

1 **Q. Please state your name.**

2 A. My name is John J. Spanos.

3 **Q. What is your educational background?**

4 A. I have Bachelor of Science degrees in Industrial Management and Mathematics
5 from Carnegie-Mellon University and a Master of Business Administration from
6 York College.

7 **Q. Do you belong to any professional societies?**

8 A. Yes. I am a member and current President of the Society of Depreciation
9 Professionals and a member of the American Gas Association/Edison Electric
10 Institute Industry Accounting Committee.

11 **Q. Do you hold any special certification as a depreciation expert?**

12 A. Yes. The Society of Depreciation Professionals has established national standards
13 for depreciation professionals. The Society administers an examination to become
14 certified in this field. I passed the certification exam in September 1997 and was
15 recertified in August 2003 and February 2008.

16 **Q. Please outline your experience in the field of depreciation.**

17 A. In June, 1986, I was employed by Gannett Fleming Valuation and Rate
18 Consultants, Inc. as a Depreciation Analyst. During the period from June 1986
19 through December 1995, I helped prepare numerous depreciation and original
20 cost studies for utility companies in various industries. I helped perform
21 depreciation studies for the following telephone companies: United Telephone of
22 Pennsylvania, United Telephone of New Jersey, and Anchorage Telephone
23 Utility. I helped perform depreciation studies for the following companies in the

1 railroad industry: Union Pacific Railroad, Burlington Northern Railroad, and
2 Wisconsin Central Transportation Corporation.

3 I helped perform depreciation studies for the following organizations in
4 the electric utility industry: Chugach Electric Association, The Cincinnati Gas and
5 Electric Company (“CG&E”), The Union Light, Heat and Power Company
6 (“ULH&P”), Northwest Territories Power Corporation, and the City of Calgary -
7 Electric System.

8 I helped perform depreciation studies for the following pipeline
9 companies: TransCanada Pipelines Limited, Trans Mountain Pipe Line Company
10 Ltd., Interprovincial Pipe Line Inc., Nova Gas Transmission Limited and
11 Lakehead Pipeline Company.

12 I helped perform depreciation studies for the following gas utility
13 companies: Columbia Gas of Pennsylvania, Columbia Gas of Maryland, The
14 Peoples Natural Gas Company, T. W. Phillips Gas & Oil Company, CG&E,
15 ULH&P, Lawrenceburg Gas Company and Penn Fuel Gas, Inc.

16 I helped perform depreciation studies for the following water utility
17 companies: Indiana-American Water Company, Consumers Pennsylvania Water
18 Company and The York Water Company; and depreciation and original cost
19 studies for Philadelphia Suburban Water Company and Pennsylvania-American
20 Water Company.

21 In each of the above studies, I assembled and analyzed historical and
22 simulated data, performed field reviews, developed preliminary estimates of
23 service life and net salvage, calculated annual depreciation, and prepared reports

1 for submission to state public utility commissions or federal regulatory agencies. I
2 performed these studies under the general direction of William M. Stout, P.E.

3 In January, 1996, I was assigned to the position of Supervisor of
4 Depreciation Studies. In July, 1999, I was promoted to the position of Manager,
5 Depreciation and Valuation Studies. In December, 2000, I was promoted to the
6 position as Vice-President of Gannett Fleming Valuation and Rate Consultants,
7 Inc. and in April 2012, I was promoted to my present position as Senior Vice
8 President of the Valuation and Rate Division of Gannett Fleming Inc. In my
9 current position I am responsible for conducting all depreciation, valuation and
10 original cost studies, including the preparation of final exhibits and responses to
11 data requests for submission to the appropriate regulatory bodies.

12 Since January 1996, I have conducted depreciation studies similar to those
13 previously listed, including assignments for Pennsylvania-American Water
14 Company; Aqua Pennsylvania; Kentucky-American Water Company; Virginia-
15 American Water Company; Indiana-American Water Company; Hampton Water
16 Works Company; Omaha Public Power District; Enbridge Pipe Line Company;
17 Inc.; Columbia Gas of Virginia, Inc.; Virginia Natural Gas Company; National
18 Fuel Gas Distribution Corporation - New York and Pennsylvania Divisions; The
19 City of Bethlehem - Bureau of Water; The City of Coatesville Authority; The City
20 of Lancaster - Bureau of Water; Peoples Energy Corporation; The York Water
21 Company; Public Service Company of Colorado; Enbridge Pipelines; Enbridge
22 Gas Distribution, Inc.; Reliant Energy-HLP; Massachusetts-American Water
23 Company; St. Louis County Water Company; Missouri-American Water

1 Company; Chugach Electric Association; Alliant Energy; Oklahoma Gas &
2 Electric Company; Nevada Power Company; Dominion Virginia Power; NUI -
3 Virginia Gas Companies; Pacific Gas & Electric Company; PSI Energy; NUI -
4 Elizabethtown Gas Company; Cinergy Corporation - CG&E; Cinergy Corporation
5 – ULH&P; Columbia Gas of Kentucky; South Carolina Electric & Gas Company;
6 Idaho Power Company; El Paso Electric Company; Central Hudson Gas &
7 Electric; Centennial Pipeline Company; CenterPoint Energy-Arkansas;
8 CenterPoint Energy – Oklahoma; CenterPoint Energy – Entex; CenterPoint
9 Energy - Louisiana; NSTAR – Boston Edison Company; Westar Energy, Inc.;
10 United Water Pennsylvania; PPL Electric Utilities; PPL Gas Utilities; Wisconsin
11 Power & Light Company; TransAlaska Pipeline; Avista Corporation; Northwest
12 Natural Gas; Allegheny Energy Supply, Inc.; Public Service Company of North
13 Carolina; South Jersey Gas Company; Duquesne Light Company; MidAmerican
14 Energy Company; Laclede Gas; Duke Energy Company; E.ON U.S. Services
15 Inc.; Elkton Gas Services; Anchorage Water and Wastewater Utility; Kansas City
16 Power and Light; Duke Energy North Carolina; Duke Energy South Carolina;
17 Duke Energy Ohio Gas; Duke Energy Kentucky; Duke Energy Indiana; Northern
18 Indiana Public Service Company; Tennessee-American Water Company;
19 Columbia Gas of Maryland; Bonneville Power Administration; NSTAR Electric
20 and Gas Company; EPCOR Distribution, Inc.; B. C. Gas Utility, Ltd; Entergy
21 Arkansas; Entergy Texas; Entergy Mississippi; Entergy Louisiana, Entergy Gulf
22 States Louisiana, the Borough of Hanover, Madison Gas and Electric, Atlantic
23 City Electric and Greater Missouri Operations. My additional duties include

1 determining final life and salvage estimates, conducting field reviews, presenting
2 recommended depreciation rates to management for its consideration and
3 supporting such rates before regulatory bodies.

4 **Q. Have you submitted testimony to any state utility commission on the subject**
5 **of utility plant depreciation?**

6 A. Yes. I have submitted testimony to the Pennsylvania Public Utility Commission;
7 the Commonwealth of Kentucky Public Service Commission; the Public Utilities
8 Commission of Ohio; the Nevada Public Utility Commission; the Public Utilities
9 Board of New Jersey; the Missouri Public Service Commission; the
10 Massachusetts Department of Telecommunications and Energy; the Alberta
11 Energy & Utility Board; the Idaho Public Utility Commission; the Louisiana
12 Public Service Commission; the State Corporation Commission of Kansas; the
13 Oklahoma Corporate Commission; the Public Service Commission of South
14 Carolina; the Railroad Commission of Texas – Gas Services Division; the New
15 York Public Service Commission; the Illinois Commerce Commission; the
16 Indiana Utility Regulatory Commission; the California Public Utilities
17 Commission; the Federal Energy Regulatory Commission (“FERC”); the
18 Arkansas Public Service Commission; the Public Utility Commission of Texas;
19 the Maryland Public Service Commission; the Washington Utilities and
20 Transportation Commission; the Tennessee Regulatory Commission; the District
21 of Columbia Public Service Commission; the Mississippi Public Service
22 Commission; the Regulatory Commission of Alaska; Delaware Public Service
23 Commission; Virginia State Corporation Commission; Colorado Public Utility

1 Commission; Oregon Public Utility Commission; Wisconsin Public Service
2 Commission; and the North Carolina Utilities Commission. The list of cases in
3 which I have submitted testimony is attached to this exhibit.

4 **Q. Have you had any additional education relating to utility plant depreciation?**

5 A. Yes. I have completed the following courses conducted by Depreciation
6 Programs, Inc.: “Techniques of Life Analysis,” “Techniques of Salvage and
7 Depreciation Analysis,” “Forecasting Life and Salvage,” “Modeling and Life
8 Analysis Using Simulation,” and “Managing a Depreciation Study.” I have also
9 completed the “Introduction to Public Utility Accounting” program conducted by
10 the American Gas Association.

11 **Q. Does this conclude your qualification statement?**

12 A. Yes.

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
1.	1998	Pa. PUC	R-00984375	City of Bethlehem-Bureau of Water	Original Cost and Depreciation
2.	1998	Pa. PUC	R-00984567	City of Lancaster	Original Cost and Depreciation
3.	1999	Pa. PUC	R-00994605	The York Water Company	Depreciation
4.	2000	D.T.&E.	DTE 00-105	Massachusetts-American Water Company	Depreciation
5.	2001	Pa. PUC	R-00016114	City of Lancaster	Original Cost and Depreciation
6.	2001	Pa. PUC	R-00016236	The York Water Company	Depreciation
7.	2001	Pa. PUC	R-00016339	Pennsylvania-American Water Company	Depreciation
8.	2001	PUC of Ohio	01-1228-GA-AIR	Cinergy Corp. - Cincinnati Gas and Electric Company	Depreciation
9.	2001	Ky. PSC	2001-092	Cinergy Corp. - Union Light, Heat and Power Company	Depreciation
10.	2002	Pa. PUC	R-00016750	Philadelphia Suburban Water Co.	Depreciation
11.	2002	Ky. PSC	2002-00145	Columbia Gas of Kentucky	Depreciation
12.	2002	NJ BPU	GR02040245	NUI Corporation/Elizabethtown Gas Co.	Depreciation
13.	2002	Id. PUC	IPC-E-03-7	Idaho Power Company	Depreciation
14.	2003	Pa. PUC	R-0027975	The York Water Company	Depreciation
15.	2003	Ind. URC	Cause 42359	Cinergy Corp. - PSI Energy, Inc.	Depreciation
16.	2003	Pa. PUC	R-00038304	Pennsylvania-American Water Co.	Depreciation
17.	2003	Mo. PSC	WR-2003-0500	Missouri-American Water Co.	Depreciation
18.	2003	FERC	ER-03-1274-000	NSTAR - Boston Edison Company	Depreciation
19.	2003	NJ BPU	BPU 03080683	South Jersey Gas Company	Depreciation
20.	2003	Nv. PUC	Doc. 03-10001	Nevada Power Company	Depreciation
21.	2003	La. PSC	U-27676	CenterPoint Energy - Arkla	Depreciation
22.	2003	Pa. PUC	R-00038805	Pennsylvania Suburban Water Co.	Depreciation
23.	2004	Alberta Energy & Util. Board	1306821	EPCOR Distribution, Inc.	Depreciation

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24.	2004	Pa. PUC	R-00038168	National Fuel Gas Distribution Corp. (Pa.)	Depreciation
25.	2004	Pa. PUC	R-00049255	PPL Electric Utilities	Depreciation
26.	2004	Pa. PUC	R-00049165	The York Water Company	Depreciation
27.	2004	Ok. Corp.Cm.	PUD 200400187	CenterPoint Energy - Arkla	Depreciation
28.	2004	Oh. PUC	04-680-EI-AIR	Cinergy Corp. - Cincinnati Gas and Electric Company	Depreciation
29.	2004	RR Comm of Tx.	GUD#	CenterPoint Energy - Entex Gas Svcs. Div.	Depreciation
30.	2004	NY PUC	04-G-1047	National Fuel Gas Distribution Corp. (NY)	Depreciation
31.	2004	Ark. PSC	04-121-U	CenterPoint Energy - Arkla	Depreciation
32.	2005	Ill. Comm Cm	05-	North Shore Gas Company	Depreciation
33.	2005	Ill. Comm. Cm.	05-	Peoples Gas Light and Coke Company	Depreciation
34.	2005	Ky. PSC	2005-00042	Union Light Heat & Power	Depreciation
35.	2005	Ill. Comm Cm.	05-0308	MidAmerican Energy Company	Depreciation
36.	2005	Mo. PSC	GR-2005	Laclede Gas Company	Depreciation
37.	2005	Ks. Corp.Cm.	05-WSEE-981-RTS	Westar Energy	Depreciation
38.	2005	RR Comm of Tx	GUD #	CenterPoint Energy - Entex Gas Svcs Div.	Depreciation
39.	2005	FERC		Cinergy Corporation	Accounting
40.	2005	Ok. Corp.Cm.	PUD 200500151	Oklahoma Gas and Electric Co.	Depreciation
41.	2005	Ma. Dept Telcom	DTE 05-85	NSTAR & Energy	Depreciation
42.	2005	NY PUC	05-E-0934/05-G-0935	Central Hudson Gas & Electric Co.	Depreciation
43.	2005	AK Reg Cm	U-04-102	Chugach Electric Association	Depreciation
44.	2005	Ca. PUC	A.05-12-002	Pacific Gas & Electric	Depreciation
45.	2006	Pa. PUC	R-00051030	Aqua Pennsylvania, Inc.	Depreciation
46.	2006	Pa. PUC	R-00051178	T.W. Phillips Gas and Oil Co.	Depreciation
47.	2006	NC Util Cm.		Pub. Service Co. of North Carolina	Depreciation
48.	2006	Pa. PUC	R-00051167	City of Lancaster	Depreciation
49.	2006	Pa. PUC		Duquesne Light Company	Depreciation
50.	2006	Pa. PUC	R-00061322	The York Water Company	Depreciation

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51.	2006	Pa. PUC	R-00051298	PPL Gas Utilities	Depreciation
52.	2006	PUC of Tx.	32093	CenterPoint Energy - Houston Electric	Depreciation
53.	2006	PSC of SC		Duke Energy Kentucky SCANA	Depreciation
54.	2006	Ak. Reg Cm	U-06-6	Municipal Light and Power	Depreciation
55.	2006	De. PSC		Delmarva Power and Light	Depreciation
56.	2006	In. URC	IURC43081	Indiana American Water Co.	Depreciation
57.	2006	Ak. Reg Cm	U-06-134	Chugach Electric Association	Depreciation
58.	2006	Mo PSC	WR-2007-0216	Missouri American Water Company	Depreciation
59.	2006	FERC	ISO5-82, et.al	TransAlaska Pipeline	Depreciation
60.	2006	Pa PUC	R-00061493	National Fuel Gas Distribution Corp. (PA)	Depreciation
61.	2007	NC Util Cm	E-7	Duke Energy Carolinas, LLC	Depreciation
62.	2007	Oh PSC	08-709-EL-AIR	Duke Energy Ohio Gas	Depreciation
63.	2007	Pa PUC	R-00072155	PPL Electric Utilities Corp.	Depreciation
64.	2007	Ky PSC	2007-00143	Kentucky American Water Company	Depreciation
65.	2007	Pa PUC	R-00072229	Pennsylvania American Water Co.	Depreciation
66.	2007	Ky PSC	2007-00008	NiSource - Columbia Gas of Kentucky	Depreciation
67.	2007	NY PSC	07-G-0141	National Fuel Gas Distribution Corp. (NY)	Depreciation
68.	2008	AK PSC	U-08-004	Anchorage Water & Wastewater Utility	Depreciation
69.	2008	TN Reg Ath	08-00039	Tennessee American Water Company	Depreciation
70.	2008	DE PSC	08-96	Artesian Water Company	Depreciation
71.	2008	PA PUC	R-2008-2023067	The York Water Company	Depreciation
72.	2008	KS CC	08-WSEE1-RTS	Westar Energy	Depreciation
73.	2008	IN URC	43526	Northern Indiana Public Service Co.	Depreciation
74.	2008	IN URC	43501	Duke Energy Indiana	Depreciation
75.	2008	MD PSC	9159	NiSource - Columbia Gas of Maryland	Depreciation
76.	2008	KY PSC	2008-000251	Kentucky Utilities	Depreciation
77.	2008	KY PSC	2008-000252	Louisville Gas & Electric	Depreciation
78.	2008	PA PUC	2008-2032689	Pennsylvania American Water Co.	Depreciation
79.	2008	NY PSC	08-E887/08-G0888	Central Hudson	Depreciation
80.	2008	WV TC	VE-080416/VG-8080417	Avista Corporation	Depreciation

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81.	2009	II CC	09-	Peoples Gas, Light and Coke Co.	Depreciation
82.	2009	II CC	09-	North Shore Gas Company	Depreciation
83.	2009	DC PSC	1053	Potomac Electric Power Company	Depreciation
84.	2009	KY PSC	2009-00141	NiSource – Columbia Gas of Kentucky	Depreciation
85.	2009	FERC	ER08-1056-002	Entergy Services	Depreciation
86.	2009	PA PUC	R-2009-2097323	Pennsylvania American Water Co.	Depreciation
87.	2009	NC Util Cm	E-7, Sub 909	Duke Energy Carolinas, LLC	Depreciation
88.	2009	KY PSC	2009-00202	Duke Energy Kentucky	Depreciation
89.	2009	VA	St CCPUE-2009-00059	Aqua Virginia, Inc.	Depreciation
90.	2009	PA PUC	2009-2132019	Aqua Pennsylvania, Inc.	Depreciation
91.	2009	MS PSC	09-	Entergy Mississippi	Depreciation
92.	2009	AK PSC	09-084-U	Entergy Arkansas	Depreciation
93.	2009	TX PUC	37744	Entergy Texas	Depreciation
94.	2009	TX PUC	37690	El Paso Electric Co.	Depreciation
95.	2009	PA PUC	R-2009-2106908	The Borough of Hanover	Depreciation
96.	2009	KS Corp Cm	10-KCPE-415-RTS	Kansas City Power & Light	Depreciation
97.	2009	PA PUC	R-2009-	United Water Pennsylvania	Depreciation
98.	2009	OH PUC		Aqua Ohio Water Company.	Depreciation
99.	2009	PSC of WI	3270-DU-103	Madison Gas & Electric Co.	Depreciation
100.	2009	MO PSC	WR-2010	Missouri American Water Co.	Depreciation
101.	2009	AK Reg Cm.	U-09-097	Chugach Electric Association	Depreciation
102.	2010	IN URC		Northern Indiana Public Service Co.	Depreciation
103.	2010	PSC of WI	6690-DU-104	Wisconsin Public Service Corp.	Depreciation
104.	2010	PA PUC	R-2010-2161694	PPL Electric Utilities Corp.	Depreciation
105.	2010	KY PSC	2010-00036	Kentucky American Water Co.	Depreciation
106.	2010	PA PUC	R-2009-2149262	Columbia Gas of Pennsylvania	Depreciation
107.	2010	MO PSC	GR-2010-0171	Laclede Gas Company	Depreciation
108.	2010	PSC of SC	2009-489-E	South Carolina Electric & Gas Co.	Depreciation
109.	2010	NJ Bd of PU	ER09080664	Atlantic City Electric	Depreciation
110.	2010	VA St. CC	PUE-2010-00001	Virginia American Water Company	Depreciation
111.	2010	PA PUC	R-2010-2157140	The York Water Company	Depreciation

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112.	2010	MO. PSC	ER-2010-0356	Greater Missouri Operations Co.	Depreciation
113.	2010	PA PUC	R-2010-2167797	T. W. Phillips Gas and Oil Co.	Depreciation
114.	2010	PSC SC	2009-489-E	SCANA - Electric	Depreciation
115.	2010	PA PUC	R-2010-2201702	Peoples Natural Gas, LLC	Depreciation
116.	2010	AK PSC		Oklahoma Gas and Electric Co.	Depreciation
117.	2010	IN URC		Northern Indiana Public Serv. Co. – NIFL	Depreciation
118.	2010	IN URC		Northern Indiana Public Serv. Co. – Kokomo	Depreciation
119.	2010	PA PUC	R-2010-2166212	Pennsylvania American Water Co. – WW	Depreciation
120.	2010	NC Util Cm.		Aqua North Carolina, Inc.	Depreciation
121.	2011	OH PUC	11-4161-WS-AIR	Ohio American Water Company	Depreciation
122.	2011	MS PSC	EC-123-0082-00	Entergy Mississippi	Depreciation
123.	2011	CO PUC	11AL-387E	Black Hills Colorado	Depreciation
124.	2011	PA PUC	R-2010-2215623	Columbia Gas of Pennsylvania	Depreciation
125.	2011	IN URC	43114 IGCC 4S	Duke Energy Indiana	Depreciation
126.	2011	FERC	IS11-146-000	Enbridge Pipelines (Southern Lights)	Depreciation
127.	2011	IL CC	11-0217	MidAmerican Energy Corporation	Depreciation
128.	2011	OK CC	201100087	Oklahoma Gas & Electric Co.	Depreciation
129.	2011	PA PUC	2011-2232243	Pennsylvania American Water Company	Depreciation
130.	2011	FERC		Carolina Gas Transmission	Depreciation
131.	2012	WA UTC		Avista Corporation	Depreciation
132.	2012	AK Reg Cm	U-12-009	Chugach Electric Association	Depreciation
133.	2012	MA PUC	DPU 12-25	Columbia Gas of Massachusetts	Depreciation
134.	2012	TX PUC	40094	El Paso Electric Company	Depreciation
135.	2012	ID PUC	IPC-E-12	Idaho Power Company	Depreciation
136.	2012	PA PUC	R-2012-2290597	PPL Electric Utilities	Depreciation
137.	2012	PA PUC	R-2012-2311725	Hanover, Borough of – Bureau of Water	Depreciation
138.	2012	KY PSC	2012-00222	Louisville Gas and Electric Company	Depreciation
139.	2012	KY PSC	2012-00221	Kentucky Utilities Company	Depreciation
140.	2012	PA PUC	R-2012-2285985	Peoples Natural Gas Company	Depreciation
141.	2012	D.C. PSC	Case 1087	Potomac Electric Power Company	Depreciation
142.	2012	OH PSC	12-1682-EL-AIR	Duke Energy Ohio (Electric)	Depreciation

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143	2012	OH PSC	12-1685-GA-AIR	Duke Energy Ohio (Gas)	Depreciation
144	2012	PA PUC	R-2012-	Lancaster, City of – Bureau of Water	Depreciation
145	2012	PA PUC	R-2012-2310366	Lancaster, City of – Sewer Fund	Depreciation
146	2012	PA PUC	R-2012-	Columbia Gas of Pennsylvania	Depreciation
147	2012	FERC		ITC Holdings	Depreciation
148	2012	MO PSC	ER-2012-0174	Kansas City Power and Light	Depreciation
149	2012	MO PSC	ER-2012-0174	KCPL Greater Missouri Operations Co.	Depreciation
150	2012	MO PSC	GO-2012-0363	Laclede Gas Company	Depreciation
151	2012	MN PUC	G007,001/D-12-533	Integrys – MN Energy Resource Group	Depreciation