



Wayne P. Olson

Principal

Summary of Experience

Mr. Olson received an M.A. in economics and a B.S. in business administration with majors in economics and accounting from the University of North Dakota. He is a Chartered Financial Analyst and passed the examinations to be a Certified Public Accountant.

Prior to June 2013, Mr. Olson was Senior Consultant at NERA Economic Consulting, where he focused on regulatory and public utility issues in the electric, gas, telecommunications, and water utility industries in the U.S. and globally. While at NERA, Mr. Olson worked on electric restructuring issues, merger-related regulatory issues, fuel adjustment clause issues, and cost of capital and other ratemaking issues in over fifteen U.S. states and Puerto Rico. His international experience includes assignments in Argentina, Barbados, Canada (Alberta, New Brunswick, and Newfoundland), Ireland, Malaysia, Panama, South Africa, and Turkey, among others.

Before joining NERA, Mr. Olson was Director of Finance of the Maine Public Utilities Commission (Maine PUC), where he was heavily involved, as an advisor to the Commissioners, in rate cases for all of the major electric and telecommunications utilities in the state, including consideration of cost of capital, revenue requirement, and rate design issues. He also led the advisory team that developed an incentive-based alternative ratemaking plan for Central Maine Power Company and participated in teams that developed incentive-based alternative rate plans for the other electric utilities and for NYNEX (now Verizon Maine). More generally, this was an era of intense activity on electric restructuring, competition in telecommunications, infrastructure build-out of natural gas utility infrastructure in Maine, and many other regulatory and public utility issues.

Prior to the Maine Public Utilities Commission, Mr. Olson was Manager of Financial and Economic Analysis at Palmer Bellevue Corporation (subsequently acquired by PricewaterhouseCoopers), where he contributed to consulting projects involving electric, telecommunications, and energy policy issues. He also worked as an International Banking Officer at Westpac Banking Corporation (an Australian bank) and as a Financial Analyst in the Economics and Rates Department of the Illinois Commerce Commission.

Mr. Olson's articles have appeared in industry journals, such as *Public Utilities Fortnightly* and the *Electricity Journal*. The subjects of Mr. Olson's previous *Electricity Journal* articles include formula-based ratemaking, fuel adjustment mechanisms, the sharing of merger savings, secrecy/transparency in the regulatory process, efficient electric restructuring, branding and standards of conduct, incentive ratemaking, and the lessons of the New Institutional Economics,

among others. He authored a chapter in the book, *Reinventing Electric Utility Regulation* (Vienna, Virginia: Public Utilities Reports, Inc., 1995) and a book entitled *The A to Z of Public Utility Regulation* (Reston, VA: Fortnightly, 2015).

Selected Expert Testimony

- Before the New Brunswick Board of Commissioners of Public Utilities, Rebuttal Testimony on behalf of the Public Intervenor. November 9, 2006. Subject: resource procurement policy (with Amparo D. Nieto).
- Testimony before Oficina de la Reglamentación de la Industria Lechera (Puerto Rican milk regulator) on behalf of Suiza Dairy and Tres Monjitas, August 27, 2003. Subject: Determination of cost of common equity for milk producers.
- Maine Public Utilities Commission (MPUC) Docket No. 94-358. Consumers Maine Water Company: Cost of Capital, March 1995. (Cosponsored with Richard S. Kivela).
- Maine Joint Standing Committee on Utilities (Legislative Committee). Re: L.D. 1007, An Act to Enhance Competition. Testimony dealt with statutory provisions regarding the formation of non-utility subsidiaries. April 12, 1993.
- Illinois Commerce Commission (ICC) Docket No. 84-0055. Illinois Power Company: Financial Aspects of Construction Audit, July 1986.
- ICC Docket No. 86-0026 & Docket No. 86-0033 (Consolidated). Consumer Illinois Water: Cost of Capital, April 1986.
- ICC Docket No. 86-0018. Illinois Power: Ratemaking Treatment Petition, February 1986.
- ICC Docket No. 85-0428. Iowa-Illinois Gas and Electric and Sherrard Power System: Financial Aspects of Proposed Merger, January 1986.
- ICC Docket No. 85-0237. Community Service Corporation: Cost of Capital, December 1985.
- ICC Docket No. 85-0202. Illinois-American Water: Cost of Capital, October 1985 and December 1985.
- ICC Docket No. 85-0089. Consumers Gas: Cost of Capital and Interim Rate Relief, July 1985.
- ICC Docket No. 85-0079. Continental Telephone of Illinois: Cost of Capital, June 1985.

- ICC Docket No. 84-0480. Illinois Power: Cost/Benefit Analysis of CWIP vs. AFUDC, March 1985, May 1985, and May 1985.
- ICC Docket No. 84-0305. Medina Utilities: Cost of Capital, January 1985.
- ICC Docket No. 84-0330. Whispering Hills Water: Cost of Capital, January 1985.
- ICC Docket No. 84-0413. Central Illinois Light: Formation of Holding Company, November 1984.

Selected Publications

- “Will Solar And Home Batteries Disrupt The Electric Utility Business Model?,” *Seeking Alpha*, January 17, 2016.
- “Consumers win when electricity sources are wired for competition,” *Portland Press Herald*, June 1, 2015.
- *The A to Z of Public Utility Regulation* (Reston, VA: Fortnightly, 2015).
- “Regulate broadband providers as common carriers to ensure net neutrality,” *Portland Press Herald*, February 21, 2015, p. A4.
- “Cable merger may provide opportunity to promote competition,” *Portland Press Herald*, May 18, 2014, p. A6.
- “Water utilities and the tyranny of small decisions,” Brunswick, ME: *The Times Record*, February 21, 2014.
- “Jury’s out on Telecom Act,” Brunswick, ME, *The Times Record*, February 3, 2014, p. A6.
- “Natural gas could heat up U.S. economy,” Brunswick, ME, *The Times Record*, January 24, 2013, p. A6.
- “Fairness, Financial Autonomy and Independence: Lessons from Regulated Industries,” *The Electricity Journal*, Jan./Feb. 2012, Vol. 23, Issue No. 8.
- “Fueling the Price of Power (and Gas): The Rising Profitability of Pipelines and the Need for Collective Action,” *The Electricity Journal*, June 2011, Vol. 24, Issue No. 5. (with Jeff D. Makholm).
- “Targeting Attrition: Some Familiar Ratemaking Tools,” *The Electricity Journal*, Aug./Sept. 2011, Vol. 24, Issue No. 7 (with Kenneth Gordon and Kurt Strunk).

- “Like Public Utilities: Regulating Fannie Mae and Freddie Mac,” *The Electricity Journal*, October 2010, Vol. 23 Issue No. 8.
- “At a Crossroads: Modernizing Utility Infrastructure in a Tough Credit Environment,” *The Electricity Journal*, Aug./Sept. 2009, Vol. 22, Issue No. 7.
- “The Continuing Rationale for Full and Timely Recovery of Fuel Price Levels in Fuel Adjustment Clauses,” *The Electricity Journal*, July 2008, pp. 71-78 (with Eugene Meehan and Kurt Strunk).
- “Competitive Electricity Markets: The Benefits for Customers and the Environment,” February 2008. White paper commissioned by the COMPETE Coalition, (with Eugene Meehan).
- “Removing Disincentives State Regulatory Treatment of Merger Savings,” *The Electricity Journal*, October 2006, pp. 52-58 (with Kenneth Gordon).
- “Distributed Resources: Incentives,” published by the Edison Electric Institute, May 2006, (with Eugene Meehan).
- “Responding to EPAct 2005: Looking at Smart Meters for Electricity, Time-Based Rate Structures, and Net Metering,” published by the Edison Electric Institute, May 2006, (with Kenneth Gordon, Ph.D. and Amparo D. Nieto).
- “Secrecy and Utility Regulation,” *The Electricity Journal*, May 2005, pp. 48-52.
- “Retail Cost Recovery and Rate Design in a Restructured Environment,” published by the Edison Electric Institute, December 2004 (with Kenneth Gordon).
- “Chapter 4: With Careful Use and Proper Focus, Ring-Fence Regulation Benefits Consumers,” *Electric & Natural Gas Business: Using New Strategies*, Understanding the Issues, Robert E. Willett, ed. (Houston: Financial Communications Company, 2004), pp. 47-71 (with Kristina Sepetys and Enrique Torres Correa).
- “It’s All in the Incentives: Lessons Learned in Implementing Incentive Ratemaking,” *The Electricity Journal*, December 2003, pp. 20-29 (with Caroline Richards).
- “Efficient Electric Restructuring: Balancing Efficiency and Market Power Tradeoffs,” *The Electricity Journal*, July 2000, Volume 13, pp. 19-27.
- “Consumer Sovereignty, Branding, and Standards of Competitive Practice,” *The Electricity Journal*, May 2000, Volume 13, Number 4, pp.76-84 (with Ken Gordon).
- “Open Entry, Choice, and the Risks of Short-Circuiting the Competitive Process,” published by the Edison Electric Institute, March 2000.

- “Getting It Right: Filling the Gaps in FERC’s Stranded Cost Policies,” *The Electricity Journal*, May 1999, pp. 69-79 (With Kenneth Gordon).
- “From Monopoly to Markets: Milestones Along the Road,” Occasional Paper #25 (NRRI 98-19), The National Regulatory Research Institute, Columbus, Ohio, August 1998.
- “Lessons from the New Institutional Economics.” *The Electricity Journal*, June 1997, 46-60.
- “Turbulent Waters Ahead! Regulating in Troubled Waters (and Living to Tell the Tale),” *Reinventing Electric Utility Regulation*. ed. Gregory B. Enholm and J. Robert Malko (Vienna, Virginia: Public Utilities Reports, Inc., 1995): 199-223.
- “Electricity Matters: A New Incentives Approach for a Changing Electric Industry.” *The Electricity Journal* (January/February 1995): 28-40 (with Kenneth W. Costello).
- “PUHCA Reform: Maintaining State Prerogatives.” *Regulatory Responses to Continuously Changing Industry Structures: Proceedings of the Institute of Public Utilities Twenty-Third Annual Conference*. (East Lansing, Michigan: Institute of Public Utilities, 1993): 69-87 (with Philip R. O'Connor).
- “The Utility Build-Vs.-Buy Decision: Is There A Financial Externality?” *Proceedings of the Eighth NARUC Biennial Regulatory Information Conference*. Volume III: Multi-Utilities. (Columbus, Ohio: The National Regulatory Research Institute, September 9-11, 1992).
- “2001: An Energy Odyssey.” *Public Utilities Fortnightly* 125 (August 30, 1990): 12-18 (with Philip R. O'Connor and Joellyn K. Murphy).
- “Localizing Federal Power Assets: A Path for the Pacific Northwest.” *Public Utilities Fortnightly* 125 (February 1, 1990): 7-13 (with Philip R. O'Connor).
- “An Analysis of the Effects of Electric Utility Diversification on Risk and Return.” Paper presented at the 4th International Congress of the North American Economics and Finance Association, Montreal, Quebec, Canada (July 1986).
- “Competition, Financial Innovation, and Diversification in the Electric Industry.” *Public Utilities Fortnightly* 117 (February 20, 1986): 17-21 (with Philip R. O'Connor and Robert G. Bussa).
- *Toward Competition in the Electric Utility Industry: Diversification and Utility Holding Companies*. Illinois Commerce Commission Staff Monograph Series. Springfield, Illinois: Illinois Commerce Commission. (November 1985).
- *Utility Diversification*. Illinois Commerce Commission Staff Monograph Series No. 10.

Springfield, Illinois: Illinois Commerce Commission. (1985).

- “The Effect on Risk and Return from Utility Diversification” M.A. thesis, University of North Dakota (1984).

Selected Consulting Reports

- “Consultation Paper: Development of Approaches Towards Regulating Tariffs for Petroleum Pipelines, Storage and Loading Facilities in South Africa.” Report prepared for the National Energy Regulator of South on the determination of economically feasible approaches towards establishing revenue requirements, regulating the setting/approval of tariffs, and developing rules, guidelines and framework regarding regulatory accounts for the petroleum pipelines, storage, and loading facilities in South Africa. December 14, 2006.
- “Regulatory Assessment of the Turkish Electricity Sector.” Report prepared for Prisma Energy on the examination of the economic and regulatory risks facing investors in the privatization of the energy infrastructure of Turkey. December 6, 2006.
- “Task 99: Design of the Business Plan for NERSA Progress Report Final Report,” prepared by NERA for the Department of Minerals and Energy, March 4, 2005 (with Leonardo Giacchino and Joseph Crespo Mr. Gabriel Berchesi, Mr. Jeffrey Fabre and Mr. Gabriel Prieto).
- “Task 99: Design of the Business Plan for NERSA Progress Report Two,” prepared by NERA for the Department of Minerals and Energy, February 8, 2005 (with Leonardo Giacchino and Joseph Crespo Mr. Gabriel Berchesi, Mr. Jeffrey Fabre and Mr. Gabriel Prieto).
- “Task 99: Design of the Business Plan for NERSA Progress Report One,” prepared by NERA for the Department of Minerals and Energy, January 9, 2005 (with Leonardo Giacchino and Joseph Crespo Mr. Gabriel Berchesi, Mr. Jeffrey Fabre and Mr. Gabriel Prieto).
- “Electricity Restructuring and its Effects on Technological Innovation,” prepared by NERA for Japan Electric Power Information Center, Inc., February 13, 2004 (with Kristina Sepetys, Caroline Richards, Joe Crespo, and Enrique Torres Correa).
- “Electricity Utility Growth Under Deregulation,” prepared by NERA for Japan Electric Power Information Center, Inc., March 27, 2003 (with Kristina Sepetys).
- “Stranded Cost Estimation and Recovery,” Survey of International Procedures and

Experience, prepared by NERA for Japan NUS and Kansai Electric Power Company, with Kristina Sepetys, Enese Lief-Doczy, Monica Gadolfi, March 2001.

- "Global Challenges in Energy and the Environment: An American Opportunity Through PUHCA Reform," prepared through a grant from Utility Working Group, September 3, 1992 (co-authored with Philip R. O'Connor and Jay Talaria).
- "PUHCA Reform: Exploding the Myth of Deregulation," prepared through a grant from Utility Working Group, September 1991 (co-authored with Philip R. O'Connor and Gerald M. Keenan).
- "Buckeye Power, Inc. Strategic Assessment," prepared for Buckeye Power, Inc. by Palmer Bellevue Corporation and Resource Management International, Inc.), three volumes, May 1991 (Palmer Bellevue portions were co-authored with Philip R. O'Connor).
- "U.S. Electric Utility Portfolio Update and Market Strategy," prepared for Westpac Banking Corporation, October 28, 1990.

Selected Presentations

- "Task 99: Design of the Business Plan for NERSA- Draft Final Report," prepared by NERA for the Department of Minerals and Energy, Pretoria, South Africa, February 24, 2005.
- "Task 99: Design of the Business Plan for NERSA- First Progress Report," prepared by NERA for the Department of Minerals and Energy, Pretoria, South Africa, January 19, 2005.
- "Maine's Experience with Incentive Regulation." Surviving Regulatory Change and Competition, Williamsburg Lodge, Colonial Williamsburg, Virginia, December 5, 1996.
- "Maine's Experience with Incentive Regulation." PBR for Electric & Gas Utilities. Hyatt Regency, Washington, D.C., October 11, 1996.
- "Markets, Contracts & Firms: Microanalytic Foundations of Electric Restructuring." Presentation to the NARUC Biennial Regulatory Information Conference. Fawcett Center, Columbus, Ohio, September 12, 1996.
- "Electric Restructuring in Maine." Presentation to the Infocast Conference on Electric Restructuring in New England, Sheraton Commander Hotel, Cambridge, Massachusetts,

June 24, 1996.

- “What’s Going On In Maine?” Presentation to the *NatWest Securities Utilities Seminar: Mid-Atlantic & New England*. Boston Harbor Hotel, Boston, Massachusetts, September 27, 1995.
- “Electric Incentive Methods in Maine.” *Presentation to the Performance-based Regulation for Electric Utilities*. Pheasant Run Resort, St. Charles, Illinois. July 10, 1995.
- “Electric Incentive Methods in Maine.” Presentation to the *NARUC Staff Subcommittee on Economics & Finance*. NARUC Winter Committee Meetings, J.W. Marriott Hotel, Washington, D.C., Tuesday, February 28, 1995.
- “Presentation to the Financial Community.” Presentation to the *NatWest Securities Utilities Seminar: Mid-Atlantic & New England*. Boston Harbor Hotel, Boston, Massachusetts, September 28, 1994.
- “How the States are Responding to EPAct.” Presentation to the New England Cogeneration Association conference entitled *Competitive Power and Utility Finance: An Update on EPAct Implementation*. Publick House Historic Resort, Sturbridge, Massachusetts, November 3, 1993.
- “Presentation to the Financial Community.” Presentation to the *NatWest Securities Utilities Seminar: Mid-Atlantic & New England*. Boston Harbor Hotel, Boston, Massachusetts, September 22, 1993.
- “The Utility Build-Vs.-Buy Decision: Is There A Financial Externality?” *Eighth NARUC Biennial Regulatory Information Conference*. Fawcett Center for Tomorrow, Columbus, Ohio, September 9, 1992.
- “Into the Brave New World: Electric Utilities in the 1990s,” Presentation to Long-Term Credit Bank of Japan and Hopkins and Sutter, February 28, 1991 (co-presented with Philip R. O'Connor).
- “CRSS Capital, Inc.: Preliminary Valuation Review,” presentation to Advance Ross Corporation, May 23, 1990 (co-presented with Gerald M. Keenan).
- “Transmission Financing: Background Presentation,” presentation to Westpac Banking Corporation, October 20, 1989 (co-presented with Gerald M. Keenan).
- “H-Power: Due Diligence and Strategic Review,” presentation to Amfac, Inc. and JMB Realty, April 27, 1989 (co-presented with Gerald M. Keenan and Marc Vallen).

Professional Experience

- **Solutions Economics, LLC**
 - **2013 – Present, Principal**
 - Testimony support and expert analysis on public utility regulatory topics.
- **National Economic Research Associates**
 - 2003-2013, Senior Consultant
 - Expert analysis on regulation and competition policy issues facing the electric utility and telecommunications industries.
 - 1998-2003, Consultant
 - Provided analysis relating to regulation and competition policy issues facing the electric utility and telecommunications industries.
- **Maine Public Utilities Commission**
 - 1992-1998, Director of Finance
 - One of five division directors appointed by a three-member regulatory commission and part of commission management team. Responsible for managing a staff of eight financial analysts, accountants, and economists. Advised the Commission on financial, accounting, and economic aspects of utility regulation and participated as staff advisor or advocate in cases before the Commission.
- **Palmer Bellevue Corporation**
 - 1991-1992, Manager, Financial and Economic Analysis
 - Responsible for the supervision of the development of financial and economic analysis as part of Palmer Bellevue's consulting and financial advisory services practice. Practice included electric restructuring, analysis of QF contracts, telecommunications, energy and environmental policy, and financial, regulatory, and strategic analysis.
 - 1998-1991, Senior Financial Analyst
 - Principal duty was the development of financial and economic analysis as part of Palmer Bellevue's consulting and financial advisory services practice.

- **Westpac Banking Corporation**

- 1987-1988, International Banking Officer/Account Associate

- Primary duty was the coordination, preparation and presentation of credit proposals. These proposals provided a thorough financial evaluation (including an analysis of business and financial risk) in the electric utility, telecommunications, municipal, and project finance sectors as well as in-depth analysis of the structure of the applicable transaction. Special projects included the preparation of a report that analyzed Westpac's electric utility portfolio and proposed market strategy. Duties also included customer calling, industry studies, loan documentation and compliance, and syndications.

- 1986-1987, International Banking Officer/Credit Analyst

- Primary duty was the coordination, preparation and presentation of credit proposals in conjunction with the Special Industries Marketing Team.

- **Illinois Commerce Commission**

- Financial Analyst

- Primary duty was to testify as an expert witness on the cost of common equity capital of utilities in the electric, telecommunications, gas, and water industries using the discounted cash flow model as well as the capital asset pricing model. Duties also included an examination of the appropriate capital structure and embedded cost of debt as well as testimony on corporate structure, CWIP in rate base, financial integrity, and the need for interim rate relief. Duties required an extensive use of sophisticated financial analysis and a solid understanding of financial theory. As part of these duties, was responsible for cross-examining financial witnesses appearing on behalf of utilities and intervening parties, preparing testimony, and preparing financial portions of briefs. In assigned proceedings, was responsible for briefing the Commission on rate proceedings and other financial issues. Also, conducted research and wrote papers on various financial and ratemaking topics.

- **University of North Dakota**

- 1982-1984, Graduate Teaching Assistant

- Taught courses in the Principles of Microeconomics and the Principles of Macroeconomics. Other duties included tutoring students in statistics, administering and grading tests, and performing various research projects.
- **Super Valu Stores, Inc.-Minneapolis Division**
 - 1980-1981, Retail Accountant
 - Prepared financial statements for Super Valu-affiliated independent retailers.

Education

- MA, Economics, University of North Dakota
 - Major Fields: Finance and Public Policy
- BS, Business Administration, University of North Dakota.
 - Major Fields: Economics and Accounts

Honors and Professional Activities

- Appointed to be Member, National Regulatory Research Institute (NRRI) Research Advisory Committee (RAC) effective July 1, 1998 for a three-year term (July 1, 1998 to June 30, 2001)
- Maine Work Group on Electricity Restructuring, Alternate for Chairman Thomas Welch. 1995
- Member, NARUC's Staff Subcommittee on Economics and Finance. 1993-1998
- Utility and Telecommunications Securities Club of Chicago: Board of Directors, 1991-1992; Vice President, 1990-1991; Program Committee, 1989-1990; Arrangements Committee, 1988-1989; Treasurer, 1987-1988
- Chicago Energy Economists Association: Vice President 1992-1993
- Member of the Boston Security Analysts Society, Inc. and the CFA Institute
- Chartered Financial Analyst (August 1989)
- Awarded Certified Public Accountant certificate from the Minnesota State Board of Accountancy (February 1983)