

54th FINANCIAL FORUM

April 20 - 21, 2023

plus

April 19th - AFTERNOON SITE VISIT TO THE
CHESTERFIELD COMBINED CYCLE POWER
PLANT



Omni Richmond Hotel
Richmond, VA

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Dear Members & Friends:

I am pleased to announce the 54th 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, analysts, utility company staff, investors, regulatory commissioners and staff, consumer advocates and staff, and consultants.

Our 54th Forum features an outstanding group of speakers and moderators. The topics to that will be addressed include:

- Regulatory Incentives for Water & Wastewater Infrastructure While Maintaining Affordability;
- Electric Vehicles: Driving Adoption Through Policy & Regulation; and,
- Securitization Pricing: How to do it & Why it is Important.

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. Our luncheon speaker on Thursday, April 20th is John O'Trakoun, Senior Policy Economist at the Federal Reserve Bank of Richmond. Thursday evening, The Honorable John W. "Jack" Betkoski III, Vice Chairman – Connecticut Public Utilities Regulatory Authority will be our keynote speaker at dinner, following a networking cocktail reception.

For those arriving on Wednesday, April 19th, there will be a site-visit to the Chesterfield Combined Cycle Power Plant. 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 19th 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.

Please watch your email for the announcement of our Cost of Capital Workshop to be presented on Tuesday afternoon, April 18th and Wednesday morning, April 19th prior to the Forum.

I look forward to seeing everyone April 20 - 21, 2023!

Very truly yours,

Mark Cicchetti, CRRA
President



54th Financial Forum

Wednesday, April 19, 2023	NOON – 5:00 P.M.	CRRRA Certification Testing – Roanoke Room (Rusty Maddox / Dave Parcell)
	AFTERNOON	<p>Chesterfield Combined Cycle Power Plant</p> <p>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 will be warranted.</p> <p>Excursion to trendy Scott's Addition www.scottsassaddition.com www.visitrichmond.com</p> <p>Transportation will leave the hotel at 6:15 PM</p> <p>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)</p>
	EVENING	
Thursday, April 20, 2023	7:30 – 8:10 a.m.	SURFA Forum Registration and Breakfast James River Foyer & Salons AB Sessions: Salons CD
	8:10 – 8:30 a.m. James River Salons CD	Introduction Mark Cicchetti, CRRRA, SURFA President Florida Public Service Commission Welcome Remarks Judge Jehmal T. Hudson, Chairman, Virginia State Corporation Commission
	PANEL 1 Economic Outlook	Moderator Mark Cicchetti, CRRRA, SURFA President Florida Public Service Commission



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<p>Course Level: Intermediate</p> <p>8:30 - 10:15 a.m. James River Salon AB</p>	<p>Presenter John Lonski, President Thru the Cycle</p>
<p>10:15 – 10:30 a.m.</p>	<p>BREAK – James River Foyer Salons AB</p>
<p>PANEL 2</p> <p>Securitization Pricing: How to do it & Why it is Important</p> <p>Course Level: Intermediate</p> <p>10:30 – 12:15 p.m. James River Salons AB</p>	<p>Moderator Mark Cicchetti, CRRA, SURFA President Florida Public Service Commission</p> <hr/> <p>Panelists</p> <p>Martin Luby, Assoc. Prof. of Public Affairs / Assoc. Dean for Academics University of Texas at Austin</p> <p>Joseph S. Fichera, Founder & Chief Exec. Officer Saber Partners, LLC</p> <p>Paul Sutherland, Senior Advisor Saber Partners, LLC</p>
<p>WORKING LUNCH</p> <p>12:15 – 2:00 p.m.</p>	<p>Buffet in James River Foyer Seating in James River Salons AB Luncheon Speaker: John O'Trakoun, Senior Policy Economist Federal Reserve Bank of Richmond</p>
<p>PANEL 3:</p>	<p>Moderator Emily Sears, CRRA, Senior Financial Analyst Public Utility Commission of Texas</p>



<p>Regulatory Incentives for Water & Wastewater While Maintaining Affordability</p> <p>Course Level: Intermediate</p> <p>2:00 – 4:00 p.m. James River Salons CD</p>	<p>Panelists</p> <p>Richard A. Michelfelder, Ph.D., Clinical Associate Professor of Finance Rutgers Univ. School of Business – Camden, NJ</p> <p>Gary D. Shambaugh, Managing Director Shambaugh Utility Consulting, LLC</p> <p>Janice D. Beecher, Ph.D., Professor of Public Policy / Director – Michigan State Univ. – Inst. of Pub. Util.</p> <p>Christine Maloni Hoover, JD, Deputy Consumer Advocate Pennsylvania Office of Consumer Advocate</p>
<p>5:30 – 8:30 p.m.</p> <p>Reception: Potomac Prefunction</p> <p>Dinner: Potomac Room</p>	<p>RECEPTION & DINNER:</p> <p>Introduction: Mark Cicchetti, CRRA, President</p> <p>Dinner speaker: The Honorable John W. “Jack” Betkoski III Vice Chairman – CT Public Utilities Regulatory Authority</p>



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Friday, April 21, 2023		7:30 – 8:15 a.m.	SURFA Forum Registration and Breakfast James River Foyer & Salons AB	
		PANEL 4 Electric Vehicles: Driving Adoption Through Policy & Regulation Course Level: Intermediate 8:15 – 10:00 a.m. James River Salons CD	Moderator	Barbara Chapman, Senior Director FitchRatings
			Panelists	Charles Satterfield, Senior Manager - Electric Transmission Edison Electric Institute Paul Hunt, Ph. D., Consultant Southern California Edison Company (Retired) Zeryai Hagos, Deputy Director- Office of Markets & Innovation New York State Department of Public Service
			10:00 – 10:15 a.m.	BREAK – James River Foyer
		PANEL 5: Wall Street's Perspective Course Level: Intermediate 10:15 – 12:00 p.m. James River Salons CD	Moderator	Tommy Oliver, CRRA, Vice President, Regulatory Affairs and Strategy, Roanoke Gas Company
			Panelists	Shaan Goswami, Senior Vice President, Investment Banking Group Goldman Sachs Greg Gordon Jeremy Traska, Debt Capital Markets Drexel Hamilton



54th Financial Forum

Who Should Attend the 54th 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: \$174 (single) - \$174 (double) plus tax
(for the dates of April 18-21)**

Prevailing Federal Per Diem rate will apply.

Reserved rate **cut-off date** is **March 29, 2023**

<https://www.omnihotels.com/hotels/richmond/meetings/surfa-54th-financial-forum-04182023>

SURFA Forum Refund and Complaint Resolution Policy

Forum fees are fully refundable if registration is cancelled by April 5th. A \$50 fee will be charged for cancellations received April 5th through April 12th. No refunds will be made for cancellations received after April 12th. 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.



54th Financial Forum

SURFA 54th Financial Forum April 20 - 21, 2023 REGISTRATION & MEMBERSHIP DUES

Registration for the 54th Financial Forum & Memberships is online only*

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

Please visit <https://www.surfamembers.com> to register for the 54th Financial Forum.

Registration Fees

SURFA Government Members	\$550 (Plus membership dues)
If registering prior to March 23, 2022:	\$520 (Plus membership dues)
SURFA Corporate Members	\$650 (Plus membership dues)
If registering prior to March 23, 2022:	\$620 (Plus membership dues)
Nonmembers	\$900

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.

WATCH FOR MORE INFORMATION ON:
SURFA's Cost of Capital Workshop: Tues. afternoon, April 18th & Wed. morning, April 19th.
<http://www.surfamembers.com>



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Continuing Education Credits

For public and nonprofit sector employees, full attendance at the program will earn twenty 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 ten 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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54th Financial Forum

CPE Credits for the SURFA Conference:

Panel 1: Economic Outlook

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: Securitization Pricing: How to do it & Why it is Important

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: Regulatory Incentives for Water & Wastewater Infrastructure While Maintaining Affordability

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: Electric Vehicles – Addressing the Questions

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



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Delivery Method: Group Live

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 CPE credit must fill out the evaluation form for each session and actively participate in sessions.

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