

DANIEL J. LAWTON
PRINCIPAL, DIVERSIFIED UTILITY CONSULTANTS, INC.
B.A. ECONOMICS, MERRIMACK COLLEGE
M.A. ECONOMICS, TUFTS UNIVERSITY

Prior to beginning his own consulting practice, Diversified Utility Consultants, Inc., in 1986, Mr. Lawton had been in the utility consulting business with a national engineering and consulting firm. In addition, Mr. Lawton has been employed as a senior analyst and statistical analyst with the Department of Public Service of Minnesota. Prior to Mr. Lawton's involvement in utility regulation and consulting he taught economics, econometrics, statistics and computer science at Doane College.

Mr. Lawton has conducted numerous financial and cost of capital studies on electric, gas and telephone utilities for various intervenors before local, state and federal regulatory bodies. In addition, Mr. Lawton has provided studies, analyses, and expert testimony on statistics, econometrics, accounting, forecasting, and cost of service issues. Other projects in which Mr. Lawton has been involved include rate design and analyses for electric, gas and telephone utilities. Mr. Lawton has developed software systems, databases and management systems for cost of service analyses.

In addition, Mr. Lawton has developed and reviewed numerous forecasts of energy and demand used for utility generation expansion studies as well as municipal financing. Mr. Lawton has represented numerous municipalities as a negotiator in utility related matters. Such negotiations ranged from the settlement of electric rate cases to the negotiation of provisions in purchase power contracts.

A list of cases in which Mr. Lawton has provided testimony is attached.

**UTILITY RATE PROCEEDINGS IN WHICH
TESTIMONY HAS BEEN PRESENTED BY DANIEL J. LAWTON**

| JURISDICTION/COMPANY | DOCKET NO. | TESTIMONY TOPIC |
|---|----------------|---|
| FEDERAL ENERGY REGULATORY COMMISSION: | | |
| Alabama Power Company | ER83-369-000 | Cost of Capital |
| Arizona Public Service Company | ER84-450-000 | Cost of Capital |
| Florida Power & Light | EL83-24-000 | Cost Allocation, Rate Design |
| Florida Power & Light | ER84-379-000 | Cost of Capital, Rate Design, Cost of Service |
| Southern California Edison | ER82-427-000 | Forecasting |
| LOUISIANA PUBLIC SERVICE COMMISSION: | | |
| Louisiana Power & Light | U-15684 | Cost of Capital, Depreciation |
| Louisiana Power & Light | U-16518 | Interim Rate Relief |
| Louisiana Power & Light | U-16945 | Nuclear Prudence, Cost of Service |
| MINNESOTA PUBLIC UTILITIES COMMISSION: | | |
| Continental Telephone | P407/GR-81-700 | Cost of Capital |
| Interstate Power Co. | E001/GR-81-345 | Financial |
| Montana Dakota Utilities | G009/GR-81-448 | Financial, Cost of Capital |
| New ULM Telephone Company | P419/GR81767 | Financial |
| Norman County Telephone | P420/GR-81-230 | Rate Design, Cost of Capital |
| Northern States Power | G002/GR80556 | Statistical Forecasting, Cost of Capital |
| Northwestern Bell | P421/GR80911 | Rate Design, Forecasting |
| NORTH CAROLINA UTILITIES COMMISSION: | | |
| North Carolina Natural Gas | G-21, Sub 235 | Forecasting, Cost of Capital, Cost of Service |
| OKLAHOMA PUBLIC SERVICE COMMISSION | | |
| Arkansas Oklahoma Gas Corporation | 200300088 | Cost of Capital |
| PUBLIC SERVICE COMMISSION OF INDIANA: | | |
| Kokomo Gas & Fuel Company | 38096 | Cost of Capital |
| PUBLIC UTILITY COMMISSION OF TEXAS: | | |
| Central Power & Light Company | 6375 | Cost of Capital, Financial Integrity |
| Central Power & Light Company | 9561 | Cost of Capital, Revenue Requirements |
| Central Power & Light Company | 7560 | Deferred Accounting |
| Central Power & Light Company | 8646 | Rate Design, Excess Capacity |

| JURISDICTION/COMPANY | DOCKET NO. | TESTIMONY TOPIC |
|-------------------------------------|------------|--|
| Central Power & Light Company | 12820 | STP Adj. Cost of Capital, Post Test-year adjustments, Rate Case Expenses |
| Central Power & Light Company | 14965 | Salary & Wage Exp., Self-Ins. Reserve, Plant Held for Future use, Post Test Year Adjustments, Demand Side Management, Rate Case Exp. |
| Central Power & Light Company | 21528 | Securitization of Regulatory Assets |
| El Paso Electric Company | 9945 | Cost of Capital, Revenue Requirements, Decommissioning Funding |
| El Paso Electric Company | 12700 | Cost of Capital, Rate Moderation Plan, CWIP, Rate Case Expenses |
| Gulf States Utilities Company | 5560 | Cost of Service |
| Gulf States Utilities Company | 6525 | Cost of Capital, Financial Integrity |
| Gulf States Utilities Company | 6755/7195 | Cost of Service, Cost of Capital, Excess Capacity |
| Gulf States Utilities Company | 8702 | Deferred Accounting, Cost of Capital, Cost of Service |
| Gulf States Utilities Company | 10894 | Affiliate Transaction |
| Gulf States Utilities Company | 11793 | Section 63, Affiliate Transaction |
| Gulf States Utilities Company | 12852 | Deferred acctng., self-Ins. reserve, contra AFUDC adj., River Bend Plant specifically assignable to Louisiana, River Bend Decomm., Cost of Capital, Financial Integrity, Cost of Service, Rate Case Expenses |
| Entergy Gulf States Incorporated | 16705 | Cost of Service, Rate Base, Revenues, Cost of Capital, Quality of Service |
| Entergy Gulf States Incorporated | 21111 | Cost Allocation |
| Entergy Gulf States Incorporated | 21984 | Unbundling |
| Entergy Gulf States Incorporated | 22344 | Capital Structure |
| Entergy Gulf States Incorporated | 22356 | Unbundling |
| Entergy Gulf States Incorporated | 24336 | Price to Beat |
| GTE Southwest, Inc. | 15332 | Rate Case Expenses |
| Houston Lighting & Power | 6765 | Forecasting |
| Houston Lighting & Power | 18465 | Stranded costs |
| Lower Colorado River Authority | 8400 | Debt Service Coverage, Rate Design |
| Southwestern Electric Power Company | 5301 | Cost of Service |
| Southwestern Electric Power Company | 4628 | Rate Design, Financial Forecasting |

| JURISDICTION/COMPANY | DOCKET NO. | TESTIMONY TOPIC |
|---|------------|---|
| Southwestern Electric Power Company | 24449 | Price to Beat Fuel Factor |
| Southwestern Bell Telephone Company | 8585 | Yellow Pages |
| Southwestern Bell Telephone Company | 18509 | Rate Group Re-Classification |
| Southwestern Public Service Company | 13456 | Interruptible Rates |
| Southwestern Public Service Company | 11520 | Cost of Capital |
| Southwestern Public Service Company | 14174 | Fuel Reconciliation |
| Southwestern Public Service Company | 14499 | TUCO Acquisition |
| Southwestern Public Service Company | 19512 | Fuel Reconciliation |
| Texas-New Mexico Power Company | 9491 | Cost of Capital, Revenue Requirements, Prudence |
| Texas-New Mexico Power Company | 10200 | Prudence |
| Texas-New Mexico Power Company | 17751 | Rate Case Expenses |
| Texas-New Mexico Power Company | 21112 | Acquisition risks/merger benefits |
| Texas Utilities Electric Company | 9300 | Cost of Service, Cost of Capital |
| Texas Utilities Electric Company | 11735 | Revenue Requirements |
| TXU Electric Company | 21527 | Securitization of Regulatory Assets |
| West Texas Utilities Company | 7510 | Cost of Capital, Cost of Service |
| West Texas Utilities Company | 13369 | Rate Design |
| PUBLIC UTILITY COMMISSION OF NEVADA: | | |
| Sierra Pacific Power Company | 99-4002 | Cost of Capital |
| Nevada Power Company | 99-4005 | Cost of Capital |
| Nevada Bell | 99-9017 | Cost of Capital |
| SOUTH CAROLINA PUBLIC SERVICE COMMISSION | | |
| Piedmont Municipal Power | 82-352-E | Forecasting |
| RAILROAD COMMISSION OF TEXAS: | | |
| Energas Company | 5793 | Cost of Capital |
| Energas Company | 8205 | Cost of Capital |
| Energas Company | 9002-9135 | Cost of Capital, Revenues, Allocation |
| Southern Union Gas Company | 6968 | Rate Relief |
| Southern Union Gas Company | 8878 | Test Year Revenues, Joint and Common Costs |
| Texas Gas Service Company | 9465 | Cost of Capital, Cost of Service, Allocation |
| Westar Transmission Company | 4892/5168 | Cost of Capital, Cost of Service |

| JURISDICTION/COMPANY | DOCKET NO. | TESTIMONY TOPIC |
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| Westar Transmission Company | 5787 | Cost of Capital, Revenue Requirement |
| Lone Star Gas Company | 8664 | Rate Design, Cost of Capital, Accumulated Depr. & DFIT, Rate Case Exp. |
| Lone Star Gas Company-Transmission | 8935 | Implementation of Billing Cycle Adjustment |
| TXU Lone Star Pipeline | 8976 | Cost of Capital, Capital Structure |
| TXU-Gas Distribution | 9145-9151 | Cost of Capital, Transport Fee, Cost Allocation, Adjustment Clause |
| TXU-Gas Distribution | 9400 | Cost of Service, Allocation, Rate Base, Cost of Capital, Rate Design |
| TEXAS WATER COMMISSION: | | |
| Southern Utilities Company | 7371-R | Cost of Capital, Cost of Service |
| SCOTSBUFF, NEBRASKA CITY COUNCIL: | | |
| K. N. Energy, Inc. | | Cost of Capital |
| HOUSTON, TEXAS CITY COUNCIL: | | |
| Houston Lighting & Power Company | | Forecasting |
| PUBLIC UTILITY REGULATION BOARD OF EL PASO, TEXAS: | | |
| Southern Union Gas Company | | Cost of Capital |
| DISTRICT COURT CAMERON COUNTY, TEXAS | | |
| City of San Benito, et. al. vs. PGE Gas Transmission et. al. | 96-12-7404 | Fairness Hearing |
| DISTRICT COURT HARRIS COUNTY, TEXAS | | |
| City of Wharton, et al vs. Houston Lighting & Power | 96-016613 | Franchise fees |
| DISTRICT COURT TRAVIS COUNTY, TEXAS | | |
| City of Round Rock, et al vs. Railroad Commission of Texas et al | GV 304,700 | Mandamus |