May 4, 2026

Kathryn H. Bowman
Louisiana Public Service Commission
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LONDON ECONOMICS
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Re: RFP 2026-03 – Cleco, ELL, and SWEPCO FAC 23-25 (Consultant).

RFP 26-03, Docket No. X-378967, Louisiana Public Service Commission, ex parte. In re: Notice of audit of fuel adjustment clause filings for Cleco Power, LLC for the period of January 2023 through December 2025. Docket No. X-37897, Louisiana Public Service Commission, ex parte. In re: Notice of audit of fuel adjustment clause filings for Southwestern Electric Power Company for the period of January 2023 through December 2025. Docket No. X-37898, Louisiana Public Service Commission, ex parte. In re: Notice of audit of fuel adjustment clause filings for Entergy Louisiana, LLC for the period of January 2023 through December 2025.

Dear Kathryn:
Please find attached London Economics International's ("LEI") proposal to act as an outside independent technical consultant and assist the Louisiana Public Service Commission ("LPSC") with Docket Nos. X-37896, X-37897, X-37898 referenced above. LEI offers a total indicative budget of $196,674 including professional fees, travel, and other expenses.

LEI is uniquely qualified for this role. LEI has extensive experience with public utility regulation, including previous FAC audits for Cleco Power (Docket Nos. X-35522 and X-36644) and for Entergy Louisiana LLC (Docket Nos. X-35523 and X-36643). We are familiar with the Midcontinent Independent System Operator ("MISO") region and have extensive experience working for regulators across the United States on audits and IRPs. This includes experience with cases regarding the regulation of public utilities on both administrative and judicial levels, having performed tasks such as presenting direct testimony and reports, providing recommendations and assistance in developing cross examination of adverse witnesses, and the analysis of comments and exceptions to proposed recommendations.

There are no actual or potential conflicts of interest for LEI in performing the contractual obligations contemplated in this RFP. LEI is not currently working for a utility and/or investor in utilities operating in Louisiana, or any of their subsidiaries. To our knowledge, we are not advising, nor have a financial interest in, any potential bidders in a future competitive procurement for major resources in Louisiana.

If you have any follow-up requests or questions with respect to this submission, please do not hesitate to reach out to me at the contact information below.

Sincerely,

Barbara Porto
Senior Consultant
T: (617) 933-7228, E: barbara@londoneconomics.com

Proposal responding to RFP 26-03 to serve as an independent technical consultant to Commission's audit of Cleco, ELL, and SWEPCO Fuel Adjustment Clause filings for the period of January 2023 through December 2025 (Docket Nos. X-37896, X-37897, X-37898)

prepared for the Louisiana Public Service Commission by London Economics International LLC

May 4, 2026

London Economics International LLC ("LEI") is pleased to submit this proposal to the Louisiana Public Service Commission ("LPSC" or "the Commission") to serve as the outside independent technical consultant in the matters of Docket Nos. X-37896, X-37897, and X-37898, "Audit of Fuel Adjustment Clause Filings for Cleco Power LLC, Southwestern Electric Power Company, and Entergy Louisiana LLC for the period of January 2023 through December 2025." LEI is a leading energy consulting firm with over 20 years of experience advising regulators, electric and natural gas utilities, private firms, and specific customer classes across the United States and Canada as well as among international jurisdictions on tariffs, ratemaking, and renewable energy. LEI has worked with regulators, including the LPSC Staff, on many occasions and has experience testifying on a variety of public utility regulation issues.

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1 Bidder information

London Economics International LLC ("LEI") is a US-owned and operated economic, financial, and strategic advisory professional services firm specializing in energy, water, and infrastructure. The firm combines a detailed understanding of specific network and commodity industries, such as electricity generation, transmission and distribution, and retail markets with sophisticated analysis and a suite of proprietary quantitative models that together produce reliable and comprehensible results. LEI's array of clients extends from the private sector to regulators and government institutions (see Figure 1).

Figure 1. Selected LEI clients throughout the world

The following attributes make LEI unique:

- ***clear, readable deliverables*** grounded in substantial topical and quantitative evidence;
- ***extensive experience with management auditing*** enables LEI to provide benchmarking and comparison to industry best practices;
- ***wealth of knowledge of energy and infrastructure regulation*** worldwide enables LEI to provide expert testimony services on regulatory best practices and innovation;
- ***a balance of private and public sector clients*** enables LEI to effectively advise both regarding the impact of regulatory initiatives on private investment and the extent of possible regulatory responses to individual firm actions; and
- ***US-wide and worldwide experience*** backed by multilingual and multicultural staff.

1.1 Background and staffing

LEI is extremely well-qualified to serve as a technical consultant to the LPSC. As described in detail in Section 2, LEI has direct experience conducting management and compliance audits including the previous Cleco Power ("Cleco") FAC audits for 2018 and 2019, and 2020 through 2022 (Docket Nos. X-35522 and X-36644) and the Entergy Louisiana ("ELL") FAC audits for 2016 to 2019, and 2020 through 2022 (Docket Nos. X-35523 and X-36643); the firm has broad experience in public utility regulation, including analytical and audit capabilities. LEI understands the regional power market in the Midcontinent Independent System Operator ("MISO") region, producing semi-annual market outlooks based on LEI's detailed production simulation model of MISO. LEI also understands the perspective and objectives of state regulators, having worked with many regulators. The firm has experience providing testimony and assistance in developing cross examination for state Commissions on issues, including utility audits, regulatory economics, cost allocation, market power, retail competition, and other issues.

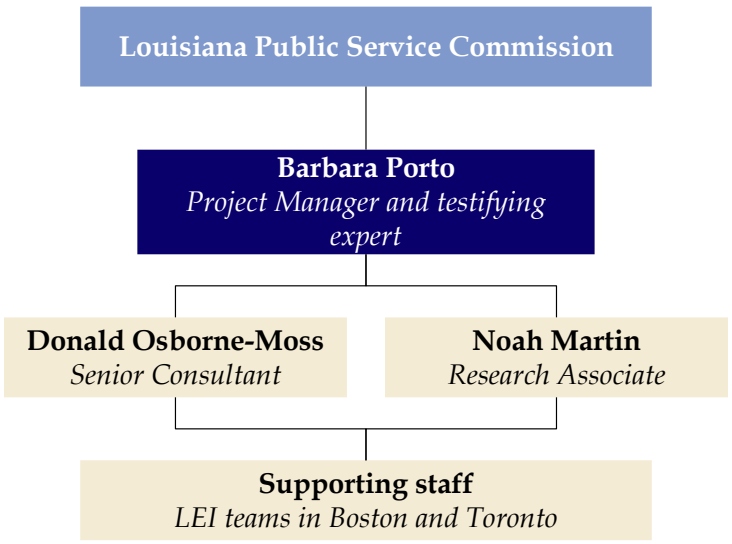
Based on the requirements of the engagement, LEI has gathered a select team of professionals with the required qualifications to assist the LPSC. The team possesses considerable independent assessment expertise, analytical and technical capabilities, experience auditing fuel and power management compliance, and expertise in competitive power markets, including MISO.

There will be three key personnel assigned to this project. Additional staff members and resources will be available on an as-needed basis. Key staff members assigned are as follows:

- ***Barbara Porto,*** *Project Manager*
- ***Donald Osborne-Moss****, Senior Consultant*
- ***Noah Martin****, Research Associate*

Barbara Porto will have overall responsibility for the project and will act as Project Manager and testifying expert. ***Donald Osborne-Moss*** will serve as Senior Consultant. ***Noah Martin*** will serve as a core team member. In addition, LEI staff will provide additional support as needed.

Figure 2. Proposed LEI team organization chart



1.2 Brief bios of key staff assigned to the project

Barbara Porto is a Senior Consultant at LEI where she lends her knowledge and skills to the firm's technical engagements with regulators, utilities and private equity firms in the US and abroad on issues regarding project evaluation, tariff design, investment strategic consulting, litigation support, as well as power price forecasting and market analysis. Barbara has been a key member of LEI auditing teams, examining utilities' operations, staffing, plant performance, and power market participation. She has experience in coordination and execution of utility management/performance auditing, and served as core team member for many of LEI utility audits, including for the Cleco FAC audit for 2018 and 2019 and 2020 through 2022 (Docket Nos. X-35522 and X-36644) and the ELL FAC audit for 2016 to 2019 and 2020 through 2022 (Docket Nos. X-35523 and X-36643). In addition, she managed several management/performance audit for other jurisdictions including the Mississippi Public Service Commission ("MPSC") and the Public Utility Commission of Ohio, and has experience testifying before the Commission.

Donald Osborne-Moss is a Senior Consultant at LEI and will serve as the Research Analyst in this engagement. During his time at LEI, Donald has been part of several audit engagements and evaluations of projects. As a member of the LEI team supporting the fuel and energy management audits of Entergy Mississippi, Inc. and the Mississippi Power Company for the MPSC), Donald reviewed data responses and workpapers prepared by the utility regarding natural gas and coal price offerings in the MISO day-ahead and real-time markets; actual and forecasted capital, operating, and maintenance expenditures; planned and forced outage maintenance schedules for the utility; and fuel costs relative to the actual generation provided by the utility's assets. He is also currently engaged on the project with the Ohio Public Utilities Commission to audit the Legacy Generation Resource Riders of AEP Ohio, AES Ohio, and Duke Energy Ohio for the output of two coal plants operated by OVEC.

Noah Martin is a Research Associate at LEI. Noah's experience and subject matter expertise comprises power market design, tariff design, renewable energy project evaluation, power market modeling for the MISO region, and market analysis.

Full CVs of the key team members are available in Section 6.

2 Qualifications and experience

This section outlines LEI's understanding of the engagement and selected relevant experience.

2.1 Understanding of the engagement

LPSC is seeking audit services to investigate Cleco Power LLC's ("Cleco Power"), Southwestern Electric Power Company's ("SWEPCO"), and Entergy Louisiana LLC's ("ELL") monthly Fuel Adjustment Clauses ("FACs") filings/calculations, identify any irregularities, including but not limited to, incorrect assessment of calculations and recovery of unauthorized expenses via the FACs by Cleco Power, SWEPCO, and ELL ("the Companies"), and applied to Louisiana consumer billings. The audit includes a review of Cleco Power, SWEPCO, and ELL FAC filings for the two-year period spanning January 2023 through December 2025. As outlined below, LEI is very familiar with accounting standards and practices as well as fuel and power cost allocation regulations for utilities and has experience analyzing the costing methodologies utilized by public service and/or utility commissions. LEI is also familiar with relevant LPSC General Orders, in particular, the FAC Order, (Docket No. U-21497), as described below.

2.1.1 Overview of the Cleco Power system

Cleco Power is a vertically integrated regulated electric public utility that owns eight generating units with a total nameplate capacity of 2,676 MW. In addition, Cleco Power owns 1,387 miles of transmission lines and 12,319 miles of distribution lines. A list of generating units operated and owned by Cleco Power can be found in Figure 3. Cleco Power serves 295,000 customers in Louisiana through its retail business and supplies wholesale power in Louisiana and Mississippi.[1] Cleco Power uses multiple generating sources and fuels to serve its customers. In addition to power generated by Cleco units, the utility has access to purchased power when needed and when it is more cost-effective than its own generation.

Cleco Power's retail electricity rates and business practices are regulated by the LPSC, and reviews may result in refunds to customers. Cleco Power's business practices are also regulated by the Federal Energy Regulatory Commission ("FERC"), and the wholesale rates of Cleco Power are subject to FERC's triennial market power analysis.[2]

Cleco's FAC includes adjustments for deferred recovery of winter storm-based costs, recovery of differed costs, and a surcharge adjustment.

[1] Cleco Power. "About us." <https://www.cleco.com/about-us>

[2] 10-K report of Cleco Corporate Holding LLC from S&P Global Market Intelligence

Figure 3. Generating units of Cleco Power

Generating station	Unit	Commercial operation	Capacity (MW)	Fuel type	Regulatory status	Cleco Ownership
Acadia	1	2002	580	Natural gas	Regulated	100%
	2	2002	580	Natural gas	Regulated	0%
Brame Energy Center	Nesbitt Unit 1	1975	440	Natural gas	Regulated	100%
	Rodemacher Unit 2	1982	523	Coal	Regulated	30%
	Madison Unit 3	2010	641	Biomass, coal, petcoke	Regulated	100%
Coughlin	1	1948	775	Natural gas	Regulated	100%
St. Mary Clean Energy Center	1	2019	50	Waste heat	Regulated	100%
Teche	4	2011	33	Natural gas (blackstart)	Regulated	100%
Bayou Cove	1	2002	75	Natural gas	Unregulated	0%
	2	2002	75	Natural gas	Unregulated	0%
	3	2002	75	Natural gas	Unregulated	0%
	4	2002	75	Natural gas	Unregulated	0%
Big Cajun	1	1972	215	Natural gas	Unregulated	0%
	2	1972	215	Natural gas	Unregulated	0%
Big Cajun II	1	1981	580	Coal	Unregulated	0%
	2	2015	540	Natural gas	Unregulated	0%
	3	1983	588	Coal	Unregulated	0%

Notes: Acadia unit 2, all Bayou Cove units, and all Big Cajun I & II units are operated by Cleco Power
Source: Cleco Power Plants. https://www.cleco.com/-/power-plants

2.1.2 Overview of the SWEPCO system

SWEPCO is part of American Electric Power company's vertically integrated utilities segment. The company owns 4,399 MW of coal and gas generation capacity and 1,616 MW of wind (see Figure 4). SWEPCO's business practices are also regulated by the Federal Energy Regulatory Commission ("FERC"), and the wholesale rates of SWEPCO are subject to FERC approval. As of July 2024, SWEPCO owned 4,123 miles of transmission lines and 25,941 miles of distribution lines. It served 234,407 customers in Louisiana, 191,526 customers in Texas, and 127,593 customers in Arkansas (553,526 customers in total).[3] SWEPCO's retail electric rates and business practices are regulated by the LPSC, and reviews may result in refunds to customers.

[3] SWEPCO Factsheet as of July 31, 2024. <https://www.swepco.com/lib/docs/company/about/SWEPCO_Fact%20Sheet_2024_03112024.pdf>.

Figure 4**. SWEPCO generation resources**

Generating station	State	Unit	Capacity (MW)	Fuel type	SWEPCO Ownership
Arsenal Hill	LA	5	125	Gas	100%
Diversion Wind Farm	TX	DIV01	201	Wind	100%
Flint Creek	AR	1	558	Coal	50%
Harry D. Mattison	AR	1	86.5	Gas	100%
		2	86.5	Gas	100%
		3	88	Gas	100%
		4	88	Gas	100%
J. Lamar Stall	LA	6A	184	Gas	100%
		6B	184	Gas	100%
		6STG	256	Gas	100%
John W. Turk	AR	1	609	Coal	73%
Knox Lee	TX	5	351	Gas	100%
Lieberman	LA	3	114	Gas	100%
		4	114	Gas	100%
Maverick Wind	OK	GEN1	288	Wind	55%
Sundance Wind	OK	GEN1	199	Wind	55%
Traverse City Wind	OK	GEN1	999	Wind	55%
Wagon Wheel Wind	OK	WGNWL	598	Wind	100%
Welsh	TX	1	558	Coal	100%
		3	558	Coal	100%
Wilkes	TX	1	180	Gas	100%
		2	351	Gas	100%
		3	351	Gas	100%

Source: SWEPCO Factsheet as of July 31, 2024. <https://www.swepco.com/lib/docs/company/about/SWEPCO_Fact%20Sheet_2024_03112024.pdf>.; S&P Data.

2.1.3 Overview of the ELL Power system

ELL is part of Entergy Corporation's vertically integrated utilities segment. It is engaged in generation, transmission, and distribution activities. ELL serves 1.1 million retail electric customers in 58 parishes and provides natural gas service to approximately 96,000 customers in Baton Rouge.[4] It owns several generating plants as shown in Figure 5 below, including multiple generating sources and fuels, which total to 13,234 MW of installed capacity. ELL is a member of MISO.

[4] Entergy Louisiana, LLC. "About us." <https://www.entergy-louisiana.com/about-us/>

ELL's retail electricity rates and business practices are regulated by the LPSC, and reviews may result in refunds to customers. ELL's business practices are also regulated by the Federal Energy Regulatory Commission ("FERC"), and the wholesale rates of ELL are subject to FERC's approval.

Figure 5. Generating units of Entergy Louisiana

Generating Station	Unit	Capacity (MW)	Fuel type	ELL Ownership
Acadia	CT24	215	Gas	100%
	CT25	215	Gas	100%
	ST26	264	Gas	100%
Big Cajun II	3	619	Gas	24%
Calcasieu	G101	174	Gas	100%
	G102	185	Gas	100%
J. Wayne Leonard	1A	250	Gas	100%
	1B	250	Gas	100%
	1C	500	Gas	100%
Lake Charles	1A	250	Gas	100%
	1B	250	Gas	100%
	1C	500	Gas	100%
Little Gypsy	2	421	Gas	100%
	3	582	Gas	100%
Louisiana 2	10	50	Gas	100%
	11	50	Gas	100%
	12	75	Gas	100%
Ninemile	5	895	Gas	100%
	6	895	Gas	100%
Ninemile 6	6A	195	Gas	100%
	6B	195	Gas	100%
	6C	260	Gas	100%
Ouachita	CTG3	179	Gas	100%
	STG3	122	Gas	100%
Perryville	2-CT	186	Gas	100%
	CT-1	199	Gas	100%
	CT-2	199	Gas	100%
	CT-3	240	Gas	100%
R.S. Nelson	1	114	Coal	1%
	2	114	Coal	1%
	4	592	Coal	100%
	6	615	Coal	40%
River Bend	1	1,036	Nuclear	100%
South Alexander	1	5	Solar	100%
Sterlington CT	7A	59	Gas	100%
Sterlington Solar	STS	49	Coal	100%
Union	CTG5	176	Gas	100%
	CTG6	176	Gas	100%
	CTG7	176	Gas	100%
	CTG8	176	Gas	100%
	STG3	255	Gas	100%
	STG4	255	Gas	100%
Washington Parish	CTG1	200	Gas	100%
	CTG2	200	Gas	100%
Waterford	1&2	445	Gas	100%
	3	1,200	Nuclear	100%
	4	41	Oil	100%

Source: ELL 2023 Integrated Resource Plan – Draft Report (October 21, 2022). <https://cdn.entergy-louisiana.com/userfiles/content/irp/2023/Combined-Public-Report-10-21-22.pdf>. S&P Data.

2.1.4 Fuel Adjustment Clause

The Commission's General Order, dated November 6, 1997 (Docket No. U-21497), regarding the development of standards governing the treatment and allocation of fuel costs by electric utility companies, allows utilities to pass on to its customers substantially the cost of fuel used for electric generation and the cost of power purchased for utility customers.

The FAC allows utilities to recover the cost of fluctuations in fuel costs, on an ongoing basis, without the need to conduct a full rate case. Typically, utilities are prohibited from charging a rate other than the rate approved by the LPSC in a base rate case.

The implementation of the FAC allows utilities to make adjustments to the charges made to customers on a monthly basis, without the need for a base rate proceeding. The Commission, however, continues to have the ability to exercise its ratemaking, ***after the fact.*** As such, the FAC costs are subject to periodic fuel audits by the LPSC. The Order provides that an audit of FAC fillings is to be performed at least every other year. [5]

The key attributes of the FAC methodology include:

1. Use of historical, actual fuel costs;
2. Use of over/under recovery to provide a "true-up" of actual, recoverable costs, to actual recovery revenues, based on jurisdictional sales, and excluding fuel costs and revenues related to time of use and fixed-price contract customers[6], which also includes a calculation of carrying charges (interest rate); and
3. Fuel adjustment clause recovery rates are implemented based on the voltage levels at which customers are connected to the grid.

2.1.5 Familiarity with LPSC General Orders

LEI is familiar with the following General Orders:

1) The Commission' General Order in Docket No. U-21497 dated November 6, 1997 ("FAC Order")

As mentioned in Section 2.1.2, the FAC Order specifies that the purpose of the FAC mechanism is to provide an opportunity for the timely recovery of actual fuel and generation dependent costs. Only direct fuel and generation dependent costs actually incurred are eligible for recovery through the fuel clause, and the FAC General Order enumerates which costs may be included in the FAC rider and which must be excluded.

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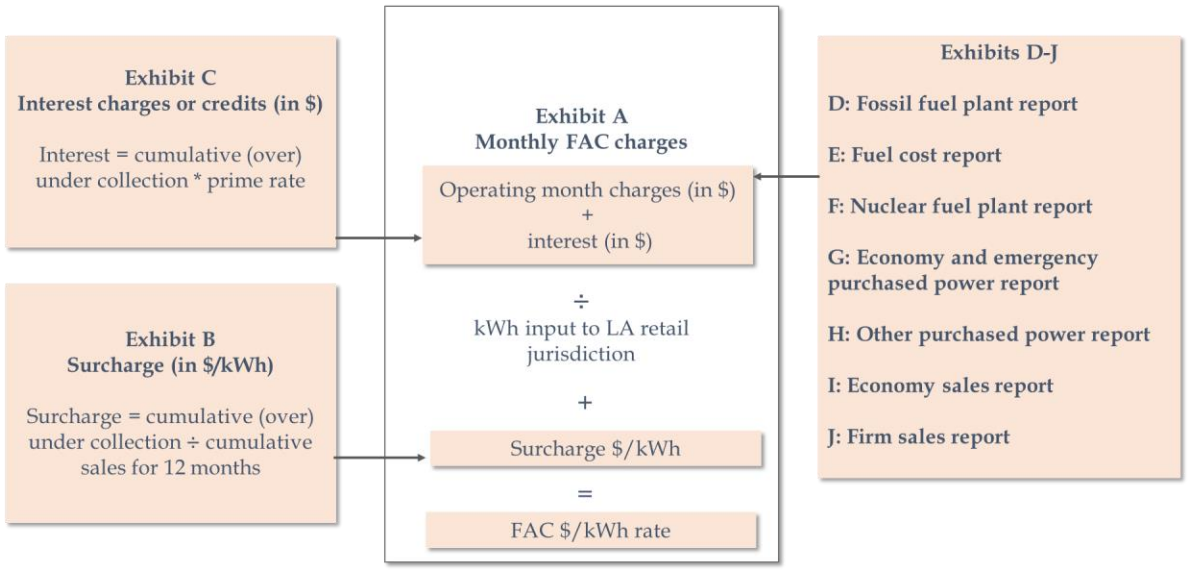
[5] SEC Litigation, Other Commitments and Contingencies, and Disclosures about Guarantee. <https://www.sec.gov/Archives/edgar/data/1089819/000119312517087404/R24.htm>

[6] In accordance with Exhibit B in Order No. U-21497. Source: Louisiana Public Service Commission. *Docket No. U-21497 - Louisiana Public Service Commission, ex parte. In re: Development of standards governing the treatment and allocation of fuel costs by electric utility companies.* Decided October 1, 1997.

The Commission's FAC General Order specifies the detailed cost information that the companies must file, and the methodology required for the monthly calculations of the rate (in $/kWh) which is charged to customers. The specifications are included in Exhibits A-J in the FAC General Order (see Figure 6). Figure 4 is provided here as a reference and high-level overview of how the FAC is structured. The components of the costs and the calculations in these Exhibits are the subject of the FAC audit.

Figure 6. Overview of costs included and methodology of the FAC



Source: Docket No. U-21497, General Order November 6, 1997, Appendices A-J.

2) The Commission's General Order dated March 12, 1974, prohibiting "promotional practices" by public utilities.

The General Order prohibits a public utility from giving preference to someone to favor them to deal with that utility over other public utilities. It is LEI's understanding that this does not apply if the action is a part of a comprehensive service policy which is applied uniformly.[7]

3) The Commission's General Order dated October 1, 1997 (Docket No. U-21497) regarding the development of standards governing the treatment and allocation of fuel costs by electric utility companies.

The General Order allows utilities to pass on to its customers substantially the cost of fuel used for electric generation and the cost of power purchased for utility customers. Recovery of the FAC

[7] <https://law.justia.com/cases/louisiana/supreme-court/1983/83-ca-1196-1.html>

costs is subject to periodic fuel audits by the LPSC. The Order provides that an audit of FAC fillings is to be performed at least every other year. [8]

2.2 Selected experience

The combination of the LEI team's management and compliance auditing expertise, experience in regulatory economics, and cost allocation, as well as familiarity with the MISO context, means that LEI is uniquely qualified to provide the services outlined in the RFP.

This section provides projects relevant to the proposed engagement. The projects listed here are indicative of LEI's expertise and are not an exhaustive record of experience.

2.2.1 Management/performance auditing experience

LEI has performed management review and auditing services around the world, including assessment of utilities' practices, review of fuel cost mechanisms, measuring compliance with regulations, and investigation of the performance of generating assets.

- ***Fuel Adjustment Clause ("FAC") audit:*** LEI was engaged by Louisiana Public Service Commission to perform audits of the Fuel Adjustment Clause ("FAC") filings of Cleco Power Docket No. X-36644 and X-35522 and Entergy Louisiana Power Docket No. X-36643 and X-35523. The audits involved detailed examination of monthly true-ups of incurred costs with billed costs; the appropriate of interest rates as applied to over-recovered or under-recovered costs; examination of the impact of deferred costs; reconciliation of expenses recorded in FERC Form 1 account categories ("as booked") with expenses included in monthly fuel adjustment clause filings; the prudency and reasonableness of costs incurred for oil, gas, coal, and nuclear fuel and transportation, and an assessment operating performance of utility generating assets.
- ***Louisiana PSC Cleco Winter Storm 2021 Audit:*** LEI was engaged to audit and review the actions taken and decisions made by Cleco Power which impacted fuel costs incurred during the February 2021 winter storm. LEI's review and analysis included lessons learned and best practices in order to mitigate such impacts in the future.
- ***ELL Federal Environmental Adjustment Clause ("FEAC") audit:*** LEI was engaged by the Louisiana Public Service Commission to perform an audit of the Federal Environmental Adjustment Clause ("FEAC") filings of Entergy Louisiana, LLC ("ELL"). The assignment included identifying any irregularities, including but not limited to, incorrect assessment of calculations and recovery of unauthorized expenses via the FEAC. LEI examined utility purchases and sales of air emission credits needed to comply with the Clean Air Act Amendments ("CAAA") of 1990 as well as the Clean Air Interstate Rule ("CAIR") and its successor, the Cross State Air Pollution Rule ("CSAPR"). LEI made findings and recommendations concerning whether the costs passed through the adjustment clause were

[8] SEC Litigation, Other Commitments and Contingencies, and Disclosures about Guarantee. <https://www.sec.gov/Archives/edgar/data/1089819/000119312517087404/R24.htm>

or were not reasonable and prudent, and whether the costs were appropriate for recovery in the EAC mechanism and consistent with LPSC Orders and rules.

- ***Audit of FirstEnergy Ohio Alternative Energy Rider 2024:*** LEI was engaged in 2024 by the Public Utility Commission of Ohio to perform a management/performance audit of the Alternative Energy Rider of the Cleveland Electric Illuminating Company, the Ohio Edison Company, and the Toledo Edison Company (collectively, FirstEnergy Ohio) for the six-year period of January 2018- December 2023. LEI examined processes involved in procuring RECs and SRECs. LEI compared and benchmarked FirstEnergy Ohio RECs and SRECs costs and other operational results against data from public sources.
- ***Duke PSR audit:*** LEI was engaged in 2020 by the Public Utility Commission of Ohio to perform an audit of the price stabilization rider ("PSR") of Duke Energy Ohio for the output of two coal plants operated by Ohio Valley Energy Company ("OVEC"). LEI examined fuel and variable cost expenditures, and capital expenditures to determine whether they were prudently incurred. LEI compared and benchmarked Duke Energy/OVEC costs and other operational results against data from public sources. LEI also examined and benchmarked power plant performance.
- ***Mississippi fuel and energy management audit:*** LEI was engaged by the Mississippi Public Service Commission to audit the management activities of two major vertically integrated utilities in the MISO region over a span of six years. LEI assessed the utility's practices for bidding generation into the MISO wholesale markets, and for economical purchase and use of fuel and electric energy. LEI assessed fuel and energy contract terms, investigated the operations of the utility's coal and nuclear generation units, and reviewed the prudency of coal inventory levels and inventory control procedures. Barbara Porto presented LEI's findings and recommendations before the Commission.
- ***Ohio fuel, cost, and capital expenditures audit:*** LEI was engaged by the Public Utility Commission of Ohio to perform an audit of a Power Purchase Arrangement ("PPA") rider of the Ohio Power Company (AEP Ohio) for the output of two coal plants operated by Ohio Valley Energy Company ("OVEC"). LEI examined fuel and variable cost expenditures, and capital expenditures to determine whether they were prudently incurred. LEI also examined environmental compliance activities as they related to fuel purchases. LEI compared and benchmarked AEP Ohio costs and other operational results against data from public sources. LEI also examined and benchmarked power plant performance. LEI also testified about its findings before the Commission.
- ***Assessment of fuel cost pass-through mechanisms***: LEI was retained by the Hong Kong Special Administrative Region government to assess its electricity regulatory regime, to help the Government prepare for negotiations with the utilities. LEI examined cost of capital, rate base calculations, efficiency incentives, and fuel cost pass-through mechanisms.
- ***Independent Evaluator for Pacific Gas and Electric***: LEI was part of a pool of consultants to the Pacific Gas and Electric Company's Independent Evaluator to monitor long-term resource solicitations including affiliate, utility-owned or utility-turnkey bids. LEI worked with PG&E to ensure that Offers were evaluated consistently and in accordance with the solicitation protocol and rules of the California Public Utilities Commission ("CPUC").

- ***Ohio RECs and SRECs audit:*** LEI was engaged by the Public Utility Commission of Ohio to perform a management/performance audit of the Alternative Energy Rider of the Ohio Power Company (AEP Ohio). LEI examined processes involved in procuring RECs and SRECs. LEI compared and benchmarked AEP Ohio RECs and SRECs costs and other operational results against data from public sources.
- ***Independent benchmarking assessment of costs:*** LEI performed an independent benchmarking assessment of Ontario Power Generation's ("OPG") corporate support costs. In addition to independent benchmarking analysis, LEI supported OPG through the rate application process, in particular in preparation of evidence, and provision of expert testimony, supporting the reasonableness of OPG's costs for the provision of corporate support services.
- ***Assessment of distribution service costs for Ontario's utility:*** LEI, in consortium with an engineering firm, analyzed the customer density and distribution service costs for Ontario's largest utility in 2011. This engagement had three specific objectives: (i) evaluate the relationship between customer density and distribution service costs; (ii) assess whether utility's existing density-based rate classes and density weighting factors appropriately reflect this relationship; and (iii) consider, qualitatively, the appropriateness and feasibility of establishing alternative customer class definitions.
- ***Independent assessment and review:*** LEI was engaged as an external consultant to provide an independent assessment of relief sought by a client in Alberta in the matter of an arbitration under the provisions of the Arbitration Act, S.A. 1991, c. A-43.1 and the provisions of a PPA for one of its coal fired units under section 45.95(1) of the Electric Utilities Act (Alberta). In addition to providing an independent assessment of relief sought the client; LEI undertook analysis to present the intent underlying the PPA and specific actions leading to the dispute. LEI's review also touched upon economic efficiency perspectives and explored similar examples in other jurisdictions.

2.2.2 MISO region experience

LEI closely monitors the MISO market for ongoing client work. LEI also releases semi-annual regional market updates and wholesale price forecasts for eleven North American power markets, including MISO. LEI's deep understanding of the MISO market serves as a solid foundation in this management review.

- ***Strategic planning for a coop's market transition in the Midcontinent wholesale market:*** LEI was hired by a Midwest cooperative to provide technical assistance throughout the client's decision-making process to design, prepare, and execute its plan to become a full market participant in the Midcontinent ISO ("MISO"). The decision of becoming an MP would unlock new opportunities for the coop to take ownership of its market strategy with regards to full participation in energy markets, energy management and maximizing revenue opportunities in the short, the mid, and the long term. LEI was retained to assess the benefits and costs associated with the change under a host of scenarios, provide step-by-step guidance on an implementation plan, and provide some thoughts on the timing of key milestones. As part of this process, LEI also supported the coop throughout its settlement process with the existing

intermediary in MISO; this consisted of reviewing the proposed settlement agreement, modeling final settlement terms and ensuring consistency with the original settlement agreement, and engaging with MISO and other parties relevant to the transition process.

- ***Asset evaluation:*** LEI was engaged by an investment firm in association with asset valuation, due diligence support and market analysis. Work involved reviewing documents in a virtual data room, and analysis related to drivers of gross margin for the asset: macroeconomics, weather fluctuations, fuel and electricity cost projections, and overview of gas and electricity market in the MISO region where the asset was located.
- ***Long-term market outlook for MISO:*** LEI was hired by a private utility to perform an independent market analysis for a number of assets located in NYISO, MISO, CAISO, and ERCOT. LEI conducted a 20-year price forecasting horizon and provided forecasts of plants' output, load factor, and realized prices.
- ***Congestion analysis for parts of MISO:*** LEI was retained by a private client to analyze the congestion within the Chicago area and MISO zones surrounding Lake Michigan.
- ***Due diligence analysis:*** LEI was engaged by a private client to provide analytical support on their due diligence process. The supporting tasks entailed: providing an updated outlook on energy prices and intelligence on recent developments in PJM and MISO; conducting REC price forecasts; and reviewing requirements and risk exposure for hydropower facilities in capacity markets.
- ***Revenue opportunity for gas-fired cogeneration units in MISO:*** The purpose of the assignment was to inform the client of potential revenue risks associated with the plants upon termination of their power purchase agreements. LEI simulated MISO's energy and capacity markets and derived forecasts of wholesale energy prices and capacity prices relevant to the units' geographic location.
- ***Economic analysis for a proposed transmission project in MISO:*** LEI conducted a modeling exercise to determine the potential revenues for a proposed transmission project wheeling power from western MISO to eastern MISO (and eventually PJM). LEI evaluated both the revenue opportunities to the investors as well as social benefits to the MISO system; and evaluated the incremental value of the business strategy of selling the energy (and capacity) out of East MISO to third parties in PJM.
- ***Costs/benefits analysis of Entergy joining MISO or SPP:*** LEI was hired by the Public Utility Commission of Texas ("PUCT") to provide a cost benefit analysis pertaining to an announced decision by Entergy to join MISO. LEI provided quantitative and qualitative analyses of specific costs/benefits attributable to Entergy Texas Inc. ("ETI") and its customers following membership in MISO versus SPP.
- ***Review of ETI's impact analysis of termination of PPA on consumers:*** LEI was hired by the PUCT to conduct a due diligence review of the analyses performed by ETI on the impact of termination of certain PPAs while a member of MISO. LEI's scope of work included a review of ETI's inputs and results, methodology and interpretation of MISO market rules.
- ***Estimating coal plants' energy and capacity revenues in MISO:*** For a large foreign utility, LEI performed the valuation of two power plants located in the Midwest region of the US to

determine their potential value upon expiration of an ongoing PPA. The plants' revenues were calculated based on the 25-year forecasts of electricity prices in their respective zones. Given the long-term horizon of the modeling exercise, we also simulated an organized capacity market based on the Resource Adequacy requirements of MISO to estimate potential capacity revenues for the plants.

2.2.3 Expert witness experience

LEI has performed dozens of engagements involving serving as an expert witness. The work listed below is a small sample.

- ***Large customer rate design:*** LEI was engaged by a vertically integrated electric utility in Oregon to advise on designing a tariff rate suitable for large and fast-growing commercial and industrial customers such as data centers and microchip fabricators LEI provided case studies of other jurisdictions which sought (either successfully or unsuccessfully) to adopt new rates and/or tariffs for similar customers. Based on the case studies and LEI's insight into effectiveness of various rate design features, LEI develop strategic options and recommendations for the PGE executive team and Board of Directors. LEI provided support related to Oregon Public Utilities Commission hearings, including producing testimony and participating in hearings.
- ***Independent expert related to Maine Energy Cost Reduction Act:*** LEI was engaged by the State of Maine Public Utilities Commission to assist in evaluating options for expansion of natural gas supply into Maine (with a view to reducing the cost of gas and power to Maine customers). LEI reviewed and evaluated proposals for firm natural gas transportation service by pipeline developers. These evaluations included LEI's review of commercial terms included in the pipeline Precedent Agreements that underpin capacity expansion projects; review of contract provisions for Firm Transportation Agreements and Negotiated Rate Agreements; and evaluation of the status of the FERC and state-level permitting process for each pipeline proposal. The project also included natural gas network modeling (using GPCM, an industry-standard network model of the North American natural gas system) and power simulation modeling (using LEI's proprietary POOLMod model) to arrive at a quantitative cost-benefit analysis of proposals. LEI responded to discovery from other parties, prepared discovery questions and cross-examined witnesses, reviewed testimony by other parties and provided assessments of the issues presented and served as expert witness in the proceedings. (2016) [MPUC Docket No. 2014-00071]
- ***Cost of capital for regulated generating assets:*** LEI provided expert testimony to the Ontario Energy Board regarding risk factors associated with Ontario Power Generation's prescribed assets, as well as creating a risk-return continuum on which power sector assets could be placed. [OEB, proceeding ID: EB-2007-0905]
- ***Advisor to Maine Public Utilities Commission on transmission cost allocation:*** LEI advised Maine Public Utilities Commission on methodologies for transmission cost allocation by comparing and contrasting alternative planning approaches and pricing models employed within the US and one international jurisdiction, the United Kingdom. The final report

provided a 'strawman' recommendation for an effective cost allocation methodology. (2010) [Docket No. RM10-23-000]

- ***Independent expert assessing the role of Enbridge Line 3 for Minnesota***: LEI was engaged as the independent market expert assisting the Minnesota Department of Commerce in evaluating the application of Enbridge Energy for a Certificate of Need for its Line 3 oil pipeline expansion project. LEI provided written testimony, responded to interrogatory requests, and provided written surrebuttal and oral testimony. [Docket No. PL-9/CN-14-916, OAH Docket No. 65-2500-32764]
- ***Preparation of analysis of generation market power under FERC's indicative screens for market-based rate authorization:*** In support of the acquisition of a 21-megawatt photovoltaic solar facility, LEI performed an updated market power analysis for acquirer's affiliates in the California ISO which have been granted market-based rate authorization, and prepared the related Section 203 filing. (2010) [ER10-204-000]
- ***Triennial market power analysis (southeast region):*** In support of a client's application to renew market-based rate authorization under the jurisdiction of FERC, LEI performed Pivotal Suppliers Analysis and Market Share Analysis for the Entergy balancing authority area. (2011) [ER97-4281 et al.]

3 Proposed plan of action

The scope of work encompasses analysis of fuel purchases and usage, as well as other charges included in the FAC, by Cleco Power, SWEPCO, and ELL. LEI's audit procedures, as outlined by the FAC Order, will include:

- A review and analysis of the utilities' monthly comprehensive fuel adjustment reporting requirements filed with the Commission;
- A review and analysis of the utilities' monthly comprehensive fuel adjustment filings to assure compliance with all pertinent state and federal regulations;
- If applicable, the development and improvement of internal staff procedures to effectively monitor and evaluate utilities' performance in areas impacting the fuel and purchased power cost which are reflected in the utilities' monthly fuel adjustment filings with the Commission.

Based on LEI's previous experience working on audits and the RFP's scope of representation, LEI proposes seven tasks to structure this engagement, with a number of subtasks. Tasks 1 through 4 would be executed concurrently and the remaining Tasks 5 through 7 would be executed sequentially (see Figure 7). LEI's plan of action is discussed in detail below. This plan can be viewed as a starting point, as LEI understands that the LPSC and its Staff will have the right to determine how the tasks will be carried out.

Throughout the course of this engagement, LEI senior team members will confer with LPSC Staff in the form of periodic calls and e-mails and will be available to attend meetings in Baton Rouge as needed and/or permitted. LEI senior staff will be available to participate in or lead technical conferences and conduct informal meetings with parties as needed and/or permitted.

LEI will work with the Commission Staff to ensure that LEI has access to the necessary resources (contact persons, documents, records, and so on) that will enable the execution of the FAC audit for the three Investor-owned Utilities ("IOUs"). If appropriate, LEI will utilize LPSC's data request procedures for issuing information requests and recording responses, which will assist in gathering information and organizing materials.

Figure 7. Major audit tasks and subtasks /activities (proposed)

Tasks 1-4 will be performed concurrently	**Task 1: Review and examine filing and the related supporting documentation**
	Sub-tasks/activity
	Define criteria upon which process and results will be evaluated
	Define data needs, issue DRs, conduct meetings, conference calls
	Systematically review the Company's FAC filing
	Develop LEI's recommendations
	Task 2: Review accompanying workpapers and the Company's financial data
	Sub-tasks/activity
	Define criteria upon which process and results will be evaluated
	Define data needs, issue DRs, conduct meetings, conference calls
	Identify irregularities and assess calculations
	Develop LEI's recommendations
	Task 3: Review the Company's fuel and power purchase and sale practices
	Sub-tasks/activity
	Define criteria upon which process and results will be evaluated
	Define data needs, issue DRs, conduct meetings, conference calls
	Perform analytics in terms of the fuel and power costs and revenues
	Develop LEI's recommendations
	Task 4: Review historical data involving prior audits
	Sub-tasks/activity
	Define criteria upon which process and results will be evaluated
	Define data needs, issue DRs, conduct meetings, conference calls
	Review any compliance requirements included within relevant Orders
	Develop LEI's recommendations
Tasks 5-7 will be performed sequentially	**Task 5: Provide draft audit report/audit memorandum and/or pre-filed testimony**
	Sub-tasks/activity
	Prepare draft report/audit memorandum and/or pre-filed testimony
	Present draft report and gather comments
	Task 6: Provide final audit report and working papers
	Sub-tasks/activity
	Finalize report and deliver working papers
	Task 7: Provide testifying expert
	Sub-tasks/activity
	Discovery response assistance
	Attend meetings/hearings and testify where applicable
	Assist in preparation of applicable motions

3.1 LEI's approach to the FAC filings audit

LEI will conduct audits of all three IOUs simultaneously but separately, making use of the following:

- **Qualitative assessments of processes** based on the information gathered during documentation review and interview processes, as well as the professional experience of our consulting team and the pragmatic implications of the methods;
- **Quantitative evaluation of results** focusing on various compliance and cost trends and management's ability to control and calculate them; and

- **Comparative analysis of results** performed using the IOUs' fuel and purchased power costs and revenues during the review period and prior to the review period to determine any significant changes or irregularities in pricing or utilization throughout the audit period.

For each of the tasks presented in Figure 5 shown previously, LEI's audit approach will be to:

1. **Define criteria** upon which processes and results will be evaluated;
2. **Analyze the IOUs' processes,** both qualitatively and, if possible, quantitatively, based on the results of data requests and interviews;
3. **Examine and evaluate the IOUs' results** both qualitatively and, if possible, quantitatively; and
4. **Provide LEI's recommendations** for each IOU.

These approaches are discussed below.

3.1.1 Define criteria upon which processes and results will be evaluated

LEI will develop criteria that will frame LEI's evaluation of the IOUs' FAC processes and results. The following is a sample of audit criteria; not every criterion will apply to every audit area:

- Did the IOU include and exclude FAC costs correctly?
- Did the "per books" FERC account amounts and FAC account amounts match?
- Did the IOU perform true ups to cope with FAC over-recovery and under-recovery accurately? Is the lag for true-up reasonable? Does it negatively impact the IOU or its customers?
- Are the interest charges in Exhibit C of FAC consistent with what is allowed in the FAC and are they just and reasonable?
- Were loss factors for customer classes reasonable and supported by an analytical report?
- Has the IOU implemented changes that may have been recommended in previous audits?

3.1.2 Describe and analyze the IOUs' processes

LEI will expect the IOUs to provide concrete examples of each relevant process (e.g., monthly true-ups of FAC over-recovery and under-recovery). This information may come from interviews, conference calls, and data requests. LEI will then analyze their efficacy and ensure their alignment with the FAC requirements.

3.1.3 Provide LEI's recommendations

LEI will bring to bear its audit expertise and broad experience in the power sector, to frame practical suggestions for improvements, if any, are warranted.

3.2 Detailed work plan

3.2.1 Task 1: Review the IOUs' FAC filings and the related supporting documentation

Using the Criteria-Process-Results approach, LEI will review the IOUs' FAC filings, draft data requests, and review responses thereto to assess whether accounting procedures accurately and properly allocate revenues and costs in accordance with FAC requirements. LEI will also examine the specific adjustments that pertain to each individual IOU that are allowed by the Commission to be flowed through to customers through the FAC.

3.2.2 Task 2: Review of the accompanying workpapers and the IOUs' financial data

Using the Criteria-Process-Results approach, LEI will investigate the workpaper of the FAC filings of the Company and assess the financial data. To evaluate the reasonableness of the calculations and cost recovery, the investigation will include a comparison between the audit period and prior periods, in order to create context. LEI will also interview company personnel to obtain an understanding of processes, if needed. LEI will trace accounts to supporting documentation and re-perform calculations to verify mathematical accuracy.

3.2.3 Task 3: Review the IOUs' fuel and power purchase and sale practices

Using the Criteria-Process-Results approach, LEI will examine the IOUs' fuel and power practices, including but not limited to, the involvement of the IOUs' parent companies and/or affiliates if relevant. LEI will review the IOUs' accounting for such costs and revenues.

3.2.4 Task 4: Review historical data involving prior audits

LEI will use the Criteria-Process-Results approach to review the IOUs' historical data involving prior audits, including any compliance requirements with Orders resolving prior audits. LEI will perform analytics comparing the data in this audit period against that of previous periods to determine any significant changes or abnormalities.

3.2.5 Task 5: Provide draft audit report/audit memorandum and/or pre-filed testimony

LEI will draft three separate audit reports for each IOU/Docket based on the information gathered from meetings, interviews, and field trips, and LEI's analysis recommendations in Tasks 1 through 4. LEI's report will be as concise as possible and will identify issues clearly, providing the Commission Staff with the information they require.

The draft reports for each IOU/Docket will provide an overview of the audit, will summarize how the audit process was conducted, what the findings were, and the conclusions and recommendations for corrective actions, if any. The report will also discuss the supporting evidence and references provided to the team. The draft report will include the following information:

- Executive summary and recommendations;
- Introduction to the FAC filings audit;

- Scope, objectives, and methodology of audit;
- Documents reviewed, and people interviewed during the audit;
- Evaluation of management processes and decisions in the context of the time such decisions were made;
- Findings and conclusions which are clearly supported in the audit report;
- Identification of issues which require more explanation or examination; and
- Recommendations for corrective actions, if applicable.

The audit report would be presented in 7 chapters:

Chapter 1: Executive summary and recommendations

Chapter 2: Overview of the IOU system

Chapter 3: Compliance with FAC General Order and other LPSC Orders and decisions

Chapter 4: Cost of fuel procurement

Chapter 5: Generating plant outages

Chapter 6: Purchased power costs and MISO sales

Chapter 7: Appendix: List of Acronyms

Chapters 3-6 would be organized in the same way, beginning with a statement of the scope of the audit which applies to the IOUs' activities, and background information to provide context for these activities; followed by the evaluation criteria used in the audit, LEI's findings, and finally LEI's recommendations.

LEI will send each draft to the Commission for feedback and comment; and to the IOUs for verification of factual statements and an indication of confidential information which will need to be redacted for a public version (if required by the Commission Staff).

3.2.6 Task 6: Provide final audit report and working papers

LEI will finalize the three audit reports based on the feedback received from the Commission and the IOUs. LEI will prepare a "confidential" and a "redacted" version of the report.

The final reports will include an executive summary of the audit, findings, and if applicable recommendations for corrective actions.

LEI will submit reports in the quantity and format requested by the Commission Staff.

3.2.7 Task 7: Provide testifying expert

Barbara Porto will serve as the testifying expert for this engagement. LEI will assist the Commission Staff in responding to discovery in the final audit report, as well as participate in related meetings and conferences. LEI expects to prepare and present expert testimony during hearings involving the FAC audit report for each Docket and assist in preparation of applicable motions and other pleadings in support of Staff's FAC audit reports.

The testifying expert will also be available to appear before the Commission at the Commission's Business and Executive Sessions where this matter will be discussed.

3.3 Audit deliverables and schedule

The team expects that the engagement will start with a **kick-off meeting** that will be held over the phone, with the Commission Staff. During this meeting, the team expects that the engagement's timetable, milestones, overall expectations and format and timing of deliverables will be discussed and finalized. Given the timeline the RFP outlines, LEI understands that the selection of consultants is anticipated to take place at an upcoming "Business and Executive Session." As such, LEI proposes the kick-off meeting be held around June 1, 2026.

LEI understands that the timeline for scope of representation for the three FAC audits is 24 months. However, the audit is of a fairly narrow scope, and if the Commission Staff wishes LEI to complete the work in a shorter time scale, LEI can do so.

Assuming for the present the 24-month scope of representation, and given a start date of June 1, 2026**,** LEI proposes the following deliverables and target dates for the three FAC audits (see Figure 8):

- **One written progress report** (at the approximate calendar mid-point of the audit, June 1, 2027, or date agreed-upon with the Commission staff) for the three FAC audits
- **Three draft reports** (February 29, 2028, or date agreed-upon with the Commission staff), one report for each IOU/Docket
- **Three final reports** (May 31, 2028, or date agreed-upon with the Commission staff), one report for each IOU/Docket
- **Complete set of working papers** (May 31, 2028, or date agreed-upon with the Commission staff) for each IOU/Docket
- **Testimony support** (dates TBD)

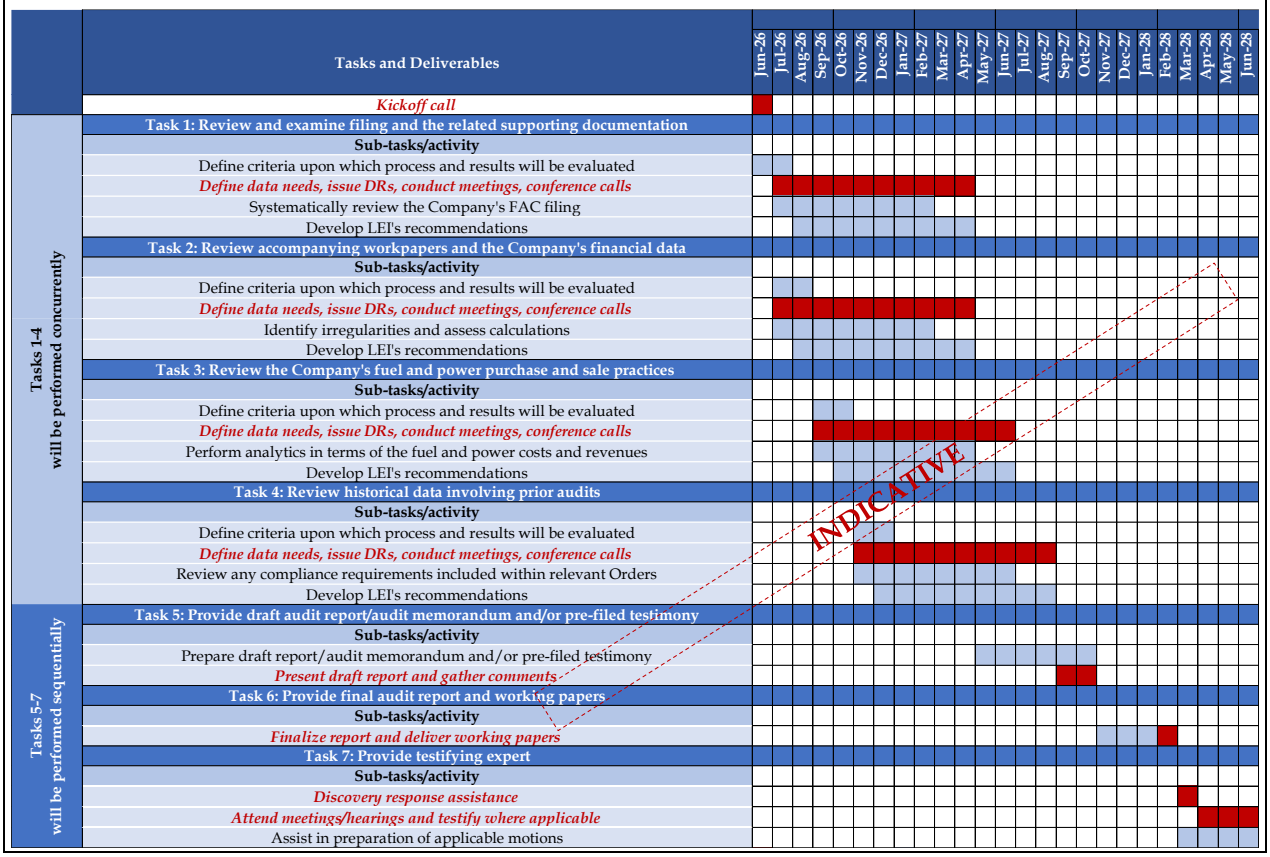
LEI can also provide **monthly** updates to the Commission staff. As noted previously, LEI will summarize progress made on required audit activities and preliminary findings.

LEI expects frequent contact with the Commission staff in the initial stages of the project, when main activities will include gathering data from the Companies and setting up meetings and calls with the personnel of the Companies.

LEI proposes submitting a written progress report at the approximate calendar mid-point of the audit, which is approximately **June 1, 2027**, discussing the progress of the three audits and any areas of concern. The specific due date of the interim written progress report will be discussed and agreed upon with the Commission Staff at the kick-off meeting.

LEI commits to having the appropriate experts available throughout the project from June 2026 through June 2028. LEI's team will have a Project Manager for this engagement, Barbara Porto, who will liaise with the Commission Staff throughout the project.

Figure 8. Indicative work schedule and timing of deliverables, assuming 24-month scope and June 1, 2026 start date



4 Timeline and budget

LEI expects to have a kick-off meeting a few weeks after the signing of the contract. LEI would take advantage of this time to gather data and information needed to begin Task 1.

4.1 Timeline

As indicated in the RFP, the time period allowed for the matter is 24 months. LEI expects that the schedule and the deadlines will be finalized during the kick-off meeting, or shortly before or after, as noted in Section 3.3. LEI commits to having the key staff members noted in Section 1.2 available for the entire period of the project.

4.2 Professional fee budget

LEI offers a total professional fee budget not to exceed **$191,340, $63,780 per docket** (see Figure 9), based on the scope discussed in Section 3. Any additional tasks not discussed in this scope would need an update of the professional fee budget.

Figure 9. Professional fee budget per docket (indicative)

Task	Total LEI staff hours	Professional fee budget
Kickoff meeting	3	$ 930
Task 1: Review and examine filing and the related supporting documentation	40	$ 11,400
Task 2: Review accompanying workpapers and the Company's financial data	40	$ 11,400
Task 3: Review the Company's fuel and power purchase and sale practices	40	$ 11,400
Task 4: Review historical data involving prior audits	15	$ 4,650
Task 5: Provide draft audit report/audit memorandum and/or pre-filed testimony	30	$ 9,300
Task 6: Provide final audit report and working papers	15	$ 4,650
Task 7: Provide testifying expert	30	$ 10,050
Total	**213**	**$ 63,780**

For Task 7, Senior Consultant Barbara Porto, will provide all the expert testimony support regarding the FAC audit reports. LEI is offering this at a substantial discount to LEI's current rates (see Figure 10). LEI will bill only for the actual hours of work performed and costs incurred.

Figure 10. LEI hourly rates

Title	Standard houtly rate	Discounted houtly rate
President	$ 950	$ 695
Managing Director	$ 945	$ 690
Director	$ 700	$ 550
Managing Consultant	$ 595	$ 450
Senior Consultant	$ 495	$ 360
Consultant	$ 375	$ 260
Research Associate	$ 260	$ 210
Admin	$ 150	$ 115

4.3 Expense budget

LEI estimates that the additional cost for reasonable and customary reimbursable expenses, such as (but not limited to) printing, courier, and data acquisition fees, if any, will not exceed **$1,800, $600 per docket.** In addition, travel costs are estimated in Figure 11 below. If travel is required, LEI will comply with all-expense caps as outlined in the State of Louisiana Division of Administration Travel Policies and Procedures Memorandum. Accordingly, the indicative travel expense budget is **$3,534, $1,178 per docket**.

Figure 11. Indicative travel costs per docket (indicative)

Travel	# trips	# people	# nights	Total cost
Meetings with Commission and/or Staff	1	1	1	$526
Meetings with parties	1	1	1	$652
Total estimated costs				**$1,178**

Indicative

4.4 Total budget

The total indicative budget, including professional fees, travel, and other expenses, therefore, amounts to **$196,674.**

5 Conflict of interest

LEI currently has no interest, direct or indirect, which would conflict with the performance of services under this contract and shall not employ, in the performance of this contract, any person having a conflict.

6 Resumes of key staff assigned to the project

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6.1 BARBARA PORTO

Curriculum Vitae

Senior Consultant, London Economics International LLC

LONDON ECONOMICS

KEY QUALIFICATIONS:

Barbara is a Senior Consultant at London Economics International LLC ("LEI"), where she supports the firm's technical engagements with regulators, utilities and private equity firms on issues regarding market design, project evaluations, wholesale price analysis, and utility management/performance auditing. Barbara also serves as a key modeler for LEI's gas pricing model.

Prior to LEI, Barbara was an Analyst at ENEVA, the largest private thermal power generation company in Brazil, where she was responsible for market intelligence reports and fuel procurement strategic planning.

EDUCATION:

Hult International Business School, Cambridge, MA, United Stated, MBA - Master of Business Administration, 2014.

COPPEAD/UFRJ, RJ, Brazil, Finance Certificate, 2010.

UNESA, RJ, Brazil, Bachelor of International Relations, 2010.

EMPLOYMENT RECORD:

From: 2015 **To:** present
Employer: *London Economics International LLC, Boston, MA, United States*
Consultant

From: 2008 **To:** 2013
Employer: *ENEVA (subsidiary of E.ON AG), Rio de Janeiro, Brazil*
Analyst

RECENT PROJECT EXPERIENCE:

- ***Audit of fuel adjustment clause for Cleco Power:*** LEI was engaged by Louisiana Public Service Commission ("LPSC"), Docket No. X-35522 and Docket No. X-36644, to perform an audit of the Fuel Adjustment Clause filings of Cleco Power. Barbara assisted with developing and analyzing data requests to evaluate if fuel costs were prudent and in compliance with LPSC orders. The audit involved detailed examination of monthly true-ups of incurred costs with billed costs; the appropriate of interest rates as applied to over-recovered or under-recovered costs; examination of the impact of deferred costs; reconciliation of expenses recorded in FERC Form 1 account categories ("as booked") with expenses included in

monthly fuel adjustment clause filings; the prudency and reasonableness of costs incurred for oil, gas, coal, and nuclear fuel and transportation, and an assessment operating performance of utility generating assets. Barbara worked on the sections of the audit related to fuel and purchase power costs, developing and analyzing data requests to evaluate if such costs were prudent and in compliance with LPSC orders.

- ***Audit of fuel adjustment clause for Entergy Louisiana:*** LEI was engaged by Louisiana Public Service Commission, Docket No. X-35523 and Docket No. X-36643, to perform an audit of the Fuel Adjustment Clause filings of Entergy Louisiana. The audit involved detailed examination of monthly true-ups of incurred costs with billed costs; the appropriate of interest rates as applied to over-recovered or under-recovered costs; examination of the impact of deferred costs; reconciliation of expenses recorded in FERC Form 1 account categories ("as booked") with expenses included in monthly fuel adjustment clause filings; the prudency and reasonableness of costs incurred for oil, gas, coal, and nuclear fuel and transportation, and an assessment operating performance of utility generating assets. Barbara worked on the sections of the audit related to fuel and purchase power costs, developing and analyzing data requests to evaluate if such costs were prudent and in compliance with LPSC orders.
- ***Audit of federal environmental adjustment clause for Entergy Louisiana:*** LEI was engaged by the Louisiana Public Service Commission to perform an audit of the Federal Environmental Adjustment Clause ("FEAC") filings of Entergy Louisiana, LLC ("ELL"). The assignment included identifying any irregularities, including but not limited to, incorrect assessment of calculations and recovery of unauthorized expenses via the FEAC. LEI examined utility purchases and sales of air emission credits needed to comply with the Clean Air Act Amendments ("CAAA") of 1990 as well as the Clean Air Interstate Rule ("CAIR") and its successor, the Cross State Air Pollution Rule ("CSAPR"). LEI made findings and recommendations concerning whether the costs passed through the adjustment clause were or were not reasonable and prudent, and whether the costs were appropriate for recovery in the EAC mechanism and consistent with LPSC Orders and rules. Barbara supervised and directed the audit.
- ***Fuel Audit of Mississippi Power Company:*** LEI was engaged for a two-year term to conduct the annual management audits of the oil, gas, coal, nuclear fuel, and energy procurement activities of Mississippi Power Company. The LEI team assessed a complex array of issues including fuel and energy contract terms and the prudency of fuel procurement and inventory practices. LEI appeared before the Commission to present and defend findings. Barbara worked on the procurement and inventory management sections of the audit related to natural gas and coal.
- ***Management audit of Entergy Mississippi:*** LEI was engaged in a two-year term and a four-year term to conduct the annual fuel procurement and management audit of Entergy Mississippi. The LEI team assessed a complex array of issues including the Company's organization and staffing, risk management and company controls, coal procurement and inventory management, coal transportation, natural gas procurement and trading, plant operations and generation portfolio management, energy procurement and trading, and costs associated with the Grand Gulf nuclear plant. LEI prepared a comprehensive report detailing its analysis, findings, and recommendations, and appeared before the Mississippi Public

Service Commission to present its findings and recommendations. Barbara worked on the procurement and inventory management sections of the audit related to natural gas, oil, and coal, and presented LEI's findings and recommendations before the Commission.

- ***Audit of Legacy Generation Resource Rider for Ohio Valley Energy Company:*** LEI was engaged by the Public Utility Commission of Ohio to perform an audit of the prudency and performance of the generation purchase riders of Duke Energy Ohio, AEP Ohio, and AES Ohio for the output of two coal plants operated by Ohio Valley Energy Company ("OVEC"). Barbara was responsible for examining OVEC's participation in the PJM market and the fuel and variable cost expenditures to determine whether they were prudently incurred.
- ***Audit of AEP Ohio Alternative Energy Rider:*** LEI was engaged in 2018 by the Public Utility Commission of Ohio to perform a management/performance audit of the Alternative Energy Rider of the Ohio Power Company (AEP Ohio). LEI examined processes involved in procuring RECs and SRECs. LEI compared and benchmarked AEP Ohio RECs and SRECs costs and other operational results against data from public sources. LEI created a working model of the true-up process and provided quantitative results comparing the impact of quarterly versus semi-annual true-up periods on the utility and on ratepayers. Barbara performed analysis on RECs benchmarking, inventory, and compliance, as well as the cost of compliance and the approach used by AEP Ohio to calculate the cost of RPS compliance.
- ***Montana-Dakota Utilities rate case:*** LEI was engaged by the North Dakota Public Service Commission as the outside independent technical consultant supporting the Commission's ratepayer advocacy staff in a rate case involving Montana-Dakota Utilities. LEI examined key components of the rate case, which included the depreciation study, tax rates, environmental upgrades, transmission investment, the ROE/common equity ratio, amortization for early retirement of coal plants, and impacts on residential rates versus impacts on other classes of service. LEI prepared data requests, and provided written and oral testimony. Barbara worked on the sections of the audit related to depreciation and environmental upgrades.
- ***Reliability metrics case studies:*** LEI was engaged by a law firm to provide market design, regulatory, and economic advice to assist the Firm in rendering legal advice to Luminant (Vistra Corporation) in litigation challenging regulatory action, as well as regulatory advocacy. The engagement consisted of three Phases: 1) analysis and research to support proof-of-concept and initial estimates; 2) preparation of written testimony and litigation support; and 3) advisory on market design options. Barbara assisted in Phase 3 with case studies on reliability metrics and standards in the state of California and Brazil.
- ***Ancillary service revenue streams for long-duration storage in California:*** LEI was engaged by a developer to evaluate potential revenue stream of its battery storage technology that is capable in providing very long-duration storage. Specifically, LEI is helping the client understand the value of regulation, spinning reserve, frequency regulation, voltage support and other revenue streams that its battery can earn in the California market under current market structure and under future potential market designs.
- ***Financial Transmission Rights ("FTRs") and Auction Revenue Rights ("ARRs") Market Review:*** LEI has been engaged by a Regional Transmission Operator ("RTO") to conduct a holistic assessment of its FTR markets and ARRs to determine whether the current ARR/FTR processes constitute appropriate mechanism to ensure that load receives the optimal value of

the transmission system for which it is paying through its transmission access charges. Barbara was responsible for analyzing the FTR/ARR metrics and target allocation process, as well as comparing it to similar mechanisms in other jurisdictions.

- ***Hydro portfolio due diligence:*** LEI was hired by a private equity firm to provide technical assistance and due diligence on the acquisition of a portfolio of hydropower projects located in multiple states across the US. The Projects consisted of a mix of run of river hydro and large pumped storage at various level of development. As part of its due diligence, LEI carried out a general review of the hydropower and pumped storage markets to evaluate the relative competitiveness of these technologies especially in markets with high renewables and storage penetration; LEI also developed a 20-year forecast of revenue streams for the relevant assets in the market of interests and reviewed the assets marketability post contract expiration. Finally, LEI reviewed key offtake contract to make recommendations on replicability (or lack thereof) of such contracts especially in highly competitive regions. Barbara assisted with benchmark research to analyze the replicability of the proposed commercial transaction.
- ***Due diligence on a potential wind portfolio acquisition:*** LEI was engaged by an infrastructure investment fund to provide consulting and advisory services in support of due diligence efforts on a potential wind portfolio acquisition in ISO-NE and California. The scope of the project included reviewing data room materials, critically reviewing a market report prepared by the sell-side consultant, preparing independent long-term 20-year energy and capacity price forecast for the target assets under two different scenarios, one reflecting a base case scenario with nation-wide carbon tax implemented by 2028, and another reflecting decarbonization goal achieved through non-carbon tax policies. Barbara was responsible for the California portion of the project, conducting extensive and detailed review of the materials provided, additional research on various topics, and performing the California modeling activities.
- ***Application for firm transportation on a gas pipeline:*** The MA Attorney General's Office of Ratepayer Advocacy ("AGO") engaged LEI to examine the application of National Grid d/b/a Boston Gas for approval to execute a contract with Algonquin, for firm transportation ("FT") on the Atlantic Bridge Project (DPU 19-132). The project included examining National Grid's projections of gas demand and its assumed resources to meet demand; examining the Assigned Precedent agreement for the FT as well as other documents; and providing a critique of the assumptions driving National Grid's cost-benefit analysis. Barbara assisted with reviewing briefs, developing interrogatory requests, and evaluating the responses to such requests.
- ***Stranded cost assessment:*** LEI was retained by a Midwest cooperative seeking to cease purchasing supply from the incumbent and rather opt for an alternate supply provider. As part of the engagement, LEI prepared a critique of the stranded cost estimate provided by the incumbent provider and calculated its own estimate of the stranded cost payment based on FERC's policy guidelines in Order 888. LEI's calculation of market value for the released energy and capacity from the incumbent t provided was based on its own forecast of energy and capacity prices in the MISO markets. LEI's report was filed with FERC as part of the litigation procedures. Barbara was responsible for the capacity market analysis, reviewing thousands of capacity transactions in the MISO region.

- ***2019 Transmission + storage:*** For a transmission developer in the Northeast, LEI modeled various portfolios of renewable generation assets (including wind, solar, and hydro resources) together with various quantities and technologies of storage resource to analyze, and optimize, the capacity factor and delivered price for energy on the proposed HVDC transmission line. LEI also modeled customer load at the withdrawal end of the line together with additional storage to analyze the benefits of these storage resources to provide load-following service. Barbara assisted with research on the costs and technical specifications of various storage technologies.
- ***Economic development benefits of the CAES:*** LEI was engaged by Range EES to analyze the local economic development benefits associated with the construction and operations of a Compressed Air Energy Storage ("CAES") project at the site of the soon-to-be-retired Intermountain Power Project plant in Millard County, Utah (the "Project") using the REMI PI+ model. Barbara assisted the REMI modeler with research, conducting model runs and in the composition of the final report.
- ***OPG TFP study 2019:*** LEI was engaged to support Ontario Power Generation in relation to its second-generation hydroelectric payment amounts price-cap application before the Ontario Energy Board ("OEB"). The project involved performing an updated TFP study reflecting the OEB's 2017 Decision on the first-generation price-cap index. Other key tasks were the preparation of analysis and written evidence assessing whether the inflation factor and treatment of the Capacity Refurbishment Variance Account remain appropriate. Barbara worked on the inflation factor, physical TFP, coauthored the report and assisted on information-gathering.
- ***Consultancy Study on Effective Carbon Prices:*** As part of a consortium, LEI was hired by the NCCS to undertake a study on effective carbon prices faced by energy-intensive manufacturing sub-sectors in jurisdictions across Asia, Middle East, Europe, and North America. Specifically, LEI was tasked with studying carbon policies in China, Middle East, Taiwan, USA, and Canada. The deliverables, consisting of a report and a dashboard tool, allowed the NCCS to compare effective carbon prices across competitor jurisdictions in these key manufacturing sectors and thus inform current and future policy decisions regarding the level of Singapore's carbon price and wider climate change policy. Barbara was responsible for the Panama study.
- ***Consulting Services and Forecasts Related to Avoided Energy Supply Costs:*** LEI was retained to assist in the review of the avoided energy supply costs as reported in the Avoided Energy Supply Cost ("AESC") 2015 - Update of December 16, 2016, and provide independently developed forecasts of energy supply costs and/or wholesale electricity and natural gas prices in New England. As part of the required services, the LEI undertook a review of the AESC and provided expert analysis of the AESC assumptions, methodology and results. LEI also advised the Commission and its staff with respect to the application of the AESC in the context of evaluating the cost effectiveness of energy efficiency measures. In addition, LEI provided independently developed energy supply costs and/or wholesale electricity and natural gas prices for the region that reflect current market conditions and outlooks. Barbara was responsible for the natural gas and other fuels price outlook review and performing natural gas forecast.

- ***Market and Economic Impact Consulting:*** LEI was retained by the Maine PUC to review and critique the analysis filed by Central Maine Power ("CMP") regarding the benefits to Maine resulting from the New England Clean Energy Connect ("NECEC"), which is a 1,200 MW HVDC Transmission Line from the Quebec-Maine border to Lewiston. The analysis includes work related to the regional energy markets, including the effect of the NECEC on a) wholesale energy, capacity, and ancillary service costs for Maine ratepayers b) impact on price volatility during natural gas price spike events; and c) greenhouse gas (GHG) reduction benefits. In addition, the analysis will also include work related to economic benefits to Maine from the NECEC including a) job creation, both direct and indirect; b) employment impacts from electricity price reductions and associated cost savings; c) economic development benefits and d) municipal tax revenues. Barbara was responsible for the natural gas price outlook review and performing natural gas forecast.
- ***Natural gas generation asset performance review:*** For an international client, LEI prepared a memo reviewing the performance of a generation asset in the NYISO wholesale markets. The memo included a review of the plant's competitive advantages and disadvantages from the point of view of its technology, operational characteristics, fuel procurement options, location with respect to transmission constraints. LEI's analysis also included a view on likely short and medium market conditions, together with potential market developments, that could affect the plant's revenues. Barbara was responsible for the fuels and plant performance sections of the report.
- ***Biomass power plants economics:*** LEI was retained to assess the financial viability of select biomass power plants in the next few years and confirm the plant's assertion that a discount on certain transmission costs was required in order to avoid plant closures. Barbara led the engagement, creating an estimated pro forma income statement to assess whether the select biomass plants are expecting to make positive (or negative) gross profit margin in the next few years, 2018-2021. The financial model presented a range of market revenues that the power plants can earn from the sale of energy, capacity, and RECs in ISO-NE's control area, relative to an estimate of going forward operating costs for two power plants. The model included five scenarios.
- ***Enbridge Line 5:*** For a non-governmental organization ("NGO") LEI examined the current and future role of Enbridge Line 5 on oil consumers and producers in the State of Michigan. LEI's analysis covered a) the extent to which refineries which serve Michigan consumers require Enbridge Line 5 to provide crude oil; b) the extent to which consumers of propane in Michigan's Upper Peninsula rely on Enbridge Line 5; and c) the extent to which producers of crude oil in Michigan's Lower Peninsula rely on Enbridge Line 5. Barbara assisted with research tasks and coauthored the report.
- ***Cost of Utility-Scale Solar:*** For a large utility, LEI performed a detailed bottom-up analysis of the range of costs for building a utility-scale solar farm in a Canadian province. LEI researched potential costs for multiple solar module technologies, interconnection options, and land types. The cost analysis customized the hardware, labor, and other costs into the province's business landscape so as to create an accurate representation of the costs for building a solar generation resource. Barbara assisted on the research, composition of the cost model and final report.

- ***Econometric study of oil demand elasticities:*** LEI was engaged by the Columbia University School of International and Public Administration's Center on Global Energy Policy ("CGEP") to conduct econometric analysis of global oil (crude oil and key refined products) demand and its income and price drivers. Barbara conducted a portion of the econometric analysis using STATA and coauthored the report.
- ***IE for Idaho Power 2026 AS RFP:*** LEI was hired by Idaho Power Company to serve as an Independent Evaluator for its 2026 all-source energy (including storage) and capacity resources RFP ("2026 AS RFP"). The role of LEI as the IE was to oversee the competitive bidding to ensure that it was conducted fairly, transparently, and properly in congruence with the Oregon competitive bidding rules. LEI was tasked to carry out a thorough independent review, evaluation and scoring of all submitted bids (consistent with Oregon's competitive procurement guidelines), and compare findings to IPC's. Barbara was a key member of the team, where she coauthored all IE reports and managed the information-gathering and summarizing process, which involved information from over 100 bids, and multiple documents from each bidder.
- ***IE for PacifiCorp 2017S RFP:*** LEI was retained as an independent evaluator ("IE") by PacifiCorp for its system-wide 2017 Solar RFP. LEI reviewed PacifiCorp's Solar RFP, facilitated and monitored communications between PacifiCorp and bidders, performed a review of the initial shortlist evaluation and scoring, and filed status reports and the IE closing report. Barbara coauthored the status and IE report, and managed the information-gathering and summarizing process, which involved information from over 100 bids, and multiple documents from each bidder.
- ***White paper for debunking myths surrounding transmission investment:*** LEI was retained to provide a research paper highlighting the opportunity to evolve system planning practices to a more resilient transmission system in the longer term, one that promotes efficient electricity production and consumption decisions and efficient infrastructure investment. Barbara assisted on the research tasks.
- ***Investment Opportunities in the US and Canada:*** For a private equity client, LEI reviewed all investable energy sectors in the US and Canada (except oil and gas exploration and production). The sectors included: electricity generation (natural gas, wind, solar, hydro), AMI, distributed Resources, demand response, retail and gentailers, gas LDCs, gas storage, gas pipeline transportation, LNG-related infrastructure, vertically-integrated utilities, electric distribution, and water utilities. LEI assessed the investment potential of each sector for the next five years and proposed a methodology to screen and identify investment opportunities and execute on these opportunities. Barbara was responsible for the electric generation sector and the Alaska regional study.
- ***Hydro Ancillary Services:*** For a private developer, LEI reviewed the eligibility of small (less than 25 MW) run-of-river hydroelectric electric generation facilities to provide ancillary services in the ISO-NE, MISO, NYISO, and PJM jurisdictions. Barbara assisted with research tasks.
- ***Total Factor Productivity study:*** LEI prepared a report for OPG entitled "Empirical Analysis of Total Factor Productivity Trends in the North American Hydroelectric Generation Industry." The purpose of this report was to share findings from LEI's total factor

productivity ("TFP") study, which estimated TFP trends for a select group of peers from the North American hydroelectric generation industry. Data for this study covered an eleven-year period from 2002-2012. This study was further updated for newly available data (encompassing operating costs and other statistics for calendar years 2013 and 2014). LEI also supported OPG through 2017 in recommending an appropriate X factor and I factor to use in a I-X regime for hydroelectric generation. Barbara coauthored the report and assisted on information-gathering.

- ***Pacifico Chile-Peru interconnection assessment:*** In 2014, LEI assessed the impact of the construction of the 1000 MW Pacifico HVDC transmission interline between Southern Peru and Northern Chile. LEI also provided due diligence support and market analysis for the Peruvian and Chilean electricity markets to the team of investors backing the project. In 2016, the model was updated to the current market condition. Barbara assisted with research tasks.
- ***Transmission open solicitation:*** LEI was retained by a transmission developer to serve as Independent Examiner for a proposed merchant transmission project open solicitation process. The project entailed designing the solicitation process, meeting with potential shippers on the line to garner early interest, drafting announcements and press releases, conducting information sessions, updating the solicitation website, evaluating and ranking bids, assisting both bilateral negotiations with shippers, and submitting a report to FERC as part of the developers' Section 205 filing. Barbara coauthored the IE report and managed the information-gathering.
- ***ComEd congestion analysis:*** LEI was retained by a transmission utility to provide an overview of resources in the Chicago area and the Commonwealth Edison ("ComEd") zone and analyze the congestion of several nodes within the Chicago area and shorelines sites of Lake Michigan. Barbara assisted with research tasks.
- ***Brazilian electricity market credit crisis review:*** For a Canadian electricity transmission company, Barbara conducted theoretical and empirical analysis of the Brazilian Electricity Market Credit Crisis highlighting interesting lessons for the Alberta market. Topics explored include: credit/financing issues, system reliability, government interventions, power market risks, and resources diversity.
- ***TransAlta Climate Change 2016:*** LEI was retained to provide ongoing research, analytical and advisory support to TransAlta as the Alberta government implements its climate change policy, which will shut down coal plants early, ramp up renewable generation, and put in place a province wide carbon tax. Part of the engagement was to perform a case study-oriented comparative review of ancillary services in North America and abroad. Barbara was responsible for the Ireland case study.
- ***Alberta Market Modeling:*** LEI was retained by the Alberta Balancing Pool to provide wholesale energy price forecasts and market revenue projections over the period 2017-2020 for various generating facilities operating in the Alberta. LEI ran multiple sensitivities accounting for changes in ownership and dispatch rights, facility decommission and carbon policy changes. LEI relied on its proprietary dispatch simulation model, POOLMod applying Conjecture theoretical approach. Barbara assisted with research tasks.

- ***Assessment of solar thermal technologies:*** LEI was retained as part of a consortium to support an energy product manufacturing firm assess the market for solar thermal technologies, with a focus on an economic assessment of solar thermal technology, assessing the value contribution of the different components of the value chain creating a molten thermal solar plant. In addition, the client asked LEI to provide support to developing business strategies for this market. LEI's conducted the analysis in 3 out of 5 high priority markets - Saudi Arabia, Morocco, and Chile. More specifically we assessed the economics for solar thermal in each market, commented on the general perception of the technology and provided a comprehensive brief on the rules governing the market access. Barbara was responsible for the Chilean market.
- ***Workshop on Incentive-Based Ratemaking ("IBR"):*** LEI was retained by the largest electric utility company in Malaysia, to conduct a capacity building workshop on IBR and technical visits to utilities and regulators worldwide that are operating under IBR-like regimes. Barbara presented to TNB's traveling contingent on PBR Requirements standards across different jurisdictions and on fundamentals of Tariff Design. Barbara presented to TNB's traveling contingent on PBR Requirements standards across different jurisdictions and on fundamentals of Tariff Design.
- ***Analysis of buy versus build investment decision:*** LEI was engaged by a private equity company to provide a briefing paper that compares "The Opportunities of the Buy versus Build Investment Decision." The paper contains quantitative and qualitative research and analysis, based on market data on purchase prices from recent transactions (focused on New York, New England, and PJM), versus the cost of new build assets. Barbara assisted with research tasks.
- ***Overview of hydro-dominated market:*** LEI was hired by a financial investor to provide an understanding of the dynamics underpinning hydro-dominated power markets as opposed to thermal systems. As part of this project, LEI reviewed in detail the dynamics and key drivers of energy markets in a sample of Latin America countries including Colombia, Panama, Brazil and Chile. Colombia was the point of focus of the report, in this respect LEI compared and contrast several aspects of the Colombian markets to other jurisdictions and created a scoring card to evaluate Colombia against similar jurisdictions. Barbara assisted with research tasks and coauthored the report.
- ***Colombia market overview and revenue forecasts for target assets:*** LEI was hired by an electric operator for the purposes of valuing a portfolio of generating assets in Colombia. LEI's scope of work consists of a comprehensive review of the Colombia energy market (including fuel and power market drivers), describe in detail the functioning of both wholesale power market and firm energy market (capacity market), develop forecasts of spot prices in order to derive expected revenues for the portfolio. Colombia being a hydro dominated system, as part of its modeling exercise, LEI ran a Monte Carlo simulation to develop a series of probabilities associated with generation profiles of Colombia's hydro resources to reflect the impact of weather conditions and water inflows on hydropower plants' output. LEI summarized its research and modeling results in a final report that was presented to lenders and other interested parties. LEI was hired later to update the market fundamentals and energy prices outlook in order to evaluate the impact of evolving market conditions on a

portfolio of assets acquired by the client. Barbara created the fuels forecast, assisted with research tasks for the modeling activities, and coauthored the report.

- ***Transmission project workshop:*** LEI was retained by a private client to conduct a mini-workshop to discuss the market opportunities and risks on five proposed transmission projects in the US and Mexico. Barbara was involved in the analysis of the Mexican projects.

6.2 DONALD OSBORNE-MOSS

Curriculum Vitae

Senior Consultant, London Economics International LLC

LONDON ECONOMICS

KEY QUALIFICATIONS:

Donald is a Senior Consultant with London Economics International LLC ("LEI"), specializing in renewable energy generation development and management issues. He is the primary electricity market modeler for the Western US ("WECC") region, responsible for analyzing changes in market rules and conditions. At LEI, Donald applies his project management experience and analytical approach to a wide variety of projects spanning multiple sectors. He has been involved in several projects at LEI, including managing the review of ratemaking principles in Iowa for the utility regulator, forecasting costs for an electric cooperative leaving its member alliance, and reviewing operations at investor-owned utilities for regulated audits. He has also been involved in multiple projects centered around large load forecasts and customers, primarily data center customers, to determine the accuracy and reasonableness of such forecasts.

Donald received his Bachelor of Science in Mechanical Engineering from Washington State University in 2014, graduating magna cum laude. He graduated from Boston University Questrom School of Business in 2023 with a Master of Business Administration ("MBA") in Social Impact, specializing in energy and environmental sustainability. He is a US permanent resident and UK citizen. Prior to joining LEI, Donald worked as a project manager at University Mechanical Contractors, Inc. ("UMC"), and a business development intern at Ranger Power during while receiving his MBA.

EDUCATION:

Boston University, Boston, Massachusetts, USA, Master of Business Administration – Social Impact, 2023.

Washington State University, Pullman, Washington, USA, Bachelor of Science, Mechanical Engineering, 2014.

EMPLOYMENT RECORD:

From: 2023	**To:** present
Employer:	*London Economics International LLC, Boston, MA* Senior Consultant (June 2023 to present)
From: 2022	**To:** 2022
Employer:	*Ranger Power, Chicago, IL* Business Development Intern (June 2022 to August 2022)
From: 2015	**To:** 2021

Employer: *University Mechanical Contractors Inc., Seattle, WA*
Project Manager (October 2018 to August 2021), Project Engineer (January 2015 to September 2018)

SAMPLE PROJECT EXPERIENCE:

- ***prepared management audit of Entergy Mississippi:*** LEI was engaged by the Public Utility Commission of Mississippi to conduct the annual fuel procurement and management audit of Entergy Mississippi. The LEI team assessed a complex array of issues including organization and staffing, risk management and company controls, coal procurement and inventory management, coal transportation, natural gas procurement and trading, plant operations and generation portfolio management, and energy procurement and trading. LEI prepared a comprehensive report detailing its analysis, findings, and recommendations, and appeared before the Mississippi Public Service Commission to present its findings and recommendations. Donald handled the organization and staffing, risk management and company controls, and plant operations sections of the audit.
- ***review of regulatory regime in Arizona:*** LEI was engaged by an independent power producer ("IPP") to conduct a review of the regulatory landscape surrounding the development and use of new and existing gas-fired and renewable generation in Arizona. The IPP requested analysis on two key areas: (i) the regulatory regime in Arizona around permitting and interconnection of new gas-fired or renewable generation, and (ii) the process or requirements within Arizona utilities for large load data centers being served with co-located generation, including both new generation and repurposes existing generation. The review will focus on the interconnection process and other considerations for bundling new generation with large loads, as well as the tariff regime and policy in the state for co-location of generation and data centers. Donald managed the project, overseeing all research and writing performed for the study.
- ***study of rate competitiveness and impact of large load users:*** LEI conducted a fact-finding and situational analysis to establish a strong foundation for addressing the client's concerns in Iowa regarding the broader implications of large energy users on Iowa's electric system and its customer base. This included examining how large customers are defined and distinguished from other customer classes in Iowa. In addition, LEI analyzed cost-of-service studies previously filed by Iowa utilities to understand how costs are currently allocated across customer classes and whether all customers pay proportionately to the costs they impose on the system. Beyond rate design, LEI assessed the types of infrastructure investments driven by large load additions, including transmission, distribution, and generation assets, and determined the extent to which these investments produce system-wide benefits that accrue to all customers. This included evaluating cases where investments would not be undertaken without large customers, but nevertheless create enhanced reliability or efficiency that small customers also enjoy. In the second phase, LEI evaluated the existing rate structures for Iowa's two IOU electric utilities and how the costs are allocated to various customers. This determined whether there is any unfair cost shifting between customer classes from added investments. As project manager, Donald led the second phase on the large load impact aspect of the project, writing and reviewing all work performed and coordinating with the client.

- ***reviewed large load forecasts in integrated resource plans:*** LEI was engaged by a public interest group to serve as an independent technical consultant on selected issues related to the integrated resource plan ("IRP") of Georgia Power filed in January 2025, in Docket No. 56002. LEI examined whether Georgia Power's projections of load growth from data centers was reasonable. LEI examined Georgia power's assumptions for future natural gas prices. LEI evaluated Georgia Power's resource procurement documents with a view to assessing how the potential for stranded costs is addressed and mitigated. As part of the team, Donald reviewed Georgia Power's projected capacity expansion plans and resource portfolio, along with large load development projects, to determine the reasonability of the large load forecasts.
- ***reviewed natural gas resources in integrated resource plan for firm transmission needs:*** LEI was engaged by a public interest law firm to examine the need for the Southeast Supply Enhancement Project ("SSEP"). SSEP was a proposed 1.6 Bcf per day expansion on the Transco natural gas pipeline system in the Southeast United States. Donald and the team's work involved reviewing electric and gas utility integrated resource plans (including projections for demand growth), ii) evaluating the need for natural gas transmission infrastructure, and iii) examining growth trends and the impacts of data centers and other very large load customers on electric supply, transmission, and distribution.
- ***evaluated financial strategies for early termination of wholesale power supply agreement:*** LEI was hired by a Midwest cooperative to provide technical assistance throughout the client's decision-making process to design, prepare, and execute its plan to become a full market participant in the Midcontinent ISO ("MISO"). LEI was retained to assess the benefits and costs associated with the change under a host of scenarios, provide step-by-step guidance on an implementation plan, and provide some thoughts on the timing of key milestones. As part of this process, LEI also supported the coop throughout its settlement process with the existing intermediary in MISO; this consisted of reviewing the proposed settlement agreement, modeling final settlement terms and ensuring consistency with the original settlement agreement, and engaging with MISO and other parties relevant to the transition process. Donald prepared the financial models detailing the potential future costs for the coop once it exited from the intermediary agreement, as well as the terms of the exit agreement and their financial impact for the coop.
- ***ratemaking approaches for large load customers:*** LEI was engaged by a vertically integrated electric utility in Oregon to advise on designing a tariff rate suitable for large and fast-growing commercial and industrial customers such as data centers and microchip fabricators LEI provided case studies of other jurisdictions which sought (either successfully or unsuccessfully) to adopt new rates and/or tariffs for similar customers. Based on the case studies and LEI's insight into effectiveness of various rate design features, LEI developed strategic options and recommendations for the executive team and Board of Directors. LEI provided support related to Oregon Public Utilities Commission hearings, including producing testimony and participating in hearings.
- ***technical consultant for Public Service Commission of the District of Columbia ("DC PSC") in electric distribution utility rate case:*** LEI was retained to provide expert technical advisory support related to the application of Potomac Electric company as it sought to implement a multi-year rate plant for electric distribution service in the District of Columbia. LEI advised

on matters related to the assessment of the forecast revenue requirements, determination of an attrition relief mechanism, and rate design. Donald oversaw the review of capital expenditures, operating expenses, and climate-related programs in the rate case application.

- ***prepared report on data center industry and southern United States utilities:*** LEI was engaged by a third-party intervenor to review the additional gas transmission capacity being added in the Southeast United States to determine if the added capacity needs are overstated, based on projected near-term growth in electric power demand from data centers. LEI examined the durability of data center load and the role of assumptions of that load growth in utility resource plans by reviewing costs and trends in the expansion of data centers in the United States and the Integrated Resource Plans ("IRPs") of two investor-owned utilities operating in the Southeast United States.
- ***evaluated ratemaking procedures and administrative laws for Iowa Utilities board ("IUB") to prepare recommendations of changes to Iowa State Legislature ("Legislature"):*** LEI staff is working with IUB to evaluate the current ratemaking procedures in place for utilities to file base rate changes. This evaluation includes assessing the individual aspects of the procedural regulations themselves, the rates from the utilities, and the services provided by the utilities to customers to ensure the policy objectives laid out by the Legislature. Donald served as a project manager overseeing the operations, facilitating public policy charrettes with stakeholders to gain feedback, and helping in the research and drafting of the final report to the Legislature.
- ***value of pumped storage hydro:*** LEI was retained by a hydro developer to prepare a paper on the value of pumped storage hydro ("PSH") and its contribution to system reliability. The paper consisted of five sections: (i) background on PSH as compared to other long-term storage alternatives; (ii) assessment of the performance of different generation types during extreme weather events; (iii) market modeling to assess the benefits of increased PSH utilization during extreme weather events, including its impact on wholesale prices and the potential risk of unserved load; (iv) economic development modeling to assess the macroeconomic benefits of PSH projects; and (v) rate base modeling to assess ratepayer benefits from the deployment of longer lived assets such as PSH, as opposed to battery storage. The paper demonstrated how investments in PSH can help manage challenging weather events and reduce reliance on other forms of dispatchable generation, and reduce utility shareholder regulatory exposure associated with reliability issues. PSH also provides ratepayer benefits as part of a long-term diversified portfolio.
- ***reviewed renewable energy project development proposals to evaluate eligibility and scoring criteria for Idaho Power Company ("IPC") RFP process:*** LEI staff worked with IPC to evaluate proposals submitted by renewable energy developers to IPC for inclusion in the company's 2027 energy portfolio. LEI assisted IPC through the complete evaluation process, from determining eligibility of proposals and projects to providing insight and recommendations for a final proposal shortlist and selection. Donald assisted the team with the initial evaluation of the third-party bidder proposals and cost evaluation for the shortlisted proposals.
- ***evaluated potential for renewable energy development:*** LEI works with Ampersand Energy on development of renewable energy sites across the company's owned land portfolio.

Donald has worked on multiple potential sites to gather information on the feasibility of adding solar or storage projects, the potential profitability of site's based on energy generation and federal and state tax incentives, and coordinated with developers on proposals and contract negotiation.

- ***LEI's Continuous Modeling Initiative (CMI):*** As lead modeler for the WECC market, Donald tracks and evaluates the impact of on-going structural and regulatory changes in the electricity market to produce detailed price forecast and associated analyses on an ongoing semi-annual basis using LEI's in-house price forecast software, POOLMod.

6.3 NOAH MARTIN

Curriculum Vitae

Research Associate, London Economics International LLC

LONDON ECONOMICS

KEY QUALIFICATIONS:

Based in Boston, Noah is a Research Associate with London Economics International LLC ("LEI"). In his time at LEI, Noah has been involved in several projects, most significantly assisting HPUC in understanding past resource adequacy metric assessments performed on behalf of HECO, and providing comparative analysis on energy storage real-time pricing for an IPP looking to develop BESS systems in the ERCOT market.

Noah received his bachelor's degree in economics and international comparative studies from Duke University and a master's degree in international relations, focusing on Development, Climate, and Sustainability. Prior to his master's studies, Noah worked as an Operations Manager at a startup, focusing on improving company logistics and client experience. He also worked as a due diligence researcher conducting primary research for private equity firms and hedge funds. While pursuing his master's degree, Noah interned at The World Bank Group, conducted research on green fiscal spending for a Johns Hopkins professor, consulted on implementing a recycling credit system in Fortaleza, Brazil, and completed a practicum consulting project for Enel Green Power, helping them assess the best states in the PJM interconnection to develop utility-scale solar and wind projects with storage.

EDUCATION:

Johns Hopkins University SAIS (Washington, DC): MA in International Relations - Development, Climate, and Sustainability

Duke University (Durham, NC): BS in Economics, BA in International Comparative Studies

EMPLOYMENT RECORD:

From: 2025	**To:** present
Employer:	*London Economics International LLC (Boston, MA)*
	Research Associate
From: 2024	**To:** 2025
Employer:	*Enel Green Power North America (Washington, DC)*
	Energy & Environment Practicum Consultant
From: 2024	**To:** 2025
Employer:	*The World Bank Group (Washington, DC)*
	Temporary Consultant

From: 2024	**To:** 2024
Employer:	*LABIFOR, CITINOVA, Fortaleza City Hall (Fortaleza, Brazil)*
	Bloomberg Summer Scholar
From: 2024	**To:** 2024
Employer:	*Johns Hopkins University SAIS (Washington, DC)*
	Energy Markets Research Assistant
From: 2021	**To:** 2023
Employer:	*Free Agency (New York, NY)*
	Operations Manager
From: 2019	**To:** 2021
Employer:	*Blue Heron Research Partners (New York, NY)*
	Researcher I

RECENT PROJECT EXPERIENCE:

- ***Assessment of the impact of large energy users on other customer classes:*** IEA has requested an assessment of the broader implications of large energy users on Iowa's electric system and its customer base. Specifically, IEA seeks clarity on two key questions:
    - What is the impact of increased load in Iowa?
    - Who bears the costs associated with that increase?

  LEI conducted a fact-finding and situational analysis to establish a strong foundation for addressing the client's concerns. This included examining how large customers are defined and distinguished from other customer classes in Iowa. In addition, LEI analyzed cost-of-service studies previously filed by Iowa utilities to understand how costs are currently allocated across customer classes and whether all customers pay proportionately to the costs they impose on the system. Beyond rate design, LEI assessed the types of infrastructure investments driven by large load additions, including transmission, distribution, and generation assets, and determined the extent to which these investments produce system-wide benefits that accrue to all customers. This included evaluating cases where investments would not be undertaken without large customers, but nevertheless create enhanced reliability or efficiency that small customers also enjoy. In the second phase, LEI evaluated the existing rate structures for Iowa's two IOU electric utilities and how the costs are allocated to various customers. This determined whether there is any unfair cost shifting between customer classes from added investments.

- ***Review of the regulatory landscape in Arizona:*** LEI was engaged by TransAlta corporation to conduct a review of the regulatory landscape surrounding the development and use of new and existing gas-fired and renewable generation in Arizona. TransAlta requested analysis on two key areas: (i) the regulatory regime in Arizona around permitting and interconnection of new gas-fired or renewable generation, and (ii)

the process or requirements within Arizona utilities for large load data centers being served with co-located generation, including both new generation and repurposes existing generation. The review will focus on the interconnection process and other considerations for bundling new generation with large loads, as well as the tariff regime and policy in the state for co-location of generation and data centers.

- ***AESO rate design retainer:*** LEI was retained by a large Alberta utility to provide transmission rate design consulting services. LEI provided the client with foundational knowledge regarding best practices for effective rate design and cost allocation. In addition, LEI monitored consultations by the Alberta Electric System Operator ("AESO") regarding proposed changes to its rate design and ancillary services cost allocation approaches, reviewed related published reports and material, and identified the positions of other parties involved in AESO's consultations. Ultimately, LEI advised the client on potential impacts to its distribution-level customers and generation assets, outlining areas of concern and developing recommendations.

- ***Establishment of the Hawaii Electricity Reliability Administrator:*** "London Economics International (""LEI"") was engaged with Grid Advisors (""GA"") to serve as the Hawaii Electricity Reliability Administrator (""HERA"") by the Hawaii Public Utilities Commission. LEI and GA were contracted to complete the following: HERA's reliability standards, oversee a new interconnection process and provide on-the-job training to HERA's Engineer. Workstreams included development of reliability standards and metrics, stakeholder engagement, development of a roadmap for establishing the administrator, a final report on reliability standards, trainings and interconnection implementation.

PUBLICATIONS:

"The Transition to Distributed Solar Energy and the 'Utility Death Spiral' in Maharashtra India." SAIS Perspectives. 2023-24 Issue (Oct 2023).

"Kazakhs and Russians: To each their own." Duke Journal of Economics. Vol. XXXIV, Spring 2022 (Sep 2022).

"Evonomics: Evo Morales's Bolivian Strategy." Américas: Johns Hopkins Journal of Latin American Studies. Vol. 7 (May 2018). 61-71.