

**BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF RHODE ISLAND**

**PAWTUCKET WATER )  
SUPPLY BOARD REQUEST FOR ) DOCKET NO. 23-30-WW  
GENERAL RATE INCREASE )  
)**

**DIRECT TESTIMONY**

**OF**

**LAFAYETTE K. MORGAN, JR.**

**ON BEHALF OF**

**THE DIVISION OF PUBLIC UTILITIES AND CARRIERS**

**March 8, 2024**

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**EXETER**

**ASSOCIATES, INC.**

10480 Little Patuxent Parkway, Suite 300  
Columbia, Maryland 21044

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1 **I. INTRODUCTION**

2 **Q. 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 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 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 Colorado Public Utilities Commission, the Georgia Public Service Commission, the  
17 Illinois Commerce Commission, the Kansas Corporation Commission, the Kentucky  
18 Public Service Commission, the Louisiana Public Service Commission, the Maine Public  
19 Utilities Commission, the Maryland Public Service Commission, the Massachusetts  
20 Department of Public Utilities, the North Carolina Utilities Commission, the Public  
21 Utilities Commission of Ohio, the Corporation Commission of Oklahoma, the  
22 Pennsylvania Public Utility Commission, the Philadelphia Gas Commission, the  
23 Philadelphia Water, Sewer and Storm Water Rate Board, the Public Utilities Commission  
24 of Rhode Island, the Public Service Commission of South Carolina, the Public Utility  
25 Commission of Texas, the Vermont Public Service Board, the Virginia Corporation

1 Commission, the West Virginia Public Service Commission, the Wyoming Public Service  
2 Commission, and the Federal Energy Regulatory Commission (“FERC”). My résumé is  
3 attached hereto as Appendix A.

4 **Q. FOR WHOM ARE YOU TESTIFYING IN THIS PROCEEDING?**

5 A. I am presenting testimony on behalf of the Division of Public Utilities and Carriers (“the  
6 Division”).

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

9 A. Exeter Associates has been retained by the Division to assist in the evaluation of the  
10 General Rate Filing submitted by Pawtucket Water Supply Board (“PWSB”). In this  
11 testimony, I present my findings on behalf of the Division regarding the overall revenue  
12 increase to which PWSB is entitled for the rate year and step increases. My associate, Mr.  
13 Jerome D. Mierzwa, will present the Division’s recommendations with regarding rate  
14 design and class cost of service issues.

15 **Q. IN CONNECTION WITH THIS CASE, HAVE YOU PERFORMED AN**  
16 **EXAMINATION AND REVIEW OF THE COMPANY’S TESTIMONY AND**  
17 **EXHIBITS?**

18 A. Yes. I have reviewed PWSB’s rate filing, including all testimony and exhibits, as well as  
19 its responses to the Division and the Public Utilities Commission’s (“the Commission”)   
20 data requests.

21 **Q. HAVE YOU PREPARED SCHEDULES TO ACCOMPANY YOUR**  
22 **TESTIMONY?**

23 A. Yes. I have prepared Schedules LKM-1 through LKM-13. Schedule LKM-1 provides a  
24 summary of revenues and expenses under present and proposed rates. My adjustments to

1 PWSB's claimed revenues and operating expenses are presented on Schedules LKM-2  
2 through LKM-13.

3 **II. SUMMARY AND RECOMMENDATIONS**

4 **Q. PLEASE SUMMARIZE THE RATE RELIEF REQUESTED BY PWSB**  
5 **IN ITS FILING.**

6 A. On September 4, 2023, PWSB filed its application to collect additional operating revenue  
7 in the amount of \$1,423,220 to support its total cost of service of \$21,764,363, and to  
8 implement a multi-year rate plan through a four-step annual rate increase pursuant to  
9 R.I.G.L. § 39-15.1-4. The first step of the increase, the \$1,423,220 requested increase, was  
10 proposed to take effect on October 14, 2023. The impact of this proposed increase would  
11 result in a typical residential customer, who uses 800 cubic feet of water per month, paying  
12 an increase of \$21.43 per year, or 4.0%.

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

14 A. As shown on Schedule LKM-1, page 1, I have determined the PWSB's overall revenue  
15 requirement to be \$19,429,557. As I will explain later, this revenue requirement was  
16 determined based on the FY 2025 rate year. After recognizing the rate year revenue at  
17 present rates, this results in a revenue surplus of \$988,445. This represents a decrease in  
18 revenues at present rates of \$988,445 for the rate year. For the step increases, I have  
19 determined increases of \$68,668 for FY 2026 and \$74,873 for FY 2027.

20 The changes in revenues that I am recommending are \$ 2,416,581 less than PWSB  
21 requested for the initial rate year. With respect to the step increases, the step increase that  
22 would occur on July 1, 2025 would be \$5,448 less than the \$74,116 requested by PWSB.  
23 The step increase that would occur on July 1, 2026 would be \$5,562 lower than the \$80,435  
24 requested by PWSB. In total, the change in revenues that I am recommending is \$2,427,591  
25 (including the FY 2026 and FY 2027 step increases) less than the total increases proposed

1 by PWSB. The table below summarizes the differences between the Division’s proposed  
 2 revenue requirement and PWSB.

PAWTUCKET WATER SUPPLY BOARD			
Summary Comparison of Revenue Requirement			
	Division Recommended Revenue Requirement	PWSB Proposed Revenue Requirement	Difference
Rate Year Cost of Service	\$ 19,429,557	\$ 21,765,674	\$ (2,336,117)
<u>Salary Step Increases</u>			
Second Step Increase	-	80,464	(80,464)
Third Step Increase	68,668	74,116	(5,448)
Fourth Step Increase	74,873	80,435	(5,562)
Revenue Requirement	\$ 19,573,098	\$ 22,000,689	\$ (2,427,591)

3 With respect to the multi-year rate plan, as I will explain in more detail later, I am  
 4 recommending that the Commission authorize a three-step rate adjustment plan. The first  
 5 rate change should become effective by the end of the suspension period, and it should be  
 6 a combination of the initial proposed change and the FY 2025 step change with the two  
 7 remaining step increases on July 1, 2025 and 2026. This proposal eliminates the need for  
 8 two rate changes within less than a one month period of time.

9 **Q. WHAT TIME PERIODS HAVE YOU USED IN MAKING YOUR**  
 10 **DETERMINATION OF PWSB’S REVENUE REQUIREMENTS?**

11 A. As I stated above, I am recommending a three-step multi-year rate plan. To accommodate  
 12 this change, I have adjusted the cost of service to bring the FY 2024 rate year to the 2025  
 13 level. The expected date for new rates to become effective in this proceeding corresponds  
 14 closely with a rate year that begins on July 1, 2024, which is also the start of FY 2025. To  
 15 update the cost of service to a FY 2025 level, I used the same test year ended June 30, 2022  
 16 and PWSB’s proposed rate year ending June 30, 2024 as the starting point for determining

1 the FY 2025 rate year cost of service that I am proposing. I then updated PWSB's FY 2024  
2 expenses to 2025 by escalating expenses by an additional year. I also adjusted the revenues  
3 by updating the billing determinants to reflect the values for FY 2025.

4 **Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?**

5 A. The remainder of my testimony is organized into sections corresponding to the issue or  
6 topic being addressed. First, I discuss the cost of service issues for the rate year. In that  
7 section, I discuss the cost of service elements that I have adjusted in determining the rate  
8 year revenue requirement. In the section that follows that discussion, I discuss my  
9 proposals for the step increases.

10 **III. RATE YEAR COST OF SERVICE**

11 **A. Operating Revenues**

12 **Q. PLEASE EXPLAIN YOUR ADJUSTMENT TO OPERATING REVENUES.**

13 A. PWSB derived its increase in service revenues based upon the difference in its adjusted  
14 cost of service and its calculation of the annualized service revenues at current rates. The  
15 annualized revenues at current rates were calculated based upon the billing determinants  
16 which are broken down by the number of meter units, the consumption values by rate class  
17 and the number of units for the fire hydrant customer class. The billing determinants, the  
18 number of units based on meter size and number of fire hydrants, were based on the FY  
19 2022 values. However, the consumption values used to determine the revenues based on  
20 volumetric rates were based on FY 2023 consumption.<sup>1</sup> The current rates were then applied  
21 to the billing determinants to derive the calculated revenues at current rates of \$20,341,143.

22 I have adjusted the cost of service to reflect the annualized rate year revenues using  
23 the projected billing determinants for the FY 2025 rate year. I calculated the rate year

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<sup>1</sup> It should be noted that the consumption values used to calculate the volumetric charges on DF Sch. 10.0, page 1 are identified as FY 2022 consumption. However, those values were taken from DF Sch. 2.0, page 2 which shows that those values were FY 2023 values.



1 billing units based on the change in the billing units between FY 2020 through 2023. This  
2 approach differs from PWSB's approach in that it used 2022 billing units to determine the  
3 annualized level of revenues. Next, I calculated the rate year consumption for the  
4 volumetric rates. To be consistent, I used the average change in consumption between FY  
5 2020 and FY 2023 to determine the average annual change in the annual consumption  
6 through FY 2025. In contrast, PWSB used the average growth from FY 2015 through FY  
7 2023. For the Fire Service billing units, I assumed the FY 2023 values. I applied the annual  
8 change factor to the FY 2023 billing determinants to derive the FY 2024 values. I applied  
9 the growth factors a second time to derive the FY 2025 values. I then applied the current  
10 authorized rates to derive the annualized revenues at current rates. As a result of these  
11 changes, I calculated an annualized revenue at current rates of \$20,418,002. This amount  
12 results in an increase in service revenues of \$76,859 as shown on Schedule LKM-3.

13 **Q. WHY IS IT APPROPRIATE TO ADJUST THE COST OF SERVICE TO**  
14 **DERIVE THE SERVICE REVENUES REFLECTING THE RATE YEAR**  
15 **BILLING DETERMINANTS AND CURRENT RATES?**

16 A. The net income surplus or deficiency should first be established to properly determine the  
17 value of the proposed revenue increase. Hence, revenues should be calculated for the rate  
18 year using the annualized billing determinants at current rates to derive the annualized  
19 revenues from which rate year operating expenses are subtracted to determine the net  
20 income surplus or deficiency. PWSB has calculated its expenses after recognizing cost  
21 changes for the rate year. However, its revenue calculation does not properly take into  
22 account changes that will occur during the rate year.

23 **B. Labor Expenses**

24 **Q. PLEASE EXPLAIN THE ADJUSTMENT YOU ARE RECOMMENDING**  
25 **TO LABOR EXPENSES.**

1 A. PWSB proposed an adjustment to increase salaries and related benefits to reflect annual  
2 salaries and wage increases. PWSB explained that for its Teamsters Local 251 employees  
3 it included a 3% increase in wages for Fiscal Years 2024, 2025 and 2026. For its AFSCME,  
4 AFL-CIO Local 1012 employees, PWSB is currently in negotiations for a new contract.  
5 Therefore, it has used an increase of 1% as a placeholder for the wage increases to be  
6 eventually granted. Employee benefits and payroll taxes were also adjusted based on the  
7 annual salary and wage increases, and each employee's participation in the employee  
8 health benefit plan.

9 I have adjusted labor expenses to remove currently unfilled positions. This  
10 adjustment recognizes that PWSB generally has had an average of 12 vacant positions each  
11 month since June 2020. PWSB's payroll calculation includes 52 positions including 12  
12 vacant positions. This is consistent with the number of employees and positions disclosed  
13 by PWSB.<sup>2</sup> I have reproduced the table showing the number of employees as disclosed by  
14 PWSB in the table below.

15 After reflecting these changes, the adjustment I am recommending to the rate year  
16 labor expense is a decrease of \$265,365 as shown on Schedule LKM-4. For the step  
17 increase that originally proposed for July 1, 2025, I am recommending an increase of  
18 \$68,668. For the step increase that would be going into effect on July 1, 2026, I am  
19 recommending an increase of \$74,873.

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<sup>2</sup> Response to Div 2-6

PAWTUCKET WATER SUPPLY BOARD			
Monthly Employee Headcount			
DATE	ACTIVE	VACANT	TOTAL
Jul-19	45	7	52
Aug-19	45	7	52
Sep-19	45	7	52
Oct-19	45	7	52
Nov-19	45	7	52
Dec-19	43	9	52
Jan-20	44	8	52
Feb-20	44	8	52
Mar-20	44	8	52
Apr-20	44	8	52
May-20	44	8	52
Jun-20	40	12	52
Jul-20	40	12	52
Aug-20	40	12	52
Sep-20	39	13	52
Oct-20	39	13	52
Nov-20	40	12	52
Dec-20	41	11	52
Jan-21	41	11	52
Feb-21	41	11	52
Mar-21	40	12	52
Apr-21	40	12	52
May-21	40	12	52
Jun-21	40	12	52
Jul-21	39	13	52
Aug-21	39	13	52
Sep-21	40	12	52
Oct-21	40	12	52
Nov-21	40	12	52
Dec-21	38	14	52
Jan-22	39	13	52
Feb-22	38	14	52
Mar-22	37	15	52
Apr-22	37	15	52
May-22	37	15	52
Jun-22	37	15	52
Jul-22	38	14	52
Aug-22	40	12	52
Sep-22	39	13	52
Oct-22	40	12	52
Nov-22	40	12	52
Dec-22	40	12	52
Jan-23	39	13	52
Feb-23	39	13	52
Mar-23	40	12	52
Apr-23	40	12	52
May-23	40	12	52
Jun-23	40	12	52
Jul-23	40	12	52
Aug-23	40	12	52
Sep-23	40	12	52
Oct-23	41	11	52
Nov-23	40	12	52

Source: DIV 2-6 (a) & (c) Attachment

1       **C. Municipal Employee's Retirement System Expenses**

2       **Q.           WHAT ADJUSTMENT ARE YOU RECOMMENDING TO THE**  
3                   **MUNICIPAL EMPLOYEE'S RETIREMENT SYSTEM (MERS)**  
4                   **EXPENSES?**

5       A.       According to PWSB's filing, the test year cost of service is based on the audited financial  
6               results for PWSB's FY 2022. I observed that the total test year expenses that form the basis  
7               of the test year was \$1,202,551 more than the expenses reported in PWSB's Annual Report  
8               to the Commission. I requested that PWSB provide additional information on this  
9               difference that would allow me to better understand the cause of the difference. From the  
10              responses to Div. 2-2(a) and 6-1, I gathered that the difference resulted from an audit  
11              adjustment to PWSB FY 2022 financial results. However, no details were provided to  
12              explain the nature of the adjustment, the reason for the adjustment or the period to which  
13              the adjustment was related. It appears that for purposes of determining the cost of service  
14              for this proceeding, PWSB has reversed the audit adjustment, increasing operating  
15              expenses by \$1,202,551.

16                   Out of the 1,202,551, the portion related to the MERS was \$1,184,000. Therefore,  
17              I am recommending an adjustment to reduce operating expenses by \$1,184,000 related to  
18              the MERS portion of the \$1,202,551 because PWSB has not provided adequate information  
19              to explain the reason for the increase in operating expenses. This adjustment is shown on  
20              Schedule LKM-5. If PWSB provides sufficient additional information that helps clarify the  
21              reversal of the MERS audit adjustment, I will update my adjustment if necessary.

22       **D. Expense Escalation**

23       **Q.           PLEASE EXPLAIN YOUR ADJUSTMENT TO THE EXPENSE**  
24                   **ESCALATION ADJUSTMENT.**

1 A. PWSB has adjusted certain non-labor operating expenses to reflect the effect of inflation  
2 from the end of the test year to the end of the rate year. In its filing, PWSB used a 0.073  
3 adjustment factor for the 2-year inflation factor, based upon the Gross Domestic Product-  
4 Price Index (GDP-PI). However, the response to Div. 2-3, PWSB indicated that the year  
5 over year escalation rate had been revised from 0.0365 annually to 0.0347 annually. This  
6 change in the annual rate results in a corresponding change in the 2-year escalation factor  
7 from 0.073 to 0.0694.

8 While PWSB has indicated that the 2-year escalation factor has changed, I have not  
9 used its revised escalation factor. As I indicated earlier, I am recommending that the rates  
10 be set on the 2025 rate year. Therefore, the level of expenses needs to be adjusted so that  
11 the expense values reflect the FY 2025 expense values. PWSB's derivation of the expense  
12 escalation rate is based on the use of a historical rate to project the expense escalation from  
13 FY 2022 to FY 2024. My approach to calculating the escalation factor differs from PWSB  
14 in that I have used a combination of the historical escalation rate for the past periods and a  
15 projected rate for future periods. For the growth in expenses from FY 2022 to FY 2023, I  
16 used PWSB's revised escalation rate of 0.0347 which is based on the change in inflation  
17 from the second quarter of 2022 to the second quarter of 2023. I then determined the  
18 escalation of expenses for 2024 and 2025 based on the projected GDP-PI rate for 2024 and  
19 2025 of 0.021 for both years as reported by the Congressional Budget Office.

20 In addition to the change in the escalation rate, I have removed certain expenses  
21 from the expense escalation. These expenses are: Utilities – Telephone; Internet; Utilities  
22 - Cellular service; Workers Compensation Insurance; Trustee Fees; Credit Card  
23 Convenience Fees; and Police Details. In my opinion, the nature of these expenses is  
24 different from the typical commodities that fluctuate with inflation. Therefore, I removed  
25 these costs from the inflation escalation calculation. As a result of these changes, I am

1 recommending a decrease of \$26,404 in PWSB's expense claim, shown on Schedule LKM-  
2 6.

3 **Q. WHY HAVE YOU USED A PROJECTED INFLATION RATE FOR YOUR**  
4 **ADJUSTMENT RATHER THAN THE HISTORICAL RATES?**

5 A. I am recommending the use of a projected inflation rate because past inflation, as presented  
6 in the historical inflation rate, is not a good predictor of the level of future inflation. For  
7 instance, the growth in the inflation rate during 2021 and 2022, before the Federal  
8 Reserve's intervention, was higher than the current inflation rate. If one had projected  
9 inflation for the current year based on the assumption of using past inflation as the basis  
10 for the projected level, it would be off the mark today. Therefore, I disagree with PWSB's  
11 derivation of the inflation rate for the future period.

12 **E. Rate Case Expenses**

13 **Q. PLEASE EXPLAIN THE CHANGES YOU ARE RECOMMENDING TO**  
14 **RATE CASE EXPENSE.**

15 A. PWSB has estimated the cost of this proceeding to be \$200,000 and has proposed to spread  
16 those costs over 3 years. I am recommending that rate case expenses be normalized over 4  
17 years. This approach is consistent with the multi-year step increase proposal that PWSB is  
18 seeking which, if authorized by the Commission, would set rates that go into effect through  
19 2027. Therefore, the 4-year period is appropriate. I have presented this adjustment on  
20 Schedule LKM-7 and decreased operating expenses by \$16,667.

21 **F. Consultant Expenses**

22 **Q. PLEASE EXPLAIN YOUR ADJUSTMENT TO CONSULTANT EXPENSES**  
23 **– ENGINEERING.**

24 A. During the test year, PWSB incurred engineering consulting services to the Engineering  
25 Department while one of its employees was out of the office with an injury. The cost of

1 service includes \$29,791 (after escalating for inflation) in expenses related to this service.  
2 I am recommending an adjustment to remove the \$29,791 from the cost of service because  
3 the consulting services were one-time and non-recurring. This adjustment is presented on  
4 Schedule LKM-8.

5 **G. Postemployment Health Insurance**

6 **Q. PLEASE EXPLAIN YOUR ADJUSTMENT TO POSTEMPLOYMENT**  
7 **HEALTH INSURANCE EXPENSES.**

8 A. During the test year, the level of postemployment expenses was significantly higher than  
9 the prior two years. According to PWSB, postemployment health insurance for FY2022  
10 was significantly higher than the previous two years because certain PWSB retirees were  
11 improperly classified on the City of Pawtucket retiree employee list as having worked in  
12 other departments.<sup>3</sup> I am recommending an adjustment to normalize the postemployment  
13 health insurance based upon the average of the previous two years expense level. This  
14 adjustment results in a decrease in expenses of \$45,778 as shown on Schedule LKM-9.

15 **H. Electric Power Expense**

16 **Q. PLEASE EXPLAIN YOUR ADJUSTMENT TO ELECTRIC POWER**  
17 **EXPENSE.**

18 A. PWSB adjusted electric power expense by \$302,966. According to PWSB, this increase  
19 reflects an increase in its cost per kilowatt hour for its electric supply as contracted. In the  
20 cost of service, electric expense was increased by 33.5% to reflect the increase. In the  
21 response to Div. 6-10, PWSB calculated the increase from its electric supply bills before  
22 and after its electric supply rate increase. The cost per kWh was calculated for the two time  
23 periods based on the total bill amount divided by the number of kWh. The difference  
24 between the two cost per kWh was used to determine the growth in cost.

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<sup>3</sup> Div. 6-8.

1 I disagree with PWSB's adjustment to electric expense because it overstates the  
2 rate increase on the total electric expense. The unadjusted electric expense in the cost of  
3 service is a combination of the electric delivery service and the electric power supply.  
4 Hence, the percentage increase in the cost of the electric supply does not automatically  
5 result in an increase in the rates for delivery service. The increase only applies to the cost  
6 of the electric supply. Consequently, the total electric expense bill will not increase by the  
7 same rate of increase as the electric supply expense.

8 I have recalculated the percentage increase in electric expense after reflecting the  
9 power supply cost increase. I calculated PWSB's total electric expense using the increased  
10 cost for power supply. I then compared the recalculated total electric expense to the total  
11 electric supply expense before the power supply increase. The percentage increase in total  
12 electric expense using this approach results in 3.99% increase in the total electric expense.  
13 One of the reasons the percentage increase that I calculated was lower than PWSB, is that  
14 the increase to the electric supply costs was in place for most of the year (FY 2023) that  
15 was used to calculate the increase in electric expense. As a result of this calculation, I am  
16 recommending an adjustment to decrease electric expense by \$266,846 as shown on  
17 Schedule LKM-10.

18 **I. Heating Expenses**

19 **Q. PLEASE EXPLAIN YOUR ADJUSTMENT TO HEATING EXPENSE.**

20 A. PWSB adjusted its heating expense by applying a 7.3% increase to the test year level of  
21 expenses. In Div. 2-14, PWSB was asked to provide the supporting documents for the test  
22 year heating expense across all functional areas. PWSB provided copies of bills from its  
23 natural gas supplier and its delivery service provider, but no accompanying calculation.  
24 Therefore, I used the provided bills in an attempt to replicate the 7.3% used by PWSB to  
25 increase heating expense. I calculated PWSB's total heating expense using the most recent



1 rates for the various billing determinants. I used the recalculated heating expense as the pro  
2 forma heating expense. I then compared the recalculated total heating expense to the total  
3 heating expense as billed. I could not replicate PWSB's 7.3% increase. Instead, I calculated  
4 an increase in the total heating expense of 1.81%. Therefore, I have used the 1.81% to  
5 calculate my adjustment to the total heating expense. This adjustment results in a \$13,049  
6 decrease in heating expense from PWSB's claim as shown on Schedule LKM-11.

7 **J. Revenue Stabilization**

8 **Q. WHY HAVE YOU MADE AN ADJUSTMENT TO THE REVENUE**  
9 **STABILIZATION ACCOUNT?**

10 A. PWSB proposed an adjustment to increase its Revenue Stabilization Account based on a  
11 rate of 3.0% which is applied to the rate year levels of expenses and miscellaneous  
12 revenues. PWSB did not provide any specific reason to increase the reserve using the 3%  
13 rate. I have adjusted the Revenue Stabilization Account using a 1.5% rate instead. This rate  
14 is consistent with the Division's position in PWSB's last rate case. On Schedule LKM-12,  
15 I present my adjustment which decreases the Revenue Stabilization Account by \$344,815.

16 **K. City of Pawtucket Administrative Fees**

17 **Q. PLEASE EXPLAIN THE CITY OF PAWTUCKET'S ADMINISTRATIVE**  
18 **FEEES INCLUDED IN THE COST OF SERVICE.**

19 A. The City of Pawtucket (the "City") charges PWSB an administrative fee for certain services  
20 provided by the City to PWSB. These services are administrative in nature and includes:

- 21 • Personnel Functions;
- 22 • Payroll Functions;
- 23 • Collections Functions;
- 24 • Accounting Functions;
- 25 • Purchasing Functions; and

- Information Technology Processing

In the cost of service, the City Charged a fee of 15% of the total costs of the Personnel, Payroll and Purchasing Departments. For Information technology, the City charged a fee based on computer time at a specified rate. For the Accounting and Collections functions, the City charged a percentage of specific employees labor costs to PWSB. There was no evidence that any of these fees contained a markup over the actual costs. A total of \$354,494 was included in the rate year for these costs.

**Q. DO YOU HAVE ANY CONCERNS ABOUT THE CITY'S ADMINISTRATIVE FEES CHARGED TO PWSB?**

A. Yes. A review of the requested data relating to the City's administrative fee revealed that there are concerns about the administrative fees that the City needs to address. From the response to Div.-9, it appears that there were no time studies to justify the percentage used to charge costs to PWSB or other objective forms of measuring the employees' time. As I will discuss later, some of the data used to derive a rate to use in charging employees' time to the utility may not be the best suited data for that purpose.

**Q. WHAT ADJUSTMENT HAVE YOU MADE TO THE CITY'S ADMINISTRATIVE FEES?**

A. I have made several changes to the amount included in the cost of service for the City's administrative fees. First, I reduced the rate used to charge PWSB for Personnel, Payroll and Purchasing functions. In the cost of service PWSB used a 15% rate. However, in the response to Div. 9-1, PWSB indicated that the rate should be changed to 10%. In that response PWSB stated:

In reviewing this allocation, it has changed from 15% to 10% based on the current number of PWSB employees (52) as compared to the current number of City of Pawtucket employees (552).

1 To derive the 10%, PWSB divided the 52 PWSB employees by the 552 City employees. I  
2 disagree with this calculation. Instead, the percentage rate should be based on PWSB as a  
3 percent of the combined number of employees. The calculation should be:  $52/(52+552)$  or  
4 8.61%. Therefore, I have used the 8.61% to derive the charges to PWSB for the Personnel,  
5 Payroll and Purchasing functions.

6 For the collections function, the City charges PWSB for a portion of the Treasurer,  
7 Assistant Treasurer and a Collections Representative labor costs. In the response to Div. 9-  
8 2, PWSB proposes to charge 15%, 74%, and 32% of the labor costs related to the Treasurer,  
9 Assistant Treasurer and a Collections Representative, respectively. I disagree with these  
10 rates.

11 For the Treasurer, PWSB does not explain or demonstrate why the 15% is  
12 reasonable. It appears that the 15% is used because PWSB believes the 15%, that was used  
13 in the cost of service, is appropriate. For the treasurer, I have used a 10% rate to charge  
14 PWSB. This rate was adopted to be consistent with the rate the Deputy Finance Director  
15 determined to reasonable for his/her time to PWSB.<sup>4</sup> This rate was also used because there  
16 was no other data to support the 15% claimed for the Treasurer's time. With respect to the  
17 assistant Treasurer, in the response to Div. 9-2, PWSB used a 74% for the Assistant  
18 Treasurer's labor costs. The basis of the 74%, according to PWSB, is:

19 The Assistant Treasurer allocation is based on the total number of  
20 payment receipt batches for lockbox payments, credit card payments and  
21 cash payments for the PWSB (223,578) as compared to the total number  
22 of batches for the City of Pawtucket (302,996), which results in a 74%  
23 allocation.

24 There are two reasons I disagree with the 74%. First, the percentage should be based upon  
25 the PWSB employees as a percent of the combined City and PWSB employees. Therefore,

---

<sup>4</sup> Div. 9-3.

1 I corrected the calculation to the following:  $223,578/(223,578+302,996)$  or 42.5%. I also  
2 find it difficult to accept that the City's Assistant Treasurer's role is limited to lock box  
3 and credit card, etc. payments. As a result, I have removed the 74% and, instead, used 10%  
4 as I did for the treasurer.

5 **Q. HOW DID YOU ADJUST THE ACCOUNTING DEPARTMENT FEE**  
6 **CHARGED TO PWSB?**

7 A. PWSB used the 15 percent rate to charge the labor costs related to the Chief Accountant,  
8 Senior Accounts Payable Clerk and the Finance Office Assistant. As I observed for the  
9 Treasurer, PWSB does not explain or demonstrate why the 15% is reasonable, and it  
10 appears that the 15% is used because PWSB believes the 15% is appropriate. For these  
11 positions, I have used the rate of 10% to charge their time to PWSB. The 10% was used  
12 because I find the 10% rate that was used by the Deputy Finance Director<sup>5</sup> to be reasonable.

13 There is an Accountant II position that was charged to PWSB at the 74% rate. As I  
14 explained in my discussion of the Assistant Treasurer above, I corrected the calculation,  
15 which results in a 42 % rate.

16 As a result of the foregoing discussion, I have adjusted the City administration fee  
17 by decreasing the costs by \$141,402 on Schedule LKM-13.

18 **L. Debt Service**

19 **Q. HOW DID PWSB DEVELOP ITS DEBT SERVICE REQUEST?**

20 A. PWSB is requesting a debt service funding level of \$8,697,727 which is the same as the  
21 test year amount. There are no proposed changes to this level of funding during the rate  
22 plan period.

23 **Q. DO YOU HAVE ANY CONCERNS WITH THE REQUESTED FUNDING**  
24 **LEVEL?**

---

<sup>5</sup> Div. 9-3.

1 A. Yes. The debt service schedules, included in the filing, show that the Series 2004A bond  
2 issue will be maturing in September 2024. Typically, PWSB has sufficient funds in its  
3 debt service restricted account by June 30th each year to make the required September  
4 bonds payments. Therefore, by the end of the suspension period in this docket, PWSB will  
5 have collected sufficient funds to pay off the Series 2004A issue. This pay-off is not  
6 reflected in PWSB's debt service funding request. In addition, often times the last debt  
7 payment is held in trust. If that is the case with the Series 2004A bond, then PWSB's debt  
8 service request may be significantly overstated. I request that PWSB address their debt  
9 service needs in greater detail in the rebuttal phase of this case. At a minimum, PWSB  
10 should provide detail of its PUC restricted debt service account showing fiscal year  
11 beginning and ending balances, along with annual sources and uses of funds, for the 5-year  
12 period FY 2023 through FY 2028.

13 **IV. MULTI-YEAR STEP INCREASES**

14 **Q. PLEASE SUMMARIZE PWSB'S MULTI-YEAR STEP INCREASE PLAN.**

15 A. PWSB has proposed to implement a multi-year rate plan through a series of four step  
16 increases. In its filing, the first step of the rate plan was proposed to become effective on  
17 October 14, 2023, with an increase of \$1,423,220 which equates to the total requested  
18 increase in operating revenues. The second step increase of \$80,464 was proposed to take  
19 effect on July 1, 2024. The third and fourth step increases of \$74,116 and \$80,435,  
20 respectively, were proposed to take effect on July 1, 2025 and July 1, 2026. The initial  
21 amounts identified in the multi-year increase were intended to allow PWSB to raise rates  
22 to recover costs associated with the two new labor contracts without having to file a rate  
23 case every time salary increases go into effect.

24 PWSB also intends to use the step increases to recover the costs related to the new  
25 treatment plant operations contract that is currently being negotiated. It is expected that the

1 new contract for the treatment plant will have an escalation clause that would increase costs  
2 based on the Consumer Price Index (CPI). While a proposed adjustment has not been made  
3 in the cost of service or in the step increases, PWSB intends to include the treatment costs  
4 increase in the step increases.<sup>6</sup>

5 **Q. WHAT CHANGES ARE YOU RECOMMENDING TO THE MULTI-YEAR**  
6 **PLAN?**

7 A. The initial proposed increase on October 14, 2023, was suspended and will now take effect  
8 at or near the end of the suspension period which is approximately June 14, 2024. The next  
9 rate changes is proposed to go into place on July 1, 2024. It would be impractical;  
10 confusing to customers; and an administrative burden to implement a base rate adjustment  
11 and shortly thereafter implement a step increase to reflect the expected FY 2025 labor cost  
12 increases. Therefore, I believe it would be best to update the rate year to reflect the level  
13 of costs to be incurred during FY 2025.

14 Therefore, I have updated the rate year to FY 2025, rather than using the FY 2024  
15 rate year costs. Since the rate year is being changed to FY 2025, only the step increases  
16 proposed to occur on July 1, 2025 and 2026 remain valid. I am recommending that multi-  
17 year rate plan be revised to a three-step rate plan. The first step adjustment will be come  
18 effective by the end of the suspension period and the second and third step increases will  
19 be effective on July 1, 2025 and 2026, respectively.

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

21 A. Yes, it does.

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<sup>6</sup> David M. Fox- Direct Testimony, at 16:19-22.

**BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF RHODE ISLAND**

**PAWTUCKET WATER )  
SUPPLY BOARD REQUEST FOR ) DOCKET NO. 23-30-WW  
GENERAL RATE INCREASE )  
)**

**SCHEDULES ACCOMPANYING THE  
DIRECT TESTIMONY  
OF  
LAFAYETTE K. MORGAN, JR.  
ON BEHALF OF THE  
DIVISION OF PUBLIC UTILITIES AND CARRIERS**

PAWTUCKET WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
 Present and Proposed Rates  
 Test Year Ended June 30, 2022

Description	Test Year Amount Per PWSB	PWSB Rate Year Adjustments (1)	Rate Year Amount Per PWSB	Division Adjustments	Rate Year at Present Rates	Allowable Rate Increase	Rate Year at Proposed Rates
<b>Expenses</b>							
<b>Operating &amp; Maintenance</b>							
General & Administrative	\$ 2,190,797 <sup>22</sup>	\$ 251,048 (2)	\$ 2,441,845	\$ (555,017)	\$ 1,886,828	\$ -	\$ 1,886,828
Customer Service	543,712 <sup>22</sup>	227,888	771,601	(84,140)	687,460	-	687,460
Supply	506,603 <sup>22</sup>	84,435	591,038	(148,455)	442,583	-	442,583
Purification	2,808,194 <sup>22</sup>	255,848	3,062,042	(225,345)	2,836,696	-	2,836,696
Transmission & Distribution	1,869,798 <sup>22</sup>	454,855	2,324,753	(607,749)	1,717,004	-	1,717,004
Engineering	561,096 <sup>22</sup>	298,776	859,873	(265,865)	594,008	-	594,008
Metering	338,442 <sup>22</sup>	82,710	421,152	(102,730)	318,423	-	318,423
Total Operating & Maintenance	\$ 8,816,643	\$ 1,655,661	\$ 10,472,304	\$ (1,989,302)	\$ 8,483,002	\$ -	\$ 8,483,002
<b>Capital</b>							
Property Taxes	\$ 620,175 <sup>22</sup>	\$ (122,277)	\$ 497,898	\$ -	\$ 497,898	\$ -	\$ 497,898
Principal, Interest & RICWFA Fees	8,697,727 <sup>22</sup>	-	8,697,727	-	8,697,727	-	8,697,727
Leases	-	-	-	-	-	-	-
IFR	1,891,412 <sup>22</sup>	608,588	2,500,000	-	2,500,000	-	2,500,000
Trustee Fees	-	-	-	-	-	-	-
O&M Reserve Deposit	-	-	-	-	-	-	-
Total Capital	\$ 11,209,314	\$ 486,311	\$ 11,695,625	\$ -	\$ 11,695,625	\$ -	\$ 11,695,625
Total Expenses	\$ 20,025,957	\$ 2,141,972	\$ 22,167,929	\$ (1,989,302)	\$ 20,178,627	\$ -	\$ 20,178,627
<b>Other Operating Revenues</b>							
Rev. Stabiliz./Oper. Rev. Allowance	\$ -	\$ 633,952	\$ 633,952	\$ (346,815)	\$ 287,136	\$ -	\$ 287,136
Service Installation Revenue	(144,305)	-	(144,305)	-	(144,305)	-	(144,305)
Other Misc. Operating Revenues	(386,532)	-	(386,532)	-	(386,532)	-	(386,532)
State Surcharge Revenue	(45,129)	-	(45,129)	-	(45,129)	-	(45,129)
Penalties	-	-	-	-	-	-	-
Non-Operating Rental	(29,289)	-	(29,289)	-	(29,289)	-	(29,289)
Interest Income	(271,009)	-	(271,009)	-	(271,009)	-	(271,009)
Intergovernmental & other grant revenue	(159,842)	-	(159,842)	-	(159,842)	-	(159,842)
Misc Non-Operating	-	-	-	-	-	-	-
Miscellaneous	(1,036,207) <sup>22</sup>	633,952	(402,255)	(346,815)	(749,070)	-	(749,070)
Net Cost of Service	\$ 18,988,750	\$ 2,775,924	\$ 21,765,674	\$ (2,336,117)	\$ 19,429,557	\$ -	\$ 19,429,557
<b>Service Revenues</b>							
Service Charges	\$ (20,341,143) <sup>22</sup>	\$ -	(20,341,143)	\$ (76,859)	(20,418,002)	\$ 988,445	(19,429,557)
(Revenue Surplus)/Deficiency	\$ (1,351,393)	\$ 2,775,924	\$ 1,424,531	\$ (2,412,976)	\$ (988,445)	\$ 988,445	\$ -

See:  
 DF Sch. 10  
 DF Sch. 1.0



PAWTUCKET WATER SUPPLY BOARD

Summary of Revenues and Annual Step Increases  
 Test Year Ended June 30, 2022

	<b>Rate Year Increase FY 2025</b>	<b>Step 1 Increase FY 2026</b>	<b>Step 2 Increase FY 2027</b>
FY 2024 Revenue Required from Rates	\$ 19,429,557		
<b><u>Salary Step Increases</u></b>			
General & Admin		\$ 25,447	\$ 27,307
Customer Service		6,001	6,137
Source of Supply		4,406	4,525
Purification		-	-
T&D		16,922	18,377
Engineering		11,278	12,230
Metering	-	4,614	6,297
Revenue Increase per Year	\$ -	\$ 68,668	\$ 74,873
Annual Revenues At Current Rates	\$ 19,429,557	\$ 19,429,557	\$ 19,498,225
Revenues After Proposed Rate Increase	<u>\$ 19,429,557</u>	<u>\$ 19,498,225</u>	<u>\$ 19,573,098</u>

**Notes:**

- (1) Schedule LKM-1, Page 2.
- (2) Schedule LKM-11.
- (3) Schedule LKM-6.
- (4) Schedule LKM-12.
- (5) Increased Costs x 1.5%
- (6) 3% of Cost of Service less Miscellaneous Revenue & Operating Revenue Allowance.

PAWTUCKET WATER SUPPLY BOARD

Summary of Division Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Test Year Ended June 30, 2022

Description	Amount
<b><u>Revenue Adjustments</u></b>	
Service Revenues	\$ 76,859
Total Revenue Adjustments	\$ 76,859
<b><u>Expense Adjustments</u></b>	
Administration	
Labor	\$ 24,516
Inflation	(2,391)
Electric Expense	(11,758)
Heating	(1,134)
Rate Case Expenses	(16,667)
MERS	(251,647)
OPEB/Medical & Dental Insurance	(108,756)
City Administration Fees	(141,402)
Postemployment Health Insurance	(45,778)
Subtotal	<u>(555,017)</u>
Customer Service	
Labor	\$ 5,869
Inflation	(9,114)
MERS	(80,895)
Subtotal	<u>(84,140)</u>
Source of Supply	
Labor	\$ (44,191)
Inflation	(19)
Electric Expense	(22,869)
MERS	(81,376)
Subtotal	<u>(148,455)</u>
Purification	
Electric Expense	\$ (225,345)
Subtotal	<u>(225,345)</u>
Transmission & Distribution	
Labor	\$ (171,164)
Inflation	(13,138)
Electric Expense	(6,873)
Heating	(11,915)
MERS	(404,658)
Subtotal	<u>(607,749)</u>
Engineering	
Labor	\$ (85,583)
Inflation	(926)
MERS	(149,565)
Consulting	(29,791)
Subtotal	<u>(265,865)</u>
Metering	
Labor	\$ 5,188
Inflation	(816)
MERS	(107,102)
Subtotal	<u>(102,730)</u>
<hr/>	
Total Expense Adjustments	\$ (1,989,302)
Total Division Adjustments to Operating Income	<u>\$ 2,066,160</u>

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Annualize Other Operating Revenues  
 Test Year Ended June 30, 2022

Line No.	Meter Size	Rate Year Accounts	Current Rate/Month	Annual Revenues
1	<u>Fixed Charges</u>			
2				
3	5/8	21,769	\$ 11.02	\$ 2,878,733
4	3/4	272	14.36	46,881
5	1	533	19.68	125,899
6	1 1/2	211	37.62	95,261
7	2	366	48.15	211,470
8	3	13	54.33	8,476
9	4	7	123.63	10,385
10	6	1	184.27	2,211
11	8	-	262.23	-
12	12	-	-	-
13	Total	23,172		\$ 3,379,316
14				
15				
16				Annual Revenues
17				Before Rate
18	<u>Rate Class</u>	<u>Rate year Consumption</u>	<u>Current Rate per ccf</u>	<u>Increase</u>
19	<u>Volumetric Charges</u>			
20				
21	Small (5/8" - 1")	2,507,014	\$4.254	\$ 10,664,836
22	Large (>1")	678,625	4.000	2,714,499
23	Wholesale	451,035	3.477	1,568,249
24	Total	3,636,673		\$ 14,947,584
25				
26				
27	<u>Rate Class</u>	<u>FY 22 Units</u>	<u>FY 22 Rate/Month</u>	<u>FY 22 Annual Revenues</u>
28				
29	<u>Fire Charges</u>			
30				
31	Public hydrants	406	\$ 58.138	\$ 283,248
32	Pawtucket	17,545	5.058	1,064,911
33				\$ 1,348,160
34	Private Fire Service			
35	2	37	\$ 17.800	\$ 7,903
36	4	83	38.430	38,276
37	6	400	96.510	463,248
38	8	99	175.620	208,637
39	10	5	261.980	15,719
40	12	2	381.670	9,160
41	Total	626		\$ 742,943
42				
43	Grand Total User Charge Revenue			\$ 20,418,002
				20,341,143
	Adjustment			\$ 76,859

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Labor Expense  
 Test Year Ended June 30, 2022

		Rate Year Labor Expense Adjustment		
		2024 Per		
Line No.	Description	2025 Per DPU Calculation	PWSB Calculation	Adjustment
1	General & Admin	\$ 732,200	\$ 707,684	\$ 24,516
2	Customer Service	348,068	342,199	5,869
3	Source of Supply	190,841	235,032	(44,191)
4	Purification	-	-	-
5	T&D	1,239,783	1,410,947	(171,164)
6	Engineering	518,870	604,453	(85,583)
7	Metering	278,777	273,589	5,188
8	Total	<u>\$ 3,308,538</u>	<u>\$ 3,573,904</u>	<u>\$ (265,365)</u>
9				
10				
11				
		Step 2 Labor Expense Adjustment		
		2026 Per DPU	2025 Per DPU	
Line No.	Description	Calculation	Calculation	Adjustment
12				
13	General & Admin	\$ 757,647	\$ 732,200	\$ 25,447
14	Customer Service	354,069	348,068	6,001
15	Source of Supply	195,247	190,841	4,406
16	Purification	-	-	-
17	T&D	1,256,705	1,239,783	16,922
18	Engineering	530,148	518,870	11,278
19	Metering	283,391	278,777	4,614
20		<u>\$ 3,377,207</u>	<u>\$ 3,308,538</u>	<u>\$ 68,668</u>
21				
22				
23				
		Step 3 Labor Expense Adjustment		
		2027 Per DPU	2026 Per DPU	
Line No.	Description	Calculation	Calculation	Adjustment
24				
25	General & Admin	\$ 784,954	\$ 757,647	\$ 27,307
26	Customer Service	360,206	354,069	6,137
27	Source of Supply	199,772	195,247	4,525
28	Purification	-	-	-
29	T&D	1,275,082	1,256,705	18,377
30	Engineering	542,377	530,148	12,230
31	Metering	289,688	283,391	6,297
32	Total	<u>\$ 3,452,080</u>	<u>\$ 3,377,207</u>	<u>\$ 74,873</u>

PAWTUCKET WATER SUPPLY BOARD

Adjustment to MERS Expense  
Test Year Ended June 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Rate Year Amount</u> <sup>1'</sup>
		(a)
1	General & Administrative	\$ (251,647)
	G&A - OPEB/Medical & Dental Insurance	(108,756)
2	Customer Service	(80,895)
3	Source of Supply	(81,376)
4	Transmission & Distribution	(404,658)
5	Engineering	(149,565)
6	Metering	(107,102)
7		
8		
9	Total Adjustment	<u>\$ (1,183,999)</u>

Notes:

<sup>1'</sup> Div. 6-1(b) Attachment.

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Bring Test Year Expenses to the 2025 Rate Year  
Test Year Ended June 30, 2022

Line No.	Description	FY 2022		FY 2025 Expenses	PWSB Escalated Rate Year Expenses	Adjustment to FY 2025 Rate Year
		Expenses Subject to Escalation	Escalation Adjustment to 2025			
1	<u>GENERAL &amp; ADMINISTRATIVE</u>					
2	Audit fees	\$ 13,063	\$ 1,027	\$ 14,089	\$ 14,016	\$ 73
3	Contractual Programs	-	-	-	-	-
4	Contractual Services	-	-	-	-	-
5	Legal fees	42,532	3,344	45,876	45,637	239
6	Legal fees - liens	-	-	-	-	-
7	Educational Training	8,668	681	9,350	9,301	49
8	Consultant	13,966	1,098	15,063	14,985	78
9	Pagers and Cell phones	-	-	-	-	-
10	Vehicle maintenance - outside parts	2,023	159	2,182	2,171	11
11	Vehicle maintenance - fuel & misc.	3,540	278	3,818	3,798	20
12	Repairs & Maintenance	26,338	2,071	28,409	28,261	148
13	Repairs & Maintenance - I.S. Hard/Software Main	189,287	14,881	204,168	203,105	1,063
14	Equipment rental	-	-	-	-	-
15	Utilities - Telephone	6,259	-	6,259	6,716	(457)
16	Internet	8,500	-	8,500	9,120	(620)
17	Utilities - DSL service	-	-	-	-	-
18	Utilities - Cellular service	3,966	-	3,966	4,255	(290)
19	Utilities - Web hosting	225	18	243	242	1
20	Heating	20,672	-	20,672	22,181	(1,509)
21	Other Utilities	7,224	568	7,791	7,751	41
22	Unemployment Insurance	-	-	-	-	-
23	Workers Compensation Insurance	6,251	-	6,251	6,707	(456)
24	Advertising	2,692	212	2,904	2,889	15
25	Printing	-	-	-	-	-
26	Dues & Subscriptions	15,100	1,187	16,287	16,202	85
27	Office supplies	6,487	510	6,997	6,961	36
28	Postage	1	0	1	1	0
29	Housekeeping expenses	32,517	2,556	35,074	34,891	183
30	Uniforms/clothing	659	52	711	707	4
31	Safety equipment & supplies	-	-	-	-	-
32	Tools - union	-	-	-	-	-
33	Capital material supplies	-	-	-	-	-
34	General tools	-	-	-	-	-
35	Materials and supplies	2,266	178	2,445	2,432	13
36	Other supplies	-	-	-	-	-
37	Public Relations	-	-	-	-	-
38	InState Accreditation	-	-	-	-	-
39	Bank service charges	-	-	-	-	-
40	Damage claims	-	-	-	-	-
41	WF Equip Wash Account	-	-	-	-	-
42	WF Other Expense Wash Acct	-	-	-	-	-
43	Depreciation Expense	-	-	-	-	-
44	Inventory Over/Short	-	-	-	-	-
45	Regulatory expense	38,784	3,049	41,833	41,615	218
46	Misc other expenses	967	76	1,043	1,038	5
47	Cash over/short	-	-	-	-	-
48	Legal Fees	-	-	-	-	-
49	Bank service charges	-	-	-	-	-
50	Depreciation expense	-	-	-	-	-
51	Legal fees	1,051	83	1,134	1,128	6
52	Trustee Fees	18,550	-	18,550	19,904	(1,354)
53	Consultant	1,500	118	1,618	1,610	8
54	Subtotal - Admin	473,089	32,144	505,233	507,624	(2,391)

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Bring Test Year Expenses to the 2025 Rate Year  
 Test Year Ended June 30, 2022

Line No.	Description	FY 2022		FY 2025 Expenses	PWSB Escalated Rate Year Expenses	Adjustment to FY 2025 Rate Year
		Expenses Subject to Escalation	Escalation Adjustment to 2025			
1	<u>CUSTOMER SERVICE</u>					
2	Contractual services	\$ 9,621	\$ 756	\$ 10,378	\$ 10,324	\$ 54
3	Educational training	80	6	86	86	0
4	Repairs & Maintenance	60	48	653	650	3
5	Utilities - Telephone	989	-	989	1,061	(72)
6	Utilities - Cellular service	456	-	456	490	(33)
7	Workers Compensation Insurance	458	-	458	492	(33)
8	Printing	35,725	2,808	38,533	38,333	201
9	Dues & Subscriptions	60	5	65	64	0
10	Uniforms/clothing	316	25	341	339	2
11	Materials and supplies	454	36	489	487	3
12	Other supplies	14	1	15	15	0
13	CC Convenience Fees	126,556	-	126,556	135,795	(9,239)
14	Subtotal - Customer Service	175,336	3,685	179,021	188,135	(9,114)
15						
16	<u>SOURCE OF SUPPLY</u>					
17	Educational Training	\$ 2,175	\$ 171	\$ 2,346	\$ 2,334	\$ 12
18	Security service	80,878	6,358	87,237	86,783	454
19	Vehicle maint. - outside parts	1,087	85	1,172	1,166	6
20	Vehicle fuel & misc.	3,223	253	3,477	3,459	18
21	Repairs & Maintenance - general	290	23	312	311	2
22	Repairs & Maintenance - collection reservoirs	38,641	3,038	41,678	41,462	217
23	Rental property expense	5,670	446	6,115	6,084	32
24	Utilities - Telephone	488	-	488	523	(36)
25	Internet	2,153	-	2,153	2,310	(157)
26	Utilities - Cellular phones	1,312	-	1,312	1,407	(96)
27	Workers Compensation Insurance	6,652	-	6,652	7,138	(486)
28	Dues & Subscriptions	465	37	502	499	3
29	Uniforms/clothing	639	50	689	686	4
30	Safety equipment & supplies	61	5	66	66	0
31	Materials & supplies	1,408	111	1,518	1,511	8
32	Subtotal - Supply	145,141	10,576	155,718	155,737	(19)
33						
34	<u>TRANSMISSION &amp; DISTRIBUTION</u>					
35	Educational Training	\$ 7,668	\$ 603	\$ 8,271	\$ 8,228	\$ 43
36	Cumberland Police Details	18,776	-	18,776	20,146	(1,371)
37	CF Police Details	26,101	-	26,101	28,006	(1,905)
38	Outside Parts	40,981	-	40,981	43,973	(2,992)
39	Gas & Oil	27,795	2,185	29,980	29,824	156
40	General Maintenance	21,220	1,668	22,888	22,769	119
41	IS Hard/Software Maintenance	3,545	279	3,823	3,804	20
42	Transmission/Distribution Main	(295)	(23)	(318)	(316)	(2)
43	Fire Services	7,624	599	8,223	8,181	43
44	Hydrants	(655)	(51)	(707)	(703)	(4)
45	Telephone	2,887	-	2,887	3,098	(211)
46	Internet	540	-	540	579	(39)
47	Cellular Phones	5,018	-	5,018	5,384	(366)
48	Heating	18,842	-	18,842	20,218	(1,376)
49	Other Utilities	2,301	181	2,481	2,469	13
50	Workers Compensation	76,584	-	76,584	82,175	(5,591)
51	Dues & Subscriptions	636	50	686	682	4
52	Housekeeping	24,137	1,898	26,035	25,899	135
53	Clothing Allowance	5,564	437	6,001	5,970	31
54	Safety Supplies	3,754	295	4,049	4,028	21
55	General Tools	16,165	1,271	17,436	17,345	91

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Bring Test Year Expenses to the 2025 Rate Year  
 Test Year Ended June 30, 2022

Line No.	Description	FY 2022		FY 2025 Expenses	PWSB Escalated Rate Year Expenses	Adjustment to FY 2025 Rate Year
		Expenses Subject to Escalation	Escalation Adjustment to 2025			
1	Materials/Supplies	7,342	577	7,919	7,878	41
2	Subtotal - T&D	316,530	9,968	326,498	339,637	(13,138)
3						
4	<u>ENGINEERING</u>					
5	Contractual services	\$ 9,219	\$ 725	\$ 9,944	\$ 9,892	\$ 52
6	Educational training	2,490	196	2,686	2,672	14
7	Consultant	27,620	2,171	29,791	29,636	155
8	Vehicle repairs - outside parts	192	15	207	206	1
9	Vehicle fuel & misc.	4,645	365	5,010	4,984	26
10	Repairs & Maintenance - general	460	36	497	494	3
11	Repairs & Maintenance - I.S. Hard/Software Main	1,972	155	2,127	2,116	11
12	Utilities - Telephone	1,088	-	1,088	1,168	(79)
13	Utilities - Cellular service	2,972	-	2,972	3,188	(217)
14	Workers Compensation	12,400	-	12,400	13,305	(905)
15	Printing	756	59	815	811	4
16	Uniforms/clothing	753	59	812	808	4
17	Materials & supplies	1,007	79	1,086	1,081	6
18	Subtotal - Engineering	65,573	3,861	69,434	70,360	(926)
19						
20	<u>METERING</u>					
21	Educational Training	\$ 3,161	\$ 248	\$ 3,409	\$ 3,392	\$ 18
22	Outside Parts	360	28	389	387	2
23	Gas & Oil	4,140	325	4,466	4,442	23
24	IS Hard/Software Maintenance	530	42	572	569	3
25	Meters	164	13	177	176	1
26	Telephone	675	-	675	725	(49)
27	Cellular Phones	2,785	-	2,785	2,988	(203)
28	Workers Compensation	9,064	-	9,064	9,725	(662)
29	Printing	1,325	104	1,429	1,422	7
30	Dues & Subscriptions	143	11	154	153	1
31	Office Supplies	85	7	92	91	0
32	Clothing Allowance	1,212	95	1,307	1,300	7
33	Materials/Supplies	6,363	500	6,863	6,827	36
34	Other Supplies	100	8	108	107	1
	Subtotal - Metering	30,107	1,382	31,489	32,304	(816)
	Total Adjustment	\$ 1,205,776	\$ 61,617	\$ 1,267,393	\$ 1,293,797	\$ (26,404)



PAWTUCKET WATER SUPPLY BOARD

Calculation of Expense Escalation Rate  
Test Year Ended June 30, 2022

Line No.	Description	Amount
1	PWSB's GDP-PI Rate for 2nd Quarter 2022 to 2nd Quarter 2023	3.47% <sup>1/</sup>
2	Congressional Budget Office 2024 GDP-PI Index	2.10% <sup>2/</sup>
3	Congressional Budget Office 2025 GDP-PI Index	<u>2.10% <sup>2/</sup></u>
4		
5	Calculated FY 2025 Escalation Factor	7.86%
6	PWSB Escalation Factor	<u>7.30% <sup>1/</sup></u>
7	Adjustment Factor	0.56%

Notes:

<sup>1/</sup> Response to Div. 2-3

<sup>2/</sup> [www.cbo.gov/publication/56351](http://www.cbo.gov/publication/56351)

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Normalize Rate Case Expense  
Test Year Ended June 30, 2022

Line No.	Description	Amount	<sup>1/</sup>
1			
2	Estimated Rate Case Expense per PWSB	\$ 200,000	
3	Normalization Period		4
4			
5	Annualized Rate Case Expense	\$ 50,000	
6	Rate Case Expense per PWSB	66,667	
7			
8	Adjustment to Rate Case Expense	\$ (16,667)	

Notes:

<sup>1/</sup> DF Sch. 1.0 Electronic File

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Engineering Consultant Expense  
Test Year Ended June 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Adjusted Engineering Consultant	<u>\$ 29,791</u> <sup>1/</sup>
2		
3		
4	Total Adjustment	<u>\$ (29,791)</u>

Notes:

<sup>1/</sup> Schedule LKM-6

PAWTUCKET WATER SUPPLY BOARD  
Adjustment to Postemployment Health Insurance Expense  
Test Year Ended June 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Amount</u> <sup>11</sup>
1	FY 2020 Postemployment Health Insurance Expense	124,315
2	FY 2021 Postemployment Health Insurance Expense	<u>109,776</u>
3	2-Year Average	117,046
4	FY 2021 Postemployment Health Insurance Expense	<u>162,824</u>
5		
6	Total Adjustment	<u>\$ (45,778)</u>

Notes:

<sup>11</sup> DF Sch. 1.0

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Reduce Electric Expense Cost Increase  
 Test Year Ended June 30, 2022

Line No.	Description	Test Year FY 2022 <sup>1'</sup>	Percentage Increase	Adjustment Amount	Adjusted Expense	PWSB Adjusted Expense <sup>1'</sup>	Expense Adjustment
		(a)	(b)	(c)	(d)	(e)	
1	Administration	\$ 39,848	3.99%	1,591	\$ 41,439	\$ 53,197	\$ (11,758)
2							
3	Source of Supply	77,508	3.99%	3,096	80,604	103,473	(22,869)
4							
5	Purification	763,724	3.99%	30,502	794,226	1,019,572	(225,345)
6							
7	Transmission & Distribution	23,295	3.99%	930	24,225	31,099	(6,873)
8							
9	Total Adjustment	<u>\$ 904,375</u>		<u>\$ 36,120</u>	<u>\$ 940,494</u>	<u>\$ 1,207,340</u>	<u>\$ (266,846)</u>

Notes:

<sup>1'</sup> DF Sch. 1.0

PAWTUCKET WATER SUPPLY BOARD

Adjustment to Reduce Heating Expense Cost Increase  
 Test Year Ended June 30, 2022

Line No.	Description	Test Year FY 2022 <sup>u</sup>	Percentage Increase	Adjustment Amount	Adjusted Expense	PWSB Adjusted Expense <sup>u</sup>	Expense Adjustment
		(a)	(b)	(c)	(d)	(e)	
1	Administration	\$ 20,672	1.81%	375	\$ 21,047	\$ 22,181	\$ (1,134)
2							
3							
4	Transmission & Distribution	18,842	1.81%	342	19,184	31,099	(11,915)
5							
6	Total Adjustment	<u>\$ 39,514</u>		<u>\$ 717</u>	<u>\$ 40,231</u>	<u>\$ 53,280</u>	<u>\$ (13,049)</u>

Notes:

<sup>u</sup> DF Sch. 1.0

PAWTUCKET WATER SUPPLY BOARD  
Adjustment to Revenue Stabilization Account  
Test Year Ended June 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Total Expenses	\$20,178,627 <sup>1/</sup>
2	Total Miscellaneous Revenues	<u>(1,036,207) <sup>1/</sup></u>
3	Subtotal	\$19,142,421
4	Revenue Stabilization Account Factor	<u>1.50%</u>
5		
6	Revenue Stabilization Amount	\$ 287,136
7	Revenue Stabilization Amount per PWSB	<u>633,952 <sup>2/</sup></u>
8	Adjustment to Revenue Stabilization Account	<u>\$ (346,815)</u>

Notes:

<sup>1/</sup> Schedule LKM-1.

<sup>2/</sup> DF Sch. 1.0

PAWTUCKET WATER SUPPLY BOARD  
 Adjustment to Revenue Stabilization Account  
 Test Year Ended June 30, 2022

Line No.	Description	FY 2023 Amount		Allocated Administration Fee
		Subject to Allocation Fee Rate	Administration Fee Allocation	
1	Personnel	\$ 421,920	8.61% <sup>1/</sup>	\$ 36,324
2	Payroll	223,263	8.61% <sup>1/</sup>	19,221
3	Purchasing	252,536	8.61% <sup>1/</sup>	21,742
4	Information Technology			3,659
5	Collections			54,319
6	Accounting			77,826
7	Total Recalculated Administrative Fee			213,092
8	Total Administrative Fee per PWSB			354,494
	Adjustment to Administrative Fees			\$ (141,402)

Notes:

<sup>1/</sup> Schedule LKM-13, page 4.



PAWTUCKET WATER SUPPLY BOARD

Calculation of Collections Chargeback  
 Test Year Ended June 30, 2022

Line No.	SALARIES	GROSS SALARY	TIME ALLOCATED	ALLOCATION	TOTAL ALLOCATION	
1	Treasurer	\$ 103,860.43	10.0% <sup>1/</sup>	10,386.04		
2	Assistant Treasurer	78,660.20	10.0% <sup>1/</sup>	7,866.02		
3	Tax Collections Representative	49,624.67	31.7% <sup>2/</sup>	15,724.85	\$ 33,976.91	
4						
5	SHARED BENEFITS	FICA - 6.2% of Allocation	MEDICARE 1.45% of Allocation	MERS - 14.28% of Allocation	TIAA -1% of Allocation	
6	Treasurer	\$ 643.93	\$ 150.60	\$ 1,483.13	\$ 103.86	
7	Assistant Treasurer	487.69	114.06	1,123.27	78.66	
8	Tax Collections Representative	974.94	228.01	2,245.51	157.25	
9	Totals	2,106.57	492.67	4,851.90	339.77	\$ 7,790.91
10						
11	MEDICAL BENEFITS	YEARLY COST	TIME ALLOCATED	ALLOCATION		
12	Treasurer	\$ 23,372.40	10.0%	\$ 2,337.24		
13	Assistant Treasurer	23,372.40	10.0%	2,337.24		
14	Tax Collections Representative	23,372.40	31.7%	7,406.14	\$ 12,080.62	
15						
16	DENTAL BENEFITS	YEARLY COST	TIME ALLOCATED	ALLOCATION		
17	Treasurer	\$ 910.08	10.0%	\$ 91.01		
18	Assistant Treasurer	910.08	10.0%	91.01		
19	Tax Collections Representative	910.08	31.7%	288.38	\$ 470.40	
20						
21	TOTAL COLLECTIONS DIVISION CHARGEBACK				<u>\$ 54,318.84</u>	

Notes:

- <sup>1/</sup> Based on the percentage of time claimed by Deputy Finance Director.
- <sup>2/</sup> Over the Counter factor per Schedule LKM-13, page \_.

PAWTUCKET WATER SUPPLY BOARD

Calculation of Accounting Chargeback  
 Test Year Ended June 30, 2022

Line No.	SALARIES	GROSS SALARY	TIME ALLOCATED	ALLOCATION	TOTAL ALLOCATION
1	Chief Accountant	\$ 82,452.66	10% <sup>1/</sup>	\$ 8,245.27	
2	Accountant II	66,649.45	42% <sup>2/</sup>	28,298.68	
3	Senior Acct Pay Clerk	50,183.12	10% <sup>1/</sup>	5,018.31	
4	Finance Office Assistant	51,326.92	10% <sup>1/</sup>	5,132.69	
5	Deputy Finance Director	114,246.47	10% <sup>3/</sup>	11,424.65	\$ 58,119.60
6					
7	<u>SHARED BENEFITS</u>	<u>TOTAL WAGES</u>	<u>RATE</u>	<u>ALLOCATION</u>	
8	FICA	\$ 58,119.60	6.20%	\$ 3,603.42	
9	MEDICARE	58,119.60	1.45%	842.73	
10	MERS	58,119.60	14.28%	8,299.48	
11	TIAA	58,119.60	1.00%	581.20	\$ 13,328.82
12					
13	<u>MEDICAL BENEFITS</u>	<u>YEARLY COST</u>	<u>TIME ALLOCATED</u>	<u>ALLOCATION</u>	
14	Chief Accountant	\$ 24,548.28	10%	\$ 2,454.83	
15	Accountant II	0	42%	0.00	
16	Senior Acct Pay Clerk	9,289.92	10%	928.99	
17	Finance Office Assistant	3,000.00	10%	300.00	
18	Deputy Finance Director	24,548.28	10%	2,454.83	\$ 6,138.65
19					
20	<u>DENTAL BENEFITS</u>	<u>YEARLY COST</u>	<u>TIME ALLOCATED</u>	<u>ALLOCATION</u>	
21	Chief Accountant	\$ 910.08	10%	\$ 91.01	
22	Accountant II	0	42%	0.00	
23	Senior Acct Pay Clerk	292.08	10%	29.21	
24	Finance Office Assistant	300	10%	30.00	
25	Deputy Finance Director	910.08	10%	91.01	\$ 241.22
26					
27	TOTAL ACCOUNTING DIVISION CHARGEBACK				\$ 77,826.30

Notes:

- <sup>1/</sup> Based on the percentage of time claimed by Deputy Finance Director.
- <sup>2/</sup> Payment - Lockbox, Credit Card & Cash factor per Schedule LKM-13, page 4.
- <sup>3/</sup> Div. 9-3.

PAWTUCKET WATER SUPPLY BOARD

Calculation of Administrative Fee Factors  
 Test Year Ended June 30, 2022

Line No.	Description	Amount
1	<u>Number of Employees Factor</u>	
2	PWSB Number of Employees	52 <sup>1/</sup>
3	City of Pawtucket Number Employees	<u>552</u> <sup>1/</sup>
4	Combined Number of Employees	604
5	PWSB Employees as a Percentage of Total	<u>8.61%</u>
6		
7	<u>Number of Purchasing Bids</u>	
8	Number of PWSB Bids	23 <sup>1/</sup>
9	Number of City of Pawtucket Bids	<u>164</u> <sup>1/</sup>
10	Combined Number of Bids	187
11	PWSB Bids as a Percentage of Total	<u>12.30%</u>
12		
13	<u>Over the Counter Payments</u>	
14	PWSB Payments Over the Counter	2,426 <sup>2/</sup>
15	Total Payments Over the Counter	<u>7,656</u> <sup>2/</sup>
16	PWSB Payments as a Percentage of Total	<u>31.68%</u>
17		
18	<u>Payment - Lockbox, Credit Card &amp; Cash</u>	
19	PWSB Payment - Lockbox, Credit Card & Cash	223,578 <sup>2/</sup>
20	City of Pawtucket Payment - Lockbox, Credit Card & Cash	<u>302,996</u> <sup>2/</sup>
21	Combined Number of Bids	526,574
22	PWSB Bids as a Percentage of Total	<u>42.46%</u>

Notes:

<sup>1/</sup> Per Response to Div. 9-1.

<sup>2/</sup> Per Response to Div. 9-2.

**BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF RHODE ISLAND**

**PAWTUCKET WATER )  
SUPPLY BOARD REQUEST FOR ) DOCKET NO. 23-30-WW  
GENERAL RATE INCREASE )  
)**

**APPENDIX A ACCOMPANYING THE  
DIRECT TESTIMONY  
OF  
LAFAYETTE K. MORGAN, JR.  
ON BEHALF OF THE  
DIVISION OF PUBLIC UTILITIES AND CARRIERS**

## **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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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 Year 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 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 Year 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.

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 No. 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 No. 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 No. 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 No. 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 Year 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.

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.

Philadelphia Gas Works (Philadelphia Gas Commission, Fiscal Year 2022 - 2023 Capital Budget Proceeding), February 2023. Presented testimony proposing several adjustments to Philadelphia Gas Works' Fiscal Year 2024 Capital Budget on behalf of the Public Advocate.

Philadelphia Water Department (Philadelphia Water, Sewer and Storm Water Rate Board, 2023 Tiered Assistance Program Rate Rider Surcharge Rates Proceeding), March 2023. Presented testimony regarding the appropriate adjustments to the 2023 TAP-R determination. Presented testimony on behalf of the Public Advocate.

Philadelphia Water Department (Philadelphia Water, Sewer and Storm Water Rate Board, Fiscal Years 2024 - 2025 Rates Proceeding), April 2023. Presented testimony on behalf of the Public Advocate on revenue requirements and issues relating to the Department's proposed two-year rate plan.

Dayton Power and Light Company d/b/a AES Ohio (The Public Utilities Commission of Ohio, Case No. 22-900-EL-SSO), April 2023. Presented testimony addressing the recovery of deferred costs and regulatory assets as part of AES Ohio's Application for Approval of Its Electric Security Plan on behalf of the Office of the Ohio Consumers' Counsel.

Maine Water Company- Biddeford & Saco Division (Maine Public Utilities Commission, Docket No. 2023-00065), June 2023. Assisted the Maine Office of Public Advocate (OPA) with Maine Water Company's application for an increase in rates. Provided testimony, on behalf of the OPA, on accounting issues and test year revenue requirements.

Potomac Edison Company (Public Service Commission of Maryland, Case No. 9695), June 2023. Presented testimony on rate base, cost of service and accounting issues on behalf of the Office of People's Counsel.

Philadelphia Gas Works (Philadelphia Gas Commission, Fiscal Year 2023 - 2024 Operating Budget Proceeding), June 2023. Presented testimony identifying issues and recommendations to be considered in approving the Fiscal Year 2024 Operating Budget on behalf of the Public Advocate.

Northern Utilities, Inc. (Maine Public Utilities Commission, Docket No. 2023-00051), July 2023. Assisted the Maine Office of Public Advocate (OPA) with Northern Utilities application for an increase in rates. Provided testimony, on behalf of the OPA, on accounting issues and test year revenue requirements.

Philadelphia Gas Works (Philadelphia Gas Commission, Fiscal Year 2024 Capital Budget Amendment), August 2023. Presented testimony as to the appropriateness of Philadelphia Gas Works' amendments to the Fiscal Year 2024 Capital Budget on behalf of the Public Advocate.

Evergy Kansas Central, Inc. (Kansas State Corporation Commission, Docket No. 23-EKCE-775-RTS), August 2023. Assisted the U.S. Department of Defense and the Federal Executive Agencies with Evergy Kansas Central, Inc. application for an increase in rates. Provided testimony on accounting issues including test year revenue requirements.

American Transmission Systems, Inc., Mid-Atlantic Interstate Transmission, LLC and Trans-Allegheny Interstate Line Company (Pennsylvania Public Utility Commission, Docket Nos. A-2023-3040481, A-2023-3040482, A-2023-3040483, G-2023-3040484 and G-2023-3040485), August 2023. Assisted the Pennsylvania Office of Consumer Advocate (OCA) with investigation of Joint Applicants application to sell additional equity stake in FirstEnergy Transmission LLC to North American Transmission Company II, L.P. Provided testimony, on behalf of the OCA, identifying issues and recommendations to be considered by the Commission in approving the transaction.

Fitchburg Gas and Electric Light Company d/b/a Unitil (Electric and Gas Divisions) (Massachusetts Department of Public Utilities, Docket Nos. D.P.U. 23-80 & 23-81), December 2023. Assisted the Massachusetts Office of Attorney General (AGO) with Fitchburg Gas and Electric Light Company's application for an increase in rates. Provided testimony, on behalf of the OPA, on accounting issues and 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.