

EXHIBIT NO. \_\_\_\_\_ (TMP-2)  
DOCKET NOS. UE-170033/UG-170034  
2017 PSE GENERAL RATE CASE  
WITNESS: THOMAS MICHAEL POWER

BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

DOCKETS UE-170033 and UG-170034  
(Consolidated)

EXHIBIT TMP-2 TO PREFILED RESPONSE TESTIMONY  
(NON-CONFIDENTIAL) OF THOMAS MICHAEL POWER  
ON BEHALF OF NW ENERGY COALITION, RENEWABLE NORTHWEST, AND  
NATURAL RESOURCES DEFENSE COUNCIL  
QUALIFICATIONS OF THOMAS MICHAEL POWER

JUNE 30, 2017

1 **Q What is your current employment?**

2 A I am a Principal in Power Consulting, an independent economic consulting firm. I am  
3 also a Research Professor and Professor Emeritus in the Economics Department at The  
4 University of Montana in Missoula, Montana

5 **Q Please describe your formal education and training.**

6 A I received my Bachelor's Degree in Physics from Lehigh University in Bethlehem,  
7 Pennsylvania. I graduated with honors and Phi Beta Kappa. I was elected a Woodrow Wilson  
8 Fellow in national competition and attended Princeton University where I received my Masters  
9 and Doctoral Degrees in Economics.

10 I taught math and physics at Lehigh University and have taught economics at Princeton  
11 University, Lehigh University, and the University of Montana. I have been on the faculty of the  
12 University of Montana since 1968. I served as Chairman of the Economics Department from  
13 1978 to 2007. In August 2007 I retired from University teaching and administration. I am  
14 currently a Research Professor at The University of Montana. My specialties are regional  
15 economics and resource economics with an emphasis on energy, water, and environmental  
16 resources.  
17  
18

19 **Q Have you testified as an expert witness before utility regulatory commissions?**

20 A Yes. Since 1974 I have appeared before numerous federal, state, and municipal  
21 regulatory commissions.

22 I have testified before the Federal Energy Regulatory Commission, the Northwest  
23 Regional Power Planning Council, and the Bonneville Power Administration as well as before  
24 various congressional committees.

25 I have also testified before the utility regulatory commissions in the following states:  
26

1 Arizona, Colorado, Florida, Idaho, Indiana, Illinois, Kansas, Montana, Nebraska, Nevada,  
2 Oklahoma, Oregon, Texas, Utah, and Washington.

3 In addition, I have testified in utility cases before the City Councils of Seattle, Austin,  
4 and Spokane. I have also testified before the Snohomish County, Washington, Public Utility  
5 Board and the Springfield, Oregon, Public Utility Board. I have testified before the Federal  
6 Court of Claims, in State District Courts in Idaho, North Dakota, Oregon, and Montana and in  
7 Federal Court in Montana.  
8

9 I have testified before the Montana Board of Natural Resources and the Washington  
10 Department of Ecology, and the Washington Energy Facility Site Evaluation Council on the  
11 siting of energy facilities.

12 I have served as lecturer at National Association of Utility Regulatory Commissioners'  
13 Technical Conferences and at annual conferences of the Mid-America Regulatory  
14 Commissioners and the Western Utility Regulatory Commissioners.  
15

16 Since 1988 I have served on the Montana Power Company Conservation and Least Cost  
17 Planning Advisory and Universal Benefits Advisory Committee. Since NorthWestern Energy  
18 Company took over the Montana Power distribution system, I have served on its Technical  
19 Advisory Committee and Universal Benefits Advisory Committee as well as its Natural Gas  
20 Technical Advisory Committee. For several years I also served on the Montana Regulatory  
21 Reform Working Group. In the past I have served on the Montana Governor's Citizens'  
22 Advisory Council on Energy. More recently I served on the Governor's Energy Security Task  
23 Force.  
24

25 **Q Have you done other studies dealing with energy economics?**

26 **A** Yes. In 1975, I received an NSF/RANN grant to assemble a team of economists,

1 geologists, and energy technologists to study coal development in the Northern Great Plains.  
2 That study led to a series of almost a dozen reports, the final summary being published as  
3 *Projections of Northern Great Plains Coal Mining and Energy Conversion Development*  
4 *1975-2000 A.D.* Several of the other papers dealing with defining coal markets and energy  
5 projection techniques have also been published.

6  
7 Between 1976 and 1985 I conducted studies of the economics of alternative energy  
8 systems, transmission reliability, the applicability of the PURPA rate making standards to  
9 hydroelectric system "going thermal", utility avoided costs, optimal operation of storage  
10 hydroelectric facilities, development of electric utilities on Indian reservations, and the impact of  
11 energy facility development on local economic development. In 1995 *Public Utilities*  
12 *Fortnightly* published my article on "Making Sense of Peak Load Cost Allocations."

13 **Q Can you give examples of other studies have you done in the field of resource**  
14 **economics?**

15  
16 A In 2007 Stanford University Press published a book I edited and to which I contributed  
17 entitled *Accounting for Mother Nature: Changing Demands for Her Bounty* (with Terry  
18 Anderson and Laura Huggins). In 2001 Island Press published *Post-Cowboy Economics: Pay*  
19 *and Prosperity in the New American West*, which I co-authored with Richard Barrett. In 1996  
20 two other books of mine were published. Island Press published *Lost Landscapes and Failed*  
21 *Economies: The Search for a Value of Place*. M.E. Sharpe published *Environmental*  
22 *Protection and Economic Well-Being: The Economic Pursuit of Quality*. The latter book is  
23 the rewritten and updated Second Edition of *The Economic Pursuit of Quality*, which was  
24 published by M.E. Sharpe, New York in 1988. I have also contributed over two dozen chapters  
25 to various other books. Among the many articles and reports I have published are: "Public  
26

1 Timber Supply, Market Adjustments, and Local Economies: Economic Assumptions of the  
2 Northwest Forest Plan,” (*Conservation Biology*, 20(2):341-350, 2006), “The Economics of River  
3 and Wetland Restoration in the Vermillion River Basin,” *Great Plains Natural Resources*  
4 *Journal*,4(2), Spring, 1999, "The Wealth of Nature," *Issues in Science and Technology*,  
5 National Academy of Sciences, Spring, 1996, "Economic Well-being and Environmental  
6 Protection in the Pacific Northwest," *Illehee: Journal for the Northwest Environment*, 11(3 &  
7 4), Fall-Winter, 1995, and "Urban Disamenities" *Journal of Urban Economics*, June, 1981. In  
8 1980, Westview Press published by book on *The Economic Value of the Quality of Life*. I have  
9 published papers on almost a dozen federal irrigation projects in the western states in addition to  
10 papers dealing with the value of in-stream flows for wildlife and recreational uses. I have  
11 testified before the State Board of Minerals and the Environment and the Oahe Conservancy  
12 Board in South Dakota as well as the Alberta Energy Resources Conservation Board and Natural  
13 Resource Conservation Board on topics related to resource development. I have also testified  
14 before various Canadian Federal Environmental Review Boards.  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26