

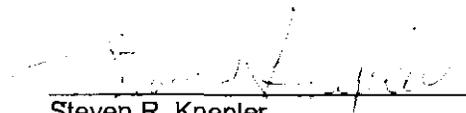
**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

ILLINOIS COMMERCE COMMISSION	:	
On Its Own Motion	:	
-vs-	:	
MT. CARMEL PUBLIC UTILITY CO.	:	03-0702
	:	
Reconciliation of revenues collected under gas	:	
adjustment charges with actual costs prudently	:	
incurred.	:	

NOTICE OF FILING

TO ATTACHED SERVICE LIST:

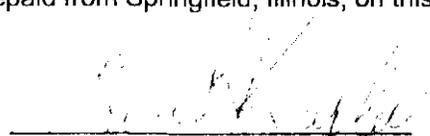
YOU ARE HEREBY NOTIFIED that we have, on this 21st day of December forwarded to the Chief Clerk of the Illinois Commerce Commission for filing in the above-captioned docket, the Direct Testimony of Mark Maple of the Energy Division, Engineering Department, a copy of which is hereby served upon you.



Steven R. Knepler
Supervisor
Accounting Department
527 East Capitol Avenue
Springfield, IL 62701

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT copies of the foregoing Notice, together with the documents referred to therein, were served upon the parties on the attached Service List, by messenger, electronic mail, facsimile and/or first-class mail, proper postage prepaid from Springfield, Illinois, on this 21st day of December 2004.



Steven R. Knepler
Supervisor
Accounting Department

MT. CARMEL PUBLIC UTILITY COMPANY
Docket No. 03-0702
Service List

Eric Bramlet
Mt. Carmel Public Utility Company
Koger & Bramlet, P.C.
316 ½ Market Street
PO Box 278
Mt. Carmel, IL 62863

ILLINOIS COMMERCE COMMISSION

John D. Albers, Administrative Law Judge
Bill Voss, Case Manager, Accounting Department
Steven Knepler, Accounting Department
Donald McGuire, Accounting Department
Mark Maple, Engineering Department

DIRECT TESTIMONY
OF
MARK MAPLE
ENGINEERING DEPARTMENT
ENERGY DIVISION
ILLINOIS COMMERCE COMMISSION

MT. CARMEL PUBLIC UTILITY COMPANY

DOCKET NO. 03-0702

DECEMBER 21, 2004

1 Q. Please state your name and business address.

2 A. My name is Mark Maple and my business address is Illinois Commerce
3 Commission, 527 East Capitol Avenue, Springfield, Illinois 62701.

4 Q. By whom are you employed and in what capacity?

5 A. I am employed by the Illinois Commerce Commission ("Commission") as a
6 Gas Engineer in the Engineering Department of the Energy Division.

7 Q. Please state your educational background.

8 A. I hold a Bachelor of Science degree in Mechanical Engineering and a
9 minor in Mathematics from Southern Illinois University in Carbondale,
10 Illinois. I am currently enrolled in the MBA program at the University of
11 Illinois at Springfield, where I have taken 36 of the required 48 hours
12 towards my degree. Finally, I am a registered Professional Engineer
13 Intern in the State of Illinois.

14 Q. What are your duties and responsibilities as an Energy Engineer in the
15 Engineering Department?

16 A. My primary responsibilities and duties are in the performance of studies
17 and analyses dealing with the day-to-day, and long-term, operations and
18 planning of the gas utilities serving Illinois. For example, I review
19 purchased gas adjustment clause reconciliations, rate base additions,
20 levels of natural gas used for working capital, and utilities' applications for
21 Certificates of Public Convenience and Necessity. I also perform utility
22 gas meter test shop audits.

23 Q. What is the purpose of this proceeding?

24 A. On November 12, 2003, the Commission initiated its annual reconciliation
25 of the Purchased Gas Adjustment ("PGA") for calendar year 2003, as filed
26 by Mt. Carmel Public Utility Company ("Mt. Carmel" or "Company"),
27 pursuant to Section 9-220 of the Illinois Public Utilities Act. This
28 investigation was initiated to determine whether Mt. Carmel's PGA clause
29 reflects actual costs of gas and gas transportation for calendar year 2003
30 and whether those purchases were prudent.

31 Q. What is your assignment within this proceeding?

32 A. My assignment is to determine if Mt. Carmel's natural gas purchasing
33 decisions made during the reconciliation period were prudent.

34

34 Q. Did you discover any imprudent purchases during the reconciliation
35 period?

36 A. No. Using the Commission's criteria for prudence, I found no reason to
37 dispute the Company's assertion that all gas supply purchases were
38 prudently incurred during the reconciliation period.

39 Q. What criteria does the Commission use to determine prudence?

40 A. The Commission has defined prudence as:

41 **[...] that standard of care which a reasonable person**
42 **would be expected to exercise under the**
43 **circumstances encountered by utility management**
44 **at the time decisions had to be made. In determining**
45 **whether or not a judgment was prudently made, only**
46 **those facts available at the time the judgment was**
47 **exercised can be considered. Hindsight review is**
48 **impermissible.**

49 **Imprudence cannot be sustained by substituting**
50 **one's judgment for that of another. The prudence**
51 **standard recognizes that reasonable persons can**
52 **have honest differences of opinion without one or**
53 **the other necessarily being 'imprudent'.**
54 **(Commission v. Commonwealth Edison Company,**
55 **Docket No. 84-0395, Order dated October 7, 1987,**
56 **page 17).**

57

57 Q. What material did you review to determine the prudence of Mt.
58 Carmel's natural gas purchasing decisions during the reconciliation
59 period?

60 A. I reviewed the direct testimony of Mt. Carmel witness Philip
61 Barnhard. I also reviewed Company responses to numerous Staff
62 data requests that directly addressed issues related to the
63 prudence of Mt. Carmel's natural gas purchasing.

64 Q. Does this conclude your direct testimony?

65 A. Yes, it does.