1 SCHEDULE 7 2 **Q**UALIFICATIONS 3 **Present Occupation** 4 What is your present occupation? Q. 5 I am a consulting economist and President of Ben Johnson Associates, Inc.®, a firm A. 6 of economic and analytic consultants specializing in the area of public utility regulation. Our firm 7 maintains two web sites: www.benjohnsonassociates.com and www.utilityregulation.com. 8 **Educational Background** 9 Q. What is your educational background? 10 I graduated with honors from the University of South Florida with a Bachelor of Arts A. 11 degree in Economics in March 1974. I earned a Master of Science degree in Economics at Florida 12 State University in September 1977. The title of my Master's Thesis is a "A Critique of Economic 13 Theory as Applied to the Regulated Firm." Finally, I graduated from Florida State University in April 14 1982 with the Ph.D. degree in Economics. The title of my doctoral dissertation is "Executive 15 Compensation, Size, Profit, and Cost in the Electric Utility Industry." **Clients** 16 17 Q. What types of clients employ your firm? 18 A Much of our work is performed on behalf of public agencies at every level of 19 government involved in utility regulation. These agencies include state regulatory commissions, 20 public counsels, attorneys general, and local governments, among others. We are also employed by

various private organizations and firms, both regulated and unregulated. The diversity of our

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#### **REGULATORY COMMISSIONS**

Alabama Public Service Commission—Public Staff for Utility Consumer Protection

Alaska Public Utilities Commission

Arizona Corporation Commission

Arkansas Public Service Commission

Connecticut Department of Public Utility Control

District of Columbia Public Service Commission

Idaho Public Utilities Commission

Idaho State Tax Commission

Iowa Department of Revenue and Finance

Kansas State Corporation Commission

Maine Public Utilities Commission

Minnesota Department of Public Service

Missouri Public Service Commission

National Association of State Utility Consumer Advocates

Nevada Public Service Commission

New Hampshire Public Utilities Commission

North Carolina Utilities Commission—Public Staff

Oklahoma Corporation Commission

Ontario Ministry of Culture and Communications

Staff of the Delaware Public Service Commission

Staff of the Georgia Public Service Commission

Texas Public Utilities Commission

Virginia State Corporation Commission

Washington Utilities and Transportation Commission

West Virginia Public Service Commission—Division of Consumer Advocate

Wisconsin Public Service Commission

Wyoming Public Service Commission

#### **PUBLIC COUNSELS**

Arizona Residential Utility Consumers Office

Colorado Office of Consumer Counsel

Colorado Office of Consumer Services

Connecticut Consumer Counsel

District of Columbia Office of People's Counsel

Florida Public Counsel

Georgia Consumers' Utility Counsel

Hawaii Division of Consumer Advocacy

Illinois Small Business Utility Advocate Office

Indiana Office of the Utility Consumer Counselor

Iowa Consumer Advocate

Maryland Office of People's Counsel

Minnesota Office of Consumer Services

Missouri Public Counsel

New Hampshire Consumer Counsel

Ohio Consumer Counsel
Pennsylvan ia Office of Consumer Advocate
Utah Department of Business Regulation—Committee of Consumer Services

#### ATTORNEYS GENERAL

Arkansas Attorney General
Florida Attorney General—Antitrust Division
Idaho Attorney General
Kentucky Attorney General
Michigan Attorney General
Minnesota Attorney General
Nevada Attorney General's Office of Advocate for Customers of Public Utilities
South Carolina Attorney General
Utah Attorney General
Virginia Attorney General
Washington Attorney General

#### LOCAL GOVERNMENTS

City of Austin, TX
City of Corpus Christi, TX
City of Dallas, TX
City of El Paso, TX
City of Galveston, TX
City of Norfolk, VA
City of Phoenix, AZ
City of Richmond, VA
City of San Antonio, TX
City of Tucson, AZ
County of Augusta, VA
County of Henrico, VA
County of York, VA
Town of Ashland, VA

Town of Blacksburg, VA Town of Pecos City, TX

#### OTHER GOVERNMENT AGENCIES

Canada—Department of Communications
Hillsborough County Property Appraiser
Provincial Governments of Canada
Sarasota County Property Appraiser
State of Florida—Department of General Services
United States Department of Justice—Antitrust Division
Utah State Tax Commission

## REGULATED FIRMS

Alabama Power Company

Americall LDC, Inc.

BC Rail

CommuniGroup

Florida Association of Concerned Telephone Companies, Inc.

LDDS Communications, Inc.

Louisiana/Mississippi Resellers Association

Madison County Telephone Company

Montana Power Company

Mountain View Telephone Company

Nevada Power Company

Network I, Inc.

North Carolina Long Distance Association

Northern Lights Public Utility

Otter Tail Power Company

Pan-Alberta Gas, Ltd.

Resort Village Utility, Inc.

South Carolina Long Distance Association

Stanton Telephone

Teleconnect Company

Tennessee Resellers' Association

Westel Telecommunications

Yelcot Telephone Company, Inc.

## OTHER PRIVATE ORGANIZATIONS

Arizona Center for Law in the Public Interest

Black United Fund of New Jersey

Casco Bank and Trust

Coalition of Boise Water Customers

Colorado Energy Advocacy Office

East Maine Medical Center

Georgia Legal Services Program

Harris Corporation

Helca Mining Company

Idaho Small Timber Companies

Independent Energy Producers of Idaho

Interstate Securities Corporation

J.R. Simplot Company

Merrill Trust Company

MICRON Semiconductor, Inc.

Native American Rights Fund

PenBay Memorial Hospital

Rosebud Enterprises, Inc.

Skokomish Indian Tribe

State Farm Insurance Company

Twin Falls Canal Company

World Center for Birds of Prey

## **Prior Experience**

- Q. Before becoming a consultant, what was your employment experience?
- A. From August 1975 to September 1977, I held the position of Senior Utility Analyst with Office of Public Counsel in Florida. From September 1974 until August 1975, I held the position of Economic Analyst with the same office. Prior to that time, I was employed by the law firm of Holland and Knight as a corporate legal assistant.
  - Q. In how many formal utility regulatory proceedings have you been involved?
- A. As a result of my experience with the Florida Public Counsel and my work as a consulting economist, I have been actively involved in approximately 400 different formal regulatory proceedings concerning electric, telephone, natural gas, railroad, and water and sewer utilities.
- Q. Have you done any independent research and analysis in the field of regulatory economics?
- A. Yes, I have undertaken extensive research and analysis of various aspects of utility regulation. Many of the resulting reports were prepared for the internal use of the Florida Public Counsel. Others were prepared for use by the staff of the Florida Legislature and for submission to the Arizona Corporation Commission, the Florida Public Service Commission, the Canadian Department of Communications, and the Provincial Governments of Canada, among others. In addition, as I already mentioned, my Master's thesis concerned the theory of the regulated firm.

Q. Have you testified previously as an expert witness in the area of public utility regulation?

A. Yes. I have provided expert testimony on more than 250 occasions in proceedings before state courts, federal courts, and regulatory commissions throughout the United States and in Canada. I have presented or have pending expert testimony before 35 state commissions, the Interstate Commerce Commission, the Federal Communications Commission, the District of Columbia Public Service Commission, the Alberta, Canada Public Utilities Board, and the Ontario Ministry of Culture and Communication.

- Q. What types of companies have you analyzed?
- A. My work has involved more than 425 different telephone companies, covering the entire spectrum from AT&T Communications to Stanton Telephone, and more than 55 different electric utilities ranging in size from Texas Utilities Company to Savannah Electric and Power Company. I have also analyzed more than 30 other regulated firms, including water, sewer, natural gas, and railroad companies.

## **Teaching and Publications**

- Q. Have you ever lectured on the subject of regulatory economics?
- A. Yes, I have lectured to undergraduate classes in economics at Florida State University on various subjects related to public utility regulation and economic theory. I have also addressed conferences and seminars sponsored by such institutions as the National Association of Regulatory Utility Commissioners (NARUC), the Marquette University College of Business Administration, the Utah Division of Public Utilities and the University of Utah, the Competitive

"On the Results of the Telephone Network's Demise—Comment," with Sharon D. Thomas. *Public Utilities Fortnightly*, May 1, 1986, pp. 6-7.

"Universal Local Access Service Tariffs: An Alternative Approach to Access Charges." In *Public Utility Regulation in an Environment of Change*, edited by Patrick C. Mann and Harry M. Trebing, pp. 63-75. Proceedings of the Institute of Public Utilities Seventeenth Annual Conference. East Lansing, Michigan: Michigan State University Public Utilities Institute, 1987.

With E. Ray Canterbery. Review of *The Economics of Telecommunications: Theory and Policy* by John T. Wenders. *Southern Economic Journal* 54.2 (October 1987).

"The Marginal Costs of Subscriber Loops," A Paper Published in the Proceedings of the Symposia on Marginal Cost Techniques for Telephone Services. The National Regulatory Research Institute, July 15-19, 1990 and August 12-16, 1990.

With E. Ray Canterbery and Don Reading. "Cost Savings from Nuclear Regulatory Reform: An Econometric Model." *Southern Economic Journal*, January 1996.

# **Professional Memberships**

- Q. Do you belong to any professional societies?
- A. Yes. I am a member of the American Economic Association.