March 7, 2019

Kim Trosclair
Louisiana Public Service Commission
Office of General Counsel
Galvez Building, 70802
602 North Fifth Street
P.O. Box 91154
Baton Rouge, LA 70821-9154

Re: LPSC RFP 19-02
Atmos Energy Corporation, ex parte
In re: Application Requesting Consolidation of Atmos Energy Corporation’s Louisiana Rate Divisions, Trans Louisiana Gas, and Louisiana Gas Service and Related Amendments to Rate Schedules and Tariffs
Docket No. U-35122

Dear Ms. Trosclair:

Exeter Associates, Inc. (“Exeter”) is pleased to submit this proposal to assist the Louisiana Public Service Commission (“Commission” or “Staff”) with the review of the Application filed by Atmos Energy Corporation (“Atmos Energy” or “the Company”) to consolidate the rates and tariffs of its two Louisiana Rate Divisions: Trans Louisiana Gas Company (“Trans La”) and Louisiana Gas Service (“LGS”).

**Proposed Services and Purpose**

Atmos Energy is requesting to consolidate the tariffs of its two rate divisions, which include separate rate stabilization clause rate schedules (“RSCs”) for each division, and charge uniform rates across both divisions in order to recognize that Atmos Energy’s infrastructure is operated as one system. In order to ensure that rates reflect the cost of service of each customer class, Atmos Energy claims it is necessary to consolidate its customer classes into two classes: Residential and Commercial. The customer class consolidation impacts the Company’s overall rate design, class cost allocation, special contracts, and facilities fees charged in relation to Industrial customers on the Trans La and LGS distribution systems. Atmos Energy claims that
its Application is revenue neutral, and the Company is not requesting an increase in its overall revenue requirement.

With regard to the review of Atmos Energy’s Application, the services that Exeter will provide to Staff will include:

• Reviewing the Application of Atmos Energy, including the proposed tariffs and cost of service studies;
• Conducting discovery, including preparing written data requests as well as follow-up discovery or other informal conferences, as necessary;
• Preparing direct and cross-answering testimony, testifying before an Administrative Law Judge; and
• Reviewing and analyzing proposed stipulation terms and conditions, as necessary and appropriate.

The purpose of Exeter’s review will be to ensure that Atmos Energy’s proposed consolidated rates for each division reasonably reflect the cost of serving each class and that the rates are revenue neutral. Exeter will also ensure that any proposed amendments to the RSC are consistent with the original intent of the RSC proposed for each division. This will include review of the return on equity, bandwidths, sharing mechanism, term, and review and process timing of each RSC.

Qualifications

Exeter is well-qualified to provide the assistance that the Commission requires. Exeter has extensive experience addressing utility regulatory matters before the Commission, as well as other state and federal regulatory agencies. Our experience includes extensive work in analyzing the operations, books, and records of utility companies and providing expert testimony on all aspects of utility regulation and ratemaking. The issues addressed in this work have included:

• Appropriate accounting standards and practices for natural gas utilities, public utility accounting, and generally accepted auditing standards;
• Appropriate ratemaking adjustments to utility accounting records;
• Determination and calculation of the appropriate base rates and utility plant;
• Traditional cost of service and cost allocation methodologies supporting revenue requirements;
• The cost allocation methodologies for the allocation of investment and expense between affiliates, including the relationship of the holding company to its
subsidiary operating companies, the transfer of investment and costs between operating companies, and the provision of services between affiliates;

- Cost of capital including cost of debt and the return on equity;
- Just and reasonable costs and prudent investments associated with providing reliable and quality service;
- Depreciation and taxation; and
- A detailed understanding of natural gas utility regulations.

Exeter is qualified to provide assistance on both the cost allocation/rate design and RSC aspects of Atmos Energy’s Application. Mr. Jerome D. Mierzwa, a principal of Exeter, will have overall responsibility and supervision of this project and will focus on the cost allocation and rate design aspects of Atmos Energy’s Application. Mierzwa has testified on over 300 occasions in 17 state jurisdictions and before the FERC. Mr. Mierzwa and Exeter have previously assisted the Commission in the follow proceedings:

- Review of the Rate Stabilization Pilot Program of TransLa and LGS for the 2004-05 through 2006-07 winter seasons.
- The investigation of the PGA filings of Atmos Energy for the period April 2012 through March 2014 in Docket No. X-33480.
- The investigation of the PGA filings of Entergy Louisiana, LLC for the period January 2012 through December 2015.
- The investigation into whether TransLa and Louisiana Intrastate Gas Company included inappropriate or imprudent costs in their purchased gas cost recovery mechanisms from 1981 through 1994.
- The investigation into Entergy Louisiana, LLC’s FAC filings between 1975 and 1998.
- The investigation of Cleco Power, LLC’s planning resource procurement practices and incurred fuel costs for the period January through October 2005 (initiated by the Commission as a result of the effect of Hurricanes Katrina and Rita on the fuel and purchased power costs of Louisiana electric utilities).
- The investigation of Cleco Power, LLC’s fuel adjustment filings for the years 2003 through 2008.
The review of Entergy Gulf States, L.L.C.’s fuel adjustment filings for the years 2005 through 2009 in Docket No. U-32245 which resulted in a refund to ratepayers of $5 million.

In addition, Mr. Mierzwa has previously addressed utility cost allocation and rate design matters in other jurisdictions including Delaware, Indiana, Maine, Pennsylvania, Rhode Island, and Virginia. Testimony presented by Mr. Mierzwa addressing utility cost allocation and rate design are identified in his resume which is attached to this proposal.

Mr. Lafayette K. Morgan, Jr., a senior level consultant to Exeter, will be primarily responsible for reviewing the RSC aspects of Atmos Energy’s Application. Mr. Morgan has participated in the review of Entergy Louisiana, LLC’s formula rate plan and has testified before the Commission on behalf of Staff in other proceedings. Other proceedings in which Mr. Morgan has assisted the Commission include the following:


- Provided technical analysis and support on behalf of the Louisiana Public Service Commission Staff relating to CLECO Power LLC Rate Stabilization Plan.
Mr. Morgan’s professional resume outlining his previous work is attached to this proposal. In addition to Messrs. Mierzwa and Morgan, other members of Exeter’s staff will be available to assist as necessary.

**Cost Proposal**

Exeter proposes to perform a detailed review of Atmos Energy’s Application for $27,000, plus direct expenses, including travel, of $2,000. Exeter bills for professional services based upon the actual hours spent up to the budgeted ceiling. Our standard hourly billing rates range from $80 per hour for research assistants to $220 for principals. Direct expenses will be billed at cost.

**Conflict of Interest**

Please note that Exeter has no business relationship with Atmos Energy or any of its affiliates, nor have we ever had such a relationship. Thus, Exeter has no conflict of interest that could impair or restrict our ability to provide assistance and objective advice to Staff.

If you have any questions of either a technical or a contractual nature, please do not hesitate to call. We look forward to being of service to the Commission and the ratepayers of Louisiana again.

Very truly yours,

[Signature]

Jerome D. Mierzwa,
Vice President

JDM/arr
Enclosure
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RESUMES OF

JEROME D. MIERZWA
&
LAFAYETTE K. MORGAN, JR.
JEROME D. MIERZWA

Mr. Mierzwia is a Principal of Exeter Associates, Inc., with over 25 years of public utility regulatory experience. At Exeter, Mr. Mierzwia has been involved in purchased gas cost allocation analysis and rate design analysis, conducting management audits and similar investigations of the natural gas supply and procurement policies and practices of local distribution companies (LDCs), and has provided assistance in proceedings before the Federal Energy Regulatory Commission (FERC). Mr. Mierzwia has participated in the planning of natural gas procurements for major federal installations located in various regions of the country. Mr. Mierzwia has been involved in evaluating performance-based incentive regulation for LDC purchased gas costs and the unbundling of LDC services. Mr. Mierzwia has participated in developing utility class cost-of-service studies, has presented testimony sponsoring gas, water and wastewater utility cost-of-service studies, least cost gas procurement and incentive regulation, in addition to presenting testimony addressing utility rate base and revenues.

Education

B.S. (Marketing) – Canisius College, Buffalo, New York, 1981

M.B.A. (Finance) – Canisius College, Buffalo, New York, 1985


Previous Employment

1986-1990 Rate Analyst
National Fuel Gas Company
Buffalo, New York

Previous Experience

Prior to joining Exeter in 1990, Mr. Mierzwia served as a rate analyst at National Fuel Gas Supply Corporation, an interstate pipeline. In that position, he was involved in preparing purchased gas adjustment filings and reviewing the rate filings of interstate pipeline suppliers. Mr. Mierzwia was also involved in preparing supplier rate, gas sales, and gas purchase price forecasts, examining the rate implications of storage activity, and analyzing rate of return, cash working capital, and potential merger and acquisition candidates.
Presentations

The NASUCA annual meetings in San Antonio, Texas, November 1991 (presentation concerning the FERC Mega-NOPR proceeding which led to the adoption of FERC Order No. 636).

The NASUCA annual meetings in Reno, Nevada, November 1994 (presentation concerning spot market gas incentive procurement programs).

Expert Testimony

Columbia Gas of Ohio (Public Utilities Commission of Ohio, Case No. 90-17-GA-GCR), November 1990. Co-authored report on audit of management and performance of gas purchasing on behalf of the Public Utilities Commission of Ohio. (Findings and recommendations were stipulated to without cross-examination.)


Cincinnati Gas & Electric Company (Public Utilities Commission of Ohio, Case No. 91-16-GA-GCR), October 1991. Co-authored report on audit of management and performance of gas purchasing on behalf of the Public Utilities Commission of Ohio. (Findings and recommendations were stipulated to without cross-examination.)

Louisiana Gas Service Company (Louisiana Public Service Commission Docket No. U-19237), December 1991. Testified on rate base including cash working capital, cost allocation and rate design on behalf of the Louisiana Public Service Commission.


The Peoples Natural Gas Company (Pennsylvania Public Utility Docket No. R-00953318), May 1995. Presented testimony addressing the acquisition of capacity resources, transportation balancing charges, performance-based incentive programs and lost and unaccounted-for and company use gas.

National Fuel Gas Distribution Corporation (Pennsylvania Public Utility Docket No. R-00953299), June 1995. Presented testimony addressing storage working capital requirements, heating degree days to be utilized for weather normalization purposes and sponsored a class cost of service on behalf of The Pennsylvania Office of Consumer Advocate.


Atlanta Gas Light Company (Georgia Public Service Commission Docket No. 5650-U), August 1995. Presented testimony addressing operations of the Company’s purchased gas adjustment mechanism and gas procurement practices and policies on behalf of the Georgia Consumers’ Utility Counsel.


West Ohio Gas Company (Public Utilities Commission of Ohio, Case No. 96-221-GA-GCR), November 1996. Co-authored report on audit of management and performance of gas purchasing on behalf of the Public Utilities Commission of Ohio.


Southern Union Gas Company (City of El Paso, Texas) Inquiry into Southern Union Gas Company’s Purchased Gas Adjustment Clause, March 1998. Presented testimony addressing the reasonableness of the Company’s gas procurement practices and policies on behalf of the City of El Paso, Texas.


Delmarva Power and Light Company (Delaware Public Service Commission Docket No. 98-524), March 1999. Presented testimony addressing the Company’s customer choice pilot program on behalf of the Division of Public Advocate.


Elizabethtown Gas Company, New Jersey Natural Gas Company, Public Service Electric & Gas Company and South Jersey Gas Company (New Jersey Board of Public Utilities Docket Nos. GX99030121 - GO99030125), July 1999. Presented testimony addressing the assignment of capacity by gas utilities to third-party suppliers and the recovery of stranded costs resulting from the unbundling of gas utility services on behalf of the Ratepayer Advocate.


City of Newport-Water Division (Public Utilities Commission of Rhode Island Docket No. 2985), December 1999. Presented testimony addressing cost allocation and rate design issues on behalf of the Division of Public Utilities and Carriers.

Entergy Gulf States, Inc. (Public Utilities Commission of Texas Docket No. 2111), December 1999. Presented testimony addressing the recovery of purchased power and purchased gas costs on behalf of certain Cities served by Entergy Gulf States, Inc.


Northern Shore Gas Company (Illinois Commerce Commission Docket No. 01-0469), September 2001. Presented testimony addressing gas supply, unbundling and restructuring customer choice issues on behalf of the Citizens Utility Board, Cook County State’s Attorney’s Office and the People of the State of Illinois.

The Peoples Gas Light and Coke Company (Illinois Commerce Commission Docket No. 01-0470), September 2001. Presented testimony addressing gas supply, unbundling and restructuring customer choice issues on behalf of the Citizens Utility Board, Cook County State’s Attorney’s Office and People of the State of Illinois.


Southwest Gas Corporation (Nevada Public Services Commission Docket No. 04-6001), September 2004. Presented testimony addressing gas procurement practices on behalf of the Nevada Office of Consumer Advocate.

Northern Natural Gas Company (FERC Docket No. RP04-155-000), November 2004. Presented testimony on billing determinant to be used for rate design on behalf of the Northern Municipal Distributors Group and Midwest Region Gas Task Force Association.


Southwest Gas Corporation (Nevada Public Services Commission Docket No. 05-5015), September 2005. Presented testimony addressing purchased gas cost recovery rates on behalf of the Nevada Office of Consumer Advocate.


Cincinnati Gas & Electric Company (Public Utilities Commission of Ohio Case No. 05-218-GAR), April 2006. Authored report on audit of gas purchasing practices and policies on behalf of the Public Utilities Commission of Ohio.


Northern Indiana Public Service Company (Indiana Regulatory Utility Commission Cause No. 41338-GCA8), October 2006. Presented testimony addressing reported gas costs and gas cost incentive mechanism results on behalf of the Indiana Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Regulatory Utility Commission Cause No. 41338-GCA9), December 2007. Presented testimony addressing the reasonableness of reported gas costs and evaluating the results of the gas cost incentive mechanisms under which the company operates on behalf of the Indiana Office of Utility Commission Counselor.


City of Newport (Public Utilities Commission of Rhode Island), January 2010. Presented testimony sponsoring a water cost of service study on behalf of the Division of Public Utilities and Carriers.


Columbia Gas of Ohio, Inc. (Public Utilities Commission of Ohio Case No. 10-221-GA-GCR), November 2010. Authored report on audit of gas purchasing practices and policies on behalf of the Public Utilities Commission of Ohio.


City of Woonsocket Water Division (Public Utilities Commission of Rhode Island Docket No. 4320), June 2012. Presented testimony addressing water cost of service and rate design on behalf of the Division of Public Utilities and Carriers.


City of Newport (Public Utilities Commission of Rhode Island Docket No. 4355), December 2012. Presented testimony addressing water cost of service on behalf of Division of Public Utilities and Carriers.


Chesapeake Utilities Corporation (Delaware Public Service Commission Docket No. 12-450F), March 2013. Presented testimony addressing lost and unaccounted-for gas, and the allocation of upstream interstate pipeline capacity on behalf of the Delaware Public Service Commission.


Delmarva Power & Light Company (Public Service Commission of the State of Delaware Docket No. 12-419F), March 2013. Presented testimony addressing interstate pipeline capacity and gas supply contracting practices on behalf of the Delaware Public Service Commission.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-26), April 2013. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-27), July 2013. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Washington Gas Light Company (Public Service Commission of Maryland Case No. 9322), July 2013. Presented testimony addressing cost of service, rate design and other tariff changes on behalf of the Office of People’s Counsel.


Providence Water Supply Board (Public Utilities Commission of Rhode Island Docket No. 4406), August 2013. Presented testimony addressing water class cost of service and rate design on behalf of the Division of Public Utilities and Carriers.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-28), October 2013. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Delmarva Power & Light Company (Public Service Commission of the State of Delaware Docket No. 13-349F), February 2014. Presented testimony addressing interstate pipeline capacity and gas supply contracting practices on behalf of the Delaware Public Service Commission.


Chesapeake Utilities Corporation (Delaware Public Service Commission Docket No. 13-351F), May 2014. Presented testimony addressing lost and unaccounted-for gas, and the allocation of upstream interstate pipeline capacity on behalf of the Delaware Public Service Commission.


Indiana American Water Company (Indiana Utility Regulatory Commission Cause No. 44450), May 2014. Presented testimony addressing water cost of service and rate design on behalf of the Indiana Office of Utility Consumer Counselor.
Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-30), May 2014. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-32), October 2014. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Delmarva Power & Light Company (Public Service Commission of the State of Delaware Docket No. 14-0295F), January 2015. Presented testimony addressing interstate pipeline capacity and gas supply contracting practices on behalf of the Delaware Public Service Commission and the Division of Public Advocate.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-33), January 2015. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-34), April 2015. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Pawtucket Water Supply Board (Public Utilities Commission of Rhode Island Docket No. 4550), June 2015. Presented testimony addressing water class cost of service and rate design on behalf of the Division of Public Utilities and Carriers.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-36), October 2015. Presented testimony addressing the assignment and sharing of capacity release revenues, administration of the Company’s gas cost incentive mechanism, and gas procurement activity on behalf of the Office of Utility Consumer Counselor.


Delmarva Power & Light Company (Public Service Commission of the State of Delaware Docket No. 15-1355), January 2016. Presented testimony addressing interstate pipeline capacity and gas supply contracting practices on behalf of the Delaware Public Service Commission and the Division of Public Advocate.


Philadelphia Water Department (Philadelphia Water Board, Fiscal Years 2017-2018 Rates), March 2016. Presented testimony addressing water, wastewater, and stormwater cost allocation and rate design on behalf of the Public Advocate.


City of Newport, Rhode Island (Public Utilities Commission of Rhode Island Docket No. 4595), April 2016. Presented testimony addressing class cost of service on behalf of the Division of Public Utilities and Carriers.

Columbia Gas of Pennsylvania (Pennsylvania Public Utility Commission Docket No. P-2016-2521993), April 2016. Presented testimony addressing the filing for a waiver of the statutory Distribution System Improvement Charge cap of five percent of billed revenues on behalf of the Pennsylvania Office of Consumer Advocate.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Case No. 43629-GCA-38), April 2016. Presented testimony addressing the gas costs reported for the period December 2015 through February 2016 focusing on evaluation of the gas cost incentive mechanism. Also, addressed whether gas procurement practices and policies were reasonable and consistent with least cost procurement standards during the review period on behalf of the Indiana Office of Utility Consumer Counselor.


Eversource Energy (Massachusetts Department of Public Utilities Docket No. 15-181) June 2016. Presented testimony addressing the petition for approval of two, 20-year gas transportation service agreements to support electric generation on behalf of the Attorney General’s Office.
National Grid (Massachusetts Department of Public Utilities Docket No. 16-05) June 2016. Presented testimony addressing the petition for approval of two, 20-year gas transportation service agreements to support electric generation on behalf of the Attorney General’s Office.


UGI Central Penn Gas of Pennsylvania (Pennsylvania Public Utility Commission Docket No. P-2016-2537609), July 2016. Presented testimony addressing the filing for a waiver of the statutory Distribution System Improvement Charge cap of five percent on behalf of the Pennsylvania Office of Consumer Advocate.

UGI Penn Natural Gas, Inc. (Pennsylvania Public Utility Commission Docket No. P-2016-2537594), July 2016. Presented testimony addressing the filing for a waiver of the statutory Distribution System Improvement Charge cap of five percent of billed revenues on behalf of the Pennsylvania Office of Consumer Advocate.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Case No. 43629-GCA-39), July 2016. Presented testimony addressing the gas costs reported for the period March through May 2016 focusing on evaluation of the gas cost incentive mechanism. Also, addressed whether gas procurement practices and policies were reasonable and consistent with least cost procurement standards during the review period on behalf of the Indiana Office of Utility Consumer Counselor.

Chesapeake Utilities Corporation (Public Service Commission of the State of Delaware Docket No. 15-1734) August 2016. Presented testimony addressing the cost of service study and rate design on behalf of the Delaware Public Service Commission.

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

Entergy Gulf States Louisiana, LLC (Louisiana Public Service Commission Docket No. U-32245), September 2016. Presented testimony addressing the fuel adjustment clause of Entergy Louisiana, LLC on behalf of the Louisiana Public Service Commission.

Providence Water Supply Board (Public Utilities Commission of Rhode Island Docket No. 4618), October 2016. Presented testimony addressing class cost of service and rate design on behalf of the Division of Public Utilities and Carriers.
Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Case No. 43629-GCA-40), October 2016. Presented testimony addressing the gas costs reported for the period June through August 2016 focusing on evaluation of the gas cost incentive mechanism. Also, addressed whether gas procurement practices and policies were reasonable and consistent with least cost procurement standards during the review period on behalf of the Indiana Office of Utility Consumer Counselor.


Delmarva Power & Light Company (Public Service Commission of the State of Delaware Docket No. 16-0889) January 2017. Presented testimony addressing the reasonableness of the Company’s gas procurement practices and policies on behalf of the Delaware Public Service Commission.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Case No. 43629-GCA-41), January 2017. Presented testimony addressing the gas costs reported for the period September through November 2016 focusing on evaluation of the gas cost incentive mechanism. Also, addressed whether gas procurement practices and policies were reasonable and consistent with least cost procurement standards during the review period on behalf of the Indiana Office of Utility Consumer Counselor.

Chesapeake Utilities Corporation (Public Service Commission of the State of Delaware Docket No. 16-0908) February 2017. Presented testimony addressing the reasonableness of the Company’s gas procurement practices and policies on behalf of the Delaware Public Service Commission and Division of the Public Advocate.

Entergy Gulf States Louisiana, LLC (Louisiana Public Service Commission Docket No. U-34298), March 2017. Presented testimony addressing the appropriate rate recovery method for the expenses associated with the dry cask storage of spent nuclear fuel and the refund/ratemaking treatment for the damage awards received on behalf of the Louisiana Public Service Commission.
CWA Authority, Inc. (Indiana Utility Regulatory Commission Cause No. 44685-S1), March 2017. Presented testimony addressing cost allocation and rate design on behalf of the Indiana Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Case No. 43629-GCA-42), April 2017. Presented testimony addressing the gas costs reported for the period December 2016 through February 2017 focusing on evaluation of the gas cost incentive mechanism. Also, addressed whether gas procurement practices and policies were reasonable and consistent with least cost procurement standards during the review period on behalf of the Indiana Office of Utility Consumer Counselor.


Fitchburg Gas and Electric Company d/b/a Unitil (Massachusetts Department of Public Utilities Docket No. 17-12), June 2017. Presented testimony addressing Asset Management Agreement pricing structure on behalf of the Massachusetts Attorney General’s office.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-44), October 2017. Presented testimony addressing the gas costs reported for the period June 2017 through August 2017 focusing on evaluation of the gas cost incentive mechanism on behalf of the Indiana Office of Utility Consumer Counselor.


Delmarva Power & Light Company (Public Service Commission of the State of Delaware Docket No. 17-1013), January 2018. Presented testimony addressing the reasonableness of the Company’s gas procurement practices and policies on behalf of the Delaware Public Service Commission and Division of the Public Advocate.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-45), January 2018. Presented testimony addressing the gas costs reported for the period September 2017 through November 2017 focusing on evaluation of the gas cost incentive mechanism on behalf of the Indiana Office of Utility Consumer Counselor.

Bay State Gas Company d/b/a Columbia Gas of Massachusetts (Massachusetts Department of Public Utilities Docket No. 17-166), January 2018. Presented testimony addressing Asset Management Agreement pricing structure on behalf of the Massachusetts Attorney General’s office.

Chesapeake Utilities Corporation (Public Service Commission of the State of Delaware Docket No. 17-1021), February 2018. Presented testimony addressing the reasonableness of the Company’s gas procurement practices and policies on behalf of the Delaware Public Service Commission and Division of the Public Advocate.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-46), April 2018. Presented testimony addressing the gas costs reported for the period December 2017 through February 2018 focusing on evaluation of the gas cost incentive mechanism on behalf of the Indiana Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-47), July 2018. Presented testimony addressing the gas costs reported for the period March through May 2018 focusing on evaluation of the gas cost incentive mechanism on behalf of the Indiana Office of Utility Consumer Counselor.


Washington Gas Light Company (Public Service Commission of Maryland Case No. 9481), August 2018. Presented testimony addressing class cost of service and rate design on behalf of the Office of People’s Counsel.

Town of Chandler (Indiana Utility Regulatory Commission Cause No. 45062), August 2018. Presented testimony addressing water utility class cost of service and rate design on behalf of the Indiana Office of Utility Consumer Counselor.

Maryland-American Water Company (Public Service Commission of Maryland Case No. 9481), September 2018. Presented testimony addressing water utility class cost of service and rate design on behalf of the Office of People’s Counsel.

Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-48), October 2018. Presented testimony addressing the gas costs reported for the period June through August 2018 focusing on evaluation of the gas cost incentive mechanism on behalf of the Indiana Office of Utility Consumer Counselor.


Northern Indiana Public Service Company (Indiana Utility Regulatory Commission Cause No. 43629-GCA-49), January 2019. Presented testimony addressing gas costs reported for the period September through November 2018 focusing on evaluation of the gas cost incentive mechanism on behalf of the Indiana Office of Utility Consumer Counselor.


City of Woonsocket Water Division (Public Utilities Commission of Rhode Island Docket No. 4879), January 2019. Presented testimony addressing water utility class cost of service and rate design on behalf of the Division of Public Utilities and Carriers.
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkansas (Arkansas Public Service Commission Docket No. 18-057-U), February 2019. Presented testimony addressing the gas procurement practices and policies on behalf of the Arkansas Attorney General’s Office.
Mr. Morgan is an independent regulatory consultant focusing in the area of the analysis of the operations of public utilities with particular emphasis on rate regulation. He has reviewed and analyzed utility rate filings, focusing primarily on revenue requirements determination, accounting and regulatory policy and cost recovery mechanisms. This work has included natural gas, water, electric, and telephone utilities.

Education and Qualifications

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

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

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

Previous Employment

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

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

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

Professional Experience

As a Staff Accountant with the North Carolina Utilities Commission – Public Staff, Mr. Morgan was responsible for analyzing testimony, exhibits, and other data presented by parties before the Commission. In addition, he performed examinations of the books and records of utilities involved in rate proceedings and summarized the results into testimony and exhibits for presentation before the Commission. Mr. Morgan also participated in several policy proceedings and audits involving regulated utilities.
As a Senior Financial Analyst with Potomac Electric Power Company, Mr. Morgan was a lead analyst and was involved in the preparation of the cost of service, rate base, and ratemaking adjustments supporting the Company’s request for revenue increases in its retail jurisdictions.

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

of Lafayette K. Morgan, Jr.


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.


Expert Testimony
of Lafayette K. Morgan, Jr.


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of Lafayette K. Morgan, Jr.

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


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.


Expert Testimony
of Lafayette K. Morgan, Jr.


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of Lafayette K. Morgan, Jr.


Expert Testimony
of Lafayette K. Morgan, Jr.

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

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


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.


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

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

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

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

of Lafayette K. Morgan, Jr.

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

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

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


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

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

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

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

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

**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**


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.


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.


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.


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.


The Village of Ridgewood Water Utility, Exeter Associates, Inc. Retained on behalf of The Township of Wyckoff, the Borough of Glen Rock and the Borough of Midland Park to review and evaluate the Rate Study prepared for The Village of Ridgewood related to The Village of Ridgewood's Water Utility Rate Ordinances, Nos. 3236, 3272, and 3319, the Superior Court of New Jersey Law Division – Bergen County (Docket No. BER-L-5651-12) remand.