



## **Filing Receipt**

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# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

September 13, 2023

Ms. Heidi Graham  
Water Utility Regulation Division  
Public Utility Commission of Texas Central Records  
1701 N Congress, Suite 8-100  
Austin, Texas 78701

Subject: Public Utility Commission of Texas ("PUCT")  
PUCT Project No. 49818; Utility Valuation Expert ("UVE")  
Resume of Kevin M. Zanni

Ms. Graham,

I am writing to request consideration as a qualified expert in utility valuation. In accordance with PUCT rules Project No. 49818 - List of Experts Qualified to Conduct Economic Valuations, enclosed is a cover letter and an original of the Resume of Kevin M. Zanni, ASA, CVA, CBA, CFE.

If you have any questions regarding this filing, please contact the undersigned at (630-945-8785).

Very truly yours,

MILLER COOPER & CO., LTD.



Kevin M. Zanni  
Valuation Principal and Valuation Department Director  
Attachments

LET9/Public Utility Commission of Texas 9-13-23 sv



# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

Dear Ms. Graham:

Allow me to introduce myself and provide you some background related to my work with public utility business operations.

For more than 20 years, I have worked on fair market value valuation projects. Most of my professional career was spent at Willamette Management Associates ("WMA"). At WMA, I worked on public utility valuation with a particular focus on regulated water utilities.

For reference purposes, here is a summary of my professional experience:

- Transaction related filings with public utilities commissions. On several occasions, I have provided direct testimony to the Public Utilities Commission of the State of California regarding the acquisition of water utilities. My resume includes these transaction related filings.
- Eminent domain litigation project work related to water utility taking actions. I have valued, testified to value, and led water utility related project work for more than 15 years. My resume includes a few citations for some of this eminent domain litigation work. In certain cases, my work in these matters was used by another expert for testimony purposes.
- Speaking and writing about water utility valuation. I have written about water utility valuation and given speeches about the valuation of water utilities. My resume includes a few citations for my published work and speaking engagements.

As you can see, I have extensive experience in providing valuation work related to water utilities. Let me know if you have any questions.

Best regards,

MILLER COOPER & CO., LTD.



Kevin M. Zanni

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## **KEVIN M. ZANNI ASA, CVA, CBA, CFE**

Kevin M. Zanni is a Principal in charge of Valuation Services for Miller, Cooper & Co., Ltd. Kevin's work includes all types of valuation and forensic analysis engagements. His practice includes valuation consulting, economic damages analysis, and financial advisory services.

Kevin has performed the following types of valuation and economic analysis assignments: public utilities valuation related to condemnation matters, merger and acquisition valuations, economic event analyses, divestiture valuations, lost profits analyses, private inurement opinions, business and stock valuations, economic damages analyses, option and warrant valuations, income producing property valuations, intangible asset impairment analyses, and restricted stock valuations.

He has prepared these valuation analyses for the following purposes: taxation (ad valorem, federal income, gift, and estate), transaction due diligence (acquisition, divestiture, and reorganization), financial accounting and reporting, forensic analysis and dispute resolution (dissenting shareholder disputes, breach of contract lost profits, and family law), fiduciary compliance, and corporate planning.

Kevin has valued the following types of business entities and securities: closely held business enterprises, fractional business interests, various classes of common/preferred stock, interest-bearing debt issues, intangible assets, general and limited partnership interests, and limited liability company interests.

Kevin has prepared business valuations, economic analyses, and financial advisory opinions for companies in the following industries: advertising, agriculture, aerospace parts manufacturer, airport management services, apparel manufacturer, arcade game manufacturer and distributor, auto parts distribution, automobile dealerships, boat and yacht retailer, book publishing, chemical manufacturing, commercial banking, commercial construction, commercial real estate holding and management, consumer products, commercial gaming, direct marketing, engineering services, electronic equipment manufacturing, equipment leasing, food brokerage and distribution, food processing, furniture and household product manufacturing and retailing, marine and repair services, medical practices (cardiology, optical, and general), medical research institutions, hardware distribution, home improvement product retailing and manufacturing, hospitality and resort operators, investment holdings, investment management and brokerage, film production and distribution, mattress and bedding manufacturing, metal fabrication, multi-family real estate and equity holding and management, oil and gas services, oil and gas exploration, pinball manufacturer, polymer manufacturer, printing and publishing, real estate development and brokerage, retail sporting goods, roadway contracting and construction, securities and brokerage, sign and advertisement manufacturing, specialty packaging, sports network operators, steel distribution, strip-mining excavation, sugar production and marketing, textile manufacturing, tool and die manufacturing and services, transportation and trucking, and utility operations.

### **PREVIOUS EXPERIENCE**

Kevin has worked as a valuation analyst for more than 20 years. For the past 16 years, Kevin worked at Willamette Management Associates ("WMA"). He joined WMA as a senior associate working in business valuation and litigation-related damages analysis in 2007. At WMA, Kevin enjoyed measurable professional growth as illustrated by his promotion to Managing Director in 2018. In 2021, Kevin was promoted to the WMA Chicago Office Director position. Prior to WMA, Kevin worked for Miller, Cooper & Co., Ltd.

Kevin proudly served in the U.S. Army prior to his valuation consulting and economic analysis career.

## **EDUCATION**

Master of Arts in International Business, University of Florida

Bachelor of Science in Business Administration, finance major, University of Florida

## **PROFESSIONAL AFFILIATIONS**

American Society of Appraisers

- Accredited Senior Appraiser (“ASA”)
- President – Chicago chapter of the American Society of Appraisers, 2013
- First Vice President – Chicago chapter of the American Society of Appraisers, 2012
- Second Vice President – Chicago chapter of the American Society of Appraisers, 2011
- Secretary – Chicago chapter of the American Society of Appraisers, 2010
- Treasurer – Chicago chapter of the American Society of Appraisers, 2009
- Business Valuation Chairperson – Chicago chapter of the American Society of Appraisers, 2008

American Institute of Certified Public Accountants (“AICPA”)

- Certified in Entity and Intangible Valuations (“CEIV”)
- The CEIV credential was sunset in 2023
- Current Member of the AICPA Forensic and Valuation Services Executive Committee SSVS/IVS Task Force

The National Association of Certified Valuators and Analysts (“NACVA”)

- Certified Valuation Analyst (“CVA”)
- Certified Business Appraiser (“CBA”)
- Member of the NACVA Ideas and Technology Committee
- Member of the NACVA Practice Development Committee

Association of Certified Fraud Examiners

- Certified Fraud Examiner (“CFE”)

Business Valuation Association of Chicago

- President, 2017
- First Vice President, 2016
- Current Board member

Illinois CPA Society – Family Law Conference, Taskforce and Planning Organizer, 2010

## **PROFESSIONAL PUBLICATIONS**

“Measuring the DLOM for the Marital Estate Business Ownership Interest,” Chapter 68 in *Valuing Professional Practices and Licenses: A Guide for the Matrimonial Practitioner* by Aspen Law and Book Publishers, 2022.

“Damages Analysis and the Cost of Equity Capital Size Premium.” Willamette Management Associates *Insights*, Spring 2022.

“Defending the Intellectual Property Cost Approach Value or Damages Conclusion.” Willamette Management Associates *Insights*, Autumn 2021.

“Understanding a Business Combination Transaction versus an Asset Purchase Transaction.” Willamette Management Associates *Insights*, Spring 2021.

“Measuring the DLOM for the Marital Estate Business Ownership Interest,” Chapter 68 in *Valuing Professional Practices and Licenses: A Guide for the Matrimonial Practitioner* by Aspen Law and Book Publishers, 2021.

“Litigation Insights from Ryan, a Shareholder Oppression Matter.” Willamette Management Associates *Insights*, Autumn 2020.

“Applying the CAPM to Derive Property Capitalization Rates.” Willamette Management Associates *Insights*, Summer 2020.

“Estimating Nonprofit Corporation Asset Values (part III of III).” NACVA quickreadbuzz.com online publication, February 12, 2020.

“Estimating Nonprofit Corporation Asset Values (part II of III).” NACVA quickreadbuzz.com online publication, February 5, 2020.

“Estimating Nonprofit Corporation Asset Values (part I of III).” NACVA quickreadbuzz.com online publication, January 29, 2020.

“Equity Size Premium Observations and Delaware Fair Value, Part II of II.” NACVA quickreadbuzz.com online publication, November 14, 2019.

“Equity Size Premium Observations and Delaware Fair Value, Part I of II.” NACVA quickreadbuzz.com online publication, November 7, 2019.

“Standards of Value and Fair Value Decisions in the Chancery Court.” Willamette Management Associates *Insights*, Spring 2019.

“Fair Market Value Valuations of Not-for-Profit Entity Property Transfers.” Willamette Management Associates *Insights*, Spring 2019.

“The SWS Group, Inc., Chancery Court Appraisal Decision—Fair Value Not Based on the Merger Price, Part II of II.” NACVA quickreadbuzz.com online publication, May 9, 2018.

“The SWS Group, Inc., Chancery Court Appraisal Decision—Fair Value Not Based on the Merger Price, Part I of II.” NACVA quickreadbuzz.com online publication, May 2, 2018.

“*The SWS Group, Inc.*, Chancery Court Appraisal Decision—Fair Value Not Based on the Merger Price.” Willamette Management Associates *Insights*, Spring 2018.

“Valuation of Intellectual Property as Part of the Asset-Based Approach.” Willamette Management Associates *Insights*, Winter 2018.

“The Application of Guideline Publicly Traded Company Risk Adjustment: Quantifying the Risk Adjustment.” NACVA quickreadbuzz.com online publication, November 16, 2017.

“Cost of Capital Theory and Application for Fair Value Controversy Matters.” Willamette Management Associates *Insights*, Autumn 2017.

“The Application of a Guideline Publicly Traded Company Risk Adjustment.” Willamette Management Associates *Insights*, Summer 2017.

“Valuing a Going-Concern Location-Specific Business Operation in an Eminent Domain.” Willamette Management Associates *Insights*, Summer 2015.

“Panel Discussion with Condemnation-Focused Attorneys.” Willamette Management Associates *Insights*, Summer 2015.

“Quantifying the Private Company Discount: Multiples Approach and Acquisition Approach.” *Business Valuation Alert*, January 2015.

“Private Company Discount Studies and Application to Nonmarketable Interests.” *The Value Examiner*, July/August 2014.

“The Private Company Discount Based on Empirical Data.” Willamette Management Associates *Insights*, Autumn 2013.

“Income Tax Consequences of Debt Modification.” Willamette Management Associates *Insights*, Autumn 2012.

“A Valuation Practitioner’s Perspective of the *Discount for Lack of Marketability Job Aid for IRS Valuation Professionals*.” *Business Valuation Alert*, January 2012.

“Economic Damages: How They May Impact Your Business.” *The Business Edge*, Volume 8, Number 10 (October 28, 2011) found at <http://businessedge.michcpa.org>.

“Common Procedures in Successful Shareholder Dispute Matters—An Attorney’s Perspective and a Valuation Practitioner’s Perspective.” Willamette Management Associates *Insights*, Autumn 2011.

“Perspective from a Securities Attorney—Expert Interview.” Willamette Management Associates *Insights*, Autumn 2011.

“*Pierre v. Commissioner*: The Aggregation of Interests in Estate and Gift Tax Planning.” Willamette Management Associates *Insights*, Autumn 2010.

“The Small Business and Work Opportunity Act Increases the Scope of Appraisals Subject to Section 6695A Appraiser Penalties.” Willamette Management Associates *Insights*, Autumn 2008.

“CAPM and Capitalization Rate Issues in Ad Valorem Tax Unit Valuations.” Willamette Management Associates *Insights*, Summer 2008.

“Yield Capitalization Method Terminal Value Estimation Models.” Willamette Management Associates *Insights*, Spring 2008.

## **PRESENTATIONS**

3/23 “Water Utility Value Considerations”  
Sponsor: California Public Utilities Commission, Workshop on Water System Acquisitions, Virtual Workshop

- 11/22 “A Bridge from the AICPA SSVS to IVS, A Framework to Preparing IVS-Compliant Valuations”  
Sponsor: 2022 AICPA & CIMA Forensic & Valuation Services Conference, Las Vegas, Nevada
- 8/20 “Water Systems Valuation, RCNLD Analysis”  
Sponsor: California Water Association, Virtual Workshop
- 10/19 “Valuation Methodology Pitfalls, Valuation Due Diligence Best Practices, and *Estate of Aaron U. Jones v. Commissioner*”  
Sponsor: J.P. Morgan, Closely Held Asset Management Group, Columbus, Ohio
- 12/16 “A Step-By-Step Guide to Applying a Quantitative Method to Support the Discount for Lack of Marketability Selection”  
Sponsor: Financial Consultants’ SuperConference, Las Vegas, Nevada
- 8/16 “A Step-By-Step Guide to Applying a Quantitative Method to Support the Discount for Lack of Marketability Selection”  
Sponsor: National Association of Certified Valuators and Analysts webinar
- 6/15 “Ask the Experts, Valuation Panel Discussion”  
Sponsor: National Association of Certified Valuators and Analysts, National Consultants Conference, New Orleans, Louisiana
- 6/15 “Step-by-Step Guide to Applying Quantitative Method to Support the Discount for Lack of Marketability Selection”  
Sponsor: National Association of Certified Valuators and Analysts, National Consultants Conference, New Orleans, Louisiana
- 6/13 “Business Valuation Methods: When to Use Various Methods”  
Sponsor: 3<sup>rd</sup> Annual Real Estate and Business Law Institute, State Bar of Wisconsin, Madison, WI
- 3/13 “Business Valuation: Used in Gift Tax Filing (Form 709) and Estate Tax Filing (Form 706) Matters”  
Sponsor: Valparaiso University School of Law, Valparaiso, Indiana
- 4/12 “Business Valuation: Used in Gift Tax Filing (Form 709) and Estate Tax Filing (Form 706) Matters”  
Sponsor: Valparaiso University School of Law, Valparaiso, Indiana
- 11/11 “Intellectual Property Valuation Approaches and Methods”  
Sponsor: The Business Development Academy Presentation (a webinar)
- 7/11 “Applied Business Valuation Methodology: Best Practices in Gift and Estate Tax Planning”  
Sponsor: State Bar of Wisconsin (a webcast)
- 7/11 “Understanding Business Valuation Methodology: Best Practices and Shareholder Disputes”  
Sponsor: State Bar of Wisconsin (a webcast)



- 1/11 "A Peek Inside Valuation"  
Sponsor: Institute of Management Accountants, Northwest Suburban Chicago Chapter, Meeting, Chicago, Illinois
- 2/09 "The Valuation of Intangible Assets for Fair Value Accounting Purposes"  
Sponsor: National Association of Certified Valuators and Analysts State Chapter Foundation, Chicago, Illinois

#### **MEDIA INTERVIEWS**

- 8/14 "A Big Day for the Clippers and the NBA" *National Public Radio, Marketplace*  
Kevin provided commentary related to the valuation of a sports franchise.
- 4/14 "If Clippers Are for Sale, What's the Franchise Worth?" *National Public Radio, Marketplace*  
Kevin provided commentary related to the valuation of a sports franchise.

**KEVIN M. ZANNI**  
**EXPERT TESTIMONY LOG**

Year	Case Name/Law Firm	WMA Client #	Name of Proceeding	Type of Claim	Type of Court	Type of Testimony
2014	<i>Lori A. Halvorson v. Michael W. Glynn, as Father and Next Friend of Ann L. Glynn, Minor</i> Corboy & Demetrio	11369	<i>Halvorson v. Glynn</i>	Business Damages	Circuit Court of the Nineteenth Judicial Circuit in Lake County, Illinois	Deposition
2017	<i>Azielis Phillip Harris v. Wexford Health Sources, Inc., et al.</i> Holland & Knight LLP	11973	<i>Harris v. Wexford</i>	Lost Wages	United States District Court for the Northern District of Illinois, Eastern Division	Deposition
2019	<i>Scion NeuroStim, LLC v. Innovations, Inc.; Technosoft Engineering, Inc.; Technosoft Corporation; and Technosoft Group, Inc.</i> Smith, Anderson, Blount Dorsett, Mitchell & Jernigan, LLP	12725	<i>Scion v. Technosoft</i>	Economic Damages, Breach of Contract	State of North Carolina, General Court of Justice, Superior Court Division	Rebuttal Report
2020	<i>Town of Carefree, Arizona Utilities Community Facilities District v. Town of Cave Creek</i> Baker Donelson Bearman Caldwell & Berkowitz, PC	12883	<i>Town of Carefree v. Town of Cave Creek</i>	Eminent Domain Taking	American Arbitration Association	Deposition/ Arbitration Testimony
2020	<i>Application for the Authorization of East Pasadena Water Company to Sell and California-American Water to Purchase the Water Utility Assets of East Pasadena Water Company</i>	12826	<i>California American Water application to California Public</i>	Transaction-Related Opinion	Public Utilities Commissions of the State of California	Direct Written Testimony, Appraisal Report, and

Year	Case Name/Law Firm	WMA Client #	Name of Proceeding	Type of Claim	Type of Court	Type of Testimony
			<i>Utilities Commission</i>			Rebuttal Testimony
2020	<i>Application for the Authorization of Warring Water Service, Inc., to Sell and California-American Water to Purchase the Water Utility Assets of Warring Water Service, Inc.</i>	12852	<i>California American Water Application to California Public Utilities Commission</i>	Transaction-Related Opinion	Public Utilities Commission of the State of California	Direct Written Testimony and Appraisal Report
2021	<i>California American Water Company Application for Purchase of the Bellflower Municipal Water System</i>	13228	<i>California American Water Application to California Public Utilities Commission</i>	Transaction-Related Opinion	Public Utilities Commission of the State of California	Direct Written Testimony and Appraisal Report
2022	<i>Joint Application of California-American Water Company (U-210-W) and Bass Lake Water Company (U-190-W) for an Order Authorizing Bass Lake Water Company to Sell and California American Water to Purchase the Water Utility Assets of Bass Lake Water Company.</i>	12962	<i>California American Water Application to California Public Utilities Commission</i>	Transaction-Related Opinion	Public Utilities Commission of the State of California	Direct Written Testimony and Appraisal Report