

**James M. Stephens
Partner
Sussex Economic Advisors, LLC**

Mr. Stephens has twenty-five years of experience in the energy industry and he has held senior management positions at consulting firms, energy marketing companies and local distribution companies. He has assisted numerous clients with regulatory policy strategy/tactics and energy market analyses/assessments including: the analysis of regional energy market dynamics and the associated drivers for new natural gas infrastructure; the evaluation of new markets/opportunities; market entry/exit strategies; market implications of new energy infrastructure; integrated resource plans; natural gas supply portfolio evaluation and optimization; and management prudence. In addition to his consulting experience, Mr. Stephens served as the President of a retail energy marketing firm where he was responsible for all aspects of business unit management including front, mid and back office functions. Mr. Stephens was also responsible for Gas Supply Procurement and Portfolio Optimization for a local distribution company. Mr. Stephens has appeared as an expert witness in several jurisdictions including the States of Massachusetts and Maine as well as Provinces of Ontario and Québec. Mr. Stephens holds a B.S. in Management and an M.B.A. with a concentration in Operations Management from Bentley College.

REPRESENTATIVE PROJECT EXPERIENCE

Energy Market Assessment

Retained by numerous leading energy companies to develop regional energy market assessments throughout the U.S. and Canada. Such assessments have included evaluation of market impacts associated with new infrastructure, assessment of natural gas transmission infrastructure, market structure and regulatory situation analysis, and assessment of competitive position. Market assessment engagements typically have been used as integral elements of business unit or asset-specific strategic plans or valuation analyses. In addition, certain market assessments have been submitted to the Federal Energy Regulatory Commission, National Energy Board of Canada and various state and provincial regulatory agencies to support the benefits of new infrastructure.

Representative engagements have included:

- For two Canadian LDCs developed a review of certain mid-Atlantic natural gas supply basins.
- For the State of Maine Public Utility Commission prepared a report that summarized the Northeast and Atlantic Canada natural gas power markets; and analyzed the potential benefits and costs associated with natural gas pipeline expansions. The independent report was filed at the Maine Public Utility Commission.
- On behalf of Spectra Corporation developed a market assessment evaluating the impact of new pipeline infrastructure into the New York City, New Jersey and New England markets. The independent reports were filed at the Federal Energy Regulatory Commission and/or presented to state public utility commissions.
- For an international energy company prepared an assessment of the market potential for distributed LNG, with a particular focus on the commercial and industrial sectors. The results of the analysis were presented to senior management.
- For a project developer, prepared a demand analysis of the current and projected natural gas market for the Southeast U.S. The independent report, which was filed at the Federal Energy Regulatory Commission, addressed the demand for natural gas in both the electric generation and traditional LDC markets.
- For an international energy company, prepared an analysis regarding LNG facility investment with a particular focus on LNG peaking facilities.
- Conducted due diligence for commercial banks regarding investments in natural gas pipelines, natural gas storage projects and LNG facilities.

- For a project developer, assisted with the evaluation of the market opportunity for an importation LNG terminal in the northeastern United States.
- For numerous clients, provided regional natural gas demand assessments to support energy infrastructure investment. The results of these studies have been submitted and supported in various jurisdictions, including the Federal Energy Regulatory Commission and the National Energy Board of Canada.
- For a natural gas producer, reviewed energy contract practices and pricing mechanisms to support a contract arbitration process.

Business Strategy and Operations

Retained by numerous leading North American energy companies to provide services relating to the development of strategic plans and planning processes for both regulated and non-regulated entities. Specific services provided include: developing market entry strategies for retail and wholesale businesses; review of management practices and procedures; and business process redesign initiatives.

Representative engagements have included:

- For Columbia of Massachusetts developed expert witness testimony in support of a contract for natural gas pipeline capacity. The testimony was submitted in the Massachusetts Department of Public Utilities.
- For Union Gas developed expert testimony regarding the gas supply planning process and associated activities. The testimony was submitted to the Ontario Energy Board.
- For Gaz Métro developed expert testimony regarding the utilization of natural gas storage. The testimony was submitted to the Régie de l'énergie.
- For an LDC reviewed the current retail choice program, certain proposed changes, and the potential impacts on the gas supply portfolio.
- For an LDC reviewed the cost and benefits of expanding into new service territories. The final work product was presented to the LDC Board of Directors.
- Reviewed the investment potential of a greenfield LDC on behalf of a regional energy distributor
- Reviewed the natural gas supply alternatives (i.e., supply basin cost, transport basis and regulatory issues) for an integrated energy company
- Developed regional market assessments and associated market entry strategies for a wholesale energy marketing company.
- Reviewed certain management practices and procedures for a wholesale energy marketing company.
- Performed due diligence on a retail electricity marketing firm in support of a third party investment.
- Prepared a competitive position analysis (i.e., SWOT analysis) for an interstate gas pipeline.
- On behalf of a wholesale energy marketing company, reviewed federal and state requirements associated with entering certain natural gas markets.
- Assessed the economic viability of gas distribution utility service expansion in Vermont.
- Developed new service offerings, including firm transportation and stand-by service, for a mid-Atlantic utility.
- Managed the re-engineering of a large Midwest LDC's gas supply procurement process.
- Managed the re-engineering of a mid-Atlantic wholesale energy marketing company's gas operations.
- On behalf of an interstate pipeline, conducted a customer outreach/survey program.

Regulatory Analysis and Support

On behalf of electric, natural gas and combination utilities and interstate natural gas pipeline companies throughout North America, provided services relating to the development of regulatory and ratemaking strategies, energy supply obligations, stranded cost assessment and recovery, rate design, and management prudence. Specific services provided include: assistance with open season process and procedures, FERC standard of conduct review, analysis of provider of last resort obligations in both electric and gas markets, develop new service offerings, and provide litigation support.

Representative engagements have included:

- On behalf of an LDC developed an integrated resource plan including demand forecasting and gas supply portfolios analysis. The final work product was submitted to the State Utility Commission.
- Retained by the Alaska Gasline Development Corporation to assist with market review and assessment, open season process development and implementation, and associated activities (e.g., tariff and service development).
- Retained by various LDCs and electric utilities to evaluate interstate pipeline open seasons including an analysis of the quantitative and qualitative aspects of the various projects.
- Retained by numerous LDCs to assist with natural gas demand forecasting
- Retained by an LDC to develop regulatory strategy associated with the funding of distribution expansion.
- Retained by a Midwest U.S. interstate gas pipeline to assist with an open season including drafting of tariffs and precedent agreements, and interaction with potential shippers.
- Retained by a Northeast energy company to review the FERC reporting requirements and standards of conduct for an interstate pipeline business unit.
- Provided regulatory and litigation support to a natural gas pipeline regarding rate impacts of new infrastructure development.
- Provided litigation support to a mid-west utility regarding proposed gas purchase disallowances for storage utilization, hedging activity, and pipeline capacity decisions.
- On behalf of a Midwest utility, developed and implemented a third party transportation program
- Assisted several LDCs evaluate and implement regulatory strategy regarding declining use per customer.
- Developed demand study to support the AES Sparrows Point LNG FERC application.
- On behalf of Emera Brunswick Pipeline, assisted with the development of the demand and supply study submitted as part of the application to the National Energy Board of Canada.
- Provided support to a Canadian LNG supplier regarding their NEB export license application.

Energy Procurement

Directed and participated in the review of various energy procurement projects including demand modeling, portfolio review/optimization, procurement strategies and associated cost structures.

Representative engagements/experience has included:

- For a municipal utility evaluated its current gas supply portfolio and the options associated with purchasing strategies.
- For a municipal utility evaluated the benefits and costs associated with quick-start generation.
- Retained by a natural gas utility to review the value achieved under an asset management agreement, including use of storage.
- Provided a private company with a review of natural gas supply and storage options and associated prices and risks.
- On behalf of a large natural gas distribution company, evaluated the benefit associated with asset management opportunities.
- On behalf of a regional combination utility, reviewed the appropriate jurisdiction for a natural gas pipeline asset.
- On behalf of a natural gas utility, conducted a detailed audit of the gas supply, marketing, and accounting functions.
- On behalf of several gas utilities, developed demand forecasts and supported those forecasts in regulatory proceedings.
- For a multi-state utility, reviewed the demand forecast planning process and procedures and recommended certain process changes.
- On behalf of a financial institution, reviewed the competitiveness of a storage project investment and quantified the impact of various new projects on the storage project financial performance.

Financial and Economic Advisory Services

Involved in the sale or evaluation of several non-regulated energy companies including wholesale and retail energy marketing companies, on-line energy brokers and energy services' companies. Assisted clients with market strategy and the identification of partnership opportunities. Specific services provided include: business unit evaluation, development of sale materials, marketing of transaction, bid evaluation and negotiation support. These engagements have resulted in completed sales or strategy changes.

Representative engagements have included:

- For a municipal utility evaluated and negotiated an asset management agreement.
- Assisted an LDC with gas supply due diligence regarding a potential acquisition.
- Assisted a private company with business/market communication material and the identification of potential partners to support the commercialization of the client's patented intellectual property.
- Performed an independent review of a retail energy marketer to value a third party investment.
- Sale of Niagara Mohawk Power Corporation's non-regulated energy marketing affiliate.
- Sale of Providence Energy Corporation's non-regulated marketing affiliate.
- Performed an independent valuation of an on-line energy broker on behalf of an investor.

PROFESSIONAL HISTORY

Sussex Economic Advisors, LLC (2012 – Present)

Partner

Concentric Energy Advisors, Inc. (2002 – 2012)

Executive Advisor
Senior Vice President
Vice President

Navigant Consulting, Inc. (2000 – 2001)

Director, Energy Market Assessment Practice Area

Providence Energy Services (1997 – 2000)

President (1998 – 2000)
President, Providence-Southern (1997 – 1998)

REED Consulting Group (1994 – 1997)

Assistant Vice President

Colonial Gas Company (1991 – 1994)

Director, Gas Supply Planning and Acquisition (1993 – 1994)
Manager, Gas Supply (1991 – 1993)

Boston Gas Company (1987 – 1991)

Senior Gas Supply Analyst (1990 – 1991)
Transportation and Exchange Analyst (1988 – 1990)
Business Analyst (1987 – 1988)

EDUCATION

M.B.A., Bentley College, 1991
B.S., Bentley College, 1987

DESIGNATIONS AND PROFESSIONAL AFFILIATIONS

Member of the American Gas Association
Member of the New England Gas Association
Former Member of the American Public Gas Association

Recent Expert Witness Appearances

SPONSOR	DATE	JURISDICTION	DOCKET No.	SUBJECT
Union Gas	April, 2013	Ontario	Docket No. 2013-0109	Gas Supply Planning
Columbia Gas of Massachusetts	September, 2013	Massachusetts	Docket No. 13-158	Pipeline Capacity Contract
Columbia Gas of Massachusetts	September, 2013	Massachusetts	Docket No. 13-161	Integrated Resource Plan
Gaz Métro	October, 2013	Québec	Cause tarifaire 2014, R-3837- 2013	Storage Utilization
Maine Public Utility Commission	February, 2014	Maine	Docket No. 2014-00071	Pipeline Open Season