

Exhibit No. ___ (DPK-2)
Docket No. UW-060343
Witness: Danny P. Kermode

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

ILIAD WATER SERVICE, INC.,

Respondent.

DOCKET NO. UW-060343

EXHIBIT TO RESPONSE TESTIMONY OF

DANNY P. KERMODE

**ON BEHALF OF STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Qualifications of Danny P. Kermode

October 4, 2006

DANNY PHILLIP KERMODE, CPA

10/96 - Present

**WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**Regulatory Analyst
Olympia Washington**

Prepare testimony and exhibits related to rate applications. Appeared as an expert accounting witness concerning public utility financial and accounting issues. Investigate and analyze tariff revision filings and contracts of regulated companies. Investigate and interpret financial and statistical records. Investigate issues such as transactions between affiliated interests and intercompany allocations.

6/94 - 10/96

ROCKY MOUNTAIN INSTITUTE

**Comptroller
Snowmass Colorado**

Responsible for all the financial and accounting aspects including budgeting. With consolidated revenues of over \$5 million, the Institute had more than seven research areas. Also responsible for overseeing the wholly own subsidiary, E-Source, that had revenues of \$3 million.

2/86 - 9/93

KOZOMAN & KERMODE CPA's

**Partner
Phoenix Arizona**

Prepared testimony and exhibits supporting rate applications and financing requests. Appeared as an expert accounting witness concerning public utility financial and accounting issues. Prepared corporate, partnership, and not-for-profit tax returns. Services performed included financial analysis, accounting reviews, systems design and tax issues. Development of projections and forecasts, including pro forma financial statements, rate base and cost of capital analysis used in rate proceedings

7/83 - 1/86

TROUPE KEHOE WHITEAKER & KENT CPA'S

**Staff Accountant
Phoenix Arizona**

Prepared testimony and exhibits supporting rate applications and financing requests. Appeared as an expert accounting witness concerning public utility financial and accounting issues. Provided management consulting functions which included performing financial analysis of accounting records. Preparation of complex public utility year-end statements and corporate tax returns. Prepared schedules and exhibits used in regulatory proceedings. Trained as an expert witness. Reconstructed plant records for newly acquired water systems. Prepared Reproduction New Less Depreciation (RCND) studies for regulatory purposes.

CERTIFICATION

**Certified Public Accountant
Washington,
Colorado,
and Arizona**

Certified Financial Planner

EDUCATION

San Carlos University - Cebu City Philippines
Postgraduate - Management Accounting, Economic Analysis,
and Quantitative Business Analysis

Arizona State University - Tempe, Arizona
Bachelor of Science in Business Administration
Major in Accounting

College of Financial Planning - Denver Colorado
Professional Education Program
Accredited Tax Preparer Program

PUBLICATIONS

"Regulatory Provision of Income Taxes for S Corporations and Other Nontaxable
Business Forms," *The NRRJ Journal of Applied Regulation*, Volume 2 (2004)

"Contributions in Aid of Construction: IRS Final Regulations," *Journal AWWA*,
March 2002

OTHER

**Faculty - NARUC Annual Regulatory Studies Program,
Michigan State University, 1992 and 1993**

Classes taught:

*Deferred Tax Accounting (GAAP, Tax, and Regulatory Concepts)
Financial Accounting Standards as they relate to Public Utilities*