

Lee Smith

Independent Consultant with La Capra Associates

Lee Smith is an Independent Consultant, consulting only with La Capra Associates. Prior to this, she was a Managing Consultant and Senior Economist at La Capra Associates. Ms. Smith has over thirty years experience in utility economics and regulation. Her work has encompassed all aspects of utility pricing, cost analysis, forecasting, and both demand-side and supply planning in electric, gas, and water utility cases. Ms. Smith has analyzed issues of electric and gas rate design, including rate unbundling and appropriateness of utility costs in 21 different states and in Nova Scotia for a multitude of utilities and other entities. She is an experienced witness, have testified across the country and at FERC. She participated in development of the New England ISO, and has advised a number of clients on various aspects of electric restructuring. As a consultant, her clients have included gas and electric utilities, regulatory commissions and other public bodies. Prior to joining La Capra Associates, Ms. Smith was employed as the Director of Rates and Research at the Department of Public Utilities.

PROFESSIONAL EXPERIENCE

Cost Allocation and Rate Design

- Assisted Utah Division of Public Utilities in analyzing cost allocation and rate design for both electric and gas utilities.
- Testified for Nevada Bureau of Consumer Protection on electric cost allocation on basis of marginal cost study and also on rate design.
- Testified on behalf of Massachusetts Office of the Attorney General on electric and gas cost allocation and rate design in multiple cases.
- Developed cost allocation and rate designs for many electric and gas cooperative and municipal utilities.
- Testified on behalf of the Georgia Public Service Commission staff on allocation of distribution and generation costs by the Savannah Electric Company.

Regulatory Policy

- Testified on behalf of Nova Scotia Small Business Advocate on cost allocation and on policy regarding Revenue Cost ratios in Nova Scotia Power rate case.
- Assisted the Massachusetts Attorney General in reviewing policy for gas utility treatment of margins from capacity release.
- Advised Pennsylvania Office of the Public Advocate staff in restructuring proceedings; presented testimony on cost functionalization and rate unbundling in

eight cases; testified against GPU's attempt to change Restructuring Settlement.

- Testified on behalf of the Ohio Consumers' Counsel on American Electric Power proposed response to legislated Energy Security Plan.
- Testified on behalf of the Wisconsin Citizens Utility Board in a number of cases on cost allocation, power costs, and ratemaking methodology.
- Testified on behalf of the Arizona Corporation Commission Staff that a utility's management of its power costs had not been prudent; also assisted in drafting Codes of Conduct for Electric Affiliates.
- Assisted Massachusetts Department of Energy Resources in drafting energy legislation and negotiating settlements with utilities.

Alternative Rates

- Testified on behalf of the Massachusetts Attorney General regarding Performance Based Ratemaking for gas utilities.
- Assisted Green Mountain Power (Vermont) in developing an Alternative Ratemaking Mechanism.
- Testified for Oklahoma Attorney General on proposed rate rider that would shift risk from utility to customers.
- Authored a white paper for the Governor's Office of Energy Policy of the State of Kentucky on whether and how changes in rate designs and ratemaking methodology could contribute to encouraging more efficient use of electric energy.
- Assisted Connecticut Municipal Electric Cooperative in analyzing potential for time of use rates for its five member utilities.

Merger Analysis

- Testified on behalf of the Massachusetts Attorney General on estimated merger savings and appropriate rate treatment of savings
- Assisted Pennsylvania Office of the Public Advocate in addressing electric utility mergers and merger savings.

RTO Policy and Regulatory Policy Issues

- Analyzed net revenue impacts of Entergy joining MISO on behalf of Arkansas Public Service Commission staff.
- Testified for Connecticut Office of Consumer Counsel on cases regarding treatment of New England ISO ancillary service costs.

La Capra Associates

- Testified for the Pennsylvania Office of the Public Advocate staff and the Maryland Office of the People's Counsel on FERC SMD issues.
- Represented the Massachusetts Department of Energy Resources at NEPOOL committees engaged in developing the New England Independent System Operator, and an Open Access Transmission Tariff for New England.

EMPLOYMENT HISTORY

La Capra Associates <i>Managing Consultant</i>	Boston, MA 1984 - 2012
Department of Public Utilities <i>Director of Rates and Research</i>	Boston, Ma 1982 - 1984
Regis College <i>Instructor of Economics</i>	Weston, Ma
Merrimack College <i>Instructor of Economics</i>	North Andover, Ma
University of Maryland <i>Researcher</i>	College Park, Md

EDUCATION

Tufts University <i>Ph.D. in Economics, all but dissertation</i> Economics Department Fellowship	Medford, MA 1966 - 1969
Boston College <i>Study of Statistics</i>	Boston, MA 1966
Brown University <i>B.A. with Honors, International Relations and Economics</i> Prize in International Relations	Providence, RI 1965

PROFESSIONAL

Bunting Institute Fellowship	1970 - 1971
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PUBLICATIONS AND PRESENTATIONS

Non-price Issues in Gas Supply Planning, NATIONAL REGULATORY RESEARCH INSTITUTE, Biennial Regulatory Research Conference, 1994

The Economic Impact of Hurricane Agnes on the Chesapeake Bay in Maryland, JOHN HOPKINS PRESS

"Development and Implementation of Restructuring in New England", Institute of Public Utilities at Michigan State University Williamsburg Conference, December 1995

"Planning for Gas and Electric Reliability", NARUC Biennial Regulatory Information Conference, Vol. II, 1994

"Consumer Advocate Responses to Generation Rate Requests", NASUCA Midyear Conference, 2006

"Gas Distribution Company Rate Design: What is in the Customer's Best Interest" NASUCA Midyear Conference, 2010