

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION)	
)	
Complainant,)	DOCKET NO. UE-070804
)	and
v.)	DOCKET NO. UG-070805
)	(consolidated)
)	
AVISTA CORPORATION d/b/a AVISTA)	
UTILITIES)	
)	
Respondent.)	
_____)	
In the Matter of the Petition of)	
)	
AVISTA CORPORATION d/b/a AVISTA)	DOCKET NO. UE-070311
UTILITIES,)	
)	
For an Accounting Order Regarding the)	
Appropriate Treatment of the Net Costs)	
Associated With the Repurchase of Debt)	
_____)	

EXHIBIT NO.____(MPG-2)

QUALIFICATIONS OF
MICHAEL GORMAN

October 17, 2007

Qualifications of Michael Gorman

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A.** Michael P. Gorman. My business mailing address is P. O. Box 412000, 1215 Fern
3 Ridge Parkway, Suite 208, St. Louis, Missouri 63141-2000.

4 **Q. PLEASE STATE YOUR OCCUPATION.**

5 **A.** I am a consultant in the field of public utility regulation and a principal with Brubaker
6 & Associates, Inc., energy, economic and regulatory consultants.

7 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
8 **WORK EXPERIENCE.**

9 **A.** In 1983 I received a Bachelors of Science Degree in Electrical Engineering from
10 Southern Illinois University, and in 1986, I received a Masters Degree in Business
11 Administration with a concentration in Finance from the University of Illinois at
12 Springfield. I have also completed several graduate level economics courses.

13 In August of 1983, I accepted an analyst position with the Illinois Commerce
14 Commission (ICC). In this position, I performed a variety of analyses for both formal
15 and informal investigations before the ICC, including: marginal cost of energy, cen-
16 tral dispatch, avoided cost of energy, annual system production costs, and working
17 capital. In October of 1986, I was promoted to the position of Senior Analyst. In this
18 position, I assumed the additional responsibilities of technical leader on projects, and
19 my areas of responsibility were expanded to include utility financial modeling and
20 financial analyses.

21 In 1987, I was promoted to Director of the Financial Analysis Department. In
22 this position, I was responsible for all financial analyses conducted by the staff.
23 Among other things, I conducted analyses and sponsored testimony before the ICC on

1 rate of return, financial integrity, financial modeling and related issues. I also
2 supervised the development of all Staff analyses and testimony on these same issues.
3 In addition, I supervised the Staff's review and recommendations to the Commission
4 concerning utility plans to issue debt and equity securities.

5 In August of 1989, I accepted a position with Merrill-Lynch as a financial
6 consultant. After receiving all required securities licenses, I worked with individual
7 investors and small businesses in evaluating and selecting investments suitable to their
8 requirements.

9 In September of 1990, I accepted a position with Drazen-Brubaker &
10 Associates, Inc. In April 1995 the firm of Brubaker & Associates, Inc. (BAI) was
11 formed. It includes most of the former DBA principals and Staff. Since 1990, I have
12 performed various analyses and sponsored testimony on cost of capital, cost/benefits
13 of utility mergers and acquisitions, utility reorganizations, level of operating expenses
14 and rate base, cost of service studies, and analyses relating industrial jobs and
15 economic development. I also participated in a study used to revise the financial
16 policy for the municipal utility in Kansas City, Kansas.

17 At BAI, I also have extensive experience working with large energy users to
18 distribute and critically evaluate responses to requests for proposals (RFPs) for
19 electric, steam, and gas energy supply from competitive energy suppliers. These
20 analyses include the evaluation of gas supply and delivery charges, cogeneration
21 and/or combined cycle unit feasibility studies, and the evaluation of third-party
22 asset/supply management agreements. I have also analyzed commodity pricing

1 indices and forward pricing methods for third party supply agreements, and have also
2 conducted regional electric market price forecasts.

3 In addition to our main office in St. Louis, the firm also has branch offices in
4 Phoenix, Arizona and Corpus Christi, Texas.

5 **Q. HAVE YOU EVER TESTIFIED BEFORE A REGULATORY BODY?**

6 **A.** Yes. I have sponsored testimony on cost of capital, revenue requirements, cost of
7 service and other issues before the regulatory commissions in Arizona, California,
8 Delaware, Georgia, Illinois, Indiana, Iowa, Louisiana, Michigan, Missouri, New
9 Mexico, New Jersey, Oklahoma, Oregon, Tennessee, Texas, Utah, Vermont,
10 Washington, West Virginia, Wisconsin, Wyoming, and before the provincial
11 regulatory boards in Alberta and Nova Scotia, Canada. I have also sponsored
12 testimony before the Board of Public Utilities in Kansas City, Kansas; presented rate
13 setting position reports to the regulatory board of the municipal utility in Austin,
14 Texas, and Salt River Project, Arizona, on behalf of industrial customers; and
15 negotiated rate disputes for industrial customers of the Municipal Electric Authority of
16 Georgia in the LaGrange, Georgia district.

17 **Q. PLEASE DESCRIBE ANY PROFESSIONAL REGISTRATIONS OR**
18 **ORGANIZATIONS TO WHICH YOU BELONG.**

19 **A.** I earned the designation of Chartered Financial Analyst (CFA) from the Association
20 for Investment Management and Research (AIMR). The CFA charter was awarded
21 after successfully completing three examinations which covered the subject areas of
22 financial accounting, economics, fixed income and equity valuation and professional
23 and ethical conduct. I am a member of AIMR's Financial Analyst Society.