

STATEMENT OF EDUCATION AND EXPERIENCE

MICHAEL L. ARNDT

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Mr. Arndt received a Bachelor of Arts degree in Business Administration from Northwestern College in 1974 and a Master of Business Administration degree from Drake University in 1978. He has also taken additional graduate level courses in accounting, auditing, economics, finance and taxation at the University of Maryland. Mr. Arndt is a Certified Public Accountant in Maryland.

Mr. Arndt has attended numerous seminars and training courses related to public utility regulation, income taxes and other issues, including the National Association of Regulatory Utility Commissioners (“NARUC”) Annual Regulatory Studies Program at Michigan State University.

Following graduation in 1974, Mr. Arndt was employed by the Utilities Division of the Iowa State Commerce Commission in Des Moines, Iowa. His responsibilities with the Iowa Commission included analyses of cost of service issues and testifying in rate proceedings of electric, gas, telephone and water utilities.

In 1979, Mr. Arndt joined Hess & Lim, Inc., a public utility consulting firm located in the Washington, D.C. area providing consulting services to a variety of clients including state regulatory commissions, consumer advocate agencies, municipalities and corporations. His responsibilities included performing analyses of utility ratemaking issues and testifying in proceedings before federal and state regulatory commissions on behalf of the firm's clients.

In December 1990, Mr. Arndt formed the public utility consulting firm of Arndt & Associates and has continued performing analyses of utility rate filings and testifying in proceedings on behalf of various clients.

Mr. Arndt has testified in more than 100 public utility rate proceedings before the Federal Energy Regulatory Commission and the state regulatory commissions of Alabama, Arizona, Arkansas, Colorado, Iowa, Maryland, Nebraska, Oklahoma, Pennsylvania, Rhode Island, Texas, Utah, Vermont and West Virginia. In addition, Mr. Arndt has worked on cases in several other states, the District of Columbia and Barbados. His testimony in prior proceedings has involved issues related to the determination of revenue requirements, income taxes, affiliated transactions, depreciation, securitization, excess cost over market ("ECOM"), mergers and acquisitions, unbundling, allocations, rate design and cost of capital.

In addition to public utility rate cases, Mr. Arndt has participated in various court proceedings on behalf of clients involving antitrust, Modified Final Judgment ("MFJ"), violations, breach of contract, utility property damage and telephone directory cases.

