

ScottMadden Discusses Financial Trends in Rate Cases and Cost Recovery at AGA's State Affairs Fall Committee Meeting

ATLANTA, GA – (October 8, 2015) – ScottMadden, Inc., one of North America's leading energy consulting firms, recently joined leading industry players on a panel at AGA's State Affairs Fall Committee Meeting. This event focused on sharing strategies on how legislators, regulators, utilities, and the industry can cooperate on utility initiatives. Participants also discussed rate case strategies and issues and examined recent rate cases, allowed ROEs, and emerging trends.

Rick Starkweather, partner and regulatory practice area leader at ScottMadden, was a panelist for "Financial Trends in Rate Cases and Cost Recovery." LDCs are increasingly being called upon for significant investments to replace aging infrastructure and expand to meet consumer demand. This pressures capital expenditures and leads to more frequent rate cases. Often utilities seek innovative rate mechanisms to support these investment needs. During this session, Mr. Starkweather, along with Lillian Federico of Regulatory Research Associates/SNL and Russ Feingold of Black & Veatch Corporation, provided an in-depth look at current regulatory frameworks, capital structures, and ROE-related issues and addressed key questions, including:

- What are companies doing to address the downward trend in ROEs? Is that trend likely to change in the future?
- What are the trends in innovative rate design?
- How do all of these trends impact state commission rate decisions?
- What is the right strategy to effectively work with regulators?

"Gas utilities of all sizes continue to be concerned about cost recovery," says Mr. Starkweather. "With increasing investment requirements to address infrastructure replacement, utilities are looking to have a more constructive dialogue with stakeholders on possible new regulatory frameworks to support required earnings but also manage costs for consumers."

About ScottMadden's Energy Practice

We know energy from the ground up. Since 1983, we have been energy consultants. We have served more than 300 clients, including 20 of the top 20 energy utilities. We have performed more than 2,400 projects across every energy utility business unit and every function. We have helped our clients develop strategies, improve operations, reorganize companies, and implement initiatives. Our broad and deep energy utility expertise is not theoretical—it is experience based.

About ScottMadden, Inc.

ScottMadden is the management consulting firm that does what it takes to get it done right. Our practice areas include Energy, Clean Tech & Sustainability, Corporate & Shared Services, and Grid Transformation. We deliver a broad array of consulting services ranging from

strategic planning through implementation across many industries, business units, and functions. To learn more, visit www.scottmadden.com | [Twitter](#) | [Facebook](#) | [LinkedIn](#)

###

Media contact:

Mary Tew

marytew@scottmadden.com

919-714-7628