

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water :  
Company under Section 1102(a) and 1329 of the :  
Pennsylvania Public Utility Code, 66 Pa C.S. :  
§§ 1102(a) and 1329, for approval of (1) the transfer, by :  
sale, to Pennsylvania-American Water Company, of : Docket No. A-2021-3024058 *et al.*  
substantially all of the assets, properties and rights :  
related to the wastewater collection and conveyance :  
system owned by Borough of Brentwood, (2) the rights :  
of Pennsylvania-American Water Company to begin to :  
offer or furnish wastewater service to the public in the :  
Borough of Brentwood in Allegheny County, :  
Pennsylvania :

---

**DIRECT TESTIMONY OF  
JEROME C. WEINERT, PE, ASA, CDP  
UTILITY VALUATION EXPERT  
SELECTED BY  
PENNSYLVANIA-AMERICAN WATER COMPANY**

---

Date: March 31, 2023

PAWC Statement No. 4

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Please state your name, business address, and occupation.**

2 **A.** My name is Jerome C. Weinert. My business address is 8555 West Forest Home Avenue,  
3 Suite 201, Greenfield, WI 53228. I am a Principal and Director of Weinert Appraisal and  
4 Depreciation Services LLC (“WAD Consultants”). This testimony was prepared by me.

5  
6 **Q. Please describe your qualifications and indicate if you are registered as a Utility  
7 Valuation Expert with the Pennsylvania Public Utility Commission.**

8 **A.** My curriculum vitae (“CV”) is attached to my report and this testimony. **PAWC Exhibit  
9 JCW-1.** Weinert Appraisal and Depreciation Services, LLC is a registered Utility  
10 Valuation Expert with the Pennsylvania Public Utility Commission (“PUC”). We obtained  
11 that registration in 2022 and were informed of our renewal by the PUC’s Secretary in  
12 January 2023.

13  
14 **Q. What is the purpose of your testimony?**

15 **A.** This direct testimony provides clarification and explanation of the appraisal I provided to  
16 Pennsylvania-American Water Company (“PAWC”), the Acquiring Utility pursuant to 66  
17 Pa. C.S. § 1329(a)(5) and in accordance with the Uniform Standards of Professional  
18 Appraisal Practice (“USPAP”) (2020-2021 Edition)<sup>1</sup>.

19  
20 **Q. Are you advocating for any party or outcome?**

21 **A.** No. The Ethics Rule of the USPAP, applicable here pursuant to 66 Pa. C.S. § 1329(a)(3),  
22 requires that I perform the appraisal with impartiality, objectivity, and independence, and

---

<sup>1</sup> The Appraisal Foundation has extended the applicability of the 2020-2021 Edition of USPAP through December 31, 2023.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 without accommodation of personal interests. In addition, the USPAP Ethics Rule requires  
2 that I not perform the assignment with bias, that I must not advocate the cause or interest  
3 of any party or issue and that I must not accept an assignment that includes the reporting  
4 of predetermined opinions and conclusions.

5  
6 **Q. Do you have any affiliation with either the Selling Utility or the Acquiring Public**  
7 **Utility or Entity?**

8 **A.** No. Other than the current assignment to provide the subject appraisal, and several other  
9 appraisal projects in process, I have no business or personal relationships with any party to  
10 the proposed acquisition.

11  
12 **Q. What is your fee arrangement to deliver the appraisal?**

13 **A.** A copy of the fee arrangement is included with the Application as **Appendix A-7.1**. In  
14 summary, WAD Consultants are to receive \$17,500 plus expenses in compensation for our  
15 appraisal. It must be noted that the appraisal work was started while I was employed by  
16 AUS Consultants.

17  
18 **Q. Will you receive that fee regardless of whether the Commission approves the**  
19 **proposed transaction or whether it closes?**

20 **A.** Yes. 66 Pa. C.S. § 1329(a)(3) mandates that I comply with the USPAP when developing  
21 my appraisal. Under the USPAP, I cannot perform the appraisal with bias and acceptance  
22 of a fee contingent on a particular outcome like closing or Commission approval would  
23 violate that Ethics Rule.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Have you prepared any exhibits, schedules, or appendices to accompany your direct**  
2 **testimony?**

3 **A.** Yes. The appraisal I submitted to the Acquiring Utility pursuant to Section 1329(a)(5) is  
4 included in the Application as **Appendix A-5.1**. The appraisal includes a narrative and  
5 supporting exhibits in sections. All were prepared under my supervision and control. Also,  
6 as stated above, attached to this testimony as **Exhibit PAWC JCW-1** is my CV.

7  
8 **Q. Please summarize your results of the application of the cost, market, and income**  
9 **approaches to valuation.**

10 **A.** The summary results of the cost, income, and market approaches is presented below.

11

Appraisal Approach	Value Indicator	Weight	Wtd Value Indicator
Cost	\$ 24,334,695	50%	\$ 12,167,348
Income	\$ 21,280,929	40%	\$ 8,512,372
Market	\$ 20,418,286	10%	\$ 2,041,829
Appraisal Conclusion			\$ 22,721,549

12

13

14 **Q. Please describe any assumptions, extraordinary assumptions, hypothetical**  
15 **conditions, and/or limiting conditions that you applied to the valuation.**

16 **A.** The major assumptions and limiting conditions used in preparing our appraisal of the  
17 Borough of Brentwood’s Wastewater Collection System (the “System”) are described in  
18 our appraisal report “Fair Market Appraisal Report of Borough of Brentwood (PA)  
19 Wastewater System, as of January 1, 2023.” Beyond the above-described assumptions,

DIRECT TESTIMONY OF JEROME C. WEINERT

1           there are no extraordinary<sup>2</sup> or hypothetical<sup>3</sup> assumptions as defined in the 2020-  
2           2021 edition of USPAP.

3

4   **Q.    How was each assumption used and what was its result?**

5   **A.**The assumptions are detailed in my appraisal report and are discussed further in this  
6           testimony.

7

8   **Q.    How did you develop the weighting applied to each approach in your appraisal and**  
9           **why are the individual weights you chose appropriate for this proposed transaction?**

10 **A.**For the cost approach I chose a weighting of 50%. It is my opinion that this weighting is  
11           appropriate for the cost approach because the major purpose of this appraisal is to be an  
12           input to the Commission’s establishment of cost for future ratemaking and the cost  
13           approach conclusion is directly reflective of the property cost.

14           For the market approach, I chose a weighting of 10%. It is my opinion that this  
15           weighting is appropriate for the market approach because, while the market approach  
16           provides some information as to the value of the property, establishing comparability  
17           between the individual sales to the subject property is difficult and uncertain therefore  
18           requiring less weight of the market approach. The 10% weight accomplishes that objective.

19           For the income approach, I chose a weighting of 40%. It is my opinion that this  
20           weighting is appropriate for the income approach because the income approach reflects the

---

<sup>2</sup> “Extraordinary assumption: an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” 2020-2021 USPAP page 4.

<sup>3</sup> “Hypothetical condition: a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but used for the purpose of analysis.” 2020-2021 USPAP page 4.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 value of the property's return to the property's owner. The 40% weight accomplishes that  
2 objective.

3

4 **Q. Did you conduct an on-site inspection of the Selling Utility assets, and if so, what was  
5 its result on the appraisal?**

6 **A.** No.

7

8 **Q. What Utility Earnings Report was used to create the capital structure used in your  
9 appraisal?**

10 **A.** I used a market required capital structure based on an analysis of the market capital  
11 structure analysis (detailed in the Cost of Capital / Required Return portion of our appraisal  
12 report). Information used in developing the market capital structure was obtained from  
13 financial statistics reported in Value Line Investment Survey for the water / wastewater  
14 industry published in their January 6, 2023, issue.

15

16 **Q. What capital structure was used in your appraisal?**

17 **A.** The capital structure used in my appraisal is included below.

DIRECT TESTIMONY OF JEROME C. WEINERT

Water and Wastewater Cost of Capital							
First Quarter 2023 (01-01-2023)							
As an Investor-Owned Utility							
Weighted Cost of Capital (Discount Rate)							
(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital	Type of Data	Capital Cost	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost
	AUS Input		AUS Input				(2)*(3)*(4a)
Debt	30%	Market	5.34%	Market	28.89%	71.11%	1.14%
Equity	70%	Market	9.75%	Market	0.0%	100.0%	6.83%
<b>Total Capital r</b>	<b>100.0%</b>						<b>7.97%</b>
Growth (g)							<b>2.94%</b>
<b>Rate without Growth: [(1+r)/(1+g)]-1</b>							<b>4.88%</b>

1

2

3 **Cost Approach**

4 **Q. Regarding your application of the cost approach, what method did you use to**  
 5 **determine the cost approach result (e.g., original cost, replacement cost, reproduction**  
 6 **cost)?**

7 **A.** I used the replacement cost method.

8

9 **Q. Please explain why you chose the replacement cost method.**

10 **A.** I chose the replacement cost method because it is considered the proper starting point for  
 11 a cost approach. Replacement cost reflects the cost of providing the property's  
 12 functionality and capacity at the appraisal date using recognized materials and labor costs.

13

14 **Q. What index did you use for that method?**

15 **A.** I used the Handy Whitman Index of Public Utility Construction Costs for the Water  
 16 Industry (North Eastern US Region), AUS Telephone Index (General Plant), and various  
 17 United States Bureau of Labor Statistics cost index series.

DIRECT TESTIMONY OF JEROME C. WEINERT

**Q. Under your application of the cost approach what assets did you value or trend differently from other assets and why was that necessary?**

**A.** I costed each property account with cost trends appropriate for the property contained in the account. As such, the costing of each property account may differ from account to account. It is my opinion that an accurate appraisal requires each property account be costed with cost trends reflective of the property contained in the account. The Borough of Brentwood’s property as detailed in the Gateway Engineers “Engineer’s Assessment” of \$9,942,191 was determined to have a replacement cost new of \$58,151,497 summarized as follows:

Pennsylvania American Water Company Borough of Brentwood Wastewater Collection System Investor-Owned Utility As of January 1, 2023								
Replacement Cost New (RCN)								
(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
			OC \$s			RCN \$s	COOR \$s / RCN \$s	COOR \$s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt NARUC Code	WAD Input NARUC Code	Borough of Brentwood Wastewater Asset Detail by Gateway Engineers January 13, 2023 Asset Description	Eng Assmnt Original Cost	WAD Input Cost Index Table	Translator	RCN	WAD Input COR / RCN Factor	Col (14) * (15) COR
353.05	353.05	Land & Land Rights - Easements	36	USBLS6	1,130.32	40,692	1.00	40,680
361.20	361.20	Collection Sewers - Gravity - Mains - CIP/DIP	42,867	HWW-135	4.52	193,952	1.00	193,952
361.30	361.30	Collection Sewers - Gravity - Mains - PVC	3,311,872	HWW-138	1.57	5,206,042	1.00	5,206,042
361.10	361.10	Collection Sewers - Gravity - Mains - VCP	1,317,754	HWW-136	5.04	6,638,454	1.00	6,638,454
361.11	361.11	Collection Sewers - Gravity - Mains - VCP Relined	177,603	HWW-136	34.75	6,171,412	1.00	6,171,412
361.12	361.12	Collection Sewers - Gravity - Mains - VCP Relined future Periods	581,161	HWW-136	35.58	20,676,276	1.00	20,676,276
361.70	361.70	Collection Sewers - Gravity - Manholes	1,485,458	HWW-145	3.74	5,558,870	1.00	5,558,870
361.22	361.22	Collection Sewers - Gravity - Mains Relining	2,541,613	HWW-138	1.36	3,450,059	1.00	3,450,059
363.00	363.00	Service Laterals	483,827	HWW-139	21.11	10,215,752	1.00	10,215,752
		<b>Total Borough of Brentwood Wastewater Utility</b>	<b>9,942,191</b>			<b>58,151,509</b>		<b>58,151,497</b>

These results are detailed in the Application **Appendix A-7.1** (WAD Appraisal) under the Cost Approach section.

DIRECT TESTIMONY OF JEROME C. WEINERT

1   **Q.    Under your application of the cost approach, what date did you use for calculating**  
2       **the depreciation or condition of the property?**

3   **A.    I used the date of January 1, 2023.**

4  
5   **Q.    How did you determine the depreciation parameters of survival/retirement**  
6       **characteristics and service lives for the utility property under the cost approach?**

7   **A.    I determined those parameters based on our review of the depreciation studies filed by**  
8       **PAWC in support of their depreciation parameters (Iowa-type Survival Characteristics and**  
9       **Service Lives) and the resultant depreciation expense and rate base (net book) in their**  
10      **recent General Rate Cases (R-2017-2595853 and R-2020-3019371)<sup>4</sup> and WAD**  
11      **Consultants’ experience in preparing depreciation studies for the water and wastewater**  
12      **industry and our experience appraising water and wastewater properties. The following**  
13      **table summarizes those studies and WAD Consultants’ review of the depreciation**  
14      **parameters:**

15

---

<sup>4</sup> The depreciation study filed by PAWC in its most recent general rate case at Docket No. R-2022-3031673 did not modify the service life analysis and thus the 2020 depreciation study remains appropriate to use for the cost approach.

DIRECT TESTIMONY OF JEROME C. WEINERT

Summary of PAWC Depreciation Studies Prepared for Rate Case							
Account	Account Description	Iowa Curves		Service Life		Remaining Life	
		12/31/2016	12/31/2019	12/31/2016	12/31/2019	12/31/2016	12/31/2019
				years	years	years	years
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	R3	R3	45	45	39.1	33.3
354.30	STRUCTURES AND IMPROVEMENTS - SPP	R2.5	S0	50	55	45.2	32.6
354.40	STRUCTURES AND IMPROVEMENTS - TDP	R2	S0	65	55	56.6	31.7
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	S1	S1	35	35	33.3	23.2
355.00	POWER GENERATION EQUIPMENT	R2.5	S0.5	35	35	29.7	19.3
360.10	COLLECTION SEWERS - FORCE MAINS	S2	R3	70	75	53.1	52.5
361.10	COLLECTION SEWERS - GRAVITY MAINS	R2.5	R2.5	70	80	56.9	54.8
361.20	MANHOLES	S1.5	S2.5	50	50	41.3	32.2
363.00	SERVICES	R3	R3	38	47	22.9	30.2
364.00	FLOW MEASURING DEVICES	L3	L2.5	20	15	13.3	5.1
365.00	FLOW MEASURING INSTALLATIONS	S1.5	S2	30	25	23.1	10.8
370.00	RECEIVING WELLS	R3	R3	50	50	42.7	33.7
371.00	PUMPING EQUIPMENT	S0	S0.5	40	30	35.5	18.2
380.00	TREATMENT EQUIPMENT	5-R2	S1.5	45	35	37.1	20.1
381.00	PLANT SEWERS	R3	R3	50	50	43.1	32.7
382.00	OUTFALL SEWER LINES	R3	R3	50	50	37.8	28.3
389.10	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - INTANGIBLES	S2.5	S2.5	20	20	13.6	11.3
389.60	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - CPS	SQ	SQ	20	5	12.3	3.5
390.00	OFFICE FURNITURE AND EQUIPMENT	L4	SQ	15	20	9.5	10.1
391.00	TRANSPORTATION EQUIPMENT	SQ	L4	25	14	19.9	9.8
392.00	STORES EQUIPMENT	SQ	SQ	20	25	16.4	17.2
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	SQ	SQ	15	20	11.3	15.4
394.00	LABORATORY EQUIPMENT	L2.5	SQ	16	15	8.7	10.4
395.00	POWER OPERATED EQUIPMENT	SQ	R2	15	22	10.3	13.2
396.00	COMMUNICATION EQUIPMENT	SQ	SQ	15	15	9.6	6.9
397.00	MISCELLANEOUS EQUIPMENT		SQ		15		12.8
398.00	OTHER TANGIBLE PLANT		SQ		25		21.5

1

2

3 **Q. Why are those parameters appropriate?**

4 **A.** Those parameters are appropriate because the parameters reflect the actual service life  
 5 experienced by PAWC in serving wastewater customers in the Commonwealth of  
 6 Pennsylvania and which were approved by the PUC in the 2017 General Rate Cases and  
 7 the 2020 General Rate Cases (Docket Nos. R-2020-3019369 and R-2020-30193371). The  
 8 parameters in the following table also reflect WAD Consultants’ experience of the survival  
 9 / retirement characteristics of normal and functional service lives of wastewater properties:

DIRECT TESTIMONY OF JEROME C. WEINERT

**Pennsylvania American Water Company  
 Borough of Brentwood  
 Wastewater Collection System  
 Investor-Owned Utility  
 January 1, 2023**

Summary of Account Costing and Depreciation Parameters Used in the Depreciation Original Cost and the Depreciated Replacement Cost New Studies

(1)	(2)	(4)	(5)	(6)	(6b)	
Account Number	Description	(4a) Iowa Survivor / Retirement Curve	(4b) Normal Service Life  years	(5) Economic Obsolescence  % of CORLD	(6a) Tax Depreciation  Table	(6b)     Life
353.05	Land & Land Rights - Easements	ZNonDep	0.00	0.00%	Non-Depr	0.00
361.20	Collection Sewers - Gravity - Mains - CIP/DIP	R2.5	80.00	0.00%	MACRS	25.00
361.30	Collection Sewers - Gravity - Mains - PVC	R2.5	80.00	0.00%	MACRS	25.00
361.10	Collection Sewers - Gravity - Mains - VCP	R2.5	80.00	0.00%	MACRS	25.00
361.11	Collection Sewers - Gravity - Mains - VCP Relined	R2.5	150.00	0.00%	MACRS	25.00
361.12	Collection Sewers - Gravity - Mains - VCP Relined future Periods	R2.5	130.00	0.00%	MACRS	25.00
361.70	Collection Sewers - Gravity - Manholes	S2.0	75.00	0.00%	MACRS	25.00
361.22	Collection Sewers - Gravity - Mains Relining	R2.5	60.00	0.00%	MACRS	25.00
363.00	Service Laterals	R3.0	50.00	0.00%	MACRS	25.00

2 Also, due the age of Brentwood Borough’s early property installations, the maximum  
 3 depreciation was limited to 85% of the cost new.

5 **Q. What was the result of the application of the depreciation parameters to the**  
 6 **previously described replacement cost new of \$58,151,497?**

7 **A.** With the application of the above-described depreciation parameters, the replacement cost  
 8 new of \$58,151,497 results in a replacement cost new less depreciation of \$24,334,695  
 9 determined as follows:

DIRECT TESTIMONY OF JEROME C. WEINERT

Pennsylvania American Water Company									
Borough of Brentwood									
Wastewater Collection System									
Investor-Owned Utility									
As of January 1, 2023									
<b>Replacement Cost New less Depreciation (RCNLD)</b>									
(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at January 1, 2023 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion lowa-type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR \$\$		years	years	years	% of COR	CORLD \$\$
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Borough of Brentwood Wastewater Asset Detail by Gateway Engineers January 13, 2023		Col (16)	WAD Input	WAD Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	lowa	NL	Rem Life	Total Life	Condition	CORLD
353.05	Land & Land Rights - Easements	20.11	40,680	ZNonDep	-	-	-	-	40,680
361.20	Collection Sewers - Gravity - Mains - CIP/DIP	37.29	193,952	R2.5	80.00	47.48	84.77	80.00	109,069
361.30	Collection Sewers - Gravity - Mains - PVC	17.39	5,206,042	R2.5	80.00	64.07	81.46	80.00	4,097,615
361.10	Collection Sewers - Gravity - Mains - VCP	48.60	6,638,454	R2.5	80.00	39.39	87.99	80.00	3,041,305
361.11	Collection Sewers - Gravity - Mains - VCP Relined	97.22	6,171,412	R2.5	150.00	67.28	164.49	150.00	2,524,727
361.12	Collection Sewers - Gravity - Mains - VCP Relined future Periods	92.44	20,676,276	R2.5	130.00	52.78	145.22	130.00	7,515,724
361.70	Collection Sewers - Gravity - Manholes	60.70	5,558,870	S2.0	75.00	31.87	92.56	75.00	2,266,670
361.22	Collection Sewers - Gravity - Mains Relining	8.91	3,450,059	R2.5	60.00	51.66	60.57	60.00	2,944,641
363.00	Service Laterals	87.43	10,215,752	R3.0	50.00	8.83	96.26	50.00	1,794,264
	Total Borough of Brentwood Wastewater Utility		58,151,497						24,334,695

1  
2  
3  
4  
5  
6  
7  
8  
9  
10

The above replacement cost new less depreciation represents the preliminary cost approach conclusion which was tested for economic obsolescence based on the results of the income and market approaches, which will be described in the remainder of this testimony. Based on our review of the preliminary cost approach and the results of the income and market approaches, no economic obsolescence exists at the preliminary cost approach conclusion of \$24,334,695; therefore, the final cost approach conclusion was determined to be \$24,334,695. These results are detailed in the Application **Appendix A-7.1** (WAD Appraisal) under the Cost Approach section.

1 **Market Approach**

2 **Q. Regarding your application of the market approach, what methods did you use to**  
3 **determine the market approach result?**

4 **A.** I used the comparable sales of water and wastewater properties in the Commonwealth of  
5 Pennsylvania subsequent to the passage of Section 1329 and financial market value ratios  
6 of publicly traded water and wastewater companies as reported in the January 6, 2023,  
7 issue of Value Line Investment Survey.

8

9 **Q. What assumptions, analyses, and/or adjustments did you make under each method?**

10 **A.** Under the comparable sales method, it is my opinion that sales amount to depreciated  
11 replacement cost is the best indicator in arriving at the appraised value of physical assets  
12 operating as a wastewater collection system. Under the financial ratios method, I believe  
13 that an accurate result depends on using the weighted mean of the ratio of the market debt  
14 and equity to book debt and equity.

15

16 **Q. What were the results of each analysis you performed?**

17 **A.** The comparable sales analysis produced a result of \$20,418,286 detailed as follows:

DIRECT TESTIMONY OF JEROME C. WEINERT

<b>Pennsylvania American Water Company</b>									
<b>Borough of Brentwood</b>									
<b>Wastewater Collection System</b>									
<b>Investor-Owned Utility</b>									
<b>As of January 1, 2023</b>									
<b>Comparable Sales Approach</b>				<b>Ratios See Market Tab Rows 39:45</b>					
<b>Central Tendency and Reliability Analysis</b>									
<b>Market Sales Analysis - PP/OCLD</b>				<b>Market Sales Analysis - PP/CORLD</b>					
	Simple		Weighted		Simple		Weighted		
All Acquisitions		1.7632		1.8333	All Acquisitions		0.8171		0.8747
Wastewater Collection and Treatment		1.7972		1.8248	Wastewater Collection and Treatment		0.8536		0.8803
Wastewater Collection		1.8733		2.0712	Wastewater Collection		0.8077		0.8582
Water Treatment and Distribution		1.4354		1.5060	Water Treatment and Distribution		0.7686		0.8381
Water Distribution		1.3500		1.3500	Water Distribution		0.5320		0.5320
Conclusion				1.8733	Conclusion				0.8077
				WAD Input					WAD Input
				Cost Approach - OCLD					Cost Approach - CORLD
Borough of Brentwood OCLD				7,260,988	Borough of Brentwood CORLD				24,334,695
<b>Market Value Indication</b>				<b>\$ 13,602,009.0</b>	<b>Market Value Indication</b>				<b>\$ 19,655,133.0</b>
<b>Market Sales Analysis - PP/Customer</b>				<b>Financial Basis<sup>1</sup></b>					
	Simple		Weighted						Market Value per Share to Book Value per Share
All Acquisitions		8563		9890	Financial Markets				3.21
Wastewater Collection and Treatment		10200		11062	Market to Book (equity)				1.94
Wastewater Collection		6507		5387	Market to Book (equity and debt)				1.94
Water Treatment and Distribution		7188		7882	Use (equity and debt)				1.94
Water Distribution		3992		3992					WAD Input
Conclusion				6,507	Wastewater Info				
				WAD Input					Cost Approach - OCLD
Borough of Brentwood Customers				3,980	Borough of Brentwood OCLD				7,260,988
<b>Market Value Indication</b>				<b>\$ 25,897,860</b>	<b>Market Value Indication</b>				<b>\$ 14,086,317</b>
<b>Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)</b>				<b>Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)</b>					
	Simple		Weighted		Simple		Weighted		
All Acquisitions		17.09		12.74	All Acquisitions		17.09		12.74
Wastewater Collection and Treatment		16.51		12.67	Wastewater Collection and Treatment		11.45		10.17
Wastewater Collection		18.71		13.77	Wastewater Collection		12.89		12.07
Water Treatment and Distribution		14.13		11.14	Water Treatment and Distribution		7.37		6.33
Water Distribution		20.24		20.24	Water Distribution		13.59		13.59
Conclusion				18.71	Conclusion				12.89
				WAD Input					WAD Input
				Income Approach					Income Approach
Borough of Brentwood Cash Flows				1,488,495	Borough of Brentwood Cash Flows				1,661,649
<b>Market Value Indication</b>				<b>\$ 27,849,734</b>	<b>Market Value Indication</b>				<b>\$ 21,418,662</b>
<b>Summary of Market Analyses</b>									
<b>Indicators</b>									
OCLD				\$ 13,602,009					
CORLD				\$ 19,655,133					
Customers				\$ 25,897,860					
Cash Flows									
EBITDA Periods 1-5				\$ 27,849,734					
EBITDA Periods 1-13				\$ 21,418,662					
Value Line				\$ 14,086,317					
<b>Mean</b>				\$ 20,418,286					
<b>Median</b>				\$ 20,536,898					
<b>Conclusion</b>				\$ 20,418,286					

DIRECT TESTIMONY OF JEROME C. WEINERT

1   **Q.    What was your market approach result?**

2   **A.**    I used the results of \$20,418,286 because I believe those results represent an accurate  
3           assessment and it was based on the relationship of market comparable sales to the  
4           replacement cost new less depreciation of those properties.  These results are detailed in  
5           the Application **Appendix A-7.1** (WAD Appraisal) under the Market Approach section.

6

7   **Q.    What was the calculation you used to determine your overall market approach**  
8           **results?**

9   **A.**    I used the mean of the purchase price to replacement cost less depreciation, the purchase  
10          price to customers, and the purchase price to cash flows (EBITDA periods 1-5 and 1-13).

11

12 **Q.    What comparable transactions or comparable sales did you evaluate to develop your**  
13          **market approach?**

14 **A.**    I examined the following transactions to develop the result of my market approach:

DIRECT TESTIMONY OF JEROME C. WEINERT

Pennsylvania American Water Company Borough of Brentwood Wastewater Collection System As of January 1, 2023											
RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price <sup>1</sup>	Number of Total Customers	Relationship to the passage of Section 1329
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport		Allegheny	Wastewater Collection and Treatment	\$ 156,000,000	\$ 159,000,000	21,953	Post
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA		Chester	Wastewater Collection and Treatment	\$ 29,500,000	\$ 29,500,000	2,106	Post
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township		Montgomery	Wastewater Collection and Treatment	\$ 75,100,000	\$ 64,373,378	5,434	Post
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township		Chester	Wastewater Collection and Treatment	\$ 5,000,000	\$ 5,000,000	1,248	Post
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning	Competitive 2 bidders	Carbon	Water Distribution	\$ 4,734,800	\$ 4,734,800	1,186	Post
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning	Competitive 2 bidders	Carbon	Wastewater Collection	\$ 4,765,200	\$ 4,765,200	1,451	Post
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	Competitive 3 bidders	Montgomery	Wastewater Collection	\$ 50,250,000	\$ 50,250,000	10,500	Post
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	Competitive 4 bidders	Dauphin	Water Treatment and Distribution	\$ 22,500,000	\$ 21,750,000	2,325	Post
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury		Chester	Wastewater Collection	\$ 9,250,000	\$ 8,600,000	998	Post
10	A-2018-3004933	5/28/2018	PA American Water	Exeter		Berks	Wastewater Collection and Treatment	\$ 96,000,000	\$ 93,500,000	9,000	Post
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	Competitive 3 bidders	Montgomery	Wastewater Collection	\$ 21,000,000	\$ 21,000,000	4,950	Post
12	A-2019-3014248	9/30/2018	PA American	Kane		McKean	Wastewater Collection and Treatment	\$ 17,560,000	\$ 17,560,000	2,006	Post
13	A-2020-3019634	12/10/2019	PA American	Royersford		Montgomery	Wastewater Collection and Treatment	\$ 13,000,000	\$ 13,000,000	1,596	Post
14	A-2020-3019859	12/17/2019	PA American	Valley		Chester	Water Treatment and Distribution	\$ 7,325,000	\$ 7,325,000	1,459	Post
15	A-2020-3014248	12/17/2019	PA American	Valley		Chester	Wastewater Collection	\$ 13,950,000	\$ 13,950,000	1,644	Post
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)		Delaware	Wastewater Collection and Treatment	\$ 276,500,000	\$ 276,500,000	16,473	Post
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	\$ 13,750,000	\$ 13,750,000	1,428	Post
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	\$ 53,000,000	\$ 53,000,000	11,151	Post
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township		Chester	Wastewater Collection and Treatment	\$ 54,930,000	\$ 54,930,000	3,918	Post
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township		Chester	Wastewater Collection and Treatment	\$ 17,500,000	\$ 17,500,000	2,294	Post
21	A-2021-3024681	4/6/2021	PA American Water	City of York		York	Wastewater Collection and Treatment	\$ 235,000,000	\$ 235,000,000	15,851	Post

1

2

3 **Income Approach**

4 **Q. Regarding your application of the income approach, what method did you use to**  
 5 **determine the income approach result?**

DIRECT TESTIMONY OF JEROME C. WEINERT

1    **A.**    I used the discounted cash flow method.

2

3    **Q.**    **What assumptions did you employ to develop your income approach result?**

4    **A.**    Under the income approach, it is my opinion that the results of the future operations of the  
5           System must be considered. I believe that an accurate result depends on adjusting recent  
6           results of the System’s operation to better reflect how those results will migrate over future  
7           periods under the operation as a rate regulated wastewater system regulated by the PUC.

8

9    **Q.**    **What discount rate did you use to calculate your income approach?**

10   **A.**    I used a discount rate of 7.97% and 4.88% capitalization rate.

11

12   **Q.**    **Please explain how you developed the discount rate.**

13   **A.**    In each case, the discount rate was a market discount rate at the appraisal date and was  
14           determined using the weighted average cost of capital (“WACC”) of both debt and equity.  
15           The inputs to the WACC determination, capital structure, cost of debt, cost of equity, and  
16           income tax rate (state and federal) were determined based on an analysis of Value Line  
17           Investment Surveys and the Ibbotson Stock, Bonds, Bills, and Inflation (“Ibbotson SBBI”)  
18           2022 Edition (SBBI activity over the period 1926 through 2021). The cost of debt was  
19           determined at January 6, 2023, based on the Value Line Selected Yields publication. The  
20           cost of equity was based on the capital asset pricing model (“CAPM”) and the Dividend  
21           Growth Model (“DGM”), two recognized cost of equity estimating models and the PUC’s  
22           Bureau of Technical Utility Services’ Report on Quarterly Earnings of Jurisdictional  
23           Utilities for Year-ending September 30, 2022. The above-described data for the Borough

DIRECT TESTIMONY OF JEROME C. WEINERT

1 of Brentwood's appraisal can be found in the exhibits to my appraisal report in the section  
2 entitled Cost of Capital / Required Return.

3 **Q. What capital structure inputs differ from those identified in the capital structure set**  
4 **forth earlier in your testimony?**

5 **A.** None. As described in the previous discussion of the capital structure, we utilized a market  
6 required capital structure based on analysis of the water / wastewater industry's market  
7 capital structure as defined by analysis of market financials as published in Value Line  
8 Investment Survey (January 6, 2023). The theory in appraisal is to estimate the value of a  
9 property in an arm's length transaction wherein the purchaser finances the purchase with  
10 capital (debt and equity) available in the financial markets at the appraisal date. Those are  
11 the current (appraisal date) financial markets.

12  
13 **Q. What is the source and basis of the alternative input you propose in the income**  
14 **approach?**

15 **A.** As discussed above, we had used Value Line Investment Survey to develop a market  
16 required capital structure. Please see Application **Appendix A-7.1** (WAD Appraisal)  
17 Income Approach section for the cost of capital of the Income Approach and Cost of  
18 Capital / Required Return section for the basis of the Cost of Capital / Required Return.

19  
20 **Q. If you used a terminal value in your discounted cash flow analysis what is the number**  
21 **of years over which the cash flows are considered?**

22 **A.** I considered those cash flows over 19 periods with period 20 representing all future periods.



DIRECT TESTIMONY OF JEROME C. WEINERT

1           These results are detailed in the Application **Appendix A-7.1** (WAD Appraisal) under the  
2           Income Approach section.

3

4   **Q.    What number of Selling Utility customers or equivalent dwelling units did you use to**  
5   **value the System and how did you develop that number?**

6   **A.**I used 3,980 customers, based on a customer listing provided by the Borough of Brentwood  
7           in developing the forecasted revenues and expenses. I also used past and budgeted results  
8           from operations to establish forecasted operating results.

9

10 **Q.    Did you make any updates to your appraisal after it was submitted to the Seller, and**  
11 **if so, what was the update, when was it made, and why was it necessary?**

12 **A.**I did not make any updates to my appraisal results over the course of this appraisal.

13

14 **Q.    Does this conclude your direct testimony?**

15 **A.**It does. However, by filing this direct testimony I understand that I may have the  
16           opportunity to submit additional testimony responsive to challenges to my appraisal.

Curriculum Vitae (CV) of Jerome C. Weinert, P.E., CDP, ASA

Mr. Weinert is currently Principal and Director of AUS Consultants, Depreciation and Valuation. He has fifty-one (2023-1972) years' experience in valuation and depreciation consulting and management. AUS, with offices across the country, has provided consulting services to the regulated utility industry nationally for over thirty-nine years. A partial list of services provided includes valuations depreciation studies, rate of return studies, cost of service studies, and rate design.

Prior to joining AUS in 1987, Mr. Weinert was employed by American Appraisal Associates, Inc. (American) for sixteen years in their Regulated Industries Group. He held various positions at American, the last being supervising appraiser. Among his other valuation responsibilities, he directed the firm's utility industry capital recovery studies and AUS Consultant's valuation of communication company assets and businesses.

Mr. Weinert graduated from the Milwaukee School of Engineering with a Bachelor of Science degree in Mechanical Engineering and received a master's in business administration from Marquette University. He is a registered professional engineer (1976) (by examination) in the state of Wisconsin as well as a senior member (1982) of the American Society of Appraisers in the public utility valuation field. This latter designation is obtained by written examination primarily in the areas of utility valuation, depreciation, and the economics of regulated firms. He is also a Certified Depreciation Professional (1997) (CDP) and founding member of the Society of Depreciation Professionals and the Society's 1995 President and sponsor of the Society's Certification and re-certification program as such Mr. Weinert developed these programs and oversaw their initial introduction into the Society. He also worked in conjunction with Society members in the development of the Society's training programs which as of 2003 has become the only such formalized depreciation training program in the North America and is an instructor in several of its courses.

During his professional career related to valuations and depreciation matters Mr. Weinert has testified before various courts and public service commissions on these subjects. He has also assisted numerous utilities in preparing capital recovery plans which specifically address the issues of plant replacement. Mr. Weinert has also presented expert testimony on valuation matters. Mr. Weinert has testified before the Pennsylvania Public Utility Commission on regulatory matters associated with Pennsylvania Section 1329 matters. On matters related to eminent domain issues, Mr. Weinert has presented expert testimony in the Massachusetts Superior Court, the Court of Common Pleas, Fayette County, Ohio, the New Hampshire Public Utilities Commission, the Twentieth Judicial Court (deposition only) in Charlotte County, Florida, the Nineteenth Judicial Circuit Court in St. Lucie County, Florida (deposition only). In regard to ad valorem taxation, Mr. Weinert has presented study results to the New York State Board of Equalization and Assessment (now the New York Office of Real Property Services (NY ORPS)), pertaining to useful life and net salvage values for all types of utility property subject to the Board's mass appraisal model. Mr. Weinert has appeared before the Valuation Adjustment Board in Florida for Duval, Hillsborough, Okeechobee, and Palm Beach counties, the Twelfth Judicial Circuit Sarasota County, Florida, the California Board of Equalization and Assessment, the Arizona Board of Assessment, the Missouri Board of Taxation, the Colorado and Texas Departments of Review, the Massachusetts Tax Appeal Court, the Superior Court of the State of Arizona in the County of Maricopa, the State Tax Appeal Board of the State of Montana, the New York City Tax Commission and the Public Utility Commission of Pennsylvania Section 1329 hearings (8).

Mr. Weinert has appeared before regulatory bodies in Alaska, Arkansas, Illinois, Indiana, Iowa, Missouri, Nevada, Nebraska, North Carolina, Ohio, Oregon, Pennsylvania, and South Carolina in support of rate-base valuation determination and capital recovery. He has presented testimony on depreciation matters

before the Canadian Radio-Television and Telecommunications Commission (CRTC) and the United States Federal Energy Regulatory Commission (FERC). In terms of water and wastewater acquisitions and applications for regulatory approval of rate base Mr. Weinert has testified for two investor-owned acquisitions of municipal wastewater authorities one representing the municipality and secondly for the acquiring investor-owned utility. He has submitted study results to the State Commissions of Alabama, Alaska, Arkansas, Idaho, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, North Carolina, Oregon, Pennsylvania, South Carolina, Washington, and Wisconsin, and the Federal Communications Commission.

Mr. Weinert has presented papers on valuation and depreciation topics to professional and utility industry trade organizations. He also directed AUS Consultants' semi-annual week-long depreciation training programs (1988-1997). These specialized training courses, offered at basic and advanced levels, teach depreciation study techniques to public utility and public service commission staff specialists. The training includes depreciation theory and concepts and hands-on experience with personal computer-based analytical depreciation programs.

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
<b>2022</b>				
AT&T Communications	North America	2021	2022	Ad Valorem Tax Appraisal
AT&T Communications	California	2021	2022	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2021	2022	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2021	2022	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2019	2020	Ad Valorem Tax Appraisal
Verizon New York, Inc.	New York	2019	2020	Ad Valorem Tax Appraisal
<b>2021</b>				
AT&T Communications	North America	2020	2021	Ad Valorem Tax Appraisal
AT&T Communications	California	2020	2021	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2020	2021	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2020	2021	Ad Valorem Tax Appraisal
Lower Makefield, PA	Lower Makefield Wastewater	2021	2021	Fair Market Value 1329
Cozen O'Connor	Egg Harbor, NJ Water &			
Butler Area Sewer Authority, PA	BASA Wastewater	2021	2021	Fair Market Value 1329
<b>2020</b>				
AT&T Communications	North America	2019	2020	Ad Valorem Tax Appraisal
AT&T Communications	California	2019	2020	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2019	2020	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2019	2020	Ad Valorem Tax Appraisal
Verizon New York, Inc.	New York	2019	2020	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2019	2020	Ad Valorem Tax Appraisal
East Norriton Township, PA	East Norriton Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Kane Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Royersford Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Valley Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Valley Water	2019	2020	Fair Market Value 1329
Lehigh County Authority	Allentown Water & Sewer	2020	2020	Financing
Pennsylvania American Water Company	Upper Pottsgrove wastewater	2020	2020	Fair Market Value 1329
<b>2019</b>				
AT&T Communications	North America	2018	2019	Ad Valorem Tax Appraisal
AT&T Communications	California	2018	2019	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2018	2019	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2018	2019	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2018	2019	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2018	2019	Ad Valorem Tax Appraisal
Cheltenham Township, PA	Cheltenham Wastewater	2018	2019	Fair Market Value 1329
Pennsylvania American Water Company	Steeltown Water	2018	2019	Fair Market Value 1329
Pennsylvania American Water Company	Exeter Wastewater	2018	2019	Fair Market Value 1329

**2018****QUALIFICATIONS 3**

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
AT&T Communications	North America	2017	2018	Ad Valorem Tax Appraisal
AT&T Communications	California	2017	2018	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2017	2018	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2017	2018	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2017	2018	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2017	2018	Ad Valorem Tax Appraisal
Level 3 Communications, LLC	North America	2017	2018	Ad Valorem Tax Appraisal
Level 3 Communications, LLC	California	2017	2018	Ad Valorem Tax Appraisal
CenturyLink Communications, LLC	North America	2017	2018	Ad Valorem Tax Appraisal
CenturyLink Communications, LLC	California	2017	2018	Ad Valorem Tax Appraisal
East Bradford Township, PA	East Bradford Wastewater	2018	2018	Fair Market Value 1329
Pennsylvania American Water Company	Sadsbury Wastewater	2017	2018	Fair Market Value Appraisal
Pennsylvania American Water Company Appraisal	Kane Wastewater	2017	2018	Fair Market Value
<b>2017</b>				
AT&T Communications	North America	2016	2017	Ad Valorem Tax Appraisal
AT&T Communications	California	2016	2017	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2016	2017	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2016	2017	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2016	2017	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2016	2017	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2016	2017	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2016	2017	Ad Valorem Tax Appraisal
Level 3 Communications	California	2016	2017	Ad Valorem Tax Appraisal
Whitpain Township, PA	Whitpain Wastewater	2016	2017	Appraisal for Planning
Plymouth Township, PA	Plymouth Wastewater	2016	2017	Appraisal for Planning
East Norriton Township, PA	East Norriton Wastewater	2016	2017	Appraisal for Planning
Pennsylvania American Water Company	Sadsbury Wastewater	2016	2017	Fair Market Value Appraisal
Pennsylvania American Water Company	McKeesport Wastewater	2016	2017	Fair Market Value Appraisal
Intermountain Gas Company	Idaho	2016	2017	Depreciation Study
<b>2016</b>				
AT&T Communications	North America	2015	2016	Ad Valorem Tax Appraisal
AT&T Communications	California	2015	2016	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2015	2016	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2015	2016	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2015	2016	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2015	2016	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2015	2016	Ad Valorem Tax Appraisal
Level 3 Communications	North America,	2015	2016	Ad Valorem Tax Appraisal
Level 3 Communications	California	2015	2016	Ad Valorem Tax Appraisal
New Garden Township, PA	New Garden Wastewater	2016	2016	Fair Market Value Appraisal
<b>2015</b>				
AT&T Communications	North America	2014	2015	Ad Valorem Tax Appraisal
AT&T Communications	California	2014	2015	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2014	2015	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2014	2015	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2014	2015	Ad Valorem Tax Appraisal

QUALIFICATIONS 4

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Verizon Communications	Florida	2014	2015	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2014	2015	Ad Valorem Tax Appraisal
Level 3 Communications	North America,	2014	2015	Ad Valorem Tax Appraisal
Level 3 Communications	California	2014	2015	Ad Valorem Tax Appraisal
Verizon Wireless	Nationwide	2014	2015	Ad Valorem Tax Appraisal
<b>2014</b>				
AT&T Communications	North America	2013	2014	Ad Valorem Tax Appraisal
AT&T Communications	California	2013	2014	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2013	2014	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2013	2014	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2013	2014	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2013	2014	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2013	2014	Ad Valorem Tax Appraisal
Level 3 Communications	North America,	2013	2014	Ad Valorem Tax Appraisal
Level 3 Communications	California	2013	2014	Ad Valorem Tax Appraisal
Cascade Natural Gas Corporation	Oregon & Washington	2013	2014	Depreciation Study
Intermountain Gas Company	Idaho	2013	2014	Depreciation Study
Virgin Islands Telephone Corporation	US Virgin Islands	2013	2014	Depreciation Study
Verizon Wireless	Nationwide	2013	2014	Ad Valorem Tax Appraisal
<b>2013</b>				
AT&T Communications	North America	2012	2013	Ad Valorem Tax Appraisal
AT&T Communications	California	2012	2013	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2012	2013	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2012	2013	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2012	2013	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2012	2013	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2012	2013	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2012	2013	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2012	2013	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2012	2013	Ad Valorem Tax Appraisal
Sprint Nextel Corporation	North America	2012	2013	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2012	2013	Ad Valorem Tax Appraisal
Verizon Communications	New England Mass	2002-2007	2013	Ad Valorem Tax Appraisal
<b>2012</b>				
AT&T Communications	North America	2011	2012	Ad Valorem Tax Appraisal
AT&T Communications	California	2011	2012	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2011	2012	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2011	2012	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2011	2012	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2011	2012	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2011	2012	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2011	2012	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2011	2012	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2011	2012	Ad Valorem Tax Appraisal
Sprint Nextel Corporation	North America	2011	2012	Ad Valorem Tax Appraisal

QUALIFICATIONS 5

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Verizon Wireless	Palm Beach, Florida	2011	2012	Ad Valorem Tax Appraisal
MetroPCS	Palm Beach, Florida	2011	2012	Ad Valorem Tax Appraisal
Verizon Communications	Florida - revised	2008	2012	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2012	2012	Ad Valorem Tax Appraisal
<b>2011</b>				
AT&T Communications	North America	2010	2011	Ad Valorem Tax Appraisal
AT&T Communications	California	2010	2011	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2010	2011	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2010	2011	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2010	2011	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2010	2011	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2010	2011	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2010	2011	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2010	2011	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2010	2011	Ad Valorem Tax Appraisal
Global Crossing	North America	2010	2011	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2010	2011	Depreciation Study
Sprint Nextel Corporation	North America	2010	2011	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2010	2011	Ad Valorem Tax Appraisal
MetroPCS	Palm Beach, Florida	2010	2011	Ad Valorem Tax Appraisal
Verizon Communications	Florida - revised	2008	2011	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2010	2011	Depreciation Study
Virgin Islands Telephone Corporation	US Virgin Islands	2010	2011	Technical Update of Depreciation Study
<b>2010</b>				
AT&T Communications	North America	2009	2010	Ad Valorem Tax Appraisal
AT&T Communications	California	2009	2010	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2009	2010	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2009	2010	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2009	2010	Ad Valorem Tax Appraisal
AT&T - Southwestern Bell Telephone Company	Arkansas, Kansas, Missouri, Oklahoma, Texas	2009	2010	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2009	2010	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2009	2010	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2009	2010	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2009	2010	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2009	2010	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2009	2010	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2009	2010	Ad Valorem Tax Appraisal
Global Crossing	North America	2009	2010	Ad Valorem Tax Appraisal
MetroPCS	Palm Beach, Florida	2009	2010	Ad Valorem Tax Appraisal
<b>2009</b>				
AT&T Communications	North America	2008	2009	Ad Valorem Tax Appraisal
AT&T Communications	California	2008	2009	Ad Valorem Tax Appraisal

**QUALIFICATIONS 6**

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
AT&T Communications	Florida	2008	2009	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2008	2009	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2008	2009	Ad Valorem Tax Appraisal
AT&T - Wisconsin Bell Telephone Company	Wisconsin	2008	2009	Ad Valorem Tax Appraisal
AT&T - Southwestern Bell Telephone Company	Arkansas, Kansas, Missouri, Oklahoma, Texas	2008	2009	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2008	2009	Ad Valorem Tax Appraisal
Embarq Texas, Inc.	Texas	2008	2009	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2008	2009	Ad Valorem Tax Appraisal
Embarq Northwest	Washington	2008	2009	Ad Valorem Tax Appraisal
Embarq Virginia	Virginia	2008	2009	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2008	2009	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2008	2009	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2008	2009	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2008	2009	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California, Michigan & Arizona	2008	2009	Ad Valorem Tax Appraisal
Global Crossing	North America	2008	2009	Ad Valorem Tax Appraisal
AboveNet, Inc	North America/California	2003	2009	Ad Valorem Tax Appraisal
Verizon Wireless	Ohio Properties	2004-2005	2009	Ad Valorem Tax Appraisal
Virgin Islands Telephone Corporation	US Virgin Islands	2008	2009	Depreciation Study
Sprint Nextel Corporation	North America	2008	2009	Ad Valorem Tax Appraisal
<b>2008</b>				
AT&T Communications	North America	2007	2008	Ad Valorem Tax Appraisal
AT&T Communications	California	2007	2008	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2007	2008	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2007	2008	Ad Valorem Tax Appraisal
AT&T - Wisconsin Bell Telephone Company	Wisconsin	2007	2008	Ad Valorem Tax Appraisal
AT&T - Southwestern Bell Telephone Company	Arkansas, Kansas, Missouri, Oklahoma, Texas	2007	2008	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2007	2008	Ad Valorem Tax Appraisal
Embarq Texas, Inc.	Texas	2007	2008	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2007	2008	Ad Valorem Tax Appraisal
Embarq Northwest	Washington	2007	2008	Ad Valorem Tax Appraisal
Embarq Virginia	Virginia	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	California	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	New England Mass	2002-2007	2008	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2007	2008	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California, Michigan & Arizona	2007	2008	Ad Valorem Tax Appraisal
Global Crossing	North America	2007	2007	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2007	2008	Depreciation Study
<b>2007</b>				
AT&T Communications	North America	2006	2007	Ad Valorem Tax Appraisal
AT&T Communications	California	2006	2007	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2006	2007	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2006	2007	Ad Valorem Tax Appraisal

**QUALIFICATIONS 7**

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
AT&T - Wisconsin Bell Telephone Company	Wisconsin	2006	2007	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2006	2007	Ad Valorem Tax Appraisal
Embarq Texas, Inc.	Texas,	2006	2007	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2006	2007	Ad Valorem Tax Appraisal
Embarq North Carolina	North Carolina	2006	2007	Ad Valorem Tax Appraisal
Embarq Virginia	Virginia	2006	2007	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2006	2007	Ad Valorem Tax Appraisal
Verizon Communications	California	2006	2007	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2006	2007	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2006	2007	Ad Valorem Tax Appraisal
Qwest Communications Corporation	North America	2006	2007	Ad Valorem Tax Appraisal
	California			
Level 3 Communications	North America, California, Michigan, & Arizona	2006	2007	Ad Valorem Tax Appraisal
Level 3 Communications	Arizona	2002 - 2006	2007	Ad Valorem Tax Appraisal
Global Crossing	North America	2006	2007	Ad Valorem Tax Appraisal
Alaska Communications System, Inc. (ACS)	ACS of Alaska	2006	2007	Depreciation Studies
	ACS of Anchorage			
	ACS of Fairbanks			
	ACS of the Northland			
	ACS Holdings			
Intermountain Gas Company	Idaho	2006	2007	Depreciation Study
<b>2006</b>				
AT&T Communications	Palm Beach Florida	2000 - 2003	2006	Ad Valorem Tax Appraisal
AT&T Communications	North America	2005	2006	Ad Valorem Tax Appraisal
AT&T Communications	California	2005	2006	Ad Valorem Tax Appraisal
Sprint Florida, Inc.	Florida	2005	2006	Ad Valorem Tax Appraisal
Sprint Texas, Inc.	Texas,	2005	2006	Ad Valorem Tax Appraisal
Sprint Missouri, Inc.	Missouri	2005	2006	Ad Valorem Tax Appraisal
Sprint North Carolina	North Carolina	2005	2006	Ad Valorem Tax Appraisal
Sprint Virginia	Virginia	2005	2006	Ad Valorem Tax Appraisal
Embarq Nevada	Nevada	2005	2006	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2005	2006	Ad Valorem Tax Appraisal
Verizon Communications	California	2005	2006	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2005	2006	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	Massachusetts	2002-2--5	2006	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2005	2006	Ad Valorem Tax Appraisal
Level 3 Communications	Arizona	2002-2006	2006	Ad Valorem Tax Appraisal
Global Crossing	North America	2005	2006	Ad Valorem Tax Appraisal
Indianapolis Power & Light	IPL	2005	2006	Depreciation Study
<b>2005</b>				
AT&T Communications	North America	2004	2005	Ad Valorem Tax Appraisal
AT&T Communications	California	2004	2005	Ad Valorem Tax Appraisal
Sprint Florida, Inc.	Florida	2004	2005	Ad Valorem Tax Appraisal
Sprint PCS	North America	2004	2005	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2004	2005	Ad Valorem Tax Appraisal
Verizon Communications	California	2004	2005	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2004	2005	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2004	2005	Ad Valorem Tax Appraisal

QUALIFICATIONS 8

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Level 3 Communications	North America	2004	2005	Ad Valorem Tax Appraisal
Global Crossing	North America	2004	2005	Ad Valorem Tax Appraisal
Global Crossing	New York Special Franchise Property	2003 & 2004	2005	Ad Valorem Tax Appraisal
Indianapolis Power & Light	IPL	2004	2005	Depreciation Study
<b>2004</b>				
Sprint Florida, Inc.	Florida	2003	2004	Ad Valorem Tax Appraisal
Verizon Communications	California	2003	2004	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2003	2004	Ad Valorem Tax Appraisal
Verizon Communications	New England	2003	2004	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2003	2004	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2003	2004	Ad Valorem Tax Appraisal
Global Crossing	North America	2003	2004	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2003	2004	Ad Valorem Tax Appraisal
AT&T Communications	North America	2003	2004	Ad Valorem Tax Appraisal
AT&T Communications	California	2003	2004	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2003	2004	Depreciation Study
<b>2003</b>				
Sprint Florida, Inc.	Florida	2002	2003	Ad Valorem Tax Appraisal
Verizon Communications	California	2002	2003	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2002	2003	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2002	2003	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2002	2003	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2002	2003	Ad Valorem Tax Appraisal
AT&T Communications	North America	2002	2003	Ad Valorem Tax Appraisal
AT&T Communications	California	2002	2003	Ad Valorem Tax Appraisal
Global Crossing	North America	2002	2003	Ad Valorem Tax Appraisal
Verizon Wireless	Broward County, FL	1998 through 2002	2003	Ad Valorem Tax Appraisal
<b>2002</b>				
Sprint Florida, Inc.	Florida	2001	2002	Ad Valorem Tax Appraisal
Verizon Communications	California	2001	2002	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2001	2002	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2001	2002	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2001	2002	Ad Valorem Tax Appraisal
Global Crossing	North America	2001	2002	Ad Valorem Tax Appraisal
AT&T Wireless	Plymouth, MI	2001	2002	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2001	2002	Ad Valorem Tax Appraisal
AT&T Communications	North America	2001	2002	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2001	2002	Depreciation Study
AT&T Communications	California	2001	2002	Ad Valorem Tax Appraisal
<b>2001</b>				
Verizon	Verizon - New York	2001	2001-2	Functional Obsolescence & Useful Life studies for valuation
Sprint Florida, Inc.	Sprint Florida, Inc.	2000	2001	Ad Valorem Tax Appraisal
Verizon Communications	California	2000	2001	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2000	2001	Ad Valorem Tax Appraisal

QUALIFICATIONS 9

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Global Crossing	North America	2000	2001	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2000	2001	Ad Valorem Tax Appraisal
Sprint Corporation	Centel - Nevada	2000	2001-2	Depreciation Study
Alaska Communications System, Inc. (ACS)	ACS of Alaska	2000	2001	Depreciation Study
	ACS of Anchorage			
	ACS of Fairbanks			
	ACS of the Northland			
	ACS Holdings			
<b>2000</b>				
Sprint PCS	BTS Equipment	2000	2000	Economic Life Study
Telus Communications	Telus - Alberta & British Columbia	2000	2000	Depreciation study Phase III Price Caps
Sprint Florida, Inc.	Florida	1999	2000	Ad Valorem Tax Appraisal
Verizon Communications	California	1999	2000	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	1999	2000	Ad Valorem Tax Appraisal
<b>1999</b>				
Sprint Corporation	Centel - Nevada	1998	1999	Depreciation Study
Intermountain Gas Company	Intermountain Gas Company	1998	1999	Depreciation Study
Sprint Florida, Inc.	Florida	1998	1999	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	1998	1999	Ad Valorem Tax Appraisal
<b>1998</b>				
Frontier Corporation	Frontier Telephone of Rochester	1998	1997	Valuation depreciation Lives and Net Salvage Parameters
Pacific Telecom, Inc.	Telephone Utilities of Washington	1997	1998	Depreciation Study
Sprint Florida, Inc.	Florida	1997	1998	Ad Valorem Tax Appraisal
Verizon Communications	Florida	1997	1998	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	1997	1998	Ad Valorem Tax Appraisal
Sprint Corporation	United Telephone Company of South Carolina	1998	1998	Depreciation Expense Universal Service Fund
Sprint Corporation	Carolina Telephone and Telegraph and Central Telephone of North Carolina	1998	1998	Depreciation Expense Universal Service Fund
Telus Communications	Telus - Edmonton (TCE)	1997	1998	Depreciation Study Phase II Price Caps
<b>1997</b>				
Sprint Corporation	Centel - Nevada	1997	1997	Unbundling/ Inter-connection Depreciation Study
Pacific Telecom, Inc.	Telephone Utilities of Oregon	1996	1997	Depreciation Study

QUALIFICATIONS 10

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Pacific Telecom, Inc.	Telephone Utilities of Alaska And the Northland	1996	1997	Depreciation Study
Telus Communications	Telus - TCI formerly AGT	1996	1997	Depreciation Study Phase II Price Caps
Indianapolis Power & Light	IPL	1996	1997	Depreciation Study
Sprint Florida, Inc.	Florida	1996	1997	Ad Valorem Tax Appraisal
Verizon Communications	Florida	1996	1997	Ad Valorem Tax Appraisal
Pacific Telecom, Inc.	Eagle Telephone (Colorado)	1996	1997	Depreciation Study
<b>1996</b>				
Intermountain Gas Company	Intermountain Gas Company	1995	1996	Depreciation Study
Sprint Florida, Inc.	Florida	1995	1996	Ad Valorem Tax Appraisal
Century Telephone	Century Telephone of Ohio, Inc.	1995	1996	Depreciation Study
Telus Communications	AGT Limited (Alberta Government Telephones)	1995	1996	Depreciation Study
Johnson County Kansas Office of the Assessor	Useful Life of Computer Equipment	1995	1995	Useful/Market Life Analysis
Milwaukee Metropolitan Sewerage District	Milwaukee Metropolitan Sewerage District	1995	1996	Depreciation Study
Sprint Corporation	Long Distance Division	1995	1995	Depreciation/Recovery Status Study
Sprint Corporation	Cellular Division	1995	1995	Depreciation/Recovery Status Study
Pacific Telecom, Inc.	Alascom, Inc.	1994	1995	Depreciation Study
Pacific Telecom, Inc.	Telephone Utilities of the Northland	1993	1994	Depreciation Study
	Telephone Utilities of Alaska	1993	1994	Depreciation Study
Indiana Energy	Indiana Gas Company	1993	1994	Depreciation Study
Columbia Gas Transmission	Gas Pipeline Property in Sullivan County, NY	1993	1993	Useful Life Study
United Telephone - Midwest Group	United Telephone Company of Missouri	1993	1993	Modernization/ Depreciation Study
Intermountain Gas Co.	Intermountain Gas Co.	1992	1993	Depreciation Study
Pacific Telecom, Inc.	Alascom, Inc.	1992	1993	Depreciation Study

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
	Telephone Utilities of Oregon, Inc.	1991	1992	Depreciation Study
	Telephone Utilities of Washington, Inc.	1991	1992	Depreciation Study
Small Telephone Company Coalition	Oregon Small Telephone Companies	1991	1992	Depreciation Support
United Telephone Systems	United Telephone Co. of Pennsylvania	1991	1992	Instructional Depreciation Study
New York State Division of Equalization and Assessment	Electric, Gas, Water, Telephone, Pipeline, Steam, CATV	1991	1992	Useful Lives and Net Salvage Values
Rochester Telephone Company	Enterprise Telephone	1991	1992	Study Review
Indiana Energy	Indiana Gas/Richmond Gas/ Terre Haute Gas	1990	1991	Depreciation Study
American Electric Power	Indiana/Michigan Power Co.	1990	1991	Depreciation Study
Rochester Telephone Company	Rochester Telephone Co.	1990	1991	Study Review
United Telephone Systems	United Telephone Co. of Florida	1990	1991	Instructional Depreciation Study
United Telephone Systems	United Telephone Co. of Oregon	1989	1990	Study Review
Telephone and Data Systems, Inc.	Quincy Telephone Company	1990	1991	Depreciation Study
Telephone and Data Systems, Inc.	Wolverine Telephone Company	1989	1990	Depreciation Study
Indiana Energy	Indiana Gas Company, Inc.	1989	1990	Depreciation Study
Intermountain Gas Co.	Intermountain Gas Co.	1989	1990	Remaining Life/Net Salvage Support
North-West Telephone Company	North-West Telephone Company	1989	1990	Study Review
United Telephone System	United of Texas	1989	1990	Instructional Depreciation Study
	United of Missouri	1989	1990	Instructional Depreciation Study

QUALIFICATIONS 12

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Year</u>	<u>Study Performed</u>	<u>Year</u>	<u>Activity</u>
Milwaukee Water	Milwaukee Water	1989	1990		Depreciation Study
Indiana Natural Gas Corp.	Indiana Natural Gas Corp.	1989	1990		Depreciation Study
Pacific Telecom	Telephone Utilities of the Northland	1989	1990		Depreciation Study
	Telephone Utilities of Alaska	1989	1990		Depreciation Study
	Alascom	1989	1990		Depreciation Study
	Telephone Utilities of Washington, Inc.	1988	1989		Depreciation Study
WICOR	Wisconsin Gas Company	1988	1989		Depreciation Study
ALLTEL	ALLTEL - Kentucky, Inc.	1987	1989		Depreciation Study
	ALLTEL - Ohio, Inc.	1988	1989		Depreciation Study
	Western Reserve Telephone Company	1988	1989		Depreciation Study
Milwaukee Metropolitan Sewer District	Milwaukee Metropolitan Sewer District	1988	1989		Depreciation Study
United Telephone Telephone Company	United of Ohio Telephone Company	1988 1988	1989 1989		ELG Support ELG Support
United Telecom	U.S. Sprint	1988	1988		Useful Life Study
Pacific Telecom	Telephone Utilities of Oregon	1987	1988		Depreciation Study
	Telephone Utilities of Eastern Oregon	1987	1988		Depreciation Study
	Rose Valley Telephone Company	1987	1988		Depreciation Study
United Telephone	United of Minnesota	1987	1988		Capital Planning Support
Wisconsin Southern Gas	Wisconsin Southern Gas	1987	1988		Depreciation Study
Pacific Telecom	Glacier State Telephone Company	1986	1987		Depreciation Study

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Year</u>	<u>Study Performed</u>	<u>Year</u>	<u>Activity</u>
	Sitka Telephone Co.	1986		1987	Depreciation Study
	Juneau-Douglas Tel Company	1986		1987	Depreciation Study
Pacific Telecom	Telephone Utilities of Alaska	1986		1987	Depreciation Study
	Alascom	1986		1987	Depreciation Study
Lincoln Telecommunications	Lincoln Telephone and Telegraph Company	1986		1987	Digital Switching Service Life
Northwest Natural Gas Corporation	Northwest Natural Gas Corporation	1985		1986	Depreciation Study
ALLTEL	Western Reserve Telephone Company	1984		1985	Depreciation Study
	ALLTEL - Ohio	1984		1985	Depreciation Study
	ALLTEL - Alabama	1984		1985	Depreciation Study
Gulf Telephone Co.	Gulf Telephone Company	1984		1985	Depreciation Study
United Telephone Systems, Inc.	United of Iowa	1984		1985	Depreciation Study
	United of Arkansas	1984		1985	Depreciation Study
Pacific Telecom	Telephone Utilities of Washington	1983		1984	Depreciation Study
	Telephone Utilities of Eastern Oregon	1983		1984	Depreciation Study
Pacific Telecom	Telephone Utilities of Oregon	1983		1984	Depreciation Study
	Northwestern Telephone Systems, Inc., Oregon	1983		1984	Depreciation Study
	Rose Valley Telephone Company	1983		1984	Depreciation Study
United Telecommunications	All United Telephone Companies	1983		1984	Capital Recovery Strategy
Lincoln Telecommunications	Lincoln Telephone & Telegraph Company	1983		1984	Depreciation Study
ALLTEL	ALLTEL - Mississippi	1982		1983	Depreciation Study
	ALLTEL - Michigan	1982		1983	Depreciation Study

## Appraisal &amp; Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
North Carolina Natural Gas Corp.	North Carolina Natural Gas Corporation	1982	1983	Depreciation Study
Mid Continent Telephone (Currently ALLTEL)	Western Reserve Telephone	1982	1983	Depreciation Study
	Mid Ohio Telephone	1982	1982	Depreciation Study
	Florence Telephone Company	1980	1981	Depreciation Study
	Leeds Telephone Co.	1980	1981	Depreciation Study
	Elmore Coosa Tel Company	1980	1981	Depreciation Study
	Brookville Telephone Company	1980	1981	Depreciation Study
	Mid-Pennsylvania Telegraph	1980	1981	Depreciation Study
Telephone Utilities (Currently Pacific Telecom)	Telephone Utilities of Oregon	1979	1980	Depreciation Study
	Telephone Utilities of Eastern Oregon	1979	1980	Depreciation Study
	Northwestern Telephone Systems, Inc.-Oregon	1979	1980	Depreciation Study
	Rose Valley Telephone Company	1979	1980	Depreciation Study
United Telephone Systems, Inc.	United of Ohio	1979	1980	Depreciation Study
Telephone Utilities	Telephone Utilities of Washington	1978	1979	Depreciation Study
United Telephone Systems, Inc.	United of Ohio	1978	1979	Depreciation Study
Rochester Telephone	Rochester Telephone (Indiana)	1977	1978	Depreciation Study
United Telephone Systems, Inc.	United of Ohio	1977	1978	Depreciation Study
Princeton Telephone	Princeton Telephone (Indiana)	1976	1977	Depreciation Study
Northwestern Telephone	Northwestern Telephone (Illinois)	1975	1976	Depreciation Study

**Papers and Seminars**

- 2011      Training Instructor Depreciation Basics Sessions A & B and Life and Salvage Analysis  
Society of Depreciation Professionals 25<sup>th</sup> Annual Meeting  
Atlanta, GA September 20-22, 2011
- 2010      Will the Real Cost Approach Please Stand Up?  
National Association of Property Tax Representatives Transportation, Energy, & Communications (NAPTR-TEC)  
Scottsdale, Arizona October 25-27, 2010
- Issues Affecting Assessment of Regulated Industries  
Institute for Professionals in Taxation (IPT) Property Tax Symposium  
Austin, Texas October 31 – November 3, 2010
- 2009      (Valuing) Intangibles  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas July 28, 2009
- Fair Value Accounting (Appraisal Panelist)  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas July 29, 2009
- 2008      Valuation Issues Valuation of Assets and the Impact of Depreciation  
Society of Depreciation Professionals Annual Meeting  
Greenville, SC September 21-26, 2008
- Obsolescence in the Long-Distance and Local Transport Networks  
Technology Futures Inc. Asset Valuation Conference  
Austin Texas February 8, 2008
- 2007      Communications Industry Issues  
National Association of Property Tax Representative – Transportation, Energy, & Communications  
New Orleans, LA October 30, 2007
- 2006      Appraisal Procedures & Issues in a Changing communications Industry  
Florida Chapter International Association of Assessing Officers' Tangible Personal Property Conference  
Ocala, Florida January 12, 2006
- Valuation of Intangibles  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas July 25, 2006
- SDP 20 years of History and Beyond  
Society of Depreciation Professionals 20<sup>th</sup> Annual Meeting  
Long Beach, CA September 18, 2006
- 2005      Valuation in a World with Asset Impairments  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas August 1, 2005

**Papers and Seminars**

- 2004      Depreciation in the Valuation of Assets  
Society of Depreciation Professionals' Eighteenth Annual Meeting  
Washington, D.C., September 13, 2004
- 2003      Cost Approach and the Use of Appraisal Guidelines  
Institute for Professionals in Taxation – Property Tax Symposium  
Fort Lauderdale, FL, September 17, 2003
- Cost Approach – Obsolescence and Depreciation  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas, July 28, 2003
- 2000      Appraisal Issues Associated with Technological Change in the Wireline Telecommunications Industry  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas, July 31, 2000
- The Impact of Advancing Technology and the Changing Regulatory Environment on Obsolescence  
Calculations for Ad Valorem Valuation Purposes  
Journal of Property Tax Management, Spring 2000
- 1996      How to Develop a Reproduction/Replacement Cost New Less Depreciation Approach to Value  
Appraisal for Ad Valorem Taxation, Wichita State University  
Wichita, Kansas, August 4, 1996
- 1995      Valuation Method, Techniques and Strategies (How to Quantify Stranded Investment) (Market, Income,  
& Cost Approach  
AGA Depreciation Committee Meeting  
Denver, Colorado, August 6-9, 1995, jointly presented with Earl Robinson of AUS Consultants
- 1994      Integrating Future Expectations for the Telephone Industry into Historical Depreciation Analysis  
United States Telephone Association (USTA's 1994 Capital Recovery Seminar)  
Scottsdale, Arizona, September 12-13, 1994
- 1994      Capital Recovery: United States versus Canada  
Canadian Telephone Industry's Annual Capital Recovery Seminar  
Edmonton, Alberta, Canada June 14-15, 1994
- 1990      Capital Recovery: Methods, Terminology, Procedures, and Record Keeping  
United States Telephone Association (USTA)'s  
1990 Non-FCC Subject and Small Company Capital Recovery Seminar  
Minneapolis, Minnesota April 10\_11, 1990
- Integration of Technology Forecasting Into Historical Life Studies  
29th Iowa State Regulatory Conference  
Ames, Iowa May 15-17, 1990
- The 1990's and the Second Wave of Major Plant Retirements in the Communications Industry  
NARUC's Seventh Biennial Information Conference  
Columbus, Ohio September 12-14, 1990

**Papers and Seminars**How Do We Incorporate Change into the Study Filing Procedures?

USTA's 1990 Capital Recovery Seminar  
Chicago, Illinois October 16\_17, 1990

1989

Plant Modernization: Capital Planning and Capital Recovery

Midwest Utilities Conference  
Chicago, Illinois September 11\_14, 1989

Price Indexes Today: Procedures, Uses, and Misuses

Society of Depreciation Professionals' Third Annual Meeting  
New Orleans, Louisiana December 6\_7, 1989

1988

Plant Modernization: Capital Planning and Capital Recovery

National Association of Regulatory Utility Commissioners (NARUC)'s  
Sixth Biennial Regulatory Information Conference  
Columbus, Ohio September 14\_16, 1988

**Papers and Seminars**

- 1997 Sprint Corporation - West Finance Center  
Overland Park, Kansas, August 1997
- 1997 Rochester Telephone Corporation  
Rochester, New York, April 1997
- 1996 Sprint-Florida-Vista United Telecommunications  
Altamonte Springs, Florida August 27-29, 1996
- 1994 Saskatchewan Telecommunications  
Regina, Saskatchewan, Canada, June 1994
- 1994 AUS Consultants/Leroy J. Murphy and Associates 1994 Capital Recovery Seminar  
May 1994
- 1993 Manitoba Telephone System, Winnipeg, Manitoba, December 1993
- 1993 Society of Depreciation Professionals Annual Meeting  
Charleston, South Carolina September 30, 1993
- 1993 SPRINT - Local Telephone Division  
Atlanta, Georgia August 11-12, 1993
- 1993 AUS Consultants/Leroy J. Murphy and Associates 1993 Capital Recovery Seminar  
Chicago, Illinois May 11 - 13, 1993
- 1993 Canadian Telephone Capital Recovery Seminar  
Halifax, Nova Scotia April 20 - 22, 1993
- 1993 United Telephone, Midwest Group  
Overland Park, Kansas January 20, 1993
- 1992 BellSouth Corporation  
Birmingham, Alabama November 23, 1992
- 1992 Sprint - Local Telephone Division  
Kansas City, Kansas November 18 - 20, 1992
- 1992 Society of Depreciation Professionals Annual Meeting  
San Antonio, Texas September 9 - 10, 1992
- 1992 AUS Consultants/Leroy J. Murphy and Associates 1992 Capital Recovery Seminar  
Chicago, Illinois October 6 - 8, 1992
- 1991 Society of Depreciation Professionals Annual Meeting  
Nashville, Tennessee November 20-22, 1991
- 1991 ALLTEL Corporation Microcomputer Depreciation Studies System Training  
Hudson, Ohio October 14-16, 1991

**Capital Recovery Training**

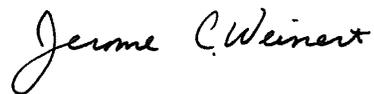
- 2016 Society of Depreciation Professionals  
Annual Training  
Charleston, South Carolina, September 18-23, 2016
- 2015 Society of Depreciation Professionals  
Annual Training  
Austin Texas September 2015
- 2014 Society of Depreciation Professionals  
Annual Training  
New Orleans, Louisiana September 2014
- 2013 Society of Depreciation Professionals  
Annual Training  
Salt Lake City, Utah September 2013
- 2012 Society of Depreciation Professionals  
Annual Training  
Minneapolis, Minnesota, September 16-18, 2012
- 1991 United Telecommunications, Inc., Capital Recovery/Microcomputer Depreciation  
Studies System Training  
Kansas City, Kansas September 23-25, 1991
- 1991 AUS Consultants/Leroy J. Murphy and Associates 1991 Capital Recovery Seminar  
Lake Geneva, Wisconsin September 17-19, 1991
- 1991 Rochester Telephone Corporation, Capital Recovery/Microcomputer Depreciation Studies  
System Training, Rochester, New York September 3-7, 1991
- 1991 Ameritech Services, Microcomputer Depreciation Studies System Training  
Chicago, Illinois May 16-17, 1991
- 1991 AUS Consultants/Leroy J. Murphy and Associates 1991 Capital Recovery Seminar  
Washington, D.C. April 9\_11, 1991
- 1990 United Telecommunications, Inc., Capital Recovery Seminar  
Overland Park, Kansas December 1990
- 1990 AUS Consultants/Leroy J. Murphy and Associates 1990 Capital Recovery Seminar  
Chicago, Illinois September 24\_27, 1990
- 1990 AUS Consultants/Leroy J. Murphy and Associates 1990 Capital Recovery Seminar  
Chicago, Illinois January 29-February 1, 1990
- 1990 United Telecommunications, Inc., Capital Recovery/Microcomputer Depreciation Studies  
System Training, Chicago, Illinois July 1990
- 1989 United Telecommunications, Inc., Capital Recovery/Microcomputer Depreciation Studies  
System Training, Chicago, Illinois July 1989

**Capital Recovery Training**

- 1989 AUS Consultants/Leroy J. Murphy and Associates 1989 Capital Recovery Seminar  
Chicago, Illinois March 6\_9, 1989
- 1988 AUS Consultants/Leroy J. Murphy and Associates 1988 Capital Recovery Seminar  
Chicago, Illinois July 25\_28, 1988
- 1988 United Telecommunications, Inc., Microcomputer Depreciation Studies System Training  
Kansas City, Kansas January 1988

## VERIFICATION

I, Jerome C. Weinert, P.E. hereby states that the facts above set forth above 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 made herein are made subject to the penalties of 18 Pa. Cons. Stat. §4904 relating to unsworn falsification to authorities.

A handwritten signature in cursive script that reads "Jerome C. Weinert".

Jerome C. Weinert, P.E., Principal and Director  
WAD Consultants

Dated: March 16, 2023