

Exhibit No. \_\_\_\_ (KLE-2)  
Docket No. UE-051090  
Witness: Kenneth L. Elgin

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION**

**IN THE MATTER OF THE JOINT  
APPLICATION OF MIDAMERICAN  
ENERGY HOLDING COMPANY AND  
PACIFICORP DBA PACIFIC POWER  
& LIGHT COMPANY FOR AN  
ORDER AUTHORIZING PROPOSED  
TRANSACTION**

**DOCKET NO. UE-051090**

**EXHIBIT TO  
TESTIMONY OF**

**Kenneth L. Elgin**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Experience and Qualifications of Kenneth L. Elgin*

**November 18, 2005**

## Experience and Qualifications of Kenneth L. Elgin

Mr. Elgin received a Bachelor of Arts from the University of Puget Sound in 1974 and a Master of Business Administration from Washington State University in 1980. In January 1985, he began his employment with the Commission as a Utilities Rate Research Specialist for the Utilities Division. In that assignment he focused primarily on financial analysis and rate of return issues for all regulated utilities. He also was responsible for natural gas issues as that industry restructured in response to changes in Federal regulatory policy. In December 1989, he was promoted to the position of Assistant Director for Energy as part of the reorganization of the Regulatory Services Division. In that capacity, he was responsible for the policy direction of the Utilities Division's electric and natural gas programs, which included the natural gas safety program. In 1995, he assumed his present position as the Case Strategist for the Division. In this current assignment he consults with or represents Staff on all aspects of energy cases presented to the Commission in the context of litigation. He also is a resource for other sections in the Division in contested proceedings before the Commission.

Mr. Elgin has testified before the Commission on many occasions as outlined in the attached table. He has testified before the Federal Energy Regulatory Commission on issues related to rate design and risk for interstate natural gas

pipelines. He has testified on several occasions in superior court as an expert in the regulation of investor-owned utilities, including issues of rate of return and valuation under the public service laws, as administered by the Commission pursuant to Title 80 and 81 RCW. He has also testified as an expert witness for the Department of Revenue in arbitrations concerning valuation and on energy industry restructuring.

Mr. Elgin has been the lead analyst for numerous tariff filings, and in that capacity presented Staff recommendations to the Commission at its regular open public meeting. Finally, he has made numerous studies of the cost of capital for energy companies in contested rate proceedings leading to a settlement of this issue.

During his almost twenty-one years of experience working on energy and financial issues, he has developed a thorough working knowledge of both the operational and financial profiles of jurisdictional energy utilities.

| WUTC DOCKET NUMBER        | COMPANY NAME                   | ISSUE   |
|---------------------------|--------------------------------|---|
| U-85-23                   | Telephone/Access Charges       | Rate of Return for local exchange carriers in Washington                |
| U-86-41                   | Northwest Natural Gas          | Rate of Return, Rate of Design  |
| U-86-100                  | Cascade Natural Gas            | Rate of Return, Competitive Pricing                                     |
| U-86-117                  | Washington Natural Gas         | Purchased Gas Policy  |
| U-87-640                  | Continental Telephone          | Rate of Return, Securities  |
| U-87-1338                 | Pacific Power & Light          | Merger Policy   |
| U-87-1532                 | Washington Water Power         | Rate Design, Cost of Service  |
| U-88-2126/2127            | Northwest Natural Gas          | Competitive Pricing, Special Contracts                                  |
| U-88-2173                 | Yelm Telephone Company         | Rate of Return  |
| U-88-2380                 | Washington Water Power         | Policy, Purchased Gas Adjustment, Rate Design, Services, Transportation |
| U-89-3105                 | Washington Water Power         | Prudence, Excess Capacity   |
| UE-901183                 | Puget Sound Power & Light      | Regulatory Reform, Decoupling   |
| UE-901459                 | Washington Water Power         | Policy, Bypass, Rate Design   |
| UG-920630                 | Puget Sound Power & Light      | Regulatory Reform   |
| UG-920840                 | Washington Natural Gas         | Policy  |
| UE-921262 et al           | Puget Sound Power & Light      | Policy, Prudence, Decoupling, Risk                                      |
| UE-950570                 | Puget Sound Power & Light      | Exit Fees, Stranded Cost  |
| UE-971422                 | Washington Water Power         | Banded Rates, Price Discrimination                                      |
| UE-981149                 | Washington Water Power         | Service Territory Agreements  |
| UE-981410                 | Puget Sound Energy             | Tarif Interpretation  |
| UE-990267                 | Puget Sound Energy             | Policy, Transfer of Property - Colstrip                                 |
| UE-991255                 | Avista                         | Policy, Transfer of Property - Centralia                                |
| UE-991262                 | PacifiCorp                     |   |
| UE-991409                 | Puget Sound Energy             |   |
| UE-010395                 | Avista                         | Emergency Rates   |
| TO-011472                 | Olympic Pipeline               | Interim Rate Relief, Financial Policy and Analysis                      |
| UE-031725                 | Puget Sound Energy             | Prudence  |
| UG-041515                 | Avista                         | Policy, Rate of Return  |
| <b>FERC DOCKET NUMBER</b> | <b>COMPANY NAME</b>            | <b>ISSUE</b>  |
| RP 95-409                 | Northwest Pipeline Corporation | Capital Structure, Rate Design, Risk                                    |