

RÉSUMÉ OF THOMAS A. GRAVES

**VICE PRESIDENT
WILLIS, GRAVES & ASSOCIATES, INC.
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1977 to Date:

Mr. Graves has served as Vice President of Willis, Graves & Associates, Inc., since its formation in 1977. During that time he has applied his expertise to financial, rate, regulatory, accounting, data processing and related matters for large and small corporations and businesses, investor-owned utilities and municipal utilities.

Mr. Graves has provided expert testimony on a variety of issues in numerous venues, including municipal, regional and state regulatory authorities; county, state and federal courts; arbitration panels; and state legislative committees. In addition, he has served as a consulting expert to clients ranging from small local utilities to major multinational corporations. Details of the consulting engagements in which Mr. Graves has participated and/or testified are shown in Exhibit A.

1971-1976:

Prior to co-founding Willis, Graves & Associates, Inc., Mr. Graves served in various capacities in the management of Browning-Ferris Industries, Inc., and affiliates, an international solid waste management company. Concentrating in the area of financial and economic analysis, he completed projects for management and for the Board of Directors, including evaluation of acquisition prospects, analysis of potential capital investments, analysis of market potential in existing service areas, and coordination of facilities modernization, expansion and integration.

1968-1971

Prior to his employment at Browning-Ferris, Mr. Graves was employed as a Rate Engineer in the Rate Department of Tennessee Gas Transmission Company. In that capacity he participated extensively in the preparation of rate increase filings to the Federal Power Commission (now FERC), including all aspects of cost of service, cost allocation, rate design and tariff provisions. He also supervised the preparation of related studies for management or for filing with the FPC regarding facilities certificate applications, economic feasibility studies, cost allocations, incremental cost analysis and federal income taxation.

Education and Professional Affiliations

Mr. Graves holds a B.B.A. degree from The University of Texas at Austin (1967) in the Engineering Route to Business Administration program. He has both participated in and conducted numerous accounting and rate seminars and courses. He is a past member of the Texas Independent Producers and Royalty Owners, the Texas Gas Association, the American Water Works Association and a founding member and advisory director of the Independent Water and Sewer Companies of Texas.

CONSULTING ENGAGEMENTS

During his employment with Willis, Graves & Associates, Inc., Mr. Graves' consulting work has encompassed a wide variety of clients and subjects. The following is a listing of representative engagements:

Water/Sewer Utility Rate and Regulatory Matters:

- Preparation of rate filing package and/or expert testimony before the Public Utility Commission of Texas and Texas Natural Resource Conservation Commission (formerly Texas Water Commission) in more than fifty rate proceedings of investor-owned water and sewer utilities (see attached partial listing of expert testimony).
- Expert testimony on cost of service and rate design before Texas Water Commission on behalf of Cities of Georgetown and Round Rock in complaint by Dow Chemical Company v. Brazos River Authority - Docket No. 8169-M, 1990-91.
- Expert testimony on cost of service and rate design before Texas Water Commission on behalf of Bayview Irrigation District No. 11 in complaint of Bayview Irrigation District No. 11 v. Cameron County Irrigation Dist. No. 6 - Docket No. 9832-M, 1993
- Consulting expert on behalf of Bayview Irrigation District No. 11 in mediation of rate dispute with Cameron County Irrigation Dist. No. 6, 1999
- Expert testimony on cost of capital before the Texas Water Commission in *City of Kilgore v. City of Longview* - Docket Nos. 7796-M and 7831-M, 1989
- Municipal water, sewer and/or solid waste sewer utility rate studies for the Texas cities of Burleson, Cleburne, DeSoto, Sherman, Huntsville, Marble Falls, and Gainesville.

Gas Utility Rate and Regulatory Matters:

- Consulting expert services for Davis Gas Processing, Inc. in Gas Utilities Docket Nos. 9531 and 9553 (abandonment proceeding re Southtex 66 Pipeline Co., Ltd.), 2005 – Case Settled.
- Cost of service testimony before Railroad Commission of Texas on behalf of Texas A&M University in Gas Utilities Docket No. 9435 (Request of Texas A&M Univ. for Establishment of Transportation Rate on TXU Gas Company), 2004 – Case Settled.
- Cost of service testimony before State Office of Administrative Hearings (SOAH Docket No. 455-02-3446) on behalf of Texas General Land Office in Gas Utilities Docket No. 9291 (Complaint v. Panther Pipeline, LTD)
- Consulting expert on behalf of El Paso Corp. in dispute with Lone Star Gas Company regarding Purchased Gas Adjustment provision
- Cost of service testimony before Railroad Commission of Texas on behalf of Cities of Brenham, et al. in GUD Docket No. 8749 (Complaint v. Texas Southeastern Gas Company)
- Consulting expert on behalf of Cities of Brenham, et al. in Application of Texas Southeastern Gas Company to Change Sales and Transportation Rates, GUD 8958.
- Expert testimony before Railroad Commission of Texas in complaint of Warren NGL against Lone Star Pipeline
- Review and analysis of gas distribution utility rate filing of Lone Star Gas Company on behalf of the City of Cleburne, Texas.

Oil and Gas Matters:

- Consulting expert services for Thornberry Oil Field Services, Inc., in *Thornberry v. Gulf Coast Pipeline Partners, Houston Pipeline Company and Danex Energy Company*, 2004 – Case Settled.
- Consulting expert for Chief Oil & Gas LLC in dispute with Eagle Mountain Pipeline Company, LP, 2004 – Matter Settled.
- Consulting expert for Oxy/Wiser in dispute with Mapco, Inc. over processing/transportation of natural gas liquids, 1999
- Expert report on behalf of Australian Gasfields, Ltd. (Brisbane, Australia) in arbitration of royalty dispute with Phillips Oil Company Australia and Sun Oil Export Company, 1998
- Consulting expert for ML Resources, Inc. in gas purchase contract dispute with Aquila Pipeline, 1998-99
- Expert testimony regarding damages for incremental capital and operating costs on behalf of plaintiff Western Counties Gas Company (Monahans, Texas) in breach of contract lawsuit vs. Cabot Corporation, 1986
- Expert testimony regarding value of assets and gas purchase contract in *Sesqui-Tex Gas Corporation, Ed Davenport and James R. Griffin v. City of Brady*, Texas, District Court of Brown County, Texas, 35th Judicial District, Cause No. 89-09-489, 1991.
- Technical support in *Cleavinger, et al v. Cabot Corporation*, class action lawsuit filed by irrigation farmers against Cabot Corp. (Westar Transmission) regarding restructuring of gas supplies, contracts, etc. following Cabot acquisition of Westar, 1984
- Expert testimony on behalf of EP Operating Company in *EP Operating Co. v. Sonora Exploration Corporation*, 1992.
- Negotiations with Peoples Natural Gas Company regarding disputed natural gas billing/measurement on behalf of Felt Water Development Corporation (Felt, OK), 1983
- Analysis of irrigation gas measurement/billing practices and procedures on behalf of defendant, Peoples Natural Gas Company (InterNorth) in lawsuit filed by irrigation gas customers. (Case settled), 1984.
- Technical support on behalf of Exxon Corporation in *Exxon v. United States* - litigation involving the determination of market prices for Federal income tax depletion allowance calculations, 1997.
- Consulting expert on behalf of Ergon Exploration, Inc. in *Ergon Exploration v. Texas Gas Transmission* - litigation involving contract price and redetermination, 1998.
- Technical support on behalf of Exxon Corporation in *Toon, et al. v. Exxon* - litigation involving prudent marketing standards and the determination of natural gas market value under mineral leases, 1995.
- Analysis of royalty agreements, regulations, calculations and payments on behalf of Texaco Inc. in *BHP Petroleum v. Texaco* - litigation involving payment of royalties on production from the Madden Deep Unit (Wyoming), 1998.
- Audit of natural gas royalty calculations and payments of Amoco Production Company for Morganza Field (Louisiana) in *Frey, et. al. v. Amoco*, 1988.

Compilation and analysis of computerized historical oil production data for East Texas Field for Don Rhodes & Associates, Inc., consultants to independent producers in Railroad Commission proceeding regarding oil production allowables in East Texas Field, 1990.

Other Consulting Engagements:

- Procurement of computer hardware and software and development of analytical procedures and programs for utilization of natural gas severance tax data obtained from the Comptroller of the State of Texas, 1988 and after.
- Review and analysis of electric utility rate filing of Pedernales Electric Cooperative on behalf of Lakeway Corporation, intervenor in rate proceeding at the Public Utility Commission of Texas, 1983.
- Review and analysis of electric utility rate filing of McCullough Electric Cooperative (Brady, Texas) on behalf of Texas Mining Company, intervenor in rate proceeding at the Public Utility Commission of Texas, 1984.
- Preparation of tariffs and financial projections and expert testimony before the Texas PUC in various radiotelephone certification proceedings, 1979.
- Comprehensive analysis of utility rate structures, tariff provisions and billing practices related to the provision of electric, gas, water and sewer service to The Methodist Hospital, Houston, Texas, 1982.
- Annual calculation of utilities budgets for The Methodist Hospital (electric, gas, water/sewer) for fiscal years 1983 - 1993.
- Valuation of sanitary landfill property in *T. C. Buck Steiner, et ux. v. City of Austin*, 1988.
- Preparation of Industrial Cost Recovery System for the City of Huntsville, Texas, 1978.
- Development and implementation of mini-computer software systems for the City of Houston Wastewater Division, 1977-78.
- Review and analysis of telephone utility rate filing of San Marcos Telephone Company on behalf of the City of San Marcos, Texas, in appeal of utility to the Public Utility Commission of Texas, 1982.
- Development and implementation of various computer programs and reports for the City of Huntsville Utility Billing section, 1979.
- Development and implementation of computerized utility billing system for Apache Shores Utility Corp., Austin, 1982.
- Development and implementation of computerized client billing system and job cost system for Holford Group consulting engineers and development consultants, Austin, 1984.
- Implementation of computerized accounting systems for numerous utility and non-utility clients.

EXPERT TESTIMONY

Mr. Graves has presented expert testimony before the following regulatory authorities, legislative bodies and courts:

RAILROAD COMMISSION OF TEXAS:

1. Markham Gas Co. - Docket No. ____, 1979
2. Eagle Pass Natural Gas Co. - Docket No. 3263, 1982
3. Peoples Natural Gas Co., Texline - Docket No. ____, 1982
4. Flame Gas Inc. - Docket No. ____, 1983

5. Cross Plains Gas Co. - Docket No. _____, 1983
6. Palo Duro Pipeline v. Westar Transmission - Docket No. 4529, 1984
7. American Pipeline Company - Docket No. 6039, 1986
8. Celanese, et. al. v. Houston Pipe Line Co. - Docket No. 5848 et al., 1986
9. Southern Union Gas Company - Docket No. _____, 1988
10. Webb-Duval Gatherers - (various Gas Utilities dockets), 1988, 1991, 1994, 1997
11. Panola-Rusk Gatherers - Docket No. _____, 1991
12. Texas Gas Gathering Corp. - (various dockets), 1991, 1994, 1997, 2000
13. Brooks Hidalgo Joint Venture - Docket No. _____, 1991
14. Southwestern Gas Pipeline Company - Docket No. 8040, 1991
15. Amoco Gas Company - (various dockets), 1993, 1996
16. Complaint of Weeks Exploration Company against Chevron Pipe Line Company - Gas Utilities Docket No. 8434, 1994-95
17. Complaint of Warren NGL, Inc. against Lone Star Pipeline - Gas Utilities Docket No. _____, 1996
18. Complaint of Cities of Brenham, et al. v. Texas Southeastern Gas Company - GUD Docket No. 8749, 1998

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION (FORMERLY TEXAS WATER COMMISSION):

1. Hill Country Utility Co. (Kerrville) - Docket No. 6679, 1986
2. Windy's Water Works - Docket No. 6505, 1986
3. Hill Country Water Works Co. (San Antonio) - Docket No. 7043-R, 1986
4. Hill Country Utilities, Inc. (Austin) - Docket No. 7142-R, 1987
5. Southern Water Corporation - Docket No. 7087-M, 1987
6. Southern Sanitary Corporation - Docket No. 7088-M, 1987
7. Glenlake Water System - Docket No. 7259-R, 1987
8. Spicewood Development Corp. - Docket No. 7655-R, 1988
9. Southern Utilities, Inc. - Docket No. 7371-R, 1988
10. Hill Country Utilities, Inc. - Docket No. 7830-R, 1989
11. City of Kilgore v. City of Longview - Docket Nos. 7796-M and 7831-M, 1989
12. Spicewood Development Corp. - Docket No. 8332-R, 1990
13. Dow Chemical Company v. Brazos River Authority - Docket No. 8169-M, 1990-91
14. Complaint of Greystone Country Estates v. Hill Country Waterworks Co. - Application No. 9954-X, 1993
15. Complaint of Bayview Irrigation District No. 11 v. Cameron County Irrigation Dist. No. 6 – Docket No. 9832-M, 1993

STATE OFFICE OF ADMINISTRATIVE HEARINGS (TEXAS)

1. Request of The Texas General Land Office for stay of abandonment and for establishment of transportation rate on Panther Pipeline, Ltd. – SOAH Docket No. 455-02-3446; RRC Gas Utilities Docket No. 9291 (2002)
2. Application of Tecon Water Companies, Inc. for a rate/tariff change - TNRCC Docket Nos. 1999-0747UCR et al. (2000)

PUBLIC UTILITY COMMISSION OF TEXAS:

1. Sunbelt Utilities - Docket No. 804, 1977
2. Tarrant Utility Company - Docket No. ___, 1978
3. Tel Paging, Inc., Docket No. ___, 1979
4. Resort Utilities (Galveston) - Docket No. ___, 1980
5. Tarrant Utility Company - Docket No. ___, 1980
6. Lackland City Water Company - Docket No. ___, 1981
7. Southwest Water Services, Inc. - Docket No. 3684, 1981
8. Resort Water Services, Inc. - Docket No. 4317, 1982
9. Hill Country Utilities (Austin) - Docket No. 4347, 1982
10. Bulverde Utility - Docket No. 4805, 1982
11. Pedernales Electric Co-op - Docket No. 5109, 1982
12. Sunbelt Utilities - Docket No. 5647, 1984
13. McCullough Electric Co-op - Docket No. 3843, 1984
14. Lackland City Water Company - Docket No. 5305, 1984
15. Chacko Thomas & Associates - Docket No. 5804, 1984
16. Resort Water Services, Inc. - Docket No. 6605, 1985
16. Lake Vista Utility Co. - Docket No. 6679, 1985
17. Gateway Water Corp. - Docket No. 6039, 1985

OKLAHOMA CORPORATION COMMISSION:

1. Felt Water Development Co. - Cause No. ___ (PGA Inquiry), 1982
2. Felt Water Development Co. - Cause No. ___ (Rate Proceeding), 1983

HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT:

1. Well permit renewal of Industrial Utilities Service, Inc., 1989

COUNTY COURT AT LAW NO. 1, TRAVIS COUNTY, TEXAS:

1. T. C. Buck Steiner, et ux. v. City of Austin - Cause No. 1313, 1988

261st JUDICIAL DISTRICT COURT OF TRAVIS COUNTY, TEXAS:

1. Sunbelt Utilities v. PUC - No. B-8252, 1978

353rd JUDICIAL DISTRICT COURT OF TRAVIS COUNTY, TEXAS:

1. Panther Pipeline, Ltd. v. Railroad Commission of Texas – Cause No. GN-304630, 2004

215th JUDICIAL DISTRICT COURT, HARRIS COUNTY, TEXAS

1. EP Operating Co. v. Sonora Exploration Corp. - Cause No. 89-12002, 1992

35th JUDICIAL DISTRICT COURT, BROWN COUNTY, TEXAS

1. Sesqui-Tex Gas Corporation, Ed Davenport & James R. Griffin v. City of Brady - Cause No. 89-09-489, 1991

UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF TEXAS, PECOS DIVISION:

1. Western Counties Gas Co. v. Cabot Corp. - No. P 86 CA-01, 1986