

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

MT. CARMEL PUBLIC UTILITY COMPANY

DOCKET NO. 04-0680

OCTOBER 27, 2005

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 - Carbondale. I
10 also received a Master's degree in Business Administration from the
11 University of Illinois at Springfield. Finally, I am a registered Professional
12 Engineer Intern in the State of Illinois.

13 Q. What are your duties and responsibilities as a Gas Engineer in the
14 Engineering Department?

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

22 Q. What is the purpose of this proceeding?

23 A. On November 10, 2004, the Commission initiated its annual reconciliation
24 of the Purchased Gas Adjustment ("PGA") for calendar year 2004, as filed
25 by Mt. Carmel Public Utility Company ("Mt. Carmel" or "Company"),
26 pursuant to Section 9-220 of the Illinois Public Utilities Act. This
27 investigation was initiated to determine whether Mt. Carmel's PGA clause
28 reflects actual costs of gas and gas transportation for calendar year 2004
29 and whether those purchases were prudent.

30 Q. What is your assignment within this proceeding?

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

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

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

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

39 A. The Commission has defined prudence as:

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

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

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

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

63 Q. Does this conclude your direct testimony?

64 A. Yes, it does.

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE COMMISSION :
On Its Own Motion :
-vs- :
MT. CARMEL PUBLIC UTILITY CO. : 04-0680
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 27th day October 2005 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, my messenger, electronic mail, facsimile and/or first-class mail, proper postage prepaid from Springfield, Illinois, on this 27th day of October 2005.


Steven R. Knepler
Supervisor
Accounting Department

MT. CARMEL PUBLIC UTILITY CO.
Docket No. 04-0680
Service List

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

E-Mail: ericbramlet@kogerbramletlaw.com

ILLINOIS COMMERCE COMMISSION

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