

**EXHIBIT NO. __ (GSS-2)
DOCKET UE 161123
PSE SCHEDULE 451
WITNESS: GARY S. SALEBA**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

Docket No. UE-161123

**FIRST EXHIBIT TO THE TESTIMONY
OF GARY S. SALEBA ON BEHALF OF
MICROSOFT CORPORATION**

October 12, 2016

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

2 A. My name is Gary S. Saleba. My business address is 570 Kirkland Way, Suite 100,
3 Kirkland, Washington 98033.

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

5 A. I am the co-founder and current CEO of EES Consulting, Inc. (EES), where I
6 have over 30 years of experience working in the utility industry and have managed
7 projects related to resource planning, contract negotiations, mergers and
8 acquisitions, financing, rates studies, operational prudence and strategic planning.
9 I also have considerable experience in this position appearing as a subject matter
10 expert in various jurisdictions that include numerous utility commissions and
11 provincial tribunals, the Federal Energy Regulatory Commission, National Energy
12 Board and numerous courts of law. I have testified over 100 times as a subject
13 matter expert on utility matters.

14 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
15 **WORK EXPERIENCE.**

16 A. I hold an MBA in Finance from Butler University and a BA in Economics and
17 Mathematics from Franklin College.

18 In June 1972, I accepted a position with the Indianapolis Power & Light
19 Company as an Economist within its Department of Rates and Regulatory Affairs.
20 In this position, I provided general economic and rate expertise in the Rates,
21 Regulatory Affairs, Customer Service and Engineering Design departments. I
22 also held various responsibilities, including (i) calculating retail and wholesale
23 electric and steam class revenue requirements and rates; (ii) preparation of expert
24 testimony and exhibits for state and federal agencies regarding rate design theory,

1 application of rates and revenues generated from rates; (iii) determining long
2 range revenue and peak demand projections; (iv) supervising the comprehensive
3 load research program; (v) supporting thermal plant Environmental Impact
4 Statements; and (vi) acting as industrial liaison.

5 In October 1977, I accepted a position as Supervising Economist at
6 National Management Consulting Firm, where I was responsible for analyzing
7 various energy related topics to determine economic impacts and reviewing utility
8 financial activities. During that time I participated in several utility rate/financial
9 regulatory proceedings as well as provided clients with my critique of issues,
10 position papers and expert testimony on the topics of cost of service, rate design,
11 utility finance, automatic adjustment factors, sales perspectives and class load
12 characteristics. I also conceptualized load forecasting models and assisted in
13 economic and environmental impact analyses.

14 In October 1978, I left my position as Supervising Economist to co-found
15 EES, where I have responsibility for overall supervision of all of EES's electric,
16 water, wastewater and natural gas engagements in the areas of strategic planning,
17 financial analysis, cost of service, valuations, mergers and acquisitions, rate
18 design, engineering, load forecasting, load research, management evaluation
19 studies, bond financing, integrated resource planning and overall utility
20 operations. I am also responsible for EES's quality assurance/quality control.

21 In my role as Principal/Owner of EES, I have been involved in numerous
22 testimony presentations before regulatory bodies on utility economics, strategic
23 planning, finance, utility operations and requests for proposals. I have also (i)

1 supervised several integrated resource planning studies, average embedded and
2 marginal cost of service studies, RFPs, technical assessments and financial
3 planning studies for electric, water, gas and wastewater utility clients; (ii)
4 participated in comprehensive resource acquisition, strategic planning and demand
5 side management analyses; (iii) developed and verified interclass usage data; (iii)
6 conceptualized and implemented compliance programs for the Public Utility
7 Regulatory Policies Act and the Energy Policy Act of 1992; (iv) performed
8 contract negotiation and energy conservation assessments; and (v) conducted
9 presentations of management audit, forecasting, cost of service, integrated
10 resource planning, financial management, and rate design seminars for the
11 American Public Power Association, Electricity Distributors Association of
12 Ontario, American Water Works Association, and Northwest Public Power
13 Association.

14 During my time at EES, I have also served, at various times, as (i) a Board
15 Member of Northwest Public Power Association and ENERconnect, Ltd; (ii) the
16 Chairman of Financial Management Committee and Management Division of the
17 American Water Works Association; and (iii) Project Manager for the
18 construction of a 248 MW gas turbine and the acquisition of over \$1 billion of
19 utility service territory and equipment. I also supervised an engineer's report for
20 over \$5 billion in revenue bonds.

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

22 A. Yes. I have considerable experience appearing as a subject matter expert before
23 the Federal Energy Regulatory Commission, National Energy Board and

1 numerous U.S. state regulatory commissions, including: Alaska, Arizona,
2 California, Colorado, Idaho, Illinois, Indiana, Iowa, Kentucky, Missouri, Montana,
3 Oregon, Texas, Utah, Washington, Wisconsin, and Wyoming. I have also
4 appeared as a subject matter expert before Canadian provincial tribunals in
5 Alberta, British Columbia, Manitoba, Northwest Territories, and Ontario.