

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

In Re: Philadelphia Water Department's Annual Adjustment of Tiered Assistance Program Rate Rider Surcharge Rates)))))	2023 Tiered Assistance Program Rate Rider Surcharge Rates
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**DIRECT TESTIMONY
OF
LAFAYETTE K. MORGAN, JR.**

**ON BEHALF OF
THE PUBLIC ADVOCATE**

March 21, 2023

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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 in
6 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 the
3 cost of service, rate base and ratemaking adjustments supporting the company's requests
4 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 determination. This work involved
9 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 Pennsylvania Public Utility Commission, the Maryland Public Service Commission,
17 the North Carolina Utilities Commission, the Virginia Corporation Commission, the
18 Louisiana Public Service Commission, the Georgia Public Service Commission, the Maine
19 Public Utilities Commission, the Kentucky Public Service Commission, the Public Utilities
20 Commission of Rhode Island, the Vermont Public Service Board, the Illinois Commerce
21 Commission, the West Virginia Public Service Commission, the Corporation Commission
22 of Oklahoma, the 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, the Public Utility

Commission of Texas, the Wyoming Public Service Commission and the Federal Energy Regulatory Commission. My résumé is attached hereto as Appendix A.

Q. ON WHOSE BEHALF ARE YOU APPEARING?

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

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

A. Exeter Associates has been retained by the Public Advocate to assist in the evaluation of the Formal Notice of Proposed Changes in Rates and Charges – Annual Adjustment of Tiered Assistance Program Rate Rider Surcharge Rates (TAP-R) submitted by Philadelphia Water Department (“PWD” or “the Department”). In this testimony, I present my findings on behalf of the Public Advocate regarding the appropriate adjustment to the TAP-R that PWD is requesting for its water and wastewater operations for the rate period beginning September 1, 2023.

Q. PLEASE EXPLAIN HOW YOUR TESTIMONY IS ORGANIZED.

A. First, I provide a summary of the rate relief PWD requests and a brief statement of my conclusions. Next, I discuss my review of certain projections and assumptions included in PWD’s filing, from a more technical perspective, where I identify specific changes that should be made. Finally, I discuss the Public Advocate’s recommendation for the TAP-R.

Q. HOW DID YOU ANALYZE AND REVIEW THE COMPANY’S FILING?

A. I have reviewed PWD’s filing and related supporting documentation and have reviewed PWD’s responses to the Public Advocate’s data requests.

Q. HAVE YOU PREPARED SCHEDULES TO ACCOMPANY YOUR TESTIMONY?

1 A. Yes. I have prepared Schedules LKM-1 through LKM-6. These schedules were
2 presented using the same format as presented by PWD. This makes it easy to compare
3 the Public Advocate's position to PWD's position.

4 **II. SUMMARY AND RECOMMENDATIONS**

5 **Q. PLEASE SUMMARIZE PWD'S TAP RATE ADJUSTMENT FILING.**

6 A. On February 23, 2023, the Department submitted, to the Philadelphia Water, Sewer and
7 Storm Water Rate Board ("Rate Board"), its formal notice of changes in rates and charges
8 to implement the annual adjustment to the Tiered Assistance Program Rate Rider
9 Surcharge Rates (TAP-R) and to revise related water, sewer and fire service connection
10 quantity charges. If approved, the proposed rates will take effect on September 1, 2023.

11 In PWD's February 23, 2023 filing, it is proposing a Water TAP-R rate of \$0.21
12 per thousand cubic feet (MCF) of water usage and a Sewer TAP-R rate of \$0.34 per
13 thousand cubic feet (MCF) of sewer billed volume, effective September 1, 2023. In
14 comparison, the current Water TAP-R rate is \$1.03 per MCF and current Sewer TAP-R
15 rate is \$1.63 per MCF.

16 **Q. PLEASE SUMMARIZE YOUR FINDINGS AND RECOMMENDATIONS.**

17 A. Based upon my review of PWD's filing, I am recommending a Water TAP-R rate of
18 \$0.09 per thousand cubic feet (MCF) of water usage and a Sewer TAP-R rate of \$0.14
19 per thousand cubic feet (MCF). These are the resulting rates after reflecting the changes
20 to PWD's calculations that I am recommending.

**Philadelphia Water Department
Summary Public Advocate Proposed TAP-R Surcharge Rates**

	Total Amount	Water Amount	Wastewater Amount
C = Projected TAP Billing Loss	\$ 9,347,269	\$3,738,907	\$5,608,361
E = Experienced & Estimated Net Over/Under Collection	\$ 7,895,954	\$3,163,409	\$4,732,544
I = Interest on Experienced & Estimated Net Over/Under Collection	\$ 155,512	\$ 62,405	\$ 93,108
Net Recoverable Costs: (C) - (E + I)	\$ 1,295,803	\$5,755,278	\$ 782,709
S = Projected Non-TAP Sales for Next Rate Period (MCF)		<u>5,557,636</u>	<u>5,441,899</u>
TAP-R Surcharge/MCF		\$ 0.09	\$ 0.14

III. PWD'S REQUESTED TAP RATES

Q. WHAT ARE YOUR CONCERNS REGARDING PWD'S PROPOSED TAP-R RATES?

A. While the proposed Tiered Assistance Program Rates (TAP-R) to become effective as of September 1, 2023 were developed using an approach that is consistent with previous TAP-R proceedings, I am concerned about the growth rates applied to the number of participants after November 2022. Specifically, PWD has reflected the actual number of participants through November 2022 and projected TAP participants for December 2022 through the end of the rate effective period. For December 2022, PWD assumed a 5% increase in the number of participants over the November 2022 number of participants. Then for January 2023, PWD reflected a 15% increase over December 2022, which it held constant for the remaining months of the period. According to PWD, this spike in the number of participants was projected because it assumed a successful completion of the "prequalification" effort to enroll the Low-Income Household Water Assistance Program (LIHWAP) recipients in the TAP program.

1 **Q. DO YOU AGREE WITH THE PROJECTED INCREASE IN**
2 **PARTICIPANTS?**

3 A. No. First, PWD has provided the December 2022 and January 2023 number of
4 participants and PWD projections were off the mark significantly. Second, in the 2022
5 TAP-R filing, PWD made projections based upon significant growth in the number of
6 LIHWAP participants, and the growth in the number participants did not materialize as
7 PWD projected. In these two instances, PWD has demonstrated that its projections cannot
8 be relied upon for the purpose of determining the TAP-R rates. Finally, PWD's approach
9 to growth projection applies a significant growth rate early in the period being measured
10 and holds that growth constant. This has the effect of overstating the total TAP discount
11 and increasing the TAP rate. When one looks at the historical pattern of the number of
12 participants, it is clear that the change in the number of participants is not a one-time
13 occurrence. In fact, there is consistent variability from month to month. Hence, PWD's
14 approach is not appropriate.

15 **Q. DID YOU REFLECT ANY GROWTH IN THE NUMBER OF**
16 **PARTICIPANTS?**

17 A. Yes. I have reflected a much more modest growth in the number of participants. I calculated
18 the average growth in the number of TAP participants from January 2020 through January
19 2023. This resulted in a growth rate of approximately 0.22%. I then applied the growth rate
20 on a monthly basis to increase the number of participants for each month going forward to
21 the end of the rate effective period. The results of this analysis were then used in the
22 spreadsheet-based calculations to derive the water and sewer TAP-R rates that I am
23 recommending.

24 **Q. WHY DO YOU BELIEVE YOUR PROJECTIONS ARE MORE**
25 **REASONABLE THAN PWD'S PROJECTIONS?**

1 A. The Public Advocate sought the supporting documentation for PWD's growth rate in PA-
2 TAP-4. In response, PWD stated:

3 The December projected increase anticipated enrollment trends to continue
4 as they had through November 2022. As of the time the report was being
5 prepared, it was anticipated that TAP pre-qualification for LIHWAP grant
6 recipients would be completed in January, though the exact data structure
7 and quality was at that time unknown, so a conservative projection was
8 used. With no other major efforts planned as of the time the report was being
9 prepared, steady participation was projected into the future.

10 The Company offered no data to support the derivation of the 15% increase that it
11 projected. The historical data for 2022 also does not support the 15% growth in the
12 number of participants. On the other hand, my projection is based on PWD's
13 historical growth pattern and is data-driven.

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

15 A. Yes, it does.

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

**In Re: Philadelphia Water Department's
Annual Adjustment of Tiered Assistance
Program Rate Rider Surcharge Rates**

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**2023 Tiered Assistance Program
Rate Rider Surcharge Rates**

**SCHEDULES ACCOMPANYING THE
DIRECT TESTIMONY**

OF

LAFAYETTE K. MORGAN, JR.

ON BEHALF OF

THE PUBLIC ADVOCATE

Philadelphia Water Department
Calculation of TAP Rider Rates Effective September 01, 2023 (FY 2024)

	TOTAL	Water	Wastewater
	Amount	Amount	Amount
(1) C = Projected TAP Billing Loss	\$ 9,347,269	\$ 3,738,907	\$ 5,608,361
(2) E = Experienced & Estimated Net Over/Under Collection	\$ 7,895,954	\$ 3,163,409	\$ 4,732,544
(3) I = Interest on Experienced & Estimated Net Over/Under Collection	\$ 155,512	\$ 62,405	\$ 93,108
(4) Net Recoverable Costs: (C) - (E + I)	\$ 1,295,803	\$ 513,094	\$ 782,709
(5) S = Projected Non-TAP Sales for Next Rate Period (MCF)		5,755,278	5,441,899
(6) TAP-R Surcharge: (4)/(5)		\$ 0.09 /MCF	\$ 0.14 /MCF

Philadelphia Water Department
Projected TAP Lost Revenue (C-Factor) for Next Rate Period

Period		September 01, 2023 through August 31, 2024		Water		Wastewater	
				40%		60%	
(1)	Projected TAP Billing Loss	\$	9,347,269	\$	3,738,907	\$	5,608,361

Philadelphia Water Department
Water - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period

Billing Period	Total Actual TAP Discounts (Credits) (1)	Billed TAP Water Sales (Mcf) (2)	Total TAP-R Billed to TAP Participants 1.03 (3) = (2) * \$ 1.030/Mcf	Adjusted Actual TAP Discounts (Credits) 0.9732 (4) = [(1) - (3)] * 0.9732	Billed Non-TAP Water Sales (Mcf) (5)	TAP-R Billed Non-Tap Water Sales 1.03 (6) = (5) * \$ 1.030/Mcf	Estimated TAP-R Revenues Experienced 0.9732 (7) = (6) * 0.9732	Over/(Under) Collection (8) = (7) - (4)
							Prior E & I Factor Adjustments	\$ (80,140)
Sep-22	\$ 313,912	11,153	\$ 11,487	\$ 294,320	587,290	\$ 604,909	\$ 588,697	\$ 294,377
Oct-22	\$ 303,974	10,403	\$ 10,715	\$ 285,400	490,408	\$ 505,120	\$ 491,583	\$ 206,183
Nov-22	\$ 294,356	10,100	\$ 10,402	\$ 276,344	451,894	\$ 465,450	\$ 452,976	\$ 176,632
Dec-22	\$ 314,106	10,758	\$ 11,081	\$ 294,904	479,607	\$ 493,995	\$ 480,756	\$ 185,852
Jan-23	\$ 352,604	12,141	\$ 12,505	\$ 330,984	479,607	\$ 493,995	\$ 480,756	\$ 149,772
Feb-23	\$ 303,166	11,073	\$ 11,405	\$ 283,942	479,607	\$ 493,995	\$ 480,756	\$ 196,814
Mar-23	\$ 303,830	11,097	\$ 11,430	\$ 284,563	479,607	\$ 493,995	\$ 480,756	\$ 196,192
Apr-23	\$ 304,495	11,121	\$ 11,455	\$ 285,186	479,607	\$ 493,995	\$ 480,756	\$ 195,570
May-23	\$ 305,161	11,146	\$ 11,480	\$ 285,811	479,607	\$ 493,995	\$ 480,756	\$ 194,945
Jun-23	\$ 305,829	11,170	\$ 11,505	\$ 286,437	479,607	\$ 493,995	\$ 480,756	\$ 194,319
Jul-23	\$ 306,499	11,194	\$ 11,530	\$ 287,064	479,607	\$ 493,995	\$ 480,756	\$ 193,692
Aug-23	\$ 307,170	11,219	\$ 11,556	\$ 287,691	479,607	\$ 493,995	\$ 480,756	\$ 193,065
Total	\$ 3,715,101	132,574	\$ 136,551	\$ 3,482,645	5,846,050	\$ 6,021,434	\$ 5,860,060	\$ 2,297,275

Adjustment for Prior Estimates \$ 866,135

Total E-Factor Recovery \$ 3,163,409

Philadelphia Water Department
Wastewater - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period

Billing Period	Total Actual TAP Discounts (Credits) (1)	Billed Sewer Volume TAP Participants (Mcf) (2)	Total TAP-R Billed to TAP Participants 1.63 (3) = (2) * \$ 1.630/Mcf	Adjusted Actual TAP Discounts (Credits) 0.9732 (4) = [(1) - (3)] * 0.9732	Billed Non-TAP Sewer Volume (Mcf) (5)	TAP-R Billed Non-Tap Water Sales 1.63 (6) = (5) * \$ 1.630/Mcf	Estimated TAP-R Revenues Experienced 0.9732 (7) = (6) * 0.9732	Over/(Under) Collection (8) = (7) - (4)
							Prior E & I Factor Adjustments	\$ (121,580)
Sep-22	\$ 470,868	11,152	\$ 18,177	\$ 440,559	552,367	\$ 900,359	\$ 876,229	\$ 435,670
Oct-22	\$ 455,961	10,403	\$ 16,956	\$ 427,240	463,873	\$ 756,112	\$ 735,848	\$ 308,608
Nov-22	\$ 441,533	10,098	\$ 16,460	\$ 413,681	427,595	\$ 696,981	\$ 678,302	\$ 264,621
Dec-22	\$ 471,159	10,793	\$ 17,592	\$ 441,411	453,492	\$ 739,191	\$ 719,381	\$ 277,970
Jan-23	\$ 528,905	11,049	\$ 18,009	\$ 497,204	453,492	\$ 739,191	\$ 719,381	\$ 222,176
Feb-23	\$ 454,749	11,073	\$ 18,049	\$ 424,997	453,492	\$ 739,191	\$ 719,381	\$ 294,384
Mar-23	\$ 455,745	11,097	\$ 18,088	\$ 425,927	453,492	\$ 739,191	\$ 719,381	\$ 293,453
Apr-23	\$ 456,742	11,121	\$ 18,128	\$ 426,859	453,492	\$ 739,191	\$ 719,381	\$ 292,521
May-23	\$ 457,742	11,146	\$ 18,167	\$ 427,794	453,492	\$ 739,191	\$ 719,381	\$ 291,586
Jun-23	\$ 458,744	11,170	\$ 18,207	\$ 428,731	453,492	\$ 739,191	\$ 719,381	\$ 290,650
Jul-23	\$ 459,748	11,194	\$ 18,247	\$ 429,669	453,492	\$ 739,191	\$ 719,381	\$ 289,712
Aug-23	\$ 460,755	11,219	\$ 18,287	\$ 430,610	453,492	\$ 739,191	\$ 719,381	\$ 288,771
Total	\$ 5,572,652	131,513	\$ 214,367	\$ 5,214,683	5,525,259	\$ 9,006,171	\$ 8,764,806	\$ 3,428,542

Adjustment for Prior Estimates \$ 1,304,002

Total E-Factor Recovery \$ 4,732,544

Philadelphia Water Department
Water - Prior Reconciliation Adjustment - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period

Billing Period	Prior Reconciliation Period with Updated Actuals								Original Estimates	Adjustment
	Total Actual TAP Discounts (Credits)	Billed TAP Water Sales (Mcf)	Total TAP-R Billed to TAP Participants 0.690 \$ (3) = (2) * \$ 0.690/Mcf	Adjusted Actual TAP Discounts (Credits) 97.32% (4) = [(1) - (3)] * 0.9732	Billed Non-TAP Water Sales (Mcf)	TAP-R Billed Non-Tap Water Sales (6) = (5) * \$ 0.690/Mcf	Estimated TAP-R Revenues Experienced 97.32% (7) = (6) * 0.9732	Over/(Under) Collection (8) = (7) - (4)	Over/(Under) Collection (9)	Delta (10) = (8) - (9)
Sep-21	\$ 334,263	12,761	\$ 8,805	\$ 316,736	504,318	\$ 347,979	\$ 338,654	\$ 21,917	\$ 21,917	\$ 0
Oct-21	\$ 375,321	13,790	\$ 9,515	\$ 356,002	515,236	\$ 355,513	\$ 345,985	\$ (10,017)	\$ (10,017)	\$ 0
Nov-21	\$ 334,569	12,289	\$ 8,480	\$ 317,350	453,477	\$ 312,899	\$ 304,514	\$ (12,836)	\$ (12,836)	\$ 0
Dec-21	\$ 329,707	12,157	\$ 8,388	\$ 312,707	460,229	\$ 317,558	\$ 309,048	\$ (3,660)	\$ (3,660)	\$ 0
Jan-22	\$ 314,241	11,559	\$ 7,976	\$ 298,057	480,394	\$ 331,472	\$ 322,588	\$ 24,531	\$ (314)	\$ 24,845
Feb-22	\$ 248,892	9,245	\$ 6,379	\$ 236,013	418,522	\$ 288,780	\$ 281,041	\$ 45,027	\$ (314)	\$ 45,342
Mar-22	\$ 242,588	9,105	\$ 6,283	\$ 229,972	464,529	\$ 320,525	\$ 311,935	\$ 81,963	\$ (314)	\$ 82,277
Apr-22	\$ 198,366	7,461	\$ 5,148	\$ 188,040	458,093	\$ 316,084	\$ 307,613	\$ 119,573	\$ (314)	\$ 119,887
May-22	\$ 184,464	7,016	\$ 4,841	\$ 174,809	441,556	\$ 304,674	\$ 296,508	\$ 121,700	\$ (314)	\$ 122,014
Jun-22	\$ 192,873	7,263	\$ 5,011	\$ 182,827	475,378	\$ 328,010	\$ 319,220	\$ 136,392	\$ (314)	\$ 136,706
Jul-22	\$ 218,907	8,162	\$ 5,632	\$ 207,559	507,361	\$ 350,079	\$ 340,697	\$ 133,138	\$ (19,141)	\$ 152,279
Aug-22	\$ 235,189	8,848	\$ 6,105	\$ 222,945	519,627	\$ 358,543	\$ 348,934	\$ 125,989	\$ (56,795)	\$ 182,784
Total	\$ 3,209,378	119,655	\$ 82,563	\$ 3,043,017	5,698,718	\$ 3,932,115	\$ 3,826,735	\$ 783,718	\$ (82,416)	\$ 866,135
Total								\$ 783,718	\$ (82,416)	\$ 866,135

Philadelphia Water Department
Wastewater - Prior Reconciliation Adjustment - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period

Billing Period	Prior Reconciliation Period with Updated Actuals								Original Estimates	Adjustment
	Total Actual TAP Discounts (Credits)	Billed Sewer Volume TAP Participants (Mcf)	Total TAP-R Billed to TAP Participants 1.090 \$ (3) = (2) * \$ 1.090/Mcf	Adjusted Actual TAP Discounts (Credits) 97.32% (4) = [(1) - (3)] * 0.9732	Billed Non-TAP Sewer Volume (Mcf)	TAP-R Billed Non-Tap Water Sales (6) = (5) * \$ 1.090/Mcf	Estimated TAP-R Revenues Experienced 97.32% (7) = (6) * 0.9732	Over/(Under) Collection (8) = (7) - (4)	Over/(Under) Collection (9)	Delta (10) = (8) - (9)
Sep-21	\$ 501,395	12,758	\$ 13,906	\$ 474,424	474,201	\$ 516,879	\$ 503,027	\$ 28,603	\$ 28,602	\$ 0
Oct-21	\$ 562,981	13,786	\$ 15,027	\$ 533,269	484,290	\$ 527,876	\$ 513,729	\$ (19,540)	\$ (19,540)	\$ 0
Nov-21	\$ 501,853	12,286	\$ 13,392	\$ 475,370	428,074	\$ 466,600	\$ 454,095	\$ (21,275)	\$ (21,275)	\$ 0
Dec-21	\$ 494,560	12,154	\$ 13,248	\$ 468,413	437,814	\$ 477,217	\$ 464,428	\$ (3,985)	\$ (3,985)	\$ 0
Jan-22	\$ 471,361	11,558	\$ 12,598	\$ 446,468	455,863	\$ 496,891	\$ 483,574	\$ 37,106	\$ (2,629)	\$ 39,735
Feb-22	\$ 373,337	9,245	\$ 10,077	\$ 353,525	399,126	\$ 435,048	\$ 423,389	\$ 69,863	\$ (2,629)	\$ 72,493
Mar-22	\$ 363,882	9,104	\$ 9,923	\$ 344,473	443,444	\$ 483,354	\$ 470,400	\$ 125,927	\$ (2,629)	\$ 128,556
Apr-22	\$ 297,549	7,460	\$ 8,131	\$ 281,662	434,412	\$ 473,510	\$ 460,820	\$ 179,158	\$ (2,629)	\$ 181,787
May-22	\$ 276,695	7,016	\$ 7,647	\$ 261,838	419,413	\$ 457,160	\$ 444,908	\$ 183,070	\$ (2,629)	\$ 185,700
Jun-22	\$ 289,310	7,263	\$ 7,917	\$ 273,852	449,029	\$ 489,441	\$ 476,324	\$ 202,472	\$ (2,629)	\$ 205,101
Jul-22	\$ 328,360	8,162	\$ 8,896	\$ 310,902	476,873	\$ 519,791	\$ 505,861	\$ 194,959	\$ (30,870)	\$ 225,828
Aug-22	\$ 352,784	8,847	\$ 9,643	\$ 333,945	482,090	\$ 525,478	\$ 511,395	\$ 177,451	\$ (87,350)	\$ 264,801
Total	\$ 4,814,068	119,638	\$ 130,405	\$ 4,558,140	5,384,627	\$ 5,869,245	\$ 5,711,949	\$ 1,153,809	\$ (150,194)	\$ 1,304,002
Total								\$ 1,153,809	\$ (150,194)	\$ 1,304,002

Philadelphia Water Department
Water - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period

Billing Period	Difference in Collection Water Portion From Table 3-W (1)	Cumulative Over/(Under) Collection Water Portion (2)	Estimated Monthly Interest Owed/ (Interest to be Recouped) Water Portion (3) = (2) * [4.66% / 12]
Sep-22	\$ 294,377	\$ 294,377	\$ 1,143.16
Oct-22	\$ 206,183	\$ 500,560	\$ 1,943.84
Nov-22	\$ 176,632	\$ 677,193	\$ 2,629.76
Dec-22	\$ 185,852	\$ 863,045	\$ 3,351.49
Jan-23	\$ 149,772	\$ 1,012,817	\$ 3,933.11
Feb-23	\$ 196,814	\$ 1,209,631	\$ 4,697.40
Mar-23	\$ 196,192	\$ 1,405,823	\$ 5,459.28
Apr-23	\$ 195,570	\$ 1,601,393	\$ 6,218.74
May-23	\$ 194,945	\$ 1,796,338	\$ 6,975.78
Jun-23	\$ 194,319	\$ 1,990,657	\$ 7,730.39
Jul-23	\$ 193,692	\$ 2,184,350	\$ 8,482.56
Aug-23	\$ 193,065	\$ 2,377,414	\$ 9,232.29
Total			\$ 61,798

Adjustment for Prior Estimates \$ 607

Total I-Factor Recovery \$ 62,405

Philadelphia Water Department
Wastewater - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period

Billing Period	Difference in Collection Sewer Portion From Table 3-WW (1)	Cumulative Over/(Under) Collection Sewer Portion (2)	Estimated Monthly Interest Owed/ (Interest to be Recouped) Sewer Portion (3) = (2) * [4.66% / 12]
Sep-22	\$ 435,670	\$ 435,670	\$ 1,691.85
Oct-22	\$ 308,608	\$ 744,279	\$ 2,890.28
Nov-22	\$ 264,621	\$ 1,008,899	\$ 3,917.89
Dec-22	\$ 277,970	\$ 1,286,869	\$ 4,997.34
Jan-23	\$ 222,176	\$ 1,509,045	\$ 5,860.13
Feb-23	\$ 294,384	\$ 1,803,429	\$ 7,003.32
Mar-23	\$ 293,453	\$ 2,096,882	\$ 8,142.89
Apr-23	\$ 292,521	\$ 2,389,404	\$ 9,278.85
May-23	\$ 291,586	\$ 2,680,990	\$ 10,411.18
Jun-23	\$ 290,650	\$ 2,971,640	\$ 11,539.87
Jul-23	\$ 289,712	\$ 3,261,351	\$ 12,664.91
Aug-23	\$ 288,771	\$ 3,550,123	\$ 13,786.31
Total			\$ 92,185

Adjustment for Prior Estimates \$ 923

Total I-Factor Recovery \$ 93,108

Philadelphia Water Department
Water - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period

Billing Period	Prior Reconciliation Period with Updated Actuals			Original Estimates	Adjustment
	Difference in Collection Water Portion From Table 3-W-A (1)	Cumulative Over/(Under) Collection Water Portion (2)	Estimated Monthly Interest Owed/ (Interest to be Recouped) Water Portion (3) = (2) * [0.25% / 12]	Estimated Monthly Interest Owed/ (Interest to be Recouped) Water Portion (4)	Cumulative Over/(Under) Collection Water Portion
					(5) = (3) - (4)
Sep-21	\$ 21,917	\$ 21,917	\$ 4.57	\$ 4.57	\$ 0.00
Oct-21	\$ (10,017)	\$ 11,901	\$ 2.48	\$ 2.48	\$ 0.00
Nov-21	\$ (12,836)	\$ (935)	\$ (0.19)	\$ (0.20)	\$ 0.00
Dec-21	\$ (3,660)	\$ (4,595)	\$ (0.96)	\$ (0.96)	\$ 0.00
Jan-22	\$ 24,531	\$ 19,936	\$ 4.15	\$ (1.02)	\$ 5.18
Feb-22	\$ 45,027	\$ 64,964	\$ 13.53	\$ (1.09)	\$ 14.62
Mar-22	\$ 81,963	\$ 146,926	\$ 30.61	\$ (1.15)	\$ 31.76
Apr-22	\$ 119,573	\$ 266,499	\$ 55.52	\$ (1.22)	\$ 56.74
May-22	\$ 121,700	\$ 388,199	\$ 80.87	\$ (1.28)	\$ 82.16
Jun-22	\$ 136,392	\$ 524,591	\$ 109.29	\$ (1.35)	\$ 110.64
Jul-22	\$ 133,138	\$ 657,729	\$ 137.03	\$ (5.34)	\$ 142.36
Aug-22	\$ 125,989	\$ 783,718	\$ 163.27	\$ (17.17)	\$ 180.44
Total			\$ 600	\$ (7)	\$ 607
Total			\$ 600	\$ (7)	\$ 607

Philadelphia Water Department
Wastewater - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period

Billing Period	Prior Reconciliation Period with Updated Actuals			Original Estimates	Adjustment
	Difference in Collection Sewer Portion From Table 3-WW-A (1)	Cumulative Over/(Under) Collection Sewer Portion (2)	Estimated Monthly Interest Owed/ (Interest to be Recouped) Sewer Portion (3) = (2) * [0.25% / 12]	Estimated Monthly Interest Owed/ (Interest to be Recouped) Sewer Portion (4)	Delta Prior Period Estimates
					(5) = (3) - (4)
Sep-21	\$ 28,603	\$ 28,603	\$ 5.96	\$ 5.96	\$ 0.00
Oct-21	\$ (19,540)	\$ 9,063	\$ 1.89	\$ 1.89	\$ 0.00
Nov-21	\$ (21,275)	\$ (12,212)	\$ (2.54)	\$ (2.54)	\$ 0.00
Dec-21	\$ (3,985)	\$ (16,198)	\$ (3.37)	\$ (3.37)	\$ 0.00
Jan-22	\$ 37,106	\$ 20,908	\$ 4.36	\$ (3.92)	\$ 8.28
Feb-22	\$ 69,863	\$ 90,772	\$ 18.91	\$ (4.47)	\$ 23.38
Mar-22	\$ 125,927	\$ 216,699	\$ 45.15	\$ (5.02)	\$ 50.16
Apr-22	\$ 179,158	\$ 395,857	\$ 82.47	\$ (5.57)	\$ 88.04
May-22	\$ 183,070	\$ 578,928	\$ 120.61	\$ (6.11)	\$ 126.72
Jun-22	\$ 202,472	\$ 781,400	\$ 162.79	\$ (6.66)	\$ 169.45
Jul-22	\$ 194,959	\$ 976,358	\$ 203.41	\$ (13.09)	\$ 216.50
Aug-22	\$ 177,451	\$ 1,153,809	\$ 240.38	\$ (31.29)	\$ 271.67
Total			\$ 880	\$ (43)	\$ 923
Total			\$ 880	\$ (43)	\$ 923

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

In Re: Philadelphia Water Department's)	
Annual Adjustment of Tiered Assistance)	2023 Tiered Assistance Program
Program Rate Rider Surcharge Rates)	Rate Rider Surcharge Rates
)	

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 Public 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.

Philadelphia Water Department (Philadelphia Water, Sewer and Storm Water Rate Board, 2019 Tiered Assistance Program Rate Rider Surcharge Rates Proceeding), May 2019. Presented testimony regarding the appropriate adjustments to the 2019 TAP-R determination. Presented testimony on behalf of the Public Advocate.

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.

Expert Testimony
of Lafayette K. Morgan, Jr.

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.

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.

Expert Testimony
of Lafayette K. Morgan, Jr.

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.

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 Versant'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

Expert Testimony
of Lafayette K. Morgan, Jr.

Duquesne Light Company's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including test year revenue requirements.

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.

Commonwealth Edison Company (Illinois Commerce Commission, ICC Docket No. 21-0607 & ICC Docket No. 21-0739 (consolidated)), February 2022. Provided testimony related to the review and evaluation of the rate effects of Commonwealth Edison's misconduct admitted in the Deferred Prosecution Agreement between the United States Attorney for the Northern District of Illinois and Commonwealth Edison. Provided testimony on behalf of the Office of the Illinois Attorney General, the City of Chicago, and the Citizens Utility Board.

Philadelphia Gas Works (Philadelphia Gas Commission, Fiscal Years 2022 - 2023 Capital Budget Proceeding), February 2022. Presented testimony proposing several adjustments to Philadelphia Gas Works' Fiscal Year 2023 Capital Budget on behalf of the Public Advocate.

Philadelphia Water Department (Philadelphia Water, Sewer and Storm Water Rate Board, 2022 Tiered Assistance Program Rate Rider Surcharge Rates Proceeding), March 2022. Presented testimony regarding the appropriate adjustments to the 2022 TAP-R determination. Presented testimony on behalf of the Public Advocate.

Expert Testimony
of Lafayette K. Morgan, Jr.

Philadelphia Water Department (Philadelphia Water, Sewer and Storm Water Rate Board, Fiscal Years 2023 Special Rate Proceeding), April 2022. Presented testimony that demonstrated Philadelphia Water Department's outperformance and proposed a sharing of the utility's outperformance earnings. Presented testimony on behalf of the Public Advocate.

Maine Water Company-Camden& Rockland Division (Maine Public Utilities Commission, Docket Nos. 2022-00056), June 2022. 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.

Maine Water Company-Freeport Division (Maine Public Utilities Commission, Docket Nos. 2022-00057), June 2022. 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.

Maine Water Company-Millinocket Division (Maine Public Utilities Commission, Docket Nos. 2022-00058), June 2022. 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.

Maine Water Company-Oakland Division (Maine Public Utilities Commission, Docket Nos. 2022-00059), June 2022. 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.

Columbia Gas of Pennsylvania (Pennsylvania Public Utility Commission, Docket No. R-2022-3031211), June 2022. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with Columbia Gas of Pennsylvania's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including test year revenue requirements.

Philadelphia Gas Works (Philadelphia Gas Commission, Fiscal Years 2022 - 2023 Operating Budget Proceeding), June 2022. Presented testimony on the reasonableness of the Fiscal Year 2023 Operating Budget on behalf of the Public Advocate.

Columbia Gas of Maryland (Public Service Commission of Maryland, Case No. 9680), July 2022. Presented joint 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.

Oncor Electric Delivery Company (Public Utility Commission of Texas, PUC Docket No. 53601), August 2022. Presented joint testimony on rate base and cost of service issues on behalf of the Department of Defense and Federal Executive Agencies.

Cheyenne Light, Fuel and Power Company d/b/a Black Hills Energy (Wyoming Public Service Commission, Docket No. 20003-214-ER-22), November 2022. Presented testimony, on behalf of Microsoft Corporation, on rate base and cost of service issues.

Central Maine Power Company (Maine Public Utilities Commission, Docket No. 2022-00152), December 2022. Assisted the Maine Office of Public Advocate (OPA) with Central Maine Power's application for an increase in rates. Provided testimony, on behalf of the OPA, on accounting issues including test year revenue requirements and the company's request for a multi-year rate plan.

National Fuel Gas Distribution Corporation (Pennsylvania Public Utility Commission, Docket No. R-2022-3035730), January 2023. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with National Fuel Gas Distribution Corporation's application for an increase in rates. Presented testimony, on behalf of the OCA, on accounting issues including test year revenue requirements.

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.