

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION )  
OF PUBLIC SERVICE ELECTRIC AND )  
GAS COMPANY FOR APPROVAL OF ) BPU DOCKET NO. EO18101115  
ITS CLEAN ENERGY FUTURE- )  
ENERGY CLOUD (“CEF-EC”) )  
PROGRAM ON A REGULATED BASIS )**

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**DIRECT TESTIMONY OF  
DAVID E. PETERSON  
ON BEHALF OF THE  
DIVISION OF RATE COUNSEL**

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**STEFANIE A. BRAND, ESQ.  
DIRECTOR, DIVISION OF RATE COUNSEL**

**DIVISION OF RATE COUNSEL  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, New Jersey 08625  
Phone: 609-984-1460  
Email: [njratepayer@rpa.nj.gov](mailto:njratepayer@rpa.nj.gov)**

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# TABLE OF CONTENTS

	<b>Page No.</b>
<b>I. INTRODUCTION</b> .....	1
<b>II. SUMMARY</b> .....	4
<b>III. DEFERRED COST ACCOUNTING</b> .....	8
<b>IV. RATE DESIGN</b> .....	12

**I. INTRODUCTION**

1  
2 **Q. PLEASE STATE YOUR NAME, OCCUPATION AND BUSINESS**  
3 **ADDRESS.**

4 A. My name is David E. Peterson. I am the President of and a Senior Consultant  
5 with Chesapeake Regulatory Consultants, Inc. ("CRC"). My business address is  
6 10351 Southern Maryland Blvd., Suite 202, Dunkirk, Maryland 20754.

7  
8 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE**  
9 **IN THE PUBLIC UTILITY FIELD?**

10 A. I graduated with a Bachelor of Science degree in Economics from South Dakota  
11 State University in May of 1977. In 1983, I received a master's degree in  
12 Business Administration from the University of South Dakota. My graduate  
13 program included accounting and public utility courses at the University of  
14 Maryland.

15  
16 In September 1977, I joined the Staff of the Fixed Utilities Division of the South  
17 Dakota Public Utilities Commission as a rate analyst. My responsibilities at the  
18 South Dakota Commission included analyzing and testifying on ratemaking  
19 matters arising in rate proceedings involving electric, gas and telephone utilities.

20  
21 Since leaving the South Dakota Commission in 1980, I have continued  
22 performing cost of service and revenue requirement analyses as a consultant. In  
23 December 1980, I joined the public utility consulting firm of Hess & Lim, Inc. I  
24 remained with that firm until August 1991, when I joined CRC. Over the years, I  
25 have analyzed filings by electric, natural gas, propane, telephone, water,  
26 wastewater, and steam utilities in connection with utility rate and certificate

1 proceedings before federal and state regulatory commissions. A copy of my  
2 curriculum vitae is provided in Appendix A attached to my testimony.

3  
4 **Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY IN PUBLIC**  
5 **UTILITY RATE PROCEEDINGS?**

6 A. Yes. I have presented testimony in 174 other proceedings before the state  
7 regulatory commissions in Alabama, Arkansas, California, Colorado,  
8 Connecticut, Delaware, Indiana, Kansas, Maine, Maryland, Montana, Nevada,  
9 New Jersey, New Mexico, New York, Pennsylvania, South Dakota, West  
10 Virginia, and Wyoming, and before the Federal Energy Regulatory Commission.  
11 Collectively, my testimonies have addressed the following topics: the appropriate  
12 test year, rate base, revenues, expenses, depreciation, taxes, capital structure,  
13 capital costs, rate of return, cost allocation, rate design, life-cycle analyses,  
14 affiliate transactions, mergers, acquisitions, and cost-tracking procedures.

15  
16 In addition, I testified twice before the Energy Subcommittee of the Delaware  
17 House of Representatives on the issues of consolidated tax savings and tax  
18 normalization. Also, I have presented seminars on public utility regulation,  
19 revenues requirements, cost allocation, rate design, consolidated tax savings,  
20 income tax normalization and other ratemaking issues to the Delaware Public  
21 Service Commission, to the Commissioners and Staff of the Washington Utilities  
22 and Transportation Commission, and to the Colorado Office of Consumer  
23 Counsel.

24  
25 **Q. HAVE YOU TESTIFIED IN OTHER PROCEEDINGS BEFORE THE**  
26 **NEW JERSEY BOARD OF PUBLIC UTILITIES (“BOARD”)?**

27 A. Yes, I have. I have submitted testimony in the following proceedings before the  
28 Board:

1	<u>Utility</u>	<u>Docket No.</u>
2		
3	South Jersey Gas Company	GR8704329
4		GR03050413
5		GR03080683
6		GR10010035
7		
8	New Jersey-American Water Company	WR88070639
9		WR91081399J
10		WR92090906J
11		WR94030059
12		WR95040165
13		WR98010015
14		WR03070511
15		WR06030257
16		WR17090985
17		WR1912516
18		
19	ACE/Delmarva Merger	EM97020103
20	Atlantic City Electric Company	ER03020110
21		ER11080469
22		ER17030308
23		ER18020196
24		
25	FirstEnergy/GPU Merger (JCP&L)	EM00110870
26	Jersey Central Power & Light	ER02080506
27		ER05121018
28		ER12111052
29		EM14060581
30		EM15060733
31		ER18070728
32		
33	Rockland Electric Company	ER02100724
34		ER06060483
35		ER09080668
36		ER19050552
37		
38	Public Service Electric and Gas	EM00040253
39		GR09050422
40		GO12030188
41	Exelon/PSE&G Merger	EM05020106
42	Exelon/Pepco Holdings Merger	EM14060581

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Conectiv/Pepco Merger (ACE)	EM01050308
Elizabethtown Gas Company	GR02040245 GR09030195
The Southern Company/AGL Resources	GM15101196
United Water New Jersey, Inc.	WR07020135
United Water Toms River	WR15020269
New Jersey Natural Gas Company	GR07110889

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

A. My appearance in this proceeding is on behalf of the Division of Rate Counsel (“Rate Counsel”).

**II. SUMMARY**

**Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

A. I was asked by Rate Counsel to review and analyze the Petition, Testimonies and Schedules filed by Public Service Electric and Gas Company (“PSE&G” or “the Company”) concerning its requests for the recovery of costs associated with its proposed Clean Energy Future – Energy Cloud (“CEF-EC”) Program and the rate design it proposes to implement to recover such costs. The purpose of my testimony, therefore, is to present the results of my analyses and my recommendations relating to certain of PSE&G’s revenue requirement and rate design proposals to Your Honor and the Board.

1 **Q. BEFORE YOU DISCUSS YOUR FINDINGS AND**  
2 **RECOMMENDATIONS, PLEASE PROVIDE A VERY BRIEF**  
3 **OVERVIEW ON PSE&G’S PROPOSALS IN THIS PROCEEDING.**

4 A. On April 1, 2020, PSE&G filed an Updated Verified Petition seeking the Board’s  
5 approval of the Company’s CEF-EC Program that specifically includes advanced  
6 metering infrastructure (“AMI”). PSE&G’s proposed CEF-EC Program consists  
7 of the Company’s deployment of 2.2 million AMI “smart” meters throughout its  
8 electric service territory over a five-year period, 2021 through 2025.<sup>1</sup> During this  
9 five-year period, PSE&G projects spending \$714 million in capital costs and an  
10 additional \$71 million in operating and maintenance (“O&M”) expenses on the  
11 AMI deployment.<sup>2</sup> The Company proposes to begin recovering its investment  
12 related costs through semi-annual filings, subject to an earnings test and a  
13 prudence review, beginning in December of 2021.<sup>3</sup> PSE&G proposes that its  
14 CEF-EC Program related costs be recovered from its customers through increases  
15 in the monthly service charge.

16  
17 In addition, PSE&G is requesting Board approval for the deferral and subsequent  
18 recovery of the \$216 million undepreciated, “stranded” costs of the legacy meters  
19 that will be retired and replaced by the AMI meters. The Company proposes to  
20 accumulate the stranded meter costs in a regulatory asset account, without  
21 interest, until its next base rate case wherein it will begin to amortize the  
22 accumulated deferred asset balance over a five-year period.<sup>4</sup>

23  
24 Similarly, PSE&G is requesting Board approval for the deferral and subsequent  
25 recovery of and an incremental \$71 million of O&M expenses projected to be

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<sup>1</sup> Updated Petition, page 9.

<sup>2</sup> Updated Petition, pages 4-5.

<sup>3</sup> Updated Petition, pages 12-13.

<sup>4</sup> Updated Petition, page 15.

1 incurred in connection with the proposed five-year AMI deployment. PSE&G  
2 proposes to defer its incremental AMI-related O&M expenses in a regulatory  
3 asset account, accumulate interest on the deferred balance, and recover the  
4 accumulated deferred balance plus interest over a five-year period beginning with  
5 its next base rate case. PSE&G proposes that the carrying charge on the deferred  
6 O&M expenses be set at the 7-year U.S. Treasuries rate plus sixty basis points.<sup>5</sup>

7  
8 PSE&G claims that its proposed cost recovery mechanism for the CEF-EC  
9 Program is consistent with the Boards Infrastructure Investment Program (“IIP”)  
10 regulations.<sup>6</sup>

11  
12 **Q. WHAT IS YOUR GENERAL KNOWLEDGE OF THE BOARD’S IIP**  
13 **REGULATIONS?**

14 A. My understanding is the Board’s IIP regulation N.J.A.C. §14:3-2A allows  
15 utilities accelerated cost recovery for qualifying projects to the extent they  
16 exceed the utility’s “baseline” spending for utility plant and facilities that are  
17 designed to enhance safety, reliability, and/or resiliency. While utilities may  
18 request accelerated cost recovery on either an annual or semi-annual basis,  
19 qualifying IIP projects must be in-service before new rates are implemented.  
20 Each IIP request also must seek recovery for at least 10 percent of the overall  
21 program costs. IIP costs are to be recovered through a special rate rider and will  
22 include a return allowance on net investment in qualifying projects and an  
23 allowance for depreciation. The utility must also pass an earnings test before  
24 receiving accelerated cost recovery under the IIP. IIP rates are provisional and  
25 subject to refund, however, in that prudence for IIP projects will be examined in  
26 the context of future base rate proceedings.

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<sup>5</sup> Updated Petition, page 15.

<sup>6</sup> Updated Petition, page 12.



1 **Q. PLEASE BRIEFLY SUMMARIZE THE ISSUES THAT YOU ADDRESS**  
2 **IN YOUR TESTIMONY AND YOUR RECOMMENDATIONS ON THOSE**  
3 **ISSUES.**

4 A. My testimony addresses some of the proposals made by PSE&G's witnesses  
5 Donna Powell and Stephen Swetz. On behalf of PSE&G, Ms. Powell seeks the  
6 Board's authorization to defer \$216 million of undepreciated, "stranded" costs of  
7 the legacy meters that will be retired and replaced by the AMI meters. Ms.  
8 Powell proposes to accumulate the stranded meter costs in a regulatory asset  
9 account, without interest, until PSE&G's next base rate case wherein the  
10 Company will begin to amortize the accumulated deferred asset balance in rates  
11 over a five-year period.

12  
13 Further, Ms. Powell seeks the Board's authorization for PSE&G to defer the  
14 projected \$71 million of O&M expenses it expects to incur over the five-year  
15 AMI deployment period. Ms. Powell proposes that PSE&G defer its incremental  
16 AMI-related O&M expenses into a regulatory asset account, accumulate interest  
17 on the deferred balance, and recover the accumulated deferred balance plus  
18 interest over a five-year period beginning with its next base rate case. The  
19 carrying charge on the O&M expense deferral that Ms. Powell proposes is the 7-  
20 year U.S. Treasuries rate plus sixty basis points.

21  
22 For reasons more fully explained later in my testimony, I oppose Ms. Powell's  
23 requests for deferred accounting treatment and subsequent deferred cost recovery  
24 in rates for both the stranded investment costs and the AMI-related O&M  
25 expenses and recommend that the Board reject both requests.

26  
27 Concerning Mr. Swetz's rate design testimony, I oppose his plan to collect AMI  
28 revenue requirements by increasing only the monthly service charge. Instead, I

1 recommend that any approved AMI revenue requirement be collected from rate  
2 payers by increasing all charges (i.e., monthly customer charge, kWh charge, and  
3 demand charge, where appropriate) within the rate class by a uniform percentage  
4 amount.

5  
6 The bases for my conclusions and recommendations follow.

7  
8  
9 **III. DEFERRED COST ACCOUNTING**

10 **Q. WHAT ARE MS. POWELL'S PROPOSALS CONCERNING DEFERRED**  
11 **COST ACCOUNTING?**

12 A. Ms. Powell is requesting the Board's authorization to defer two categories of  
13 costs associated with its CEF-EC Program including the deferral of certain  
14 stranded costs that will result when the AMI meters replace the legacy meters and  
15 the deferral of incremental O&M expenses incurred during the AMI deployment  
16 process.

17  
18 **Q. PLEASE EXPLAIN HOW STRANDED COSTS WILL ARISE IN**  
19 **CONNECTION WITH THE PROPOSED AMI DEPLOYMENT.**

20 A. In her Direct Testimony, Ms. Powell provides a detailed explanation of the  
21 accounting process that will give rise to stranded costs. Essentially, when  
22 PSE&G installs the 2.2 million AMI meters, the legacy meters will be removed  
23 from service. At the same time, accounting guidelines require that the original  
24 cost of the legacy meters be removed from the plant in service account and that  
25 accumulated depreciation on the legacy meters be removed from the reserve  
26 account. Since both the plant in service and the depreciation reserve accounts are  
27 included in PSE&G's rate base determination, the accounting removal process I  
28 just described will leave the undepreciated book value of the legacy meters

1 stranded because the undepreciated book value is no longer included in rate base.  
2 It is this stranded, undepreciated book value that Ms. Powell requests be deferred  
3 into a regulatory asset account and recovered in rates over a five-year period  
4 beginning with PSE&G's next base rate case.

5  
6 **Q. SHOULD MS. POWELL'S REQUEST FOR DEFERRED ACCOUNTING**  
7 **TREATMENT FOR STRANDED COSTS BE APPROVED?**

8 A. No, it should not. Doing so would disrupt the fundamental regulatory balance  
9 between the separate roles of investors and utility customers. The proper  
10 regulatory balance is as follows. Investors, both debt and equity investors, put up  
11 the capital required to fund plant and equipment necessary for the utility to meet  
12 its service obligations to utility customers. In exchange, regulators authorize a  
13 return on investment for all plant and equipment that is used and useful to utility  
14 customers. Because there are risks that not all investments result in used and  
15 useful plant serving ratepayers, regulators authorize rates of return that exceed a  
16 pure risk-free interest rate to compensate investors for investment-related risks,  
17 including stranded costs. To allow stranded cost recovery for plant that is no  
18 longer used and useful and, therefore, not beneficial to utility customers, upsets  
19 the regulatory balance by shifting all of the cost recovery burden to ratepayers  
20 when investors already have been receiving compensation for investment risk  
21 throughout the useful life of the legacy meters through the Board's previously  
22 authorized return allowances in base rate proceedings.

23  
24 Moreover, approval of Ms. Powell's request for deferred accounting treatment for  
25 stranded costs is inappropriate because, under Ms. Powell's proposal, PSE&G  
26 ultimately will recover more than its stranded costs. Once the legacy meters are  
27 prematurely retired, the associated undepreciated book value will be added to the  
28 deferred asset account. At that same time, depreciation expense on PSE&G's

1 financial statements also will cease for those retired assets. Yet, because there is  
2 no corresponding proposal to reduce base rates to reflect the retirement of these  
3 assets, i.e., by reducing rate base and reducing depreciation expense, PSE&G's  
4 ratepayers will continue to pay rates reflecting the costs of the retired legacy  
5 meters. This continued cost recovery will go on until PSE&G's next base rate  
6 case where a new rate base determination will be made. Consequently, PSE&G's  
7 ratepayers will continue to pay a return on and a depreciation expense associated  
8 with the legacy meters that are retired even though the full value of the  
9 undepreciated stranded cost will be transferred to the deferred asset account for  
10 recovery in rates, again, over the five years following PSE&G's next base rate  
11 case. The longer PSE&G delays its next base rate case, the greater the double-  
12 counting will be.

13  
14 Finally, I object to Ms. Powell's stranded cost recovery proposal because it is not  
15 provided for in the Board's IIP regulations. Keep in mind that PSE&G claims its  
16 CEF-EC Program involving the deployment of 2.2 million AMI meters is  
17 consistent with the Board's IIP regulations.<sup>7</sup> Yet, the deferral and recovery of  
18 stranded costs, either now or in the next base rate case, is not mentioned anywhere  
19 in the IIP regulations. Had the Board wanted to include stranded cost recovery  
20 within the IIP, it certainly could have chosen to do so. But, the IIP regulations  
21 were clearly written to provide for accelerated investment cost recovery only for  
22 qualifying plant and equipment, without stranded cost recovery.

23  
24 **Q. IF, DESPITE YOUR RECOMMENDATION, THE BOARD APPROVES**  
25 **SOME FORM OF STRANDED COST RECOVERY, WHAT CHANGES**  
26 **TO MS. POWELL'S PROPOSAL DO YOU RECOMMEND?**

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<sup>7</sup> Updated Petition, page 12.

1 A. PSE&G stated that the average remaining book life for the legacy meters is 8.55  
2 years.<sup>8</sup> Thus, without a premature retirement, the remaining book value of the  
3 legacy meters would have been fully recovered in rates, on average, over the next  
4 8.55 years. Therefore, an 8.55-year amortization more closely matches the cost  
5 recovery period currently embedded in rates for the assets that will be retired.  
6 Consequently, I recommend that if any stranded cost recovery is permitted, the  
7 amortization period be set at 8.55 years rather than five years, as Ms. Powell  
8 proposed. In addition, before starting to amortize the deferred amounts in rates,  
9 the deferred balance should be adjusted to reflect the fact that PSE&G customers  
10 continued to pay a return on and a depreciation expense on the legacy meters after  
11 they were retired from service, yet prior to when the rate base reduction was  
12 recognized in a base rate proceeding. In his Direct Testimony, Mr. Alvarez  
13 provides additional reasons why recovering stranded costs from the legacy meters  
14 is not appropriate.

15

16 **Q. ARE YOU ALSO OPPOSED TO MS. POWELL'S REQUEST FOR**  
17 **DEFERRED ACCOUNTING TREATMENT FOR O&M EXPENSES**  
18 **INCURRED IN CONNECTION WITH THE PLANNED AMI**  
19 **DEPLOYMENT?**

20 A. Yes, I am. My objection is essentially the same as one of my objections to  
21 stranded cost deferral. Deferring incremental O&M expenses incurred under an  
22 IIP is not provided for in the Board's IIP regulations. In drafting its IIP  
23 regulations, the Board certainly would have contemplated that the utility will  
24 incur incremental expenses associated with its IIP investments. Yet, the IIP  
25 regulations do not include provisions for recovery of related incremental O&M  
26 expenses, either concurrent with investment related IIP costs or in the future  
27 through a deferral of such costs. The Board could have included incremental

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<sup>8</sup> PSE&G's response to RCR-A-0008.

1 O&M expenses in its IIP regulations but chose not to. Rather, the clear intention  
2 of the Board's IIP regulations is to provide limited accelerated cost recovery for  
3 qualifying projects wherein only investment related costs (i.e., return of and a  
4 return on investment) are eligible for accelerated rate treatment. All other costs,  
5 including incremental O&M expenses, are to be addressed within a general base  
6 rate proceeding. Thus, if the incremental O&M expenses have a significantly  
7 detrimental impact on PSE&G's earnings, that deficiency can be addressed by  
8 PSE&G filing a base rate case.

#### 9 10 **IV. RATE DESIGN**

11 **Q. WHAT RATE DESIGN IS MR. SWETZ PROPOSING TO RECOVER**  
12 **APPROVED CEF-EC PROGRAM COSTS?**

13 A. The meters to be replaced as part of the CEF-EC Program are for the RS, RLM,  
14 and GLP rate classes. Since GLP meters are more expensive to purchase and to  
15 install than are residential meters, Mr. Swetz proposes to allocate to each rate  
16 class PSE&G's CEF-EC Program costs on a weighted average cost basis. Once  
17 the costs are appropriately allocated to each rate class Mr. Swetz proposes to  
18 collect the class revenue responsibility by increasing the monthly service charge  
19 in each rate class.

20  
21 **Q. DO YOU AGREE WITH THIS APPROACH?**

22 A. No, not entirely. I agree that it is appropriate to allocate AMI meter related  
23 investment costs on a weighted average cost basis, as Mr. Swetz proposed. I do  
24 not agree, however, with Mr. Swetz's proposal to collect the entire class revenue  
25 responsibility for the approved AMI investment related costs by increasing the  
26 monthly service charge in each rate class.

1 **Q. WHY NOT?**

2 A. Mr. Swetz is correct in noting that the AMI investment costs will be classified to  
3 the Customer Access cost function for class cost of service purposes. It does not  
4 necessarily follow, however, that all costs classified to the Customer Access cost  
5 function should be recovered from PSE&G's customers through the monthly  
6 service charge.

7  
8 PSE&G's current monthly service charges in the various rate classes are based, in  
9 part, on the cost of the existing stock of non-AMI meters. These meters were  
10 adequate to make service available and to record periodic consumption, which is  
11 what is reflected in the current monthly service charges. The function of AMI  
12 meters, however, goes far beyond mere service availability and periodic  
13 consumption recording. PSE&G claims that as part of the Board's IIP, its AMI  
14 deployment program is intended to enhance safety, reliability and/or resiliency of  
15 PSE&G's distribution system. If this claim is accurate, the benefits of AMI will  
16 be realized throughout all PSE&G's cost functions, not only the Customer Access  
17 function. Therefore, it is appropriate to recover AMI-related costs in rate class  
18 energy and demand charges as well at the customer service charge. Accordingly,  
19 after the appropriate weighting of meter investment costs among rate classes is  
20 completed, I recommend the Board require PSE&G to collect class IIP approved  
21 revenue requirements by increasing the energy, customer service and where  
22 appropriate demand charges by an equal percentage.

23

24 **Q. DOES THIS COMPLETE YOUR TESTIMONY AT THIS TIME?**

25 A. Yes, it does.

# APPENDIX



**STATEMENT OF EDUCATION AND EXPERIENCE  
FOR  
DAVID E. PETERSON**

President and Senior Consultant  
Chesapeake Regulatory Consultants, Inc.  
10351 Southern Maryland Blvd. Suite 202  
Dunkirk, Maryland 20754-9500  
410.286.0503

Email: davep@chesapeake.net

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Mr. Peterson is employed as a public utility rate consultant by Chesapeake Regulatory Consultants, Inc. Mr. Peterson has over forty-two years of experience analyzing regulated public utility ratemaking and service matters including three years as a member of a state regulatory commission staff and thirty-nine years as a consultant. Mr. Peterson specializes in utility revenue requirement and cost of service analyses. He has presented testimony in more than 170 proceedings before twenty state regulatory commissions, the Delaware House Energy Subcommittee, and the Federal Energy Regulatory Commission. Utilities addressed in Mr. Peterson's analyses and testimonies have included electric, natural gas, propane, telephone, water, steam and sewer companies.

**EMPLOYMENT**

1991 - Present	Senior Consultant Chesapeake Regulatory Consultants, Inc. Annapolis, Maryland
1980 - 1991	Consultant Hess & Lim, Inc. Greenbelt, Maryland
1977 - 1980	Rate Analyst South Dakota Public Utilities Commission Pierre, South Dakota
1977	Research Assistant Economics Department South Dakota State University Brookings, South Dakota

As a rate analyst and consultant, Mr. Peterson has served a diverse group of public utility consumers and governmental agencies on utility ratemaking and service-related issues. Clients have included state regulatory commissions and their staffs, consumer advocate agencies of state governments, federal agencies, municipalities, privately owned, municipally owned and cooperatively owned utilities, civic organizations, and industrial consumers.

## **EDUCATION**

December 1983                      Master of Business Administration  
University of South Dakota  
Vermillion, South Dakota

May 1977                              Bachelor of Science Degree in Economics  
South Dakota State University  
Brookings, South Dakota

## **EXPERT TESTIMONY**

Among the issues that Mr. Peterson has addressed in testimony are the appropriate test year, construction work in progress, cash working capital lead/lag studies, rate base, excess capacity, revenues, expenses, depreciation, income taxes, capital structure, rate of return, cost allocation, rate design, customer service charges, flexible rates, life-cycle analyses, cost tracking procedures, affiliate transactions, mergers, acquisitions and the consequences of industry restructuring. Mr. Peterson has presented testimony to the following regulatory bodies.

Alabama Public Service Commission  
Arkansas Public Service Commission  
California Public Utilities Commission  
Colorado Public Utilities Commission  
Connecticut Public Utilities Control Authority

Delaware Public Service Commission  
Indiana Public Service Commission  
Kansas State Corporation Commission  
Maine Public Utilities Commission  
Maryland Public Service Commission

Montana Public Service Commission  
Nevada Public Service Commission  
New Jersey Board of Public Utilities  
New Mexico Public Service Commission  
New York Dept. of Environmental Protection

New York Public Service Commission  
Pennsylvania Public Utility Commission  
South Dakota Public Utilities Commission  
West Virginia Public Service Commission  
Wyoming Public Service Commission

Delaware House of Representatives (Energy Subcommittee)  
Federal Energy Regulatory Commission

In addition, Mr. Peterson has presented several utility training seminars, including the following:

Consolidated Tax Savings and Income Tax Normalization  
Presented to Delaware Public Service Commission 2006

Public Utility Ratemaking Principles  
Presented to Washington Utilities and Transportation Commission 2011

Electric Cost Allocation and Rate Design  
Presented to Colorado Office of Consumer Counsel 2012

Public Utility Revenue Requirements  
Presented to Delaware Public Service Commission 2012

Electric Cost Allocation and Rate Design  
Presented to Delaware Public Service Commission 2013

RELEVANT  
DISCOVERY  
RESPONSE

Public Service Electric and Gas Company  
Case Name: CEF-EC  
Docket No(s): EO18101115

Response to Discovery Request: RCR-A-0008  
Date of Response: 5/7/2020  
Witness: Powell, Donna  
Depreciation Rates and Annual Depreciation Expense

Question:

Please identify the estimated remaining life of PSE&G's electric meters assuming continuation of current depreciation rates.

Attachments Provided Herewith: 1  
Meters Remaining Life Calc.xlsx

Response:

The estimated remaining life of PSE&G's electric meters is 8.55 years. Please see the attached Excel file "Meters Remaining Life Calc.xlsx" for the supporting calculation.