

Society of Utility and
Regulatory Financial Analysts



53rd FINANCIAL FORUM

April 28 – 29, 2022

plus

(April 27th \ AFTERNOON SITE VISIT TO THE
COLUMBIA GAS OF VIRGINIA, INC.
SAFETY TRAINING CENTER)



Omni Richmond Hotel
Richmond, VA

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Dear Members & Friends:

I am pleased to announce the 53rd Financial Forum of the Society of Utility and Regulatory Financial Analysts (SURFA). The Forum provides attendees insight into current cost of capital issues affecting the utility industry and is appropriate for attorneys, utility company staff, investors, regulatory commissioners and staff, consumer advocates and staff, and consultants.

Our 53rd Forum features an outstanding group of speakers and moderators. The topics to be addressed include:

- The Market Risk Premium: An In-Depth Review;
- Fair Market Value vs. Original Cost; and
- Decarbonization: How Deep? How Fast? What Cost?

We are once again privileged to have John Lonski of Thru the Cycle present an analysis of current & expected economic conditions. Also, a panel of distinguished Wall Street analysts will discuss the condition of, and outlook for, the utility industry. This year's Keynote speaker is Richard A. Michelfelder, Ph.D. Professor Michelfelder is a well known and highly distinguished expert in the fields of utility regulation and finance. Professor Michelfelder will address Forum attendees at dinner on Thursday, April 28th, following a networking cocktail reception.

For those arriving on Wednesday, April 27th, there will be a site-visit to the Columbia Gas Safety Training Center. The bus will leave at 2:15 PM and return at 4:00 PM, followed by an evening excursion to Scott's Addition, Richmond's restaurant/tavern district with round trip bus transportation provided.

The Certified Rate of Return Analyst (CRRA) exam takes place on Wednesday, April 27th from 12:00 – 5:00 PM, prior to the Forum. Please visit our website <http://www.surfamembers.com>, for more information.

Attire is business casual and hand sanitizers and masks will be available. Please pass this brochure to any associates whom you think may be interested in joining us in Richmond.

I look forward to seeing everyone April 27-29, 2022.

Very truly yours,

Mark Cicchetti, CRRA
President



53rd Financial Forum

Wednesday, April 27, 2022	NOON – 5:00 P.M.	CRRA Certification Testing – Roanoke Room (Rusty Maddox / Dave Parcell)
	AFTERNOON	Columbia Gas of Virginia, Inc. Safety Training Center Tour Assemble in the main lobby. Transportation will leave the hotel at 2:15 PM Tour will take place from 2:40 – 4:00 PM Casual attire is recommended along with walkable closed-toe shoes and socks. Please note that much of the facility is outside. Please check Richmond weather before arrival in case a rain jacket/umbrella is warranted.
	EVENING	Excursion to trendy Scott's Addition www.scottsaddition.com www.visitrichmond.com Transportation will leave the hotel at 6:15 PM Transportation will leave Scott's Addition at 10:00 PM (Scott's Addition is a short cab/Uber ride from the hotel for those wanting to leave or return at different times)
Thursday, April 28, 2022	7:30 – 8:10 a.m.	SURFA Forum Registration and Breakfast James River Foyer & Salons AB
	8:10 – 8:30 a.m. James River Salon C	Introduction Mark Cicchetti, CRRA, SURFA President Florida Public Service Commission Welcome Remarks Judge Judith Williams Jagdmann, Commissioner Virginia State Corporation Commission & President, NARUC Judge Jehmal T. Hudson, Chairman, Virginia State Corporation Commission



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PANEL 1 Economic Outlook Course Level: Intermediate 8:30 - 10:15 a.m. James River Salon C	Moderator	Ryan Wobbrock, CRRA, VP – Senior Credit Officer Moody’s Investors Service
	Presenter	John Lonski, President Thru the Cycle
10:15 – 10:30 a.m.	BREAK – James River Foyer	
PANEL 2 Fair Market Value vs. Original Cost Course Level: Intermediate 10:30 – 12:15 p.m. James River Salon C	Moderator	Dylan W. D’Ascendis, CRRA, CVA, Partner ScottMadden, Inc
	Panelists	Heike Doerr, Principal Analyst Regulatory Research Associates S&P Global Market Intelligence Christine Maloni Hoover, JD, Deputy Consumer Advocate Pennsylvania Office of Consumer Advocate Emily Sears, CRRA, Senior Financial Analyst Public Utility Commission of Texas
WORKING LUNCH 12:15 – 2:00 p.m.	Buffet in James River Foyer Seating in James River Salons AB Luncheon Speaker: Emil Avram, Vice President – Business Development Dominion Energy	



53rd Financial Forum

<p>PANEL 3: The Market Risk Premium: An In-Depth Review</p> <p>Course Level: Intermediate</p> <p>2:00 – 4:00 p.m. James River Salon C</p>	<p>Moderator</p> <p>Edward Kaufman, CRRA, Principal Utility Specialist Virginia State Corporation Commission</p>
	<p>Panelists</p> <p>Steven Kihm, DBA, CFA Regulatory Strategist, Citizens Utility Board of WI Sr. Fellow-Finance, MI State Univ. Inst. of Pub. Util.</p> <p>Carla Nunes, CFA, ABV, CEIV Managing Director, Office of Professional Practice Global Leader – Valuation Digital Solutions Kroll Institute Fellow</p> <p>John Graham, Ph.D. D. Richard Mead Professor of Finance, Duke University Past President, American Finance Association</p> <p>James M. Coyne, Senior Vice President Concentric Energy Advisors</p>
<p>5:30 – 8:30 p.m.</p> <p>Reception: Potomac Prefunction</p> <p>Dinner: Potomac Room AB</p>	<p>RECEPTION & DINNER:</p> <p>Introduction: Mark Cicchetti, CRRA, President</p> <p>Dinner speaker: Richard A. Michelfelder, Ph.D. Clinical Associate Professor of Finance Rutgers University School of Business – Camden, NJ</p>



53rd Financial Forum

<p>7:30 – 8:15 a.m.</p>	<p align="center">SURFA Forum Registration and Breakfast James River Foyer & Salons AB</p>	
<p align="center">Friday, April 29, 2022</p>	<p>PANEL 4 Decarbonization: How Deep? How Fast? What Cost?</p>	<p>Moderator Barbara Chapman, Senior Director FitchRatings</p>
	<p>Course Level: Intermediate</p>	<p>Panelists</p> <p>Bernard L. McNamee, Partner McGuireWoods LLP Former FERC Commissioner</p> <p>Chris Beam, President & Chief Operating Officer Appalachian Power</p> <p>Jim Kibler, Executive Director ONE Future</p>
	<p>8:15 – 10:00 a.m. James River Salon C</p>	<p align="center">BREAK – James River Foyer</p>
<p>10:00 – 10:15 a.m.</p>	<p>PANEL 5: Wall Street's Perspective</p>	<p>Moderator Tommy Oliver, CRRA, Vice President, Regulatory Affairs and Strategy, Roanoke Gas Company</p> <p>Panelists</p> <p>Shaan Goswami, Senior Vice President, Investment Banking Group Goldman Sachs</p> <p>Greg Gordon, Principal Zimmer Partners, LP</p> <p>Michael Gaugler, Managing Director, Utilities & Infrastructure Janney Montgomery Scott's Equity Research Group</p> <p>John Gunnells, Manager, State Affairs American Gas Association</p>



53rd Financial Forum

Who Should Attend the 53rd Financial Forum?

SURFA's Financial Forum will interest accounting, finance and non-finance professionals with an interest in utility regulation, electric, natural gas, and water issues including:

Utility Personnel
Investment Analysts
Public Advocates
Consultants

Commissioners
Commission Staff
Accountants
Attorneys

A corporate financial background and working knowledge of utility ratemaking are prerequisites in order to receive CPE credit. There is no advanced preparation required. After completion of this conference you should be able to:

- Identify key issues affecting the utility industry;
- Understand how certain cost of capital estimation methods work;
- How a utility's cost of capital affects investor perceptions;
- Identify recent developments in utility consolidation; and
- List current regulatory issues impacting the utility industry.

SURFA's History

The Society was founded in 1977 by a cross-section of financial analysts who recognized the need for increased dialogue on the subject of rate of return. SURFA, originally organized to study public utilities and their cost of capital, is now broader in scope. The Society focuses on the general concept of risk and its impact on the financial viability and market cost of capital for regulated entities. SURFA also sponsors the Certified Rate of Return Analyst (CRRA) program, an educational service covering cost of capital concepts. The objectives of the Society are:

- To discuss and disseminate concepts and practices in the application of utility financial issues;
- To promote the education and understanding of rate of return analysis;
- To promote the highest level of ethics in the discharge of members' duties; and
- To develop fellowship among members.

Membership Information

Financial Forums are held annually in the spring. Our membership includes regulators, regulated utility personnel, consultants, attorneys, academicians as well as other members of the financial community. Refer to the next page for further information on how to become a member of SURFA.

Hotel Information

Omni Richmond Hotel
100 South 12th Street
Richmond, VA 23219

804-344-7000 (direct) or 800-443-6664 (toll free)

**Daily Rates: \$169 (single) - \$169 (double) plus tax
(for the dates of April 25-28)**

Prevailing Federal Per Diem rate will apply

Reserved rate **cut-off date** is **March 29, 2022**

<https://www.omnihotels.com/hotels/richmond/meetings/surfa-53rd-financial-forum-04262022>

SURFA Forum Refund and Complaint Resolution Policy

Forum fees are fully refundable if registration is cancelled by April 6th. A \$50 fee will be charged for cancellations received April 6th through April 20th. No refunds will be made for cancellations received after April 20th. It is SURFA's policy to resolve questions and complaints with its members on a case-by-case basis. For more information on the refund policy, or if you have a complaint, please contact Mark Cicchetti, President, at **850.508.4141** or Mark.Cicchetti@PSC.state.fl.us.



53rd Financial Forum

SURFA 53rd Financial Forum April 28 – 29, 2022 REGISTRATION & MEMBERSHIP DUES

Registration for the 53rd Financial Forum & Memberships is online only*

***** PLEASE PURCHASE / RENEW YOUR MEMBERSHIP ***
*** BEFORE REGISTERING FOR THE FORUM *****

Please visit <http://www.surfamembers.com> to register for the 53rd Financial Forum.

Registration Fees

SURFA Government Members	\$450 (Plus membership dues)
If registering prior to March 30, 2022:	\$420 (Plus membership dues)
SURFA Corporate Members	\$550 (Plus membership dues)
If registering prior to March 30, 2022:	\$520 (Plus membership dues)
Nonmembers	\$750

Multiple Registration Discount for Members (please contact pahern@comcast.net)

- Two SURFA members from the same organization may take a \$50 discount per person.
- Three or more SURFA members from the same organization may take a \$100 discount per person.

Membership Renewals & New Memberships

Please visit <http://www.surfamembers.com> to renew or become a member.

Membership Dues: \$100

Student Membership Dues: \$25

* Payment may be by credit card at our website (you will receive a receipt via email) or by check (you will receive an invoice via email). Please contact Rita Scuris at Rita.Scuris@ct.gov for check payment questions.



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Continuing Education Credits

For public and nonprofit sector employees, full attendance at the program will earn 20 credits toward a Certificate of Continuing Regulatory Education (CCRE) sponsored by the Institute of Public Utilities at Michigan State University and endorsed by the National Association of Regulatory Utility Commissioners. Credits may be earned for up to two programs hosted by the same professional organization and past attendance may be eligible. For program details, please visit www.ipu.msu.edu/CCRE or contact ipu@msu.edu.

CPE Credits

This conference provides a general overview of financial, accounting and economic issues impacting regulated utilities and their cost of capital. The conference presentation is group-live, and the course level is intermediate.

Prerequisite: Previous experience in utility ratemaking and regulatory proceedings or an understanding of the ratemaking process from an accounting, economic or financial perspective. There is no advanced preparation required. Conference participants can earn up to 10 CPE credits in fields of Regulatory Ethics, Finance and Economics.

The individual sessions CPE Credits, prerequisites and format are as listed on the next page. In accordance with the standards of the NASBA, CPE credits are granted based on a 50 minute hour and active participation in the course.

SURFA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have the final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.learningmarket.org

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53rd Financial Forum

CPE Credits for the SURFA Conference:

Panel 1: Outlook 2022-2023: 1970s Redux Minus the Disco?

Level: Intermediate
Time: 105 minutes (2 Credits)
Prerequisite: None
Field of Study: Economics - Technical
Delivery Method: Group Live

After the session, the participants are expected to know recent trends in interest rates and equity markets, as well as to be able to articulate the impact of interest rate changes on utilities' cash flow and cost of capital. The session will also enhance the participants' understanding of current and anticipated economic growth, of labor productivity, and of their impact on upcoming monetary policy decisions.

Panel 2: Full Market Value vs. Original Cost

Level: Intermediate
Time: 105 minutes (2 Credits)
Prerequisite: A basic understanding of finance and regulation
Field of Study: Finance and regulation
Delivery Method: Group Live

After the session, participants should be familiar with the difference between the determination of rate base using fair market value versus original cost. Participants will also learn about the impact of the methodologies on the return earned by utilities and how to determine such return

Panel 3: The Market Risk Premium: An In-Depth Review

Level: Intermediate
Time: 120 minutes (2 Credits)
Prerequisite: A basic understanding of finance and regulation
Field of Study: Finance
Delivery Method: Group Live

After the session, participants should understand various approaches to the determination of the market risk premium (MRP); the pros and cons of each method; as well as the degree to which the methods are used in practice. The session will also discuss how the magnitude of the MRP is impacted by the approach and the relative stability of each result.

Panel 4: Decarbonization: How Deep? How Fast? What Cost?

Level: Intermediate
Time: 105 minutes (2 Credits)
Prerequisite: A basic understanding of finance and regulation
Field of Study: Finance
Delivery Method: Group Live



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After the session, participants should understand some of the key issues and challenges that decarbonization pose to the utility industry. Participants should also be familiar with potential operational, legislative, and regulatory issues, which are expected to arise from the shift to a less carbon intensive economy.

Panel 5: Wall Street's Perspective

Level:	Intermediate
Time:	105 minutes (2 Credits)
Prerequisite:	None
Field of Study:	Finance
Delivery Method:	Group Live

After the session, the participants will understand the risk and rewards in the utility sector. In addition, participants will understand investors' views of the risks facing the utility sector and how such risks may impact the ratings and cost of capital for utilities.

Total Credits available for completing all sessions is 10 (Economics 2 and Finance 8).

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits will be granted based on a 50-minute hour.

CPE Credit eligibility requires you to sign-in and sign-out for each session. This must be done at the administrative table, which is monitored. Additionally, individuals who seek CPR credit must fill out the evaluation form for each session.

Following successful participation in the SURFA Financial Forum that is properly documented, you will be issued a certificate of completion.