

**BEFORE THE**  
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	DOCKET NOS. UE-140188 and
	)	UG-140189 ( <i>Consolidated</i> )
v.	)	
	)	
AVISTA CORPORATION, DBA	)	
AVISTA UTILITIES,	)	
	)	
Respondent.	)	

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**EXHIBIT NO.\_\_\_\_(MPG-2)**

**QUALIFICATIONS OF MICHAEL P. GORMAN**

**July 22, 2014**

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

2 A Michael P. Gorman. My business address is 16690 Swingley Ridge Road, Suite 140,  
3 Chesterfield, MO 63017.

4 **Q PLEASE STATE YOUR OCCUPATION.**

5 A I am a consultant in the field of public utility regulation and a Managing Principal in  
6 the firm of Brubaker & 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  
15 formal and informal investigations before the ICC, including: marginal cost of  
16 energy, central dispatch, avoided cost of energy, annual system production costs, and  
17 working capital. In October of 1986, I was promoted to the position of Senior  
18 Analyst. In this position, I assumed the additional responsibilities of technical leader  
19 on projects, and my areas of responsibility were expanded to include utility financial  
20 modeling and financial analyses.

1           In 1987, I was promoted to Director of the Financial Analysis Department. In  
2 this position, I was responsible for all financial analyses conducted by the Staff.  
3 Among other things, I conducted analyses and sponsored testimony before the ICC on  
4 rate of return, financial integrity, financial modeling and related issues. I also  
5 supervised the development of all Staff analyses and testimony on these same issues.  
6 In addition, I supervised the Staff's review and recommendations to the Commission  
7 concerning utility plans to issue debt and equity securities.

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

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

20           At BAI, I also have extensive experience working with large energy users to  
21 distribute and critically evaluate responses to requests for proposals ("RFPs") for  
22 electric, steam, and gas energy supply from competitive energy suppliers. These  
23 analyses include the evaluation of gas supply and delivery charges, cogeneration

1 and/or combined cycle unit feasibility studies, and the evaluation of third-party  
2 asset/supply management agreements. I have participated in rate cases on rate design  
3 and class cost of service for electric, natural gas, water and wastewater utilities. I have  
4 also analyzed commodity pricing indices and forward pricing methods for third party  
5 supply agreements, and have also conducted regional electric market price forecasts.

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

8 **Q HAVE YOU EVER TESTIFIED BEFORE A REGULATORY BODY?**

9 **A** Yes. I have sponsored testimony on cost of capital, revenue requirements, cost of  
10 service and other issues before the Federal Energy Regulatory Commission and  
11 numerous state regulatory commissions including: Arkansas, Arizona, California,  
12 Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas,  
13 Louisiana, Michigan, Missouri, Montana, New Jersey, New Mexico, New York, North  
14 Carolina, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah,  
15 Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and before the  
16 provincial regulatory boards in Alberta and Nova Scotia, Canada. I have also spon-  
17 sored testimony before the Board of Public Utilities in Kansas City, Kansas; presented  
18 rate setting position reports to the regulatory board of the municipal utility in Austin,  
19 Texas, and Salt River Project, Arizona, on behalf of industrial customers; and  
20 negotiated rate disputes for industrial customers of the Municipal Electric Authority of  
21 Georgia in the LaGrange, Georgia district.

1 **Q PLEASE DESCRIBE ANY PROFESSIONAL REGISTRATIONS OR**  
2 **ORGANIZATIONS TO WHICH YOU BELONG.**

3 A I earned the designation of Chartered Financial Analyst (“CFA”) from the CFA  
4 Institute. The CFA charter was awarded after successfully completing three  
5 examinations which covered the subject areas of financial accounting, economics,  
6 fixed income and equity valuation and professional and ethical conduct. I am a  
7 member of the CFA Institute’s Financial Analyst Society.