalf of the Pennsylvania Office of Consumer Advocate.

Appalachian Power Company (Virginia State Corporation Commission, Case No. PUE 960301).
Technical analysis regarding rate base and cost of service and assistance in settlement negotiations in the Company's rate case and alternative regulatory filing on behalf of the Virginia Office of the Attorney General.

Central Maine Power Company (Maine Public Utilities Commission, Docket No. 97-580).
Technical analysis regarding attrition and accounting issues in the Company's Transmission and Distribution unbundling proceeding on behalf of the Maine Public Utilities Commission Staff.

Illinois Bell Telephone Company (Illinois Commerce Commission, Docket No. 98-0259).
Technical Analysis of the Company's annual rate filing pursuant to its Price Cap Plan on behalf of Citizens Utility Board.

Maine Public Service Company (Maine Public Utilities Commission, Docket No. 98-577).
Technical analysis regarding attrition and accounting issues in the Company's Transmission and Distribution unbundling proceeding on behalf of the Maine Public Utilities Commission Staff.

Bangor Hydro-Electric Company (Maine Public Utilities Commission, Docket No. 97-596).
Technical analysis regarding attrition and accounting issues in the Company's Transmission and Distribution unbundling proceeding on behalf of the Maine Public Utilities Commission Staff.

TDS Telecom (Maine Public Utilities Commission, Docket Nos. 98-894, 98-895, 98-904, 98-906, 98-911, and 98-912). Technical analysis regarding accounting issues and access rate changes on behalf of the Maine Office of the Public Advocate.

Mid-Maine Telecom (Maine Public Utilities Commission, Docket No. 2000-810). Technical analysis regarding accounting issues and access rate changes on behalf of the Maine Office of the Public Advocate.

Unitel, Inc. (Maine Public Utilities Commission, Docket No. 2000-813). Technical analysis regarding accounting issues and access rate changes on behalf of the Maine Office of the Public Advocate.

Hydraulics International, Inc. (Armed Services Board of Contract Appeals, ASBCA No. 51285). Technical analysis and support relating to the Economic Adjustment Clause claim on behalf of the Air Force Materiel Command.

Tidewater Telecom and Lincolnville Telephone Company (Maine Public Utilities Commission, Docket Nos. 2002-100 and 2002-99). Technical analysis regarding accounting issues and access rate changes on behalf of the Maine Office of the Public Advocate.

TDS Telecom (Vermont Public Service Board, Docket No. 6576). Technical analysis regarding rate base, cost of service, and depreciation expense on behalf of the Vermont Department of Public Service.

CenterPoint Energy-Entex (Louisiana Public Service Commission, Docket No. U-26720, Subdocket A). Technical analysis regarding rate base and cost of service on behalf of the Louisiana Public Service Commission Staff.

CenterPoint Energy-Arkla (Louisiana Public Service Commission, Docket No. U-27676). Technical analysis regarding rate base and cost of service on behalf of the Louisiana Public Service Commission Staff.

Provided technical analysis and support on behalf of the Louisiana Public Service Commission Staff relating to CLECO Power LLC Rate Stabilization Plan.

Provided technical analysis and support on behalf of the Louisiana Public Service Commission Staff relating to CLECO Power LLC post-Katrina power purchases.

Provided technical analysis and support on behalf of the Louisiana Public Service Commission Staff relating to Entergy Louisiana LLC recovery of storm damage costs.

Westar Energy, Inc. (Westar Energy) and Kansas Gas and Electric Company (KGE), (Kansas State Corporation Commission, Docket No. 17-WSEE-147-RTS). Technical analysis regarding rate base and cost of service on behalf of the Federal Executive Agencies.

Westar Energy, Inc. (Westar Energy) and Kansas Gas and Electric Company (KGE), (Kansas State Corporation Commission, Docket No. 17-WSEE-147-RTS). Technical analysis regarding rate base and cost of service on behalf of the Federal Executive Agencies.