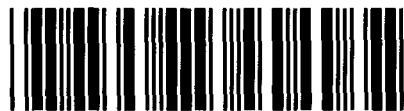




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Ms. Nancy Hughes specializes in utility rates and regulation, depreciation, and valuation. She has testified as an expert witness on these issues before federal and state regulatory commissions, city councils and courts of law and has worked in the public utility industry since 1977.

Ms. Hughes is an Accredited Senior Appraiser (ASA) of utility property and has performed appraisal studies to determine the value of a wide range of utility assets including electric, natural gas, water, wastewater, telecommunications and solid waste property. These studies have been performed in connection with the sale and acquisition of property, eminent domain cases, property tax issues, fixed asset inventory development and utility rate cases.

In addition, Ms. Hughes is a recognized expert on depreciation issues and has performed and critically evaluated depreciation studies for utilities across the U.S. She has also evaluated the appropriateness of decommissioning cost estimates and funding methodologies for nuclear and non-nuclear generating units. Ms. Hughes is a Certified Depreciation Professional (CDP) designated by the Society of Depreciation Professionals.

In 2012, Ms. Hughes became a founding member of NewGen Strategies and Solutions, LLC (NewGen). Prior to joining NewGen, she worked for R. W. Beck and its successor firm, SAIC, for 30 years.

## EDUCATION

- Master of Business Administration in Finance and Accounting, University of Chicago
- Bachelor of Arts in Business and Statistics, University of Chicago

## PROFESSIONAL REGISTRATIONS / CERTIFICATIONS

- Accredited Senior Appraiser (ASA), Public Utility Discipline, American Society of Appraisers
- Certified Depreciation Professional (CDP), Society of Depreciation Professionals

## KEY EXPERTISE

- |                                                                                                               |                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>▪ Utility Appraisals and Valuations</li> <li>▪ Depreciation</li> </ul> | <ul style="list-style-type: none"> <li>▪ Expert Witness and Litigation Support</li> <li>▪ Streetlight Valuation and Rates</li> </ul> |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|

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## RELEVANT EXPERIENCE

### Appraisals and Valuations

Ms. Hughes is an Accredited Senior Appraiser of utility property and has performed appraisal studies to determine the value of a wide range of utility assets including electric, natural gas, water, wastewater, telecommunications, and solid waste property. She performs field reviews to identify and assess the age and condition of the assets appraised, and develops indicators of value using the cost, income and market approaches to valuation to determine the fair market value of the assets. Ms. Hughes appraisal clients include:

#### Electric Generation, Transmission and Distribution System Assets

- |                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>▪ International Transmission Company, ITC Midwest and Michigan Electric Transmission Company, Michigan</li> <li>▪ City of Boulder, Colorado</li> <li>▪ Exelon Corporation, Illinois</li> <li>▪ Southern California Public Power Authority</li> </ul> | <ul style="list-style-type: none"> <li>▪ City and County of San Francisco, California</li> <li>▪ South San Joaquin Irrigation District, California</li> <li>▪ Public Service Company of New Mexico, New Mexico</li> <li>▪ Cambridge Electric Light Company, Massachusetts</li> </ul> |
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# Nancy Heller Hughes, ASA, CDP

## Director

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- Lafayette Utilities System, Louisiana
- Access Leasing Corporation and Cypress Leasing Corporation (Appraisal of Martins Creek and Sunbury Power Blocks)
- Kanab City, Utah
- Eugene Water and Electric Board, Oregon
- Emerald People's Utility District, Oregon
- Dayton Power & Light, Ohio
- Duquesne Light Company, Pennsylvania
- Potomac Electric Power Company, Washington, D.C.
- Trinity Public Utilities District, California
- City of Lakewood, Washington
- Clatskanie People's Utility District, Oregon
- City of Azusa, California
- Truckee-Donner Public Utility District, California
- City of Hermiston, Oregon

### Water, Wastewater, and Solid Waste Assets

- City of Claremont, California
- City of Visalia, California
- City of Bend, Oregon
- Cascade Water Alliance, Washington
- St. Tammany Parish, Louisiana
- Arkansas State Highway Department (solid waste landfill)

### Oil Pipeline Assets

- North Slope Borough, Fairbanks North Star Borough, and City of Valdez, Alaska (Trans Alaska Pipeline System)

## Depreciation Studies

Ms. Hughes is a Certified Depreciation Professional, an expert on depreciation issues and is responsible for leading and performing depreciation studies. The typical scope of work for these studies includes performing a site visit and interviewing utility staff familiar with plant operations about factors affecting service lives; working closely with plant accountants to develop the depreciation database used in the study; performing statistical life and net salvage analyses; recommending depreciation parameters (average service lives, survivor curves and net salvage rates); preparing detailed account narratives summarizing the basis for her recommendations; developing recommended annual depreciation accrual rates; and preparing the final report. Frequently her depreciation analyses and resultant reports are filed at state regulatory commissions and the depreciation rates have been approved by commissions with no or only minor changes.

Ms. Hughes is also retained by clients to review depreciation studies filed in utility rate cases. Ms. Hughes has testified as an expert witness on depreciation before the Federal Energy Regulatory Commission and state public utility commissions. She has also evaluated the appropriateness of decommissioning cost estimates and funding methodologies for nuclear and non-nuclear generating units. Ms. Hughes depreciation clients include:

- CPS Energy, Texas
- Los Angeles Department of Water & Power, California
- Kaua'i Island Utility Cooperative, Hawai'i
- Homer Electric Association, Alaska
- Golden Valley Electric Association, Alaska
- Garland Power & Light, Texas
- Salem Electric, Oregon
- Tri-State Generation and Transmission Association, Inc., Colorado
- Austin Energy, Texas
- Keys Energy Services, Florida
- Freeport Electric, New York
- Kaua'i Department of Water, Hawai'i
- Lloyd Gosselink Rochelle & Townsend, PC, on behalf of Texas Cities

# Nancy Heller Hughes, ASA, CDP

Director

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## Streetlight Valuation and Rates

Ms. Hughes is a recognized expert on streetlight valuation and rates issues and is responsible for managing and conducting appraisal studies to estimate the fair market value of streetlight systems. She has assisted numerous municipalities in their efforts to acquire their streetlight systems through eminent domain or negotiated sale. Ms. Hughes has been an active participant in meetings between the municipality and the investor-owned utility to negotiate the purchase price and other terms and conditions of an agreement to buy the streetlight system. She has also testified as an expert witness on the fair market value of street light systems in eminent domain proceedings and has testified on streetlight cost of service, rate design and tariff issues before public utility commissions. Her streetlight valuation clients include:

- Colorado Local Government Intervenor Group/Kissinger & Fellman, P.C., Colorado
- City of Golden, Colorado
- City of Aurora, Colorado
- City of Kansas City, Missouri
- City of Indianapolis, Indiana
- City of Portland, Oregon
- Cities of Anacortes, Bellingham, Bremerton, Burlington, Ferndale, Lynden, Mount Vernon, and Redmond, Washington
- California Municipal Streetlight Acquisitions (cities of Albany, Bakersfield, Dublin, Emeryville, Fremont, Fresno, Hayward, Livermore, Newark, Oxnard, Piedmont, Pleasanton, Poway, Rohnert Park, San Leandro, San Luis Obispo, Stockton, Union City, and Vallejo and Alameda County)

## Expert Witness and Litigation Support

Ms. Hughes provides expert witness and litigation support related to a variety of issues including appraisal and valuation, depreciation, streetlight tariffs and rates before state and local regulatory bodies and courts. Ms. Hughes expert witness and litigation clients include:

- Lloyd, Gosselink, Rochelle & Townsend, P.C. representing Texas Cities
- Lafayette Utilities System, Louisiana
- Colorado Local Government Intervenor Group/Kissinger & Fellman, P.C., Colorado
- Tri-State Generation & Transmission Association, Inc., Colorado
- North Carolina Municipal Power Agency No. 1 and Piedmont Municipal Power Agency
- City Council of New Orleans, Louisiana
- City of Austin, Texas
- Schiff Hardin LLP
- Dentons US LLP
- City of Fayetteville, North Carolina
- Best Best & Krieger, LLP, representing City of Claremont, California
- Alaska Electric Generation and Transmission Cooperative, Inc.
- Confederated Salish and Kootenai Tribes, Montana
- Florida Municipal Power Agency
- Kaye Scholer, L.L.P., representing Connecticut Department of Public Utility Control
- Mayer Brown LP
- Thompson Coburn LLP
- Matteoni, O'Laughlin & Hechtman New England States Committee on Electricity (NESCOE)



## COMPANY OVERVIEW



NewGen is a management and economic consulting firm specializing in serving the utility industry and market. We provide financial, due diligence, valuation, strategy, expert witness, stakeholder, and sustainability consulting services to public utility clients across the country. Our expertise includes litigation support in state and federal regulatory proceedings, utility business and financial planning, and sustainability strategy for water, wastewater, electric, solid waste, and natural gas utilities.

NewGen was created by consultants who are dedicated to our client's mission and recognized as experts in our respective fields of service. Our assistance to clients is provided with a keen insight to the growing role of stakeholders, resource availability, cost of providing utility services, and economic conditions, ensuring an integrated approach to utility operations and services.

We apply our expertise to deliver high impact solutions through our diverse and integrated market perspective; resulting in effective decision-making and implementation.

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**WE EXCEL AT TACKLING COMPLICATED ISSUES TO DELIVER A CLEAR AND ENDURING PATH FORWARD**

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## APPRAISAL AND VALUATION SERVICES



NewGen's appraisal and valuation team has broad experience across the power and utility business spectrums, including expertise in water, wastewater, electric, gas, and oil assets.

NewGen's appraisal and valuation consulting practice provides comprehensive valuation services and expertise in the following areas:

### APPRAISAL SERVICES

- Our reports comply with the Uniform Standards of Professional Appraisal Practice (USPAP)
- Our appraisals consider the three generally accepted approaches to value: Cost Approach, Income Approach, and Market Approach
- **NewGen employs 3 of the less than 20 nationwide Accredited Senior Appraisers (ASA) accredited by the American Society of Appraisers with a public utilities designation**

### VALUATION CONSULTING

- Our appraisers have a wealth of experience assisting in the transaction process with valuation assistance including:
  - Fairness opinions
  - Valuation for financing
  - Depreciation studies

### LITIGATION SUPPORT

- Expert witness testimony before courts and regulatory bodies across the country
- Our comprehensive analyses support litigation efforts at trial
- Our reputation for objectivity and unbiased conclusions provides credibility at trial