

Statement of Qualifications

Danny Kermode - Certified Public Accountant (retired)

Olympia, WA 98512

dannykermode@aol.com

Assistant Director for Water and Transportation

April 2015 – December 2020

Washington Utilities and Transportation Commission

Managed and directed the economic regulation of Washington investor-owned water companies and certain regulated transportation companies such as the state's investor-owned solid waste and residential recycle haulers, oil pipeline, harbor pilots, passenger ferries, low level radioactive waste and bio-waste transporters. Developed and directed transportation policy regarding rule enforcement and rate setting. Oversaw the use of rate base and operating ratio approaches to ratemaking. Provided expert recommendations include acting as expert witnesses in judicial proceedings.

Acting Director of Policy and Legislation January 2015 – March 2015

Senior Policy Advisor May 2010 – December 2014

Washington Utilities and Transportation Commission

Provided direct policy and decision-making support to the commissioners and executive director while serving as an expert in policy, economic or technical issues related to regulated electric and gas industries, specifically in the areas renewable technology, power system reliability and cyber security. Projects, assignments, and continuing work included formulating, developing, analyzing, communicating, and implementing state, regional or national regulatory and ratemaking policies. Assigned more than 80 electric and over 100 natural gas filings ranging for PGAs to full rate cases.

Regulatory Analyst

October 1996 – April 2010

Washington Utilities and Transportation Commission

Constructed complex computer models to analyze electric, natural gas, and water company financial and accounting data. Reviewed cost data and prepared cost of service models, assigned over 45 electric cases and more 46 natural gas filings. Audited and analyzed financial data filed in support of tariff revisions. Conducted studies as a team lead and as a team member. Prepare written testimony and exhibits and appear as an expert accounting witness, regarding financial, income tax and accounting issues. Presented recommendations to the commission in public open meetings.

Controller

June 1994 - October 1996
Rocky Mountain Institute

Responsible for all financial and accounting aspects including budgeting for the institute's seven research areas with consolidated revenues of over \$5 million. Developed new budgeting approaches and management reports. Managed the financial accounting and budgeting of its wholly owned subsidiary E-Source.

Partner

February 1986 - September 1993
Kozoman & Kermode CPAs - Phoenix, AZ

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. Provided financial analysis, accounting reviews, systems design and developed positions on tax issues. Development of projections and forecasts, including pro forma financial statements, rate base, and cost of capital analysis used in rate proceedings.

Staff Accountant

July 1983 - January 1986
Troupe, Kehoe, Whiteaker & Kent CPAs - Phoenix, AZ

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.

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 - CFP certification

Publications

FERC reporting through the XBRL looking glass (2019)

Public Utility Fortnightly, Oct 2019

The Philippines: An update on the Country's New Feed-In Tariff (2014)

Update for: A Handbook for International Energy Regulators (2011) USAID NARUC

Transforming Regulated Industries

iBR Magazine, Vol 3 Issue 2 (2013)

Regulatory Provision of Income Taxes for S Corporations

The NRRI Journal of Applied Regulation, Vol 2 (2004)

Contributions in Aid of Construction: IRS Final Regulations

Journal AWWA, Vol. 94, No. 3 (2002)

Faculty Member

IPU Annual Ratemaking Course

Institute of Public Utilities
Michigan State University,
2019 - 2024

Advanced Regulatory Studies Program

Institute of Public Utilities
Michigan State University,
2019 - 2024, 2009 - 2012

USAID NARUC Regulatory Programs

Africa, Philippines, Morocco, and Ukraine

The NARUC Utility Rate School

1992, 1993, 2008 - 2013

Saint Martin's University

Adjunct Professor –
Business Income-Taxes 2014

Other Notables

Senior Fellow at the Institute of Public Utilities, Michigan State University

NARUC Innovator in Regulatory Policy Award 2017

United States Air Force Veteran