

# PHILLIP S. TEUMIM

## EDUCATION

BS (Electrical Engineering), Rensselaer Polytechnic Institute, Troy NY 1970

MBA, Rensselaer Polytechnic Institute, Troy NY 1981

## AREAS OF SPECIALIZATION

Thirty-eight years of experience as a consultant and regulator in the utility industry. General experience in all facets of the electric, gas and water businesses from senior level policy issues to technical matters. Specific experience in the areas of corporate and project management; planning and budgeting; regulatory and competitive policy development and implementation; full spectrum of customer interfacing, including marketing, sales, and customer service; rate proceedings and ratemaking; and development and enforcement of gas safety and reliability requirements for pipelines and distribution companies.

## RELEVANT CONSULTING AND REGULATORY EXPERIENCE

### I.

Project manager for a management audit of a large northeastern public power authority for a state agency; lead consultant in the areas of governance, organization, strategic and corporate planning, and ratemaking. Included an evaluation of executive and project management and the composition of and performance of the Board of Trustees.

Lead consultant in an audit of the governance, corporate structure and planning of a multi-board generation and transmission cooperative, purchasing agent and trade organization owned by the electric distribution cooperatives in a large eastern state. Performed diagnostics and restructured three separate boards of directors into a nine-member executive board and a plenary board.

Project manager for a management audit of a Middle Atlantic LDC for a regulatory commission; lead consultant in the areas of organization, corporate governance and strategic and corporate planning.

Served as Office Director, for the New York State Public Service Commission for electric, gas and water matters. Senior policy and technical advisor to the Commission on all electric, natural gas and water matters, and technical and administrative director of the office. Responsibilities included regulatory and competitive policy development and implementation, rate proceedings and ratemaking, annual reviews of utility performance, enforcement of gas safety requirements for interstate pipelines and facilities as agents for the federal DOT/Office of Pipeline Safety and for LDCs and intrastate facilities for New York State.

Project Director for the PSC's prudence investigation of the Nine Mile II nuclear plant construction cost overruns, and lead consultant in the areas of project management and owner oversight for the investigation of the Shoreham nuclear plant.

Section Chief in the Consumer Services Division of the New York State Public Service Commission, responsible for regulatory oversight of the utility-customer interface for all New York utilities, including customer affairs, customer service, and marketing and sales. Included policy development and enforcement of compliance with regulations and Commission directives.

Specific accomplishments and activities at the NY PSC included:

- Lead role in conducting a series of some 15 roundtables, with a broad spectrum of gas industry stakeholders in the northeast, on development of competitive policies.
- Developed white paper that was subsequently adopted by the Commission, laying out a vision and policy for the natural gas industry in New York.
- Lead negotiator in negotiating settlements of multi-year rate and competitive issues with several large LDCs; senior team advisor on all such negotiations and settlements with all New York LDCs.
- Developed and implemented, after Commission approval, a policy statement on gas purchasing practices and risk management, which lays out the general guidelines for LDCs use of financial instruments (“hedging”).
- Lead role in development and oversight of agency’s positions as an intervener in FERC proceedings and rulemakings. Included appearances and testimony at various FERC technical conferences.
- Established and chaired New York’s Natural Gas Reliability Advisory Group, a 24 member counsel, representing all stakeholder groups, which addresses pipeline capacity issues.
- Lead negotiator in the restructuring of an electric utility, including divestiture of generation, development of a multi-year rate plan, and implementation of a customer choice program.
- Technical lead in a management audit of Consolidated Edison of New York, Inc., in the areas of strategic and corporate planning, supply planning, fuel procurement, and nuclear operations.

Lead consultant in evaluation of marketing and sales, rates and pricing, and transportation of customer-owned gas on Liberty’s audit of affiliated transactions between South Jersey Gas and South Jersey Industries and its affiliates and general management audit of South Jersey Gas Company for the New Jersey Board of Public Utilities. Areas addressed included an evaluation of the implementation of the retail choice program, whether and to what extent the utility affiliate may have been show any favoritism, and the treatment of wholesale and retail marketers by the utility.

Lead consultant in an evaluation of the asset management services provided by Sequent, an affiliated wholesaler, to Virginia Natural Gas (VNG) for the Virginia Corporation Commission. Specific areas addressed included an analysis of the terms and conditions of the asset management agreements between Sequent and VNG, and other affiliated utilities and non-affiliated utilities, and the actual services provided by Sequent. Also included an analysis of all other services provided by Sequent and the affiliated service company to VNG, and the management of utility-owned and affiliate-owned propane peaking facilities.

Lead consultant addressing executive management, corporate governance, Board of Directors’ performance, and planning on Liberty’s focused audit of NUI Corporation and NUI Utilities for the New Jersey Board of Public Utilities. This audit included a detailed examination of the reasons for poor financial performance of non-utility operations, downgrades of utility credit beneath investment grade, and retail and wholesale gas supply and trading operations. Also examined performance of telecommunications, engineering services, customer-information-system, environmental, and international affiliates.

Senior Consultant and Task Area Leader for several task areas in Liberty’s Management/Performance audit of gas supply procurement at Dominion East Ohio for the Public Utilities Commission of Ohio. Included testimony before the Commission.

Senior Consultant and Task Area Leader for several task areas in Liberty’s Management/Performance audit of gas supply procurement at Cincinnati Gas and Electric Company for the Public Utilities Commission of Ohio.

Senior Consultant and Task Area Leader for several task areas in Liberty’s Management/Performance audit of gas supply procurement at Vectren Energy Delivery of Ohio for the Public Utilities Commission of Ohio. Included testimony before the Commission.

Lead consultant on an investigation of the response to a series of gas leaks by a major metropolitan east coast gas utility, including field response, technical analysis, public relations and future plans from dealing with an ongoing problem apparently caused by the introduction of LNG into the system.

Lead consultant on the investigation of the application of tariff charges for new service lines and main extensions as the tariff has been applied by a major metropolitan east coast gas utility, including customer contributions assessed, cost components, and cost allocations.

Advisor and technical consultant to the presiding commissioner and technical staff of a Northeastern regulatory commission on engineering and policy issues in rate proceedings filed by large investor-owned water utilities. Key issues included depreciation expense, O&M expenses, and treatment and use of proceeds from the sale of a large parcel of land.

Facilitator and advisor for a statewide planning council retreat in a Northeastern state, which has responsibility for all water planning activities state-wide. The council, and its supporting technical working group, includes representatives from all significant stakeholder groups, including state agencies, municipal water utilities, investor-owned water utilities, conservation groups, recreational water use groups, and other parties.

Lead consultant on an examination of wholesale water rates from a large northeastern municipality to a group of smaller municipalities and investor-owned water companies. Key components include net plant investment, costs of debt, operations, maintenance and administrative expenses, cost and revenue allocations, and lost and unaccounted for water.

Project manager for a study of the gas supply and integrated resource planning, and affiliate relationships for a large, vertically integrated LDC in the Southwest; lead consultant in the area of organization, strategic planning and affiliate relations and transactions. Included testimony before the state commission.

#### **ADDITIONAL RELEVANT EXPERIENCE**

Frequent speaker on energy, water and regulatory matters before utility groups, industry organizations, trade associations, NARUC conferences and committees. Guest instructor at Camp NARUC and various trade and industry conferences. Testified in regulatory proceedings in New York, Ohio, Utah and appeared before FERC and various New York legislative committees. Chaired and facilitated statewide and regional conferences on a variety of technical issues.