

## Attachment B

### Expert Consultant #1

Name:	William Harper
Experience:	40 years
Telephone #:	905-883-1727
Tariff Rate:	\$225
Address and Email:	107 Baker Avenue Richmond Hill, Ontario L4C 1X5 bharper.consultant@bell.net
Firm or Organization	Independent Consultant
Evidence to be provided on issues in scope:	<p>Collectively, the evidence of the Consumers Coalition's expert consultants will focus on: (1) the reliability of forecasts, (2) whether actual and projected costs incurred are necessary and reasonable, (3) assessing the reasonable revenue needs of Manitoba Hydro in the context of its overall general health (including reserves). While discussions between the Consumers Coalition and MIPUG have taken place, it is premature at this time to determine who will prepare evidence on specific topics until the record of the proceeding has been further developed.</p> <p>The respective roles of Mr. Harper, Mr. Rainkie and Ms Derksen will be designed to minimize duplication and build on their relative expertise.</p>
Brief explanation of experience relevant to evidence to be provided:	<p>Mr. William Harper has significant experience in regulatory proceedings relating to Manitoba Hydro. He has served as an expert witness before the Manitoba Public Utilities Board regarding Manitoba Hydro's 2002 Status Update, 2004/05, 2005/06, 2008/09, 2010-2012, 2013-14, 2015-16, 2017/18 &amp; 18/19 and 2019/20 General Rate Applications, the 2013 Need For And Alternatives To proceeding, the 2015 Cost of Service Methodology Review. In addition, he appeared as an expert witness before the Manitoba Clean Environment Commission with respect the Wuskwatim Need For And Alternatives To Submission by Manitoba</p>

	Hydro/Nisichawayasihk Cree Nation. He has also assisted clients in their participation in all other rate applications (General Rate Application, Diesel or Interim) by Manitoba Hydro since 2002.
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## Expert Consultant #2

Name:	Darren Rainkie
Experience:	30 years
Telephone #:	204.837.7814
Tariff Rate:	\$240
Address and Email:	39 Edenwood Place Winnipeg, MB R3X 0E5 darrenrainkie@gmail.com
Firm or Organization:	Darren Rainkie Consulting
Evidence to be provided on issues in scope:	<p>Collectively, the evidence of the Consumers Coalition's expert consultants will focus on: (1) the reliability of forecasts, (2) whether actual and projected costs incurred are necessary and reasonable, (3) assessing the reasonable revenue needs of Manitoba Hydro in the context of its overall general health (including reserves). While discussions between the Consumers Coalition and MIPUG have taken place, it is premature at this time to determine who will prepare evidence on specific topics until the record of the proceeding has been further developed.</p> <p>The respective roles of Mr. Harper, Mr. Rainkie and Ms Derksen will be designed to minimize duplication and build on their relative expertise.</p>
Brief explanation of experience relevant to evidence to be provided:	Mr. Rainkie is the principal of the consulting practice he established in 2017 which leverages his 30-years of experience in energy regulation, utility & financial management and financial advisory services. He specializes in electricity and natural gas energy regulation and financial advisory services. Mr. Rainkie has significant regulatory experience including acting as an

	executive policy witness for multiple gas and electricity applications before the Manitoba PUB, including on issues relating to revenue requirement, financial outlook, just and reasonable rates, the necessity and prudence of expenditures and forecasts.
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### Expert Consultant #3

Name:	Kelly Derksen
Experience:	25 years
Telephone #:	204.782.4204
Tariff Rate:	\$240
Address and Email:	14 Timberwood Place East St. Paul, MB R2E 0M4 kderksenconsulting@gmail.com
Firm or Organization	Kelly Derksen Consulting
Evidence to be provided on issues in scope:	<p>Collectively, the evidence of the Consumers Coalition's expert consultants will focus on: (1) the reliability of forecasts, (2) whether actual and projected costs incurred are necessary and reasonable, (3) assessing the reasonable revenue needs of Manitoba Hydro in the context of its overall general health (including reserves). While discussions between the Consumers Coalition and MIPUG have taken place, it is premature at this time to determine who will prepare evidence on specific topics until the record of the proceeding has been further developed.</p> <p>The respective roles of Mr. Harper, Mr. Rainkie and Ms Derksen will be designed to minimize duplication and build on their relative expertise.</p>
Brief explanation of experience relevant to evidence to be provided:	Kelly is the principal of the consulting practice she established in 2018 leveraging from nearly 25-years of experience in both a privately-owned natural gas utility and one of Canada's largest publicly-owned, vertically integrated electric and natural gas utilities. She specializes in regulation and ratemaking,

with an emphasis on cost of service, and rate design. Her experience relevant to evidence to be provided includes experience with respect to ratemaking and rate design, regulatory accounting, revenue requirement, allocation of costs, just and reasonable rates, the necessity and prudence of expenditures and forecasts.

## **William Harper - CV**

Mr. Harper has over 40 years' experience in the design of rates and the regulation of electricity utilities. While employed by Ontario Hydro, he has testified as an expert witness on rates before the Ontario Energy Board from 1988 to 1995, and before the Ontario Environmental Assessment Board. He was responsible for the regulatory policy framework for Ontario municipal electric utilities and for the regulatory review of utility submissions from 1989 to 1995. Mr. Harper also coordinated the participation of Ontario Hydro (and its successor companies Ontario Hydro Services Company and Hydro One Networks) in major public reviews involving Committees of the Ontario Legislature, the Ontario Energy Board and the Macdonald Committee. He has served as a speaker on rate and regulatory issues for seminars sponsored by the APPA, MEA, EPRI, CEA, AMPCO and the Society of Management Accountants of Ontario. Since leaving Hydro One Networks, Mr. Harper has provided consulting support for client interventions on energy and telecommunications issues before the Ontario Energy Board, Manitoba Public Utilities Board, Québec's Régie de l'énergie, British Columbia Utilities Commission, Saskatchewan Rate Review Panel and CRTC. He has also appeared before the Manitoba's Public Utilities Board, the Manitoba Clean Environment Commission, the Ontario Energy Board and Quebec's Régie de l'énergie.

### **EXPERIENCE**

#### **Independent Consultant**

**October 2018 - Present**

#### **Econalysis Consulting Services – Associate**

**August 2011 – September 2018**

#### **Econalysis Consulting Services- Senior Consultant**

**July 2000 to July 2011**

- Responsible for supporting client interventions in regulatory proceedings, including issues analyses & strategic direction, preparation of interrogatories, participation in settlement conferences, preparation of evidence and/or appearance as expert witness (where indicated by an asterix). Some of the more significant proceedings included:
  - Electricity (Ontario)
    - IMO 2000 Fees (OEB)
    - Hydro One Remote Communities Rate Application 2002-2004
    - OEB Transmission System Code Review (2003)
    - OEB Distribution Service Area Amendments (2003)
    - OEB Regulated Asset Recovery (2004)
    - OEB- 2006 Electricity Rate Handbook Proceeding\*
    - 2006 Rate Applications by Various Electricity Distributors
    - OEB - 2006 Guidelines for Regulation of Prescribed Generation Assets
    - 2007 Rate Applications by Various Electricity Distributors
    - OEB - 2007 Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation Proceeding

- Hydro One Networks 2007/2008 Transmission Rate Application
- 2008 Rate Applications by Various Electricity Distributors
- OEB – Cost of Capital for Ontario’s Regulated Utilities (2009)
- Hydro One Networks 2009/2010 Transmission Rate Application
- 2009 Rate Applications by Various Electricity Distributors
- 2010 Rate Applications by Various Electricity Distributors
- Hydro One Networks 2011/2012 Transmission Rate Application
- 2011 Rate Applications by Various Electricity Distributors
- 2012 Rate Applications by Various Electricity Distributors
- OEB – 2012 Renewed Regulatory Framework for Electricity Distributors
- Hydro One Networks 2013/2014 Transmission Rate Application
- 2013 Rate Applications by Various Electricity Distributors
- 2014 Rate Applications of Various Electricity Distributors
- OEB Residential Rate Design Policy (2014)
- 2015 Rate Applications for Various Electricity Distributors
- Hydro One Networks 2015/2016 Transmission Rate Application
- 2016 Rate Applications of Various Electricity Distributors
- Hydro One Networks 2017&18 Transmission Rate Application
- 2017 Rate Applications of Various Electricity Distributors
- 2018 Rate Applications of Various Electricity Distributors
- 2019 Rate Applications of Various Electricity Distributors
- Hydro One Networks 2019 Transmission Rate Application
- 2020 Rate Applications of Various Electricity Distributors
- Hydro One Networks 2020-2022 Transmission Rate Application
- 2021 Rate Applications of Various Electricity Distributors
  
- Electricity (British Columbia)
  - BC Hydro IPP By-Pass Rates
  - BC Hydro Heritage Contract Proposals
  - BC Hydro’s 2004/05 & 2005/06; 2006/07 & 2007/08; 2008/09 & 2009/10; 2010/2011; 2011/12-2013/14, 2016/17–2018/19; 2019/20 & 2020/21 and 2021/22 Revenue Requirement Applications
  - BC Hydro’s CFT for Vancouver Island Generation – 2004
  - BC Hydro’s 2005 Resource Expenditure and Acquisition Plan
  - BC Hydro’s 2006 Residential Time of Use Rate Experiment Application\*
  - BC Hydro’s 2006 Integrated Electricity Plan
  - BC Hydro’s 2007 Rate Design Application
  - BC Hydro’s 2008 Long Term Acquisition Plan
  - BC Hydro’s 2008 Residential Inclining Block Rate Application
  - BC Hydro’s 2009 GS Rate Design Application
  - BC Hydro 2013 Residential Inclining Block Rate Re-Pricing
  - BC Hydro’s 2015 Rate Design (and Cost of Service) Application
  - BC Hydro’s Customer Crisis Fund Pilot (2020-2021)
  - BC Transmission Corporation – Open Access Transmission Tariff Application -2004
  - BCTC’s 2005/06; 2006/07, 2008/10 and 2010/2011 Revenue Requirement Applications
  - BCTC’s – 2005 Vancouver Island Transmission Reinforcement Project

- BCTC's – 2007 Interior-Lower Mainland Transmission Application
  - BCTC's 2009-2018 Capital Plan
  - BCTC's 2011 Capital Plan Update
  - Fortis BC's 2005 Revenue Requirement and System Development Application
  - Fortis BC's 2006; 2007; 2008; 2009; 2010; 2011; 2012 and 2013 Revenue Requirement Applications
  - Fortis BC's 2007-2008 and 2009-2010 Capital Plan and System Development Plans
  - FortisBC's 2007 Rate Design Application
  - Fortis BC's 2009 Cost Allocation and Rate Design Application
  - Fortis BC's 2011 Residential Inclining Block Rate Application
  - Fortis BC's 2011 Capital Plan
  - FortisBC's 2012 Integrated System Plan Review
  - BC Hydro/Fortis BC 2013 Purchase Power Agreement
  - FortisBC's 2014-2018 PBR Plan and Annual Reviews
  - FortisBC's 2015, 2016, 2017, 2018 and 2019 Revenue Requirement Applications
  - FortisBC's 2015-2016; 2017 and 2018 DSM Expenditure Applications
  - FortisBC's 2016 Long Term Energy Resource Plan Application
  - FortisBC's 2017 Cost of Service and Rate Design Application
  - FortisBC's 2020-2024 Multi-Year Rate Plan Application
  - FortisBC's Annual Review for 2020 and 2021 Rates
  - FortisBC's EV DCFC Rate Application (2020)
  - BCUC - 2012 Generic Cost of Capital Review
  - BCUC – Residential Inclining Block Rate Report to Government (2017)
  - BCUC – Regulation of Electric Vehicle Charging Services: Phase 1 and Phase 2
  - BCUC – Review of BC Hydro's PBR Report (2019-2021)
- Electricity (Quebec)
    - Hydro Québec - Distribution's 2002-2011 Supply Plan\*
    - Hydro Quebec - Distribution's 2002-2003 Cost of Service and Cost Allocation Methodology\*
    - Hydro Québec - Distribution's 2004-2005 Tariff Application\*
    - Hydro Québec - Distribution's 2005/2006 Tariff Application\*
    - Hydro Québec - Distribution's 2005-2014 Supply Plan\*
    - Hydro Québec - Distribution's 2006/2007 Tariff Application\*
    - Hydro Québec - Transmission's 2005 Tariff Application\*
    - Hydro Québec - Distribution's 2006 Interruptible Tariff Application
    - Hydro Québec - Distribution's 2006 Cost Allocation Work Group
    - Hydro-Québec - Transmission's 2007 Tariff Application
    - Hydro-Québec - Distribution's 2007/08 Tariff Application\*
    - Hydro-Québec - Transmission's 2008 Tariff Application
    - Hydro-Québec - Distribution's 2008/09 Tariff Application\*
    - Hydro Québec - Distribution's 2008-2017 Supply Plan
    - Hydro-Québec - Transmission's 2009 Tariff Application
    - Hydro-Québec - Distribution's 2009/10 Tariff Application\*
    - Hydro Québec - Distribution's 2014-2023 Supply Plan

- Electricity (Manitoba)
  - Manitoba Hydro's Status Update Re: Acquisition of Centra Gas Manitoba Inc.\*
  - Manitoba Hydro's Diesel 2003/04 Rate Application
  - Manitoba Hydro's 2004/05 and 2005/06 Rate Application\*
  - Manitoba Hydro/NCN NFAAT Submission re: Wuskwatim\*
  - Manitoba Hydro's 2005 Cost of Service Methodology Submission\*
  - Manitoba Hydro's 2007 Rate Adjustment Application
  - Manitoba Hydro's 2008 General Rate Application\*
  - Manitoba Hydro's 2008 Energy Intensive Industry Rate Application
  - Manitoba Hydro's 2009 Rate Adjustment Application
  - Manitoba Hydro's 2010-2012 General Rate Application
  - Manitoba Hydro's 2010 and 2011 Diesel Community Rate Applications
  - Manitoba Hydro's 2013-2014 General Rate Application
  - Manitoba Hydro's 2013 NFAAT Submission re: Keeyask and Conawapa\*
  - Manitoba Hydro's 2015-2016 General Rate Application
  - Manitoba Hydro's 2016 Interim Rate Application
  - Manitoba Hydro's 2015 Cost of Service Methodology Review\*
  - Manitoba Hydro's 2016 NEB Application re: MMTP
  - Manitoba Hydro's 2017/18 & 2018/19 GRA\*
  - Manitoba Hydro's 2019/20 GRA\*
  - Efficiency Manitoba. 2020/23 Efficiency Plan Submission\*
  
- Electricity (Saskatchewan)
  - Saskatchewan Power's 2008 Cost Allocation Methodology Review
  
- Natural Gas Distribution
  - Enbridge Consumers Gas 2001 Rates
  - BC Centra Gas Rate Design and Proposed 2003-2005 Revenue Requirement
  - Terasen Gas (Vancouver Island) LNG Storage Project (2004)
  - BCUC – 2012 Generic Cost of Capital Proceeding
  
- Telecommunications Sector
  - Access to In-Building Wire (CRTC)
  - Extended Area Service (CRTC)
  - Regulatory Framework for Small Telecos (CRTC)
  
- Other
  - Acted as Case Manager in the preparation of Hydro One Networks' 2001-2003 Distribution Rate Application
  - Supported the implementation of OPG's Transition Rate Option program prior to Open Access in Ontario
  - Prepared Client Studies on various issues including:
    - The implications of the 2000/2001 natural gas price changes on natural gas use forecasting methodologies.
    - The separation of electricity transmission and distribution businesses in Ontario.
    - The business requirements for Ontario transmission owners/operators.



- Various issues associated with electricity supply/distribution in remote First Nations' communities
- Member of the OEB's 2004 Regulated Price Plan Working Group
- Member of the OEB's 2005/06 Cost Allocation Technical Advisory Team
- Member of the OEB's 2008 3<sup>rd</sup> Generation Incentive Regulation Working Group
- Member of the IESO Technical Panel (April 2004 to April 2010)
- Member of the OEB's 2011 Cost Allocation Working Group
- Member of the OEB's 2012 Network Investment Planning Work Group
- Member of the OEB's 2012 Defining and Measuring Performance (4<sup>th</sup> Generation Incentive Regulation) Work Group
- Member of the OEB's Unmetered Load Cost Allocation Working Group (2012-2015)
- Member of the OEB's 2013 Standby Rate Working Group
- Member of the OEB's 2016 Pole Access Charge Working Group
- Member of the OEB's 2020 TOU Rate Opt-Out Working Group

## **Hydro One Networks**

### **Manager - Regulatory Integration, Regulatory and Stakeholder Affairs**

**(April 1999 to June 2000)**

- Supervised professional and administrative staff with responsibility for:
  - providing regulatory research and advice in support of regulatory applications and business initiatives;
  - ensuring regulatory requirements and strategies are integrated into business planning and other Corporate processes;
  - providing case management services in support of specific regulatory applications.
- Acting Manager, Distribution Regulation since September 1999 with responsibility for:
  - coordinating the preparation of applications for OEB approval of changes to existing rate orders; sales of assets and the acquisition of other distribution utilities;
  - providing input to the Ontario Energy Board's emerging proposals with respect to the licences, codes and rate setting practices setting the regulatory framework for Ontario's electricity distribution utilities;
  - acting as liaison with Board staff on regulatory issues and provide regulatory input on business decisions affecting Hydro One Networks' distribution business.
- Supported the preparation and review before the OEB of Hydro One Networks' Application for 1999-2000 transmission and distribution rates.

## **Ontario Hydro**

### **Team Leader, Public Hearings, Executive Services (Apr. 1995 to Apr. 1999)**

- Supervised professional and admin staff responsible for managing Ontario Hydro's participation in specific public hearings and review processes.
- Directly involved in the coordination of Ontario Hydro's rate submissions to the Ontario Energy Board in 1995 and 1996, as well as Ontario Hydro's input to the Macdonald Committee on Electric Industry Restructuring and the Corporation's appearance before

Committees of the Ontario Legislature dealing with Industry Restructuring and Nuclear Performance.

**Manager – Rates, Energy Services and Environment (June 1993 to Apr. 95)**

**Manager – Rate Structures Department, Programs and Support Division  
(February 1989 to June 1993)**

- Supervised a professional staff with responsibility for:
  - Developing Corporate rate setting policies;
  - Designing rates structures for application by retail customers of Ontario Hydro and the municipal utilities;
  - Developing rates for distributors and for the sale of power to Hydro's direct industrial customers and supporting their review before the Ontario Energy Board;
  - Maintaining a policy framework for the execution of Hydro's regulation of municipal electric utilities;
  - Reviewing and recommending for approval, as appropriate, municipal electric utility submissions regarding rates and other financial matters;
  - Collecting and reporting on the annual financial and operating results of municipal electric utilities.
- Responsible for the development and implementation of Surplus Power, Real Time Pricing, and Back Up Power pricing options for large industrial customers.
- Appeared as an expert witness on rates before the Ontario Energy Board and other regulatory tribunals.

**Section Head – Rate Structures, Rates Department  
November 1987 to February 1989**

- With a professional staff of eight responsibilities included:
  - Developing rate setting policies and designing rate structures for application to retail customers of municipal electric utilities and Ontario Hydro;
  - Designing rates for municipal utilities and direct industrial customers and supporting their review before the Ontario Energy Board.
- Participated in the implementation of time of use rates, including the development of retail rate setting guidelines for utilities; training sessions for Hydro staff and customers presentations.
- Testified before the OEB on rate-related matters.

**Superintendent – Rate Economics, Rates and Strategic Conservation Department  
February 1986 to November 1987**

- Supervised a Section of professional staff with responsibility for:
  - Developing rate concepts for application to Ontario Hydro's customers, including incentive and time of use rates;
  - Maintaining the Branch's Net Revenue analysis capability then used for screening marketing initiatives;
  - Providing support and guidance in the application of Hydro's existing rate structures and supporting Hydro's annual rate hearing.

**Power Costing/Senior Power Costing Analyst, Financial Policy Department  
April 1980 to February 1986**

- Duties included:
  - Conducting studies on various cost allocation issues and preparing recommendations on revisions to cost of power policies and procedures;
  - Providing advice and guidance to Ontario Hydro personnel and external groups on the interpretation and application of cost of power policies;
  - Preparing reports for senior management and presentation to the Ontario Energy Board.
- Participated in the development of a new costing and pricing system for Ontario Hydro. Main area of work included policies for the time differentiation of rates.

**Ontario Ministry of Energy  
Economist, Strategic Planning and Analysis Group  
April 1975 to April 1980**

- Participated in the development of energy demand forecasting models for the province of Ontario, particularly industrial energy demand and Ontario Hydro's demand for primary fuels.
- Assisted in the preparation of Ministry publications and presentations on Ontario's energy supply/demand outlook.
- Acted as an economic and financial advisor in support of Ministry programs, particularly those concerning Ontario Hydro.

**EDUCATION**

**Master of Applied Science – Management Science**

- University of Waterloo, 1975
- Major in Applied Economics with a minor in Operations Research
- Ontario Graduate Scholarship, 1974

**Honours Bachelor of Science**

- University of Toronto, 1973
- Major in Mathematics and Economics
- Alumni Scholarship in Economics, 1972

# Darren Rainkie, CPA, CA, CBV

Principal – Darren Rainkie Consulting

Phone: 204.782.5877 or Email: darrenrainkie@gmail.com

## HANDS ON & MULTI-FACETED EXPERTISE

### IMPROVED REGULATORY & BUSINESS OUTCOMES FOR CLIENTS

#### QUALIFICATIONS & EXPERTISE

- Executive Utility Leadership
- Regulatory Policy & Strategy
- Revenue Requirement Specialist
- Regulation Process Management
- Financial Management
- Adept Expert Witness

#### CAREER HIGHLIGHTS

- Deep and multi-faceted expertise in all aspects of rate-regulation (1990-Present)
- Extensive experience testifying as a policy & subject matter expert at regulatory proceedings (2000-Present)
- Executive experience (Acting CEO, CFO, Controller & Treasurer) at Manitoba Hydro & Centra Gas (2006-2017)
- Senior level expertise in a broad range of financial management disciplines (2000-2017)

#### PROFESSIONAL EXPERIENCE

- Independent Consultant 2017-Present
- Manitoba Hydro 1999-2017
- Centra Gas 1994-1999
- Price Waterhouse 1988-1994

#### EDUCATION

- Chartered Business Valuator 1993
- Chartered Professional Accountant (Chartered Accountant) 1991
- B. Com. (Hons. – With Distinction), University of Manitoba 1988

#### PROFILE

Darren leverages his 30+ years of **hands on experience** and **multi-faceted expertise** in rate-regulation, utility & financial management to **improve regulatory & business outcomes for clients** that participate in and are impacted by rate-regulation - including applicants, intervenors, utility customers, regulatory tribunals & government agencies. He specializes in providing rate-regulation and financial advisory services, with an emphasis on regulatory policy & strategy and revenue requirement & fiscal matters.

The **client benefits** from **Darren's advisory services** are summarized as follows:

**Access to a Comprehensive Suite of High-Quality Regulatory Services** – Darren's deep specialization in rate-regulation and multi-faceted regulatory expertise enables him to provide high-quality advice to clients on regulatory policy, strategy, issues and process – that is customized/adapted to the relevant sector, ownership structure, rate-setting framework, subject matter and type of regulatory proceeding.

**Effective Diagnosis of Issues & Sound, Practical Advice** – Decades of hands on and executive level public utility experience - gives Darren the ability to effectively identify critical issues, evaluate alternative options & risks and develop pragmatic solutions for clients that are aligned with longer-term vision and strategic direction.

**Integrated, Broad-Based & Credible Recommendations** – Darren's financial management expertise results in recommendations to clients that evaluate the broader financial implications & integrates these implications into the ratemaking framework – with the inherent credibility associated with first-hand & senior level experience applying this financial expertise in a complex regulated enterprise.

**Sustainable Solutions & Greater Potential of Stakeholder Acceptance** – Clients benefit from Darren's leadership experience, collaborative approach and ability to effectively engage with stakeholders – which leads to more sustainable solutions, greater potential of stakeholder acceptance, as well as opportunities to facilitate client knowledge transfer and learning.

**Building Consensus & Commitment to Implement Recommendations** – Darren's uses his excellent communication & influencing skills, along with his extensive experience providing testimony at regulatory proceedings – to assist clients in obtaining a shared understanding of issues & options with internal and external stakeholders and building consensus for and commitment to implementing recommendations.

# OVERVIEW OF PUBLIC UTILITY REGULATORY EXPERIENCE

## Deep Specialization in Rate Regulation & Multi-faceted Regulatory Expertise

- A deep specialization in rate-regulation encompassing the majority of a professional career spanning over 30 years, including employment with/advising **multiple parties** to the regulatory process: providing advisory services to provincial regulators, executive oversight and management of rate applications and regulatory filings of applicant utilities and providing independent expert advice to intervenors and applicants.
- Multi-faceted regulatory expertise including **multiple sectors** (electricity, natural gas, mandatory auto insurance, water & waste, energy efficiency, district energy, propane, group 2 pipeline), a number of **jurisdictions** (British Columbia, Alberta, North West Territories, Manitoba, New Brunswick, Nova Scotia), various **ownership structures** (crown-owned, investor-owned and municipally-owned utilities) and a number of **rate-setting/legislative frameworks** (rate base/rate of return, modified cost of service, historic & future test years, multi-year applications).
- Extensive experience in a broad range of **regulatory proceedings** (general rate applications, commodity cost prudence reviews/pass throughs, major capital project and certificate of public convenience and necessity reviews, integrated resource plan reviews, back-up/top-up service pricing & terms, franchise expansion & feasibility test reviews, natural gas broker service improvements, debt & equity issues, accounting policy selection, depreciation rates, intercompany cost allocations & affiliate transactions, pipeline safety, integrity & construction methods, customer disconnections, automated meter reading, energy efficiency, natural gas cooperative acquisitions) and expertise in all aspects of **rate-regulation subject matter** (regulatory policy, revenue requirements, cost of capital/capital structure, cost allocation and rate design).
- Experience with different types of **regulatory processes** (oral hearing, paper hearing, ex-parte, complaint based and alternative dispute resolution) and through all **regulatory cycle components** (strategy development & case planning, application & evidence preparation/evaluation, stakeholder engagement, witness training & preparation, discovery & hearing process management, presentation of expert testimony, cross examination & argument strategy/content, regulatory decision drafting, compliance filing preparation/evaluation, regulatory process improvement recommendations).

## Hands On & Executive Level Public Utility Experience

- Hands on **public utility experience** through **23 years of employment** with a privately-owned natural gas utility and one of Canada's largest publicly owned, vertically integrated electric and natural gas utilities.
- Over 11 years of **executive leadership experience** actively collaborating in the management of the corporation, developing corporate & business unit strategic plans, developing risk management plans and successfully managing multiple strategic initiatives simultaneously.
- A **comprehensive understanding** of the **business, operations** and **risks** related to **regulated public utilities**, how decisions are made in this environment - as well as the strategic challenges facing regulated entities.
- A proven track record of developing **innovative financial** and **regulatory strategies** that are aligned with the overall vision and strategic direction of the organization - to ensure the on-going financial sustainability of the utility and respond to future business requirements.

## Broad Range of First-Hand Financial Management Expertise – Applied to a Complex Regulated Enterprise

- Over 17 years of senior level and first-hand expertise in a **broad range of financial management disciplines** including: setting financial targets/key performance indicators, long-term financial forecasting, operating cost budgeting, capital cost budgeting, treasury & debt management, corporate risk management, accounting policy selection, financial & management reporting and internal cost allocation between lines of business.

- A **comprehensive understanding of utility financial models** and the elements that impact the model and financial performance, including key inputs, underlying processes, best practices, expected outcomes, options and key performance indicators. Demonstrated experience in applying this diverse financial management expertise and integrating them into the ratemaking framework of a complex regulated enterprise.
- Initiated, championed and actively participated in a number of transformational initiatives to ensure the ongoing financial sustainability of Manitoba Hydro during a period of major capital investment, including: a comprehensive **review of corporate financial targets**, a complex **scenario analysis** to review the adequacy of financial reserves/forecast long-term rate impacts, a **multi-year budgeting strategy** designed to achieve operating cost savings; a **corporate asset management framework** to improve the prioritization of sustaining capital expenditures, an **alternate debt management strategy** to retire debt and improve the financial outlook and a top-down strategy driven approach and **transformation of rate applications** to increase revenues.
- Demonstrated ability to **effectively identify issues impacting the long-term financial outlook of regulated enterprises**, evaluate historic and expected performance against key performance indicators, develop options & identify levers that can be used to positively impact rates to customers and make credible recommendations to intervenors, applicants and regulatory tribunals.

### **Collaborative Approach & Stakeholder Engagement Experience**

- A principled and **collaborative leader** with extensive experience leading, developing, mentoring, collaborating and providing direction to a diverse team of senior professionals as well as cross-disciplinary project teams.
- **Worked collaboratively with internal officials** – such as subject matter experts, senior management, executive team, board committees and board of directors to achieve the **strategic, operational and financial goals**.
- Managed the interactions with and **build strong relationships with external stakeholders**, including provincial government officials, indigenous business partners, external auditors, investment banking institutions and credit rating agencies. As a result of the direct involvement with external stakeholders, have experience explaining the perspectives and issues of these stakeholders to regulatory stakeholders as an executive policy witness.
- Demonstrated capability to **engage with and build strong relationships with regulatory stakeholders**, including regulatory tribunal staff & advisors, consumer group/intervenor representatives & experts and applicant officials. Provided oversight and actively participated in a number of **regulatory stakeholder engagement sessions** with the objectives of fostering positive relationships, building shared understanding of participants and reducing the number of issues to be reviewed/contested during regulatory proceedings.

### **Adept Witness & Excellent Communication and Influencing Skills**

- As a utility executive, oversaw and participated in the development and delivery of **numerous persuasive presentations and recommendations** to obtain direction/approvals from the executive committee, audit committee, board of directors and regulatory tribunal - with respect to financial targets, long-term financial forecasts, proposed rate increases, operating and capital expenditure plans, financing and risk management plans, depreciation study changes, accounting policy selection/IFRS implementation and financial reporting. As an advisor to a regulatory tribunal, intervenors and applicants, have delivered numerous briefings to the client on the significant issues arising in regulatory applications.
- An excellent **reputation** for the **ability to draft well constructed documents and reports**, and to organize complex business & regulatory concepts into compelling evidence, using clear and understandable language. The range of experience includes five years drafting regulatory decisions for a regulatory tribunal, 23 years drafting regulatory applications/reports for applicants and four years developing independent reports for intervenors and applicants.

- Over 20 years of **experience testifying** as a **subject matter witness, executive policy witness** and **independent expert** at regulatory proceedings. Areas of testimony include: policy & strategy (electric & natural gas general rate applications, major capital projects review, cost of gas prudence review, cost of service methodology review), financial targets, long-term financial forecasts, operating & capital cost forecasts, debt management strategies, depreciation studies, adoption of IFRS accounting policies for rate setting purposes, financial results, general revenue requirement components, rate base, return on equity, capital structure, financial feasibility tests, as well as regulatory approvals and procedural matters.

## PROFESSIONAL EXPERIENCE

### PRINCIPAL, DARREN RAINKIE CONSULTING

2017 – Present

- Provide **rate-regulation advisory services** in the subject matter areas of policy, strategy, revenue requirements, cost of capital/capital structure, cost allocation, rate design, major capital project reviews, planning and management of regulatory applications and associated hearing processes, stakeholder engagement and witness testimony in regulatory proceedings.
- Provide **financial advisory services** in the subject matter areas of financial targets, long-term forecasting, operating & capital cost budgeting, debt management, risk management, intercompany cost allocation, financial reporting and business valuation.
- Provide regulatory consulting services to the **British Columbia Old Age Pensioners' Organization et al** Intervenor Group in connection with numerous natural gas and thermal utility applications before the **British Columbia Utilities Commission**, including: **FortisBC Energy** (Pattullo Gas Replacement Project and Biomethane Energy Recovery Charge Rate Methodology), **Pacific Northern Gas** (Salvus to Galloway Gas Line Upgrade), **Creative Energy Vancouver** (2021 Long-Term Resource Plan, 2021 Revenue Requirement Application and 2021 Heating and Cooling Rates) and **Insurance Corporation of British Columbia 2021 Revenue Requirements Application**.
- Provided independent expert evidence and testimony to the **Nova Scotia Utility and Review Board** regarding **Nova Scotia Power Inc.'s 2021 Back-Up/Top-Up Amendment Application** with respect to pricing and terms and conditions of service of municipal electric utilities.
- Provided advisory services to **Efficiency Manitoba** in connection with its **2020-2023 Efficiency Plan** filing to the **Manitoba Public Utilities Board (MPUB)**, including regulatory on-boarding, filing review process design and strategic filing preparation advice.
- Independent expert witness on regulatory policy, financial reserve targets and revenue requirement matters before the **MPUB** on behalf of the Consumers Association of Canada (Manitoba) in the **Centra Gas 2019/20 General Rate Application** proceeding.
- Independent expert witness on regulatory policy, financial reserve targets and revenue requirement matters before the **MPUB** on behalf of the Consumers Coalition in the **Manitoba Hydro 2019/20 Rate Application** proceeding.
- Conducted an independent review of the **2019/20 Chestermere Utilities Inc. rate proposal** (water, sanitary & storm services) and associated financial implications for the **City of Chestermere** (acting as the regulator).
- Provided independent advice to the Consumers Association of Canada (Manitoba) on case strategy and the capital management plan in connection with the **Manitoba Public Insurance 2019/20 General Rate Application** before the **MPUB**.
- Conducted a review and made recommendations on the implementation of a revised **internal cost allocation methodology** (allocation of corporate and shared service costs) for **Corix Infrastructure Inc.** (a leading provider of energy, water & wastewater utilities for small to medium-sized communities across North America).



- Provided independent advice to an Industrial Intervenor on the Advanced Metering Infrastructure (AMI) project in connection with **New Brunswick Power Corporation 2018/19 General Rate Application** before the **New Brunswick Energy & Utilities Board**.
- Provided independent advice to legal counsel for an intervenor with respect to case strategy, evidence evaluation and revenue requirement matters in connection with the **Northwest Territories Power Corporation 2016-2019 General Rate Application** before the **Northwest Territories Public Utilities Board**.

## MANITOBA HYDRO & CENTRA GAS

1999 – 2017

### Acting President and Chief Executive Officer

September to December 2015

- Responsible for the **overall executive leadership** of one of the largest integrated electric and natural gas utilities in Canada with over \$20 billion in assets, \$2.3 billion in revenues, 568,000 electricity and 277,000 natural gas customers and over 6,000 employees.
- Maintaining progress on **delivery of key strategic objectives, execution on major capital projects** and effective transition to the newly appointed CEO while simultaneously managing several complex finance & regulatory projects in the on-going role as CFO.

### Vice-President, Finance & Regulatory Affairs and Chief Financial Officer

2013 – 2017

- Responsible for the **executive leadership** of the **Finance & Regulatory Affairs business unit** (Controller, Treasury, Rates & Regulatory Affairs, Financial Planning and Corporate Risk Management) and **Manitoba Hydro International** (professional consulting and project management services to energy sectors world-wide).
- Member of the **Executive Committee** that actively collaborated in the **management of the corporation** and the formation, revision and achievement of the **corporate strategic plan** and establishment of **business unit goals & strategies** that align with the strategic objectives of Manitoba Hydro. Led, developed and mentored a diverse team of senior professionals as well as cross-disciplinary project teams.
- **Chief regulatory officer** and provided executive direction with respect to regulatory affairs before the MPUB (Manitoba Hydro & Centra Gas) and National Energy Board (Minell Pipelines). Represented the corporation as **executive policy witness** and chief regulatory strategist for several significant electric and gas regulatory proceedings before the MPUB, as follows:
  - The **2016 Electric Cost of Service Methodology Review** before the MPUB to review the methodology underpinning the allocation of a \$2 billion revenue requirement and \$20 billion rate base among 568,000 customers.
  - The **2015 Electric General Rate Application** before the MPUB which included final approval of interim rates for 2014/15 and rates for 2015/16 as well as the establishment of a process to review interim rates for 2016/17. Applied a top-down strategy driven approach and drove the transformation of rate applications to increase revenues, ensure the on-going financial sustainability of the corporation, maintain reliable service and stable rates - while balancing the interest of ratepayers with the financial integrity of the corporation.
  - The **2015 Cost of Gas Application** before the MPUB and directed the development of the regulatory strategy and principles associated with the prudence review and recovery of additional gas costs of \$46 million incurred during the record cold winter weather of 2013/14.



- The finance witness panel at the **2014 MPUB review of the Need For and Alternatives To (NFAT)** Manitoba Hydro's proposed Major Generation and Transmission capital projects involving a planned investment of over \$17 billion. The finance panel witness responsibilities included the potential impact on customers rates, financial outlook and financial risk associated with the planned investments.
- The **2013 Centra Gas General Rate Application** before the MPUB to set gas costs and non-gas revenue requirement for 2013/14.
- Guided the development of **corporate financial targets** and the **long-term financial forecast** as well as corporate operating, capital and financing plans that are consistent with the overall objectives of the Corporation and obtained endorsement from the Audit Committee and Manitoba-Hydro Electric Board (MHEB). Initiated and provided executive oversight to a **comprehensive review of corporate financial targets** to determine if they continued to be appropriate during a period of extensive capital investment of over \$17 billion. Provided policy guidance to support the development of increasingly sophisticated **financial models to provide scenario analysis** (over 15,000 financial projections) on key financial variables (water flows, export prices, interest rates and capital costs) to evaluate the adequacy of financial targets and financial reserves and forecast the long-term rate impacts of major capital projects.
- Initiated target setting process and collaborated with the executive team to develop a **multi-year budgeting strategy** to substantially reduce the growth in operating expenditures. Championed the establishment of an overall **corporate asset management framework** and further development of systems to improve the planning and prioritization of sustaining capital expenditures in the generation, transmission, distribution and corporate functions.
- Provided executive oversight to the development and execution of **financing strategies** and plans to obtain long-term debt financing in the order of \$1.5 billion to \$2 billion annually and to effectively manage the corporation's liquidity, foreign exchange and interest rate risks. Provided policy guidance to treasury staff to develop a more cost-effective approach to **manage significant risk exposure from US currency fluctuations** on export revenues and to develop an **alternate debt management strategy** to retire debt and improve the financial outlook.
- Directed the **financial and management reporting** and **corporate risk management functions** and provided regular reports on the financial results and risks of the corporation to Executive Committee, Audit Committee and MHEB. Executive accountable to oversee the **transition** from Canadian Generally Accepted Accounting Principles (CGAAP) to **International Financial Reporting Standards (IFRS)** for financial reporting purposes and the strategy to use IFRS for rate-setting purposes.
- Chair of the **Corporate Risk Management** and **Rates Review committees**. Member of the Export Power and Gas Supply **Risk Management committees** and the **Corporate Asset Management Executive Council**. Member and **Treasurer of the Wuskwatim and Keeyask Limited Partnership Boards** working closely with Indigenous partners.

#### Corporate Controller, Controller Division

2008 - 2013

- Directed the **preparation** of the **electric and gas revenue requirement filings** and represented the corporation as a **senior subject matter witness** at several MPUB **electric rate hearings** between 2008 and 2013 (2008/09, 2009/10, 2010/11 & 2011/12, 2012/13 & 2013/14 GRA's) providing witness testimony on financial results, long-term financial forecast, operating & capital cost forecasts, other revenue requirement components as well as implementation of depreciation studies and IFRS accounting policies for rate-setting purposes.
- Oversaw the development of the **long-term financial forecast** and the **coordination of the consolidated operating cost and capital expenditure forecasts** and presentation to the Audit Committee and MHEB.
- Led the **financial and management reporting functions** of the corporation and managed interaction with the provincial Comptroller's Division and external auditors. Guided the **provision of financial services** to the **business unit** management teams.

## Corporate Treasurer, Treasury Division

2006 - 2008

- Led the development of **debt management** and **financing strategies** to obtain corporate financing requirements and effectively manage the corporation's liquidity, foreign exchange and interest rate risks. Provided testimony as a **senior subject matter expert** at the 2007/08 & 2008/09 Centra GRA on rate base, return on equity, working capital allowance, finance expense and debt management.
- Managed interaction with **credit rating agencies**, the provincial Treasury Division and investment banking institutions.
- Guided **cash management**, cash forecasting and **credit risk management** functions and the administration of banking arrangements.

## Manager, Regulatory Services Department

1999 - 2006

- Responsible for **regulatory planning** and administration and providing **recommendations** to **senior management** on regulatory **strategy, issues** and **procedural matters**. Acted as a liaison with MPUB staff and advisors.
- **Managed** the preparation of **numerous regulatory applications, filings** and **reports** to the **MPUB**, the post-application/pre-hearing processes, the public hearing process and the interpretation and compliance with MPUB decisions from 1999 to 2006 (types of regulatory proceedings/matters include: general rate applications, commodity cost prudence reviews/pass throughs, franchise expansions & feasibility tests, natural gas broker service improvements & stakeholder engagement process, pipeline safety, integrity & construction methods, customer disconnections, acquisition of a natural gas cooperative).
- Represented the corporation as a **subject matter witness** at several MPUB **natural gas rate hearings** between 2000 and 2006 (2000 Interlake expansion, 2003/04 GRA, 2004/05 Cost of Gas, 2005/06 & 2006/07 GRA, 2007/08 & 2008/09 GRA), providing witness testimony on revenue requirements, rate base, cost of capital/return on equity, capital structure, lead-lag study, financial feasibility tests and regulatory approvals and procedural matters.
- Oversaw the development of the **Quarterly Primary Gas application** and associated processes in 2000 to adjust the cost of gas from western Canada on each gas quarter using an efficient and streamlined regulatory approval process.

## CENTRA GAS MANITOBA INC.

1994 - 1999

## Senior Coordinator, Regulatory Services Department

1997 - 1999

- Responsible for the **coordination** and **preparation** of **regulatory applications, filings** and **reports** to the MPUB (types of regulatory proceedings/issues include: 1998 general rate application, commodity cost prudence reviews/pass throughs, franchise expansion & feasibility test reviews, debt & equity issues, accounting policy selection, depreciation rates, intercompany cost allocations & affiliate transactions).
- Provided **direction** to **regulatory staff** and **internal clients** with respect to regulatory process and procedural matters, the preparation of responses to MPUB decisions, directives and requests and participated in the **preparation of evidence** and **witnesses** for public hearings.

**Senior Financial Analyst, Financial & Accounting Services Department****1994 - 1997**

- Acted as internal expert and **provided support to company witnesses** at MPUB public hearings with respect to business case and feasibility assessments as well as financing, capital structure and cost of capital/rate of return and feasibility test matters (1995 & 1997 GRA's). Developed the Centra **return on equity formula** proposal for the 1995 GRA.
- Provided advice and assisted in the **preparation of business cases** with internal management and project teams to support business expansion and growth opportunities, capital expenditures and operating decisions. Coordinated all aspects of **financial analysis** and **feasibility assessments** including the development of financial models, investment evaluation criteria and the presentation of results to internal management.

**PRICE WATERHOUSE, CHARTERED ACCOUNTANTS (Winnipeg Office)****1988 - 1994****Assistant Manager, Financial Advisory Group****1990 – 1994**

- Acted as **accounting & finance advisor to the MPUB** between 1990 and 1994 on several Centra Gas regulatory applications (including 1990, 1991, 1992, 1993 GRA's), a 1994 Manitoba Hydro GRA and a Stittco Utilities Manitoba (propane) 1991 GRA. Drafted numerous regulatory decisions for the MPUB during that timeframe. Provided advice on all aspects of revenue requirements including operating costs, depreciation, finance expense, income & other taxes, rate base, working capital, capital structure and cost of capital/return on equity.
- Provided extensive **consulting advice to the MPUB** and drafted regulatory decisions on **capital structure** and **cost of capital/return on equity** matters including the last comprehensive decision on the allowed capital structure and return on equity for Centra Gas in 1994.
- Prepared **business valuations**, conducted business reviews for acquisition and divestiture purposes and prepared **quantifications of losses** or **damages** for use in litigation proceedings.

**Audit Senior, Audit & Business Advisory Group****1988 - 1990**

- Provided **audit** and **business advisory services** to clients in several industries, including real estate, investment dealing and agriculture, as well as public sector clients.

# Kelly Derksen, BSc., CPA, CMA

Principal – Kelly Derksen Consulting

## HANDS-ON AND MULTI-FACETED EXPERTISE

### IMPROVING REGULATORY & BUSINESS OUTCOMES FOR CLIENTS

#### QUALIFICATIONS & EXPERTISE

- Ratemaking Expert
- Regulation Strategy & Execution
- Regulation Process Management
- Quality & Process Improvement
- Experienced & Respected Witness
- Leadership Excellence

#### CAREER HIGHLIGHTS

- 25 years of Rates & Regulation experience in the Utility Industry
- A recognized authority in Utility Cost of Service and Rate Design
- Experienced, credible, respected witness – testifying in numerous public hearings, 2002 – Present
- Developed, led, and assisted in dozens of regulatory proceedings
- Committed to mentoring and sharing knowledge through collaborative style and routinely conducting training

#### PROFESSIONAL EXPERIENCE

- Independent Consultant 2018-Present
- Manitoba Hydro/Centra Gas 1999-2017
- Centra Gas 1994-1999

#### EDUCATION

- Chartered Professional Accountant (CMA), 2004
- BSc., (Chemistry & Mathematics) University of Manitoba, 1995

#### PROFILE

Kelly leverages her 25-years of **hands-on experience** and **multi-faceted expertise** in energy regulation and ratemaking for clients that participate in and are impacted by rate-regulation – including applicants, intervenors, utility customers, regulatory & government agencies. She specializes in regulation and ratemaking, with an emphasis on cost of service, and rate design. **Clients benefit from improved regulatory & business outcomes** through the following:

**Providing Clients with Ratemaking Solutions Based on Traditional and Contemporary Best Practice that are Theoretically Sound, Practical, Sustainable and Clear** – Kelly developed her ratemaking expertise through decades of employment with one of Canada’s largest publicly owned, vertically integrated electric and natural gas utilities as well as providing independent advice to other applicants, intervenors, and regulatory tribunals. Kelly has led, developed and executed many cost of service and rate design studies and methodological reviews. This includes the development of extensive evidence and providing principled persuasive testimony. Along with practical experience, and continuous monitoring of the evolving utility industry, she also has deep understanding of the academic-based writings including Bonbright and Kahn, as well as the more practical detailed ratemaking manuals such as NARUC. With a deep passion and understanding of ratemaking obtained through significant hands-on utility experience uniquely enables Kelly to deliver client solutions that are workable, understandable, and that are also academically sound.

**Providing Clients with Effective Regulation Strategy Advice & Workable Process Management Solutions** – Leveraging from 25 years of hands-on experience-backed judgement and insight, Kelly provides strategic and tactical advice and solutions to complex regulation challenges. Kelly has successfully developed and led many interim, ex-parte, written, traditional, and unconventional regulatory processes. With the many challenges and nuances associated with achieving success in the regulatory arena, Kelly is a champion of evaluating lessons learned to achieve future success. Clients benefit from access to decades of hands-on regulatory experience to advance their goals more efficiently and effectively.

**Providing Clients with Practical and Sustainable Solutions**- Kelly’s collaborative style as well as her strength in the translation of complex ratemaking subject matters into workable solutions that are practical with a greater potential of stakeholder acceptance.

## OVERVIEW OF RATEMAKING & REGULATORY EXPERIENCE

- Providing independent expert services on ratemaking policy, rate design, ancillary cost allocation matters as well as matters of natural gas competition before the MPUB on behalf of the **Consumers Association of Canada (Manitoba)** in connection with the **2021 Centra Gas Rate Re-Bundling Application**.
- Provide regulatory consulting services to the **British Columbia Old Age Pensioners' Organization et al** Intervenor Group in connection with numerous natural gas and thermal utility applications including: **FortisBC Energy** (Pattullo Gas Replacement Project, Tilbury LNG Replacement Project, Okanagan Capacity Upgrade Project, Biomethane Energy Recovery Charge Rate Methodology), **Pacific Northern Gas** (Salvus to Galloway Gas Line Upgrade), **Creative Energy Vancouver** (2021 Long-Term Resource Plan, 2021 Revenue Requirement Application, Heating and Cooling Rates Application), **Insurance Corporation of British Columbia 2021 Revenue Requirements Application**, and **Corix Multi-Utility Services** (2020-2023 Revenue Requirement and Rates Application).
- Provided independent expert evidence and testimony to the **Nova Scotia Utility and Review Board** regarding **Nova Scotia Power's 2021 Back-Up Top-Up Rates** related to the cost to serve and pricing of intermittently served municipally owned wind generation.
- Provided independent expert rate advice and evidence regarding marginal and load retention rates to the **Nova Scotia Utility and Review Board** regarding Nova Scotia Power's **2020 and 2021 Annually Adjusted Rate Applications**.
- Provided advisory services to **Efficiency Manitoba** in connection with its **2020/23 Efficiency Plan** filing to the Manitoba Public Utilities Board (MPUB), including regulatory on-boarding, regulatory filing review process design and strategic filing preparation advice.
- Independent expert witness on ratemaking policy, internal and external cost allocation, rate design, and terms and conditions of service matters before the MPUB on behalf of the **Consumers Association of Canada (Manitoba)** in the **Centra Gas 2019/20 General Rate Application proceeding**.
- Independent expert witness on ratemaking policy, cost of service, rate design and regulatory compliance matters before MPUB on behalf of the **Consumers Coalition** in the **Manitoba Hydro 2019/20 Rate Application proceeding**.
- Conducted a review and made recommendations on the implementation of a revised **internal cost allocation methodology** related to the inter-affiliate, multi-jurisdictional allocation of corporate and shared service costs for the **Corix Group of Companies**, a leading provider of energy, water & wastewater utilities for small to medium-sized communities across North America.
- Promoted through progressively senior analytical and managerial positions in the general area of **utility ratemaking and regulation** at the **privately-owned Centra Gas**, and then **Manitoba Hydro**, a combined publicly owned vertically integrated hydro-electric utility and disaggregated natural gas utility.
- Over two decades of hands-on experience in developing practical solutions to complex problems that comport with best practice categorized broadly as:
  1. Regulation Strategy and Process Management
  2. Ratemaking
  3. Leadership and Communication

## **Regulation Strategy and Process Management**

- Provided strategic and tactical advice and solutions to Executive Management for over 15 years on ratemaking and regulatory policy consistent with the strategic goals of the organization and within the context of the governing legislation and regulatory framework.
- Led, developed, and assisted in dozens of rate cases (and other regulatory processes) interfacing with external agencies and the many internal disciplines necessary to support the process. Provided advice and reports to Executive Management regarding appropriate regulatory strategies and developed a common theme and orderly plan with careful execution to achieve strategic, financial and operational deliverables.
- Provided advice to Executive Management regarding the interpretation of regulator decisions and compliance.
- Successfully led numerous traditional, unconventional, interim and ex-parte regulatory processes. This included numerous stakeholder engagement sessions, demonstrating commitment to seeking solutions to best balance multiple conflicting interests, building trust and strengthening relationships.
- With the many challenges and nuances associated with achieving success in the regulatory arena, a champion of evaluating lessons learned for the achievement of successful future outcomes; including key stakeholders in this evaluation is critical to building solid relationships, and to move forward goals more efficiently and effectively.

## **Ratemaking**

- A deep understanding of utility ratemaking including extensive hands-on experience having developed, led, and executed dozens of studies and several cost of service and rate design methodological reviews, through continuous monitoring of the evolving utility industry, a solid understanding of the economics behind investment decisions, the physical workings of the system, a strong understanding of the legislative framework and regulatory construct by which a utility operates, and the academic-based writings of Bonbright and Kahn as well as more practical detailed ratemaking guidance provided by NARUC.
- An experienced and respected witness having represented the Corporation as a subject matter witness before the MPUB for 17 years. Provided testimony on revenue requirements, rate base, cost of service, rate design, treatment of deferral and variance accounts, expansion financial feasibility tests, terms and conditions of service, regulatory approvals and procedural matters.
- Driving force and key witness behind the 2016 electric Cost of Service Methodology Review before the MPUB to review the methodology underpinning the allocation of a \$2 billion revenue requirement, \$500 million of export revenue, and a \$20 billion rate base among over 570,000 customers.
- Developed the 2016 electric Cost of Service Methodology Review case strategy and evidence, hundreds of information requests, led several stakeholder engagement sessions, evaluated Intervenor Expert positions, rebuttal evidence, testimony, and final arguments available on the MPUB's website: [www.pubmanitoba.ca](http://www.pubmanitoba.ca).
- Developed evidence to support several key issues such as: an overall methodology that reasonably balanced the corporation's financial goals and the public interest given significant external energy market changes subsequent to 2008 (advent of shale gas, plunge in electric and natural gas prices) coupled with significant investment in new hydraulic infrastructure/aging infrastructure; a cohesive overall methodology associated with a largely interconnected hydro-electric utility; the influence of economics (marginal cost to service) on embedded cost to serve; and the interrelation between revenue requirement, cost of service, and rate design and potential unintended consequences (impacts to low income customers, or protecting the utility's ability to collect its approved revenue requirement).
- Recognized publicly for capabilities having developed an expert level knowledge of electric cost of service over a short timeframe to support a complex regulator review and delivering testimony.
- Led and developed numerous cost allocation and rate design models to analyze the impacts and sensitivities of scenarios.
- Conducted training on rates, cost analysis, methodology, economic feasibility (service extension), revenue requirement.
- Led and prepared the development of lead-lag studies, rate base, revenue requirements on many occasions between 1998 and 2008 for Manitoba's natural gas utility.



## **Leadership and Communication**

- Extensively interacted with a variety of styles and experience levels having led large multi-disciplinary teams with dozens of professionals and routinely presenting to Executive Management, Board of Directors, Retail Customers, Stakeholders and the Regulator.
- Successfully advanced many regulatory applications and related hearing processes, at times concurrently, accomplished through building cross-departmental co-operation, periodically with disparate in-house teams, with a genuine interpersonal style that engenders trust and commitment. For example, over a 12-month period beginning in the fall of 2006, led and developed 4 major applications including a Cost of Gas Application, a 4-Party Trench Application; a General Rate Application; and a generic competition-related application.
- Managed and mentored a team of professional accountants. By creating a collaborative atmosphere, and encouraging measured autonomy proudly developed a well-respected flexible team with strong expertise.
- Developed productive relationships with regulator staff and advisors, key stakeholders and interest groups.
- Routinely presents at regulatory workshops and industry conferences, to strengthen skills and importantly to share knowledge and experience with others.
- Strength in translating complex ratemaking subject matter, into practical, clear solutions based on traditional and contemporary best practice and the related strategy and evidence development of a regulatory case.

## **PROFESSIONAL EXPERIENCE**

<b>Independent Consultant in Public Utility Regulation</b>	<b>2018 - Present</b>
<b>Manitoba Hydro - Manager, Cost of Service &amp; Rates</b>	<b>2009 - 2017</b>
<b>Manitoba Hydro - Manager, Gas Rates &amp; Regulatory Affairs</b>	<b>2006 - 2009</b>
<b>Manitoba Hydro - Senior Analyst, Gas Rates</b>	<b>2002 - 2006</b>
<b>Manitoba Hydro- Analyst, Gas Rates</b>	<b>1999 - 2002</b>
<b>Centra Gas – Revenue Requirement Analyst, Regulatory Affairs</b>	<b>1998 - 1999</b>
<b>Centra Gas - Coordinator, Regulatory Affairs</b>	<b>1995 - 1998</b>

### **A SELECTION OF RELEVANT PROJECT EXPERIENCE:**

- Developed an integrated internal cost allocation methodology for a large water utility with numerous Canadian and U.S. based subsidiaries;
- Reviewed zone of reasonableness policy and developed the related strategy and evidence;
- Addressed the treatment of International Financial Reporting Standards (IFRS) within cost of service;
- Treatment of large hydraulic generation cost measurement within embedded cost to serve;
- Treatment of significant export revenue priced the margin (at times 40% or more of total revenue requirement) within embedded cost to serve (effectively a matter of public policy)
- Treatment of demand side management cost within cost to serve;
- Economic development rates/energy intensive rates/low income rates;
- Uneconomic bi-pass (distributed solar PV); economic bi-pass;
- Costing assumptions in feasibility tests to address divergence between embedded and marginal cost to service and related service extension policy (including to support business expansion and growth opportunities);
- Allocation treatment of revenues and costs (and related rate base) associated with unique partnerships with First Nations developed to support new, multi-billion-dollar hydraulic generation;

- Wheeling tariffs—provided the underlying cost analysis and regulatory advice;
- Treatment and determination of variance accounts (cost trackers);
- Led Revenue Decoupling evidence and testimony during 2008 Centra GRA;
- Evaluated the appropriateness and level of Month Basic Charges, developed evidence and led testimony;
- Evaluated the appropriateness and level of Demand Charges, developed evidence and led testimony;
- Fixed rate alternatives (within and outside of regulated utility);
- Successfully developed a solution for and executed the disposal of \$100 million in gas costs (nearly 40% of total asset investment) accumulated during the natural gas market conditions in early 2001, and the accumulation of \$46 million in gas costs during the 2013/2014 record cold winter;
- Rate unbundling to support service unbundling flowing from natural gas market restructuring to facilitate competition;
- Analysis and research assessing a competition-related role of the utility in the provision of gas supply application;
- Successfully developed a treatment for costs incurred to facilitate competition; and
- Developed codes of conduct between regulated and unregulated utility affiliates.