

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND )  
TRANSPORTATION COMMISSION, )

Complainant, )

vs. )

AVISTA CORPORATION, )

Respondent. )  
\_\_\_\_\_ )

**Docket No. UE-050482**

**Docket No. UG-050483**

*(consolidated)*

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

**MICHAEL GORMAN QUALIFICATIONS**

**August 26, 2005**

**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 managing principal with  
6 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 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.

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

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

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

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

1 indices and forward pricing methods for third party supply agreements. Continuing, I  
2 have also 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; Chicago, Illinois; Corpus Christi, Texas; and Plano, 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, Arkansas,  
8 Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Michigan, Missouri, New Mexico,  
9 New Jersey, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah, Vermont,  
10 West Virginia, Wisconsin, Wyoming, and before the provincial regulatory boards in  
11 Alberta and Nova Scotia, Canada. I have also sponsored testimony before the Board  
12 of Public Utilities in Kansas City, Kansas; presented rate setting position reports to the  
13 regulatory board of the municipal utility in Austin, Texas, the St. Louis Metropolitan  
14 Sanitation District, and Salt River Project, Arizona, on behalf of industrial customers;  
15 and negotiated rate disputes for industrial customers of the Municipal Electric  
16 Authority of 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 Chartered  
20 Financial Analyst Society. The CFA charter was awarded after successfully  
21 completing three examinations which covered the subject areas of financial account-  
22 ing, economics, fixed income and equity valuation and professional and ethical  
23 conduct. I am a member of the St. Louis CFA Society.