

BEFORE THE CORPORATION COMMISSION OF OKLAHOMA

IN THE MATTER OF THE APPLICATION)
OF OKLAHOMA GAS AND ELECTRIC)
COMPANY FOR AN ORDER OF THE)
COMMISSION AUTHORIZING)
APPLICANT TO MODIFY ITS RATES,)
CHARGES, AND TARIFFS FOR RETAIL)
ELECTRIC SERVICE IN OKLAHOMA)

Cause No. PUD 201100087



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CORPORATION COMMISSION
OF OKLAHOMA

PRE-FILED RESPONSIVE TESTIMONY

OF

GEORGE F. KISER

November 9, 2011

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INTRODUCTION

1 **Q: Please state your name, by whom you are employed, in what capacity, and your**
2 **business address.**

3 A: My name is George F. Kiser. I am employed by the Oklahoma Corporation
4 Commission (OCC or the Commission), in the Public Utility Division (PUD), in the
5 Energy Section. I am employed as a public utility regulatory analyst. I am
6 supervised by Bob Thompson, certified public accountant (CPA) and manager of
7 accounting, and Fairo Mitchell, Chief of Energy. My business address is the Jim
8 Thorpe Office Building, Room 580, 2101 N. Lincoln Boulevard, Oklahoma City,
9 Oklahoma 73105.

10 **Q. Please state briefly your educational background and professional experience.**

11 A. I have a bachelor of science degree from the University of Central Oklahoma with a
12 major in accounting.

13 **Q: Have you previously testified before this Commission and has this Commission**
14 **accepted your qualifications?**

15 A: Yes, I have testified before this Commission and my qualifications have been
16 accepted.

17 **Q: Please describe your experience with the Commission and your present duties.**

18 A: I work on rate case audits, cooperative electric company utility three percent rate
19 increase filings, monthly fuel audits, and cotton gin filings. I have also worked in the
20 fuels area auditing utilities' fuel adjustment clauses. Please see my Curriculum Vitae
21 attached as GK-1 to my testimony for additional descriptions.

PURPOSE OF TESTIMONY

1 **Q: What is the purpose of your testimony in this matter?**

2 A: The purpose of my testimony in this Cause No. PUD 201100087 is to present PUD's
3 recommendation of Oklahoma Gas & Electric Company's ("OG&E" or "the
4 Company") application for approval of rates for the areas assigned to me for review.

5 **Q: What were your assigned areas of review in this Cause?**

6 A: I was assigned the following areas for review: production maintenance expense,
7 plant operation and maintenance ("O&M") expense, capitalized maintenance
8 expense, repairs and maintenance expense, bad debt expense, regulatory assets and
9 liabilities expenses, materials & supplies, Construction Work in Progress, ("CWIP"),
10 all plant in service related issues, depreciation rates and models and all associated
11 issues, plant held for future use, accumulated depreciation, allocation of common
12 plant, administrative and general ("A&G") expenses, the McClain Long Term Service
13 Agreement ("LTSA") adjustment with General Electric for maintenance of the units,
14 the LTSA associated with the maintenance of the Redbud power plant units, which
15 were acquired by OG&E in 2008, power delivery and North American Electric
16 Reliability Corporation ("NERC") Compliance.

TESTIMONY SUMMARY

17 **Q: Would you please summarize your testimony?**

18 A: Yes. I reviewed the application and the pre-filed testimony of the Company
19 witnesses and their corresponding work papers for the areas assigned to me for

1 review, and also the data request responses of the intervenors for my areas. Sheri
2 Richard discusses several adjustments in Sections B, C, D, and H that I will be
3 addressing. I have discussed with the Company various issues and accounts as
4 questions arose, for the areas assigned to me. I met with Sheri Richard and John
5 Spanos, Jim Buller, & Brad Bleakley, for an overview of the Depreciation Study. I
6 worked with OG&E personnel for discussions on adjustments.

7 PUD employee Javad Seyedoff and I also met with Sheri Richard and David Smith
8 for an overview the Pacific Economics Group (PEG) study for the current Oklahoma
9 rate case. Mr. Smith provided PUD with a copy of the Power Point overview for the
10 current Oklahoma cause as well as the previous 2009 Power Point study for the
11 Arkansas rate case. Also discussed was the change in the LTSA methodology for the
12 two latest power plants acquired. The two generation plants having a LTSA in effect
13 at the same time were: (1) Redbud Power Plant and (2) the McClain Power Plant.
14 OG&E made a prior year adjustment for the "LTSA's" to merge the two methods to
15 one methodology.

16 **Q: Please provide a brief description of the PEG Study.**

17 **A:** PEG's strengths include services, such as benchmarking and price control regulation.
18 Dr. Mark Lowry is the President of the PEG Group Research. His work recently has
19 focused on capital spending. He uses Statistical benchmarking as a tool to assess
20 utility performance. The benchmarking has been facilitated by the extensive
21 operating data from the FERC Form 1. The benchmarking can be used as a

1 component of the reasonableness of the Cost of Service and to gauge the cost
2 efficiency of the utility. The purpose of the study according to the presentation was
3 to assess the performance of OG&E's O&M performance against "like" peers using
4 economic parameters to asses "like" business conditions faced by the peer group that
5 affects cost performance. OG&E requested PEG to increase 2010 expenditures level
6 by an updated \$5.9 million level to reflect actual generation maintenance contract
7 expense. This OG&E Adjustment of \$5,905,566 was made to increase the production
8 expenses from the year 2008 to the current year. This is a prior period adjustment.
9 Despite this addition the PEG study made, OG&E still maintained its strong
10 reputation for efficient use of O&M dollars according to the OG&E personnel.

TESTIMONY

11 **Q: Are you familiar with OG&E, Cause No. PUD 201100087?**

12 A: Yes. I am familiar with the filing, for the areas assigned to me for my review as part
13 of a team effort.

14 **Q: Please state the steps taken for your areas of review.**

15 A: I read and reviewed the various testimonies covering the subject areas filed by the
16 Company and also reviewed the work papers filed by the Company for my assigned
17 areas. I asked questions of OG&E as related items and issues that arose during
18 PUD's review. I have also reviewed the various data request responses of the
19 intervenors, the Attorney General, etc., that appear related to my areas of review. I
20 made any necessary changes, resulting from my review of those responses, or asked

1 additional questions to assist my understanding. I followed up with discussion
2 questions with the Company on any items that raised questions for me that answers
3 were not readily apparent from the filing and/or data request responses.

4 **Q: What steps were reviewed for Bad Debts Expense?**

5 A: I reviewed the pro forma adjustment calculations for bad debts prepared by the
6 Company. The Company made substantial changes to the bad debt expense
7 procedure several years ago that significantly reduced the bad debts. The Bad Debt
8 Charge off Policy is reflected in the Company's work paper H-20 attachment. The
9 Company used a four (4) year average for write offs in its Oklahoma Jurisdictional
10 Revenues, which is a more conservative approach than a five (5) year average, which
11 the Company also had calculated. The Company used the Oklahoma Jurisdictional
12 Uncollectible written off by rate class as a calculation of the Oklahoma Jurisdictional
13 Revenues. The Company arrived at a four year average percentage of 24.0 percent.
14 The Company used the Pro Forma Retail Revenue and the Oklahoma Rider Retail
15 Revenues to arrive at the Total Retail Revenue for the Pro Forma Charge off
16 calculation of 24.0 percent.

17 OG&E was allowed to recover the fuel portion of bad debts through the fuel
18 adjustment clause based on Order No. 569281 in Cause No. PUD 200800398. The
19 Company also reduced the pro forma charge offs by 29.4 percent related to its fuel
20 expense for 2010 and the portion for 2009 that was booked in 2010 for the current
21 cause.

1 The Adjustment W/P H-2-28 proposed by the Company appears to be in good form
2 and will be reflective of PUD's Net Pro Forma Retail Revenue for Pro Forma Charge
3 off calculation after adjustment to the bad debts related to the fuel portion. PUD does
4 not have an adjustment at this time for bad debts as the retail revenues were not
5 changed by PUD.

6 **Q: Please discuss the regulatory assets and liabilities account for OG&E.**

7 A: PUD reviewed testimony and work papers that included W/P B3-13 which adjusts the
8 rate base by \$16,167,583 to account for OG&E's requested recovery. The Company
9 also adjusted various regulatory assets that are specific to the Arkansas jurisdiction,
10 which are being recovered through their corresponding riders. The Company also
11 included 2011 projected levels of Smart Grid stranded meters as Regulatory Assets.
12 PUD asked for an update of the actual stranded meters versus the projected stranded
13 meters for the Smart Grid levels proposed by the Company. PUD reviewed Sheri
14 Richard's testimony of the break down of Regulatory Assets Index of Schedules /
15 Work papers. W/P B 3-13 shows \$9,300,000 of Smart Grid meters stranded for the
16 period July 2011 through December 2011.

17 PUD notes Order No. 576595 in Cause No. PUD 201000029, which grants pre-
18 approval of deployment of Smart Grid Technology in Oklahoma. Page 18 of the
19 Joint Stipulation and Settlement Agreement of Order No. 576595, states that "[t]he
20 Stranded Meter Regulatory Asset shall be established to capture the stranded costs
21 associated with the existing meters that will be retired due to the installation of Smart

1 Meters.” Also see page 4 of the Stipulation which states the same as above. The
2 Stranded Meter Regulatory Asset will accumulate during the Smart Grid Deployment
3 and recovery of the stranded costs will be included in future rate cases. While PUD
4 acknowledges that the Commission has approved the costs associated with stranded
5 meters, PUD is reversing the \$9,300,000 for the Stranded Smart Grid meters for the
6 period July 2011 through December 2011 for adjustment to PUD’s Rate Base for this
7 cause as it is beyond the 6 month post test year figure. Also, Final Order 576595 in
8 Cause No. PUD 201000029, specifies the date of included stranded meters.
9 According to the Company there is no stranded meter costs included in the June 30,
10 2011, Plant Balance, PUD is using. All stranded meter costs are included in
11 Regulatory Assets.

12
13 **Q: What is PUD’s adjustment(s) for Regulatory Assets and Liabilities?**

14 **A:** PUD’s adjustment will include an adjustment to update the amount through June 30,
15 2011. This will be adjustment number B-7 for \$9,300,000 to adjust for the
16 Regulatory Assets to the June 30, 2011 level, which brings the balance to
17 \$25,467,583. PUD agrees with the Regulatory Liability adjustment proposed by the
18 Company in the Company’s Adjustment H-231 of \$33,853,733 for Regulatory
19 Liabilities amortized over two years. PUD agrees with the Pro forma Adjustment to
20 Amortize Other Regulatory assets H-235 of \$145,657,235.

CONSTRUCTION WORK IN PROGRESS

1 **Q: Please explain the Company's adjustment to Construction Work in Progress**
2 **(CWIP).**

3 A: PUD reviewed Sheri Richard's testimony as well as the work papers associated with
4 CWIP. OG&E's W/P B3-3 removes \$240,277,107 of CWIP that was not to be
5 completed before September 30, 2011. W/P B3-6 transfers \$89,575,786 from CWIP
6 to Plant in Service for items that will be completed by June 30, 2011. W/P B 3-7
7 includes \$112,874,003 for budgeted projects to be completed by June 30, 2011. W/P
8 B 3-8 transfers \$3,153,275 for 2010 CWIP that was to be completed between June 30,
9 2011, and September 30, 2011 to plant. W/P B 3-9 includes \$53,986,423 of 2011
10 budgeted projects to be completed between June 30, 2011, and September 30, 2011,
11 into CWIP. PUD takes issue with CWIP that was to be added to plant after the
12 updated post test year of June 30, 2011. PUD removed \$57,139,698 from the CWIP
13 as it is beyond the six month post test year period. PUD adjusted out of Rate Base,
14 Construction Work in Progress, and Plant Held for Future Use in the plant updated
15 through June 30, 2011.

16

17 **Q: What is the Adjustment to CWIP?**

18 A: PUD has adjusted CWIP to the June 30, 2011 balance of \$57,139,698.

PLANT MAINTENANCE

1 **Q: Please explain the steps involved in the review of Plant Maintenance for OG&E.**

2 A: I have reviewed OG&E's Plant Maintenance accounts through the FERC reports, the
3 Plant Operation and Maintenance (O&M) Expense, repairs and maintenance for a
4 general review of the expenses. PUD maintains a data base of information filed in the
5 FERC Form 1 for in house use. PUD does not have an adjustment for the Plant
6 Maintenance at this time.

CAPITALIZATION POLICY

7 **Q: Would you please briefly discuss the Company's Capitalization Policy?**

8 A: I have discussed with the Company the Capitalization Policy for Maintenance and
9 Repair as well as seeking a copy of the Capitalization Policy for PUD records and a
10 greater review of the present policy. The Capitalization Policy has not changed in the
11 last 10 years. In general, all expenditures for items purchased or constructed that are
12 expected to last two years or more, should be capitalized. PUD has no
13 recommendation on the current capitalization policy.

14 **Q: Would you discuss the Company's Capitalized Maintenance Adjustment B-3-1?**

15 A: Yes. OG&E has capitalized maintenance cost based on previous Cause No. PUD
16 26782 with Order No. 182637. In this prior cause, the Commission determined
17 certain maintenance costs were more appropriately capitalized than expensed. This
18 adjustment based on the prior order results in a net plant increase of \$84,457 as
19 shown in the company W/P B 3-1. This is the net plant amount after capitalized Plant
20 and the related Accumulated Depreciation. PUD does not disagree with the
21 Capitalized Maintenance Calculations proposed by the Company at this time.

PLANT IN SERVICE

1 **Q: Would you briefly discuss the Plant in Service, Accumulated Depreciation and**
2 **Depreciation Expense?**

3 A: Yes. I will update the Plant in Service, the accumulated depreciation, and
4 depreciation expense through the post test year period of June 30, 2011. PUD
5 adjusted the OG&E Plant to the June 30, 2011, level rather than the December 31,
6 2011, level proposed by OG&E. I am not aware that PUD has ever gone beyond any
7 six month post test year period. PUD's Plant in Service Adjustment is in the June 30,
8 2011, post test year balance of \$7,512,477,957. PUD reduced Plant in Service by
9 \$112,598,574 bringing the total to \$7,399,879,383. PUD also reduced Plant Held for
10 Future Use by \$1,877,993 and reduced Construction Work in Progress of
11 \$57,139,698.

12 **Q: What is PUD's proposal for OG&E Accumulated Depreciation of Plant in**
13 **Service?**

14 A: PUD adjusted Accumulated Depreciation Plant to the June 30, 2011 post test year
15 balance of \$2,983,963,680. PUD Adjustment B-2 of \$71,216,734 from Company
16 filed information using additions through December 31, 2011.

17 **Q: Would you please briefly discuss OG&E's Plant Held for Future Use Company**
18 **Adjustment B 3-15?**

19 A: Yes. The Company made an adjustment for Plant Held for Future Use of \$783,312 to
20 remove any plant held for future use with W/P B 3-15, which removes any plant held

1 for future use with an acquisition date older than ten years. The Company chose to
2 limit Plant held for future use to property acquired since 1974. PUD does not agree
3 with this adjustment. PUD would deduct all Plant Held for Future Use as was done in
4 the previous PSO Cause No. PUD 200600285. That Adjustment of \$1,877,993
5 reduction is reflected in PUD's adjustment to Plant in Service, B-1 above. OG&E's
6 holding company assets amount at June 30, 2011 is \$99,617,846 is included the total
7 plant figures reflected PUD's Plant Adjustment.

ACQUISITION ADJUSTMENT

8 The Company has an acquisition adjustment for Redbud and City of Edmond as per
9 the previous rate order. The acquisition adjustment relies on Cause No. PUD
10 200800086 and Order No. 559892, and the related Joint Stipulation & Settlement
11 Agreement. PUD has no change for the Acquisition Adjustment at this time.

12 **Q: Would you discuss the proposed Depreciation Expense rates?**

13 A: Yes PUD believes the rates proposed by Mr. John Spanos are fair and reasonable with
14 the consideration and benchmarks of other similarly situated companies as OG&E,
15 that he has used to develop his rates. Mr. Spanos has prepared the depreciation rates
16 in the past and has previously displayed the knowledge he uses with his
17 benchmarking using similarly situated Investor Owned Electric Utilities for like
18 conditions for his benchmarking. PUD has no recommended change in the
19 deprecation rates at this time.

1 **Q: What is PUD's proposal for OG&E Depreciation Expense?**

2 A: PUD would adjust the Deprecation Expense to the June 30, 2011, balance of
3 \$213,040,999 based on the Updated Depreciation Data Request Response AG 1-9
4 for PUD Adjustment H-10 of \$592,899. The difference is from Company filed
5 information using additions through December 31, 2011, of \$213,633,898 from the
6 Company filed Schedule I-1.

7 **Q: Would you briefly discuss the Company's H -2-32 ("LTSA") and the change that**
8 **has been proposed in the current rate case?**

9 A: There are two (LTSA's) currently in place. One (LTSA) is in place for the McClain
10 Power Plant purchased by OG&E. The second (LTSA) for the Redbud Power Plant
11 which was acquired by OG&E in 2008. OG&E changed the accounting method for
12 the LTSA from two different methods to a single method.

13 **Q: Would you address the Accounting change for the McClain (LTSA) contract**
14 **costs?**

15 A: Yes. OG&E has a LTSA for two generation plants, and because there are two
16 (LTSA) plans in effect there were two calculation methodologies. The Company
17 reviewed the two methods to determine that the methodology used for the Redbud
18 Plant was more accurate and easier to understand. The Company changed the
19 methodology for the McClain LTSA accounting to be consistent with the Redbud
20 LTSA.

21

1 Due to the accounting change, OG&E made correcting entries to restate the assets and
2 liabilities as both LTSAs were accounted for on the same basis from the beginning.
3 See FASB ASC 250-10-45 which discusses a change in Accounting Principle. So
4 OG&E Adjustment H-2-32, for \$5,905,566, is made as a one time change to
5 production expense. It reverses LTSA correcting entry for FERC accounts 510-514.
6 The Adjustment increases expense by the \$5,905,566 in order to normalize
7 production expense as a prior year adjustment. PUD does not disagree with this
8 adjustment by the Company for the LTSA at this time. OG&E made this entry in
9 December 2010. So Staff does not need to make an adjustment for the LTSA.

10 **Q: Would you please briefly discuss the Company's pro forma adjustment for**
11 **Transmission Poles W/P H 2-45 of \$290,618?**

12 A: Yes. OG&E implemented a study in 2010 that continued into 2011 to inspect
13 transmission pole footings to determine repair or replacement needs. The study
14 determined a ten year program cycle was needed to inspect transmission poles,
15 analyze the findings and make needed repairs, such as the footings, etc. Some of
16 these lines were installed as early as the 1930's through the 1950's. The Company is
17 asking for an annual cost of \$407,973 to be included in base rates, based on the total
18 cost of all inspections of \$3,480,110. OG&E took this amount of \$3,480,110 times
19 the factor of .011723. The factor is the present sum of \$1.00 at three percent over a
20 ten year period to arrive at the \$407,973. The Company is asking for an adjustment
21 for the test year of \$290,618 due to the fact \$117,355 was expended during the year
22 2010. PUD does not disagree with this adjustment at this time. PUD agrees with the

1 current year adjustment of \$290,618. This adjustment for transmission poles will be
2 amortized over the ten year period with no amount charged to Regulatory Assets for
3 any other rate base recovery.

4 **Q: What is PUD's recommendation on the \$407,973 to be included in base rates?**

5 A: The adjustment appears to be known and measurable and a benefit to the OG&E
6 customers. PUD believes the Oklahoma jurisdictional amount is fair, just, and
7 reasonable. But PUD believes there should be some type of annual reporting of the
8 progress of the inspections as well any changes that may reduce the current cost in the
9 record.

10 **Q: Would you please briefly discuss the Company's pro forma adjustment for the**
11 **Acquisition Adjustment Amortization W/P H 2-48 for \$5,789,118?**

12 A: Yes. The majority of this OG&E pro forma adjustment of \$5,789,118 is related to the
13 acquisition adjustment for the Redbud Power Plant. The adjustment relies on Cause
14 No. PUD 200800086 and Order No. 559892 and the related Joint Stipulation &
15 Settlement agreement. PUD believes the adjustment should be allowed based on the
16 prior Cause PUD 200800086 and Order 559892 and the related Joint Stipulation and
17 Settlement agreement for OG&E's Acquisition Adjustment Amortization. PUD
18 agrees with the Company Acquisition Adjustment Amortization W/P H 2-48 for
19 \$5,789,118.

1 **Q: Would you please briefly discuss Power Delivery North American Electric**
2 **Reliability Corporation (NERC) Compliance Adjustment H-2-49 of the**
3 **Company?**

4 A: Yes. In 2010, NERC issued a directive to the utility industry to take several actions
5 to correct any discrepancies between the design and the actual condition of
6 transmission facilities. The project required a plan to be in place by December 15,
7 2010, for the utilities to conduct an assessment and provide remediation. This project
8 start date has changed to 2011. Adjustment H -2-49 reflects the project start date
9 change and allows costs through 2013. The Company has asked for a two (2) year
10 average of \$1,484,211. The estimated annual costs by the company are shown to be
11 \$4,307,185. OG&E used a service using LIDAR, physical modeling tools, ground
12 based surveying and inspection crews. It is an inspection of the transmission lines to
13 make sure that the lines are at the correct height from ground. PUD agrees with this
14 adjustment at this time. This will be amortized over the two year period with no
15 amount charged to Regulatory Assets for any recovery according to the Company.

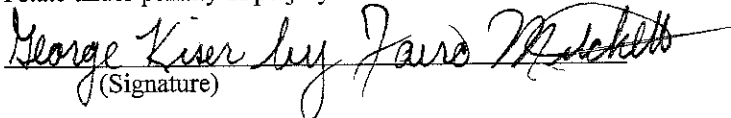
CONCLUSION AND PUD'S RECOMMENDATION

16 **Q: What is your recommendation for the areas assigned to you for review regarding**
17 **OG&E in this Cause No. PUD 201100087?**

18 A: PUD does not have an adjustment at this time for bad debt expense, as PUD did not
19 change the revenues. PUD adjustment number B-7, for \$9,300,000, to adjust for the
20 Regulatory Assets to the June 30, 2011 level, and (\$33,853,733) to remove assets in
21 riders, jurisdictional specific, amortized fully or per order for a total of (\$24,553,733).

1 CWIP amounts are included at the June 30, 2011 amounts used by PUD according to
2 discussions with the Company. PUD agrees with the Company's proposed
3 Capitalized Maintenance Adjustment of \$84,457 as shown in the Company W/P B 3-
4 1 at this time. PUD Plant in Service Adjustment is in the June 30, 2011, post test year
5 balance Staff Adjustment B-1. PUD Accumulated Depreciation Plant Balance is in
6 the June 30, 2011 Post Test Year Balance, shown as PUD Adjustment B-2 of
7 \$72,043,208. That makes the Adjusted Accumulated Depreciation Balance to be
8 \$2,984,790,153. That Adjustment for Plant Held for Future use of \$1,897,033 is
9 reflected in Staff's adjustment to Plant in Service, B-1 above. PUD agrees with the
10 Company's Transmission Poles Adjustment of \$290,618. This adjustment for
11 Transmission Poles will be amortized over the ten year period with no amount
12 charged to Regulatory Assets for any other rate base recovery. PUD agrees with the
13 Company Acquisition Adjustment Amortization booked as pro forma expense. PUD
14 agrees with the Company adjustment for the for NERC Compliance study with no
15 Regulatory Asset treatment.

I state under penalty of perjury under the laws of Oklahoma that the foregoing is true and correct.


(Signature)

November 9, 2011

(Date and Place)



George Kiser

2010 Curriculum Vitae

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580 Jim Thorpe Building
P.O. Box 52000
Oklahoma City, OK 73152

Education

University of Central Oklahoma, College of Business, Edmond, Oklahoma 1968 - 1973

- B.S., Accounting
- Studies at the University of Central Oklahoma included a major in accounting with a minor in management and psychology, with coursework in accounting, finance and economics. While in school, had an active role in the accounting club including tutoring beginning accounting students. Also worked on getting different businesses to come to the University for Recruitment.

Work Experience

Oklahoma Corporation Commission 1978 - Present

Public Utility Regulatory Analyst, Energy and Water Group

- Lead case analyst or expert witness on the following PUD Causes: 201100055, 201100035, 201000219, 201000177, 201000176, 201000047, 200800256, 200800242, 200800094, 200900192, Participant in cause 201100087, 201100082, 201100034, 201000026, 200900110, 200800398, 200800144, 200800098, 200800094, 200800226, 200800063, 200700200, 200700022, 200700336, 200300622, 200700309, 200700201, 200700215, 200700040, 200600401, 200600096, 200600016, 200500508, 200400591, 200500347, 200500468, 200500323, 200500117, 200500195, 200400610, 200400625, 200400610, 200400624, 200400539, 200300200, 200300076, 200400187, 200400262, 200300088, 200300015, 990000166, 990000698, 96000214, 960000116, 910001190, 910001144, 920001394, Prior cases available on request
- Served as analyst for numerous 3% Electric Cooperative rate case reviews.
- Served as analyst on electric coop and regulated utilities' fuel adjustment charges, (FAC) or purchased gas adjustments (PGA).
- Serve as mentor and trainer for the Public Utility Division.

Dennis Statham CPA 1976 - 1978

Auditor

- Audited large casualty insurance companies.
- Worked on insurance audits, helped in preparation of insurance annual reports to Insurance Commissioner.
- Payroll tax forms, Bookkeeping, balance sheets and income statement preparation.
- Prepared tax returns for insurance clients and individuals

University Hospital 1974 - 1976

Supervisor of Payroll

- Supervised three payroll clerks preparing the various monthly payrolls.
- Handled the financial funding of the monthly payrolls, through various funds to include the following; general funds, revolving funds, grants, and special funds.

Internal Revenue Service 1973 - 1974

Auditor

- Auditor with IRS auditing small companies and individuals tax returns filed with the IRS.

Professional Training

- Attended several National Association of Regulatory Utility Commissioners (NARUC) meetings
- Mid-America Regulatory Conference (MARC)
- Continuing education sessions sponsored by the Oklahoma State Auditors Office.
- Seminars conducted by Metro Tech and the University of Oklahoma.
- FERC Accounting training

CERTIFICATE OF ELECTRONIC SERVICE

I, the undersigned, do hereby certify that on the 9th day of November, 2011, a true and correct copy of the above and foregoing was sent electronically, addressed to the following:

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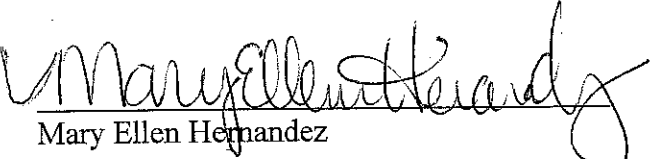
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