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September 7, 2023

North Carolina Utilities Commission
430 North Salisbury Street, 5th Floor
Raleigh, NC 27603-5918

Subject: Docket No. W-100, Sub 60A - Utility Valuation Expert Application

To Whom It May Concern:

Enclosed is my application to be added to the Utility Valuation Experts list in Docket No. W-100, Sub 60A. I am an Accredited Senior Appraiser (ASA) of public utility property certified by the American Society of Appraisers with over 15 years of experience performing appraisal studies of water, wastewater, natural gas, electric, and solid waste property.

I look forward to the Commission's consideration of my application and having my name added to the list of authorized Utility Valuation Experts. Should you have any questions regarding the contents provided, please do not hesitate to contact me on my direct line at (512) 900-8232, or by e-mail grabon@newgenstrategies.net.

Sincerely,

NewGen Strategies and Solutions, LLC

A handwritten signature in blue ink that reads 'Grant Rabon'.

Grant Rabon, ASA
Partner

UTILITY VALUATION EXPERT APPLICATION OF GRANT RABON, ASA

Please find below the application information required by North Carolina Utilities Commission Rule R7-41(c) for water utilities and Rule R10-28(c) for wastewater utilities to be added to the list of authorized Utility Valuation Experts.

(1) A demonstration of the person's education and experience specific to providing valuations and appraisals of utility plant, as differentiated from other types of appraisal, such as for real estate.

Since 2005, Mr. Rabon has managed projects for electric, water, wastewater, natural gas, and solid waste utility engagements. His educational background facilitates a unique understanding of the financial implications for technical projects. Further, he is one of less than 20 individuals in the nation with an ASA designation in Public Utilities from the American Society of Appraisers.

EDUCATION

- Master of Business Administration, University of Texas at Austin (May 2005)
- Bachelor of Science in Chemical Engineering, Texas A&M University (May 1999)

(2) A written attestation that a Utility Valuation Expert owes a fiduciary duty to provide a thorough, objective, and fair valuation.

I, Grant Rabon, in accordance with NCUC Docket No. W-100, Sub 60A, acknowledge that the Commission, the Public Staff, the utility, and the Local Government Utility are anticipated to rely upon the valuation analysis conducted by me as a Utility Valuation Expert and that my analysis will be thorough, objective, and fair.

I also understand that the Commission will look to the law of this state, including the North Carolina Appraisers Act (N.C.G.S. Ch. 93E) and the Uniform Standards of Professional Appraisal Practice and relevant judicial decisions for more detailed guidance on these issues.

Mr. Rabon's notarized Verification Form is provided in Attachment A.

(3) A demonstration of financial and technical fitness, such as through production of professional licenses, technical certifications, and names of current or past clients with a description of dates and types of services provided.

PROFESSIONAL REGISTRATIONS / CERTIFICATIONS

- Accredited Senior Appraiser (ASA) designation in Public Utilities from American Society of Appraisers (since March 2011)

PERSONAL/BUSINESS FINANCIAL COMMITMENT

Mr. Rabon does not hold any personal or business commitments to any individuals, companies, facilities, or properties that would call in to question his ability to provide a thorough, objective, and fair valuation.

In accordance with the Uniform Standards of Professional Appraisal Practice, prior to accepting an appraisal assignment, and/or if discovered during an assignment, Mr. Rabon must disclose to the client, if he has any current or prospective interest in the subject property or parties involved, that would call in to question his ability to provide a thorough, objective, and fair valuation.

ADHERENCE TO STANDARDS COMMITMENT

All appraisal assignments performed by Mr. Rabon are performed in compliance with the Uniform Standards of Professional Appraisal Practice. Mr. Rabon will continue to adhere to the standards set forth by the Uniform Standards of Professional Appraisal Practice in the future as it relates to the valuation of utility plant.

QUALIFIED UTILITY VALUATION EXPERT

Mr. Rabon is on the list of qualified Utility Valuation Experts for the Public Utility Commission of Texas to determine the fair market value of water and/or wastewater utility assets, including using the cost, market, and income approaches to valuation and in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

(4) A demonstration of adequate utility valuation and appraisal experience to support the Commission's decision to consider these persons or entities as experts in this field.

UTILITY APPRAISALS AND VALUATIONS

Mr. Rabon has conducted valuations as well as fair market value appraisals to determine an indication of value for acquisitions/dispositions, to evaluate municipalization or privatization of utilities, or to support regulatory filings. His experience also includes service area valuations to determine compensation for decertification of areas covered by certificates of convenience and necessity. His appraisal projects include:

- Aqua Indiana, Inc. (a portion of the system)
- Aqua Texas, Inc. (a portion of the system)
- Bi-County Water Supply Corporation
- Brownsville Navigation District
- Carroll Water Company
- City of Janesville, WI landfill
- City of El Paso's Clint and McCombs Municipal Landfills
- City of Superior, WI Moccasin Mike Landfill
- Clear Water Estates Water System
- Commons Water Supply, Inc.
- Douglas Utility Company
- El Jardin Water Supply Corporation
- EnLink (a portion of a gas pipeline in Alexandria, LA)
- Esperanza Water Service Company
- Greater Ouachita Water Company
- Guadalupe-Blanco River Authority
- Hermleigh Water Works
- Jarrell-Schwertner Water Supply Corporation
- Johnson County Special Utility District
- Kenwood Water System
- Lake Limestone Coves Water System
- Leon Springs Utility Company
- Liberty City Water Supply Corporation
- Louisiana Land and Water Company
- North Orange Water and Sewer
- Mountain Peak Special Utility District
- Pacific Gas and Electric's electric transmission and distribution system in San Francisco, CA
- Patterson Water Supply
- Pennichuck Corporation's water utility in the City of Nashua
- Rice Water Supply & Sewer Supply Corporation
- Rockett Special Utility District
- San Diego Gas & Electric's electric and gas distribution systems in the City of San Diego, CA
- Sharyland Water Supply Corporation
- Xcel Energy's electric distribution system in the City of Boulder, CO
- Utilities Investment Company, Inc. and UIC 13, LLC

OTHER RELEVANT EXPERIENCE

- **Austin Energy Cost of Service and Testimony** – Conducted a comprehensive, unbundled cost of service analysis for the electric utility and designed rates to achieve the City of Austin’s goals. Filed direct testimony on behalf of the City of Austin d/b/a Austin Energy at the Public Utility Commission of Texas (PUC) in defense of the electric rates adopted by Austin City Council. (PUC Docket No. 40627)
- **Electric Wholesale Rate Damages** – Calculated damages owed to three electric cooperatives and one municipally owned utility as part of a wholesale rate dispute with the Lower Colorado River Authority in Travis and Kerr County, Texas District Courts. This included recreating billing determinants and the development of a market access rate. (Cause No. D-1-GN-12-002156 and Cause No. 12-1001-B)
- **Lower Colorado River Authority Wholesale Water Benchmarking and Rate Analysis** – Performed a benchmarking analysis to identify best practices among wholesale water entities around the nation, with an emphasis on innovative rate structures and water conservation efforts. A long-term rate analysis was conducted to incorporate projected capital projects to expand the water supply over a 90 year horizon under various rate structures.
- **San Antonio Water System Project Delivery Financial Modeling** – Developed a financial feasibility model to evaluate the relative capital and operational costs under various project delivery options for a 20 million-gallon-per-day brackish groundwater desalination facility, including traditional DBB, DB, DBO and a customized DBOOT.
- **Other Cost of Service and Rate Design Studies** – Conducted one or more comprehensive cost of service and rate design studies for the following entities:
 - Brushy Creek Municipal Utility District, TX
 - City of Athens, TX
 - City of Borger, TX
 - City of Bryan, TX
 - City of Del Rio, TX
 - City of Greenville, TX
 - City of Hobbs, NM
 - City of Las Cruces, NM
 - City of Longview, TX
 - City of New Braunfels, TX
 - City of Nogales, AZ
 - City of Olathe, KS
 - City of Peoria, AZ
 - City of Pflugerville, TX
 - City of Sealy, TX
 - City of Sioux Falls, SD
 - City of Stillwater, OK
 - City of Sugar Land, TX
 - City of Tempe, AZ
 - City of Temple, TX
 - City of Tucson, AZ
 - City of Vernon, CA
 - City of Weatherford, TX
 - City of West Lake Hills, TX
 - Gonzales County Water Supply Corporation, TX
 - Greater Ouachita Water Company, LA
 - Levi Water Supply Corporation, TX
 - Liberty City Water Supply Corporation, TX
 - Gonzales County Water Supply Corporation, TX
 - Manville Water Supply Corporation, TX
 - North Slope Borough, AK
 - Pima County, AZ
 - Rockett Special Utility District, TX
 - St. Tammany Parish, LA
 - Snohomish County, WA
 - Town of Estes Park, CO
 - Walker County Special Utility District, TX
 - Wellborn Special Utility District, TX
 - York County, SC

DEPRECIATION

Mr. Rabon has conducted comprehensive depreciation studies to establish appropriate depreciation rates for utilities, including benchmarking depreciation rates among peer utilities. Engagements include projects for the following entities:

- City of Fort Worth Water Department
- CPS Energy
- County of Kauai Department of Water
- Tri-State Generation and Transmission, Inc.

REGULATORY AND LITIGATION SUPPORT

In addition to the regulatory work associated with some of the projects previously mentioned, Mr. Rabon has also provided litigation support to his clients. This support includes a project calculating damages owed to three electric cooperatives and one municipally owned utility as part of a wholesale rate dispute with the Lower Colorado River Authority in Travis and Kerr County, Texas District Courts. Efforts incorporated recreating billing determinants and the development of a market access rate. (Cause No. D-1-GN-12-002156 and Cause No. 12-1001-B). In another project, Mr. Rabon calculated damages owed to a municipality in a contract dispute with its ERCOT Qualified Scheduling Entity. Finally, Mr. Rabon was a designated expert witness in a Louisiana utility condemnation case.

(5) A statement that the Utility Valuation Expert will make use of the assessment of the tangible assets of the system to be acquired, which assessment shall be from a Professional Engineer jointly retained by the utility and the Local Government Utility and make use of the Water and Wastewater Fair Value Engineering Assessment Form included in the Appendix to this Chapter as a template for the engineer's assessment.

I, Grant Rabon, will make use of the assessment of the tangible assets of the system to be acquired, which assessment shall be from a Professional Engineer jointly retained by the utility and the Local Government Utility and make use of the Water and Wastewater Fair Value Engineering Assessment Form included in the Appendix to Chapter 7 and Chapter 10 of the Commission's Rules and Regulations.

(6) A statement that the Utility Valuation Expert will comply with the requirements of G.S. 62-133.1A in conducting their appraisal, including that the Utility Valuation Expert shall appraise the subject property in compliance with the Uniform Standards of Professional Appraisal Practice, employing cost, market, and income approaches to assessment of value.

I, Grant Rabon, will comply with the requirements of G.S. 62-133.1A in conducting appraisals as a Utility Valuation Expert, including that I shall appraise the subject property in compliance with the Uniform Standards of Professional Appraisal Practice, employing cost, market, and income approaches to assessment of value.

(7) Any other information as required by the Commission.

If there is any other information the Commission requires in order to make their decision, please let me know.

Thank you for considering my application. If you have any questions, please contact me at grabon@newgenstrategies.net or (512) 900-8232.

Sincerely,

NewGen Strategies and Solutions, LLC



Grant Rabon, ASA
Partner

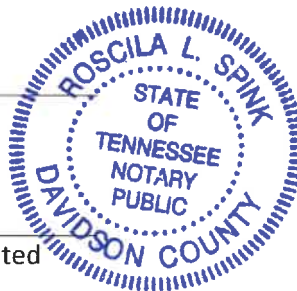
**ATTACHMENT A
VERIFICATION FORM**STATE OF TennesseeCOUNTY OF Davidson

Grant Rabon personally appeared before me this day and, being first duly sworn, says that the facts stated in the foregoing filing and any exhibits, documents, and statements thereto attached are true as he or she believes.

WITNESS my hand and notarial seal, this 7th day of September, 2023.

My Commission Expires: July 6, 2026

Roscila L. Spink
Signature of Notary Public



Roscila L. Spink
Name of Notary Public - Typed or Printed

The name of the person who completes and signs this verification must be typed or printed by the notary in the space provided in the verification. The notary's name must be typed or printed below the notary's seal. This original verification must be affixed to the original filing that is submitted to the Commission.