

# Davison Van Cleve PC

Attorneys at Law

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Portland, OR 97204

March 28, 2006

***Via Electronic and US Mail***

Public Utility Commission  
Attn: Filing Center  
550 Capitol St. NE #215  
P.O. Box 2148  
Salem OR 97308-2148

Re: In the Matter of PACIFIC POWER & LIGHT Request for a  
General Rate Increase in the Company's Oregon Annual Revenues  
**Docket No. UE 179**

Dear Filing Center:

Enclosed please find the original Protective Order Signatory Pages on behalf of the Industrial Customers of Northwest Utilities ("ICNU") in the above-referenced docket. ICNU identifies the following persons as qualified under Paragraphs 3(a) through 3(d) of the Protective Order:

- Melinda J. Davison
- Irion Sanger
- S. Bradley Van Cleve
- Matthew W. Perkins
- Sarah C. Yasutake
- Christian W. Griffen
- Ruth A. Miller
- Anna E. Studenny
- Esther L. Westbrook
- Alex C. Trauman

ICNU identifies the following persons as qualified under Paragraph 3(e) and Paragraph 10 of the Protective Order:

- Randall Falkenberg
- Michael Gorman
- James Selecky
- Kathryn Iverson

Filing Center  
March 28, 2006  
Page 2

The information required pursuant to Paragraph 10 of the Protective Order is attached. Thank you for your assistance.

Sincerely,

/s/ Christian Griffen  
Christian W. Griffen

Enclosures  
cc: Service List

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Protective Order Signatory Pages on behalf of the Industrial Customers of Northwest Utilities upon the parties, on the service list, by causing the same to be deposited in the U.S. Mail, postage-prepaid.

Dated at Portland, Oregon, this 28th day of March, 2006.

/s/ Christian Griffen  
Christian W. Griffen

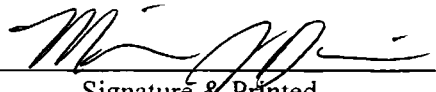
LAURA BEANE PACIFICORP 825 NE MULTNOMAH ST STE 800 PORTLAND OR 97232 laura.beane@pacificorp.com	KATHERINE A MCDOWELL STOEL RIVES LLP 900 SW FIFTH AVE STE 1600 PORTLAND OR 97204-1268 kamcdowell@stoel.com
LOWREY R BROWN CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY, SUITE 308 PORTLAND OR 97205 lowrey@oregoncub.org	JASON EISDORFER CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY STE 308 PORTLAND OR 97205 jason@oregoncub.org
JASON W JONES DEPARTMENT OF JUSTICE REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 jason.w.jones@state.or.us	MICHAEL T WEIRICH DEPARTMENT OF JUSTICE REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 michael.weirich@state.or.us
KURT J BOEHM MICHAEL L KURTZ BOEHM KURTZ & LOWRY 36 E SEVENTH ST - STE 1510 CINCINNATI OH 45202 kboehm@bkllawfirm.com mkurtz@bkllawfirm.com	JIM ABRAHAMSON COMMUNITY ACTION DIRECTORS OF OREGON PO BOX 7964 SALEM OR 97303-0208 jim@cado-oregon.org
KARL HANS TANNER OREGON ENERGY COORDINATORS ASSOCIATION 2448 W HARVARD BLVD ROSEBURG OR 97470 karl.tanner@ucancap.org	RATES & REGULATORY AFFAIRSRATES & REGULATORY AFFAIRS PORTLAND GENERAL ELECTRIC 121 SW SALMON ST 1WTC0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com
DOUGLAS C TINGEY PORTLAND GENERAL ELECTRIC 121 SW SALMON 1WTC13 PORTLAND OR 97204 doug.tingey@pgn.com	

SIGNATORY PAGE  
DOCKET NO. UE 179

## I. Consent to be Bound-

This General Protective Order governs the use of "Confidential Information" in this proceeding.

ICNU (Party) agrees to be bound by its terms of this General Protective Order.

By:  3/28/06  
Signature & Printed Date  
Melinda J. Davison

## II. Persons Qualified pursuant to Paragraphs 3(a) through 3(d)

ICNU (Party) identifies the following person(s) automatically qualified under paragraph 3(a) through (d).

<u>Trion Sanger</u> Printed	<u>3/28/06</u> Date
<u>S. Bradley Van Cleve</u> Printed	<u>3/28/06</u> Date
<u>Matthew W. Perkins</u> Printed	<u>3/28/06</u> Date
<u>Sarah C. Yasutake</u> Printed	<u>3/28/06</u> Date
<u>Christian W. Griffen</u> Printed	<u>3/28/06</u> Date
<u>Ruth A. Miller</u> Printed	<u>3/28/06</u> Date

**SIGNATORY PAGE**  
**DOCKET NO. UE 179**

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By: \_\_\_\_\_  
Signature & Printed Date

**II. Persons Qualified pursuant to Paragraphs 3(a) through 3(d)**

ICNU (Party) identifies the following person(s) automatically qualified under paragraph 3(a) through (d).

Anna E. Studdeny 3/28/06  
Printed Date

Esther L. Westbrook 3/28/06  
Printed Date

Alex C. Trauman 3/28/06  
Printed Date

\_\_\_\_\_  
Printed Date

\_\_\_\_\_  
Printed Date

\_\_\_\_\_  
Printed Date

**SIGNATORY PAGE**  
DOCKET NO. UE 179

**III. Persons Qualified pursuant to Paragraph 3(c) and Paragraph 10.**

I have read the General Protective Order, agree to be bound by the terms of the order, and will provide the information identified in paragraph 10.

By: Randall J. Falkenberg 3-22-06  
Signature & Printed Date  
RANDALL J. FALKENBERG

By: \_\_\_\_\_  
Signature & Printed Date  
\_\_\_\_\_

By: \_\_\_\_\_  
Signature & Printed Date  
\_\_\_\_\_


By: \_\_\_\_\_  
Signature & Printed Date  
\_\_\_\_\_

**SIGNATORY PAGE**  
DOCKET NO. UE 179

**III. Persons Qualified pursuant to Paragraph 3(e) and Paragraph 10.**

I have read the General Protective Order, agree to be bound by the terms of the order, and will provide the information identified in paragraph 10.

By:



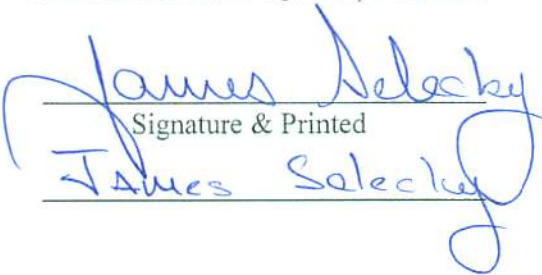
Signature & Printed

3 / 23 / 06

Date

Michael Goimyn

By:



Signature & Printed

3 / 24 / 06

Date

James Selecky

By:

\_\_\_\_\_

Signature & Printed

\_\_\_\_\_

Date

By:

\_\_\_\_\_

Signature & Printed

\_\_\_\_\_

Date

\_\_\_\_\_

**SIGNATORY PAGE**  
DOCKET NO. UE 179

**III. Persons Qualified pursuant to Paragraph 3(e) and Paragraph 10.**

I have read the General Protective Order, agree to be bound by the terms of the order, and will provide the information identified in paragraph 10.

By: Kathryn E. Iverson 23 - March - 2006  
Signature & Printed Date

Kathryn E. Iverson

By: \_\_\_\_\_  
Signature & Printed Date

By: \_\_\_\_\_  
Signature & Printed Date

By: \_\_\_\_\_  
Signature & Printed Date



## **QUALIFICATIONS OF RANDALL J. FALKENBERG, PRESIDENT**

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### **EDUCATIONAL BACKGROUND**

I received my Bachelor of Science degree with Honors in Physics and a minor in mathematics from Indiana University. I received a Master of Science degree in Physics from the University of Minnesota. My thesis research was in nuclear theory. At Minnesota I also did graduate work in engineering economics and econometrics. I have completed advanced study in power system reliability analysis.

### **PROFESSIONAL EXPERIENCE**

After graduating from the University of Minnesota in 1977, I was employed by Minnesota Power as a Rate Engineer. I designed and coordinated the Company's first load research program. I also performed load studies used in cost-of-service studies and assisted in rate design activities.

In 1978, I accepted the position of Research Analyst in the Marketing and Rates department of Puget Sound Power and Light Company. In that position, I prepared the two-year sales and revenue forecasts used in the Company's budgeting activities and developed methods to perform both near- and long-term load forecasting studies.

In 1979, I accepted the position of Consultant in the Utility Rate Department of Ebasco Service Inc. In 1980, I was promoted to Senior Consultant in the Energy Management Services Department. At Ebasco I performed and assisted in numerous studies in the areas of cost of service, load research, and utility planning. In particular, I was involved in studies concerning analysis of excess capacity, evaluation of the planning activities of a major utility on behalf of its public service commission, development of a methodology for computing avoided costs and cogeneration rates, long-term electricity price forecasts, and cost allocation studies.

At Ebasco, I specialized in the development of computer models used to simulate utility production costs, system reliability, and load patterns. I was the principal author of production costing software used by eighteen utility clients and public service commissions for evaluation of marginal costs, avoided costs and production costing analysis. I assisted over a dozen utilities in the performance of marginal and avoided cost studies related to the PURPA of 1978. In this capacity, I worked with utility planners and rate specialists in quantifying the rate and cost impact of generation expansion alternatives. This activity included estimating carrying costs, O&M expenses, and capital cost estimates for future generation.

In 1982 I accepted the position of Senior Consultant with Energy Management Associates, Inc. and was promoted to Lead Consultant in June 1983. At EMA I trained and consulted with planners and financial analysts at several utilities in applications of the PROMOD and PROSCREEN planning models. I assisted planners in applications of these models to the preparation of studies evaluating the revenue requirements and

## **QUALIFICATIONS OF RANDALL J. FALKENBERG, PRESIDENT**

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financial impact of generation expansion alternatives, alternate load growth patterns and alternate regulatory treatments of new baseload generation. I also assisted in EMA's educational seminars where utility personnel were trained in aspects of production cost modeling and other modern techniques of generation planning.

I became a Principal in Kennedy and Associates in 1984. Since then I have performed numerous economic studies and analyses of the expansion plans of several utilities. I have testified on several occasions regarding plant cancellation, power system reliability, phase-in of new generating plants, and the proper rate treatment of new generating capacity. In addition, I have been involved in many projects over the past several years concerning the modeling of market prices in various regional power markets.

In January 2000, I founded RFI Consulting, Inc. whose practice is comparable to that of my former firm, J. Kennedy and Associates, Inc.

The testimony that I present is based on widely accepted industry standard techniques and methodologies, and unless otherwise noted relies upon information obtained in discovery or other publicly available information sources of the type frequently cited and relied upon by electric utility industry experts. All of the analyses that I perform are consistent with my education, training and experience in the utility industry. Should the source of any information presented in my testimony be unclear to the reader, it will be provided it upon request by calling me at 770-379-0505.

## **PAPERS AND PRESENTATIONS**

**Mid-America Regulatory Commissioners Conference** - June 1984: "Nuclear Plant Rate Shock - Is Phase-In the Answer"

**Electric Consumers Resource Council** - Annual Seminar, September 1986: "Rate Shock, Excess Capacity and Phase-in"

**The Metallurgical Society** - Annual Convention, February 1987: "The Impact of Electric Pricing Trends on the Aluminum Industry"

**Public Utilities Fortnightly** - "Future Electricity Supply Adequacy: The Sky Is Not Falling" What Others Think, January 5, 1989 Issue

**Public Utilities Fortnightly** - "PoolCo and Market Dominance", December 1995 Issue

## **APPEARANCES**

3/84	8924	KY	Airco Carbide	Louisville Gas & Electric	CWIP in rate base.
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**RFI CONSULTING, INC.**

**Expert Testimony Appearances  
of  
Randall J. Falkenberg**

<b>Date</b>	<b>Case</b>	<b>Jurisd.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
5/84	830470- EI	FL	Florida Industrial Power Users Group	Fla. Power Corp.	Phase-in of coal unit, fuel savings basis, cost allocation.
10/84	89-07-R	CT	Connecticut Ind. Energy Consumers	Connecticut Light & Power	Excess capacity.
11/84	R-842651	PA	Lehigh Valley	Pennsylvania Power Committee	Phase-in of nuclear unit. Power & Light Co.
2/85	I-840381 cancellation of	PA	Phila. Area Ind. Energy Users' Group	Electric Co.	Philadelphia Economics of nuclear generating units.
3/85	Case No. KY 9243		Kentucky Industrial Utility Consumers	Louisville Gas & Electric Co.	Economics of cancelling fossil generating units.
3/85	R-842632	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Economics of pumped storage generating units, optimal res. margin, excess capacity.
3/85	3498-U cancellation, forecasting,	GA	Georgia Public Service Commission  Staff	Georgia Power Co.	Nuclear unit load and energy  generation economics.
5/85	84-768- E-42T	WV	West Virginia Multiple Intervenors	Monongahela Power Co.	Economics - pumped storage generating units, reserve margin, excess capacity.
7/85	E-7, SUB 391	NC	Carolina Industrial Group for Fair Utility Rates	Duke Power Co.	Nuclear economics, fuel cost projections.
7/85	9299	KY	Kentucky Industrial Utility Consumers	Union Light, Heat & Power Co.	Interruptible rate design.
8/85	84-249-UAR		Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Prudence review.
1/86	85-09-12	CT	Connecticut Ind. Energy Consumers	Connecticut Light & Power Co.	Excess capacity, financial impact of phase-in nuclear plant.
1/86	R-850152	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	Phase-in and economics of nuclear plant.
2/86	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power	Optimal reserve margins, prudence, off-system sales guarantee plan.
5/86	86-081- E-GI	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Generation planning study, economics prudence of a pumped storage hydroelectric unit.
5/86	3554-U	GA	Attorney General & Georgia Public Service Commission Staff	Georgia Power Co.	Cancellation of nuclear plant.
9/86	29327/28	NY	Occidental Chemical Corp.	Niagara Mohawk Power Co.	Avoided cost, production cost models.

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<b>Date</b>	<b>Case</b>	<b>Jurisd.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
9/86	E7-Sub 408	NC	NC Industrial Energy Committee	Duke Power Co.	Incentive fuel adjustment clause.
12/86 613	9437/	KY	Attorney General of Kentucky	Big Rivers Elect. Corp.	Power system reliability analysis, rate treatment of excess capacity.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power	Economics and rate treatment of Bath County pumped storage County Pumped Storage Plant.
6/87	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend Nuclear Plant.
6/87	PUC-87-013-RD E002/E-015 -PA-86-722	MN	Eveleth Mines & USX Corp.	Minnesota Power/Northern States	Sale of generating unit and reliability Power requirements.
7/87	Docket 9885	KY	Attorney General of Kentucky	Big Rivers Elec. Corp.	Financial workout plan for Big Rivers.
8/87	3673-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Nuclear plant prudence audit, Vogtle buyback expenses.
10/87	R-850220	PA	WPP Industrial Intervenor	West Penn Power	Need for power and economics, County Pumped Storage Plant
10/87	870220-EI	FL	Occidental Chemical	Fla. Power Corp.	Cost allocation methods and interruptible rate design.
10/87	870220-EI	FL	Occidental Chemical	Fla. Power Corp.	Nuclear plant performance.
1/88	Case No. 9934	KY	Kentucky Industrial Utility Consumers	Louisville Gas & Electric Co.	Review of the current status of Trimble County Unit 1.
3/88	870189-EI	FL	Occidental Chemical Corp.	Fla. Power Corp.	Methodology for evaluating interruptible load.
5/88	Case No. 10217	KY	National Southwire Aluminum Co., ALCAN Alum Co.	Big Rivers Elec. Corp.	Debt restructuring agreement.
7/88	Case No. 325224	LA Div. I 19th Judicial District	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend Nuclear Plant.
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	weather normalization gas sales and revenues.
10/88	3799-U	GA	Georgia Public Service Commission Staff	United Cities Gas Co.	weather normalization of gas sales and revenues.
12/88	88-171-EL-AIR 88-170-	OH OH	Ohio Industrial Energy Consumers	Toledo Edison Co., Cleveland Electric Illuminating Co.	Power system reliability reserve margin.

**Expert Testimony Appearances  
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<b>Date</b>	<b>Case</b>	<b>Jurisd.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
	EL-AIR				
1/89	I-880052	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	Nuclear plant outage, replacement fuel cost recovery.
2/89	10300	KY	Green River Steel K	Kentucky Util.	Contract termination clause and interruptible rates.
3/89	P-870216 283/284/286	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power	Reserve margin, avoided costs.
5/89	3741-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Prudence of fuel procurement.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Need and economics coal & nuclear capacity, power system planning.
10/89	2087	NM	Attorney General of New Mexico	Public Service Co. of New Mexico	Power system planning, economic and reliability analysis, nuclear planning, prudence.
10/89	89-128-U	AR	Arkansas Electric Energy Consumers	Arkansas Power Light Co.	Economic impact of asset transfer and stipulation and settlement agreement.
11/89	R-891364	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	Sale/leaseback nuclear plant, excess capacity, phase-in delay imprudence.
1/90	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Sale/leaseback nuclear power plant.
4/90	89-1001-OH EL-AIR		Industrial Energy Consumers	Ohio Edison Co.	Power supply reliability, excess capacity adjustment.
4/90	N/A	N.O.	New Orleans Business Counsel	New Orleans Public Service Co.	Municipalization of investor-owned utility, generation planning & reliability
7/90	3723-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Weather normalization adjustment rider.
9/90	8278	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.	Revenue requirements gas & electric, CWIP in rate base.
9/90	90-158	KY	Kentucky Industrial Utility Consumers	Louisville Gas & Electric Co.	Power system planning study.
12/90	U-9346	MI	Association of Businesses Advocating Tariff Equity (ABATE)	Consumers Power	DSM Policy Issues.
5/91	3979-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	DSM, load forecasting and IRP.
7/91	9945	TX	Office of Public Utility Counsel	El Paso Electric Co.	Power system planning, quantification of damages

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					of imprudence, environmental cost of electricity
8/91	4007-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Integrated resource planning, regulatory risk assessment.
11/91	10200	TX	Office of Public	Texas-New Mexico Utility Counsel	Imprudence disallowance. Power Co.
12/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Year-end sales and customer adjustment, jurisdictional allocation.
1/92	89-783-E-C	WVA	West Virginia Energy Users Group	Monongahela Power Co.	Avoided cost, reserve margin, power plant economics.
3/92	91-370	KY	Newport Steel Co.	Union Light, Heat & Power Co.	Interruptible rates, design, cost allocation.
5/92	91890	FL	Occidental Chemical Corp.	Fla. Power Corp.	Incentive regulation, jurisdictional separation, interruptible rate design.
6/92	4131-U	GA	Georgia Textile Manufacturers Assn.	Georgia Power Co.	Integrated resource planning, DSM.
9/92	920324	FL	Florida Industrial Power Users Group	Tampa Electric Co.	Cost allocation, interruptible rates decoupling and DSM.
10/92	4132-U	GA	Georgia Textile Manufacturers Assn.	Georgia Power Co.	Residential conservation program certification.
10/92	11000	TX	Office of Public Utility Counsel	Houston Lighting and Power Co.	Certification of utility cogeneration project.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Entergy/Gulf States Utilities (Direct)	Production cost savings from merger.
11/92	8469	MD	Westvaco Corp.	Potomac Edison Co.	Cost allocation, revenue distribution.
11/92	920606	FL	Florida Industrial Power Users Group	Statewide Rulemaking	Decoupling, demand-side management, conservation, Performance incentives.
12/92	R-009 22378	PA	Armco Advanced Materials	West Penn Power	Energy allocation of production costs.
1/93	8179	MD	Eastalco Aluminum/ Westvaco Corp.	Potomac Edison Co.	Economics of QF vs. combined cycle power plant.
2/93	92-E-0814 NY 88-E-081	NY	Occidental Chemical Corp.	Niagara Mohawk Power Corp.	Special rates, wheeling.
3/93	U-19904	LA	Louisiana Public Service Commission Staff	Entergy/Gulf States Utilities (Surrebuttal)	Production cost savings from merger.
4/93	EC92	FERC	Louisiana Public	Gulf States	GSU Merger production cost

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<b>Date</b>	<b>Case</b>	<b>Jurisd.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
	21000 ER92-806-000		Service Commission Staff	Utilities/Entergy	savings
6/93	930055-EU	FL	Florida Industrial Power Users' Group	Statewide Rulemaking	Stockholder incentives for off-system sales.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers & Attorney General	Big Rivers Elec. Corp.	Prudence of fuel procurement decisions.
9/93	4152-U	GA	Georgia Textile Manufacturers Assn.	Georgia Power Co.	Cost allocation of pollution control equipment.
4/94	E-015/ GR-94-001	MN	Large Power Intervenors	Minn. Power Co.	Analysis of revenue req. and cost allocation issues.
4/94	93-465	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Review and critique proposed environmental surcharge.
4/94	4895-U	GA	Georgia Textile Manufacturers Assn.	Georgia Power Co.	Purchased power agreement and fuel adjustment clause.
4/94	E-015/ GR-94-001	MN	Large Power Intervenors	Minnesota Power Light Co.	Rev. requirements, incentive compensation.
7/94	94-0035- E-42T	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue annualization, ROE performance bonus, and cost allocation.
8/94	8652	MD	Westvaco Corp.	Potomac Edison Co.	Revenue requirements, ROE performance bonus, and revenue distribution.
1/95	94-332	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Company	Environmental surcharge.
1/95	94-996- EL-AIR	OH	Industrial Energy Users of Ohio	Ohio Power Company	Cost-of-service, rate design, demand allocation of power
3/95	E999-CI	MN	Large Power Intervenor	Minnesota Public Utilities Comm.	Environmental Costs Of electricity
4/95	95-060	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Company	Six month review of CAAA surcharge.
11/95	I-940032	PA	The Industrial Energy Consumers of Pennsylvania	Statewide - all utilities	Direct Access vs. Poolco, market power.
11/95	95-455	KY	Kentucky Industrial	Kentucky Utilities	Clean Air Act Surcharge,
12/95	95-455	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Company	Clean Air Act Compliance Surcharge.
6/96	960409-EI	FL	Florida Industrial Power Users Group	Tampa Electric Co.	Polk County Power Plant Rate Treatment Issues.
3/97	R-973877	PA	PAIEUG.	PECO Energy	Stranded Costs & Market Prices.
3/97	970096-EQ	FL	FIPUG	Fla. Power Corp.	Buyout of QF Contract
6/97	R-973593	PA	PAIEUG	PECO Energy	Market Prices, Stranded Cost

**Expert Testimony Appearances  
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<b>Date</b>	<b>Case</b>	<b>Jurisd.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
7/97	R-973594	PA	PPLICA	PP&L	Market Prices, Stranded Cost
8/97	96-360-U	AR	AEEC	Entergy Ark. Inc.	Market Prices and Stranded Costs, Cost Allocation, Rate Design
10/97	6739-U	GA	GPSC Staff	Georgia Power	Planning Prudence of Pumped Storage Power Plant
10/97	R-974008 R-974009	PA	MIEUG PICA	Metropolitan Ed. PENELEC	Market Prices, Stranded Costs
11/97	R-973981	PA	WPII	West Penn Power	Market Prices, Stranded Costs
11/97	R-974104	PA	DII	Duquesne Light Co.	Market Prices, Stranded Costs
2/98	APSC 97451 97452 97454	AR	AEEC	Generic Docket	Regulated vs. Market Rates, Rate Unbundling, Timetable for Competition.
7/98	APSC 87-166	AR	AEEC	Entergy Ark. Inc.	Nuclear decommissioning cost estimates & rate treatment.
9/98	97-035-01	UT	DPS and CCS	PacifiCorp	Net Power Cost Stipulation, Production Cost Model Audit
12/98	19270	TX	OPC	HL&P	Reliability, Load Forecasting
4/99	19512	TX	OPC	SPS	Fuel Reconciliation
4/99	99-02-05	CT	CIEC	CL&P	Stranded Costs, Market Prices
4/99	99-03-04	CT	CIEC	UI	Stranded Costs, Market Prices
6/99	20290	TX	OPC	CP&L	Fuel Reconciliation
7/99	99-03-36	CT	CIEC	CL&P	Interim Nuclear Recovery
7/99	98-0453	WV	WVEUG	AEP & APS	Stranded Costs, Market Prices
12/99	21111	TX	OPC	EGSI	Fuel Reconciliation
2/00	99-035-01	UT	CCS	PacifiCorp	Net Power Costs, Production Cost Modeling Issues
5/00	99-1658	OH	AK Steel	CG&E	Stranded Costs, Market Prices
6/00	UE-111	OR	ICNU	PacifiCorp	Net Power Costs, Production Cost Modeling Issues
9/00	22355	TX	OPC	Reliant Energy	Stranded cost
10/00	22350	TX	OPC	TXU Electric	Stranded cost
10/00	99-263-U	AR	Tyson Foods	SW Elec. Coop	Cost of Service
12/00	99-250-U	AR	Tyson Foods	Ozarks Elec. Coop	Cost of Service
01/01	00-099-U	AR	Tyson Foods	SWEPCO	Rate Unbundling



**Expert Testimony Appearances  
of  
Randall J. Falkenberg**

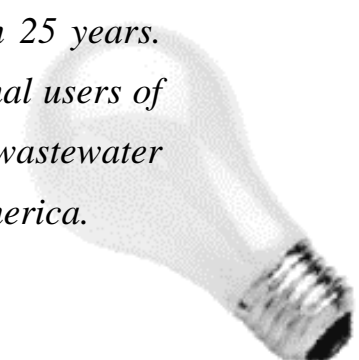
<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
02/01	99-255-U	AR	Tyson Foods	Ark. Valley Coop	Rate Unbundling
03/01	UE-116	OR	ICNU	PacifiCorp	Net Power Costs
6/01	01-035-01	UT	DPS and CCS	PacifiCorp	Net Power Costs
7/01	A.01-03-026	CA	Roseburg FP	PacifiCorp	Net Power Costs
7/01	23550	TX	OPC	EGSI	Fuel Reconciliation
7/01	23950	TX	OPC	Reliant Energy	Price to beat fuel factor
8/01	24195	TX	OPC	CP&L	Price to beat fuel factor
8/01	24335	TX	OPC	WTU	Price to beat fuel factor
9/01	24449	TX	OPC	SWEPCO	Price to beat fuel factor
10/01	20000-EP 01-167	WY	WIEC	PacifiCorp	Power Cost Adjustment Excess Power Costs
2/02	UM-995	OR	ICNU	PacifiCorp	Cost of Hydro Deficit
2/02	00-01-37	UT Plant	CCS	PacifiCorp	Certification of Peaking
4/02	00-035-23	UT	CCS	PacifiCorp	Cost of Plant Outage, Excess Power Cost Stipulation.
4/02	01-084/296	AR	AEEC	Entergy Arkansas	Recovery of Ice Storm Costs
5/02	25802	TX	OPC	TXU Energy	Escalation of Fuel Factor
5/02	25840	TX	OPC	Reliant Energy	Escalation of Fuel Factor
5/02	25873	TX	OPC	Mutual Energy CPL	Escalation of Fuel Factor
5/02	25874	TX	OPC	Mutual Energy WTU	Escalation of Fuel Factor
5/02	25885	TX	OPC	First Choice	Escalation of Fuel Factor
7/02	UE-139	OR	ICNU	Portland General	Power Cost Modeling
8/02	UE-137	OP	ICNU	Portland General	Power Cost Adjustment Clause
10/02	RPU-02-03	IA	Maytag, et al	Interstate P&L	Hourly Cost of Service Model
11/02	20000-Er 02-184	WY	WIEC	PacifiCorp	Net Power Costs, Deferred Excess Power Cost
12/02	26933	TX	OPC	Reliant Energy	Escalation of Fuel Factor
12/02	26195	TX	OPC	Centerpoint Energy	Fuel Reconciliation
1/03	27167	TX	OPC	First Choice	Escalation of Fuel Factor
1/03	UE-134	OR	ICNU	PacifiCorp	west valley CT Lease payment
1/03	27167	TX	OPC	First Choice	Escalation of Fuel Factor
1/03	26186	TX	OPC	SPS	Fuel Reconciliation
2/03	UE-02417	WA	ICNU	PacifiCorp	Rate Plan Stipulation, Deferred Power Costs

**Expert Testimony Appearances  
of  
Randall J. Falkenberg**

<b>Date</b>	<b>Case</b>	<b>Jurisdct.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
2/03	27320	TX	OPC	Reliant Energy	Escalation of Fuel Factor
2/03	27281	TX	OPC	TXU Energy	Escalation of Fuel Factor
2/03	27376	TX	OPC	CPL Retail Energy	Escalation of Fuel Factor
2/03	27377	TX	OPC	WTU Retail Energy	Escalation of Fuel Factor
3/03	27390	TX	OPC	First Choice	Escalation of Fuel Factor
4/03	27511	TX	OPC	First Choice	Escalation of Fuel Factor
4/03	27035	TX	OPC	AEP Texas Central	Fuel Reconciliation
05/03	03-028-U	AR	AEEC	Entergy Ark., Inc.	Power Sales Transaction
7/03	UE-149	OR	ICNU	Portland General	Power Cost Modeling
8/03	28191	TX	OPC	TXU Energy	Escalation of Fuel Factor
11/03	20000-ER -03-198	WY	WIEC	PacifiCorp	Net Power Costs
2/04	03-035-29	UT	CCS	PacifiCorp	Certification of CCCT Power Plant, RFP and Bid Evaluation
6/04	29526	TX	OPC	Centerpoint	Stranded cost true-up.
6/04	UE-161	OR	ICNU	Portland General	Power Cost Modeling
7/04	UE-032065	WA	ICNU	PacifiCorp	Power Cost modeling, Jurisdictional Allocation
7/04	UM-1050	OR	ICNU	PacifiCorp	Jurisdictional Allocation
10/04	15392-U 15392-U	GA	Calpine	Georgia Power/ SEPCO	Fair Market Value of Combined Cycle Power Plant
12/04	04-035-42	UT	CCS		PacifiCorp Net power costs
02/05	UE-165	OP	ICNU	Portland General	Hydro Adjustment Clause
05/05	UE-170	OR	ICNU	PacifiCorp	Power Cost Modeling

**BAI** is a leading advisor in the rapidly changing regulated and competitive energy markets. We create value for our clients by developing and helping to implement creative solutions that reduce or avoid energy costs. Because BAI does not own or market a commodity, we can provide the best expertise and most objective advice for our clients.

Many BAI professionals have been in practice for more than 25 years. Our clientele consists of industrial, commercial and institutional users of electricity, natural gas, coal, fuel oil, steam, water and wastewater services provided by hundreds of utilities throughout North America.



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## ***BAI has two main practice areas***

### ***Energy, Economic, and Regulatory Consulting***

We provide consulting services in the economic, technical, accounting, and financial aspects of utility rates. BAI professionals have participated on behalf of clients in thousands of utility regulatory and legal proceedings involving most of the major electric utilities in the United States, numerous natural gas transmission and distribution companies and many water and wastewater utilities. We have been active participants in the electric utility transformation to competition and worked with clients in many key states to develop customer choice programs.



### ***Energy Procurement and Management***

We provide energy procurement and management services such as the development of energy purchasing strategies, energy usage analysis, price forecasts, preparation of requests for proposals and contract negotiations. BAI professionals have many years of experience in purchasing energy and have negotiated with a wide variety of energy providers to achieve lower energy costs.

## *Partial List of Current Clients\**

Air Liquide America Corporation	General Motors Corporation
Air Products and Chemicals, Inc.	Georgia-Pacific Corporation
Anheuser-Busch Companies, Inc.	International Paper Company
Archer Daniels Midland Company	Kennecott Corporation
Barrick Goldstrike Mines, Inc.	Kimberly-Clark Corporation
BASF Corporation	Lafarge Corporation
The Boeing Company	MeadWestvaco Corporation
Bowater Incorporated	Monsanto Company
BP	Nestlé Purina PetCare Company
Cargill, Inc.	Occidental Chemical Corporation
Chevron Phillips Chemical Company	Olin Corporation
Chevron Texaco	PPG Industries, Inc.
Colonial Pipeline Company	Praxair, Inc.
DaimlerChrysler Corporation	Procter & Gamble Company
The Dow Chemical Company	Solutia, Inc.
DuPont Company	Temple-Inland Forest Products Corp.
Equistar Chemicals, LP	United States Steel Corporation
Explorer Pipeline Company	U. S. Navy
ExxonMobil	University of Illinois
Ford Motor Company	University of Texas

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\* Representative sample from a total of over 500

## *Scope of Activities*

### ► *Regulatory and Litigation Support*

Many sectors of the energy industry will remain regulated. The regulatory process involves issues of accounting, economics, engineering, finance and law. We work closely with the client and legal counsel to develop effective strategies and to present persuasive expert testimony before state and federal regulators.

BAI strives for “win-win” resolutions for clients. However, some matters cannot be resolved without litigation. BAI professionals apply their knowledge and experience to support litigation, including discovery, depositions, trial preparation, analysis and expert testimony.

### ► *Competitive Energy Strategies*

Electric industry restructuring not only presents many opportunities but also contains potential “traps” that can be costly if not avoided. BAI is actively involved in most of the key states and is thoroughly familiar with the technical and political issues of restructuring and customer choice.

We are well positioned to help individual clients develop practical and cost-effective strategies for dealing with this rapidly changing environment.

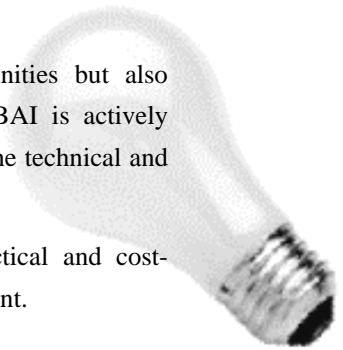
### ► *Energy Procurement and Management*

Energy savings do not happen automatically. Staff with a working knowledge of complex issues and options is required to successfully procure and manage energy in both regulated and competitive markets.

BAI professionals have this experience and can augment a client’s resources by offering hands-on purchasing assistance in electricity, natural gas, coal and fuel oil. Since we do not own or market a commodity, we are an independent and objective energy advisor.

### ► *Contract Negotiations*

Contracts with energy suppliers replace traditional monopoly services in many areas. Successful contract negotiations require current information and good bargaining skills. BAI helps clients identify objectives and to formulate a procurement strategy, analyze energy usage, prepare RFPs, evaluate offers, and develop the technical, economic and strategic data required to implement feasible options. BAI professionals are involved in both the analytical and strategic phases of contracting and in the bargaining process to secure favorable purchase and sales contracts.



## *Scope of Activities*

### ► *Legislation and Public Policy*

BAI professionals apply their extensive knowledge of regulatory issues to prepare special studies and to support legislative coalitions seeking to implement or alter legislation. These activities include policy analysis, preparing white papers, drafting and analyzing proposed legislation, strategy development and presenting expert testimony.

### ► *Special Studies and Reports*

To support BAI's other services and to address a wide variety of other needs, we provide special studies for clients including:

- Analyses of energy usage to determine trends and develop options to achieve cost savings
- Siting studies for new facilities
- Energy price surveys
- Legislative analysis
- Reports on electricity restructuring activities



### ► *Forecasting*

Energy price forecasts are a necessary element in energy management, procurement and investment decisions for new and existing facilities and for self-generation decisions. BAI provides clients with timely surveys and forecasts of energy prices nationwide and with comprehensive evaluations for selecting potential plant sites.

### ► *Seminars*

BAI presents an Electricity Fundamentals Seminar and an Electricity Buyers' Forum. These seminars address topics such as utility accounting and finance, cost of service, rate design, transmission and ancillary services, negotiating special rates, the transition to customer choice and how to buy electricity. We also develop and present specialized seminars tailored to the needs of individual clients. These can be designed to deal with general topics or to focus on specific client issues.

## ***Representative Projects***

### ► ***Energy Procurement and Management***

- Develop energy purchasing strategies for electricity, natural gas, coal and fuel oil
- Negotiate procurement contracts for new and existing facilities
- Assist consumers to secure and manage their own gas supply
- Identify and evaluate alternate supply arrangements
- Prepare and evaluate RFPs for competitive sourcing of energy
- Develop energy price studies for negotiation and plant siting decisions
- Prepare economic evaluations of power assets
- Conduct bill audits and energy cost reduction assessments

### ► ***Electricity Markets***

- Facilitate industry restructuring
- Prepare market price forecasts
- Prepare economic evaluations of stranded costs and securitization
- Present expert testimony in regulatory commission, legislative and judicial settings

### ► ***Electric Transmission***

- Evaluate open access tariffs for transmission and ancillary services
- Participate in the formation of ISOs/Regional Transmission Organizations
- Conduct load flow studies
- Analyze ATC and other information posted on the OASIS
- Present expert testimony before regulatory commissions

### ► ***Natural Gas***

- Develop hedging strategies
- Negotiate gas storage terms and charges
- Provide contract/rate interpretation
- Present expert testimony before regulatory commissions





## *Representative Projects*

### ► *Natural Gas and Oil Pipelines*

- Negotiate transportation contracts
- Develop transportation and storage rate designs
- Identify and evaluate alternative supply arrangements
- Present expert testimony before regulatory commissions

### ► *Water / Wastewater*

- Negotiate supply contracts
- Evaluate privately owned companies
- Develop rate design for consumers
- Present expert testimony before state regulators

### ► *Self Generation*

- Evaluate the economics of alternative projects
- Forecast market prices
- Negotiate contracts with developers and other project participants
- Identify alternate suppliers of standby power
- Negotiate contracts for standby power including rates, terms and conditions



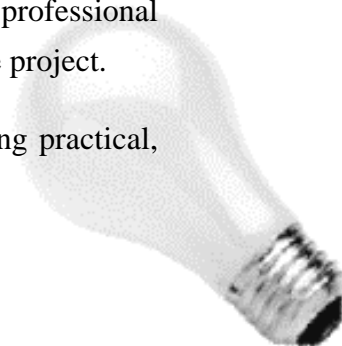
## ***BAI Staff***

BAI consultants have an average of over twenty years of experience in the energy industry. They have advanced degrees with backgrounds in accounting, economics, engineering, finance, mathematics or energy procurement.

The BAI analytical support staff provides analytical services in the form of computer analysis and modeling, research, graphic arts and database management.

Projects undertaken by BAI are handled by either a single professional or a team, depending on the issues and the complexity of the project.

Let us create value for you by developing and implementing practical, cost-effective solutions to your energy problems.



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#### **Dallas, Texas**

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Plano, TX 75023  
(972) 208-0001

## ***BAI Analytical Support Staff***

Working closely with BAI's consulting staff, the support staff provides the detailed analysis, information gathering, graphic presentation and research functions that are essential to meeting clients' needs. The senior staff has an average of nearly 20 years experience in the industry. Among the many tasks performed by BAI's Analytical Support Staff are:

- Analyze utility bills and test alternative rates
- Conduct bill audits and energy cost reduction assessments
- Rate comparisons among utilities
- Monitor electricity restructuring activities across the country
- Track wholesale electric market prices by region
- Track natural gas futures prices
- Conduct analyses of utility incremental costs
- Retrieve data from key energy-related internet sites
- Support rate of return and depreciation studies
- Provide research and graphic support for testimony, BAI Reports, Newsletters and Seminars
- Monitor the OASIS of the major control areas
- Conduct jurisdictional and class cost of service studies
- Analyze nuclear plant performance



BAI Analysts also utilize and maintain extensive information sources, such as:

- Real-time link to NYMEX futures market
- FERC Form 1 Reports
- Legislation and Regulatory decisions on key issues
- Utility tariffs
- NERC and Reliability Council Reports
- Electric and natural gas market prices
- PUR Base (an electronic version of the Public Utility Reports)
- U.S. Government and other forecasts
- Typical bills for residential, commercial and industrial customers
- Electric utility hourly incremental costs
- Electric Generation Development
- Utility Stock and Credit Reports
- Value Line Investment Survey Analyzer

## ***BAI Consultants***

### ► ***Managing Principals***

- Maurice Brubaker
- Alan R. Chalfant
- Michael Gorman
- Nicholas Phillips, Jr.
- Alan Rosenberg
- James T. Selecky

### ► ***Consultant Staff***

- Ali Z. Al-Jabir
- Brian C. Collins
- James W. Collins
- Terry S. Cowan
- James R. Dauphinais
- Kathryn E. Iverson
- Brian A. Janous
- John W. Mallinckrodt
- Lynn D. Pearson
- Robert R. Stephens

