



Avista Corp.

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May 8, 2023

Public Utility Commission of Oregon
Attn: Filing Center
201 High St SE, Suite 100
Salem, Oregon 97301

**RE: UG 461 – Motion to Admit Partial Multiparty Settlement Stipulation and
Joint Testimony**

Avista Corporation d/b/a/ Avista Utilities, hereby submits for filing an electronic copy of the Motion to Admit Partial Multiparty Settlement Stipulation and Joint Testimony.

Please direct any questions regarding this filing to Pat Ehrbar at (509) 495-8620.

Sincerely,

/s/ David J. Meyer

David J. Meyer
Vice President and Chief Counsel for Regulatory and Governmental Affairs

Enclosure

UG 461
Stipulating Parties/100
Muldoon, et.al.

**PUBLIC UTILITY COMMISSION
OF
OREGON**

UG 461

STAFF/AVISTA/AWEC EXHIBIT 100

**Joint Testimony in Support of
Partial Multiparty Settlement Stipulation**

May 8, 2023

1 **Q. Please state your names and positions.**

2 A. My name is Matt Muldoon. I am employed by the Public Utility Commission
3 of Oregon (“PUC”) as a manager in the Finance and Accounting Section. My witness
4 qualification is provided in Stipulating Parties/102 Muldoon/1.

5 My name is Adrien M. McKenzie. I am President of FINCAP, Inc., a firm providing
6 financial, economic, and policy consulting services to business and government. A description
7 of my background and qualifications, including a resume containing the details of my
8 experience, is provided in Exhibit No. 301.

9 My name is Bradley G. Mullins, and I am an Independent Energy and Utilities
10 Consultant representing large energy consumers before state regulatory commissions. I am
11 appearing in this matter on behalf of the Alliance of Western Energy Consumers (“AWEC”),
12 a non-profit trade association of commercial and industrial electric and gas users in the states
13 of Oregon, Idaho and Washington.

14 Hereafter, Staff, the Company, and AWEC will collectively be referred to as the
15 “Stipulating Parties.”

16 **Q. What is the purpose of your joint testimony?**

17 A. The purpose of our joint testimony is to describe and support the Partial
18 Multiparty Settlement Stipulation, filed on May 8, 2023, between Commission Staff, AWEC,
19 and the Company (“Stipulating Parties”) in Docket No. UG-461 (the “Stipulation”), which
20 resolved all issues related to the Cost of Capital for the general rate increase filed on March
21 1, 2023. The Stipulation is the product of settlement discussions, open to all parties who
22 ultimately intervened in Docket UG-461.

1 **Q. Have you prepared any Exhibits?**

2 A. Yes. The Parties’ Exhibit No. Joint Testimony/101 is the Partial Multiparty
3 Settlement Stipulation (“Stipulation”) filed with the Commission on May 8, 2023. Exhibit
4 No. Joint Testimony/102 is the Witness Qualification Statement for Mr. Muldoon.

5

6

BACKGROUND

7 **Q. Please describe the background behind the Company’s original general**
8 **rate case filing.**

9 A. On March 1, 2023, Avista filed revised tariff schedules proposing to effect a
10 general rate increase for Oregon retail customers of \$10,991,000, or 7.4 percent of its annual
11 revenues. The filing was suspended by the Commission on March 2, 2023, per its Order No.
12 23-065.

13 **Q. Who are all of Parties in this general rate case?**

14 A. In addition to the Stipulating Parties (Avista, Staff, and AWEC), Oregon
15 Citizens’ Utility Board (“CUB”), and the joint intervenors Sierra Club/Climate Solutions are
16 the other participants. No additional parties subsequently intervened. CUB and Sierra
17 Club/Climate Solutions did not join the Stipulation.

18 On April 18, 2023, and later on April 28, 2023, virtual settlement conferences were
19 held to discuss Cost of Capital issues. All of the Parties participated in the settlement
20 discussions.

21 As a result of the settlement discussion, the Stipulating Parties to this Docket have
22 agreed to settle all issues in this Docket concerning the Cost of Capital (CoC), including Capital
23 Structure, Cost of Long-Term (LT) Debt, and Return on Equity (ROE), as well as overall Rate

1 of Return (ROR), subject to the approval of the Commission.

2 **Q. What is the Company’s position with respect to the need for additional**
3 **rate relief?**

4 A. The Company explained in its original filing that primary factor driving its need
5 for additional rate relief is an increase in net plant investment (including return on investment,
6 depreciation and taxes, offset by the tax benefit of interest) from that currently authorized.
7 Other changes impacting the Company’s revenue requirement requests relate to increases in
8 distribution, operation and maintenance (O&M), and administrative and general (A&G)
9 expenses for natural gas operations, compared to current authorized levels.

10 **Q. How many data requests has Avista responded to, and the general issues**
11 **explored.**

12 A. Avista has so far responded to 287 data requests, including 121 that were
13 provided along with the Company’s filed case. The data requests covered a broad range of
14 topics including, but not limited to, Cost of Capital. In Avista’s view, discovery to-date on
15 Cost of Capital has been comprehensive and productive.

16

17 **TERMS OF THE PARTIAL MULTIPARTY SETTLEMENT STIPULATION**

18 **Q. What revenue requirement adjustments to Avista’s originally-filed case**
19 **are included in the Stipulation (Exhibit No. Stipulating Parties/101)?**

20 A. Table No. 1, at page 2 of the Stipulation, is reproduced below, and provides a
21 summary of the adjustments to Avista’s originally-filed case:

Table No. 1 – Summary of Adjustments to Revenue Requirement and Rate Base

	Revenue Requirement	Rate Base
	\$10,991	\$351,283
Cost of Capital		
Adjusts return on equity to 9.50%, long-term debt cost to 4.969%, with a common stock equity component of 50%, and overall Cost of Capital of 7.235%.	(1,629)	-
Total Adjustments:	(\$1,629)	\$0
	\$9,362	\$351,283

Q. What is the basis of the Stipulation relating to the Cost of Capital Adjustment?

A. The Company’s originally-filed requested Cost of Capital was as follows:

Table No. 2 – Avista Proposed Cost of Capital

PROPOSED COST OF CAPITAL			
	Capital Structure	Cost	Weighted Cost
Cost of Long-Term (LT) Debt	50.00%	4.920%	2.460%
Return on Common Equity (ROE)	50.00%	10.250%	5.130%
Total	100.00%		7.590%

As filed, this adjustment would have revised the Company requested Cost of Capital to a Capital Structure comprised of 50 percent Common Stock Equity and 50 percent Long-Term Debt, with an ROE of 10.25 percent, and Cost of LT Debt of 4.92 percent. On settlement, however, the Parties have agreed to a revised Cost of Debt of 4.969 percent that reflects the most recent financings and capital market conditions facing the Company, which slightly increases the overall Cost of LT Debt from the 4.92 percent included in the original filing.

The 9.50 percent ROE, combined with the 50 percent equity layer Capital Structure and a negotiated 4.969 percent Cost of LT Debt are supported by Stipulating Parties as reasonable. This Stipulation also reflects a continuation of the currently authorized Capital

1 Structure comprised of 50 percent Common Stock Equity and 50 percent Cost of LT Debt.
2 This combination of Capital Structure and Capital Costs produces an overall Rate of Return
3 (ROR) of 7.235 percent, as shown in the table below:

4 **Table No. 3 – Agreed-Upon Cost of Capital**

5

AGREED-UPON COST OF CAPITAL			
	Capital Structure	Cost	Weighted Cost
6 Cost of Long-Term (LT) Debt	50.00%	4.969%	2.485%
7 Return on Common Equity (ROE)	50.00%	9.500%	4.750%
8 Total	100.00%		7.235%

9 The result of this adjustment decreases the Company’s requested revenue requirement
10 by \$1,629,000. The new base revenue increase request is subject to further adjustment, as the
11 remaining issues are resolved. In their respective individual statements, which follow in this
12 Joint Testimony, each Stipulating Party will add their perspective on why they agreed to this
13 cost of capital settlement.

14

15 **STATEMENTS OF THE PARTIES¹**

16 **Statement of Avista**

17 **Q. Does Avista support the Partial Multiparty Settlement Stipulation which**
18 **resolves all Cost of Capital issues in this case?**

19 **A. Yes.** The Partial Multiparty Settlement strikes a reasonable balance between
20 the interests of Avista’s customers, and the Company related to Cost of Capital issues in this
21 proceeding. The Partial Multiparty Settlement Stipulation was a compromise among differing

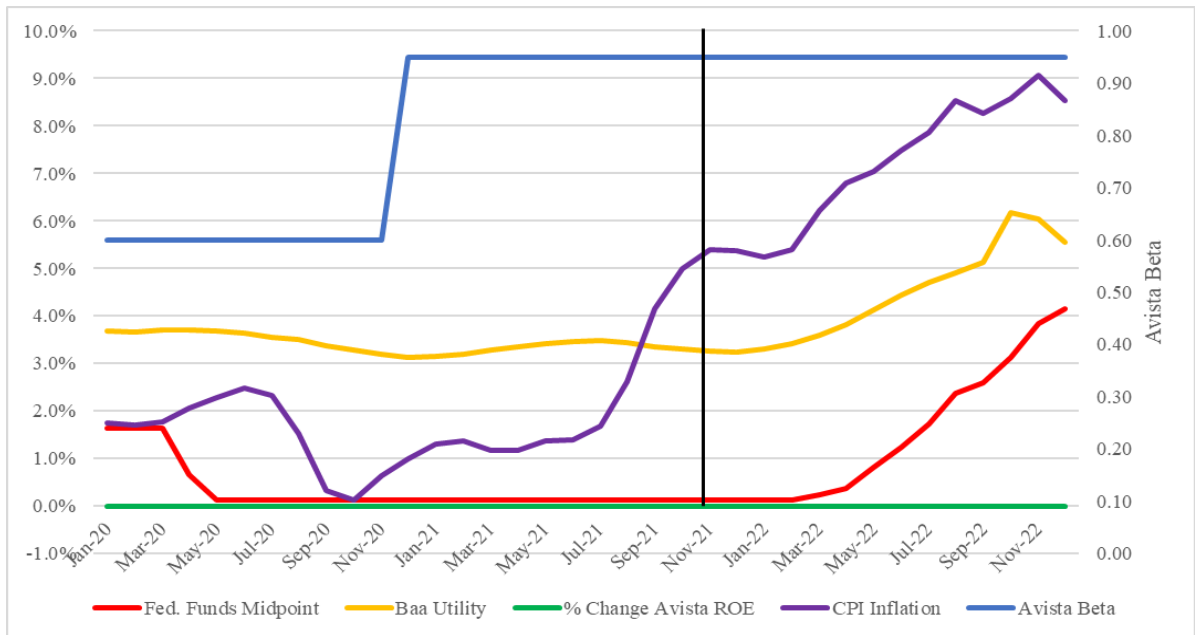
¹ The Statements provided by each Stipulating Party represent their views only as it relates to the Settlement and should not be construed as being the views of the Stipulating Parties collectively. Further no Stipulating Party agrees to the methodology of another, but Stipulating Parties all agree that this settlement is reasonable.

1 interests and represents give-and-take. It does not, however, resolve all issues in this
 2 proceeding, the remainder of which will be addressed in future settlement discussions, as well
 3 as any subsequent Staff and intervenors’ testimony and the Company’s rebuttal that may be
 4 filed thereafter. For these reasons, the Partial Multiparty Settlement is in the public interest
 5 and should be approved by the Commission.

6 **Q. Have conditions changed since an ROE of 9.4 percent was last agreed upon**
 7 **and approved by the Commission as part of a settlement in Docket No. UG-433?**

8 A. Yes, in November of 2021, the existing ROE of 9.4 percent was agreed to by
 9 the parties as part of a settlement in Docket No. UG-433.² Since that time, for reasons
 10 explained in the pre-filed testimony of Mr. Adrien McKenzie (Exhibit No. 300), a number of
 11 financial indicators have deteriorated, as depicted in Mr. McKenzie’s Table 2 below, excerpted
 12 from his testimony (Exhibit No. 300) at p. 9:

13 **Mr. McKenzie’s Direct Testimony – Figure 2: Capital Market Trends**



² The Partial Settlement Stipulation and Joint Testimony in Support of Partial Settlement Stipulation were filed with the Commission on January 19, 2022. The Stipulating Parties in support of this Partial Settlement Stipulation were Commission Staff, CUB, AWEC, and the Company.

1 The vertical line drawn in the above figure was added to depict when the previous ROE
 2 of 9.4 percent was agreed upon by the parties in that case. As is readily apparent, the Federal
 3 Funds rate, Baa bond yields, and CPI inflation have since markedly increased, reflecting, in
 4 general, a more difficult financial environment in which to operate, and justifying some upward
 5 adjustment in the ROE, to at least 9.5 percent (if not more), as reflected in this Partial
 6 Settlement.³

7 **Q. What are other indicators of risk for Avista, and how have they changed**
 8 **over time?**

9 A. Every company’s assigned beta coefficient is a measure of relative risk, with a
 10 higher beta suggesting greater financial and operational risk. The following table is also
 11 excerpted from Mr. McKenzie’s testimony (Exhibit No. 300), Table 3 at p. 24:

12 **Mr. McKenzie’s Direct – Table 3: Comparison of Risk Indicators**

13

14 **TABLE 3**

15 **COMPARISON OF RISK INDICATORS**

16 Gas Group	A-	A3	2	A	0.84
17 Northwest Natural Gas	A+	Baa1	3	A	0.80
18 PacifiCorp	A	A3	n/a	n/a	n/a
19 Portland General Elec.	BBB+	A3	2	B++	0.85
Average	A	A3	3	B++	0.83
20 Avista Corp.	BBB	Baa2	2	B++	0.90

21

22 This table compares the relative risk of various gas and electric companies subject to
 23 this Commission’s jurisdiction, and shows that Avista’s beta of 0.90, is among the highest for
 24 any natural gas or electric company operating in Oregon.

³ Average yields on Baa-rated utility bonds have increased from 3.25 percent in November 2021 to 5.47 percent in April 2023, or a gain of 222 basis points, as compared with a 10 basis point increase in Avista’s ROE from 9.40 percent to 9.50 percent.

1 **Q. Has Avista also been recently placed on “negative watch” by Standard and**
2 **Poor’s (S&P), with the potential for a further downgrade?**

3 A. Yes. In November of 2022, S&P revised their outlook on Avista to negative
4 from stable, citing weaker financial measures due to higher expenses (inflation), customer
5 refunds, rising interest rates and delayed recovery of purchased fuel costs as reasons for their
6 revision.⁴ Avista, with a BBB rating is already in the lower tier of rated utilities, and a further
7 downgrade would have severe financial repercussions, affecting the availability and cost of
8 borrowing. Any increase in the authorized ROE (even a modest increase to 9.5 percent) will
9 help shore up Avista’s financial posture.

10 **Q. How does the 9.50 percent ROE specified in the settlement compare with**
11 **recent authorized ROEs for natural gas distribution utilities?**

12 A. S&P Global Market Intelligence compiles the allowed ROEs approved in major
13 rate cases across the U.S. in its *RRA Regulatory Focus* reports (“RRA”).⁵ In its report
14 published on April 26, 2023, RRA noted that the average ROE approved for gas distribution
15 utilities during the first three months of 2023 was 9.75 percent. Considering that the
16 investment risks of Avista are greater than those of the average natural gas utility (see
17 McKenzie Direct – Table 3, above), this provides additional confirmation that a 9.50 percent
18 ROE provides a reasonable basis on which to establish Avista’s revenue requirements in this
19 proceeding.

⁴ See Avista/200 Thies/2.

⁵ “Major Energy Rate Case Decisions in the US — January-March 2023”, S&P Global RRA Regulatory Focus, April 26, 2023.

1 **Statement of AWEC**

2 **Q. Please explain why AWEC believes the settlement is in the public interest.**

3 A. AWEC believes the Stipulation is in the public interest and recommends the
4 Commission approve the Stipulation because the best interests of Avista’s natural gas
5 customers are served by the underlying fair compromise on Cost of Capital issues. While the
6 signing parties may each hold different positions on the individual components of the
7 Stipulation, AWEC supports the Stipulation because it results in the reasonable ROR and
8 decreases the original gas revenue requirement increase of \$3.774 million by \$1.191 million
9 which results in a revenue requirement increase request of \$2.583 million, before consideration
10 of other adjustments that will be proposed by Staff, CUB and AWEC in testimony. AWEC
11 supports the Stipulation as an overall result that is a fair compromise between Avista and its
12 customers.

13 For the reasons set forth above, AWEC believes the Stipulation is in the public interest
14 and should be approved by the Commission.

15

16 **Statement of Staff**

17 **Q. Please explain why Staff believes the Settlement is in the public interest.**

18 A. Staff believes that the Partial Stipulation in Settlement is in the public interest
19 because of the fair compromise reached by the Parties on Capital Structure, ROE, Cost of LT
20 Debt, and overall ROR. Staff notes that Avista’s credit ratings, recent corporate earnings
21 compared to prior years and credit watch status currently differentiate Avista from the risk
22 profile of other Commission jurisdictional energy utilities. The recommendations in this
23 stipulation are reasonable for Avista when rates go into effect in this rate case. Furthermore,

1 the new base revenue increase request reflective of this settlement is subject to further
2 adjustment in the broader general rate case.

3 **Q. Will Staff provide separate detailed Testimony in Support for this**
4 **Stipulation’s Cost of Capital elements and overall Cost of Capital?**

5 A. No. Staff testimony in support of this Stipulation is entirely provided as part of
6 Stipulating Parties/100 herein.

7 **Q. Considering Capital Structure – Is a notional 50 percent common equity**
8 **and 50 percent Long-Term Debt reasonable from Staff’s perspective?**

9 A. Yes. As the Commission has recently articulated, it may assign a notional
10 capital structure.⁶ Similar to credit rating agencies, Staff looks at a trend of actual annual
11 capital structures for jurisdictional energy utilities and then takes into consideration the current
12 general and financial market in which the utility is operating. When there is an intent to move
13 in the direction of a balanced Capital Structure of 50 percent common equity going forward,
14 Staff accepts that and monitors it going into the future.

15 Neither credit rating agencies nor Staff expect a regulated utility to immediately float
16 common equity to immediately reach an exact 50 percent equity layer. Rather Staff has an
17 expectation that sometime in approximately the next two years, Avista will move closer to a
18 50 percent equity capital structure as targeted now.

19 **Q. What is Staff’s perspective regarding ROE?**

20 A. Staff did not agree that the Company’s initial filing of a point estimate of 10.25
21 percent ROE best depicted Avista’s risk, as well as trending in state commission-authorized
22 ROEs decided in general rate cases concluded in 2022 and 2023 year-to-date, which Avista

⁶ See PacifiCorp UE 374 Commission Final Order 20-473, Entered Dec 18 2020, CONFIDENTIAL.

1 discusses earlier in this testimony. While Avista does not adopt Staff's modeling
2 methodologies and Staff does not agree with the modeling performed on behalf of Avista, Staff
3 agrees that a 9.50 ROE reasonably reflects Avista's current risk profile and required return on
4 equity. Looking forward, Staff expects Avista to remedy rating agency concerns so as to
5 improve the Company's risk profile.

6 **Q. What is Staff's position regarding the Cost of LT Debt?**

7 A. Staff finds the stipulated 4.969 percent Cost of LT Debt reasonable. Stipulated
8 values for Cost of LT Debt are reflective of current and projected market conditions, for like
9 rated and situated utility securities, which Staff monitors utilizing Bloomberg, S&P, Moody's,
10 and a variety of financial news feeds. The stipulated Cost of LT Debt is also reflective of the
11 Company's current cost of outstanding long-term debt. This is reasonable as better information
12 is available now than was able to be incorporated when Avista filed its direct testimony earlier
13 this year. Staff feels that it is important to note that in making these recommendations to the
14 Commission, Stipulating Parties applied best information available for the Commission to
15 consider.

16 **Q. Does each component of Cost of Capital accurately reflect reasonable
17 values supported by Staff analysis?**

18 A. Yes. The stipulated values for a balanced 50 percent equity, 50 percent Long-
19 Term Debt Capital Structure; 9.50 percent ROE, 4.969 percent Cost of Long-Term Debt, and
20 overall 7.235 percent ROR are reasonably reflective of Avista's current credit-risk profile and
21 current and forward market conditions.

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CONCLUSION

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Q. Do the Stipulating Parties agree that the Stipulation provided as Exhibit No. Joint Testimony/101 is in the public interest and results in an overall fair, just and reasonable outcome?

5

A. Yes, the Stipulating Parties do.

6

Q. What do the Stipulating Parties recommend regarding the Stipulation?

7

A. We recommend that the Commission adopt the Stipulation in its entirety.

8

Q. Does this conclude your joint testimony?

9

A. Yes.

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UG 461**

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In the Matter of
AVISTA CORPORATION, dba AVISTA
UTILITIES
Request for a General Rate Revision

MOTION TO ADMIT PARTIAL MULTIPARTY
SETTLEMENT STIPULATION AND
JOINT TESTIMONY

Pursuant to OAR 860-001-0350(7)(b), Staff of the Public Utility Commission of Oregon, Alliance of Western Energy Consumers, and Avista Corporation (“the Parties”) offer the Partial Multiparty Settlement Stipulation, filed on May 8, 2023, as well as the Joint Testimony of the Parties in support of the Stipulation (supporting affidavits to follow). The Parties support this Motion.

DATED this 8th day of May 2023.

AVISTA CORPORATION

By: /s/ David J. Meyer
David J. Meyer

Date: May 8, 2023

CASE: UG 461
WITNESS: Muldoon – McKenzie – Mullins

**PUBLIC UTILITY COMMISSION
OF
OREGON**

STIPULATING PARTIES EXHIBIT 101

Settlement Stipulation

May 8, 2023

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 UG 461

4 In the Matter of)
5 AVISTA CORPORATION, dba AVISTA) PARTIAL MULTIPARTY
6 UTILITIES) SETTLEMENT STIPULATION
7)
8 Request for a General Rate Revision.)

9 This Partial Multiparty Settlement Stipulation (“Stipulation”) is entered into for the
10 purpose of resolving several, but not all, issues in this Docket.

11 **PARTIES**

12 The Parties to this proceeding are Avista Corporation (“Avista” or the “Company”), the
13 Staff of the Public Utility Commission of Oregon (“Staff”), Oregon Citizens’ Utility Board
14 (“CUB”), the Alliance of Western Energy Consumers (“AWEC”), and the joint intervenor Sierra
15 Club/Climate Solutions (collectively, “Parties”).

16 The Parties to this Stipulation are Avista, Staff, and AWEC (“Settling Parties”). CUB and
17 Sierra Club/Climate Solutions do not join the Settlement.

18 **BACKGROUND**

19 1. On March 1, 2023, Avista filed revised tariff schedules to effect a general rate
20 increase for Oregon retail customers of \$10,991,000, or 7.4% of its annual revenues. The filing
21 was suspended by the Public Utility Commission of Oregon (“Commission”) on March 2, 2023,
22 per its Order No. 23-065.

23 2. On April 18, 2023, and later on April 28, 2023, virtual settlement conferences were
24 held to discuss Cost of Capital issues. All of the Parties participated in the settlement discussions.

25 3. As a result of the settlement discussions, the Settling Parties have agreed to settle

1 all issues in this Docket concerning the Cost of Capital, including Capital Structure, Cost of Long-
2 Term Debt, and Return on Equity, subject to the approval of the Commission.

3 **TERMS OF PARTIAL SETTLEMENT STIPULATION**

4 **4. Adjustments to Revenue Requirement:**

5 The Settling Parties support reducing Avista’s requested revenue requirement to reflect the
6 adjustment to the Cost of Capital discussed below. The adjustments reached in this Stipulation
7 amount to a total reduction in Avista’s revenue requirement increase request from \$10.991 million
8 to a base revenue increase request of \$9.362 million. The new base revenue increase request is
9 subject to further adjustment, as the remaining issues are resolved.

10 This Stipulation represents the settlement of the revenue requirement issues resulting from
11 the Cost of Capital in the Company’s filing. The Settling Parties support the adjustments to
12 Avista’s revenue requirement request shown in Table No. 1 below:

13 **Table No. 1 – Summary of Adjustments to Revenue Requirement and Rate Base**

	Revenue Requirement	Rate Base
	\$10,991	\$351,283
Cost of Capital		
Adjusts return on equity to 9.50%, long-term debt cost to 4.969%, with a common stock equity component of 50%, and overall Cost of Capital of 7.235%.	(1,629)	-
Total Adjustments:	(\$1,629)	\$0
	\$9,362	\$351,283

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19 The following information provides an explanation for each of the adjustments in Table No. 1
20 above.

21 Rate of Return (ROR) (-\$1,629,000): This adjustment reduces Avista’s requested
22 Cost of Capital to an overall Cost of Capital equal to 7.235 percent based on the following
23 components: a Capital Structure consisting of 50 percent Common Stock Equity and 50 percent

1 Long-Term Debt, Return on Equity (ROE) of 9.50 percent, and a Long-Term Debt cost of 4.969
2 percent. This combination of Capital Structure and Capital Costs is shown in Table No. 2 below.

3 **Table No. 2 – Agreed-Upon Cost of Capital**

4

AGREED-UPON COST OF CAPITAL			
	Capital Structure	Cost	Weighted Cost
5 Cost of Long-Term (LT) Debt	50.00%	4.969%	2.485%
6 Return on Common Equity (ROE)	50.00%	9.500%	4.750%
7 Total	100.00%		7.235%

8 5. The Settling Parties agree that this Stipulation is in the public interest and results in
9 an overall fair, just and reasonable outcome, and will serve to reduce the number of remaining
10 contested adjustments in this case.

11 6. The Settling Parties agree that this Stipulation represents a compromise in the
12 positions of the Settling Parties. Without the written consent of all Settling Parties, evidence of
13 conduct or statements, including but not limited to term sheets or other documents created solely
14 for use in settlement conferences in this Docket, are not admissible in the instant or any subsequent
15 proceeding unless independently discoverable or offered for other purposes allowed under ORS
16 40.190. Nothing in this paragraph precludes a Party from stating as a factual matter what the
17 Settling Parties agreed to in this Stipulation or in the Settling Parties' testimony supporting the
18 Stipulation.

19 7. Further, this Stipulation sets forth the entire agreement between the Settling Parties
20 and supersedes any and all prior communications, understandings, or agreements, oral or written,
21 between the Settling Parties pertaining to the subject matter of this Stipulation.

22 8. This Stipulation will be offered into the record in this proceeding as evidence
23 pursuant to OAR 860-001-0350(7). The Settling Parties agree to support this Stipulation

1 throughout this proceeding and any appeal. The Settling Parties further agree to provide witnesses
2 to sponsor the Stipulation at any hearing held, or, in a Party's discretion, to provide a representative
3 at the hearing authorized to respond to the Commission's questions on the Party's position, as may
4 be appropriate.

5 9. If this Stipulation is challenged by any other Party to this proceeding, the Parties to
6 this Stipulation reserve the right to cross-examine witnesses and put on such case as they deem
7 appropriate to respond fully to the issues presented, including the right to raise issues that are
8 incorporated in the Settlement embodied in this Stipulation. Notwithstanding this reservation of
9 rights, the Settling Parties agree that they will continue to support the Commission's adoption of
10 the terms of this Stipulation.

11 10. The Settling Parties have negotiated this Stipulation as an integrated document. If
12 the Commission rejects all or any material portion of this Stipulation, or imposes additional
13 material conditions in approving this Stipulation, any Party disadvantaged by such action shall
14 have the rights provided in OAR 860-001-0350(9) and shall be entitled to seek reconsideration or
15 appeal of the Commission's Order.

16 11. By entering into this Stipulation, no Party shall be deemed to have approved,
17 admitted, or consented to the facts, principles, methods, or theories employed by any other Party
18 in arriving at the terms of this Stipulation. No Party shall be deemed to have agreed that any
19 provision of this Stipulation is appropriate for resolving the issues in any other proceeding.

20 12. This Stipulation may be executed in counterparts and each signed counterpart shall
21 constitute an original document. The Settling Parties further agree that any electronically-
22 generated Party signatures are valid and binding to the same extent as an original signature.

CASE: UG 461
WITNESS: MATT MULDOON

**PUBLIC UTILITY COMMISSION
OF
OREGON**

STIPULATING PARTIES EXHIBIT 102

**Witness Qualifications Statement
Staff: Muldoon**

May 8, 2023

WITNESS QUALIFICATION STATEMENT

NAME: Matthew (Matt) J. Muldoon

EMPLOYER: PUBLIC UTILITY COMMISSION OF OREGON

TITLE: Manager, Finance and Accounting Section

ADDRESS: 201 High Street SE, Suite 100, Salem, OR 97301

EDUCATION: In 1981, I received a Bachelor of Arts Degree in Political Science from the University of Chicago. In 2007, I received a Masters of Business Administration from Portland State University with a certificate in Finance.

EXPERIENCE: From April of 2008 to the present, I have been employed by the OPUC. My current responsibilities include financial analysis with an emphasis on Cost of Capital (CoC). I have worked on CoC in the following general rate case dockets: AVA UG 186; UG 201, UG 246, UG 284, UG 288, UG 325, UG 366, UG 389, UG 433 and current UG 461; CNG UG 287, UG 305, UG 347, and UG 390; NWN UG 221, UG 344, UG 388, and UG 435; PAC UE 246, UE 263, UG 374, and UE 399; and PGE UE 262, UE 283, UE 294, UE 319, UE 335, UE 394 and current UE 416.

From 2002 to 2008, I was Executive Director of the Acceleration Transportation Rate Bureau, Inc. where I developed new rate structures for surface transportation and created metrics to insure program success within regulated processes.

I was the Vice President of Operations for Willamette Traffic Bureau, Inc. from 1993 to 2002. There I managed tariff rate compilation and analysis. I also developed new information systems and did sensitivity analysis for rate modeling.

OTHER: I have prepared, and defended formal testimony in contested hearings before the OPUC, ICC, STB, WUTC and ODOT. I have also prepared OPUC Staff testimony in BPA rate cases.