



*Excellence Delivered As Promised*

January 18, 2019

RECEIVED

JAN 18 2019

Via FedEx 2-Day Delivery

Secretary, Pennsylvania Public Utility Commission  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dear Madam Secretary:

Application of Gannett Fleming Valuation and Rate Consultants, LLC  
to Renew Registration as a Utility Valuation Expert in the  
Commonwealth of Pennsylvania at Docket No. A-2016-2569746

Enclosed are the following documents related to the Application of Gannett Fleming Valuation and Rate Consultants, LLC to Renew Registration as a Utility Valuation Expert in the Commonwealth of Pennsylvania at Docket No. A-2016-2569746:

1. Responses to Bureau of Technical Utility Services Water/Wastewater Division Data Request Set 1 – Items A-1 and A-2 to include:
  - a. Item A-1
    - i. Amended application that includes:
      1. Amended Item 6, page 3
      2. Updated Item 4, page 2
      3. Updated Affidavit – Appendix A
  - b. Item A-2
    - i. Proof of delivery of original application to Statutory Advocates
2. The officers and directors of our firm changed effective January 5, 2019. As such, separate from the amended application, enclosed are updated Attachments 2 and 3 referenced within the application.

Please advise me if you require any additional information related to our Renewal Application.

Very truly yours,

GANNETT FLEMING VALUATION  
AND RATE CONSULTANTS, LLC

CHERYL ANN RUTTER, CPS  
Administrator

Enclosures

cc: Tanya McCloskey, Office of Consumer Advocate (w/enclosures)  
John Evans, Office of Small Business Advocate (w/enclosures)  
Richard Kanaskie, PUC Bureau of Investigation and Enforcement (w/enclosures)  
Paul Zander, Bureau of Technical Utility Services (email to pzander@pa.gov on 1/18/19 w/enclosures)

Gannett Fleming Valuation and Rate Consultants, LLC

P.O. Box 67100 • Harrisburg, PA 17106-7100 | 207 Senate Avenue • Camp Hill, PA 17011-2316

t: 717.763.7211 • f: 717.763.4590

www.gfvrc.com

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Bureau of Technical Utility Services  
Water/Wastewater Division  
Data Request Set 1

Application of Gannett Fleming Valuation and Rate Consultants, LLC to Renew  
Registration as a Utility Valuation Expert at Docket No. A-2016-2569746

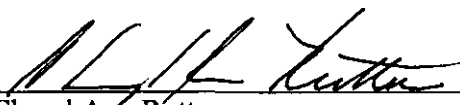
Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

A-1. Please amend the response to the Application's Item 6 to either check a box or insert "NONE" for each subpart of the item.

**RESPONSE:**

The amended response to Item 6, page 3 of the application, as well as a current Affidavit, Appendix A, are included in the attached version of the UVE Application form (Rev. Nov. 2016) which was submitted to the Secretary of the Public Utility Commission via Federal Express on December 21, 2018.

I, Cheryl Ann Rutter, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature   
Cheryl Ann Rutter

Title Administrator

Date: January 17, 2019



BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

In Re: Application of Gannett Fleming Valuation and Rate Consultants, LLC to register as an Utility Valuation Expert (UVE) in the Commonwealth of Pennsylvania

Docket No: M-2016-2543193

Check one:

Fee:  \$125 fee enclosed

Initial Application

Renewal Application **ENTITY CODE: 9919244**

1. Legal Name of the Applicant: Gannett Fleming Valuation and Rate Consultants, LLC

Attach proof of compliance with appropriate Pennsylvania Department of State filing requirements.<sup>1</sup> (See Attachment 1)

2. Trade or Commercial or Fictitious Names Used by Applicant (d/b/a):

Check this box if the Applicant will not be using a fictitious name.

Check this box if the Applicant will be using a fictitious name or using a d/b/a (doing business as) another name and identify names below. If more space is needed, list names on the back of this page or append list to completed application.

3. Applicant Address:

Street Name & Number: 207 Senate Avenue

Post Office Box: \_\_\_\_\_

City: Camp Hill

State: PA

Zip Code: 17011

Telephone Number: 717-763-7212

Email Address: \_\_\_\_\_

Website Address: gfvrc.com

<sup>1</sup> A copy of any document from the Pennsylvania Department of State (Pa. Dept. of State) documenting the Applicant's Pa. Dept. of State entity number is adequate. However, the document must indicate that the Applicant's Pa. Dept. of State registration is "active." Certified copies of Pa. Dept. of State documents are not required.

<b>Application for Registration as a Utility Valuation Expert (UVE)</b>
---

4. Point of Contact for this Application:<sup>3</sup>Name: Harold WalkerTitle: Manager, Financial Studies*Complete the following if different than above:*

Street Name &amp; Number: \_\_\_\_\_

Post Office Box: P.O. Box 80794City: Valley ForgeState: PAZip code: 19484-0794Telephone Number: 610-650-8101, Ext. 7243Email address: hwalker@gfnet.com

## 5. Parent &amp; Subsidiary Companies &amp; Affiliates:

*Parent Name and Contact Information.* Provide name and contact information for parent company. Check box if any parent company is currently doing business in Pennsylvania as a UVE or WWDC. If none, do not check the box; insert NONE below.

Parent Name: Gannett Fleming, Inc. "NONE"Street Name & Number: 207 Senate Avenue

Post Office Box: \_\_\_\_\_

City: Camp HillState: PAZip Code: 17011Telephone Number: 717-763-7211

Email Address: \_\_\_\_\_

Website Address: gfnet.com

*Subsidiaries and Contact Information.* Provide name and contact information for all subsidiary companies. Check this box if any subsidiary is currently doing business in Pennsylvania as a UVE or WWDC. If none, do not check the box; insert NONE below.

Subsidiary Name: None

Street Name &amp; Number: \_\_\_\_\_

Post Office Box: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip Code: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Website Address: \_\_\_\_\_

(Copy above information and paste on separate sheet as necessary for additional Subsidiaries)

<sup>3</sup> PLEASE NOTE: Upon approval of this application, this Contact Information will be listed on the Commission's UVE Registry.

**Application for Registration as a Utility Valuation Expert (UVE)**

*Affiliates and Contact Information.* Provide name and contact information for all affiliated companies. Check box if any affiliate is currently doing business in Pennsylvania as a UVE or WWDC. If none, do not check the box; insert NONE below.

Affiliate Name: None  
Street Name & Number: \_\_\_\_\_  
Post Office Box: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip Code: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

(Copy above information and paste on separate sheet as necessary for additional Affiliates)

**6. Contracts & Business Partnerships:**

Check box if Applicant intends to or has operated under contract with or has partnered with an WWDC within the past five (5) years. Otherwise, insert NONE here: NONE.

Check box if Applicant intends to or has operated under contract, subcontracted or partnered with a UVE within the past five (5) years. Otherwise, insert NONE here: NONE.

**If applicable, provide name(s) of WWDC(s) and UVE(s) and contact information for each and briefly describe the nature of business services associated with each contract and/or partnership. Attach additional pages as needed.**

Not applicable.

**7. Identify principal officers (i.e., owners, executives, partners and/or directors, etc.), as appropriate for Applicant's organizational structure. Provide an organizational chart and the names, titles, business addresses and telephone numbers for each office.**

See Attachment 2.

**8. Attach to this Application a brief biography or single page professional resume for all principal officers and management directly responsible for Applicant's operations.**

See Attachment 3.

**9. Provide Applicant's Federal Employer Identification No. (EIN):** 46-4413705

**Application for Registration as a Utility Valuation Expert (UVE)**

**10. Registered Agent**

- a. If the Applicant does not maintain a principal office in the Commonwealth, the Applicant is required by the Pennsylvania Department of State to designate an approved Registered Agent as its representative in the Commonwealth. Check one of the boxes below, as applicable:

YES, the Applicant has registered its business with the Pennsylvania Department of State. Following is the Name and Contact information for the Applicant's Registered Agent approved by the Pennsylvania Department of State.

Registered Agent: \_\_\_\_\_  
 Street Name & Number: \_\_\_\_\_  
 Post Office Box: \_\_\_\_\_  
 City: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Zip Code: \_\_\_\_\_  
 Main Telephone Number: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Website Address: \_\_\_\_\_

NO, the Applicant has not registered its business with the Pennsylvania Department of State.

**STOP**—To avoid denial of your application and forfeiture of your application fee, contact the Pennsylvania Department of State Bureau of Corporations to register as a business entity within the Commonwealth **PRIOR TO** completion and filing of this application with the Pennsylvania Public Utility Commission.

- b. Applicant has registered its business with the Pennsylvania Department of State. Please check appropriate registration type for Applicant as designated with the Department.

- Sole proprietor
- Domestic corporation (none)
- Domestic general partnership.
- Domestic limited liability company
- Domestic limited liability partnership
- Foreign corporation
- Foreign general or limited partnership
- Foreign limited liability company
- Foreign limited liability general partnership
- Foreign limited liability limited partnership

**Application for Registration as a Utility Valuation Expert (UVE)**

- c. If Applicant is not domiciled in the Commonwealth of Pennsylvania and is registered as a "foreign" entity as identified above, please identify all other states where applicant is registered and name the appropriate state department(s):

---

---

---

**11. Technical Fitness**

Attach to this Application a copy of any certification(s) or similar documentation that would demonstrate the technical fitness of Applicant, such as professional licenses, technical certifications, and/or names of current or past clients with a description of dates and types of services provided by Applicant.

**See Attachment 4.**

---

---

---

**12. Falsification**

The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application, or if later discovered, for revoking any authority granted pursuant to the Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

Signature of Principal Official:

Paul R. Herbert

Official's Name & Title  
(Please Print)

: Paul R. Herbert, President

Date:

December 14, 2017

**Application for Registration as a Utility Valuation Expert (UVE)**

**AFFIDAVIT**

APPENDIX A  
Entity Code: 9919244  
**RECEIVED**

[Commonwealth/State] of Pennsylvania :  
: County of Cumberland :

ss.

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

John J. Spanos, Affiant, being duly sworn or affirmed according to law, deposes and says that:

Affiant is the President (Office of Affiant) of Gannett Fleming Valuation and Rate Consultants, LLC (Name of Applicant);

That Affiant is authorized to and does make this affidavit for said Applicant;

That Gannett Fleming Valuation and Rate Consultants, LLC, the Applicant herein, has the burden of producing information and supporting documentation demonstrating technical fitness to be registered as a Utility Valuation Expert pursuant to Section 1329. 66 Pa. C.S. § 1329.

That Gannett Fleming Valuation and Rate Consultants, LLC, the Applicant herein, acknowledges that it has answered the questions on the application correctly, truthfully and completely and has provided supporting documentation as required.

That Gannett Fleming Valuation and Rate Consultants, LLC, the Applicant herein, acknowledges that it is under a duty to update information provided in answer to questions on this application and contained in supporting documents.

That Gannett Fleming Valuation and Rate Consultants, LLC, the Applicant herein, verifies that neither the UVE nor the UVE's firm, including affiliates, have a conflict of interest that would compromise, or have the appearance of compromising, the UVE's professional judgement and ability to perform the valuation in an unbiased manner.

That the facts above set forth are true and correct to the best of Affiant's knowledge, information, and belief, and that Affiant expects said Applicant to be able to prove the same at hearing.

John J. Spanos  
Signature of Affiant

Sworn and subscribed before me this 17th day of January 20 19.

[Signature]  
Signature of official administering oath

My commission expires: February 20, 2019.

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
Cheryl Ann Rutter, Notary Public  
East Pennsboro Twp., Cumberland County  
My Commission Expires Feb. 20, 2019  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS  
401 NORTH STREET, ROOM 206  
P.O. BOX 8722  
HARRISBURG, PA 17105-8722  
WWW.CORPORATIONS.STATE.PA.US/CORP

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Gannett Fleming Valuation and Rate Consultants, LLC

THE BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS IS HAPPY TO SEND YOU YOUR FILED DOCUMENT. THE BUREAU IS HERE TO SERVE YOU AND WANTS TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA.

IF YOU HAVE ANY QUESTIONS PERTAINING TO THE BUREAU, PLEASE VISIT OUR WEB SITE LOCATED AT WWW.CORPORATIONS.STATE.PA.US/CORP OR PLEASE CALL OUR MAIN INFORMATION TELEPHONE NUMBER (717)787-1057. FOR ADDITIONAL INFORMATION REGARDING BUSINESS AND / OR UCC FILINGS, PLEASE VISIT OUR ONLINE "SEARCHABLE DATABASE" LOCATED ON OUR WEB SITE.

ENTITY NUMBER: 4237063

Gannett Fleming Companies  
PO Box 67100  
Harrisburg, PA 17106



**Gannett Fleming**

*Excellence Delivered As Promised*

September 30, 2016

Via FedEx

PA Public Utility Commission  
Secretary  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor, Room 01  
Harrisburg, PA 17120

Re: Utility Valuation Expert (UVE) Application  
Gannett Fleming Valuation and Rate Consultants, LLC

To Whom It May Concern:

On behalf of Gannett Fleming Valuation and Rate Consultants, LLC ("GFVRC"), attached is GFVRC's Certificate of Organization in PA that names Gannett Fleming Affiliates, Inc. as the Organizer. Gannett Fleming, Inc. is the Member of GFVRC, per GFVRC's Operating Agreement that states:

WHEREAS, Gannett Fleming Affiliates, Inc. has caused a Certificate of Organization with respect to the Company to be filed in the office of the Secretary of State of the Commonwealth of Pennsylvania in accordance with the Pennsylvania Limited Liability Company Law of 1994 (the "Act"); and

WHEREAS, Gannett Fleming, Inc. has been designated as the Member of the Company;

WHEREAS, the affairs and the conduct of the business of the Company, and the rights, powers, duties and obligations of the Member shall be governed by the Act and this Agreement.

Please contact me directly with any questions or if you require any further information or documentation.

Best regards,

Audrey Daly  
Corporate Counsel

717-763-7212, Ext 2732  
adaly@gfnet.com

Attachment

Gannett Fleming, Inc.

P.O. Box 67100 • Harrisburg, PA 17106-7100 | 207 Senate Avenue • Camp Hill, PA 17011  
t 717.763.7211 • f 717.763.8150

www.gannettfleming.com



Entity #: 4337063  
Date Filed: 01/02/2014  
Carol Alchala  
Secretary of the Commonwealth

**PENNSYLVANIA DEPARTMENT OF STATE  
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

**Certificate of Organization  
Domestic Limited Liability Company  
(15 Pa.C.S. § 8913)**

Name <b>Gannett Fleming, Inc., Attn: Jeffrey D. Bryson</b>		
Address <b>P.O. Box 67100</b>		
City	State	Zip Code
<b>Harrisburg, PA</b>	<b>17106</b>	<b>7100</b>

Commonwealth of Pennsylvania  
CERTIFICATE OF ORGANIZATION 3 Page(s)



Fee: \$125

In compliance with the requirements of 15 Pa.C.S. § 8913 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company (*designator is required, i.e., "company", "limited" or "limited liability company" or abbreviation*):  
**Gannett Fleming Valuation and Rate Consultants, LLC**

2. The (a) address of the limited liability company's initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) Number and Street <b>207 Senate Avenue</b>	City <b>Camp Hill</b>	State <b>PA</b>	Zip <b>17011</b>	County <b>Cumberland</b>
(b) Name of Commercial Registered Office Provider <b>c/o:</b>				County

3. The name and address, including street and number, if any, of each organizer is (*all organizers must sign on page 2*):

Name <b>Gannett Fleming Affiliates, Inc.</b>	Address <b>1105 N. Market St., Suite 1300, Wilmington, DE 19809</b>

2014 JAN -2 PM 3:48  
PA DEPT OF STATE

4. ~~Strikes out if inapplicable term~~  
~~A member's interest in the company is to be evidenced by a certificate of membership interest.~~

5. ~~Strikes out if inapplicable:~~  
~~Management of the company is vested in a manager or managers.~~

6. The specified effective date, if any is: 01/02/2014  
month date year hour, if any

7. ~~Strikes out if inapplicable: The company is a restricted professional company organized to render the following restricted professional service(s):~~

---

---

8. For additional provisions of the certificate, if any, attach an 8 1/2 x 11 sheet.

IN TESTIMONY WHEREOF, the organizer(s) has (have)  
signed this Certificate of Organization this  
2nd day of January, 2014.

William M. Stout  
Signature

---

Signature

---

Signature

7. Identify principal officers (i.e., owners, executives, partners and/or directors, etc.), as appropriate for Applicant's organizational structure. Provide an organizational chart and the names, titles, business addresses and telephone numbers for each office.

The officers (officers and directors) of Gannett Fleming Valuation and Rate Consultants, LLC are Paul R. Herbert, President, and John J. Spanos, Senior Vice President. Both are located in the Headquarter's office. The business addresses and telephone numbers for our three offices are listed below.

Pennsylvania

Corporate Headquarters  
207 Senate Avenue  
Camp Hill, PA 17011  
717.763.7211

Nevada

5062 Alfigo Street  
Las Vegas, NV 89135-3213  
702.242.3250

Valley Forge Corporate Center  
1010 Adams Avenue  
Audubon, PA 19403-2402  
610.650.8101

Attached is an organizational chart.

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Gannett Fleming Valuation and Rate Consultants, LLC**

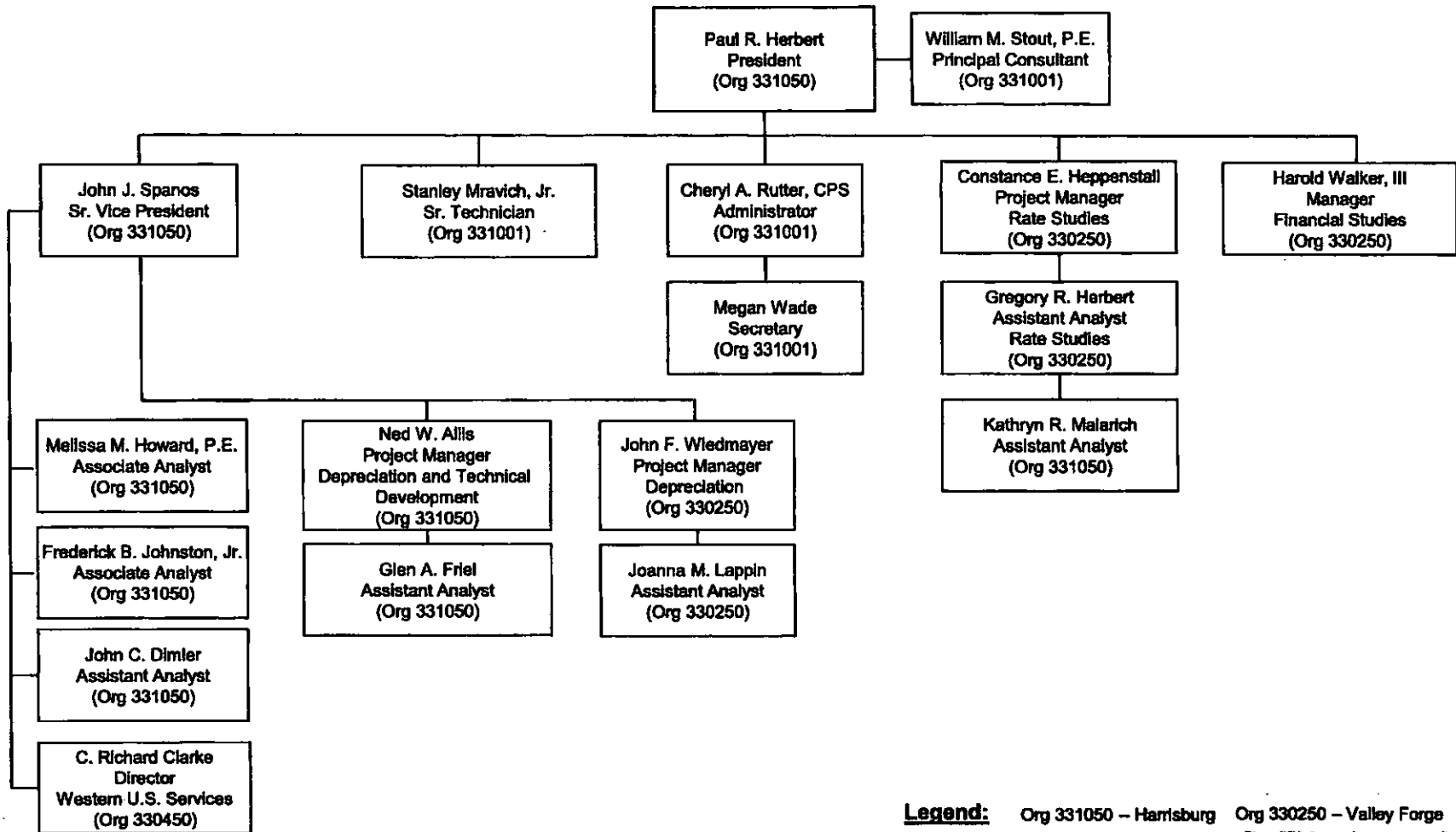
Officers and Directors

Last Changed 6/15/2017

* Herbert, Paul R.	Chairman
* Herbert, Paul R.	President
* Spanos, John J.	Senior Vice President
* Spanos, John J.	Treasurer
* Kessler, Jon H.	Secretary
* Kessler, Jon H.	Assistant Treasurer
Ile, Ruby L.	Assistant Secretary

\* = Director

**GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC  
 ORGANIZATION CHART  
 EFFECTIVE NOVEMBER 11, 2017  
 (Total Personnel = 18)**



**Legend:** Org 331050 – Harrisburg    Org 330250 – Valley Forge  
 Org 331001 – Harrisburg    Org 330450 – Las Vegas

8. Attach to this Application a brief biography or single page professional resume for all principal officers and management directly responsible for Applicant's operations.

The following are the brief biographies of the principal officers and management directly responsible for Gannett Fleming Valuation and Rate Consultants, LLC's 66 Pa. C.S. Section 1329 related services.

**Paul R. Herbert** is **President** of Gannett Fleming Valuation and Rate Consultants LLC. He has been with Gannett Fleming since 1977, and is responsible for the overall operations and performance of the Valuation and Rate Practice. He is a nationally recognized expert in cost of service and rate design. As a Project Manager, Mr. Herbert is responsible for the direct supervision of rate study assignments including the development of revenue requirements, allocation of cost of service to customer classifications, and the design of customer rate schedules. Assignments include analyzing operating and accounting data, preparing pro forma statements of income, developing allocation factors, allocating costs to various classes of service, designing customer rates using customer bill analyses, and preparing written reports and direct testimony. Experienced in researching operating and accounting records and assembling data required for cost-of-service allocation studies, including the development of allocation factors and peak demand data. Rate analysis responsibilities include analyzing customer consumption records; designing public utility rates; analyzing revenues, expenses, and preparation of pro forma statements of net operating income and other supporting data in connection with public utility rate studies; and preparing tariff supplements for filing with regulatory commissions including state tax adjustment surcharge and gas cost rate computations. Supports revenue requirement, cost-of-service allocation, and rate design studies through expert testimony. He is a nationally-recognized expert in cost of service and rate design. He is responsible for the direct supervision of rate study assignments including the development of revenue requirements, allocation of cost of service to customer classifications and the design of customer rate schedules. His assignments include analyzing operating and accounting data, preparing pro forma statements of income, developing allocation factors, allocating costs to various classes of service, and designing customer rates using customer bill analyses.

Technical Specialties

Public Utility Revenue Requirements  
Public Utility Cost of Service Allocation  
Public Utility Rate Design

Personal Information

B.S., Finance, The Pennsylvania State University, 1975  
Member American Water Works Association  
Member Pennsylvania Municipal Authorities Association  
Member National Association of Water Companies

Testimony Experience

Regulatory - Revenue requirement, cost-of-service allocation, rate design, demand study, and cash working capital testimony on more than 130 occasions before 16 regulatory commissions

Courtroom - Revenue requirement, cost-of-service allocation, rate design, demand study, and cash working capital testimony

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Mr. Herbert's technical education has included the National Association of Regulatory Utility Commissioners Seminar on Water Regulation hosted by the University of South Florida, the Financial Planning for Wastewater Treatment Systems sponsored by the University of Wisconsin, the Concepts of Service Cost Studies sponsored by the United States Telephone Association, and the AGA Advanced Regulatory Seminar sponsored by the American Gas Association and the University of Maryland.

**John J. Spanos, CDP** will be responsible for our valuations which are based on the **cost approach**. Mr. Spanos has been with Gannett Fleming for over 30 years and is Senior Vice President of Gannett Fleming Valuation and Rate Consultants, LLC. He is a nationally-recognized expert in public utility plant valuation and depreciation with 30 years of experience. He assembles and oversees the basic data required for utility plant valuation and depreciation studies, conducts statistical analyses of accounting data, estimates service life and net salvage, and calculates annual and accrued depreciation. He performs field inspections for purposes of estimating service lives and verifying property records for utility plant valuation and depreciation studies. He also has supervised the updating of continuing property records. Mr. Spanos supports the utility plant valuation and depreciation studies with expert testimony and continually presents key depreciation issues at industry conferences.

Technical Specialties

Public Utility Plant Depreciation  
Public Utility Plant Valuation

Personal Information

M.B.A., York College of Pennsylvania, 1997  
B.S., Industrial Management and Mathematics, Carnegie-Mellon University, 1986  
Member, Society of Depreciation Professionals – President, 2012  
Member, American Gas Association Industry Accounting Committee  
Certified Depreciation Professional

Testimony Experience

Regulatory - Utility plant valuation and depreciation testimony before 48  
regulatory commissions

Mr. Spanos' technical education has included formal instructional programs offered by Depreciation Programs, Inc. Courses successfully completed include "Techniques of Life Analysis," "Techniques of Salvage and Depreciation Analysis," "Forecasting Life and Salvage," "Modeling and Life Analysis Using Simulation," and "Managing a Depreciation Study." Mr. Spanos also completed the week long course "Introduction to Public Utility Accounting" conducted by the American Gas Association.

**Harold Walker, III** will be responsible for Gannett Fleming's economic valuations which will be based on the **income approach and market approach**. He has a total of 32 years of providing specialized financial services for utilities; 21 of which have been with Gannett Fleming. Mr. Walker is Manager, Financial Studies of Gannett Fleming Valuation and Rate Consultants, LLC and supervises and develops financial and economic studies on behalf of investor-owned and municipally owned utilities, as well as resource recovery companies. He has extensive valuation and ratemaking experience and has presented expert testimony or been deposed on various topics before regulatory commissions and courts of law in 20 states. He is responsible for the economic valuation of utility property, municipal property and common stock. His valuations consider market conditions, rate regulation, change of law and future capital costs. The valuations were estimated, in part, through the application of the market approach and the income approach. Mr. Walker is also responsible for having conducted hundreds of "cost of capital" studies for regulated firms. He provides clients with financial decision studies for capital budgeting purposes and develops financial models for determining future capital requirements. Mr. Walker assists in both the public and private placement of fixed capital securities.

Mr. Walker also heads Gannett Fleming GASB 34 Task Force responsible for developing Governmental Accounting Standards Board (GASB) 34 services and educating Gannett Fleming personnel and Gannett Fleming clients on GASB 34 and how it may affect them. The GASB 34-related services include inventory of assets, valuation of assets, salvage estimation, annual depreciation rate determination, estimation of depreciation reserve, asset service life determination, asset condition assessment, condition assessment documentation, maintenance estimate for asset preservation, establishment of condition level index, geographic information system (GIS) and data management services, management discussion and analysis (MD&A) reporting, required supplemental information (RSI) reporting, auditor interface, and GASB 34 compliance review.

#### Technical Specialties

Economic Valuation  
Cost of Capital Studies for Fair Rate of Return  
Financial Analysis

#### Personal Information

B.S., Finance, The Pennsylvania State University, 1984  
Municipal Advisor Representative (Series 50) with Municipal Securities Rulemaking Board (MSRB) and the Financial Industry Regulatory Authority (FINRA).  
Certified Rate of Return Analyst (CRRA)  
President (former), Society of Utility and Regulatory Financial Analysts (SURFA)  
Pennsylvania Municipal Authorities Association, Electric Deregulation Committee Member, PMAA, National Association of Water Companies (NAWC) and SURFA

#### Testimony Experience

Regulatory - Valuation, fair value, appropriate capital structure and fixed capital cost rates, depreciation, fair rate of return, purchased water adjustments, synchronization of interest charges for income tax purposes, cash working capital, lead-lag studies, and financial analyses of investment alternatives.  
Courtroom - Valuation and eminent domain.

**Mr. Walker's technical education has included the completion of the regulation and ratemaking courses presented by the College of Business Administration and Economics Center for Public Utilities at New Mexico State University. He has also completed the Project Management and Continuous Quality Improvement Training, presented by Gannett Fleming, 1996 and the Project Manager Training course presented by The Pennsylvania State University Outreach Program, 2000-2001.**

11. **Technical Fitness.** Attach to this Application a copy of any certification(s) or similar documentation that would demonstrate the technical fitness of Applicant, such as professional licenses, technical certifications, and/or names of current or past clients with a description of dates and types of services provided by Applicant.

Since 1915, Gannett Fleming Valuation and Rate Consultants, LLC and its predecessors have been helping clients in public pricing policy and related financial matters for managerial purposes, before regulatory commissions and in courts of law. Our staff has considerable experience in providing an array of specialized financial services to support the core needs and objectives of our clients. We are experienced at determining fair market value in compliance with the Uniform Standards of Professional Appraisal Practice, employing the cost, market and income approaches. We have provided our valuation services to both water and wastewater entities owned by a municipal corporation or authority, as well as those that are investor-owned. Our staff includes professionals specialized in public utility accounting and ratemaking, valuation, cost of capital, depreciation, associated technical services, and financial analysis. Gannett Fleming Valuation and Rate Consultants, LLC is a registered Municipal Advisor with the Securities and Exchange Commission (SEC).

Members of our staff are a licensed Municipal Advisor Representative (Series 50) with the Municipal Securities Rulemaking Board (MSRB) and the Financial Industry Regulatory Authority (FINRA). Our staff include members who are also a Certified Depreciation Professionals and Certified Rate of Return Analyst.

Below is a partial list of names of current or past clients with dates and a description and types of valuation services provided by Gannett Fleming Valuation and Rate Consultants, LLC.

**Limerick Township – Fair Market Valuation, Limerick, PA, Aqua Pennsylvania Wastewater, Inc.** [2017] Utility Valuation Expert (UVE) and provided the fair market value of Limerick Township’s sanitary wastewater collection and treatment system assets (“Wastewater System”). Gannett Fleming Valuation and Rate Consultants LLC is approved by the Pennsylvania Public Utility Commission and is register as a Utility Valuation Expert in the Commonwealth of Pennsylvania. The valuation was required for the Pennsylvania Public Utility Commission to evaluate the reasonableness of the price paid for the purchase of the assets. The fair market value appraisal of the Wastewater System complied with the Uniform Standards of Professional Appraisal Practices, employing the cost, market and income approaches accordance with 66 Pa. C.S. Section 1329.

**New Garden Township and New Garden Township Sewer Authority – Fair Market Valuation, New Garden, PA, Aqua Pennsylvania Wastewater, Inc.** [2016-2017] Utility Valuation Expert (UVE) and provided fair market value of the sewage collection and treatment system assets of New Garden Township and New Garden Township Sewer Authority (“Sewer System”). Gannett Fleming Valuation and Rate Consultants LLC is approved by the Pennsylvania Public Utility Commission and is register as a Utility Valuation Expert in the Commonwealth of Pennsylvania. The valuation was required for the Pennsylvania Public Utility Commission to evaluate the reasonableness of the price paid for the purchase of the assets. The fair market value appraisal of the Sewer System complied with the Uniform Standards of Professional Appraisal

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Practices, employing the cost, market and income approaches accordance with 66 Pa. C.S. Section 1329

**North Maine Utilities - Valuation, Village of Glenview, IL, *Aqua Illinois, Inc.*** [2014] Economic valuation of the water assets used/operated by North Maine Utilities for sale. The valuation of the assets was estimated through the application of the capitalization of earning method (income approach), the market multiples method, and the selected transactions method.

**North Maine Utilities - Valuation, Village of Glenview, IL, *Aqua Illinois, Inc.*** [2014] Economic valuation of the wastewater assets used/operated by North Maine Utilities for sale. The valuation of the assets was estimated through the application of the capitalization of earning method (income approach), the market multiples method, and the selected transactions method.

**Appraisal of the Fair Market Value of the Jointly Used Facilities (JUF), Erie, PA, *Millcreek Township Water Authority.*** [2014] Provided fair market value of the JUF of its water utility infrastructure assets. Due to the unique nature of the JUF, we conclude the asset-based approach was the best method of appraising the JUF assets. Our appraisal of the fair market value of the JUF was based on a total original cost less depreciation (OCLD) study of the JUF and a trended original cost or replacement cost new less depreciation (RCNLD) study of the JUF.

**Valuation of Water Utility Assets, Plymouth, MA, *Farmington Bank.*** [2013-2014] Abbreviated appraisal study for the assets of the Plymouth Water Company. The valuation was required for the client to determine a fair value to support a debt financing by the client. The estimated valuation of the assets was completed using the market approach, as well as the rate-base (cost) approach.

**Fair and Reasonable Economic Value of Leases and Lease Extension, Erie, PA, *MacDonald Illig Jones & Britton, LLP.*** [2013-2014] Valuation and Ratemaking Expert responsible for the review and analysis of the leases and lease extension/initial upfront rental payments made by the Erie City Water Authority to the City of Erie in 2001, 2004, and 2008. The review and analysis determine if the Erie City Water Authority provided fair and reasonable economic value for both parties in regards to the terms of the leases and the value of the assets being leased. The economic value of leases and lease extension was determined based on the leasable water system assets analyses and lease rental analyses. These analyses proved the leases were not economical for the Authority and produced monopolistic profits for the City.

**Valuation of Water and Wastewater Utility Assets, Southbury, CT, *Farmington Bank.*** [2011] Abbreviated appraisal study for the assets of the Heritage Village Water and Wastewater Company. The valuation was required for the client to determine a fair value to support a debt financing by the client. The estimated valuation of the assets was completed using the market approach, as well as the rate-base (cost) approach.

**Valuation of Water Utility Assets, Plainville, CT, *Farmington Savings Bank.*** [2006-2007] Abbreviated appraisal study of the assets of Valley Water Systems utility. The valuation was required for the client to determine a fair value to support a debt financing. The valuation of the

assets was estimated through the market approach, the income approach, and the selected-transactions approach.

**Regional Wastewater System Evaluation, Stroudsburg, PA, Borough of Stroudsburg.** [2005-2008] Fair and reasonable value of assets used in the formation of a joint area authority that would provide regional wastewater conveyance and treatment for Stroudsburg Borough, Stroud Township, and Pocono Township, one of the fastest growing regions in the country. Provided the requested inventory and asset valuation of Stroudsburg's sewage treatment plant assets. The asset valuation was based on the replacement cost new, less depreciation and contributions method. We also provided a study to determine the economic value of Stroudsburg's sewage treatment plant assets based on the income approach.

**Reproduction or Replacement Cost New (RCN) Analysis of Tangible Assets Being Condemned, Merrimack, NH, Baker Donelson Bearman.** [2005-2007] RCN valuation of tangible water system assets on behalf of the company. The assets of Pennichuck Water Works, Inc. (Pennichuck), located in Nashua and 10 surrounding New Hampshire municipalities, were being condemned by the City of Nashua. The required RCN analysis was based primarily upon a replacement cost analysis. For certain aboveground assets, the RCN analysis was based upon a reproduction cost analysis.

**Replacement Cost New Analysis of Tangible Assets Being Condemned, Felton, CA, Baker Donelson Bearman.** [2007-2008] RCN valuation of tangible water system assets on behalf of the company. The assets of California American Water (CAW) were being condemned by the San Lorenzo Valley Water District. The required RCN analysis was based primarily upon a replacement cost analysis. In doing so, we provided the RCNLD analysis of CAW's tangible personal property being condemned.

**Economic Valuation for Use of Government-Supported Debt Refinancing, Zanesville, OH, Gasco Distribution Systems, Inc.** [2004-2005] Economic valuation of a private gas system on behalf of the company. Gasco Distribution Systems, Inc., owns and operates assets in Pennsylvania, Tennessee, Kentucky, and Ohio. The valuation was required for the client to determine a fair value to support a debt refinancing. The valuation of the assets was estimated through the market approach, the income approach, and the selected-transactions approach.

**Fairness Opinion, Sewer Valuation, Eagle Rock, PA, Eagle Rock Community Association, Inc.** [2003-2005] Fairness opinion of sale price of sewer utility system. The analysis relied upon the selected-transactions approach to reach our conclusion.

**Fairness Opinion, Water Valuation, Eagle Rock, PA, Eagle Rock Community Association, Inc.** [2003-2005] Fairness opinion of sale price of water utility system. The analysis relied upon the selected-transactions approach to reach our conclusion.

**Economic Valuation for Water System Purchase, Palmerton, PA, Borough of Palmerton.** [2003-2004] Economic valuation of a private water system on behalf of a borough. The valuation was required for the client to determine a fair and competitive offering price to purchase the water

system assets. The valuation of the assets included a physical inspection of aboveground assets and was estimated through the income approach and the selected-transactions approach.

**Utility Authority Economic Valuation, Sewer System, Northampton, PA, *Northampton Township*.** [1999] Economic valuation of the assets of a 20,000-customer sewer utility. The valuation was required for the client to evaluate offers to purchase the assets. The valuation of the assets was estimated through the application of the cost approach, market multiples method, the income approach, and the selected-transactions method.

**Utility Authority Economic Valuation, Water System, Northampton, PA, *Northampton Township*.** [1999] Economic valuation of the assets of a 20,000-customer water utility. The valuation was required for the client to evaluate offers to purchase the assets. The valuation considered market conditions, rate regulation, and future capital costs. The valuation of the assets was estimated through the application of the cost approach, market multiples method, the income approach, and the selected-transactions method.

**Landfill Economic Valuation, Warren County, NJ, *Pollution Control Finance Authority of Warren County*.** [1998] Valuation of the assets comprising the solid waste system of the Warren County Landfill. The valuation of the assets was estimated through the application of the market multiples method, the income approach, the cost approach, and the selected-transactions method.

## STATEMENT OF FIDUCIARY DUTY

Fair market value is a well-established and the most commonly accepted standard of value. The Supreme Court defined fair market value as, "the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts."<sup>1</sup> Gannett Fleming Valuation and Rate Consultants, LLC is experienced at determining fair market value in compliance with the Uniform Standards of Professional Appraisal Practice. Gannett Fleming Valuation and Rate Consultants, LLC has a fiduciary duty to, and will, provide a thorough, objective, and fair market valuation using the cost, market and income approaches in accordance with 66 Pa. C.S. Section 1329 and Pennsylvania laws.

We reach our conclusion of fair market value based on an objective analyses of basic data, informed professional judgment, and clear presentation of the results. Our staff includes professionals specialized in public utility accounting and ratemaking, valuation, cost of capital, depreciation, cost of service and financial analysis. Our opinion of fair market value is based on informed reasoning, not a prescribed formula, when deciding the relative weight to be accorded to the indications of value reached on the basis of the cost, market and income approaches. We have been helping clients in public pricing policy and related financial matters for managerial purposes, before regulatory commissions and courts of law since 1915. We are also a registered Municipal Advisor with the Securities and Exchange Commission (SEC).

Gannett Fleming Valuation and Rate Consultants, LLC attests that it does not derive any material financial benefit from the sale of, or purchase of, a selling utility other than fees for services rendered. Gannett Fleming Valuation and Rate Consultants, LLC also verifies it does not have any immediate family members who are directors, officers or employees of either an acquiring public utility, entity or selling utility within a 12-month period of the date of hire to perform an appraisal. We further affirm that Gannett Fleming Valuation and Rate Consultants, LLC is not directly or indirectly owned, partnered or in any way affiliated with a water/wastewater distribution company.

---

<sup>1</sup> United States v. Cartwright, 411 U. S. 546, (1973)

Bureau of Technical Utility Services  
Water/Wastewater Division  
Data Request Set 1

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Application of Gannett Fleming Valuation and Rate Consultants, LLC to Renew  
Registration as a Utility Valuation Expert at Docket No. A-2016-2569746


- A-2. Section G of the instructions accompanying the Application for Registration as a Utility Valuation Expert requires applicants to provide a complete copy of the Application including exhibits to the Office of Consumer Advocate and the Office of Small Business Advocate (Statutory Advocates). The Application does not indicate that a copy was provided to the Statutory Advocates. Please verify that a complete copy of the renewal Application was served on the Statutory Advocates.

**RESPONSE:**

Please see attached copies of FedEx Proofs of Delivery for the packages containing a complete copy of the Gannett Fleming Valuation and Rate Consultants, LLC's Renewal Application which was sent to the Office of Consumer Advocate and Office of Small Business Advocate (Statutory Advocates) on December 19, 2018 (same date as the original application sent FedEx to the Secretary of the Pa PUC (proof of delivery also attached)).

I, Cheryl Ann Rutter, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature

  
Cheryl Ann Rutter

Title Administrator

Date: January 17, 2019



December 21, 2018

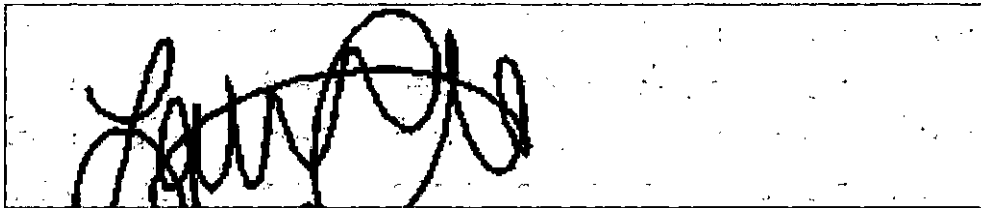
Dear Customer:

The following is the proof-of-delivery for tracking number **774006964163**.

---

**Delivery Information:**

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Receptionist/Front Desk
<b>Signed for by:</b>	L.CASTOR	<b>Delivery location:</b>	555 WALNUT STREET HARRISBURG, PA 17101
<b>Service type:</b>	FedEx Standard Overnight	<b>Delivery date:</b>	Dec 19, 2018 15:06
<b>Special Handling:</b>	Deliver Weekday		



---

**Shipping Information:**

<b>Tracking number:</b>	774006964163	<b>Ship date:</b>	Dec 18, 2018
		<b>Weight:</b>	0.5 lbs/0.2 kg

**Recipient:**  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
HARRISBURG, PA 17101 US

**Shipper:**  
Megan Eckrich  
207 Senate Avenue  
Camp Hill, PA 17011 US

**Reference**

003-331001.616102

Thank you for choosing FedEx.



December 19, 2018

Dear Customer:

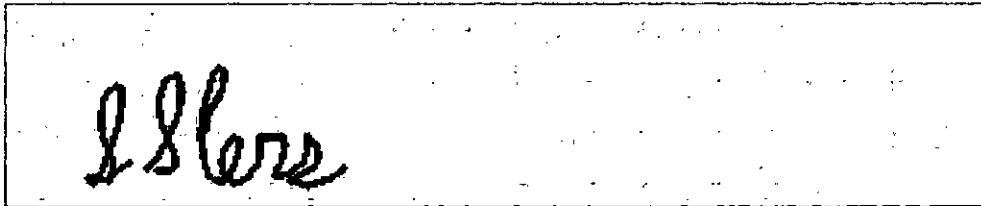
The following is the proof-of-delivery for tracking number **774006988274**.

---

**Delivery Information:**

---

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Receptionist/Front Desk
<b>Signed for by:</b>	S.SOBERS	<b>Delivery location:</b>	300 N 2ND ST 202 HARRISBURG, PA 17101
<b>Service type:</b>	FedEx Standard Overnight	<b>Delivery date:</b>	Dec 19, 2018 11:54
<b>Special Handling:</b>	Deliver Weekday		



---

**Shipping Information:**

---

<b>Tracking number:</b>	774006988274	<b>Ship date:</b>	Dec 18, 2018
		<b>Weight:</b>	0.5 lbs/0.2 kg

**Recipient:**  
Office of Small Bus Advocate  
300 N Second Street  
Suite 202  
HARRISBURG, PA 17101 US

**Shipper:**  
Megan Eckrich  
207 Senate Avenue  
Camp Hill, PA 17011 US

**Reference**

003-331001.616102

Thank you for choosing FedEx.



December 19, 2018

Dear Customer:

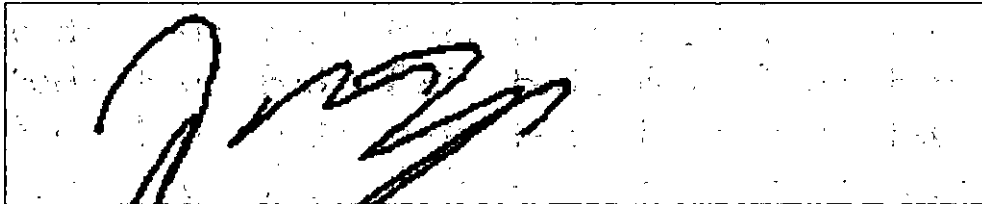
The following is the proof-of-delivery for tracking number **774008319237**.

---

**Delivery Information:**

---

<b>Status:</b>	Delivered	<b>Delivered to:</b>	Shipping/Receiving
<b>Signed for by:</b>	Z.ZIGGLER	<b>Delivery location:</b>	2 TECHNOLOGY PKWY HARRISBURG, PA 17120
<b>Service type:</b>	FedEx Standard Overnight	<b>Delivery date:</b>	Dec 19, 2018 09:47
<b>Special Handling:</b>	Deliver Weekday		



---

**Shipping Information:**

---

<b>Tracking number:</b>	774008319237	<b>Ship date:</b>	Dec 18, 2018
		<b>Weight:</b>	0.5 lbs/0.2 kg

**Recipient:**  
Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg  
400 North Street, 2 Fl, Room 01  
HARRISBURG, PA 17120 US  
**Reference**

**Shipper:**  
Megan Eckrich  
207 Senate Avenue  
Camp Hill, PA 17011 US  
  
003-331001-616102

Thank you for choosing FedEx.

7. Identify principal officers (i.e., owners, executives, partners and/or directors, etc.), as appropriate for Applicant's organizational structure. Provide an organizational chart and the names, titles, business addresses and telephone numbers for each office.

The officers (officers and directors) of Gannett Fleming Valuation and Rate Consultants, LLC are John J. Spanos, President and Ned W. Allis, Vice President. Both are located in the Headquarters office. The business addresses and telephone numbers for our three offices are listed below.

Pennsylvania

Corporate Headquarters  
207 Senate Avenue  
Camp Hill, PA 17011  
717.763.7211

610.650.8101

Nevada

5062 Alfingo Street  
Las Vegas, NV 89135-3213  
702.242.3250

Valley Forge Corporate Center  
1010 Adams Avenue  
Audubon, PA 19403-2402

Attached is an organizational chart.

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Gannett Fleming Valuation and Rate Consultants, LLC**

**Officers and Directors**

Last Changed 1/5/2019

* Spanos, John J.	Chairman
* Spanos, John J.	President
* Allis, Ned W.	Vice President
* Allis, Ned W.	Treasurer
* Kessler, Jon H.	Secretary
* Kessler, Jon H.	Assistant Treasurer
Ile, Ruby L.	Assistant Secretary
Schmolze, Lea A.	Assistant Secretary

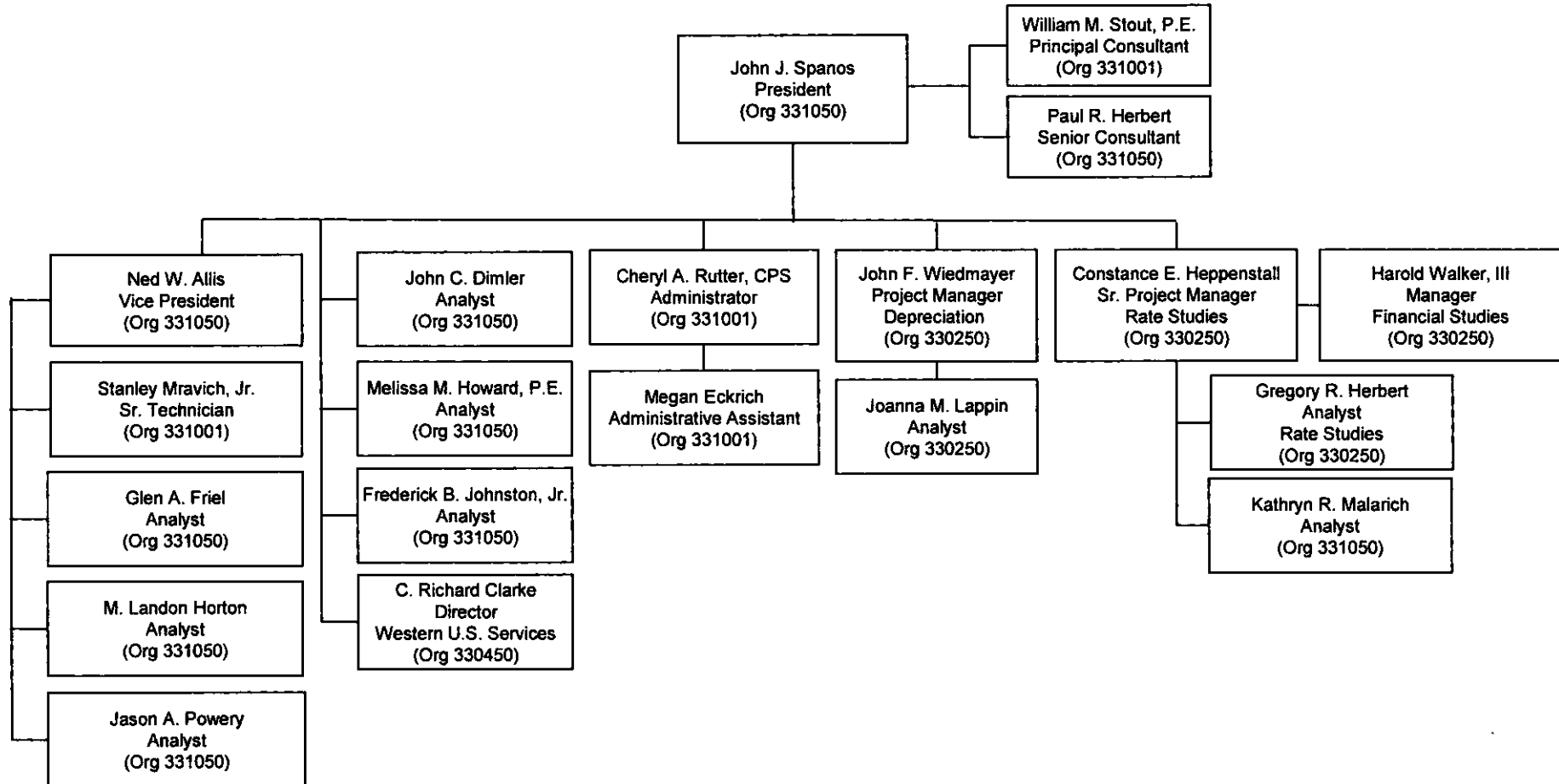
\* = Director

---

**GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC  
ORGANIZATION CHART**

**EFFECTIVE JANUARY 5, 2019**

**(Total Personnel = 20)**



**Legend:**

Org 331050 -- Harrisburg	Org 330250 -- Valley Forge
Org 331001 -- Harrisburg	Org 330450 -- Las Vegas

8. Attach to this Application a brief biography or single page professional resume for all principal officers and management directly responsible for Applicant's operations.

The following are the brief biographies of the principal officers and management directly responsible for Gannett Fleming Valuation and Rate Consultants, LLC's 66 Pa. C.S. Section 1329 related services.

**Paul R. Herbert** is **Senior Consultant** of Gannett Fleming Valuation and Rate Consultants LLC. He has been with Gannett Fleming since 1977. Prior to January 5, 2019, he was President of the firm, having been responsible for the overall operations and performance of the Valuation and Rate Practice. He is a nationally recognized expert in cost of service and rate design. As a Project Manager, Mr. Herbert is responsible for the direct supervision of rate study assignments including the development of revenue requirements, allocation of cost of service to customer classifications, and the design of customer rate schedules. Assignments include analyzing operating and accounting data, preparing pro forma statements of income, developing allocation factors, allocating costs to various classes of service, designing customer rates using customer bill analyses, and preparing written reports and direct testimony. Experienced in researching operating and accounting records and assembling data required for cost-of-service allocation studies, including the development of allocation factors and peak demand data. Rate analysis responsibilities include analyzing customer consumption records; designing public utility rates; analyzing revenues, expenses, and preparation of pro forma statements of net operating income and other supporting data in connection with public utility rate studies; and preparing tariff supplements for filing with regulatory commissions including state tax adjustment surcharge and gas cost rate computations. Supports revenue requirement, cost-of-service allocation, and rate design studies through expert testimony. He is a nationally-recognized expert in cost of service and rate design. He is responsible for the direct supervision of rate study assignments including the development of revenue requirements, allocation of cost of service to customer classifications and the design of customer rate schedules. His assignments include analyzing operating and accounting data, preparing pro forma statements of income, developing allocation factors, allocating costs to various classes of service, and designing customer rates using customer bill analyses.

Technical Specialties

Public Utility Revenue Requirements  
Public Utility Cost of Service Allocation  
Public Utility Rate Design

Personal Information

B.S., Finance, The Pennsylvania State University, 1975  
Member American Water Works Association  
Member Pennsylvania Municipal Authorities Association  
Member National Association of Water Companies

Testimony Experience

Regulatory - Revenue requirement, cost-of-service allocation, rate design, demand study, and cash working capital testimony on more than 130 occasions before 16 regulatory commissions

Courtroom - Revenue requirement, cost-of-service allocation, rate design, demand study, and cash working capital testimony

RECEIVED

JAN 18 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Mr. Herbert's technical education has included the National Association of Regulatory Utility Commissioners Seminar on Water Regulation hosted by the University of South Florida, the Financial Planning for Wastewater Treatment Systems sponsored by the University of Wisconsin, the Concepts of Service Cost Studies sponsored by the United States Telephone Association, and the AGA Advanced Regulatory Seminar sponsored by the American Gas Association and the University of Maryland.

**John J. Spanos, CDP** will be responsible for our valuations which are based on the **cost approach**. Mr. Spanos has been with Gannett Fleming since June 1986. Effective January 5, 2019, he is President of Gannett Fleming Valuation and Rate Consultants, LLC, having responsibility for the overall operations and performance of the Valuation and Rate Practice. He is a nationally-recognized expert in public utility plant valuation and depreciation with over 30 years of experience. He assembles and oversees the basic data required for utility plant valuation and depreciation studies, conducts statistical analyses of accounting data, estimates service life and net salvage, and calculates annual and accrued depreciation. He performs field inspections for purposes of estimating service lives and verifying property records for utility plant valuation and depreciation studies. He also has supervised the updating of continuing property records. Mr. Spanos supports the utility plant valuation and depreciation studies with expert testimony and continually presents key depreciation issues at industry conferences.

Technical Specialties

Public Utility Plant Depreciation  
Public Utility Plant Valuation

Personal Information

M.B.A., York College of Pennsylvania, 1997  
B.S., Industrial Management and Mathematics, Carnegie-Mellon University, 1986  
Member, Society of Depreciation Professionals – President, 2012  
Member, American Gas Association Industry Accounting Committee  
Certified Depreciation Professional

Testimony Experience

Regulatory - Utility plant valuation and depreciation testimony before 48  
regulatory commissions

Mr. Spanos' technical education has included formal instructional programs offered by Depreciation Programs, Inc. Courses successfully completed include "Techniques of Life Analysis," "Techniques of Salvage and Depreciation Analysis," "Forecasting Life and Salvage," "Modeling and Life Analysis Using Simulation," and "Managing a Depreciation Study." Mr. Spanos also completed the week long course "Introduction to Public Utility Accounting" conducted by the American Gas Association.

**Harold Walker, III** will be responsible for Gannett Fleming's economic valuations which will be based on the **income approach and market approach**. He has a total of 32 years of providing specialized financial services for utilities; 21 of which have been with Gannett Fleming. Mr. Walker is Manager, Financial Studies of Gannett Fleming Valuation and Rate Consultants, LLC and supervises and develops financial and economic studies on behalf of investor-owned and municipally owned utilities, as well as resource recovery companies. He has extensive valuation and ratemaking experience and has presented expert testimony or been deposed on various topics before regulatory commissions and courts of law in 20 states. He is responsible for the economic valuation of utility property, municipal property and common stock. His valuations consider market conditions, rate regulation, change of law and future capital costs. The valuations were estimated, in part, through the application of the market approach and the income approach. Mr. Walker is also responsible for having conducted hundreds of "cost of capital" studies for regulated firms. He provides clients with financial decision studies for capital budgeting purposes and develops financial models for determining future capital requirements. Mr. Walker assists in both the public and private placement of fixed capital securities.

Mr. Walker also heads Gannett Fleming GASB 34 Task Force responsible for developing Governmental Accounting Standards Board (GASB) 34 services and educating Gannett Fleming personnel and Gannett Fleming clients on GASB 34 and how it may affect them. The GASB 34-related services include inventory of assets, valuation of assets, salvage estimation, annual depreciation rate determination, estimation of depreciation reserve, asset service life determination, asset condition assessment, condition assessment documentation, maintenance estimate for asset preservation, establishment of condition level index, geographic information system (GIS) and data management services, management discussion and analysis (MD&A) reporting, required supplemental information (RSI) reporting, auditor interface, and GASB 34 compliance review.

#### Technical Specialties

Economic Valuation  
Cost of Capital Studies for Fair Rate of Return  
Financial Analysis

#### Personal Information

B.S., Finance, The Pennsylvania State University, 1984  
Municipal Advisor Representative (Series 50) with Municipal Securities Rulemaking Board (MSRB) and the Financial Industry Regulatory Authority (FINRA).  
Certified Rate of Return Analyst (CRRRA)  
President (former), Society of Utility and Regulatory Financial Analysts (SURFA)  
Pennsylvania Municipal Authorities Association, Electric Deregulation Committee Member, PMAA, National Association of Water Companies (NAWC) and SURFA

#### Testimony Experience

Regulatory - Valuation, fair value, appropriate capital structure and fixed capital cost rates, depreciation, fair rate of return, purchased water adjustments, synchronization of interest charges for income tax purposes, cash working capital, lead-lag studies, and financial analyses of investment alternatives.  
Courtroom - Valuation and eminent domain.

Mr. Walker's technical education has included the completion of the regulation and ratemaking courses presented by the College of Business Administration and Economics Center for Public Utilities at New Mexico State University. He has also completed the Project Management and Continuous Quality Improvement Training, presented by Gannett Fleming, 1996 and the Project Manager Training course presented by The Pennsylvania State University Outreach Program, 2000-2001.

ORIGIN ID:GTYA (717) 763-7211  
MEGAN ECKRICH

207 SENATE AVENUE

CAMP HILL, PA 17011  
UNITED STATES US

SHIP DATE: 18JAN19  
ACTWGT: 1.00 LB  
CAD: 1097084/INET4040

BILL SENDER

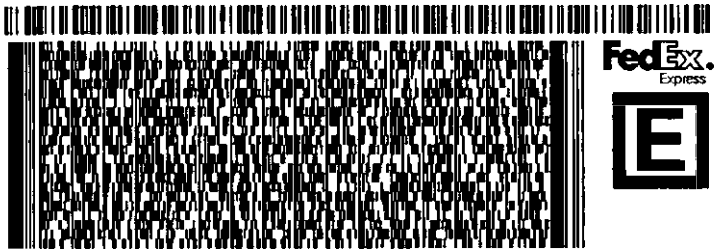
TO **SECRETARY PA PUC**  
**PENNSYLVANIA PUBLIC UTILITY COMM.**  
**COMMONWEALTH KEYSTONE BUILDING**  
**400 NORTH STREET, 2ND FLOOR**  
**HARRISBURG PA 17120**

552LD74C0CA5

(717) 787-4886  
INV  
PO

REF: 003-331050-616102

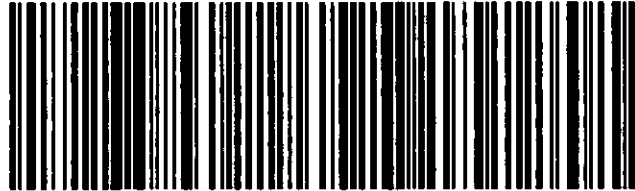
DEPT:



TUE - 22 JAN 4:30P  
\*\* 2DAY \*\*

TRK# 7742 3954 0140  
0201

**16 MDTA** 17120  
PA-US MDT



**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.