

**EXHIBIT NO. ___(CRC-2)
DOCKET NO. UE-07___/UG-07___
2007 PSE GENERAL RATE CASE
WITNESS: C. RICHARD CLARKE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-07___
Docket No. UG-07___**

**FIRST EXHIBIT (PROFESSIONAL QUALIFICATIONS) TO THE
PREFILED DIRECT TESTIMONY OF
C. RICHARD CLARKE
ON BEHALF OF PUGET SOUND ENERGY, INC.**

DECEMBER 3, 2007

1 **PUGET SOUND ENERGY, INC.**

2 **FIRST EXHIBIT (PROFESSIONAL QUALIFICATIONS) TO THE**
3 **PREFILED DIRECT TESTIMONY OF C. RICHARD CLARKE**

4 **Q. Please state your name and business address.**

5 A. My name is C. Richard Clarke. My business address is 5062 Alfingo Street, Las
6 Vegas, Nevada, 89135.

7 **Q. By whom and in what capacity are you employed?**

8 A. I am Director of Western U.S. Services for the Valuation and Rate Division of
9 Gannett Fleming, Inc. (“Gannett Fleming”). The Valuation and Rate Division of
10 Gannett Fleming provides depreciation consulting services to utility companies in
11 the United States and Canada. As Director of Western U.S. Services, I am
12 responsible for conducting depreciation, valuation and original cost studies,
13 determining service life and salvage estimates, conducting field reviews, presenting
14 recommended depreciation rates to clients, and supporting such rates before state
15 and federal regulatory agencies.

16 **Q. What is your educational background?**

17 A. I have Bachelor of Science degree in Business Management from Northeastern
18 University in Boston and an Associate of Engineering Degree in Industrial

1 Technology.

2 **Q. Do you belong to any professional societies?**

3 A. Yes. I am a member of the Society of Depreciation Professionals (Society) and the
4 American Gas Association/Edison Electric Institute (AGA/EEI) industry
5 Accounting Committee. I have served as Chairman of the Society of Depreciation
6 Professionals and currently serve on their Board of Directors, and have been
7 Chairman of the AGA/EEI Property Accounting Committee twice. I am also an
8 instructor for depreciation training sponsored by the Society and have taught classes
9 at AGA/EEI.

10 **Q. Do you hold any special certification as a depreciation expert?**

11 A. Yes. The Society of Depreciation Professionals has established national standards
12 for depreciation professionals. The Society administers an examination to become
13 certified in this field. I passed the certification exam in September 1997, and was
14 recertified in August 2003.

15 **Q. Please outline your experience in the field of depreciation.**

16 A. I joined Gannett Fleming in August, 2004. My experience prior to joining Gannett
17 included six years as a Utilities Consultant in the area of valuation and six years as
18 a design engineer with United Engineers, a large engineering firm with head offices

1 in Philadelphia and Boston.

2 In 1979, I joined Southern California Edison. In my twenty five years with
3 Southern California Edison, I held positions of Valuation Analyst, Valuation
4 Engineer, Senior Valuation Engineer, Manager of Capital Recovery, and Manager
5 of Property Accounting. My responsibilities were for recorded and estimated book
6 depreciation, capital forecasting, rate base including working cash, tax depreciation
7 and related tax information, ad valorem taxes, and property valuation studies. I was
8 the company witness for depreciation and rate base. While at Southern California
9 Edison, I was the company representative on the Property and Valuation Committee
10 of the Edison Electric Institute.

11 **Q. Have you submitted testimony to any utility commissions on the subject of**
12 **utility plant depreciation?**

13 A. Yes. I have submitted testimony to the California Public Utilities Commission, the
14 Public Utilities Commission of Nevada, and the Federal Energy Regulatory
15 Commission on several occasions. A list of proceedings where I have submitted
16 testimony is attached as Attachment A to this exhibit.

17 **Q. Have you received any additional education relating to utility plant**
18 **depreciation?**

19 A. Yes. I have completed the following courses conducted by Depreciation Programs,

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Inc.: “Techniques of Life Analysis,” “Techniques of Salvage and Depreciation Analysis,” “Forecasting Life and Salvage,” “Modeling and Life Analysis Using Simulation” and “Managing a Depreciation Study.” I have also completed the “Introduction to Public Utility Accounting” and “Advanced Public Utility Accounting” programs conducted by the American Gas Association.

Attachment A

LIST OF CASES IN WHICH RICHARD CLARKE SUBMITTED TESTIMONY

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
1.	1981	FERC	ER 81-177	Southern California Edison	Depreciation
2.	1982	FERC	ER 82-427	Southern California Edison	Depreciation
3.	1982	Ca. PUC	82-02-040	Southern California Edison	Nuclear Plant Investment
4.	1984	FERC	ER 84-075	Southern California Edison	Depreciation and Decommissioning
5.	1985	Ca. PUC	85-05-144	Southern California Edison	Nuclear Plant Investment
6.	1985	Ca. PUC	85-05-008	Southern California Edison	SONGS Nuclear Plant Recovery
7.	1986	Ca. PUC	86-12-047	Southern California Edison	Depreciation and Decommissioning
8.	1989	Ca. PUC	89-03-026	Southern California Edison	Transmission Plant Recovery
9.	1990	Ca. PUC	90-12-018	Southern California Edison	Depreciation and Rate Base
10.	1993	Ca. PUC	93-12-025	Southern California Edison	Depreciation and Rate Base
11.	1993	Ca. PUC	93-12-029	Southern California Edison	Performance Based Ratemaking
12.	1996	Ca. PUC	96-08-007	Southern California Edison	Generation Sunk Costs
13.	1997	Ca. PUC	97-10-024	Southern California Edison	1996 Capital Additions Recovery
14.	1997	Ca. PUC	97-08-056	Southern California Edison	Cost Separation
15.	1999	Ca. PUC	99-04-024	Southern California Edison	1997-98 Capital Addition Recovery
16.	2002	Ca. PUC	02-03-039	Southern California Edison	Nuclear Decommissioning Costs
17.	2002	Ca. PUC	02-05-004	Southern California Edison	Depreciation and Rate Base
18.	2005	FERC	EL00-105-007	Southern California Edison	Accounting
19.	2006	Nv. PUC	05-10003	Sierra Pacific Power Co.	Depreciation of Electric Plant
20.	2006	Nv. PUC	05-10005	Sierra Pacific Power Co.	Depreciation of Gas Plant
21.	2007	Nv. PUC	06-11023	Nevada Power Company	Depreciation of Electric Plant