



## **Michael J. McGarry, Sr.**

Mr. McGarry's professional experience spans twenty-three years within the private and public sectors. Expertise includes: regulatory and rate case management, project management and supervision, testimony and witness preparation, electric industry restructuring and deregulation as well as extensive experience in utility management and operations.

### ***Regulatory and Rate Case Management***

Worked with clients to manage all aspects of the regulatory and rate case process. Developed efficient processes to prepare supporting analyses and testimony for submission to the regulatory bodies and interveners. Provided project management and analytical expertise to respond to interrogatories and data requests from all rate case interveners in a timely manner.

Assisted clients to prepare revenue requirement and cost of service analyses. Developed complex revenue requirement models to support rate request.

Developed rate structure and billing determinant information analyses, time of day and interruptible rates analyses, fuel and purchased power reports and annual wholesale rates for member cooperatives.

### ***Project Management and Supervision***

Experienced multi-discipline team leader and project manager with skills that include having:

- Managed multi-discipline teams for a wide range of client engagements
- Developed and implemented project work plans
- Analyzed and planned interdivisional resource utilization
- Supervised, developed and coached interdivisional team members
- Created various reports and executive briefings

### ***Testimony and Witness Preparation***

Provided expert testimony in a number of proceedings before the New York State Public Service Commission. These proceedings included testimony involving management decision and prudence impacts, operations and maintenance expenses, project management and others.

Prepared testimony and witness preparation support on the behalf of clients for submission to Illinois Public Utilities Commission. Developed testimony for immediate supervisors in the areas of rates and tariffs.

### ***Utility Management and Operational Audits***

Conducted over twenty comprehensive management and operational audits of investor-owned energy and telecommunications utilities. A list of representative topics follows:

- Capital and operating budget process and practices
- Operations and maintenance expenses
- Crew operations
- Rate case pro forma adjustments

A list of cases, dockets and management and operations audit projects follows:

Project / Audit	Description
Assist Staff of the DC Public Service Commission with investigation of reasonableness of base rates of Potomac Electric Power Company Docket/Case: FC1032	Mr. McGarry was the project manager and led the consulting team that provided rate case support to the Staff of DC Commission to review PEPCO's base rates. Commission approved a settlement of the issues in the case.
Investigation into proposed \$35 Million capital program to replace Northern Utilities, Inc. small diameter cast iron pipe Docket/Case: 2004-813	Litigated proceeding and led a consultant team to assist the State of Maine Public Advocate to investigate the need for the program and the company's management of the repair or replacement of its cast iron facilities. McGarry was the project manager and a testifying witness.
Investigation into the Energy Trading Practices of Public Service of Colorado Docket/Case: 04A-050E	Focused operational audit within the bounds of a litigated proceeding to determine if ratepayers were subsidizing or negatively impacted by PSCo's energy trading function. Mr. McGarry was the project manager and supervised all aspects of the project
Assist Staff of the DC Public Service Commission with investigation of reasonableness of base rate increase by Washington Gas Light Company Docket/Case: FC1016	Mr. McGarry was the project manager and led the consulting team that provided rate case support to the Staff of DC Commission to review WGL's \$18 million dollar request to increase base rates. Commission approved a Staff recommended increase of \$5.8 million
Management audit of Duke Power Company's storm restoration and right of way management practices	Advised South Carolina State Senator on regulatory process for requesting State's Public Service Commission for a comprehensive review of Duke Company's storm restoration and right of way management. Reviewed and advised Senator of results of report findings.
e-Procurement Implementation for Entergy, Inc.	Mr. McGarry was a Senior Consultant on this \$31 million project to implement an e-procurement system with the Shared Services organization of the company. Mr. McGarry was responsible for strategic sourcing and total cost modeling initiatives along with project managements and savings validation. Company achieved 1 <sup>st</sup> year target savings of \$11 million dollars
Update compliance filing for Delivery Service Tariffs for AmerenUE	Revenue requirement analysis in preparation of Missouri Public Service Commission compliance filing to un-bundle utility's rate tariffs. Mr. McGarry part of a consultant team to prepare the filing requirements and all support schedules analysis to justify allocations of generation, transmission and distribution.
Update compliance filing for Delivery Service Tariffs for Illinois Power Company	2001 required update filing for the Illinois Commerce Commission compliance filing to un-bundle utility's rate tariffs. Mr. McGarry part of a consultant team to prepare the filing requirements and all support schedules analysis to justify allocations of generation, transmission and distribution. Prepared testimony on behalf of the Company's Controller

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Delivery Service Tariff Filing for Illinois Power Company	Illinois Commerce Commission mandated compliance filing to un-bundle utility's rate tariffs. Mr. McGarry part of a consultant team to prepare the filing requirements and all support schedules analysis to justify allocations of generation, transmission and distribution. Prepared testimony on behalf of the Company's Controller
Management Audit of Southern Connecticut Gas	Comprehensive management audit of the management and operations of the Company. Mr. McGarry was a senior consultant assigned to complete the capital budgeting area of the project
NYNEX Cost Onset Docket/Case: 94-C-0657	Proceeding to evaluate the compliance of NYNEX with Commission rules and orders related to operational support system costs to competitors. Mr. McGarry part of staff panel to facilitate discussion between company and potential competitors (i.e., users of operational support systems) and report back to Commission.
Evaluation of the preparedness for competition of Rochester Gas and Electric Company and Consolidated Edison of New York	Focused review of the preparedness of RG&E and ConEd for competition in the electric industry. Mr. McGarry evaluated all aspects of the company's management actions to prepare for competition including strategic planning, goals and objectives and senior management's attention to the company operations in a de-regulated industry
Proceeding to evaluate the LILCO/Brooklyn Union Gas Merger Docket/Case: 97-M-0567	Litigated proceeding to determine the benefits of a proposed merger of the two companies. Mr. McGarry part of staff team that analyzed the proposed synergy savings.
Show Cause Proceeding regarding rate relief for ratepayers of Long Island Lighting Company Docket/Case: 96-E-0132	Litigated proceeding where Staff proffered testimony containing a benchmark study showing that the Company's operations and maintenance expenses were excessive compared to a peer group of 24 utilities. Mr. McGarry testified as part of staff panel to the findings and conclusions resulting from the benchmark study.
Prudence investigation into the scrap handling practices in the western division of Niagara Mohawk Power Company Docket/Case: 96-M-0858	Litigated proceeding as a result of allegations of bribery and corruption in company practices related to a specific vendor who purchased company scrap metal. Mr. McGarry lead a team of 10 staff examiners to quantify the extent to which the Company paid excessive rates to this vendor. Mr. McGarry testified to the findings of the analysis. Case settled with ratepayers receiving a credit to bills
Operational audit of the outside plant construction and rehabilitation program of New York Telephone Company Docket/Case: 91-C-0613	Comprehensive operational audit of the company's management and implementation of a \$150 million capital program to rehabilitate the outside plant distribution network. Mr. McGarry was a staff examiner responsible for crew supervision, goals monitoring, contractor oversight, and report preparation.
Prudence Proceeding regarding the operations and management of Jamaica Water Docket/Case: 92-W-0583	Litigated proceeding as a result of audit to determine extent to which management inattention and inappropriate practices resulted in excessive costs to rate payers. Mr. McGarry testified on a Staff panel to the excessive costs associated with management's inattention to sound business practices related to the design, purchase and installation of the Company customer information system.

Project / Audit	Description
Operational Audit of Jamaica Water Company operations and management Docket/Case: 92-W-0030	Comprehensive management audit of company operations. Mr. McGarry had direct responsibility for workplan development, and specific topics areas including engineering, contracting, and information technology. Findings led to prudence proceeding
Management audit of Rochester Gas and Electric Docket/Case: 92-M-0973	Comprehensive management audit of company operations. Mr. McGarry had direct responsibility for workplan development, supervision of staff and specific topics areas including purchasing and internal controls
Operational Audit of the demand side management function at Rochester Gas and Electric Docket/Case: 93-E-0918	Comprehensive operational audit of the demand side management function including program planning, management and energy savings verification. Mr. McGarry developed and supervised the , implemented of the work plan for this project
Operational Audit of the materials and supply function at National Fuel Gas Docket/Case: 88005	Comprehensive operational audit of the materials and supplies function including warehouse operations, inventory control and procurement. Mr. McGarry developed and implemented the workplan for this project
Operational audit of the fuel procurement and contracting of Long Island Lighting Company	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on non-nuclear fuel. Mr. McGarry provided research and data evaluation expertise to the project
Operational audit of the fuel procurement and contracting of Consolidated Edison Co. of NY	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on non-nuclear fuel. Mr. McGarry provided research and data evaluation expertise to the project
Operational audit of the fuel procurement and contracting of Central Hudson Gas and Electric Docket / Case: 90007	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on non-nuclear fuel. Mr. McGarry provided research and data evaluation expertise to the project
Operational audit of the fuel procurement and contracting of Orange and Rockland Utilities	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on non-nuclear fuel. Mr. McGarry provided research and data evaluation expertise to the project
Operational audit of the fuel procurement and contracting of Rochester Gas & Electric	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on nuclear fuel. Mr. McGarry provided research and data evaluation expertise to the project
Prudence proceeding to investigate the construction costs associated with the Homer City Coal Cleaning Plant Docket/Case: 89-E-115	Litigated proceeding as a result of audit to determine extent to which management inattention and inappropriate practices resulted in excessive construction charges related to the Homer City Coal Cleaning Plant. Mr. McGarry testified on a Staff panel to the fuel price differential costs resulting from the failure of the coal cleaning plant to function as designed as well as surrebuttal testimony on the cost of a flu-gas de-sulfurization plant and ancillary equipment and facilities. Case settled with customers receiving \$125 million credit



Project / Audit	Description
Operational audit of the Homer City Coal Cleaning Plant Docket/Case: 87003	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on the construction of the Homer City Coal Cleaning Plant jointly owned by NYSEG and Penelec. Mr. McGarry was responsible for fuel and construction costs analysis, benchmarking costs and alternative methods for meeting EPA Clean air restrictions, contracting practices and report preparation.
Operational audit of the fuel procurement and contracting of New York State Electric and Gas Docket/Case: 87003	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on non-nuclear fuel. Mr. McGarry was responsible for fuel cost analysis, benchmarking costs, contracting practices and report preparation.
Operational audit of the field crew supervision and utilization of New York State Electric and Gas Company Docket/Case: 86007	Comprehensive operational audit to determine effectiveness of field crew utilization and supervision. Mr. McGarry was a staff examiner responsible for verifying supervisor activities, reporting, goals attainment and report preparation.
Prudence proceeding to investigate the fuel procurement and contracting practices at Niagara Mohawk Power Company Docket/Case: 86005	Litigated proceeding as a result of audit to determine extent to which management inattention and inappropriate practices resulted in excessive fuel charges to customers. Mr. McGarry was responsible for fuel cost analysis and benchmarking costs, contracting practices and testimony preparation. Case settled with customers receiving \$66 million credit.
Operational audit of the fuel procurement and contracting of Niagara Mohawk Power Company Docket/Case: 86005	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on non-nuclear fuel. Mr. McGarry was responsible for fuel cost analysis and benchmarking costs, contracting practices and report preparation.
Operational Audit of the Research and Development Function of Consolidated Edison Company of New York Docket/Case: 85001	Comprehensive operational audit to determine effectiveness of ratepayer funds spent on R&D activities. Mr. McGarry was a staff examiner on the project responsible for reviewing projects documentation and control, outside contracting a report preparation.

***Restructuring, Unbundling, and Cost Allocation***

Developed the supporting analyses and regulatory filing requirements needed to support unbundling rates for a major mid-western utility. This included a detailed study where the company’s plant-in-service and depreciation reserve was allocated to each unbundled function.

Assessed utility management actions to prepare the company for competition, including the processes and practices used by the utility to prepare to enter new markets and offer new services.

***Supply Chain Management***

Extensive experience and expertise in all aspects of supply chain management including e-Commerce, strategic sourcing, benchmarking and total cost of ownership analysis.

***Education***

Potsdam College, B.A., Economics — 1981  
University at Buffalo School of Management, MBA —1996



***Associations***

Squires Creek Homeowners Association – President

Boy Scouts of America – Charter Organization Representative, Troop 420 & Pack 320, Simpsonville SC

St. Mary Magdalene Catholic Church – Pastoral Council Member & Religious Education Teacher

***Professional Employment***

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| 2004-Present | Blue Ridge Consulting Services, Inc (formerly GB Professional Services, Inc.) <ul style="list-style-type: none"><li>• President/CEO</li></ul>                              |
| 2003-2004    | Hawks, Giffels & Pullin (HGP), Inc <ul style="list-style-type: none"><li>• Vice President</li></ul>  |
| 2001-2003    | GB Professional Services, Inc. <ul style="list-style-type: none"><li>• Principal</li></ul>   |
| 2000-2001    | Denali Consulting, Inc. <ul style="list-style-type: none"><li>• Senior Consultant</li></ul>  |
| 1997-2000    | Navigant Consulting, Inc. <ul style="list-style-type: none"><li>• Senior Consultant</li><li>• Senior Associate (with L.E. Burgess Consultants – acquired by NCI)</li></ul> |
| 1985-1997    | NYS Department of Public Service <ul style="list-style-type: none"><li>• Utility Operations Examiner II</li><li>• Utility Operations Examiner I</li></ul>                  |
| 1983-1985    | Seminole Electric Cooperative <ul style="list-style-type: none"><li>• Rate Analyst II</li></ul>  |
| 1981-1983    | Orange and Rockland Utilities <ul style="list-style-type: none"><li>• Associate Rate Analyst</li></ul>   |