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**BEN ALBRITTON**
*President of the Senate*

**DANIEL PEREZ**
*Speaker of the House of Representatives*

July 20, 2026

Adam J. Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

**Re: Docket No. 20260026-GU - Application for rate increase by Florida City Gas**

Dear Mr. Teitzman:

Please find enclosed for filing in the above referenced docket the Direct Testimony and Exhibits of Lane Kollen. This filing is being made via the Florida Public Service Commission's web-based electronic filing portal.

If you have any questions or concerns, please do not hesitate to contact me. Thank you for your assistance in this matter.

Sincerely,

Walt Trierweiler
Public Counsel

*/s/ Charles J. Rehwinkel*
Charles J. Rehwinkel
Deputy Public Counsel
Florida Bar No.: 527599
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**<u>CERTIFICATE OF SERVICE</u>**
**<u>DOCKET NO. 20260026-GU</u>**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail on this 20th day of July, 2026, to the following:

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*<u>/s/ Charles J. Rehwinkel</u>*
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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

| | |
|---|---|
| In re: Petition for approval of rate increase by Florida City Gas. | DOCKET NO.: 20260026-GU<br>FILED: July 20, 2026 |

# DIRECT TESTIMONY

# OF

# LANE KOLLEN

# ON BEHALF

# OF

# THE CITIZENS OF THE STATE OF FLORIDA


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**DIRECT TESTIMONY**

**OF**

**LANE KOLLEN**

On Behalf of the Office of Public Counsel

before the

Florida Public Service Commission

DOCKET NO: 20260026-GU

## I. QUALIFICATIONS AND SUMMARY

**Q. PLEASE STATE YOUR NAME, POSITION, EMPLOYER, AND BUSINESS ADDRESS.**

A. My name is Lane Kollen. I am the President and a Principal of J. Kennedy and Associates, Inc. My business address is 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

J. Kennedy and Associates, Inc. is an economic consulting firm providing services to state and local government regulators and large users of regulatory utility services in specialized ratemaking, accounting, planning and operations, financing, taxation, and organizational matters.

**Q. DESCRIBE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.**

A. I earned a Bachelor of Business Administration degree in accounting and a Master of Business Administration degree from the University of Toledo. I also earned a Master of Arts degree in theology from Luther Rice University. I am a Certified Public

Accountant, with a practice license, Certified Management Accountant, and Chartered Global Management Accountant. I am a member of numerous professional organizations, including the American Institute of Certified Public Accountants, Institute of Management Accounting, Georgia Society of CPAs, and Society of Depreciation Professionals.

I have been an active participant in the utility industry for more than forty years, initially as an employee of a company that installed underground cablevision and telephone wire from 1974 to 1976, then as an employee of The Toledo Edison Company in various accounting and planning positions from 1976 to 1983, and thereafter as a consultant in the industry from 1983 to the present. I have testified as an expert on ratemaking, accounting, finance, tax, planning, and other issues in proceedings before regulatory commissions and courts at the federal and state levels on several hundreds of occasions.

I have testified before the Florida Public Service Commission (FPSC or Commission) in numerous dockets, including base rate, storm cost, fuel adjustment clause, acquisition, and territorial proceedings involving Peoples Gas System, Inc. (PGS), Florida Power & Light Company (FPL), Duke Energy Florida (DEF), Florida Public Utilities Company (FPUC), Gulf Power Company (GPC), Talquin Electric Cooperative (Talquin), Tampa Electric Company (TECO), City of Tallahassee, and City of Vero Beach.[1]

[1] I have attached a more detailed description of my qualifications and appearances as an expert in Exhibit LK-1.

**Q. ON WHOSE BEHALF ARE YOU PROVIDING TESTIMONY IN THIS PROCEEDING?**

A. I am providing testimony on behalf of the Florida Office of Public Counsel (OPC), which represents the citizens of the State of Florida, and specifically, in the context of this proceeding, Florida City Gas' customers.

**Q. DESCRIBE THE PURPOSE OF YOUR TESTIMONY.**

A. The purpose of my testimony is to address, make recommendations, and quantify the effects of my recommendations regarding: 1) the costs incurred by Chesapeake Utilities Corporation (CUC) to acquire Florida City Gas (FCG or Company) from FPL that are included in the cost of capital, rate base, and/or operating expenses and reflected in the Company's claimed revenue requirement and requested base increase; 2) the reduction in FCG costs due to the post-acquisition transfer of FCG assets acquired from FPL to another CUC affiliate, 3) the requirement for and calculation of the parent debt adjustment, 4) the adjustments to annualize the costs for the new enterprise resource plan (ERP) information technology (IT) platform scheduled to go live in the test year, and 5) the calculation of the allocation factors used to charge costs from CUC to FCG.

**Q. PROVIDE A SUMMARY OF YOUR CONCLUSIONS.**

A. CUC acquired FCG from FPL in November 2023 at a premium over net book value, referred to as an acquisition premium or goodwill. While FCG does not seek to recover the acquisition premium in this proceeding, the acquisition triggered and resulted in significant increases in other costs that FCG does seek to recover in this proceeding.

Most of the increased costs are indirectly reflected in the requested weighted average cost of capital (WACC), including the capitalization components used to calculate the capital structure and the costs of the several debt components. Other increased costs are reflected in the rate base and operating expense components and include the costs of the new ERP and other partner IT platforms that replaced the legacy platforms utilized by FCG prior to the CUC acquisition.

The increase in financing costs includes the higher costs of new debt issued by CUC to finance the acquisition of FCG that replaced the significantly lower cost FCG debt recorded on its accounting books and recovered for ratemaking purposes prior to the CUC acquisition. The lower cost FCG debt prior to the acquisition was not transferred with FCG or otherwise assumed by CUC; rather, the FCG debt prior to the acquisition was reverted and retained by FPL. The Company's requested cost of long-term debt also reflects the higher costs of the acquisition debt issued by CUC to finance the goodwill component of the purchase price even though FCG does not directly seek recovery of the goodwill component of the purchase price in this proceeding. The income tax costs include the loss of all cost-free accumulated deferred income taxes (ADIT, deferred tax liability, or DTL) previously recorded on FCG's accounting books and reflected as zero cost capital in the regulatory capital structure in FCG ratemaking proceedings prior to the CUC acquisition. The loss of the DTL was the result of an election made by both CUC and FPL in the stock purchase agreement (SPA) to treat the stock purchase/sale as an asset purchase/sale for income tax purposes.[2]

The acquisition also resulted in an allocation of CUC common shared plant costs to FCG for ratemaking purposes, consisting of an allocation of gross plant and an allocation of accumulated depreciation. However, the Company failed to include an allocation of the related cost-free CUC DTL to FCG in the regulatory capital structure for ratemaking purposes in this proceeding, thus overstating the regulatory weighted average cost of capital (WACC) and harming customers.

In addition, CUC transferred a pipeline and related assets acquired from FPL and owned by FCG to another affiliate, Peninsula Pipeline Company (PPC) in 2025. The transfers resulted in reductions to the net book value and the related goodwill recorded on FCG's accounting books; however, there was no reduction in the CUC acquisition debt and no reduction in the cost of the debt directly assigned to FCG in the regulatory WACC in this proceeding for either the net book value or the goodwill transferred to PPC.

Further, the Company failed to reflect a parent debt adjustment, which increased costs to FCG and harms customers. Contrary to the Company's claims, a portion of the debt

[2] Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation (Article VII Tax Matters, Section 7.14 *Section 338(h)(10) Election*) attached to the SEC Form 8-K filing made by Chesapeake Utilities Corporation dated September 26, 2023.

issued by CUC for the acquisition was used to finance the CUC equity investment in FCG and requires a parent debt adjustment.

Still further, CUC failed to retain any of the costs that were allocated and not directly assigned to affiliates, including FCG, and failed to reflect allocations to the FPUC parent company, which increased the costs to FCG and harms customers.

Finally, the allocation of CUC common shared plant costs to FCG includes both the capital and operating expense costs of new customer care (1CX) and ERP systems necessary to integrate FCG into the CUC 1CX and ERP platforms. The Company plans to implement the new ERP in the middle of the test year and proposes to increase rate base and operating expenses to annualize those costs, or, in the alternative, proposes a post-test year step increase to annualize those costs.

I note that there are other acquisition related impacts that are addressed by OPC witness Helmuth W. Schultz, III., as they impact FCG's use of the Reserve Amortization Adjustment Mechanism under CUC ownership and management. In his testimony, he addresses those impacts as well as the 2023 and 2024 impact of these acquisition related errors I have identified. Additionally, to the extent that the identified acquisition related errors have overstated the interim revenue award approved by the Commission on July 7, 2026, it is my understanding that OPC will seek a refund of those costs.

**Q. PROVIDE A SUMMARY OF YOUR RECOMMENDATIONS.**

A. I recommend the Commission strongly affirm the Company's decision not to seek recovery of CUC acquisition goodwill in this proceeding. Recovery of the CUC acquisition goodwill is not justified or reasonable in this proceeding or in a future proceeding; the acquisition has not resulted in proven net cost savings or net efficiencies, and CUC does not provide unique expertise, management skills, or any other net benefits that were not formerly provided by FPL or that are superior to those formerly provided by FPL for comparable costs.

In addition, as a part of this affirmation of the Company's decision not to recover the acquisition goodwill, I recommend the Commission deny recovery of the other costs caused by the CUC acquisition that the Company does seek to recover in this proceeding. These include the financing costs, income tax costs, and the proposed ERP annualization adjustments. Recovery of these CUC acquisition costs is not justified or reasonable in this proceeding or in future proceeding for the same reasons that recovery of the CUC acquisition goodwill is not justified or reasonable in this proceeding. I have provided the quantifications of my recommended regulatory WACC, rate base, and operating expense adjustments to OPC witness Helmuth W. Schultz, III., to reflect in his summary of the OPC revenue requirement recommendations.

Further, I recommend the Commission reduce the CUC affiliate costs charged to FCG to reflect costs that should be allocated to and retained by CUC for corporate activities that are not caused directly or indirectly by FCG.

Finally, I recommend the Commission impose a parent debt adjustment to reflect the fact that CUC financed a portion of its equity investment in FCG with long-term debt. I have provided the calculation of the parent debt adjustment to OPC witness Helmuth W. Schultz, III., to reflect in the revenue requirement calculations, subject to the adjustments necessary to synchronize the adjustment with all other OPC adjustments that affect rate base, the equity capitalization component of the WACC, and the weighted cost of debt component of the WACC.

## II. THERE ARE ERRORS IN THE COMPANY'S ALLOCATION OF CUC FINANCING AND CAPITAL STRUCTURE TO FCG AND DIRECT ASSIGNMENT OF CUC ACQUISITION DEBT TO FCG FOR RATEMAKING PURPOSES

### A. There are Errors in the Company's Allocation of CUC Financing and Capital Structure to FCG in the Company's Adjustments to Remove Acquisition Goodwill

**Q. DESCRIBE THE COMPANY'S ACTUAL EQUITY AND DEBT FINANCING AND COMPARE IT TO THE PROPOSED CAPITAL STRUCTURE AND WACC REQUESTED IN THIS PROCEEDING.**

A. Since the CUC acquisition, FCG has no equity, no long-term debt, and no short-term debt financing outstanding or recorded on its accounting books.[3] When CUC acquired FCG from FPL in November 2023, CUC issued new equity, long-term debt, and short-

[3] Direct Testimony of Noah Russell at 35. Prior to the acquisition, FCG had equity, long-term debt, and short-term debt outstanding and recorded on its accounting books. FCG does record undistributed retained earnings on its accounting books, but did not include this in the per books financial capitalization components shown on Schedule G-3, page 2 of 11.

term debt to finance the acquisition. CUC recorded the additional new equity and debt on its accounting books.

In lieu of recording CUC's equity investment in FCG and assuming or issuing debt and recording that debt on FCG's accounting books, CUC structured the acquisition financing so that it retained the equity and debt financing on its accounting books even though the assets and liabilities acquired, including the goodwill component of the purchase price, were recorded on FCG's accounting books.[4]

CUC structured the FCG financing so that FCG now borrows the entirety of its financing requirements from CUC and records this intercompany debt owed to CUC as an intercompany payable on its accounting books.[5] CUC now loans FCG the entirety of its financing requirements and records this investment in FCG as an intercompany receivable on its accounting books.[6] The FCG intercompany payable to CUC and the CUC intercompany receivable from FCG vary depending on FCG's financing requirements, but have increased since the acquisition. As FCG invests in plant and other assets, it borrows additional amounts from CUC through the intercompany payable and CUC finances its additional investment in FCG represented by the intercompany receivable through additional equity, long-term debt, and short-term debt financing.

[4] Response to OPC POD 13 in OPC's First Set of Production of Documents, FCG Form 2, 2025 FCG Annual Report filed with Commission, Notes to Financial Statements at 11.9 wherein FCG states "FCG does not issue debt or equity directly as the funding needs are managed centrally at the parent-level by Chesapeake Utilities. Any funding needs for FCG are recorded via intercompany accounting that does not differentiate between debt and equity proceeds."
[5] Direct Testimony of George Navo at 19-20.
[6] *Id.*

In lieu of the 100% intercompany payable debt owed to CUC reflected on its accounting books, FCG requests an artificial or hypothetical financial capital structure (before ratemaking adjustments) based on an allocation of the equity and debt recorded on CUC's accounting books to FCG for ratemaking purposes. In this allocation of the CUC financing to FCG solely for ratemaking purposes, FCG requests an average cost of long-term debt calculated by directly assigning to FCG the higher cost of the long-term debt CUC borrowed to finance the FCG acquisition, including the goodwill component of the purchase price. FCG also proposes various ratemaking adjustments to the artificial or hypothetical financial capital structure in order to calculate the regulatory capital structure in the requested WACC.

**Q. WHAT ARE THE PRACTICAL EFFECTS OF THE COMPANY'S REQUESTED ARTIFICIAL OR HYPOTHETICAL ALLOCATION OF THE CUC FINANCING AND CAPITAL STRUCTURE TO FCG?**

A. There are several practical effects. First and foremost, the allocation increases the Company's WACC and thus, its claimed revenue requirement and requested increase. The allocation effectively converts the actual FCG financial capital structure from 100% debt, in the form of the intercompany payable to CUC, to an artificial, or hypothetical, FCG financial capital structure consisting of 50.14% equity, 44.31% long-term debt, and 5.55% short-term debt, using the CUC financial capital structure before the Company's ratemaking adjustments to develop the requested regulatory capital structure.[7]

[7] Schedule G-3 page 2 of 11.

Second, the allocation effectively parses or separates the CUC financing recorded on its accounting books into two separate components for ratemaking purposes, the portion that was allocated to FCG for ratemaking purposes and used by FCG for its financial capital structure in this proceeding and the portion retained by CUC after the allocation to FCG.[8] This parsing or separation for ratemaking purposes is an important practical effect because it implicates the parent debt adjustment in addition to the artificial and hypothetical WACC. The parent debt adjustment is a function of the debt used by CUC to finance its investment in the FCG equity. The Company's allocation for the WACC must be applied on a consistent basis for all ratemaking purposes, including the parent debt adjustment; it cannot exist and be applied for the artificial or hypothetical financial capital structure, but simultaneously not exist and not be applied for the purpose of the parent debt adjustment.

Third, the allocation implicates the cost of long-term debt for ratemaking purposes. FCG did not include the goodwill recorded on FCG's accounting books in rate base in this proceeding, yet a portion of the CUC acquisition debt was used to finance the goodwill component of the purchase price and directly assigned to FCG in the calculation of the weighted cost of long-term debt. The cost of the CUC acquisition debt used to finance the goodwill component of the acquisition price should be excluded from the WACC, consistent with the Company's decision not to seek recovery of the acquisition goodwill in this proceeding.

[8] *Id.*

Fourth, the allocation implicates other transactions by CUC that affect the cost of long-term debt for ratemaking purposes, including the transfer of a pipeline and the related costs from FCG to another CUC affiliate in 2025.

**Q. DESCRIBE MORE SPECIFICALLY THE COMPANY'S PROPOSED ALLOCATION OF CUC EQUITY, LONG-TERM DEBT, AND SHORT-TERM DEBT TO FCG FOR RATEMAKING PURPOSES.**

A. The Company's proposed allocations are shown on Schedule G-3. The first box on page 2 of 11 shows the total CUC capitalization and the calculation of the CUC financial capitalization ratios. The second box on the schedule shows the application of the CUC capitalization ratios to the FCG per books rate base, which included goodwill in this step, and the direct assignment of the acquisition debt and the allocation of the non-acquisition debt components of the CUC debt to FCG using the CUC financial capitalization ratios. The second box also shows the effects of including FCG-specific ratemaking adjustments for customer deposits, ADIT, and other (FAS 109) to calculate the regulatory capitalization ratios.

The upper section of the schedule then adjusts the FCG rate base and capitalization to remove FCG operating leases from the non-acquisition debt component of the CUC debt allocated to FCG and then further adjusts the FCG rate base and capitalization to remove the goodwill and other smaller amounts for ratemaking purposes on a pro rata basis from each capitalization component proportionate to the regulatory capitalization ratios calculated in the second box. In this series of calculations, the Company simply assumed that the adjustment to remove the goodwill was financed on a pro rata basis not only by the allocation to FCG of the CUC financial capitalization components, but also directly by the FCG-specific customer deposits, ADIT, and other (FAS 109) regulatory capitalization components.

In the final step, the schedule uses the regulatory capitalization ratios times the cost of each component to calculate the requested regulatory WACC used by the Company as the return applied to rate base in the calculation of the claimed revenue requirement.

**Q. ARE THE COMPANY'S CALCULATIONS CORRECT?**

A. No. There are numerous errors in the Company's calculations of the financial capital structure, regulatory capital structure and the cost of long-term debt used in the calculation of the WACC, both the CUC acquisition long-term debt and the CUC non-acquisition long-term debt.

**Q. DESCRIBE THE ERRORS IN THE COMPANY'S CALCULATION OF THE FINANCIAL CAPITAL STRUCTURE.**

A. The first error involves the Company's decision to include the acquisition goodwill in the per books rate base used to calculate the equity, long-term debt, and short-term debt allocated to FCG from CUC for this purpose. The Company reduced the per books rate base for other FCG-specific sources of capital reflected in the regulatory capital structure, i.e., customer deposits, ADIT, and other (SFAS 109), but failed to reduce the per books rate base for the FCG-specific acquisition goodwill that was not included in the proforma test year rate base.

The first effect of this error was to overstate the per books rate base and the FCG capitalization before the specific and pro rata adjustments to reduce the per books financial capitalization to the regulatory capitalization as shown on Schedule G-3 page 2. This error resulted in a reduction in the cost-free and lower cost capital supplied by the FCG-specific customer deposits, ADIT, and other (SFAS 109) capitalization components, none of which, by the Company's admission, had anything to do with the CUC acquisition financing or the acquisition goodwill component of the purchase price. The Company's erroneous reductions in these lower cost FCG-specific capitalization components in lieu of reductions directly and solely to the capitalization components actually used to finance the acquisition goodwill results in an erroneous and unreasonable increase in the WACC and claimed revenue requirement in this proceeding. The reduction in these lower cost FCG-specific capitalization components, if adopted in this proceeding, will result in a cost imposed on FCG customers that will effectively subsidize CUC's higher cost to finance the acquisition goodwill component of the purchase price.

The second effect was to improperly increase the weighted cost of the acquisition debt directly assigned from CUC to FCG due to the excessive amount of the acquisition debt in the regulatory capital structure. This is due to the Company's failure to reduce that debt by the full amount used by CUC to finance the acquisition goodwill component of the purchase price. The entirety of the CUC acquisition long-term debt was directly assigned to FCG along with the 6.78% cost of that debt and included in the calculation the calculation of the WACC on Schedule G-3 page 2.[9]

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission correct the Company's calculation to remove the acquisition goodwill from the financial capitalization before any other ratemaking adjustments. The correct approach is to remove the acquisition goodwill from the financial capitalization, the capitalization components actually used to finance the goodwill, and not from the regulatory capitalization, which includes capitalization components that were not used to finance the acquisition goodwill.

This recommendation follows the same methodology the Company used to remove operating leases from only the long-term debt capitalization component because the operating leases were not included in any other financial or regulatory capitalization component. In this case, only the equity, long-term debt specifically issued for the acquisition, and the short-term debt components of the financial capitalization were used to finance the acquisition goodwill. Only those components should be reduced as specific ratemaking adjustments to the financial capitalization before the pro rata ratemaking adjustments that follow in the next step. Those components should be

[9] The Company's calculations of the CUC debt directly assigned to FCG are shown on Schedule G-3, page 3b. The remaining amount of the long-term debt, after reduction for the acquisition debt that was directly assigned to FCG, was allocated to FCG along with the 4.72% cost of that debt and included in the calculation of the WACC on Schedule G-3, page 2.

reduced proportionately, except for the FCG acquisition debt, which should reflect the entirety of the reduction to the long-term debt components consistent with the Company's direct assignment of the higher cost acquisition debt to FCG in its calculation of the WACC for ratemaking purposes.

**Q. WHAT ARE THE EFFECTS OF YOUR RECOMMENDATION?**

A. The overall effect is to reduce the WACC to 7.11%. This compares to 8.31% requested by the Company and compares to the 7.44% requested by the Company after adjustment for the return on equity recommendation of OPC witness Christopher C. Walters. The calculation of the 7.11% is shown on the following Table 1.

**Table 1**

| | | Specific Assignment | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Description | Per Books | Company Specific Leases | Kollen Adj #1 Specific Goodwill | Adjusted Balance Before Prorata | Prorata | Adjusted | Ratio | Cost Rate | Weighted Cost |
| COMMON EQUITY | $ 579,264,876 | $ - | $ (220,837,694) | $ 358,427,182 | $ (8,022,827) | $ 350,404,355 | 47.20% | 9.45% | 4.46% |
| LONG TERM DEBT - CUC | 165,064,133 | (21,107) | - | 165,043,026 | (3,694,228) | 161,348,798 | 21.73% | 4.72% | 1.03% |
| LONG TERM DEBT - FCG DIRECT | 346,840,328 | - | (195,157,355) | 151,682,973 | (3,395,184) | 148,287,789 | 19.97% | 6.78% | 1.35% |
| SHORT TERM DEBT | 64,059,459 | - | (24,421,890) | 39,637,568 | (887,224) | 38,750,344 | 5.22% | 4.66% | 0.24% |
| CUSTOMER DEPOSITS | 7,539,606 | - | - | 7,539,606 | (168,762) | 7,370,843 | 0.99% | 2.64% | 0.03% |
| DEFERRED TAXES | 22,365,075 | - | - | 22,365,075 | (500,607) | 21,864,468 | 2.95% | 0.00% | 0.00% |
| TAX CREDIT | - | - | - | - | - | - | 0.00% | 0.00% | 0.00% |
| OTHER (FAS 109) | 14,715,746 | - | - | 14,715,746 | (329,389) | 14,386,357 | 1.94% | 0.00% | 0.00% |
| TOTAL | $ 1,199,849,223 | $ (21,107) | $ (440,416,939) | 759,411,177 | $ (16,998,221) | $ 742,412,956 | 100.00% | | 7.11% |

The preceding table reflects reductions only to the equity, directly assigned CUC acquisition long-term debt, and short-term debt capitalization components to match the components utilized by CUC to finance the acquisition goodwill component of the purchase price. The corrections leave unchanged the Company's allocations of the CUC non-acquisition long-term and FCG capitalization components (customer deposits, ADIT, and other (SFAS 109) because these components were not utilized by CUC to finance the acquisition goodwill.

**B. There is Another Error in the Company's Direct Assignment of CUC Acquisition Debt to FCG Due to the Failure to Allocate a Portion of that Debt to Another CUC Affiliate that Purchased Pipeline Assets from FCG in 2025**

**Q. DESCRIBE THE SALE OF FCG PIPELINE ASSETS TO PENINSULA PIPELINE COMPANY (PPC) IN 2025.**

A. FCG sold certain pipeline assets to PPC, another CUC affiliate, at net book value plus a $20.410 million related allocation of the acquisition goodwill that was recorded on FCG's accounting books.[10]

**Q. DID THE COMPANY REDUCE THE CUC ACQUISITION DEBT DIRECTLY ASSIGNED TO FCG TO REFLECT THE SALE OF ASSETS TO PPC?**

A. No. This is an error. Just as the acquisition goodwill followed the assets when they were sold to PPC, so should the CUC acquisition debt follow the assets. In response to OPC discovery, the Company acknowledged that it had not reduced the CUC acquisition debt directly assigned to FCG for the effects of this sale.[11] The Company also quantified the effect on its requested WACC if it had made the adjustment to reduce the CUC acquisition debt directly assigned to FCG for the effects of this sale.[12]

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[10] Response to OPC Interrogatory No. 249 in OPC's Eighth Set of Interrogatories. I have attached a copy of this response as Exhibit LK-2.
[11] *Id.*
[12] *Id.*

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission correct the Company's calculation of the direct assignment to FCG of the CUC acquisition debt to remove the portion of that debt used by CUC to finance the acquisition of the FCG pipeline assets that were sold to PPC. That portion of the debt should be directly assigned to PPC, not FCG.

**Q. WHAT ARE THE EFFECTS OF YOUR RECOMMENDATIONS?**

A. The effect is an incremental reduction in the WACC compared to the corrected WACC resulting from my previous recommendations as shown on the following Table 2.

**Table 2**

| Description | Per Books | Sum of Previous Adjustments | Kollen Adj #2 Transfer Acquis. Debt to PPC | Adjusted Balance Before Prorata | Prorata | Adjusted | Ratio | Cost Rate | Weighted Cost |
|---|---|---|---|---|---|---|---|---|---|
| COMMON EQUITY | $ 579,264,876 | (220,837,694) | $ - | $ 358,427,182 | $ (8,022,827) | $ 350,404,355 | 47.20% | 9.45% | 4.46% |
| LONG TERM DEBT - CUC | 165,064,133 | (21,107) | 19,267,875 | 184,310,901 | (4,125,509) | 180,185,393 | 24.27% | 4.72% | 1.15% |
| LONG TERM DEBT - FCG DIRECT | 346,840,328 | (195,157,355) | (19,267,875) | 132,415,098 | (2,963,903) | 129,451,195 | 17.44% | 6.78% | 1.18% |
| SHORT TERM DEBT | 64,059,459 | (24,421,890) | - | 39,637,568 | (887,224) | 38,750,344 | 5.22% | 4.66% | 0.24% |
| CUSTOMER DEPOSITS | 7,539,606 | - | - | 7,539,606 | (168,762) | 7,370,843 | 0.99% | 2.64% | 0.03% |
| DEFERRED TAXES | 22,365,075 | - | - | 22,365,075 | (500,607) | 21,864,468 | 2.95% | 0.00% | 0.00% |
| TAX CREDIT | - | - | - | - | - | - | 0.00% | 0.00% | 0.00% |
| OTHER (FAS 109) | 14,715,746 | - | - | 14,715,746 | (329,389) | 14,386,357 | 1.94% | 0.00% | 0.00% |
| TOTAL | $ 1,199,849,223 | $ (440,438,046) | $ - | 759,411,177 | $ (16,998,221) | $ 742,412,956 | 100.00% | | 7.06% |

The corrections reduce the CUC directly assigned acquisition debt and increase the CUC allocated acquisition debt by an equivalent amount.

**C. There is an Error in the Company's Allocation of CUC Shared and Common Plant to FCG Due to the Failure to Reflect the Related ADIT in the Company's Regulatory Capital Structure**

**Q. DESCRIBE THE COMPANY'S ALLOCATION OF CUC SHARED AND COMMON PLANT TO RATE BASE.**

A. The Company included an allocation of CUC shared and common plant to rate base as shown on Schedule G-1 at page 18.

**Q. DID THE COMPANY INCLUDE THE RELATED ADIT IN THE ADIT COMPONENT OF THE FCG REGULATORY CAPITAL STRUCTURE?**

A. No. The Company acknowledged this error in response to OPC discovery.[13]

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission correct this error and include the related ADIT in the ADIT component of the FCG regulatory capital structure.

**Q. WHAT IS THE EFFECT OF YOUR RECOMMENDATION?**

A. The effect is an incremental reduction, but did not change the WACC rounded to two decimal points. Nevertheless, I show the calculations in the following Table 3, which are carried forward and incorporated into the quantification of the WACC effects of the next issue that I address.

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[13] Response to OPC Interrogatory No. 162 in OPC's Fourth Set of Interrogatories. I have attached a copy of this response as Exhibit LK-3.

**Table 3**

| Description | Per Books | Sum of Previous Adjustments | Kollen Adj #3 Common Plant ADIT | Adjusted Balance Before Prorata | Prorata | Adjusted | Ratio | Cost Rate | Weighted Cost |
|---|---|---|---|---|---|---|---|---|---|
| COMMON EQUITY | $ 579,264,876 | $ (220,837,694) | $ (224,883) | $ 358,202,298 | $ (8,017,793) | $ 350,184,505 | 47.17% | 9.45% | 4.46% |
| LONG TERM DEBT - CUC | 165,064,133 | 19,246,768 | (115,640) | 184,195,262 | (4,122,920) | 180,072,341 | 24.26% | 4.72% | 1.15% |
| LONG TERM DEBT - FCG DIRECT | 346,840,328 | (214,425,230) | (83,080) | 132,332,018 | (2,962,043) | 129,369,975 | 17.43% | 6.78% | 1.18% |
| SHORT TERM DEBT | 64,059,459 | (24,421,890) | (24,869) | 39,612,699 | (886,668) | 38,726,031 | 5.22% | 4.66% | 0.24% |
| CUSTOMER DEPOSITS | 7,539,606 | - | - | 7,539,606 | (168,762) | 7,370,843 | 0.99% | 2.64% | 0.03% |
| DEFERRED TAXES | 22,365,075 | - | 448,472 | 22,813,547 | (510,645) | 22,302,902 | 3.00% | 0.00% | 0.00% |
| TAX CREDIT | - | - | - | - | - | - | 0.00% | 0.00% | 0.00% |
| OTHER (FAS 109) | 14,715,746 | - | - | 14,715,746 | (329,389) | 14,386,357 | 1.94% | 0.00% | 0.00% |
| TOTAL | $ 1,199,849,223 | $ (440,438,046) | $ - | 759,411,177 | $ (16,998,221) | $ 742,412,956 | 100.00% | | 7.06% |

The correction increases the FCG ADIT to include the CUC allocation of the shared and common plant ADIT.

**D. The Company's Pro Rata Allocation of Proforma Rate Base Adjustments Improperly Reduces Capitalization Components that are Unrelated to the Rate Base Adjustments**

**Q. DESCRIBE THE COMPANY'S CALCULATION OF THE ADJUSTMENTS TO CAPITALIZATION COMPONENTS TO REFLECT PROFORMA RATE BASE ADJUSTMENTS.**

A. The Company reduced the regulatory capitalization after specific adjustments further for $448.320 million in so-called pro rata adjustments to match the capitalization to the requested rate base. The pro rate adjustments included the $440.419 million reduction for the acquisition goodwill that I previously addressed, and an additional net reduction of $7.903 million to exclude the rate base effects of the SAFE program costs recovered separately through the SAFE recovery clause offset and the ERP proforma rate base adjustments requested in this proceeding, which I subsequently address in more detail.

**Q. WERE THESE PRO RATA ADJUSTMENTS FINANCED BY CUSTOMER DEPOSITS, ADIT, OR OTHER (SFAS 109)?**

A. No. These amounts all stand on their own. None of these capitalization component amounts are related to the rate base adjustments. These capitalization component amounts were supplied by customers, not investors, and the capitalization component amounts should not have been reduced in this step.

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission apply the pro rata adjustments only to the financial capitalization components that actually were used to finance the costs excluded from rate base. None of the customer supplied FCG capitalization components (customer deposits, ADIT, other (SFAS 109) were used to finance the costs excluded from rate base. The customer supplied FCG capitalization components stand on their own and are independent of the adjustments to rate base.

**Q. WHAT IS THE EFFECT OF YOUR RECOMMENDATION?**

A. The effect is an incremental reduction in the WACC compared to the corrected WACC resulting from my previous recommendations as shown on the following Table 4.

**Table 4**

| Description | Per Books | Sum of Previous Adjustments | | Adjusted Balance Before Prorata | Kollen Adj #4 Prorata | Adjusted | Ratio | Cost Rate | Weighted Cost |
|---|---|---|---|---|---|---|---|---|---|
| COMMON EQUITY | $ 579,264,876 | $ (221,062,578) | | $ 358,202,298 | $ (8,523,648) | $ 349,678,651 | 47.10% | 9.45% | 4.45% |
| LONG TERM DEBT - CUC | 165,064,133 | 19,131,129 | | 184,195,262 | (4,383,041) | 179,812,220 | 24.22% | 4.72% | 1.14% |
| LONG TERM DEBT - FCG DIRECT | 346,840,328 | (214,508,310) | | 132,332,018 | (3,148,923) | 129,183,095 | 17.40% | 6.78% | 1.18% |
| SHORT TERM DEBT | 64,059,459 | (24,446,759) | | 39,612,699 | (942,609) | 38,670,090 | 5.21% | 4.66% | 0.24% |
| CUSTOMER DEPOSITS | 7,539,606 | - | | 7,539,606 | - | 7,539,606 | 1.02% | 2.64% | 0.03% |
| DEFERRED TAXES | 22,365,075 | 448,472 | | 22,813,547 | - | 22,813,547 | 3.07% | 0.00% | 0.00% |
| TAX CREDIT | - | - | | - | - | - | 0.00% | 0.00% | 0.00% |
| OTHER (FAS 109) | 14,715,746 | - | | 14,715,746 | - | 14,715,746 | 1.98% | 0.00% | 0.00% |
| TOTAL | $ 1,199,849,223 | $ (440,438,046) | $ - | 759,411,177 | $ (16,998,221) | $ 742,412,956 | 100.00% | | 7.04% |

The correction leaves the customer deposits, ADIT, and other (SFAS 109) capitalization components unchanged from the per books amounts. Those capitalization components represent customer supplied capital and are properly directly assigned to the WACC applied to rate base without reduction.

**E. The Cost of the CUC Acquisition Long-Term Debt Directly Assigned to FCG is Excessive and Unreasonable in Comparison to FCG's Significantly Lower Cost of Debt under FPL Ownership**

**Q. HOW DOES THE COST OF THE CUC ACQUISITION LONG-TERM DEBT COMPARE TO FCG'S COST OF LONG-TERM DEBT UNDER FPL OWNERSHIP?**

A. The CUC acquisition long-term debt has an average cost of 6.78%,[14] much higher than the CUC non-acquisition long-term debt with an average cost of 4.72%,[15] and much higher than the FCG long-term debt with an average cost of 4.28% prior to the CUC

[14] Schedule G3-2.
[15] *Id.*

acquisition.[16] As I previously noted, CUC issued new higher cost long-term debt to finance the acquisition instead of assuming FCG's existing lower cost long-term debt.

**Q. WHY DOES THIS MATTER?**

A. It matters because the Company's cost of debt in this proceeding reflects the direct assignment of the higher cost CUC acquisition debt to FCG. The increased cost of the long-term debt is due solely to the acquisition and the Company has reflected this indirect, but real, acquisition cost in the requested WACC.

**Q. IS THAT REASONABLE?**

A. No. All acquisition costs should be excluded from the Company's cost of service in this proceeding, not only the acquisition goodwill "pushed down" by CUC and recorded on the FCG balance sheet. The increase in the cost of debt is yet another acquisition cost, albeit a cost reflected in the WACC, in addition to the acquisition goodwill recorded on the FCG balance sheet. The acquisition was made for the benefit of CUC and its shareholders; it was not made for FCG's customers.[17]

**Q. IS THERE ANOTHER CONSIDERATION REGARDING THIS HIGHER COST ACQUISTIION DEBT?**

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[16] Order No. PSC-2023-0177-FOF-GU at 36.

[17] In the deposition of Michael Galtman taken on June 29, 2026, in this proceeding, witness Galtman was asked by OPC counsel "what I am trying to zero in on is there any documentation that would have existed on September 26th or before [the acquisition], we are doing any part of this deal for the benefit of the customers of FCG specifically?" Witness Galtman responded, "There isn't anything that I am specifically aware of."

A. Yes. The Company has been refinancing this debt at a much lower interest rate as it matures. Although the Company reflected and directly assigned $346.840 million the remaining amount on a 13 month average basis for the test year in the financial and regulatory WACC in its filing, the 6.44% issuance ($100 million principal) is scheduled to mature on December 31, 2027. The Company's forecast issuances in 2026 and the test year reflect a 5.25% interest rate.[18] This will result in savings of $1.190 million annually in interest expense, approximately 70% of which was directly assigned to FCG in its calculation of the WACC.

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission find that this increase in costs was due solely to the acquisition and that it is a cost CUC and its shareholders incurred to obtain the economic value and other benefits from the acquisition without providing any commensurate cost savings to customers. I recommend the Commission assign this cost to CUC and its shareholders and deny recovery of this indirect, but nevertheless real, acquisition cost from the Company's customers. The Company has offered no justification for this increase in costs, cited no savings from issuing new debt at a higher average cost, no efficiencies, or any other rationale for why this acquisition premium should be included in the cost of service in this proceeding. This acquisition premium should be excluded, consistent with the Company's exclusion of the acquisition goodwill. An additional consideration is the fact that CUC is refinancing the acquisition debt at a significantly lower cost.

[18] Schedule G3-3 C.

**Q. WHAT IS THE EFFECT OF YOUR RECOMMENDATION?**

A. The effect is an incremental reduction in the WACC compared to the corrected WACC resulting from my previous recommendations as shown on the following Table 5.

**Table 5**

| Description | Per Books | Sum of Previous Adjustments | Kollen Adj #5 Acquisition Premium Debt | Adjusted Balance Before Prorata | Prorata | Adjusted | Ratio | Cost Rate | Weighted Cost |
|---|---|---|---|---|---|---|---|---|---|
| COMMON EQUITY | $ 579,264,876 | $ (221,062,578) | | $ 358,202,298 | $ (8,523,648) | $ 349,678,651 | 47.10% | 9.45% | 4.45% |
| LONG TERM DEBT - CUC | 165,064,133 | 19,131,129 | 132,332,018 | 316,527,280 | (7,531,964) | 308,995,316 | 41.62% | 4.72% | 1.97% |
| LONG TERM DEBT - FCG DIRECT | 346,840,328 | (214,508,310) | (132,332,018) | - | - | - | 0.00% | 6.78% | 0.00% |
| SHORT TERM DEBT | 64,059,459 | (24,446,759) | | 39,612,699 | (942,609) | 38,670,090 | 5.21% | 4.66% | 0.24% |
| CUSTOMER DEPOSITS | 7,539,606 | - | | 7,539,606 | - | 7,539,606 | 1.02% | 2.64% | 0.03% |
| DEFERRED TAXES | 22,365,075 | 448,472 | | 22,813,547 | - | 22,813,547 | 3.07% | 0.00% | 0.00% |
| TAX CREDIT | - | - | | - | - | - | 0.00% | 0.00% | 0.00% |
| OTHER (FAS 109) | 14,715,746 | - | | 14,715,746 | - | 14,715,746 | 1.98% | 0.00% | 0.00% |
| TOTAL | $ 1,199,849,223 | $ (440,438,046) | $ - | 759,411,177 | $ (16,998,221) | $ 742,412,956 | 100.00% | | 6.69% |

The correction reduces the cost of the CUC directly assigned debt to the cost of the CUC allocated debt.

## III. THE ADIT IN THE CAPITAL STRUCTURE IS UNDERSTATED DUE TO THE JOINT CUC AND FPL SECTION 338 ELECTION THAT ELIMINATED THE ADIT ON FCG'S ACCOUNTING BOOKS WHEN CUC ACQUIRED FCG

**Q. DESCRIBE THE SECTION 338 ELECTION.**

A. Section 338(h)(10) of the Internal Revenue Code allows both the purchaser and the seller to elect to treat the acquisition and sale of an entity in the form of a stock purchase agreement instead as a purchase and sale of assets for federal income tax purposes.[19] The SPA between CUC and FPL reflected their agreement that both CUC and FPL (or its parent on the NextEra consolidated federal tax return) would make this election.[20]

The Section 338(h)(10) election had several different effects on CUC and FPL. The election had the effect of a larger tax gain for FPL and the reversal and elimination of the DTLs on FCG's accounting books coincident with the transaction closing. This increased FPL's costs and required a higher purchase price, all else equal.[21]

The election had several beneficial effects for CUC that justified a higher purchase price, including a stepped-up tax basis on the acquired assets. The stepped-up tax basis is depreciable for tax purposes, thus allowing CUC to reduce income tax expense and liabilities and providing an increase in cash flow to offset, in part, the cost of acquiring FCG. It also allowed CUC to amortize and deduct the acquisition goodwill, thus further reducing its income tax expense and liabilities, and providing a further increase in cash flow to further offset, in part, the cost of acquiring FCG.

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[19] *Section 338(h)(10) Election: An In-Depth Guide for M&A Tax Planning.* I provide a copy of this article as Exhibit LK-4.

[20] Stock Purchase Agreement, dated September 26, 2023, by and among Florida Power & Light Company and Chesapeake Utilities Corporation (Article VII Tax Matters, Section 7.14 *Section 338(h)(10) Election*) attached to the SEC Form 8-K filing made by Chesapeake Utilities Corporation dated September 26, 2023.

[21] In the deposition of Michael Galtman taken on June 29, 2026 in this proceeding, witness Galtman stated, "The benefits of that come with the 338 election can provide incremental purchase price. If you didn't have it, it could lower the purchase price, and as a result, you can get to a lower purchase price without that cash tax benefit [or] a higher price with the cash price benefit."

In contrast to the beneficial effects for CUC, the election had several harmful effects for FCG's customers. These harmful effects are reflected in indirect, but nevertheless real, additional acquisition costs the Company does seek to recover in this proceeding. The most significant of the harmful effects is the loss of the entirety of the DTLs that had been on FCG's accounting books and that provided cost-free capital for the benefit of customers in the calculation of the WACC for ratemaking purposes prior to the CUC acquisition. The DTLs represent tax amounts that were collected from FCG's customers through the ratemaking process under FPL ownership but were lost to FCG's customers solely due to CUC acquisition and the Section 338(h)(10) election.

**Q. DID THE COMPANY GIVE ANY CONSIDERATION TO THE HARMFUL EFFECTS OF THE SECTION 338 ELECTION ON CUSTOMERS OR ATTEMPT TO MITIGATE THOSE EFFECTS?**

A. No. The Company focused exclusively on the effects on FCG and CUC, which included the effects on the purchase price and the ability to use the tax benefits of the Section 338(h)(10) election to offset the costs of a higher purchase price. CUC prepared an economic analysis that compared the costs of a higher purchase price with the Section 338(h)(10) election to the lower purchase price without the election to determine its economic breakeven where it was indifferent as to the election.[22] CUC concluded that the tax benefits from the election were equivalent to $113.375 million on a present value basis and that it could pay an additional $113.375 million to acquire FCG to

[22] Late-filed Exhibit 3 to the deposition of Michael Galtman taken on June 29, 2026, in this proceeding. I provide a copy of this Exhibit 3 as Exhibit LK-5.

obtain those tax benefits. In other words, CUC paid $113.375 million to obtain those tax benefits, thus increasing the acquisition goodwill by the same $113.375 million, all else equal.

Noticeably missing from the CUC analysis was any assessment of the effects of the election on customers. As I previously noted, the immediate effect on customers in this proceeding is the higher requested regulatory WACC due to the lost ADITs. However, another potential effect of the election on customers is that the Company may seek to recover the acquisition goodwill, including the additional amount for the tax benefits from the Section 338(h)(10) election, in a future proceeding.

**Q. THE COMPANY CLAIMS THAT CUSTOMERS RECOUP THE LOST DTLS OVER TIME SO THEY ARE NOT HARMED.[23] IS THAT CORRECT?**

A. No. That claim is fundamentally false. The cost-free DTLs result in a lower WACC. The loss of the cost-free DTLs due to the Section 338(h)(10) election is reflected in an increase in the WACC for ratemaking purposes. While the Company is correct that the DTLs will grow in future years, it will be years into the future before they increase to the level of the lost DTLs, if that occurs at all, before they reverse and subsequently decline to $0 at the end of their service lives. It is a fact that customers will be harmed from the higher WACC each year until that occurs, if at all.

[23] Transcript of deposition of Noah Russell taken on June 30, 2026, in this proceeding at 37-50.

The loss of the DTLs is a permanent harm to customers caused directly by the CUC decision to agree to the Section 338(h)(10) election in the SPA. That permanent harm to customers is never remedied. It is another cost of the acquisition, a cost that brought no value or savings to customers, only more pain in the form of increased costs in the absence of Commission action to hold customers harmless from this cost incurred solely to benefit CUC and its shareholders.

In addition, the Company understated the effect of the new DTLs in the capital structure. It did so by escalating the December 31, 2025 DTLs through December 2027 using an inflation escalator instead of an actual calculation of the new DTLs using the tax depreciation rates on the stepped up basis of the acquired assets.[24]

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission hold customers harmless from this acquisition cost. I recommend the Commission direct the Company to establish a regulatory liability equivalent to the lost DTLs on FCG's accounting books immediately prior to the acquisition and include the regulatory liability at zero cost in the WACC in this and subsequent base ratemaking proceedings.[25] I also recommend the Commission allow the Company to reduce the regulatory liability for the new DTLs on the stepped-up basis to extent necessary to avoid double counting the impact of a portion of the new

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[24] Late-filed Exhibit 8 to the deposition of Noah Russell, Workpapers Supp Resp to ROG 163 (late-filed) - Corrected FCG DISC 004701(40068258.1). The Company simply escalated the monthly amounts for the ADIT property in 2025 by 1 + inflation for the monthly amounts in 2026 and repeated this process for 2027 using the monthly amounts calculated for 2026.

[25] The balance of net ADIT on FCG's books just prior to the transaction was $38.814 million as reflected in CUC's November 9, 2023 8-K at Exhibit 99.3.

DTLs in the WACC and the regulatory liability equivalent to the lost DTLs in future ratemaking proceedings. However, there should be no offset for this potential reduction in the regulatory liability in this proceeding due to the failure of the Company to calculate the new DTLs correctly.

**Q. WHAT IS THE EFFECT OF YOUR RECOMMENDATION?**

A. The effect is an incremental reduction in the WACC compared to the corrected WACC resulting from my previous recommendations as shown on the following Table 6.

**Table 6**

| Description | Per Books | Sum of Previous Adjustments | Kollen Adj #6 Loss of Prior ADIT | Adjusted Balance Before Prorata | Prorata | Adjusted | Ratio | Cost Rate | Weighted Cost |
|---|---|---|---|---|---|---|---|---|---|
| COMMON EQUITY | $ 579,264,876 | $ (221,062,578) | $ (19,463,028) | $ 338,739,270 | $ (8,523,648) | $ 330,215,622 | 44.48% | 9.45% | 4.20% |
| LONG TERM DEBT - CUC | 165,064,133 | 151,463,147 | (17,198,604) | 299,328,676 | (7,531,964) | 291,796,712 | 39.30% | 4.72% | 1.86% |
| LONG TERM DEBT - FCG DIRECT | 346,840,328 | (346,840,328) | - | - | - | - | 0.00% | 6.78% | 0.00% |
| SHORT TERM DEBT | 64,059,459 | (24,446,759) | (2,152,368) | 37,460,331 | (942,609) | 36,517,722 | 4.92% | 4.66% | 0.23% |
| CUSTOMER DEPOSITS | 7,539,606 | - | - | 7,539,606 | - | 7,539,606 | 1.02% | 2.64% | 0.03% |
| DEFERRED TAXES | 22,365,075 | 448,472 | - | 22,813,547 | - | 22,813,547 | 3.07% | 0.00% | 0.00% |
| REG LIABILITY-SECTION 338 DTL | - | - | 38,814,000 | 38,814,000 | - | 38,814,000 | 5.23% | 0.00% | 0.00% |
| TAX CREDIT | - | - | | - | - | - | 0.00% | 0.00% | 0.00% |
| OTHER (FAS 109) | 14,715,746 | - | - | 14,715,746 | - | 14,715,746 | 1.98% | 0.00% | 0.00% |
| TOTAL | $ 1,199,849,223 | $ (440,438,046) | $ - | 759,411,177 | $ (16,998,221) | $ 742,412,956 | 100.00% | | 6.32% |

The correction to include the regulatory liability at zero cost further reduces the WACC.

**Q. HAVE OTHER COMMISSIONS REQUIRED THE ACQUIRING UTILITY TO REMEDY THE HARM TO CUSTOMERS FROM LOST DTLS DUE TO SECTION 338(f)(10) ELECTIONS FOR RATEMAKING PURPOSES?**

A. Yes. I have identified cases in Vermont, New York, and Maine that provide real-world examples of ratemaking approaches that address the loss of ADITs due to a Section 338(h)(10) election. These ratemaking approaches, in the context of utility mergers, were implemented in order to protect the purchased utility's customers from the harm caused by this election. My recommendation is consistent with the public interest and hold harmless principles applied in the decisions by these regulatory commissions.

In one case involving Vermont Telephone Company, Inc., the Vermont Public Utility Commission determined that the cost associated with the Section 338(h)(10) election was an increase to the acquisition goodwill and required that it be amortized as a reduction to the cost of service in order to exclude the entirety of the acquisition goodwill from the revenue requirement.[26] The Vermont Public Utility Commission stated that its decision was ". . . to exclude the goodwill, not reinstate the ADIT. Thus, there is no need to mirror the rate effects of the ADIT, so long as we capture the full value of the goodwill."[27]

The basis for the Vermont Board's decision is the same as the basis for my recommendation. The increase in costs due to the lost ADITs is in fact an increase to the acquisition goodwill and should be excluded or neutralized in the same manner as all other acquisition goodwill costs were excluded. Similar to the Vermont Public Utility Commission decision, my recommendation is not to reinstate the lost ADITs,

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[26] *Investigation into the Existing Rates of Vermont Telephone Company, Inc.* Docket No. 5904, Order at 122-3 (Vt. Pub. Serv. Bd. Nov. 10, 1997).
[27] *Id.*

but, rather, to address the lost ADITs as an additional acquisition premium properly excluded from the cost of service.

An alternative considered by the Vermont Public Utility Commission was an approach recommended by the Vermont Department (Commission Staff/consumer advocate) and proposed by the Hearing Officer in that proceeding. The alternative was to calculate a contribution in aid of construction (CIAC) equivalent to the lost ADITs as a subtraction from rate base. This would have a similar effect on the cost of service as if there had been no Section 338(h)(10) election and the ADITs had not been lost.[28] Although this alternative was not adopted, it, nevertheless, is another valid alternative that achieves the same economic outcome. I highlight this alternative in this proceeding because there was a similar CIAC offset concept adopted in Florida to hold customers harmless in the context of a new acquisition and in lieu of recognizing a negative acquisition adjustment.[29] In fact, Company witness Terry Deason describes this approach in his direct testimony at 20 in this proceeding as follows:

> The Commission reviewed the entire factual situation from the time the assets were part of a developer-owned utility until the time the assets were acquired by Sun. The Commission did not simply erase the previous negative acquisition adjustment. Rather the exact amount of the negative acquisition adjustment was converted to CIAC. This was done to protect customers. The Order states: We *find that the best methodology to protect the utility's customers, by keeping them whole, is as follows. Sun Communities shall convert the previously approved negative acquisition adjustment to CIAC. This would lower the utility's*

[28] *Id.,* at 15, 122.

[29] Order No. PSC-2000-1165-PAA-WS, issued June 27, 2000, p. 17, *In re: Application for limited proceeding increase and restructuring of water rates by Sun Communities Finance Limited Partnership in Lake County, and overearnings investigation,* Docket No. 19990243-WS.

*rate base thus protecting the customers' interests.* (Emphasis in the original.)

In another case involving Liberty Utilities (Eastern Water Holdings) Corp., the New York Public Service Commission approved a regulatory liability to be amortized over 20 years to neutralize the effects of a Section 338(h)(10) election and ensure that customers remained in the same position they would have occupied had no election occurred.[30]

Similar to the New York Public Service Commission decision, my recommendation is not to attempt to reinstate the lost ADITs, but rather, to reflect a zero-cost regulatory liability to hold customers harmless from the increased costs in an economically equivalent manner.[31]

In yet another case, the Maine Public Utilities Commission required Maine Natural Gas Corporation to hold customers harmless from the effects of the Section 338(h)(10) election and denied recovery of the acquisition goodwill, all transaction costs, and re-branding costs.[32]

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[30] *Joint Petition of American Water Works Company, Inc.; New York American Water Company, Inc.; and Liberty Utilities (Eastern Water Holdings) Corp. for Approval, Pursuant to Section 89-h of the New York Public Service Law, of the Acquisition by Liberty Utilities (Eastern Water Holdings) Corp. of 100% of New York American Water Company, Inc. Issued and Outstanding Capital Stock and for Approval, Pursuant to Section 89-f of the New York Public Service Law, of the Issuance of Long-Term Indebtedness.* Case No. 20-W-0102, Order at 62-3 (NY Pub. Serv. Comm'n Dec. 16, 2021).

[31] *Id.*

[32] *Unitil Corporation, Northern Utilities, Inc. d/b/a Unitil, Bangor Natural Gas Company d/b/a Unitil, Avangrid Enterprises, Inc., and Maine Natural Gas Corporation's Request for Regulatory Approvals Related to a Merger of Maine Natural Gas Corporation Into Unitil Corporation and Related Debt and Affiliate Arrangements (35-A M.R.S. §§ 707, 708, 901 & 902)* Docket No. 2025-00143, Order at 10 (ME. P.U.C. Sep. 12, 2025).

**Q. WHAT IS THE RELEVANCE OF THE DECISIONS IN THESE OTHER CASES TO THIS PROCEEDING?**

A. The cases are relevant to this proceeding due to the Commission decisions in multiple jurisdictions to hold customers harmless from the effects of the Section 338(h)(10) election by utilities in the context of acquisitions and mergers. The cases also are relevant because they present different approaches to achieve that objective.

In my experience as an expert who has participated in dozens of utility acquisition and merger proceedings, the cases that I cited as examples, including the concept described by Company witness Terry Deason in this proceeding, strongly support the validity of my recommendations in this proceeding to hold customers harmless from the increased costs due to the lost ADITs. This Commission and other Commissions have determined in similar circumstances that a remedy was necessary to avoid the imposition of acquisition costs on customers that were incurred by the utility so that it could obtain the tax benefits resulting from the Section 338(h)(10) election.

**Q. WILL YOUR RECOMMENDATION RESULT IN A SO-CALLED "NORMALIZATION VIOLATION"?**

A. No. The so-called normalization rules as set forth in the Internal Revenue Code of 1986 (IRC) and the related Treasury Regulations (Regulations) do not apply to DTLs that do not exist. The normalization rules preclude rate regulated utilities from flowing through the method/life savings from accelerated tax depreciation as reflected in the DTLs (referred to as "reserves" in the IRC and Regulations) more rapidly than the service lives reflected for book depreciation for ratemaking purposes.

In this case, the DTLs were extinguished when the acquisition closed. There are no DTLs to return to customers. Therefore, the DTLs will never be returned to customers, let alone more rapidly than the service lives reflected for book depreciation for ratemaking purposes. Thus, the Commission can remedy the harm from the lost DTLs independently through the ratemaking process without a normalization violation by reducing rate base for an amount equivalent to the lost DTLs either as a regulatory liability, contribution in aid of construction, or some other form of liability.

**Q. HAS THE IRS EVER FOUND A NORMALIZATION VIOLATION RESULTING FROM THE RATEMAKING REMEDY YOU RECOMMEND?**

A. Not to my knowledge.

## IV. THE PARENT DEBT ADJUSTMENT IS REQUIRED IF THE COMMISSION ADOPTS THE COMPANY'S ARTIFICIAL CAPITAL STRUCTURE BASED ON AN ALLOCATION OF THE CUC CAPITALIZATION TO FCG; THE REMAINING CUC EQUITY AND DEBT CAPITALIZATION COMPONENTS WERE USED TO FINANCE THE CUC EQUITY INVESTMENT IN FCG; THE CUC EQUITY COMPONENT CANNOT BE DIRECTLY ASSIGNED FOR THIS PURPOSE

**Q. DESCRIBE THE PARENT DEBT ADJUSTMENT.**

A. The parent debt adjustment is set forth in Florida Administrative Code 25-14.004, *Effect of Parent Debt on Federal Corporate Income Tax* (PDA Rule). The parent debt adjustment (PDA) Rule states in its entirety:

> In Commission proceedings to establish revenue requirements or address over-earnings, other than those entered into under Rule 25-14.003, F.A.C., the income tax expense of a regulated company shall be adjusted to reflect the income tax expense of the parent debt that may be invested in the equity of the subsidiary where a parent-subsidiary relationship exists and the parties to the relationship join in the filing of a consolidated income tax return.
>
> (1) Where the regulated utility is a subsidiary of a single parent, the income tax effect of the parent's debt invested in the equity of the subsidiary utility shall reduce the income tax expense of the utility.
>
> (2) Where the regulated utility is a subsidiary of tiered parents, the adjusted income tax effect of the debt of all parents invested in the equity of the subsidiary utility shall reduce the income tax expense of the utility.
>
> (3) The capital structure of the parent used to make the adjustment shall include at least long term debt, short term debt, common stock, cost free capital and investment tax credits, excluding retained earnings of the subsidiaries. It shall be a rebuttable presumption that a parent's investment in any subsidiary or in its own operations shall be considered to have been made in the same ratios as exist in the parent's overall capital structure.
>
> (4) The adjustment shall be made by multiplying the debt ratio of the parent by the debt cost of the parent. This product shall be multiplied by the statutory tax rate applicable to the consolidated entity. This result shall be multiplied by the equity dollars of the subsidiary, excluding its retained earnings. The resulting dollar amount shall be used to adjust the income tax expense of the utility.

Absent the utility meeting the rebuttable presumption, the PDA Rule requires the Commission to reduce the utility's revenue requirement to reflect the revenue equivalent of the income tax savings benefit from the parent company's use of debt to finance its equity investment in the utility. The PDA Rule also prescribes the methodology to quantify the adjustment.

**Q. DID THE COMPANY REFLECT A PARENT DEBT ADJUSTMENT IN ITS CLAIMED REVENUE REQUIREMENT?**

A. No. The Company argues that CUC has no equity investment in FCG and therefore none of its equity or debt were used for this purpose.[33]

**Q. IS THIS CLAIM CORRECT?**

A. No. It is fundamentally flawed. The Company's claim that the PDA Rule does not apply to it is abusively inconsistent with its request to allocate and impute the CUC equity and debt financing as an artificial and hypothetical capital structure to FCG for the WACC. Ironically, the Company's argument would be correct if it had proposed no equity and 100% debt in its requested WACC based on its actual 100% debt financing in the form of the intercompany payable to CUC. The Company cannot have it both ways. The Company's proposed artificial and hypothetical capital structure and the actual capital structure cannot be true at the same time either in the real world or even in the Company's proposed hybrid of the real world and an imaginary regulatory world.

As I noted previously, in the Company's imaginary regulatory world for the WACC, the CUC capitalization that was not imputed to FCG necessarily remains with CUC.

[33] Direct Testimony of Noah Russell at 37-39.

The CUC capitalization and all components of the CUC capitalization were used to finance its equity investment in FCG in reality and as the presumption reflected in the PDA Rule. The CUC capitalization allocated and imputed to FCG for the WACC cannot simply snapback to CUC and disappear when it comes to the PDA Rule. FCG is financed for ratemaking purposes either through the allocation of CUC financing for the WACC or through the 100% debt intercompany payable. FCG cannot be financed in one way for the WACC and in another way for the PDA Rule. That is nonsensical on its face.

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission use the same financial capital structure consistently for the WACC before the FCG adjustments reflected in the regulatory capital structure and for the parent debt adjustment in this proceeding. If the Commission allocates and imputes the CUC financing for the WACC in the Company's imaginary regulatory world, then it would be unreasonable for the Commission to then use the actual 100% debt financing represented by the intercompany payable to conclude there is no parent debt adjustment necessary. Further, the PDA Rule specifies the use of the CUC financial capital structure to calculate the parent debt adjustment.

**Q. WHAT IS THE EFFECT OF YOUR RECOMMENDATION?**

A. I have provided the quantification of the parent debt adjustment to OPC witness Helmuth W. Schultz, III., to reflect in the revenue requirement calculations after application of all appropriate synchronizations. The effect was calculated by OPC witness Schultz, using the regulatory WACC after adjustment for the effect of OPC witness Christopher C. Walters' recommendation for the return on equity and after adjustment for the cumulative effect of my recommendations to correct the regulatory WACC, and using the rate base after adjustments for the effects of OPC witness Schultz's recommendations.

## V. THE AFFILIATE EXPENSES ALLOCATED TO FCG FROM CUC ARE EXCESSIVE DUE TO THE FAILURE TO INCLUDE CUC IN THE CALCULATIONS OF THE ALLOCATION FACTORS

**Q. DESCRIBE GENERALLY THE ALLOCATION OF CUC SHARED AND COMMON EXPENSES TO CUC AFFILIATES, INCLUDING FCG.**

A. CUC acts as the service company for its affiliates and allocates the entirety of its incurred expenses to its affiliates through direct assignment if the costs were directly caused by and/or incurred specifically for an affiliate or through allocations based on various indirect measures of cost causation or benefit.[34] This process is documented in the CUC Cost Allocation Manual (CAM).

CUC also incurs plant and other balance sheet costs that it retains on its accounting books, but allocates to its affiliates through allocations based on various indirect measures of cost causation or benefit for ratemaking purposes, but not for book accounting purposes. This process is not documented in the CUC CAM.

[34] Direct Testimony of George Navo at 9-16.

**Q. DESCRIBE HOW CUC ASSIGNS OR ALLOCATES EXPENSES TO ITS AFFILIATES.**

A. The CUC CAM states:

> Expenses are either directly expensed to an FRU [financial reporting unit] (for example, MD00), or they are accumulated in a temporary reporting unit (for example, 1000, CU90 or CU91) by department and settled to the appropriate FRU's during the month end close process.

The CUC CAM also states:

> The indirect expenses for corporate departments are settled to the Maryland Division by department based primarily on fixed allocation rates. The allocation methodology varies by department. A few corporate departments use time tracking, primarily for capital projects. Please see Schedule 5 for the methodologies. The settlement is automated by UI, and done for a group of expenses. The allocation preserves the department classification, the general expense type (which is designated by the first two characters of segment three, expense type) and the FERC account.

In addition, the CUC CAM states:

> General corporate charges are directly charged to the Corporate Resource Clearing financial reporting units (CU97 and CU99). Once all department allocations and direct charges are complete, the Corporate Resource Clearing is allocated to the Maryland Division based on their fixed allocation rates. The settlement is automated by UI, and done for a group of expenses.

**Q. DOES CUC RETAIN EXPENSES THAT ARE NOT DIRECTLY ASSIGNED OR ALLOCATED TO ITS SEPARATE AFFILIATES?**

A. The CAM does not address this. OPC asked the Company in discovery but the response does not provide the information requested.[35]

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[35] Response to Interrogatory No. 161 in OPC's Fourth Set of Interrogatories. I have attached a copy of this response as Exhibit LK-6.

**Q. WHY IS THIS IMPORTANT?**

A. It is important because CUC incurs costs that are not caused by specific affiliates and that are not incurred to benefit affiliates, such as executive and other internal costs incurred to develop and pursue corporate growth strategies and to identify, evaluate, and pursue non-affiliates as potential acquisition candidates, negotiate acquisitions, implement and manage acquisitions, and integrate the acquired companies into the CUC organization and processes, including the IT platforms.[36] These types of costs typically are not expensed or deferred as acquisition costs in the same manner as third party advisory costs.

**Q. DOES CUC CALCULATE MULTIPLE VERSIONS OF ITS ALLOCATION FACTORS?**

A. Yes. CUC calculates multiple versions of DISTRIGAS, its primary allocation factor. CUC calculates one version of DISTRIGAS that includes all affiliates, including Chesapeake Utilities Parent Company (CU) and Florida Public Utilities Parent Company (FU) and another version that excludes CU and FU. CUC mostly uses the latter version, which results in greater allocations to FCG than the version of DISTRIGAS that includes CU and FU.

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[36] In its quarterly earnings presentations, CUC describes the actions, including capital expenditures, that it has and plans to undertake to position it for future growth. This growth includes not only organic growth in its existing regulated and unregulated business, but also growth through acquisitions and development of new unregulated businesses facilitated, in part, by its existing and new regulated businesses. In the deposition of Michael Galtman taken on June 29, 2026 in this proceeding, witness Galtman stated with respect to the 1CX and new ERP platform "we were continuously, we didn't just stop – when we did 1CX, we didn't just stop talking about technology and what are we trying to do as an organization, and what's the strategy we are driving towards as a company with our growth. This is one of the facilitators of how we expect to grow and manage the business."

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission utilize the version of DISTRIGAS that includes all affiliates, including CU and FU for the expenses that are not directly allocated to reflect the fact that not all CU and FU expenses are caused by or incurred for the benefit of only the affiliates excluding CU and FU.

**Q. WHAT IS THE EFFECT OF YOUR RECOMMENDATION?**

A. The effect is a $0.597 million reduction in the CUC affiliate expenses allocated to FCG in the test year.

## VI. THE PROFORMA ADJUSTMENTS TO ANNUALIZE ERP RATE BASE AND EXPENSES ARE SELECTIVE AND UNREASONABLE

**Q. DESCRIBE THE COMPANY'S REQUESTED PROFORMA ADJUSTMENTS TO RATE BASE AND EXPENSES TO ANNUALIZE THE EFFECTS OF THE ERP COSTS REFLECTED IN THE TEST YEAR REVENUE REQUIREMENT.**

A. The Company seeks to recover a return on the ERP plant in service as if it had been in service for the entirety of the test year. The ERP platform is owned by CUC as a shared and common cost, which it then allocates to FCG and other affiliates through various allocations of the rate base cost components and the operating expense components.

The Company included a proforma adjustment to increase rate base for an allocation of the CUC ERP plant in service based on an artificial and hypothetical in-service of December 31, 2026 instead of the June 30, 2027 in-service date reflected in the per books forecast test year amounts. More specifically, the Company seeks an $11.271 million proforma adjustment to increase gross plant in service.[37]

The Company made a similar adjustment to increase accumulated depreciation based on the same artificial and hypothetical in-service date of December 31, 2026. More specifically, the Company seeks a $0.444 million proforma adjustment to increase accumulated depreciation.[38]

The Company also seeks to recover operating expenses based on the artificial and hypothetical in-service date of December 31, 2026, or the entirety of the test year instead of the six months (July through December 2027) reflected in the per books forecast test year amounts. The Company seeks a $0.602 million increase in depreciation expense and a $0.910 million in other operating expenses for the additional six months (50% of the annual adjustment to increase expenses by $1.819 million). The Company also seeks a $0.587 million increase to reflect the redeployment of payroll from capital to expense.

**Q. ARE THESE ADJUSTMENTS REASONABLE?**

A. No. The adjustments distort the Company's forecast costs for the test year, which already are based on thousands of assumptions rather than actual costs. The ERP proforma adjustments are selective and increase the claimed revenue requirement without consideration of all cost reductions that will or may occur throughout the test

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[37] Refer to Tab G1-4 in the FCG G-1 Proforma Rate Base Excel workbook.
[38] *Id.*

year and that would reduce the revenue requirement if they were annualized, including synergy savings from the efficiencies gained from the new ERP platform and partner applications.[39]

The ERP proforma adjustments also fail to consider the customer growth in the test year that would increase existing revenues and reduce the revenue deficiency if they were annualized. The adjustment to increase expense due to the redeployment of payroll from capital to expense lacks any evidentiary support, e.g., staffing studies that more resources are required than were already reflected directly in the CUC staffing increases already included in payroll expenses before this adjustment was added.

In addition the ERP proforma adjustments fail to consider the reductions in the cost of long-term debt due the ongoing refinancing of the high cost acquisition long-term debt with much lower cost new replacement debt.

**Q. WHAT IS YOUR RECOMMENDATION?**

A. I recommend the Commission deny the ERP proforma adjustments to annualize the ERP expenses. I recommend the Commission allow half of the requested increase in operation and maintenance expenses for the ERP, which is shown in the Company's

[39] In the deposition of Michael Galtman taken on June 29, 2026 in this proceeding, witness Galtman stated "there is a level of capital efficiency that we can gain through all the processes that we are talking about, the supply chain, and better – better enterprise asset manage, better integration between your work order and your inventory systems, and all the supporting processes. There is also the cost avoidance that every time we add a new customer on or take on a new asset, that that doesn't add complexity in the process through the automation of the process or the streamlining of the new organization. And then there is cost savings because we know that there is – there are manual processes. We fully acknowledge that there are things we are doing today that we don't expect to continue to have to do."

filing as an annual amount because none of those expenses were included in the test year, unlike the depreciation expense, which was shown in the Company's filing for six months before the proforma adjustment to include another six months. In addition, the proforma increase in expense from capital to expense is simply a bald assumption with no evidentiary support and in addition to the expenses and other proforma adjustments that reflect other increases in CUC payroll expenses allocated and charged to FCG. Finally, there are other known revenue increases due to customer growth and various cost reductions the Company has reflected in the test year that would further reduce the revenue deficiency and requested increase if they were annualized.

**Q. WHAT ARE THE EFFECTS OF YOUR RECOMMENDATION?**

A. The effect is a $10.827 million reduction in the requested ERP proforma rate base adjustments and a net reduction of $2.098 million in the requested ERP proforma expense adjustments as shown on the following Table 7.

**Table 7**

ORS Recommendations to Remove ERP Proforma Annualization Adjustments Included in Filing

| Description | Source of Data | Amount |
|---|---|---|
| Remove Annualization of ERP Plant in Service | Schedule G-1 at 4 of 28 | $ (11,270,793) |
| Remove Annualization of ERP Plant Accumulated Depr. | Schedule G-1 at 4 of 28 | 443,843 |
| Total ERP Annualization Amount to Remove - Rate Base | | $ (10,826,950) |
| | | |
| Remove 100% of ERP Staff Redeployment Payroll Expense | Schedule G-2 at 19g of 31 | $ (587,157) |
| Remove 50% of ERP Software Ongoing Expenses | Schedule G-2 at 19g of 31 | (909,704) |
| Remove ERP Depreciation Expense Annualization | Schedule G-2 at 2 of 31 | (601,501) |
| Total ERP Annualization Amount to Remove - Expenses | | $ (2,098,362) |

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

A. Yes. I note that my testimony only addresses specific issues related to the CUC acquisition of FCG and other affiliate issues. That fact should not be construed to mean that I concur with the balance of the Company's filing. I reserve the right to revise my testimony based on subsequent and/or revised discovery responses or changes in the Company's filing, including, but not limited to, additional corrections of errors in its filing.

# RESUME OF LANE KOLLEN, PRESIDENT

## EDUCATION

**University of Toledo, BBA**
Accounting

**University of Toledo, MBA**

**Luther Rice University, MA**

## PROFESSIONAL CERTIFICATIONS

**Certified Public Accountant (CPA)**

**Certified Management Accountant (CMA)**

**Chartered Global Management Accountant (CGMA)**

## PROFESSIONAL AFFILIATIONS

**American Institute of Certified Public Accountants**

**Georgia Society of Certified Public Accountants**

**Institute of Management Accountants**

**Society of Depreciation Professionals**

Mr. Kollen has more than forty years of utility industry experience in the financial, rate, tax, and planning areas. He specializes in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Mr. Kollen has expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

## EXPERIENCE

**1986 to Present:**

**J. Kennedy and Associates, Inc.:** Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

**1983 to 1986:**

**Energy Management Associates:** Lead Consultant.
Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

**1976 to 1983:**

**The Toledo Edison Company:** Planning Supervisor.
Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.
Construction project cancellations and write-offs.
Construction project delays.
Capacity swaps.
Financing alternatives.
Competitive pricing for off-system sales.
Sale/leasebacks.

## CLIENTS SERVED

### Industrial Companies and Groups

Air Products and Chemicals, Inc.
Airco Industrial Gases
Alcan Aluminum
Armco Advanced Materials Co.
Armco Steel
Bethlehem Steel
CF&I Steel, L.P.
Climax Molybdenum Company
Connecticut Industrial Energy Consumers
ELCON
Enron Gas Pipeline Company
Florida Industrial Power Users Group
Gallatin Steel
General Electric Company
GPU Industrial Intervenors
Indiana Industrial Group
Industrial Consumers for Fair Utility Rates - Indiana
Industrial Energy Consumers - Ohio
Kentucky Industrial Utility Customers, Inc.
Kimberly-Clark Company
Lehigh Valley Power Committee
Maryland Industrial Group
Multiple Intervenors (New York)
National Southwire
North Carolina Industrial Energy Consumers
Occidental Chemical Corporation
Ohio Energy Group
Ohio Industrial Energy Consumers
Ohio Manufacturers Association
Philadelphia Area Industrial Energy Users Group
PSI Industrial Group
Smith Cogeneration
Taconite Intervenors (Minnesota)
West Penn Power Industrial Intervenors
West Virginia Energy Users Group
Westvaco Corporation

### Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
City of Austin
Georgia Public Service Commission Staff
Florida Office of Public Counsel
Indiana Office of Utility Consumer Counsel
Kentucky Office of Attorney General
Louisiana Public Service Commission
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York City
New York State Energy Office
South Carolina Office of Regulatory Staff
Texas Office of Public Utility Counsel
Utah Office of Consumer Services

**Utilities**

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation
Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

**Expert Testimony Appearances**
**of**
**Lane Kollen**
**As of June 2026**

| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 10/86 | U-17282<br>Interim | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Cash revenue requirements financial solvency. |
| 11/86 | U-17282<br>Interim Rebuttal | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Cash revenue requirements financial solvency. |
| 12/86 | 9613 | KY | Attorney General Div. of Consumer Protection | Big Rivers Electric Corp. | Revenue requirements accounting adjustments financial workout plan. |
| 1/87 | U-17282<br>Interim | LA<br>19th Judicial District Ct. | Louisiana Public Service Commission Staff | Gulf States Utilities | Cash revenue requirements, financial solvency. |
| 3/87 | General Order 236 | WV | West Virginia Energy Users' Group | Monongahela Power Co. | Tax Reform Act of 1986. |
| 4/87 | U-17282<br>Prudence | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Prudence of River Bend 1, economic analyses, cancellation studies. |
| 4/87 | M-100<br>Sub 113 | NC | North Carolina Industrial Energy Consumers | Duke Power Co. | Tax Reform Act of 1986. |
| 5/87 | 86-524-E-SC | WV | West Virginia Energy Users' Group | Monongahela Power Co. | Revenue requirements, Tax Reform Act of 1986. |
| 5/87 | U-17282 Case<br>In Chief | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Revenue requirements, River Bend 1 phase-in plan, financial solvency. |
| 7/87 | U-17282 Case<br>In Chief<br>Surrebuttal | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Revenue requirements, River Bend 1 phase-in plan, financial solvency. |
| 7/87 | U-17282<br>Prudence<br>Surrebuttal | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Prudence of River Bend 1, economic analyses, cancellation studies. |
| 7/87 | 86-524 E-SC<br>Surrebuttal | WV | West Virginia Energy Users' Group | Monongahela Power Co. | Revenue requirements, Tax Reform Act of 1986. |
| 8/87 | 9885 | KY | Attorney General Div. of Consumer Protection | Big Rivers Electric Corp. | Financial workout plan. |
| 8/87 | E-015/GR-87-223 | MN | Taconite Intervenors | Minnesota Power & Light Co. | Revenue requirements, O&M expense, Tax Reform Act of 1986. |
| 10/87 | 870220-EI | FL | Occidental Chemical Corp. | Florida Power Corp. | Revenue requirements, O&M expense, Tax Reform Act of 1986. |
| 11/87 | 87-07-01 | CT | Connecticut Industrial Energy Consumers | Connecticut Light & Power Co. | Tax Reform Act of 1986. |
| 1/88 | U-17282 | LA<br>19th Judicial District Ct. | Louisiana Public Service Commission | Gulf States Utilities | Revenue requirements, River Bend 1 phase-in plan, rate of return. |
| 2/88 | 9934 | KY | Kentucky Industrial Utility Customers | Louisville Gas & Electric Co. | Economics of Trimble County, completion. |

**Expert Testimony Appearances**
**of**
**Lane Kollen**
**As of June 2026**

| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 2/88 | 10064 | KY | Kentucky Industrial Utility Customers | Louisville Gas & Electric Co. | Revenue requirements, O&M expense, capital structure, excess deferred income taxes. |
| 5/88 | 10217 | KY | Alcan Aluminum National Southwire | Big Rivers Electric Corp. | Financial workout plan. |
| 5/88 | M-87017-1C001 | PA | GPU Industrial Intervenors | Metropolitan Edison Co. | Nonutility generator deferred cost recovery. |
| 5/88 | M-87017-2C005 | PA | GPU Industrial Intervenors | Pennsylvania Electric Co. | Nonutility generator deferred cost recovery. |
| 6/88 | U-17282 | LA 19th Judicial District Ct. | Louisiana Public Service Commission | Gulf States Utilities | Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling. |
| 7/88 | M-87017-1C001 Rebuttal | PA | GPU Industrial Intervenors | Metropolitan Edison Co. | Nonutility generator deferred cost recovery, SFAS No. 92. |
| 7/88 | M-87017-2C005 Rebuttal | PA | GPU Industrial Intervenors | Pennsylvania Electric Co. | Nonutility generator deferred cost recovery, SFAS No. 92. |
| 9/88 | 88-05-25 | CT | Connecticut Industrial Energy Consumers | Connecticut Light & Power Co. | Excess deferred taxes, O&M expenses. |
| 9/88 | 10064 Rehearing | KY | Kentucky Industrial Utility Customers | Louisville Gas & Electric Co. | Premature retirements, interest expense. |
| 10/88 | 88-170-EL-AIR | OH | Ohio Industrial Energy Consumers | Cleveland Electric Illuminating Co. | Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital. |
| 10/88 | 88-171-EL-AIR | OH | Ohio Industrial Energy Consumers | Toledo Edison Co. | Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital. |
| 10/88 | 8800-355-EI | FL | Florida Industrial Power Users' Group | Florida Power & Light Co. | Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87). |
| 10/88 | 3780-U | GA | Georgia Public Service Commission Staff | Atlanta Gas Light Co. | Pension expense (SFAS No. 87). |
| 11/88 | U-17282 Remand | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Rate base exclusion plan (SFAS No. 71). |
| 12/88 | U-17970 | LA | Louisiana Public Service Commission Staff | AT&T Communications of South Central States | Pension expense (SFAS No. 87). |
| 12/88 | U-17949 Rebuttal | LA | Louisiana Public Service Commission Staff | South Central Bell | Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization. |
| 2/89 | U-17282 Phase II | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Revenue requirements, phase-in of River Bend 1, recovery of canceled plant. |
| 6/89 | 881602-EU 890326-EU | FL | Talquin Electric Cooperative | Talquin/City of Tallahassee | Economic analyses, incremental cost-of-service, average customer rates. |

**Expert Testimony Appearances**
**of**
**Lane Kollen**
**As of June 2026**

| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 7/89 | U-17970 | LA | Louisiana Public Service Commission Staff | AT&T Communications of South Central States | Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32. |
| 8/89 | 8555 | TX PUCT | Occidental Chemical Corp. | Houston Lighting & Power Co. | Cancellation cost recovery, tax expense, revenue requirements. |
| 8/89 | 3840-U | GA | Georgia Public Service Commission Staff | Georgia Power Co. | Promotional practices, advertising, economic development. |
| 9/89 | U-17282 Phase II Detailed | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Revenue requirements, detailed investigation. |
| 10/89 | 8880 | TX PUCT | Enron Gas Pipeline | Texas-New Mexico Power Co. | Deferred accounting treatment, sale/leaseback. |
| 10/89 | 8928 | TX PUCT | Enron Gas Pipeline | Texas-New Mexico Power Co. | Revenue requirements, imputed capital structure, cash working capital. |
| 10/89 | R-891364 | PA | Philadelphia Area Industrial Energy Users Group | Philadelphia Electric Co. | Revenue requirements. |
| 11/89 12/89 | R-891364 Surrebuttal (2 Filings) | PA | Philadelphia Area Industrial Energy Users Group | Philadelphia Electric Co. | Revenue requirements, sale/leaseback. |
| 1/90 | U-17282 Phase II Detailed Rebuttal | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Revenue requirements, detailed investigation. |
| 1/90 | U-17282 Phase III | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Phase-in of River Bend 1, deregulated asset plan. |
| 3/90 | 890319-EI | FL | Florida Industrial Power Users Group | Florida Power & Light Co. | O&M expenses, Tax Reform Act of 1986. |
| 4/90 | 890319-EI Rebuttal | FL | Florida Industrial Power Users Group | Florida Power & Light Co. | O&M expenses, Tax Reform Act of 1986. |
| 4/90 | U-17282 | LA 19th Judicial District Ct. | Louisiana Public Service Commission | Gulf States Utilities | Fuel clause, gain on sale of utility assets. |
| 9/90 | 90-158 | KY | Kentucky Industrial Utility Customers | Louisville Gas & Electric Co. | Revenue requirements, post-test year additions, forecasted test year. |
| 12/90 | U-17282 Phase IV | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Revenue requirements. |
| 3/91 | 29327, et. al. | NY | Multiple Intervenors | Niagara Mohawk Power Corp. | Incentive regulation. |
| 5/91 | 9945 | TX PUCT | Office of Public Utility Counsel of Texas | El Paso Electric Co. | Financial modeling, economic analyses, prudence of Palo Verde 3. |

**Expert Testimony Appearances
of
Lane Kollen
As of June 2026**

| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 9/91 | P-910511<br>P-910512 | PA | Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group | West Penn Power Co. | Recovery of CAAA costs, least cost financing. |
| 9/91 | 91-231-E-NC | WV | West Virginia Energy Users Group | Monongahela Power Co. | Recovery of CAAA costs, least cost financing. |
| 11/91 | U-17282 | LA | Louisiana Public Service Commission Staff | Gulf States Utilities | Asset impairment, deregulated asset plan, revenue requirements. |
| 12/91 | 91-410-EL-AIR | OH | Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers | Cincinnati Gas & Electric Co. | Revenue requirements, phase-in plan. |
| 12/91 | PUC Docket 10200 | TX PUCT | Office of Public Utility Counsel of Texas | Texas-New Mexico Power Co. | Financial integrity, strategic planning, declined business affiliations. |
| 5/92 | 910890-EI | FL | Occidental Chemical Corp. | Florida Power Corp. | Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning. |
| 8/92 | R-00922314 | PA | GPU Industrial Intervenors | Metropolitan Edison Co. | Incentive regulation, performance rewards, purchased power risk, OPEB expense. |
| 9/92 | 92-043 | KY | Kentucky Industrial Utility Consumers | Generic Proceeding | OPEB expense. |
| 9/92 | 920324-EI | FL | Florida Industrial Power Users' Group | Tampa Electric Co. | OPEB expense. |
| 9/92 | 39348 | IN | Indiana Industrial Group | Generic Proceeding | OPEB expense. |
| 9/92 | 910840-PU | FL | Florida Industrial Power Users' Group | Generic Proceeding | OPEB expense. |
| 9/92 | 39314 | IN | Industrial Consumers for Fair Utility Rates | Indiana Michigan Power Co. | OPEB expense. |
| 11/92 | U-19904 | LA | Louisiana Public Service Commission Staff | Gulf States Utilities /Entergy Corp. | Merger. |
| 11/92 | 8469 | MD | Westvaco Corp., Eastalco Aluminum Co. | Potomac Edison Co. | OPEB expense. |
| 11/92 | 92-1715-AU-COI | OH | Ohio Manufacturers Association | Generic Proceeding | OPEB expense. |
| 12/92 | R-00922378 | PA | Armco Advanced Materials Co., The WPP Industrial Intervenors | West Penn Power Co. | Incentive regulation, performance rewards, purchased power risk, OPEB expense. |
| 12/92 | U-19949 | LA | Louisiana Public Service Commission Staff | South Central Bell | Affiliate transactions, cost allocations, merger. |

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| 12/92 | R-00922479 | PA | Philadelphia Area Industrial Energy Users' Group | Philadelphia Electric Co. | OPEB expense. |
| 1/93 | 8487 | MD | Maryland Industrial Group | Baltimore Gas & Electric Co., Bethlehem Steel Corp. | OPEB expense, deferred fuel, CWIP in rate base. |
| 1/93 | 39498 | IN | PSI Industrial Group | PSI Energy, Inc. | Refunds due to over-collection of taxes on Marble Hill cancellation. |
| 3/93 | 92-11-11 | CT | Connecticut Industrial Energy Consumers | Connecticut Light & Power Co | OPEB expense. |
| 3/93 | U-19904 (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities /Entergy Corp. | Merger. |
| 3/93 | 93-01-EL-EFC | OH | Ohio Industrial Energy Consumers | Ohio Power Co. | Affiliate transactions, fuel. |
| 3/93 | EC92-21000 ER92-806-000 | FERC | Louisiana Public Service Commission Staff | Gulf States Utilities /Entergy Corp. | Merger. |
| 4/93 | 92-1464-EL-AIR | OH | Air Products Armco Steel Industrial Energy Consumers | Cincinnati Gas & Electric Co. | Revenue requirements, phase-in plan. |
| 4/93 | EC92-21000 ER92-806-000 (Rebuttal) | FERC | Louisiana Public Service Commission | Gulf States Utilities /Entergy Corp. | Merger. |
| 9/93 | 93-113 | KY | Kentucky Industrial Utility Customers | Kentucky Utilities | Fuel clause and coal contract refund. |
| 9/93 | 92-490, 92-490A, 90-360-C | KY | Kentucky Industrial Utility Customers and Kentucky Attorney General | Big Rivers Electric Corp. | Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs. |
| 10/93 | U-17735 | LA | Louisiana Public Service Commission Staff | Cajun Electric Power Cooperative | Revenue requirements, debt restructuring agreement, River Bend cost recovery. |
| 1/94 | U-20647 | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | Audit and investigation into fuel clause costs. |
| 4/94 | U-20647 (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines. |
| 4/94 | U-20647 (Supplemental Surrebuttal) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | Audit and investigation into fuel clause costs. |
| 5/94 | U-20178 | LA | Louisiana Public Service Commission Staff | Louisiana Power & Light Co. | Planning and quantification issues of least cost integrated resource plan. |
| 9/94 | U-19904 Initial Post-Merger Earnings Review | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues. |

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| 9/94 | U-17735 | LA | Louisiana Public Service Commission Staff | Cajun Electric Power Cooperative | G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues. |
| 10/94 | 3905-U | GA | Georgia Public Service Commission Staff | Southern Bell Telephone Co. | Incentive rate plan, earnings review. |
| 10/94 | 5258-U | GA | Georgia Public Service Commission Staff | Southern Bell Telephone Co. | Alternative regulation, cost allocation. |
| 11/94 | U-19904 Initial Post-Merger Earnings Review (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues. |
| 11/94 | U-17735 (Rebuttal) | LA | Louisiana Public Service Commission Staff | Cajun Electric Power Cooperative | G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues. |
| 4/95 | R-00943271 | PA | PP&L Industrial Customer Alliance | Pennsylvania Power & Light Co. | Revenue requirements. Fossil dismantling, nuclear decommissioning. |
| 6/95 | 3905-U Rebuttal | GA | Georgia Public Service Commission | Southern Bell Telephone Co. | Incentive regulation, affiliate transactions, revenue requirements, rate refund. |
| 6/95 | U-19904 (Direct) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment. |
| 10/95 | 95-02614 | TN | Tennessee Office of the Attorney General Consumer Advocate | BellSouth Telecommunications, Inc. | Affiliate transactions. |
| 10/95 | U-21485 (Direct) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues. |
| 11/95 | U-19904 (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. Division | Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment. |
| 11/95<br>12/95 | U-21485 (Supplemental Direct)<br>U-21485 (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Gulf States Utilities Co. | Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues. |
| 12/95 | 95-299-EL-AIR 95-300-EL-AIR | OH | Industrial Energy Consumers | The Toledo Edison Co., The Cleveland Electric Illuminating Co. | Competition, asset write-offs and revaluation, O&M expense, other revenue requirement issues. |
| 2/96 | PUC Docket 14965 | TX PUCT | Office of Public Utility Counsel | Central Power & Light | Nuclear decommissioning. |
| 5/96 | 95-485-LCS | NM | City of Las Cruces | El Paso Electric Co. | Stranded cost recovery, municipalization. |
| 7/96 | 8725 | MD | The Maryland Industrial Group and Redland Genstar, Inc. | Baltimore Gas & Electric Co., Potomac Electric Power Co., and Constellation Energy Corp. | Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues. |

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| 9/96<br>11/96 | U-22092<br>U-22092<br>(Surrebuttal) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs. |
| 10/96 | 96-327 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corp. | Environmental surcharge recoverable costs. |
| 2/97 | R-00973877 | PA | Philadelphia Area Industrial Energy Users Group | PECO Energy Co. | Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements. |
| 3/97 | 96-489 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Co. | Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation. |
| 6/97 | TO-97-397 | MO | MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc. | Southwestern Bell Telephone Co. | Price cap regulation, revenue requirements, rate of return. |
| 6/97 | R-00973953 | PA | Philadelphia Area Industrial Energy Users Group | PECO Energy Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning. |
| 7/97 | R-00973954 | PA | PP&L Industrial Customer Alliance | Pennsylvania Power & Light Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning. |
| 7/97 | U-22092 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Depreciation rates and methodologies, River Bend phase-in plan. |
| 8/97 | 97-300 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas & Electric Co., Kentucky Utilities Co. | Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return. |
| 8/97 | R-00973954<br>(Surrebuttal) | PA | PP&L Industrial Customer Alliance | Pennsylvania Power & Light Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning. |
| 10/97 | 97-204 | KY | Alcan Aluminum Corp. Southwire Co. | Big Rivers Electric Corp. | Restructuring, revenue requirements, reasonableness. |
| 10/97 | R-974008 | PA | Metropolitan Edison Industrial Users Group | Metropolitan Edison Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements. |
| 10/97 | R-974009 | PA | Penelec Industrial Customer Alliance | Pennsylvania Electric Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements. |
| 11/97 | 97-204<br>(Rebuttal) | KY | Alcan Aluminum Corp. Southwire Co. | Big Rivers Electric Corp. | Restructuring, revenue requirements, reasonableness of rates, cost allocation. |
| 11/97 | U-22491 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, other revenue requirement issues. |

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| 11/97 | R-00973953 (Surrebuttal) | PA | Philadelphia Area Industrial Energy Users Group | PECO Energy Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning. |
| 11/97 | R-973981 | PA | West Penn Power Industrial Intervenors | West Penn Power Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization. |
| 11/97 | R-974104 | PA | Duquesne Industrial Intervenors | Duquesne Light Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization. |
| 12/97 | R-973981 (Surrebuttal) | PA | West Penn Power Industrial Intervenors | West Penn Power Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements. |
| 12/97 | R-974104 (Surrebuttal) | PA | Duquesne Industrial Intervenors | Duquesne Light Co. | Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization. |
| 1/98 | U-22491 (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, other revenue requirement issues. |
| 2/98 | 8774 | MD | Westvaco | Potomac Edison Co. | Merger of Duquesne, AE, customer safeguards, savings sharing. |
| 3/98 | U-22092 (Allocated Stranded Cost Issues) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation. |
| 3/98 | 8390-U | GA | Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc. | Atlanta Gas Light Co. | Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements. |
| 3/98 | U-22092 (Allocated Stranded Cost Issues) (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation. |
| 3/98 | U-22491 (Supplemental Surrebuttal) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, other revenue requirement issues. |
| 10/98 | 97-596 | ME | Maine Office of the Public Advocate | Bangor Hydro-Electric Co. | Restructuring, unbundling, stranded costs, T&D revenue requirements. |
| 10/98 | 9355-U | GA | Georgia Public Service Commission Adversary Staff | Georgia Power Co. | Affiliate transactions. |
| 10/98 | U-17735 Rebuttal | LA | Louisiana Public Service Commission Staff | Cajun Electric Power Cooperative | G&T cooperative ratemaking policy, other revenue requirement issues. |

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| 11/98 | U-23327 | LA | Louisiana Public Service Commission Staff | SWEPCO, CSW and AEP | Merger policy, savings sharing mechanism, affiliate transaction conditions. |
| 12/98 | U-23358 (Direct) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues. |
| 12/98 | 98-577 | ME | Maine Office of Public Advocate | Maine Public Service Co. | Restructuring, unbundling, stranded cost, T&D revenue requirements. |
| 1/99 | 98-10-07 | CT | Connecticut Industrial Energy Consumers | United Illuminating Co. | Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes. |
| 3/99 | U-23358 (Surrebuttal) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues. |
| 3/99 | 98-474 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Co. | Revenue requirements, alternative forms of regulation. |
| 3/99 | 98-426 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co. | Revenue requirements, alternative forms of regulation. |
| 3/99 | 99-082 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Co. | Revenue requirements. |
| 3/99 | 99-083 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co. | Revenue requirements. |
| 4/99 | U-23358 (Supplemental Surrebuttal) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues. |
| 4/99 | 99-03-04 | CT | Connecticut Industrial Energy Consumers | United Illuminating Co. | Regulatory assets and liabilities, stranded costs, recovery mechanisms. |
| 4/99 | 99-02-05 | CT | Connecticut Industrial Utility Customers | Connecticut Light and Power Co. | Regulatory assets and liabilities, stranded costs, recovery mechanisms. |
| 5/99 | 98-426<br>99-082<br>(Additional Direct) | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Co. | Revenue requirements. |
| 5/99 | 98-474<br>99-083<br>(Additional Direct) | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co. | Revenue requirements. |
| 5/99 | 98-426<br>98-474<br>(Response to Amended Applications) | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Co., Kentucky Utilities Co. | Alternative regulation. |
| 6/99 | 97-596 | ME | Maine Office of Public Advocate | Bangor Hydro-Electric Co. | Request for accounting order regarding electric industry restructuring costs. |
| 7/99 | U-23358 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Affiliate transactions, cost allocations. |

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| 7/99 | 99-03-35 | CT | Connecticut Industrial Energy Consumers | United Illuminating Co. | Stranded costs, regulatory assets, tax effects of asset divestiture. |
| 7/99 | U-23327 | LA | Louisiana Public Service Commission Staff | Southwestern Electric Power Co., Central and South West Corp, American Electric Power Co. | Merger Settlement and Stipulation. |
| 7/99 | 97-596 Surrebuttal | ME | Maine Office of Public Advocate | Bangor Hydro-Electric Co. | Restructuring, unbundling, stranded cost, T&D revenue requirements. |
| 7/99 | 98-0452-E-GI | WV | West Virginia Energy Users Group | Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power | Regulatory assets and liabilities. |
| 8/99 | 98-577 Surrebuttal | ME | Maine Office of Public Advocate | Maine Public Service Co. | Restructuring, unbundling, stranded costs, T&D revenue requirements. |
| 8/99 | 98-426 99-082 Rebuttal | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Co. | Revenue requirements. |
| 8/99 | 98-474 98-083 Rebuttal | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co. | Revenue requirements. |
| 8/99 | 98-0452-E-GI Rebuttal | WV | West Virginia Energy Users Group | Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power | Regulatory assets and liabilities. |
| 10/99 | U-24182 Direct | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues. |
| 11/99 | PUC Docket 21527 | TX PUCT | The Dallas-Fort Worth Hospital Council and Coalition of Independent Colleges and Universities | TXU Electric | Restructuring, stranded costs, taxes, securitization. |
| 11/99 | U-23358 Surrebuttal Affiliate Transactions Review | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Service company affiliate transaction costs. |
| 01/00 | U-24182 Surrebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues. |
| 04/00 | 99-1212-EL-ETP 99-1213-EL-ATA 99-1214-EL-AAM | OH | Greater Cleveland Growth Association | First Energy (Cleveland Electric Illuminating, Toledo Edison) | Historical review, stranded costs, regulatory assets, liabilities. |

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| 05/00 | 2000-107 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Co. | ECR surcharge roll-in to base rates. |
| 05/00 | U-24182 Supplemental Direct | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Affiliate expense proforma adjustments. |
| 05/00 | A-110550F0147 | PA | Philadelphia Area Industrial Energy Users Group | PECO Energy | Merger between PECO and Unicom. |
| 05/00 | 99-1658-EL-ETP | OH | AK Steel Corp. | Cincinnati Gas & Electric Co. | Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC. |
| 07/00 | PUC Docket 22344 | TX PUCT | The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities | Statewide Generic Proceeding | Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year. |
| 07/00 | U-21453 | LA | Louisiana Public Service Commission | SWEPCO | Stranded costs, regulatory assets and liabilities. |
| 08/00 | U-24064 | LA | Louisiana Public Service Commission Staff | CLECO | Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments. |
| 10/00 | SOAH Docket 473-00-1015 PUC Docket 22350 | TX PUCT | The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities | TXU Electric Co. | Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities. |
| 10/00 | R-00974104 Affidavit | PA | Duquesne Industrial Intervenors | Duquesne Light Co. | Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding. |
| 11/00 | P-00001837 R-00974008 P-00001838 R-00974009 | PA | Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance | Metropolitan Edison Co., Pennsylvania Electric Co. | Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs. |
| 12/00 | U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal | LA | Louisiana Public Service Commission Staff | SWEPCO | Stranded costs, regulatory assets. |
| 01/01 | U-24993 Direct | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues. |
| 01/01 | U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing. |
| 01/01 | Case No. 2000-386 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas & Electric Co. | Recovery of environmental costs, surcharge mechanism. |

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| 01/01 | Case No. 2000-439 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co. | Recovery of environmental costs, surcharge mechanism. |
| 02/01 | A-110300F0095 A-110400F0040 | PA | Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance | GPU, Inc. FirstEnergy Corp. | Merger, savings, reliability. |
| 03/01 | P-00001860 P-00001861 | PA | Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance | Metropolitan Edison Co., Pennsylvania Electric Co. | Recovery of costs due to provider of last resort obligation. |
| 04/01 | U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Business separation plan: settlement agreement on overall plan structure. |
| 04/01 | U-21453, U-20925, U-22092 (Subdocket B) Contested Issues | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Business separation plan: agreements, hold harmless conditions, separations methodology. |
| 05/01 | U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Business separation plan: agreements, hold harmless conditions, separations methodology. |
| 07/01 | U-21453, U-20925, U-22092 (Subdocket B) Transmission and Distribution Term Sheet | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology. |
| 10/01 | 14000-U | GA | Georgia Public Service Commission Adversary Staff | Georgia Power Company | Revenue requirements, Rate Plan, fuel clause recovery. |
| 11/01 | 14311-U Direct Panel with Bolin Killings | GA | Georgia Public Service Commission Adversary Staff | Atlanta Gas Light Co | Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital. |
| 11/01 | U-25687 Direct | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate. |
| 02/02 | PUC Docket 25230 | TX PUCT | The Dallas-Fort Worth Hospital Council and the Coalition of Independent Colleges and Universities | TXU Electric | Stipulation. Regulatory assets, securitization financing. |

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| 02/02 | U-25687 Surrebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate. |
| 03/02 | 14311-U Rebuttal Panel with Bolin Killings | GA | Georgia Public Service Commission Adversary Staff | Atlanta Gas Light Co. | Revenue requirements, earnings sharing plan, service quality standards. |
| 03/02 | 14311-U Rebuttal Panel with Michelle L. Thebert | GA | Georgia Public Service Commission Adversary Staff | Atlanta Gas Light Co. | Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital. |
| 03/02 | 001148-EI | FL | South Florida Hospital and Healthcare Assoc. | Florida Power & Light Co. | Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense. |
| 04/02 | U-25687 (Suppl. Surrebuttal) | LA | Louisiana Public Service Commission | Entergy Gulf States, Inc. | Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate. |
| 04/02 | U-21453, U-20925 U-22092 (Subdocket C) | LA | Louisiana Public Service Commission | SWEPCO | Business separation plan, T&D Term Sheet, separations methodologies, hold harmless conditions. |
| 08/02 | EL01-88-000 | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | System Agreement, production cost equalization, tariffs. |
| 08/02 | U-25888 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. and Entergy Louisiana, Inc. | System Agreement, production cost disparities, prudence. |
| 09/02 | 2002-00224 2002-00225 | KY | Kentucky Industrial Utilities Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric Co. | Line losses and fuel clause recovery associated with off-system sales. |
| 11/02 | 2002-00146 2002-00147 | KY | Kentucky Industrial Utilities Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric Co. | Environmental compliance costs and surcharge recovery. |
| 01/03 | 2002-00169 | KY | Kentucky Industrial Utilities Customers, Inc. | Kentucky Power Co. | Environmental compliance costs and surcharge recovery. |
| 04/03 | 2002-00429 2002-00430 | KY | Kentucky Industrial Utilities Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric Co. | Extension of merger surcredit, flaws in Companies' studies. |
| 04/03 | U-26527 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments. |
| 06/03 | EL01-88-000 Rebuttal | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | System Agreement, production cost equalization, tariffs. |

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| 06/03 | 2003-00068 | KY | Kentucky Industrial Utility Customers | Kentucky Utilities Co. | Environmental cost recovery, correction of base rate error. |
| 11/03 | ER03-753-000 | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Unit power purchases and sale cost-based tariff pursuant to System Agreement. |
| 11/03 | ER03-583-000, ER03-583-001, ER03-583-002<br>ER03-681-000, ER03-681-001<br>ER03-682-000, ER03-682-001, ER03-682-002<br>ER03-744-000, ER03-744-001 (Consolidated) | FERC | Louisiana Public Service Commission | Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P, and Entergy Power, Inc. | Unit power purchases and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates. |
| 12/03 | U-26527 Surrebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments. |
| 12/03 | 2003-0334 2003-0335 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric Co. | Earnings Sharing Mechanism. |
| 12/03 | U-27136 | LA | Louisiana Public Service Commission Staff | Entergy Louisiana, Inc. | Purchased power contracts between affiliates, terms and conditions. |
| 03/04 | U-26527 Supplemental Surrebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments. |
| 03/04 | 2003-00433 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas & Electric Co. | Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit. |
| 03/04 | 2003-00434 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co. | Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit. |
| 03/04 | SOAH Docket 473-04-2459 PUC Docket 29206 | TX PUCT | Cities Served by Texas-New Mexico Power Co. | Texas-New Mexico Power Co. | Stranded costs true-up, including valuation issues, ITC, ADIT, excess earnings. |
| 05/04 | 04-169-EL-UNC | OH | Ohio Energy Group, Inc. | Columbus Southern Power Co. & Ohio Power Co. | Rate stabilization plan, deferrals, T&D rate increases, earnings. |
| 06/04 | SOAH Docket 473-04-4555 PUC Docket 29526 | TX PUCT | Houston Council for Health and Education | CenterPoint Energy Houston Electric | Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest. |

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|---|---|---|---|---|---|
| 08/04 | SOAH Docket 473-04-4555 PUC Docket 29526 (Suppl Direct) | TX PUCT | Houston Council for Health and Education | CenterPoint Energy Houston Electric | Interest on stranded cost pursuant to Texas Supreme Court remand. |
| 09/04 | U-23327 Subdocket B | LA | Louisiana Public Service Commission Staff | SWEPCO | Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders. |
| 10/04 | U-23327 Subdocket A | LA | Louisiana Public Service Commission Staff | SWEPCO | Revenue requirements. |
| 12/04 | Case Nos. 2004-00321, 2004-00372 | KY | Gallatin Steel Co. | East Kentucky Power Cooperative, Inc., Big Sandy Recc, et al. | Environmental cost recovery, qualified costs, TIER requirements, cost allocation. |
| 01/05 | 30485 | TX PUCT | Houston Council for Health and Education | CenterPoint Energy Houston Electric, LLC | Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT. |
| 02/05 | 18638-U | GA | Georgia Public Service Commission Adversary Staff | Atlanta Gas Light Co. | Revenue requirements. |
| 02/05 | 18638-U Panel with Tony Wackerly | GA | Georgia Public Service Commission Adversary Staff | Atlanta Gas Light Co. | Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan. |
| 02/05 | 18638-U Panel with Michelle Thebert | GA | Georgia Public Service Commission Adversary Staff | Atlanta Gas Light Co. | Energy conservation, economic development, and tariff issues. |
| 03/05 | Case Nos. 2004-00426, 2004-00421 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric | Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense. |
| 06/05 | 2005-00068 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Co. | Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales. |
| 06/05 | 050045-EI | FL | South Florida Hospital and Heallthcare Assoc. | Florida Power & Light Co. | Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase. |
| 08/05 | 31056 | TX PUCT | Alliance for Valley Healthcare | AEP Texas Central Co. | Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT. |
| 09/05 | 20298-U | GA | Georgia Public Service Commission Adversary Staff | Atmos Energy Corp. | Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements. |

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| 09/05 | 20298-U<br>Panel with<br>Victoria Taylor | GA | Georgia Public Service Commission Adversary Staff | Atmos Energy Corp. | Affiliate transactions, cost allocations, capitalization, cost of debt. |
| 10/05 | 04-42 | DE | Delaware Public Service Commission Staff | Artesian Water Co. | Allocation of tax net operating losses between regulated and unregulated. |
| 11/05 | 2005-00351<br>2005-00352 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric | Workforce Separation Program cost recovery and shared savings through VDT surcredit. |
| 01/06 | 2005-00341 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Co. | System Sales Clause Rider, Environmental Cost Recovery Rider. Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB. |
| 03/06 | PUC Docket<br>31994 | TX<br>PUCT | Cities | Texas-New Mexico Power Co. | Stranded cost recovery through competition transition or change. |
| 05/06 | 31994<br>Supplemental | TX<br>PUCT | Cities | Texas-New Mexico Power Co. | Retrospective ADFIT, prospective ADFIT. |
| 03/06 | U-21453,<br>U-20925,<br>U-22092<br>(Subdocket B) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Jurisdictional separation plan. |
| 03/06 | NOPR Reg<br>104385-OR | IRS | Alliance for Valley Health Care and Houston Council for Health Education | AEP Texas Central Company and CenterPoint Energy Houston Electric | Proposed Regulations affecting flow- through to ratepayers of excess deferred income taxes and investment tax credits on generation plant that is sold or deregulated. |
| 04/06 | U-25116 | LA | Louisiana Public Service Commission Staff | Entergy Louisiana, Inc. | 2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions. |
| 07/06 | R-00061366,<br>Et. al. | PA | Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance | Metropolitan Edison Co., Pennsylvania Electric Co. | Recovery of NUG-related stranded costs, government mandated program costs, storm damage costs. |
| 07/06 | U-23327 | LA | Louisiana Public Service Commission Staff | Southwestern Electric Power Co. | Revenue requirements, formula rate plan, banking proposal. |
| 08/06 | U-21453,<br>U-20925,<br>U-22092<br>(Subdocket J) | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc. | Jurisdictional separation plan. |
| 11/06 | 05CVH03-3375<br>Franklin County<br>Court Affidavit | OH | Various Taxing Authorities (Non-Utility Proceeding) | State of Ohio Department of Revenue | Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant. |
| 12/06 | U-23327<br>Subdocket A<br>Reply Testimony | LA | Louisiana Public Service Commission Staff | Southwestern Electric Power Co. | Revenue requirements, formula rate plan, banking proposal. |

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| 03/07 | U-29764 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc., Entergy Louisiana, LLC | Jurisdictional allocation of Entergy System Agreement equalization remedy receipts. |
| 03/07 | PUC Docket 33309 | TX PUCT | Cities | AEP Texas Central Co. | Revenue requirements, including functionalization of transmission and distribution costs. |
| 03/07 | PUC Docket 33310 | TX PUCT | Cities | AEP Texas North Co. | Revenue requirements, including functionalization of transmission and distribution costs. |
| 03/07 | 2006-00472 | KY | Kentucky Industrial Utility Customers, Inc. | East Kentucky Power Cooperative | Interim rate increase, RUS loan covenants, credit facility requirements, financial condition. |
| 03/07 | U-29157 | LA | Louisiana Public Service Commission Staff | Cleco Power, LLC | Permanent (Phase II) storm damage cost recovery. |
| 04/07 | U-29764 Supplemental and Rebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States, Inc., Entergy Louisiana, LLC | Jurisdictional allocation of Entergy System Agreement equalization remedy receipts. |
| 04/07 | ER07-682-000 Affidavit | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts. |
| 04/07 | ER07-684-000 Affidavit | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Fuel hedging costs and compliance with FERC USOA. |
| 05/07 | ER07-682-000 Supplemental Affidavit | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts. |
| 06/07 | U-29764 | LA | Louisiana Public Service Commission Staff | Entergy Louisiana, LLC, Entergy Gulf States, Inc. | Show cause for violating LPSC Order on fuel hedging costs. |
| 07/07 | 2006-00472 | KY | Kentucky Industrial Utility Customers, Inc. | East Kentucky Power Cooperative | Revenue requirements, post-test year adjustments, TIER, surcharge revenues and costs, financial need. |
| 07/07 | ER07-956-000 Affidavit | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts. |
| 10/07 | 05-UR-103 Direct | WI | Wisconsin Industrial Energy Group | Wisconsin Electric Power Company, Wisconsin Gas, LLC | Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds. |
| 10/07 | 05-UR-103 Surrebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Electric Power Company, Wisconsin Gas, LLC | Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds. |

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| 10/07 | 25060-U<br>Direct | GA | Georgia Public Service Commission Public Interest Adversary Staff | Georgia Power Company | Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction. |
| 11/07 | 06-0033-E-CN<br>Direct | WV | West Virginia Energy Users Group | Appalachian Power Company | IGCC surcharge during construction period and post-in-service date. |
| 11/07 | ER07-682-000<br>Direct | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Functionalization and allocation of intangible and general plant and A&G expenses. |
| 01/08 | ER07-682-000<br>Cross-Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Functionalization and allocation of intangible and general plant and A&G expenses. |
| 01/08 | 07-551-EL-AIR<br>Direct | OH | Ohio Energy Group, Inc. | Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company | Revenue requirements. |
| 02/08 | ER07-956-000<br>Direct | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning. |
| 03/08 | ER07-956-000<br>Cross-Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and the Entergy Operating Companies | Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning. |
| 04/08 | 2007-00562,<br>2007-00563 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co., Louisville Gas and Electric Co. | Merger surcredit. |
| 04/08 | 26837<br>Direct<br>Bond, Johnson, Thebert, Kollen Panel | GA | Georgia Public Service Commission Staff | SCANA Energy Marketing, Inc. | Rule Nisi complaint. |
| 05/08 | 26837<br>Rebuttal<br>Bond, Johnson, Thebert, Kollen Panel | GA | Georgia Public Service Commission Staff | SCANA Energy Marketing, Inc. | Rule Nisi complaint. |
| 05/08 | 26837<br>Suppl Rebuttal<br>Bond, Johnson, Thebert, Kollen Panel | GA | Georgia Public Service Commission Staff | SCANA Energy Marketing, Inc. | Rule Nisi complaint. |

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| 06/08 | 2008-00115 | KY | Kentucky Industrial Utility Customers, Inc. | East Kentucky Power Cooperative, Inc. | Environmental surcharge recoveries, including costs recovered in existing rates, TIER. |
| 07/08 | 27163 Direct | GA | Georgia Public Service Commission Public Interest Advocacy Staff | Atmos Energy Corp. | Revenue requirements, including projected test year rate base and expenses. |
| 07/08 | 27163 Taylor, Kollen Panel | GA | Georgia Public Service Commission Public Interest Advocacy Staff | Atmos Energy Corp. | Affiliate transactions and division cost allocations, capital structure, cost of debt. |
| 08/08 | 6680-CE-170 Direct | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Power and Light Company | Nelson Dewey 3 or Colombia 3 fixed financial parameters. |
| 08/08 | 6680-UR-116 Direct | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Power and Light Company | CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling. |
| 08/08 | 6680-UR-116 Rebuttal | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Power and Light Company | Capital structure. |
| 08/08 | 6690-UR-119 Direct | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Public Service Corp. | Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure. |
| 09/08 | 6690-UR-119 Surrebuttal | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Public Service Corp. | Prudence of Weston 3 outage, Section 199 deduction. |
| 09/08 | 08-935-EL-SSO, 08-918-EL-SSO | OH | Ohio Energy Group, Inc. | First Energy | Standard service offer rates pursuant to electric security plan, significantly excessive earnings test. |
| 10/08 | 08-917-EL-SSO | OH | Ohio Energy Group, Inc. | AEP | Standard service offer rates pursuant to electric security plan, significantly excessive earnings test. |
| 10/08 | 2007-00564, 2007-00565, 2008-00251 2008-00252 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Co., Kentucky Utilities Company | Revenue forecast, affiliate costs, ELG v ASL depreciation procedures, depreciation expenses, federal and state income tax expense, capitalization, cost of debt. |
| 11/08 | EL08-51 | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Spindletop gas storage facilities, regulatory asset and bandwidth remedy. |
| 11/08 | 35717 | TX PUCT | Cities Served by Oncor Delivery Company | Oncor Delivery Company | Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment. |
| 12/08 | 27800 | GA | Georgia Public Service Commission | Georgia Power Company | AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive. |
| 01/09 | ER08-1056 | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure. |

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| 01/09 | ER08-1056 Supplemental Direct | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Blytheville leased turbines; accumulated depreciation. |
| 02/09 | EL08-51 Rebuttal | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Spindletop gas storage facilities regulatory asset and bandwidth remedy. |
| 02/09 | 2008-00409 Direct | KY | Kentucky Industrial Utility Customers, Inc. | East Kentucky Power Cooperative, Inc. | Revenue requirements. |
| 03/09 | ER08-1056 Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure. |
| 03/09<br><br><br><br>04/09 | U-21453, U-20925 U-22092 (Sub J) Direct<br>Rebuttal | LA | Louisiana Public Service Commission Staff | Entergy Gulf States Louisiana, LLC | Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset. |
| 04/09 | 2009-00040 Direct-Interim (Oral) | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corp. | Emergency interim rate increase; cash requirements. |
| 04/09 | PUC Docket 36530 | TX PUCT | State Office of Administrative Hearings | Oncor Electric Delivery Company, LLC | Rate case expenses. |
| 05/09 | ER08-1056 Rebuttal | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure. |
| 06/09 | 2009-00040 Direct-Permanent | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corp. | Revenue requirements, TIER, cash flow. |
| 07/09 | 080677-EI | FL | South Florida Hospital and Healthcare Association | Florida Power & Light Company | Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure. |
| 08/09 | U-21453, U-20925, U-22092 (Subdocket J) Supplemental Rebuttal | LA | Louisiana Public Service Commission | Entergy Gulf States Louisiana, LLC | Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset. |
| 08/09 | 8516 and 29950 | GA | Georgia Public Service Commission Staff | Atlanta Gas Light Company | Modification of PRP surcharge to include infrastructure costs. |
| 09/09 | 05-UR-104 Direct and Surrebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Electric Power Company | Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt. |

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| 09/09 | 09AL-299E Answer | CO | CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company | Public Service Company of Colorado | Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation. |
| 09/09 | 6680-UR-117 Direct and Surrebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Power and Light Company | Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return. |
| 10/09 | 09A-415E Answer | CO | Cripple Creek & Victor Gold Mining Company, et al. | Black Hills/CO Electric Utility Company | Cost prudence, cost sharing mechanism. |
| 10/09 | EL09-50 Direct | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations. |
| 10/09 | 2009-00329 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Company, Kentucky Utilities Company | Trimble County 2 depreciation rates. |
| 12/09 | PUE-2009-00030 | VA | Old Dominion Committee for Fair Utility Rates | Appalachian Power Company | Return on equity incentive. |
| 12/09 | ER09-1224 Direct | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT. |
| 01/10 | ER09-1224 Cross-Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT. |
| 01/10 | EL09-50 Rebuttal<br>Supplemental Rebuttal | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations. |
| 02/10 | ER09-1224 Final | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT. |
| 02/10 | 30442 Wackerly-Kollen Panel | GA | Georgia Public Service Commission Staff | Atmos Energy Corporation | Revenue requirement issues. |
| 02/10 | 30442 McBride-Kollen Panel | GA | Georgia Public Service Commission Staff | Atmos Energy Corporation | Affiliate/division transactions, cost allocation, capital structure. |
| 02/10 | 2009-00353 | KY | Kentucky Industrial Utility Customers, Inc.,<br>Attorney General | Louisville Gas and Electric Company, Kentucky Utilities Company | Ratemaking recovery of wind power purchased power agreements. |
| 03/10 | 2009-00545 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Ratemaking recovery of wind power purchased power agreement. |

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| 03/10 | E015/GR-09-1151 | MN | Large Power Interveners | Minnesota Power | Revenue requirement issues, cost overruns on environmental retrofit project. |
| 04/10 | 2009-00459 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Revenue requirement issues. |
| 04/10 | 2009-00548, 2009-00549 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company, Louisville Gas and Electric Company | Revenue requirement issues. |
| 08/10 | 31647 | GA | Georgia Public Service Commission Staff | Atlanta Gas Light Company | Revenue requirement and synergy savings issues. |
| 08/10 | 31647 Wackerly-Kollen Panel | GA | Georgia Public Service Commission Staff | Atlanta Gas Light Company | Affiliate transaction and Customer First program issues. |
| 08/10 | 2010-00204 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Company, Kentucky Utilities Company | PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism. |
| 09/10 | 38339 Direct and Cross-Rebuttal | TX PUCT | Gulf Coast Coalition of Cities | CenterPoint Energy Houston Electric | Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation FIN 48; AMS surcharge including roll-in to base rates; rate case expenses. |
| 09/10 | EL10-55 | FERC | Louisiana Public Service Commission | Entergy Services, Inc., Entergy Operating Cos | Depreciation rates and expense input effects on System Agreement tariffs. |
| 09/10 | 2010-00167 | KY | Gallatin Steel | East Kentucky Power Cooperative, Inc. | Revenue requirements. |
| 09/10 | U-23327 Subdocket E Direct | LA | Louisiana Public Service Commission | SWEPCO | Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing. |
| 11/10 | U-23327 Rebuttal | LA | Louisiana Public Service Commission | SWEPCO | Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing. |
| 09/10 | U-31351 | LA | Louisiana Public Service Commission Staff | SWEPCO and Valley Electric Membership Cooperative | Sale of Valley assets to SWEPCO and dissolution of Valley. |
| 10/10 | 10-1261-EL-UNC | OH | Ohio OCC, Ohio Manufacturers Association, Ohio Energy Group, Ohio Hospital Association, Appalachian Peace and Justice Network | Columbus Southern Power Company | Significantly excessive earnings test. |
| 10/10 | 10-0713-E-PC | WV | West Virginia Energy Users Group | Monongahela Power Company, Potomac Edison Power Company | Merger of First Energy and Allegheny Energy. |

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| 10/10 | U-23327<br>Subdocket F<br>Direct | LA | Louisiana Public Service Commission Staff | SWEPCO | AFUDC adjustments in Formula Rate Plan. |
| 11/10 | EL10-55<br>Rebuttal | FERC | Louisiana Public Service Commission | Entergy Services, Inc., Entergy Operating Cos | Depreciation rates and expense input effects on System Agreement tariffs. |
| 12/10 | ER10-1350<br>Direct | FERC | Louisiana Public Service Commission | Entergy Services, Inc. Entergy Operating Cos | Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs. |
| 01/11 | ER10-1350<br>Cross-Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc., Entergy Operating Cos | Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs. |
| 03/11<br><br>04/11 | ER10-2001<br>Direct<br>Cross-Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc., Entergy Arkansas, Inc. | EAI depreciation rates. |
| 04/11 | U-23327<br>Subdocket E | LA | Louisiana Public Service Commission Staff | SWEPCO | Settlement, incl resolution of S02 allowance expense, var O&M expense, sharing of OSS margins. |
| 04/11<br><br>05/11 | 38306<br>Direct<br>Suppl Direct | TX<br>PUCT | Cities Served by Texas-New Mexico Power Company | Texas-New Mexico Power Company | AMS deployment plan, AMS Surcharge, rate case expenses. |
| 05/11 | 11-0274-E-GI | WV | West Virginia Energy Users Group | Appalachian Power Company, Wheeling Power Company | Deferral recovery phase-in, construction surcharge. |
| 05/11 | 2011-00036 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corp. | Revenue requirements. |
| 06/11 | 29849 | GA | Georgia Public Service Commission Staff | Georgia Power Company | Accounting issues related to Vogtle risk-sharing mechanism. |
| 07/11 | ER11-2161<br>Direct and Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and Entergy Texas, Inc. | ETI depreciation rates; accounting issues. |
| 07/11 | PUE-2011-00027 | VA | Virginia Committee for Fair Utility Rates | Virginia Electric and Power Company | Return on equity performance incentive. |
| 07/11 | 11-346-EL-SSO<br>11-348-EL-SSO<br>11-349-EL-AAM<br>11-350-EL-AAM | OH | Ohio Energy Group | AEP-OH | Equity Stabilization Incentive Plan; actual earned returns; ADIT offsets in riders. |
| 08/11 | U-23327<br>Subdocket F<br>Rebuttal | LA | Louisiana Public Service Commission Staff | SWEPCO | Depreciation rates and service lives; AFUDC adjustments. |
| 08/11 | 05-UR-105 | WI | Wisconsin Industrial Energy Group | WE Energies, Inc. | Suspended amortization expenses; revenue requirements. |

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| 08/11 | ER11-2161 Cross-Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. and Entergy Texas, Inc. | ETI depreciation rates; accounting issues. |
| 09/11 | PUC Docket 39504 | TX PUCT | Gulf Coast Coalition of Cities | CenterPoint Energy Houston Electric | Investment tax credit, excess deferred income taxes; normalization. |
| 09/11 | 2011-00161 2011-00162 | KY | Kentucky Industrial Utility Consumers, Inc. | Louisville Gas & Electric Company, Kentucky Utilities Company | Environmental requirements and financing. |
| 10/11 | 11-4571-EL-UNC 11-4572-EL-UNC | OH | Ohio Energy Group | Columbus Southern Power Company, Ohio Power Company | Significantly excessive earnings. |
| 10/11 | 4220-UR-117 Direct | WI | Wisconsin Industrial Energy Group | Northern States Power-Wisconsin | Nuclear O&M, depreciation. |
| 11/11 | 4220-UR-117 Surrebuttal | WI | Wisconsin Industrial Energy Group | Northern States Power-Wisconsin | Nuclear O&M, depreciation. |
| 11/11 | PUC Docket 39722 | TX PUCT | Cities Served by AEP Texas Central Company | AEP Texas Central Company | Investment tax credit, excess deferred income taxes; normalization. |
| 02/12 | PUC Docket 40020 | TX PUCT | Cities Served by Oncor | Lone Star Transmission, LLC | Temporary rates. |
| 03/12 | 11AL-947E Answer | CO | Climax Molybdenum Company and CF&I Steel, L.P. d/b/a Evraz Rocky Mountain Steel | Public Service Company of Colorado | Revenue requirements, including historic test year, future test year, CACJA CWIP, contra-AFUDC. |
| 03/12 | 2011-00401 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Big Sandy 2 environmental retrofits and environmental surcharge recovery. |
| 4/12 | 2011-00036 Direct Rehearing Supplemental Rebuttal Rehearing | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corp. | Rate case expenses, depreciation rates and expense. |
| 04/12 | 10-2929-EL-UNC | OH | Ohio Energy Group | AEP Ohio Power | State compensation mechanism, CRES capacity charges, Equity Stabilization Mechanism |
| 05/12 | 11-346-EL-SSO 11-348-EL-SSO | OH | Ohio Energy Group | AEP Ohio Power | State compensation mechanism, Equity Stabilization Mechanism, Retail Stability Rider. |
| 05/12 | 11-4393-EL-RDR | OH | Ohio Energy Group | Duke Energy Ohio, Inc. | Incentives for over-compliance on EE/PDR mandates. |

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| 06/12 | 40020 | TX PUCT | Cities Served by Oncor | Lone Star Transmission, LLC | Revenue requirements, including ADIT, bonus depreciation and NOL, working capital, self insurance, depreciation rates, federal income tax expense. |
| 07/12 | 120015-EI | FL | South Florida Hospital and Healthcare Association | Florida Power & Light Company | Revenue requirements, including vegetation management, nuclear outage expense, cash working capital, CWIP in rate base. |
| 07/12 | 2012-00063 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corp. | Environmental retrofits, including environmental surcharge recovery. |
| 09/12 | 05-UR-106 | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Electric Power Company | Section 1603 grants, new solar facility, payroll expenses, cost of debt. |
| 10/12 | 2012-00221<br>2012-00222 | KY | Kentucky Industrial Utility Customers, Inc. | Louisville Gas and Electric Company, Kentucky Utilities Company | Revenue requirements, including off-system sales, outage maintenance, storm damage, injuries and damages, depreciation rates and expense. |
| 10/12 | 120015-EI<br>Direct | FL | South Florida Hospital and Healthcare Association | Florida Power & Light Company | Settlement issues. |
| 11/12 | 120015-EI<br>Rebuttal | FL | South Florida Hospital and Healthcare Association | Florida Power & Light Company | Settlement issues. |
| 10/12 | 40604 | TX PUCT | Steering Committee of Cities Served by Oncor | Cross Texas Transmission, LLC | Policy and procedural issues, revenue requirements, including AFUDC, ADIT – bonus depreciation & NOL, incentive compensation, staffing, self-insurance, net salvage, depreciation rates and expense, income tax expense. |
| 11/12 | 40627<br>Direct | TX PUCT | City of Austin d/b/a Austin Energy | City of Austin d/b/a Austin Energy | Rate case expenses. |
| 12/12 | 40443 | TX PUCT | Cities Served by SWEPCO | Southwestern Electric Power Company | Revenue requirements, including depreciation rates and service lives, O&M expenses, consolidated tax savings, CWIP in rate base, Turk plant costs. |
| 12/12 | U-29764 | LA | Louisiana Public Service Commission Staff | Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC | Termination of purchased power contracts between EGSL and ETI, Spindletop regulatory asset. |
| 01/13 | ER12-1384<br>Rebuttal | FERC | Louisiana Public Service Commission | Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC | Little Gypsy 3 cancellation costs. |
| 02/13 | 40627<br>Rebuttal | TX PUCT | City of Austin d/b/a Austin Energy | City of Austin d/b/a Austin Energy | Rate case expenses. |
| 03/13 | 12-426-EL-SSO | OH | The Ohio Energy Group | The Dayton Power and Light Company | Capacity charges under state compensation mechanism, Service Stability Rider, Switching Tracker. |

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| 04/13 | 12-2400-EL-UNC | OH | The Ohio Energy Group | Duke Energy Ohio, Inc. | Capacity charges under state compensation mechanism, deferrals, rider to recover deferrals. |
| 04/13 | 2012-00578 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Resource plan, including acquisition of interest in Mitchell plant. |
| 05/13 | 2012-00535 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corporation | Revenue requirements, excess capacity, restructuring. |
| 06/13 | 12-3254-EL-UNC | OH | The Ohio Energy Group, Inc.,<br>Office of the Ohio Consumers' Counsel | Ohio Power Company | Energy auctions under CBP, including reserve prices. |
| 07/13 | 2013-00144 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Biomass renewable energy purchase agreement. |
| 07/13 | 2013-00221 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corporation | Agreements to provide Century Hawesville Smelter market access. |
| 10/13 | 2013-00199 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corporation | Revenue requirements, excess capacity, restructuring. |
| 12/13 | 2013-00413 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corporation | Agreements to provide Century Sebree Smelter market access. |
| 01/14 | ER10-1350 Direct and Answering | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Waterford 3 lease accounting and treatment in annual bandwidth filings. |
| 02/14 | U-32981 | LA | Louisiana Public Service Commission | Entergy Louisiana, LLC | Montauk renewable energy PPA. |
| 04/14 | ER13-432 Direct | FERC | Louisiana Public Service Commission | Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC | Union Pacific Settlement benefits and damages. |
| 05/14 | PUE-2013-00132 | VA | HP Hood LLC | Shenandoah Valley Electric Cooperative | Market based rate; load control tariffs. |
| 07/14 | PUE-2014-00033 | VA | Virginia Committee for Fair Utility Rates | Virginia Electric and Power Company | Fuel and purchased power hedge accounting, change in FAC Definitional Framework. |
| 08/14 | ER13-432 Rebuttal | FERC | Louisiana Public Service Commission | Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC | Union Pacific Settlement benefits and damages. |
| 08/14 | 2014-00134 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corporation | Requirements power sales agreements with Nebraska entities. |
| 09/14 | E-015/CN-12-1163 Direct | MN | Large Power Intervenors | Minnesota Power | Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class cost allocation. |
| 10/14 | 2014-00225 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Allocation of fuel costs to off-system sales. |

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| 10/14 | ER13-1508 | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Entergy service agreements and tariffs for affiliate power purchases and sales; return on equity. |
| 10/14 | 14-0702-E-42T 14-0701-E-D | WV | West Virginia Energy Users Group | First Energy-Monongahela Power, Potomac Edison | Consolidated tax savings; payroll; pension, OPEB, amortization; depreciation; environmental surcharge. |
| 11/14 | E-015/CN-12-1163 Surrebuttal | MN | Large Power Intervenors | Minnesota Power | Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class allocation. |
| 11/14 | 05-376-EL-UNC | OH | Ohio Energy Group | Ohio Power Company | Refund of IGCC CWIP financing cost recoveries. |
| 11/14 | 14AL-0660E | CO | Climax, CF&I Steel | Public Service Company of Colorado | Historic test year v. future test year; AFUDC v. current return; CACJA rider, transmission rider; equivalent availability rider; ADIT; depreciation; royalty income; amortization. |
| 12/14 | EL14-026 | SD | Black Hills Industrial Intervenors | Black Hills Power Company | Revenue requirement issues, including depreciation expense and affiliate charges. |
| 12/14 | 14-1152-E-42T | WV | West Virginia Energy Users Group | AEP-Appalachian Power Company | Income taxes, payroll, pension, OPEB, deferred costs and write offs, depreciation rates, environmental projects surcharge. |
| 01/15 | 9400-YO-100 Direct | WI | Wisconsin Industrial Energy Group | Wisconsin Energy Corporation | WEC acquisition of Integrys Energy Group, Inc. |
| 01/15 | 14F-0336EG 14F-0404EG | CO | Development Recovery Company LLC | Public Service Company of Colorado | Line extension policies and refunds. |
| 02/15 | 9400-YO-100 Rebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Energy Corporation | WEC acquisition of Integrys Energy Group, Inc. |
| 03/15 | 2014-00396 | KY | Kentucky Industrial Utility Customers, Inc. | AEP-Kentucky Power Company | Base, Big Sandy 2 retirement rider, environmental surcharge, and Big Sandy 1 operation rider revenue requirements, depreciation rates, financing, deferrals. |
| 03/15 | 2014-00371 2014-00372 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company and Louisville Gas and Electric Company | Revenue requirements, staffing and payroll, depreciation rates. |
| 04/15 | 2014-00450 | KY | Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky | AEP-Kentucky Power Company | Allocation of fuel costs between native load and off-system sales. |
| 04/15 | 2014-00455 | KY | Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky | Big Rivers Electric Corporation | Allocation of fuel costs between native load and off-system sales. |

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| 04/15 | ER2014-0370 | MO | Midwest Energy Consumers' Group | Kansas City Power & Light Company | Affiliate transactions, operation and maintenance expense, management audit. |
| 05/15 | PUE-2015-00022 | VA | Virginia Committee for Fair Utility Rates | Virginia Electric and Power Company | Fuel and purchased power hedge accounting; change in FAC Definitional Framework. |
| 05/15<br><br>09/15 | EL10-65<br>Direct,<br>Rebuttal<br>Complaint | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Accounting for AFUDC Debt, related ADIT. |
| 07/15 | EL10-65<br>Direct and Answering<br>Consolidated Bandwidth Dockets | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Waterford 3 sale/leaseback ADIT, Bandwidth Formula. |
| 09/15 | 14-1693-EL-RDR | OH | Public Utilities Commission of Ohio | Ohio Energy Group | PPA rider for charges or credits for physical hedges against market. |
| 12/15 | 45188 | TX<br>PUCT | Cities Served by Oncor Electric Delivery Company | Oncor Electric Delivery Company | Hunt family acquisition of Oncor; transaction structure; income tax savings from real estate investment trust (REIT) structure; conditions. |
| 12/15<br><br><br>01/16 | 6680-CE-176<br>Direct,<br>Surrebuttal,<br>Supplemental Rebuttal | WI | Wisconsin Industrial Energy Group, Inc. | Wisconsin Power and Light Company | Need for capacity and economics of proposed Riverside Energy Center Expansion project; ratemaking conditions. |
| 03/16<br><br>03/16<br>04/16<br>05/16<br>06/16 | EL01-88<br>Remand<br>Direct<br>Answering<br>Cross-Answering<br>Rebuttal | FERC | Louisiana Public Service Commission | Entergy Services, Inc. | Bandwidth Formula: Capital structure, fuel inventory, Waterford 3 sale/leaseback, Vidalia purchased power, ADIT, Blythesville, Spindletop, River Bend AFUDC, property insurance reserve, nuclear depreciation expense. |
| 03/16 | 15-1673-E-T | WV | West Virginia Energy Users Group | Appalachian Power Company | Terms and conditions of utility service for commercial and industrial customers, including security deposits. |
| 04/16 | 39971<br>Panel Direct | GA | Georgia Public Service Commission Staff | Southern Company, AGL Resources, Georgia Power Company, Atlanta Gas Light Company | Southern Company acquisition of AGL Resources, risks, opportunities, quantification of savings, ratemaking implications, conditions, settlement. |
| 04/16 | 2015-00343 | KY | Office of the Attorney General | Atmos Energy Corporation | Revenue requirements, including NOL ADIT, affiliate transactions. |
| 04/16 | 2016-00070 | KY | Office of the Attorney General | Atmos Energy Corporation | R & D Rider. |

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| 05/16 | 2016-00026<br>2016-00027 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Co., Louisville Gas & Electric Co. | Need for environmental projects, calculation of environmental surcharge rider. |
| 05/16 | 16-G-0058<br>16-G-0059 | NY | New York City | Keyspan Gas East Corp., Brooklyn Union Gas Company | Depreciation, including excess reserves, leak prone pipe. |
| 06/16 | 160088-EI | FL | South Florida Hospital and Healthcare Association | Florida Power and Light Company | Fuel Adjustment Clause Incentive Mechanism re: economy sales and purchases, asset optimization. |
| 07/16 | 160021-EI | FL | South Florida Hospital and Healthcare Association | Florida Power and Light Company | Revenue requirements, including capital recovery, depreciation, ADIT. |
| 07/16 | 16-057-01 | UT | Office of Consumer Services | Dominion Resources, Inc. / Questar Corporation | Merger, risks, harms, benefits, accounting. |
| 08/16 | 15-1022-EL-UNC<br>16-1105-EL-UNC | OH | Ohio Energy Group | AEP Ohio Power Company | SEET earnings, effects of other pending proceedings. |
| 9/16 | 2016-00162 | KY | Office of the Attorney General | Columbia Gas Kentucky | Revenue requirements, O&M expense, depreciation, affiliate transactions. |
| 09/16 | E-22 Sub 519, 532, 533 | NC | Nucor Steel | Dominion North Carolina Power Company | Revenue requirements, deferrals and amortizations. |
| 09/16 | 15-1256-G-390P (Reopened)<br>16-0922-G-390P | WV | West Virginia Energy Users Group | Mountaineer Gas Company | Infrastructure rider, including NOL ADIT and other income tax normalization and calculation issues. |
| 10/16 | 10-2929-EL-UNC<br>11-346-EL-SSO<br>11-348-EL-SSO<br>11-349-EL-SSO<br>11-350-EL-SSO<br>14-1186-EL-RDR | OH | Ohio Energy Group | AEP Ohio Power Company | State compensation mechanism, capacity cost, Retail Stability Rider deferrals, refunds, SEET. |
| 11/16 | 16-0395-EL-SSO Direct | OH | Ohio Energy Group | Dayton Power & Light Company | Credit support and other riders; financial stability of Utility, holding company. |
| 12/16 | Formal Case 1139 | DC | Healthcare Council of the National Capital Area | Potomac Electric Power Company | Post test year adjust, merger costs, NOL ADIT, incentive compensation, rent. |
| 01/17 | 46238 | TX PUCT | Steering Committee of Cities Served by Oncor | Oncor Electric Delivery Company | Next Era acquisition of Oncor; goodwill, transaction costs, transition costs, cost deferrals, ratemaking issues. |
| 02/17 | 16-0395-EL-SSO Direct (Stipulation) | OH | Ohio Energy Group | Dayton Power & Light Company | Non-unanimous stipulation re: credit support and other riders; financial stability of utility, holding company. |
| 02/17 | 45414 | TX PUCT | Cities of Midland, McAllen, and Colorado City | Sharyland Utilities, LP, Sharyland Distribution & Transmission Services, LLC | Income taxes, depreciation, deferred costs, affiliate expenses. |

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| 03/17 | 2016-00370<br>2016-00371 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company, Louisville Gas and Electric Company | AMS, capital expenditures, maintenance expense, amortization expense, depreciation rates and expense. |
| 06/17 | 29849<br>(Panel with Philip Hayet) | GA | Georgia Public Service Commission Staff | Georgia Power Company | Vogtle 3 and 4 economics. |
| 08/17 | 17-0296-E-PC | WV | West Virginia Energy Users Group | Monongahela Power Company, The Potomac Edison Power Company | ADIT, OPEB. |
| 10/17 | 2017-00179 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Weather normalization, Rockport lease, O&M, incentive compensation, depreciation, income taxes. |
| 10/17 | 2017-00287 | KY | Kentucky Industrial Utility Customers, Inc. | Big Rivers Electric Corporation | Fuel cost allocation to native load customers. |
| 12/17 | 2017-00321 | KY | Attorney General | Duke Energy Kentucky (Electric) | Revenues, depreciation, income taxes, O&M, regulatory assets, environmental surcharge rider, FERC transmission cost reconciliation rider. |
| 12/17 | 29849<br>(Panel with Philip Hayet, Tom Newsome) | GA | Georgia Public Service Commission Staff | Georgia Power Company | Vogtle 3 and 4 economics, tax abandonment loss. |
| 01/18 | 2017-00349 | KY | Kentucky Attorney General | Atmos Energy Kentucky | O&M expense, depreciation, regulatory assets and amortization, Annual Review Mechanism, Pipeline Replacement Program and Rider, affiliate expenses. |
| 06/18 | 18-0047 | OH | Ohio Energy Group | Ohio Electric Utilities | Tax Cuts and Jobs Act. Reduction in income tax expense; amortization of excess ADIT. |
| 07/18 | T-34695 | LA | LPSC Staff | Crimson Gulf, LLC | Revenues, depreciation, income taxes, O&M, ADIT. |
| 08/18 | 48325 | TX<br>PUCT | Cities Served by Oncor | Oncor Electric Delivery Company | Tax Cuts and Jobs Act; amortization of excess ADIT. |
| 08/18 | 48401 | TX<br>PUCT | Cities Served by TNMP | Texas-New Mexico Power Company | Revenues, payroll, income taxes, amortization of excess ADIT, capital structure. |
| 08/18 | 2018-00146 | KY | KIUC | Big Rivers Electric Corporation | Station Two contracts termination, regulatory asset, regulatory liability for savings |
| 09/18<br><br>10/18 | 20170235-EI<br>20170236-EU<br>Direct<br>Supplemental Direct | FL | Office of Public Counsel | Florida Power & Light Company | FP&L acquisition of City of Vero Beach municipal electric utility systems. |

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| 09/18<br><br>10/18 | 2017-370-E<br>Direct<br>2017-207, 305, 370-E<br>Surrebuttal<br>Supplemental Surrebuttal | SC | Office of Regulatory Staff | South Carolina Electric & Gas Company and Dominion Energy, Inc. | Recovery of Summer 2 and 3 new nuclear development costs, related regulatory liabilities, securitization, NOL carryforward and ADIT, TCJA savings, merger conditions and savings. |
| 12/18 | 2018-00261 | KY | Attorney General | Duke Energy Kentucky (Gas) | Revenues, O&M, regulatory assets, payroll, integrity management, incentive compensation, cash working capital. |
| 01/19 | 2018-00294<br>2018-00295 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company, Louisville Gas & Electric Company | AFUDC v. CWIP in rate base, transmission and distribution plant additions, capitalization, revenues generation outage expense, depreciation rates and expenses, cost of debt. |
| 01/19 | 2018-00281 | KY | Attorney General | Atmos Energy Corp. | AFUDC v. CWIP in rate base, ALG v. ELG depreciation rates, cash working capital, PRP Rider, forecast plant additions, forecast expenses, cost of debt, corporate cost allocation. |
| 02/19<br><br>04/19 | UD-18-07<br>Direct<br>Surrebuttal and Cross-Answering | New Orleans | Crescent City Power Users Group | Entergy New Orleans, LLC | Post-test year adjustments, storm reserve fund, NOL ADIT, FIN48 ADIT, cash working capital, depreciation, amortization, capital structure, formula rate plans, purchased power rider. |
| 03/19 | 2018-00358 | KY | Attorney General | Kentucky American Water Company | Capital expenditures, cash working capital, payroll expense, incentive compensation, chemicals expense, electricity expense, water losses, rate case expense, excess deferred income taxes. |
| 03/19 | 48929 | TX PUCT | Steering Committee of Cities Served by Oncor | Oncor Electric Delivery Company LLC, Sempra Energy, Sharyland Distribution & Transmission Services, L.L.C.., Sharyland Utilities, L.P. | Sale, transfer, merger transactions, hold harmless and other regulatory conditions. |
| 06/19 | 49421 | TX PUCT | Gulf Coast Coalition of Cities | CenterPoint Energy Houston Electric | Prepaid pension asset, accrued OPEB liability, regulatory assets and liabilities, merger savings, storm damage expense, excess deferred income taxes. |
| 07/19 | 49494 | TX PUCT | Cities Served by AEP Texas | AEP Texas, Inc. | Plant in service, prepaid pension asset, O&M, ROW costs, incentive compensation, self-insurance expense, excess deferred income taxes. |
| 08/19 | 19-G-0309<br>19-G-0310 | NY | New York City | National Grid | Depreciation rates, net negative salvage. |

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| 10/19 | 42315 | GA | Atlanta Gas Light Company | Public Interest Advocacy Staff | Capital expenditures, O&M expense, prepaid pension asset, incentive compensation, merger savings, affiliate expenses, excess deferred income taxes. |
| 10/19 | 45253 | IN | Duke Energy Indiana | Office of Utility Consumer Counselor | Prepaid pension asset, inventories, regulatory assets and labilities, unbilled revenues, incentive compensation, income tax expense, affiliate charges, ADIT, riders. |
| 12/19 | 2019-00271 | KY | Attorney General | Duke Energy Kentucky | ADIT, EDIT, CWC, payroll expense, incentive compensation expense, depreciation rates, pilot programs |
| 05/20 | 202000067-EI | FL | Office of Public Counsel | Tampa Electric Company | Storm Protection Plan. |
| 06/20 | 20190038-EI | FL | Office of Public Counsel | Gulf Power Company | Hurricane Michael costs. |
| 07/20<br><br>09/20 | PUR-2020-00015<br>Direct<br>Surrebuttal | VA | Old Dominion Committee for Fair Utility Rates | Appalachian Power Company | Coal Amortization Rider, storm damage, prepaid pension and OPEB assets, return on joint-use assets. |
| 07/20<br><br>09/20 | 2019-226-E<br>Direct<br>Surrebbutal | SC | Office of Regulatory Staff | Dominion Energy South Carolina | Integrated Resource Plan. |
| 10/20 | 2020-00160 | KY | Attorney General | Water Service Corporation of Kentucky | Return on rate base v. operating ratio. |
| 10/20 | 2020-00174 | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Rate base v. capitalization, Rockport UPA, prepaid pension and OPEB, cash working capital, incentive compensation, Rockport 2 depreciation expense, EDIT, AMI, grid modernization rider. |
| 11/20<br><br>12/20 | 2020-125-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Dominion Energy South Carolina | Summer 2 and 3 cancelled plant and transmission cost recovery; TCJA; regulatory assets. |
| 12/20 | 2020172-EI | FL | Office of Public Counsel | Florida Power & Light Company | Hurricane Dorian costs. |
| 12/20 | 29849<br>(Panel with Philip Hayet, Tom Newsome) | GA | Georgia Public Service Commission Staff | Georgia Power Company | VCM23, Vogtle 3 and 4 rate impact analyses. |
| 02/21<br><br><br>04/21 | 2019-224-E<br>2019-225-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Carolinas, LLC, Duke Energy Progress, LLC | Integrated Resource Plans. |
| 03/21 | 51611 | TX<br>PUCT | Steering Committee of Cities Served by Oncor | Sharyland Utilities, L.L.C. | ADIT, capital structure, return on equity. |

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| 03/21 | 2020-00349<br>2020-00350 | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company and Louisville Gas and Electric Company | Rate base v. capitalization, retired plant costs, depreciation, securitization, staffing + payroll, pension + OPEB, AMI, off-system sales margins. |
| 04/21<br>Direct<br><br><br>07/21 | 18-857-EL-UNC<br>19-1338-EL-UNC<br>20-1034-EL-UNC<br>20-1476-EL-UNC<br>Supplemental Direct | OH | The Ohio Energy Group | First Energy Ohio Companies | Significantly Excessive Earnings Test; legacy nuclear plant costs. |
| 05/21<br><br>06/21 | 2021-00004<br>Direct<br>Supplemental Direct | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | CPCN for CCR/ELG Projects at Mitchell Plant. |
| 06/21 | 29849<br>(Panel with Philip Hayet, Tom Newsome) | GA | Georgia Public Service Commission Staff | Georgia Power Company | VCM24, Vogtle 3 and 4 rate impact analyses. |
| 06/21 | 2021-00103 | KY | Attorney General and Nucor Steel Gallatin | East Kentucky Power Cooperative, Inc. | Revenues, depreciation, interest, TIER, O&M, regulatory asset. |
| 07/21<br><br>08/21<br>10/21 | U-35441<br>Direct<br>Cross-Answering<br>Surrebuttal | LA | Louisiana Public Service Commission Staff | Southwestern Electric Power Company | Revenues, O&M expense, depreciation, retirement rider. |
| 09/21 | 05-21-00007061 | TX<br>RRCT | Texas Cities Alliance | CenterPoint, CoServe, Corix, EPCOR, SiEnergy, TGS, UniGas | Securitization; regulatory asset; rates. |
| 09/21 | 2021-00190 | KY | Attorney General | Duke Energy Kentucky | Revenues, O&M expense, depreciation, capital structure, cost of long-term debt, government mandate rider. |
| 09/21 | 43838 | GA | Public Interest Advocacy Staff | Georgia Power Company | Vogtle 3 base rates, NCCR rates; deferrals. |
| 09/21 | 2021-00214 | KY | Attorney General | Atmos Energy Corp. | NOL ADIT, working capital, affiliate expenses, amortization EDIT, capital structure, cost of debt, accelerated replacement Aldyl-A pipe, PRP Rider, Tax Act Adjustment Rider. |
| 12/21 | 29849<br>(Panel with Philip Hayet, Tom Newsome) | GA | Georgia Public Service Commission Staff | Georgia Power Company | VCM25, Vogtle 3 and 4 rate impact analyses. |
| 01/22 | 2021-00358 | KY | Attorney General | Jackson Purchase Energy Corporation | Revenues, nonrecurring expenses, normalized expenses, interest expense, TIER. |

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| 01/22 | 2021-00421 | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Proposed Mitchell Plant Operations and Maintenance and Ownership Agreements; sale of Mitchell Plant interest. |
| 02/22 | 2021-00481 | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Proposed Liberty Utilities, Inc. acquisition of Kentucky Power Company; harm to customers; conditions to mitigate harm. |
| 03/22 | 2021-00407 | KY | Attorney General | South Kentucky Rural Electric Cooperative Corporation | Revenues, interest income, interest expense, TIER, payroll. |
| 03/22<br><br>04/22 | U-36190<br>Direct<br>Cross-Answering | LA | Louisiana Public Service Commission Staff | Entergy Louisiana, LLC | Certification of solar resources. |
| 05/22 | 20200241-EI<br>20210078-EI<br>20210079-EI | FL | Office of Public Counsel | Florida Power & Light Company, Gulf Power Company | Hurricanes Sally, Zeta, Isaias; Tropical Storm Eta, pre-planning, restoration and repair, costs, ratemaking recovery. |
| 05/22 | U-36268 | LA | Louisiana Public Service Commission Staff | 1803 Electric Cooperative, Inc. | Wholesale power contracts, wholesale rate tariffs, wholesale rates. |
| 06/22 | 20220048-EI<br>20220049-EI<br>20220050-EI<br>20220051-EI | FL | Office of Public Counsel | Tampa Electric Company, Florida Public Utilities Company, Duke Energy Florida, LLC, Florida Power & Light Company | Storm Protection Plans. prudence, reasonableness, cost recovery, including deferred return on CWIP. |
| 06/22 | 29849<br>(Panel with Philip Hayet, Tom Newsome) | GA | Georgia Public Service Commission Staff | Georgia Power Company | VCM26, Vogtle 3 and 4 rate impact analyses. |
| 07/22 | S-36267 | LA | Louisiana Public Service Commission Staff | 1803 Electric Cooperative, Inc. | Non-opposition to establish revolving LOC and supporting guarantees by member cooperatives. |
| 08/22 | 53601 | TX<br>PUCT | Steering Committee of Cities Served by Oncor | Oncor Electric Delivery Company, LLC | Vendor financing, customer advances, cash working capital, ADFIT and temporary differences, depreciation expense, amortization expense. |
| 09/22 | 20220010-EI | FL | Office of Public Counsel | Tampa Electric Company, Florida Public Utilities Company, Duke Energy Florida, LLC, Florida Power & Light Company | Storm Protection Plan, Cost Recovery Clause, prudence, reasonableness, deferred return on CWIP. |
| 10/22 | 5-UR-110 | WI | Wisconsin Industrial Energy Group | Wisconsin Electric Power Company | Levelized recovery of retired plan costs, securitization financing. |
| 10/22 | 2022-00283 | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Rockport deferrals and recoveries. |

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| 12/22 | 2022-00263 | KY | Attorney General and Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Fuel adjustment clause methodology and disallowances. |
| 01/23 | 29849 (Panel with Philip Hayet, Tom Newsome) | GA | Georgia Public Service Commission Staff | Georgia Power Company | VCM27, Vogtle 3 and 4 rate impact analyses. |
| 1/23<br><br>02/23 | 2022-256-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Progress, LLC | Storm response process, costs, deferrals, deferred carrying costs. |
| 03/23 | 2022-00372 | KY | Attorney General | Duke Energy Kentucky, Inc. | Cash working capital, depreciation, decommissioning, regulatory asset amortization, retired generation asset recovery, modifications to existing tariffs, proposed new tariffs. |
| 06/23 | 20230023-GU | FL | Office of Public Counsel | Peoples Gas System, Inc. | Restructuring, staffing, O&M expenses, storm expense, depreciation expense, amortization of theoretical depreciation surplus. |
| 07/23 | 2022-00402 | KY | Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company and Louisville Gas and Electric Company | CPCNs for combined cycle and owned solar resources, acquisition of PPA solar resources, retirement of coal resources. |
| 07/23<br><br>08/23 | 2023-89-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Progress, LLC | Securitization financing, quantifiable net benefits, regulatory liability for return on ADIT, financing order and tariff language for calculation of storm recovery charges. |
| 08/23 | U-36685 | LA | Louisiana Public Service Commission Staff | Entergy Louisiana, LLC | Certification of solar PPAs and related ratemaking. |
| 09/23 | 6680-UR-124<br>Direct<br>Surrebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Power and Light Company | Ratemaking alternatives for recovery of retired plant costs, including securitization financing. |
| 09/23 | 05-UR-110<br>(Reopener)<br>Direct | WI | Wisconsin Industrial Energy Group | Wisconsin Electric Power Company | Ratemaking alternatives for recovery of retired plant costs, including securitization financing. |
| 10/23 | 29849 | GA | Georgia Public Service Commission Staff | Georgia Power Company | Vogtle 3 and 4 prudence. |
| 10/23 | 2023-00159 | KY | Attorney General Kentucky Industrial Utility Customer, Inc. | Kentucky Power Company | NOL, COR, and other ADIT, incentive comp, regulatory assets, transmission and distribution cost riders, CAMT and other IRA, tax costs rider, securitization. |

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| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 12/23<br><br>02/24 | 2021-00370<br>Direct<br>Rebuttal | KY | Attorney General<br>Kentucky Industrial Utility Customer, Inc. | Kentucky Power Company | Investigation into adequacy of service and reasonableness of rates. |
| 02/24 | 2023-00008 | KY | Attorney General,<br>Kentucky Industrial Utility Customesr, Inc. | Kentucky Power Company | Fuel adjustment clause; fuel and purchased power expense; peaking unit equivalent methodology. |
| 03/24 | 05-23-0015513 | TX<br>RRCT | Cities Served by CenterPoint Gas | CenterPoint Energy Resources Corp. | Capital structure, Tax Rider, NOL ADIT, CAMT ADIT, annualize revenues, incentive compensation, vendor financing, customer financing, working capital. |
| 05/24 | 56165 | TX<br>PUCT | Cities Served by AEP Texas | AEP Texas, Inc. | Tax Rider, NOL ADIT, CAMT ADIT, annualize revenues, incentive compensation, vendor financing, customer financing, working capital. |
| 05/24<br><br>06/24 | U-37071<br>Direct<br>Direct in Support of Settlement | LA | Louisiana Public Service Commission Staff | Entergy Louisiana, LLC | RFP for solar resources; certification of Mondu PPA. |
| 06/24 | 2024-34-E | SC | Office of Regulatory Staff | Dominion Energy South Carolina, Inc. | Working capital, cash working capital. |
| 06/24 | 20240026-EI | FL | Office of Public Counsel | Tampa Electric Company | O&M expense, A&G expense, incentive compensation, depreciation rates and expenses, dismantlement expense, tax credits, subsequent year adjustments, tax rider. |
| 06/24 | 56211 | TX<br>PUCT | Gulf Coast Coalition of Cities | Centerpoint Energy Houston Electric, LLC | Tax Rider, CAMT ADIT, vendor financing, customer financing, working capital, prepaid pension, regulatory assets, annualize revenues, Texas margin tax. |
| 08/24<br><br>09/24<br>09/24 | 5-UR-111<br>Direct<br>Rebuttal<br>Surrebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Electric Power Company | Recovery of retired plant costs; securitization. |
| 08/24<br><br>09/24<br>09/24 | 6690-UR-128<br>Direct<br>Rebuttal<br>Surrebuttal | WI | Wisconsin Industrial Energy Group | Wisconsin Public Service Corporation | Recovery of retired plant costs; securitization. |
| 11/24 | 2024-00243 | KY | Attorney General,<br>Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Bright Mountain Solar renewable energy purchase agreement. |
| 12/24 | 2024-00285 | KY | Attorney General | Duke Energy Kentucky, Inc. | Transition from PJM FRR entity to RPM entity; modifications to Rider Profit Sharing Mechanism. |
| 01/25 | 2024-00276 | KY | Attorney General | Atmos Energy Corporation | NOLC DTA, working capital, cash working capital, riders. |

**Expert Testimony Appearances**
**of**
**Lane Kollen**
**As of June 2026**

| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 02/25 | 05-24-00018879 | TX (RRCT) | Cities Served by Atmos West Texas | Atmos Energy Corporation | NOLC DTA, other DTAs, DTLs, working capital, riders. |
| 03/25 | 2024-00354 | KY | Attorney General | Duke Energy Kentucky, Inc. (electric) | CAMT, working capital, CWC, unbilled revenues, depreciation, decommissioning, credit card fees, capacity performance insurance, new programs and riders. |
| 05/25<br><br>06/25 | 2025-65-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Carolinas | Storm recovery costs, securitization, net benefits, regulatory assets and liabilities. |
| 06/25 | 57568 | TX | Freeport-McMoRan, Inc. | El Paso Electric Company | Revenue annualization, nuclear decommissioning, depreciation rates, long term debt interest payable. |
| 06/25 | 2025-00045 | KY | Attorney General, Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company, Louisville Gas and Electric Company | CPCN, AFUDC, post in-service deferrals, generation cost recover rider, extremely high factor tariff. |
| 08/25 | 2025-00113<br>2025-00114 | KY | Attorney General, Kentucky Industrial Utility Customers, Inc. | Kentucky Utilities Company, Louisville Gas and Electric Company | Capitalization vs. rate base, CWIP in rate base, storm damage, vegetation management, pension, OPEB, depreciation, sharing OSS margins, extremely high load factor tariff, renewable purchased power agreement, tariff, Mill Creek 2 tariff, Mill Creek 6 tariff. |
| 09/25<br><br>10/25 | 2025-154-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Progress, LLC | Working capital, cash working capital. |
| 09/25 | 2025-00125 | KY | Attorney General | Duke Energy Kentucky, Inc. (gas) | Cash working capital, CAMT, unbilled revenues, credit card fees, accelerated replacement of Aldyl-A. |
| 10/25 | 57932 | TX (PUCT) | Steering Committee of Cities Served by Oncor | Oncor Electric Delivery Company, LLC | Deferral of increases in insurance expense, self-insurance expense. |
| 10/25<br><br>11/25 | 2025-172-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Carolinas, LLC | Working capital, cash working capital. |
| 10/25 | 58306 | TX (PUCT) | Steering Committee of Cities Served by Oncor | Oncor Electric Delivery Company, LLC | Securitization of storm costs, self-insurance, cost-free vendor and customer financing, revenue annualization, deferral of tax rate changes. |
| 10/25 | 2025-00208 | KY | Attorney General, Kentucky Industrial Utility Customers, Inc. | East Kentucky Power Cooperative, Inc. | Annualization and normalization of revenues, terminal net salvage, interim retirements, interim net salvage, life spans, earnings mechanism, deferral mechanism for revenues, RTEP expenses. |

**Expert Testimony Appearances**
**of**
**Lane Kollen**
**As of June 2026**

| Date | Case | Jurisdict. | Party | Utility | Subject |
|---|---|---|---|---|---|
| 10/25 | 2025-00175 | KY | Attorney General, Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Mitchell ELG CPCN, securitization, environmental surcharges, deferral of costs. |
| 10/25<br><br>10/25 | 2025-154<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Duke Energy Progress, LLC | Working capital, cash working capital. |
| 11/25 | 2025-00257 | KY | Attorney General, Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Revenue requirements, cost-free vendor financing, NOLC DTAs, terminal net salvage, interim retirements, interim net salvage, Generation Rider. |
| 02/26 | 2025-230-E | SC | Office of Regulatory Staff | Duke Energy Carolinas, LLC, Duke Energy Progress, LLC | Merger, cost/benefit analyses, legacy utility rate convergence, regulatory assets and liabilities, conditions. |
| 02/26 | 58964 | TX (PUCT) | Cities Served by Texas-New Mexico Power Company | Texas-New Mexico Power Company | Service company plant costs, cost-free customer and vendor financing, revenue annualization, self-insurance, vegetation management, ad valorem tax, hurricane cost recovery rider. |
| 03/26 | 58819 | TX (PUCT) | Cities Advocating Reasonable Deregulation | Southwestern Electric Power Company | NOLC ADIT. |
| 04/26<br><br>05/26 | 2025-325-E<br>Direct<br>Surrebuttal | SC | Office of Regulatory Staff | Dominion Energy South Carolina, Inc. | Cash working capital, lead/lag components, working capital components. |
| 04/26 | 44280 | GA | Public Interest Advocacy Staff | Georgia Power Company | Storm costs audit, accounting, ratemaking recovery. |
| 05/26 | 2026-00001 | KY | Attorney General Kentucky Industrial Utility Customers, Inc. | Kentucky Power Company | Mitchell 2 cooling tower CPCN, deferral of costs, recovery of costs through surcharge, CWIP v. AFUDC. |
| 06/26 | 2026-00077 | KY | Attorney General | Kentucky Utilities Company, Louisville Gas and Electric Company | Merger, conditions. |

## INTERROGATORIES

Interrogatory No. 249

249. **Affiliated Transactions.** To respond to the following Interrogatories 249(a-f), refer to the response to OPC's Second Set of Interrogatories, Interrogatory No. 83, that details the transfer of Goodwill from FCG to Peninsula Pipeline Company (PPC) in March and April of 2025 summing to $20.410 million. Refer also to the reductions in plant assets and associated accumulated depreciation for plant account 367.1 in March and April 2025 as reflected on Schedules B-4 and B-9.

a. Describe all reasons why the transfers of plant assets, and associated Goodwill, from FCG to PPC were made.
b. Provide a summary of the accounting entries made on the books of FCG for the transfers in these two months by FERC account.
c. Confirm that the base revenue requirement requested in this proceeding contains none of the FCG acquisition premium transferred to PPC. If not confirmed, explain why not.
d. Indicate whether the Company made any consideration of the CUC debt costs directly assigned to FCG in this proceeding as a result of the 2025 transfer of a portion of the related assets and Goodwill to PPC. Explain answer.
e. Confirm that none of the FCG acquisition premium transferred to PPC impacts pipeline charges made by PPC to FCG that are recovered through the PGA. If not confirmed, explain why not.
f. To the extent that the revenue requirement related to these plant assets was included in the FPSC's June 2023 rate award to FCG, what adjustment to current retail base rates were made to account for any transfer of plant assets to PPC? If no adjustment was made, explain why not.

**Company Response:**

a. Please see Docket No. 20240141 and Order No. PSC-2025-0057 for the reasoning related to the asset transfers and goodwill from FCG to PPC. The assets were part of the PPC project FTSA approved in that docket which included the transfer of the FCG assets to PPC. The goodwill on the books is associated with the net plant value of the Company's assets and thus any plant transfer has associated goodwill tied to it. By transferring goodwill, it appropriately remains with the correlated asset and sits on the books of the appropriate business unit.

There is no reduction to account 367.1 on B-4 and B-9.

b. Please see file beginning with the title "OPC ROG 249b" for the Goodwill entries.

c. Confirmed.

d. The Company did not adjust the amount of CUC debt directly assigned to FCG as a result of the 2025 transfer of a portion of the related assets and Goodwill to PPC.

   The direct assignment of debt to FCG in this proceeding is based on the financing structure used to support the acquisition of FCG and its regulated operations, rather than subsequent internal transfers of assets between affiliated entities. Accordingly, the 2025 transfer does not affect the basis on which debt costs are assigned for ratemaking purposes.

   As a sensitivity, if the directly assigned debt shown on MFR Schedule G-3, page 3b, were reduced by $20.410 million with a corresponding increase to the remaining debt component on page 3c, the impact on the total weighted average cost of capital shown on Schedule G-3, page 2 would be approximately 0.02 percentage points (from 8.31% to 8.29%), indicating that any such adjustment would not be material.

e. Confirmed.

f. The transferred assets were reflected in the June 2023 rate award to FCG. However, in the approved FTSA, PPC is not currently recovering on those assets as the transferred assets were excluded from the calculation of the rate charged by PPC as specified in Order No. PSC-2025-0057. Following FCG's next rate proceeding, the transferred assets will no longer be reflected in FCG's base rates, and at that time the TSA rate adjusts to recognize recovery on the transferred assets.

***Respondent: Matthew Everngam and Noah Russell***

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

| | |
|---|---|
| In re: Petition for approval of rate increase by Florida City Gas. | Docket No. 20260026-GU<br><br>Filed: June 23, 2026 |

## DECLARATION

I hereby certify and affirm that I sponsored the Company's responses to the OFFICE OF PUBLIC COUNSEL'S EIGHTH SET OF INTERROGATORIES TO FLORIDA CITY GAS, No. 249 in Docket No. 20260026-GU. The responses are true and correct to the best of my knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory responses identified above, and that the facts stated therein are true.

Matthew Everngam

Matthew Everngam, Declarant

Dated: June 23, 2026

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

| | |
|---|---|
| In re: Petition for approval of rate increase by Florida City Gas. | Docket No. 20260026-GU<br><br>Filed: June 23, 2026 |

**DECLARATION**

I hereby certify and affirm that I sponsored the Company's responses to the OFFICE OF PUBLIC COUNSEL'S EIGHTH SET OF INTERROGATORIES TO FLORIDA CITY GAS, Nos. 249-250 in Docket No. 20260026-GU. The responses are true and correct to the best of my knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory responses identified above, and that the facts stated therein are true.

Noah T. Russell

Noah Russell, Declarant

Dated: June 23, 2026

Interrogatory No. 162

162. **Affiliate Costs.** Refer to the Schedule G-1 (page 18) showing the allocation of common plant to FCG and please answer the following:

a. Provide a schedule showing the per books and proforma total CUC ADIT by FERC account and by temporary difference within each FERC account associated with the common plant on the books of CUC, the per books and proforma amounts that were allocated to FCG, and the amounts allocated to FCG that were included as cost-free capital in the calculation of FCG's requested weighted average cost of capital for both the historic year and the test year. Indicate where in the Company's schedules and workpapers each of these amounts is included. Further identify any such workpapers to the extent not requested by or provided in another discovery request or response.

b. If none of the ADIT described in part (a) of this question was included in the calculation of FCG's requested weighted cost of capital in the historic year and the test year, then explain in detail why it was not.

**Company Response:**

a. None of the ADIT described in part (a) of this question was included in the calculation of FCG's requested weighted cost of capital in the historic year and the test year. Consistent with prior rate proceedings and accepted ratemaking principles, inclusion of such amounts without clear attribution could result in inconsistency in the treatment of deferred taxes across periods and proceedings. Accordingly, the Company excluded these ADIT balances from the cost-free capital component of FCG's weighted average cost of capital to maintain consistency with regulatory standards and ensure a transparent and supportable capital structure.

Supplemental
**The effect of the allocated common plant on deferred taxes by year follows:**
**2025 $330,726**
**2026 $311,574**
**2027 $448,472**
**These amounts would increase the Company's deferred taxes that were included in the filing.**

b. See response to OPC ROG 162(a) above.

***Respondent: Noah Russell***

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

| | |
|---|---|
| In re: Petition for approval of rate increase by Florida City Gas. | Docket No. 20260026-GU<br><br>Filed: June 4, 2026 |

**DECLARATION**

I hereby certify and affirm that I sponsored the Company's responses to the OFFICE OF PUBLIC COUNSEL'S FOURTH SET OF INTERROGATORIES TO FLORIDA CITY GAS, No. 162-163 and 165-166 in Docket No. 20260026-GU. The responses are true and correct to the best of my knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory responses identified above, and that the facts stated therein are true.

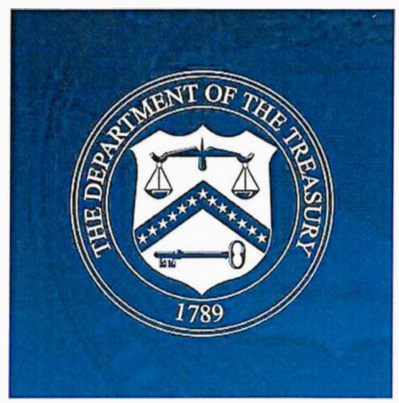
Noah T. Russell

Noah Russell, Declarant

Dated: June 4, 2026

Evan Howard · May 12, 2025 · 7 min read

# Section 338(h)(10) Election: An In-Depth Guide for M&A Tax Planning




A Section 338(h)(10) election is a nuanced and powerful provision within the Internal Revenue Code, designed to provide flexibility in the tax treatment of certain corporate acquisitions. Specifically, it allows a stock purchase-normally treated as such for both legal and tax purposes-to be treated as an asset purchase solely for federal income tax purposes. This election, codified at 26 U.S.C. § 338(h)(10), is particularly relevant in transactions involving S corporations or subsidiaries within consolidated groups. The election's primary advantage is the ability for the buyer to receive a stepped-up basis in the acquired assets, which can yield significant tax savings through enhanced depreciation and amortization deductions. However, the election also carries important consequences for sellers and requires strict compliance with statutory and regulatory requirements.

## Legal Background and Statutory Framework

The legal foundation for the Section 338(h)(10) election is found in the Internal Revenue Code at 26 U.S.C. § 338(h)(10), with detailed procedural and substantive rules set forth in Treasury Regulation § 1.338(h)(10)-1. The election emerged as a legislative response to judicial doctrines established in cases such as *Kimbell-Diamond Milling Co. v. Commissioner*, 14 T.C. 74 (1950), aff'd, 187 F.2d 718 (5th Cir. 1951). In that case, the court treated a stock purchase followed by a liquidation as an asset purchase for tax purposes, allowing the buyer to receive a cost basis in the acquired assets. Congress later codified and refined these concepts in Section 338, particularly in response to the repeal of the General Utilities doctrine by the Tax Reform Act of 1986, which had previously allowed corporations to distribute appreciated property without recognizing corporate-level gain.

## Transaction Structure: Stock Purchase Versus Asset Purchase

In a typical acquisition, the parties must choose between a stock purchase and an asset purchase, each carrying distinct legal and tax consequences. In a stock purchase, the buyer acquires the shares of the target corporation, and the entity continues to own its assets and liabilities; the tax basis of those assets remains unchanged, and the buyer's basis is in the stock itself. In contrast, an asset purchase involves the buyer acquiring individual assets, resulting in a stepped-up basis to fair market value, but often requiring renegotiation of contracts and triggering potential sales or transfer taxes.

The Section 338(h)(10) election bridges these two approaches. It enables the transaction to proceed as a stock purchase for legal purposes-thereby preserving contracts, licenses, and other legal relationships-while treating it as an asset purchase for tax purposes, allowing the buyer to step up the basis of the acquired assets.

## Eligibility and Requirements for the Election

Not all transactions qualify for a Section 338(h)(10) election. The requirements are specific and strictly enforced. First, the buyer must be a corporation (either C or S) and must acquire at least 80% of the total voting power and value of the target's stock within a 12-month acquisition period, as defined by 26 U.S.C. § 338(d)(3). Second, the seller must be either the parent of a consolidated group, an affiliate, or all shareholders of an S corporation. Third, the election must be made jointly by the buyer and all eligible sellers, which, in the case of an S corporation, means every shareholder must participate, regardless of whether they sold their shares. Failure to meet any of these requirements precludes the use of the election (Treas. Reg. § 1.338(h)(10)-1(c)).

## Mechanics and Tax Consequences of the Election

When a Section 338(h)(10) election is made, the transaction is deemed, for federal tax purposes, to proceed as follows: the target corporation is treated as if it sold all of its assets at fair market value to a new corporation (often referred to as "New Target") on the day after the acquisition date. Immediately after, the target is deemed to liquidate, distributing the proceeds to its shareholders or parent entity. The buyer's new subsidiary receives a stepped-up basis in the assets, calculated under Section 1060 and the applicable Treasury regulations. The gain or loss from the deemed asset sale is reported on the target's final tax return, and, for S corporations, this gain flows through to the shareholders and is taxed at the individual level (26 U.S.C. § 338(a); Treas. Reg. § 1.338(h)(10)-1(d)).

For the buyer, the primary benefit is the ability to depreciate or amortize the stepped-up basis in the assets, creating future tax savings. For the seller, however, the deemed asset sale can result in higher taxes, especially due to depreciation recapture and the loss of capital gains treatment on certain assets. Sellers often negotiate for a higher purchase price or a "gross-up" to offset this increased tax liability.

## Procedural Requirements and Compliance

The Section 338(h)(10) election must be made on IRS Form 8023, "Elections Under Section 338 for Corporations Making Qualified Stock Purchases." The form must be filed no later than the 15th day of the ninth month after the month in which the acquisition date occurs, as mandated by 26 U.S.C. § 338(h)(10)(D) and Treas. Reg. § 1.338(h)(10)-1(c). Additionally, the parties must file IRS Form 8883, "Asset Allocation Statement Under Section 338," to report the allocation of the purchase price among the target's assets. Failure to timely and properly file these forms, or to secure the participation of all required parties, can invalidate the election and result in the loss of the intended tax treatment.

## Strategic Uses and Planning Considerations

The Section 338(h)(10) election is most advantageous in scenarios where the target's value is largely attributable to goodwill or other intangibles, as the buyer can amortize this goodwill over 15 years under Section 197. It is also particularly useful in the acquisition of service firms or government contractors, where continuity of contracts and relationships is critical. In leveraged buyouts, the increased depreciation and amortization deductions can help offset income from debt-financed acquisitions.

However, the election is less attractive when the target has significant built-in gains in depreciable assets, leading to recapture taxed as ordinary income, or when the seller is unwilling to accept the higher tax burden without compensation. Additionally, the election can result in the loss or limitation of valuable tax attributes, such as net operating losses (NOLs) and tax credits, and state tax treatment may not always conform to federal rules, potentially resulting in additional sales or transfer taxes.

## Risks, Limitations, and Anti-Abuse Provisions

While the Section 338(h)(10) election can provide substantial tax benefits, it also introduces complexity and risk. The regulations include consistency and anti-abuse rules to prevent selective basis step-ups and to ensure that all acquisitions from the target or its affiliates are treated consistently as either stock or asset purchases. The final regulations, as amended after the Tax Reform Act of 1986, have clarified and simplified these rules, reflecting Congress's intent to balance legitimate planning opportunities with the prevention of abusive transactions (Treas. Reg. § 1.338-8).
Moreover, the election's complexity requires careful planning, comprehensive due diligence, and clear communication among all parties. The loss of tax attributes and the potential for disparate state and federal tax treatment must be considered in structuring the transaction.

## Example

Consider a scenario in which a corporation acquires 100% of the stock of an S corporation from two individual shareholders. If the parties jointly elect under Section 338(h)(10), the S corporation is deemed to sell all of its assets at fair market value, with the resulting gain allocated to the shareholders and taxed at their individual rates. The subsequent deemed liquidation is generally not taxable, as the shareholders' basis in the stock equals the fair market value of the assets received. The buyer's new subsidiary then holds the assets with a stepped-up basis, enabling enhanced depreciation and amortization deductions for future tax years (26 U.S.C. § 338(a); Treas. Reg. § 1.338(h)(10)-1(d)).

## Section 338(h)(10) Versus Other Tax Elections

Section 338(h)(10) is distinct from other tax elections, such as the Section 338(g) election, which can be made unilaterally by the buyer and generally applies to foreign targets or sellers not eligible for a Section 338(h)(10) election. The Section 338(g) election typically results in two levels of tax for C corporations-one at the corporate level and another at the shareholder level. Section 336(e) provides a similar asset sale treatment for certain non-corporate buyers but has different requirements and consequences. Understanding the distinctions among these elections is crucial for optimal transaction structuring.

## Best Practices for Implementation

Given the complexity and high stakes involved, parties considering a Section 338(h)(10) election should engage experienced tax and legal advisors early in the process. Comprehensive due diligence should be conducted to evaluate the target's asset basis, built-in gains, and potential loss of tax attributes. All shareholders or parent entities must be informed and consent to the election, and state tax implications should be carefully reviewed. Meticulous documentation of the transaction, the election, and all related filings is essential to support the intended tax treatment in the event of an IRS audit.

Section 338(h)(10) of the Internal Revenue Code is a sophisticated and versatile tool in the realm of M&A tax planning. By allowing certain stock acquisitions to be treated as asset purchases for tax purposes, it offers buyers the benefit of a stepped-up basis in acquired assets and the associated tax savings, while imposing additional tax burdens on sellers. The election's statutory basis is found at 26 U.S.C. § 338(h)(10), and its application is shaped by Treasury regulations and case law such as *Kimbell-Diamond Milling Co. v. Commissioner*, 14 T.C. 74 (1950), aff'd, 187 F.2d 718 (5th Cir. 1951). Proper use of the election requires careful planning, strict compliance with procedural requirements, and a thorough understanding of the tax consequences for all parties involved. When implemented thoughtfully, the Section 338(h)(10) election remains an invaluable instrument for achieving tax efficiency and flexibility in corporate acquisitions.

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Exhibit 3

**Acquisition of Target Company - Tax Analysis**

***Key Assumptions:***

| | | | |
|---|---|---|---|
| 1 | Purchase Price - Asset Purchase | $ 923,400,000 | |
| 2 | Selling Shareholders' tax basis in stock is | $ 132,047,634 | *Unknown* |
| 3 | Target Company's tax basis is | $ 231,302,000 | *Estimated based on defered taxes* |
| 4 | Corporate Tax rate for all parties. | 25.3% | |
| 5 | Distribution to the Selling shareholders will be taxed at long-term capital gains rate of | 20.0% | |
| 6 | Tax Depreciable Life of Purchased Assets | 15 | years |
| 7 | Discount Rate | 6.0% | *Estimated WACC* |
| 8 | Future tax deduction includes no impact of accelerated depreciation (i.e., most of the purchase price will be allocated to goodwill). | | |
| 9 | Existing tax basis of assets have 15-year remaining life. | | |
| 10 | All debt of Target Company is paid out of Sellers' proceeds at closing; none assumed by Chesapeake. | | |
| 11 | Assumes no deferred taxes | | |

**Scenario 1 - Asset Purchase or Stock Purchase with 338(h)(10) Election**

| | | | |
|---|---|---|---|
| **Purchase Price** | $ | 923,400,000 | |
| **Target's Net Proceeds** | | | |
| Gain on sale - Target | | | |
| Purchase Price | $ | 923,400,000 | |
| Less: Target's Tax Basis | $ | (231,302,000) | |
| Target's Gain | $ | 692,098,000 | |
| Tax on Target's Gain | $ | (175,100,794) | |
| Net proceeds of Target | | | |
| Puchase Price | $ | 923,400,000 | |
| Less: Tax on Gain | $ | (175,100,794) | |
| Net proceeds of Target | $ | 748,299,206 | |
| **Shareholder's Net Proceeds** | | | |
| Net Proceeds of Target | $ | 748,299,206 | |
| Less: Selling Shareholders' Basis | $ | (132,047,634) | |
| Shareholders' Gain on sale of stock | $ | 616,251,572 | |
| Tax based on corporate tax rate | $ | (155,911,648) | |
| ***Net proceeds to Selling Shareholders*** | ***$*** | ***592,387,558*** | |
| **Chesapeake's Net Payment, after tax benefits** | | | |
| Future Tax Deduction | $ | 923,400,000 | |
| Present Value of Future Tax Savings | $ | 151,265,170 | *(see below)* |
| ***Net Payment, after tax benefits*** | ***$*** | ***772,134,830*** | |
| Present Value of Chesapeake's Future Tax Deduction | | | |
| Puchase Price | $ | 923,400,000 | |
| Tax Rate | | 25.3% | |
| Total Tax Benefits | $ | 233,620,200 | |
| Depreciable Life | | 15 | |
| Annual Tax Benefit from Depreciation | $ | 15,574,680 | |
| Discount Rate | | 6.0% | |

| Yr | PV Factor | | Absolute Value | | Present Value |
|---|---|---|---|---|---|
| 1 | 0.9434 | $ | 15,574,680 | $ | 14,693,094 |
| 2 | 0.8900 | $ | 15,574,680 | $ | 13,861,410 |
| 3 | 0.8396 | $ | 15,574,680 | $ | 13,076,802 |
| 4 | 0.7921 | $ | 15,574,680 | $ | 12,336,605 |
| 5 | 0.7473 | $ | 15,574,680 | $ | 11,638,307 |
| 6 | 0.7050 | $ | 15,574,680 | $ | 10,979,535 |
| 7 | 0.6651 | $ | 15,574,680 | $ | 10,358,052 |
| 8 | 0.6274 | $ | 15,574,680 | $ | 9,771,747 |
| 9 | 0.5919 | $ | 15,574,680 | $ | 9,218,629 |
| 10 | 0.5584 | $ | 15,574,680 | $ | 8,696,820 |
| 11 | 0.5268 | $ | 15,574,680 | $ | 8,204,547 |
| 12 | 0.4970 | $ | 15,574,680 | $ | 7,740,139 |
| 13 | 0.4688 | $ | 15,574,680 | $ | 7,302,018 |
| 14 | 0.4423 | $ | 15,574,680 | $ | 6,888,696 |
| 15 | 0.4173 | $ | 15,574,680 | $ | 6,498,770 |
| | | $ | 233,620,200 | $ | 151,265,170 |

**Scenario 2 - Stock Purchase - no 338(h)(10) Election**

| | | | |
|---|---|---|---|
| **Purchase Price** | $ | 810,025,166 | |
| Purchase Price - Scenario 1 Asset Purchase | $ | 923,400,000 | |
| Less: Net of PV of Depreciation Tax Savings under Scenario 1 vs Scenario 2 | | | |
| Present Value of tax Savings, Scenario 1 | $ | (151,265,170) | |
| Present Value of tax Savings, Scenario 2 | $ | 37,890,336 | |
| Net | $ | (113,374,834) | |
| Purchase Price - Scenrio 2 | $ | 810,025,166 | |
| **Shareholder's Net Proceeds** | | | |
| Purchase Price | $ | 810,025,166 | |
| Less: Selling Shareholders' Tax Basis | $ | (132,047,634) | |
| Shareholders' Gain on sale of stock | $ | 677,977,532 | |
| Tax based on corporate tax rate | $ | (171,528,316) | |
| ***Net proceeds to Selling Shareholders*** | ***$*** | ***506,449,217*** | |
| **Chesapeake's Net Payment, after tax benefits** | | | |
| Future Tax Deduction | $ | 810,025,166 | $ 113,374,834 |
| Present Value of Future Tax Savings | $ | 37,890,336 | *(see below)* |
| ***Net Payment, after tax benefits*** | ***$*** | ***772,134,830*** | |
| Present Value of Chesapeake's Future Tax Deduction | | | |
| Target's Tax Basis | $ | 231,302,000 | $ 692,098,000 |
| Tax Rate | | 25.3% | |
| Total Tax Benefits | $ | 58,519,406 | $ 175,100,794 |
| Depreciable Life | | 15 | |
| Annual Tax Benefit from Depreciation | $ | 3,901,294 | |
| Discount Rate | | 6.0% | |

| Yr | PV Factor | | Absolute Value | | Present Value | |
|---|---|---|---|---|---|---|
| 1 | 0.9434 | $ | 3,901,294 | $ | 3,680,466 | |
| 2 | 0.8900 | $ | 3,901,294 | $ | 3,472,138 | |
| 3 | 0.8396 | $ | 3,901,294 | $ | 3,275,601 | |
| 4 | 0.7921 | $ | 3,901,294 | $ | 3,090,190 | |
| 5 | 0.7473 | $ | 3,901,294 | $ | 2,915,274 | |
| 6 | 0.7050 | $ | 3,901,294 | $ | 2,750,258 | |
| 7 | 0.6651 | $ | 3,901,294 | $ | 2,594,583 | |
| 8 | 0.6274 | $ | 3,901,294 | $ | 2,447,720 | |
| 9 | 0.5919 | $ | 3,901,294 | $ | 2,309,170 | |
| 10 | 0.5584 | $ | 3,901,294 | $ | 2,178,462 | |
| 11 | 0.5268 | $ | 3,901,294 | $ | 2,055,153 | |
| 12 | 0.4970 | $ | 3,901,294 | $ | 1,938,823 | |
| 13 | 0.4688 | $ | 3,901,294 | $ | 1,829,079 | |
| 14 | 0.4423 | $ | 3,901,294 | $ | 1,725,546 | |
| 15 | 0.4173 | $ | 3,901,294 | $ | 1,627,874 | |
| | | $ | 58,519,406 | $ | 37,890,336 | $ 113,374,834 |

Interrogatory No. 161

161. **Affiliate Costs.** Refer to Schedules B-5 (page 1) and G-1 (page 18) showing the allocations of common plant to Florida City Gas (FCG). Schedule B-5 includes an allocation percentage of 16.90% to FCG during the 2025 historic year based on the modified Distrigas formula, while the Schedule G-1 allocation to FCG increased to 18.0% for the 2027 test year utilizing the same Distrigas formula. Accordingly, please answer the following:

a. Provide the Distrigas allocation matrix showing the CUC affiliates that take an allocation of CUC common plant and those that do not. Explain in detail why the CUC affiliates that do not take an allocation of CUC common plant are excluded from this allocation matrix.

b. Provide the calculations of the Distrigas allocation percentages applicable to the historic year and the test year in electronic format with all formulas intact and explain why the allocation percentage is projected to increase in the test year.

**Company Response:**

FCG objects to this request to the extent that it seeks information regarding corporate entities not involved in this case and which have no impact on FCG's allocations or request in this proceeding, and are not otherwise parties to this proceeding. Thus, any information provided regarding these entities is irrelevant and not likely to lead to the discovery of admissible information in this proceeding. Notwithstanding and without waiving this objection, FCG states as follows:

a. All affiliates are included in the Distrigas allocation used for common plant except for Chesapeake Utilities Parent Company (CU), Florida Public Utilities Parent Company (FC), Eastern Shore Real Estate, Inc. (ER), and Skipjack, Inc. (SK). CU and FC are excluded from the allocation because they are companies that hold common plant allocated. ER and SK are excluded because they are immaterial and the calculation for them does not change the allocation to FCG.

   Please see the response to OPC POD 45 for the allocation matrix showing the Distrigas allocation for all companies, the allocation without CU and FC, and the allocation without CU, FC, ER, and SK.

b. Please see the response to OPC POD 45 for the allocation matrix showing the Distrigas allocation for all companies, the allocation without CU and FC, and the allocation without CU, FC, ER, and SK.

The actual 2026 allocation for FCG is 18.1%, which is slightly higher than the estimated allocation used in the preparation of the MFR. The estimate was based on forecasted values for the Distrigas formula instead of the actual year end results.

The biggest reason for the change in the allocation percentage is due to the EBIT component of the formula. We use a three-year average in this calculation, and the 2025 factor only included the EBIT from 2023 and 2024. The EBIT value for 2026 includes 2023, 2024 and 2025 EBIT

***Respondent: George Navo***

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

| | |
|---|---|
| In re: Petition for approval of rate increase by Florida City Gas. | Docket No. 20260026-GU<br>Filed: June 4, 2026 |

## DECLARATION

I hereby certify and affirm that I sponsored the Company's responses to the OFFICE OF PUBLIC COUNSEL'S FOURTH SET OF INTERROGATORIES TO FLORIDA CITY GAS, Nos. 160-161 and 164 in Docket No. 20260026-GU. The responses are true and correct to the best of my knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory responses identified above, and that the facts stated therein are true.

George Navo, Declarant

Dated: June 4, 2026