

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Joint Application of)
PUGET SOUND ENERGY,)
ALBERTA INVESMENT MANAGEMENT)
CORPORATION,)
BRITISH COLUMBIA INVESTMENT)
MANAGEMENT CORPORATION,) DOCKET U-180680
OMERS ADMINISTRATION)
CORPORATION, and OGGM)
VERMOGENSBEHEER B.V.)
)
For an Order Authorizing Proposed Sales of)
Indirect Interests in Puget Sound Energy.)
_____)

EXHIBIT MMH-2
QUALIFICATIONS OF DR. MARC M. HELLMAN

Marc Hellman, PhD.
Witness on Behalf of Alliance of Western Energy Consumers
2760 Eagle Eye Ave NW
Salem, Oregon 97304

WORK EXPERIENCE

Dr. Hellman, of MH Energy Economics LLC, has nearly 40 years' experience in the field of regulatory economics and has consulted for telecommunications and electric industries as well as Boeing Computer Services. Beginning in 1979, Dr. Hellman was employed by the Public Utility Commission of Oregon (OPUC) in various capacities and has specialized in cost-based pricing and revenue requirements analysis for electric, natural gas, telecommunications and water industries. Up to September 2017, Dr. Hellman was Administrator of the Energy Rates, Finance and Audit Division and managed over a dozen expert staff of economists, accountants, and financial analysts dedicated to conducting a wide range of research on such matters including: utility cost of capital, utility financing applications, rate spread and rate design, utility merger and acquisitions, as well as conducting utility audits and benchmarking studies. In 2013, Dr. Hellman was appointed to advise the Oregon Governor's Office on the Columbia River Treaty review. Dr. Hellman received his PhD in Economics from Claremont Graduate School in 1983, and from 2008 through September 2016, was an instructor at Oregon State University teaching micro and macroeconomics as well as energy economics. Dr. Hellman has also recently provided consulting services for the Commonwealth Utilities Corporation with headquarters in Saipan, the Smart Energy Alliance in a Nevada Power general rate filing before the Nevada Commission, and the South Dakota Intrastate Pipeline Company.

Major Regulatory Studies and Reports

Public Utility Commission of Oregon, – chaired the water industry stakeholder workgroup and led discussions reviewing in total, both in scope of regulation and funding, the Commission Water Regulation Program, with the production of the report titled, "Review of the Oregon Public Utility Commission's Water Program," August 2002.

Public Utility Commission of Oregon, – authored major electric industry restructuring testimony presented before the Oregon Legislature, July 1997.

Public Utility Commission of Oregon, – led and directed Commission staff in reviews of several utility mergers and acquisitions including ScottishPower acquisition of PacifiCorp and Mid American holdings acquisition of PacifiCorp.

Public Utility Commission of Oregon, – led the first known study establishing estimates of unbundled network elements, memorialized in the report titled, "Telecommunications Building Blocks, Cost Report," July 1993.

Public Utility Commission of Oregon, – designed policies to address ratemaking treatment for research and development activities by Advanced Technologies, a fully owned subsidiary

of US West, "Alternative Regulatory Policies for Telecommunications Utilities' Research and Development Costs," May 1992.

Public Utility Commission of Oregon, – analyzed and scored many alternative ratemaking mechanisms geared to incent electric utilities to acquire cost-effective conservation, "Investigation into Electric Utility Incentives for Acquisition of Conservation Resources," August 1991.

Public Utility Commission of Oregon, – as a precursor to integrated least cost planning, authored the report titled, "The 1989 Update to a Report on the PGE and PP&L Energy Surplus: Its Size, Duration, and Management," September 1988, as well as, "A Report on the PGE and PP&L Energy Surplus: Its Size, Duration, and Management," September 1989.

Expert Witness Testimony

Public Utility Commission of Oregon (Bonneville Power Administration Docket REP-12), – select panel testimony in support of a \$2 billion settlement of statutory rights to low-cost federal power. 2011

Public Utility Commission of Oregon (Bonneville Power Administration Docket WP-10), – analysis of statutory test that limits access to low-cost federal power by residential and small-farm customers of investor-owned utilities. 2009

Public Utility Commission of Oregon (Bonneville Power Administration Docket WP-07S), – analysis of rights to low-cost federal power by residential and small-farm customers of investor-owned utilities. 2008

Public Utility Commission of Oregon (Docket UM 1050), – analysis of interjurisdictional cost allocation methods applicable to PacifiCorp. Docket was culmination of multi-year collaborative effort among the states of Washington, Idaho, Wyoming, Utah and Oregon to reach an agreed to allocations method. 2004

Public Utility Commission of Oregon (Docket UE 88), – analysis of alternative decoupling mechanisms designed to break the link between utility kWh sales and utility profits applicable to PacifiCorp. 1994

Public Utility Commission of Oregon (Docket UE 79), – ratemaking analysis of Portland General Electric wholesale power sales relating to the WNP #3 Settlement. 1990

Public Utility Commission of Oregon (Bonneville Power Administration Docket WP-87), – analysis of rights to low-cost federal power by residential and small-farm customers of investor-owned utilities. 1987

Public Utility Commission of Oregon (Federal Energy Regulatory Commission Docket ER 82-2011-003), – economics of nonfirm energy production in the Pacific Northwest and pricing of such power. 1984

Public Utility Commission of Oregon (Bonneville Power Administration Docket WP-83), – analysis of rights to low-cost federal power by residential and small-farm customers of investor-owned utilities, value of Direct Service Industry reserves, estimates of the Pacific Northwest Region long run incremental cost of wholesale power.

Telecommunications

- *Public Utility Commission of Oregon* – “The Status of Competition and Regulation in the Telecommunications Industry,” – separate studies published roughly each year beginning in 2001.
- *Public Utility Commission of Oregon (Docket UM 351, Phase II)*, – general pricing and unbundling policies for telecommunications retail services and unbundled network elements – 1995.
- *Public Utility Commission of Oregon (Docket UM 351)*, – generic investigation to develop long run incremental cost of unbundled network elements – 1993.
- *Public Utility Commission of Oregon (UM 295)*, – ratemaking policies for telecommunications research and development activities – 1992.
- *Public Utility Commission of Oregon (UT 80)*, – alternative form of regulation review and proposal for US West – 1991.
- *Public Utility Commission of Oregon (US WEST Docket UT 85)*, – broad pricing policy – 1989.
- *Public Utility Commission of Oregon (PNB Docket UF 3565)*, – telecommunications pricing issues, review of price elasticity studies, Western Electric Adjustment – 1980.

EDUCATION

CLAREMONT GRADUATE SCHOOL, CLAREMONT, CALIFORNIA – MA, 1980, PhD, 1983

- Specialization in Optimization Theory/Microeconomic Theory/Monetary Economics.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY OF POMONA -- BS, 1977

- Major in Mathematics and Economics.

OTHER

- Graduate of 1997 Leadership Oregon Program. Each year, from all state employees, 20 to 30 future government leaders are selected to participate in LOP to learn about other state agencies and benefit from executive training.
- Member, American Economic Association
- Economics at Oregon State University

PUBLICATIONS

The Economics of a Surplus in Electrical Generating Capability: The Pacific Northwest," - Public Utilities Fortnightly, January 5, 1984, pages 45-47.

Load Curve Responsiveness to Weather and the Cost Effectiveness of Conservation," - Public Utilities Fortnightly, September 30, 1982, page 51.

FORMAL TESTIMONY OFFERED IN THE FOLLOWING PROCEEDINGS:

<u>Cause</u>	<u>Agency</u>	<u>Year</u>	<u>Company</u>	<u>Topics</u>
R-48	OPUC	1980	Generic-Electric	Conservation potential from electric rate design
UF 3565	OPUC	1980	PNB	Telecommunication pricing issues, review of elasticity studies, Western Electric Adjustment
UF 3753	OPUC	1982	CPN	LRIC methodology, electric rate spread and rate design
UF 3779	OPUC	1982	PP&L	LRIC and electric rate spread, and rate design
UF 3900	OPUC	1983	PP&L	LRIC and electric rate spread, and rate design
WP 83	BPA	1983	BPA	LRIC methodology and value of DSI energy and capacity reserves
AR 112	OPUC	1984	Generic-Electric	Electric LRIC methodology and rate spread and rate design policy
ER 82-2011-003	FERC	1984	BPA	Economics of nonfirm electric energy sales to the Pacific Southwest
UE 44	OPUC	1985	Generic-Electric	Electric rate spread and rate design, LRIC methodology
UE 47/48	OPUC	1986	PGE	Electric rate spread and rate design, valuation of WNP #3 settlement agreement
VI-86-OP-01	BPA	1986	BPA	Review of BPA proposed Variable Industrial Power Rate
UE 58	OPUC	1987	PP&L	Electric rate spread and rate design
UE 70	OPUC	1987	PP&L	LRIC methodology and electric rate spread and rate design
WP 87	BPA	1987	BPA	7(b)(2) rate test
UT 85	OPUC	1989	USWC	Telecommunications rate design policies

<u>Cause</u>	<u>Agency</u>	<u>Year</u>	<u>Company</u>	<u>Topics</u>
UT 80	OPUC	1991	USWC	Telecommunications alternative form of regulation summary witness and productivity estimation
UM 295	OPUC	1992	Generic-Telecommunications	Ratemaking policy for telecommunications research and development activities
UE 88	OPUC	1994	PGE	Decoupling mechanism design to break link between kWh sales and utility profits
UM 351, Phase II	OPUC	1995	Generic-Telecommunications	General pricing and unbundling policies of telecommunications functionalities
UM 1050	OPUC	2004	PacifiCorp	Interjurisdictional cost allocation methods
WP-07S	OPUC	2008	BPA	7(b)(2) rate test, retroactive ratemaking
WP-10	OPUC	2009	BPA	7(b)(2) rate test
REP-12	OPUC	2011	BPA	Long-term residential exchange settlement
Docket No. 17-06003 and 17-06004	Nevada PUC	2017	Smart Energy Alliance	Residential net metering rates and rate design for direct access customers
Docket No. NG17-009	South Dakota PUC	2017	South Dakota Intrastate Pipeline Company	Rate of Return, Decommissioning policy, and management fee
Docket No. U-170970	WUTC	2017	Avista	Review of Proposed Hydro One Acquisition of Avista
Docket UE 319	OPUC	2017	Portland General Electric	FTEs, Wages, Pensions, R&D expense