



Overland Consulting
Regulated Industries Consultants



Robert F. Welchlin

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GENERAL

Regulatory consultant to the telecommunications, cable, electric, and gas industries. Mr. Welchlin manages operational, financial and regulatory audits, reviews of rate filings and cost studies in the energy utility, telecommunications, and cable industries. He has 35 years of regulated industries experience.

PROFESSIONAL WORK HISTORY

Overland Consulting

1996 – Present

Technical and Project Manager

Plan, supervise, and perform telecommunications and energy industry consulting projects, including audits, on behalf of public utility commissions and other government agencies.

KPMG

1993 – 1996

Senior Manager

Information, communications, and entertainment lines of business. Developed and managed cable TV and telecommunications and industry consulting engagements.

LMSL, Inc.

1987 – 1993

Manager

Conducted audits of energy and telecommunications companies and sponsored testimony in regulatory proceedings. (LMSL is a predecessor firm of Overland Consulting.)

Public Utility Commission of Texas

1984 – 1986

Senior Staff Accountant

Reviewed electric, telephone, and water utility rate and regulatory filings and sponsored cost-of-service testimony in rate hearings.

Illinois Power Company

1980 – 1983

Senior Internal Auditor

Planned, directed, and performed operational and financial audits of the company's headquarters departments, power stations, and service offices. Prepared the annual department operating plan and drafted the report to the Audit Committee of the Board of Directors for approval by the Director of Internal Auditing. Coordinated work with external auditors.

PROFESSIONAL EXPERIENCE

ELECTRIC AND GAS

- Technical Manager for an audit of the customer service operations of Versant. Versant is an electric utility in Maine, owned by ENMAX, Inc. at the time of our review. The audit was performed for the

Maine Public Utilities Commission and included customer service management, contact center operations, credit and collections and metering (2024).

- Technical Manager in an audit of Avangrid's three Connecticut utilities (United Illuminating, Connecticut Natural Gas and Southern Connecticut Gas) performed on behalf of the Connecticut Public Utilities Regulatory Authority. Responsible for review of affiliate transactions and service company cost allocations from the company's Spanish parent, Iberdrola, through the U.S. operations structure to the Connecticut utilities. Also responsible for reviews of customer operations (organization and integration among utilities, contact center operations, metering, billing and low income programs), and human resources (employee compensation and benefits and labor relations) (2022-2023).
- Technical Manager for a management audit of Central Hudson Gas & Electric's customer operations on behalf of the This included a focused review of the issues surrounding the utility's deployment of a new CIS system. It included a review of customer complaints, as well as contact center, billing and other operational metrics affected by the deployment of the new CIS (2021-2022).
- Technical Manager for a management audit of customer operations, human resources and affiliate transactions of PSEG, Inc. Review service company allocations to PSE&G, PSEG's New Jersey utility, cost allocations to the electric, gas and appliance divisions within the utility, and payments made by the service company on behalf of the utility and other subsidiaries (convenience payments). This audit was performed on behalf of the New Jersey Department of Public Utilities. Reviewed the customer operations organization structure, contact center operations, metering, billing and compliance with New Jersey rules and regulations. Reviewed employee compensation and benefit plans, labor relations, and procedures to monitor and ensure equal employment opportunity (2021 and 2022).
- Technical Manager in a management audit of affiliate transactions and cost allocations of Avangrid's Inc's New York utilities, New York State Electric and Gas (NYSEG) and Rochester Gas and Electric (RG&E). Analyzed compliance with New York's Affiliate Standards for both utilities. Reviewed corporate cost allocations from the utilities' global parent (Iberdrola) through Avangrid to the utilities and from Avangrid's service companies to the utilities, including the distribution of costs among Iberdrola's country-based companies (to Avangrid) and between Avangrid's regulated utility and unregulated (renewable energy) business segments. Also served as Technical Manager in a management review of NYSEG's and RG&E's customer service operations and a review of the utilities' compliance with New York state customer service rules (the Home Energy Fair Practices Act, or HEFPA) *2017 and 2018*
- Technical Manager in review of the impact of AltaGas Ltd's (Alberta, Canada) proposed acquisition of WGL Holdings, Inc. (WGL). Responsible for review of the potential impact of proposed acquisition accounting, income tax issues, merger transaction and transition costs and AltaGas-proposed allocations of its corporate costs to WGL's utility, Washington Gas Light (Wash. D.C.). Responsible for analysis of the potential for realizing synergy savings as asserted by the Applicants and the likely impact of accounting, corporate cost allocations, merger costs and savings on the Washington Gas customers. Submitted testimony and participated in the merger hearing before the Maryland Public Service Commission. The work was performed for the Staff of the Maryland PSC. *2017*

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- Technical Manager in a management audit of Central Hudson Gas & Electric performed on behalf of the New York Department of Public Service. Managed the audit component that included the Customer Service function and the Company's compliance with the Home Energy Fair Practices Act and related rules for commercial customers. *2016 - 2017.*
 - Project Manager for an analysis of the Wexpro I and II agreements and an audit of expenses charged to Questar Gas for 2005 to 2014. The audit included an in-depth review of costing procedures attributed to the Operator Service Fee and recognition of capital additions considered under the agreements. This engagement was performed for the Utah Division of Public Utilities. *2015 – 2017*
 - Lead Consultant in the evaluation of the acquisition of Pepco Holdings, Inc., by Exelon Corporation. Conducted a detailed review of Exelon's merger savings and merger costs to achieve on behalf of the Staffs of the Maryland and Delaware Public Service Commissions. Developed testimony on behalf of the Public Service Commission Staff in each state concerning the net savings attributable to Maryland and Delaware. *2014 – 2015.*
 - Project Manager in a focused audit of the data supporting operational metrics submitted to the New York Department of Public Service by all nine large investor-owned electric and gas utilities in the state of New York in the areas of gas safety, electric reliability and customer service. Technical Manager in charge of the audit of the audits of customer service metrics for nine utilities. Audit objectives included determination of the accuracy, completeness, and comparability of data submitted by the utilities to the NYSDPS. *2014 – 2015.*
 - Project Technical Manager in a regulatory and management audit of the affiliate transactions, management, and operations of South Jersey Gas Company. Responsible for accounting procedures and costs charged to the regulated gas company from the parent and service companies, transactions with affiliate South Jersey Energy Solutions and its subsidiaries, and operational and management reviews of various support services (supply chain, fleet management, facilities management), customer service operations, construction contractor management, and excavation damage prevention. *2012 – 2013.*
 - Project Manager in the investigation of National Grid affiliate cost allocations, policies, and procedures. The audit included a review of accounting procedures and internals governing service company transactions, an analysis of service company cost allocation procedures, and a regulatory audit of the costs charged by the service companies to National Grid's New York distribution utilities (Niagara Mohawk, KeySpan Energy Delivery New York, and KeySpan Energy Delivery Long Island, Massachusetts Electric, Boston Gas and others). It also included a detailed analysis of sampled and targeted transactions between the service companies and the New York utilities over a 20-month period. The work was performed for the New York Public Service Commission. *2011 – 2012.*
 - Project Lead in charge of the evaluation of the acquisition of Allegheny Energy Inc. by FirstEnergy Corp., including the merger synergies and likely impacts of the merger on Potomac Electric Maryland service company cost distributions. This work was done for the Staff of the Maryland Public Service Commission. Calculated discounted cash flow value of net regulated synergies attributable to Potomac Maryland customers. Recommended post-merger review of the impact of allocation procedures on regulated Maryland utility operations. *2010.*
 - Technical Manager in the diagnostic management audit of Connecticut Natural Gas Corporation for the Connecticut Department of Public Utility Control. Areas of responsibility included transactions with and services exchanged with Southern Connecticut Gas, Energy East, and other affiliates, human resources (staffing, compensation, labor relations, and performance appraisal processes), customer service and call center operations, dispatch, field operations and appliance services, meter

operations, distribution sales and marketing, supply chain management, fleet operations, facilities management, security and external relations. 2009 – 2010.

- Lead Consultant in the review and preparation of testimony concerning the potential impact of the proposed Constellation Energy Group/Électricité de France Nuclear Power Joint Venture. 2009.
- Technical Manager in the management audit of Atlantic City Electric Company for the New Jersey Board of Public Utilities. Areas of responsibility included allocations of corporate and shared utility costs, transactions with affiliates, compliance with New Jersey's Electric Discount and Energy Competition Act (EDECA), and the management of various functions, including information technology, fleet, stores and supply chain, security, facilities, real estate, and records management. 2008 – 2009.
- Assisted the New Jersey Board of Public Utilities in review of the proposed merger of Exelon (Commonwealth Edison, Pennsylvania Energy) with PSEG (Public Service Electric & Gas). Responsible for the review of the impact of combining the two holding companies' service companies (the companies that provide managerial, technical, and administrative services to associated companies) on the New Jersey Genco and utility. 2005 – 2006.
- Project Manager for a review of the costs of Sempra Energy's holding company. The review, conducted on behalf of the Utility Consumer Action Network (UCAN), was a part of the review of Sempra Energy's rate application with the California Public Utilities Commission (A.02-12-027 and A.02-12-028). Performed a similar review in the subsequent rate applications of subsidiaries, San Diego Gas & Electric Company and Southern California Gas Company (A.06-12-009 and A.06-12-010). 2003 and 2007, respectively.
- Project Manager for audits of the affiliate relationships and cost allocations of Elizabethtown Gas, New Jersey Natural Gas, and South Jersey Gas conducted on behalf of the New Jersey Board of Public Utilities (BPU). The audits examined whether each Company maintained a strict separation of risks, functions, and assets between their regulated utilities and unregulated affiliates to comply with BPU Standards. The audits also documented each Company's cost allocation methodologies and results for a two-year period. 2002 – 2003.
- Directed the cost of service component of the initial FERC "Section 7" cost-of-service and base rate filing of Kansas Pipeline Company, which had been exempt from FERC rate regulation prior to 1997. Submitted and defended testimony on behalf of Kansas Pipeline before the FERC covering the overall cost of service filing, the historical basis for the calculation of acquisition premium, and company's test year operations and maintenance expenses. 1998 – 2000.
- Working on the Pacific Gas and Electric 1999 General Rate Case, reviewed projected test year administrative and general expense levels and allocation of costs between the utility and affiliates. Submitted and defended testimony on behalf of the California Public Utilities Commission. 1998.
- Managed an audit of Pacific Gas and Electric's compliance with regulatory requirements and internal control over relationships and transactions between the utility and its unregulated affiliates on behalf of the California Public Utilities Commission. 1998.
- Conducted a review of Southern California Gas Company's 1994 and 1995 base margin costs. Submitted testimony on behalf of the California Public Utilities Commission. Issue areas included operations and maintenance expenses, corporate allocations, employee and executive compensation, post-retirement benefits, and savings from restructuring and force reduction programs. 1996.

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- Submitted cost of service testimony on behalf of Mid-Kansas Partnership and Riverside Pipeline, L.P., in connection with Missouri Gas Energy's base rate filing. Issues included deferred gas safety costs, merger-related savings, and weather normalization. 1996.
 - Reviewed fuel receiving and inventory policies and coal contract terms in connection with a focused management audit of Big Rivers Electric Cooperative's fuel procurement for the Kentucky PSC. 1993.
 - Participated in the Western Resources/Kansas Power and Light Rate Case by conducting a rate case audit and submitting and defending cost-of-service testimony on jurisdictional cost allocations, operations and maintenance expenses, and pension expenses on behalf of the Kansas Corporation Commission. 1992.
 - Conducted focused management audits of the gas supply operations of Montana Dakota Utilities and Mountain Fuels for the Wyoming PSC. Assessed the management and organization of each company as it related to gas supply, the degree to which supply options were optimized, the potential impact of FERC Order 636, and the relationships between the LDCs and their pipeline and production affiliates. 1992.
 - Performed internal operational audits of nuclear and fossil fuel procurement, natural gas procurement and delivery, various corporate, power plant and service area operations, and nuclear plant construction contracts of the Illinois Power Company (Illinova). 1980 – 1983.

TELECOMMUNICATIONS

- Directed a California statutory regulatory audit of Citizens' California PUC financial reporting and shareable earnings, including transactions between Citizens, its Connecticut-based parent company, and its affiliates as part of the Frontier (Citizens) Telecommunications Regulatory Audit. 2004 – 2005.
- As a participant in the Roseville Telephone Regulatory Audit, directed and conducted a regulatory audit of the company's compliance with affiliate and non-regulated activity transaction rules and reviewed the company's calculation of earnings shareable with customers under the California PUC's New Regulatory Framework rules. Submitted and defended testimony on the audit on behalf of the CPUC. 1999 – 2000. Performed a follow-up audit of 2001 – 2003 regulated earnings. 2004.
- Directed a California statutory regulatory audit of Pacific Bell's California PUC financial reporting, including transactions between Pacific Bell, its parent company (SBC), and its affiliates and subsidiaries. 2001 – 2002.
- Directed a study of New York Telephone's subscriber loop network. Coordinated the effort of a multi-disciplined team that included regulatory, network operations, engineering, and data processing specialists. The major work products included an inventory of subscriber facilities, determination of facility utilization in different geographic regions, determination of the relative accuracy of the major databases containing network facility information, and verification of billing records with installed facilities. 1991.
- Conducted a review of the affiliate management and accounting relationships among the subsidiaries of AT&T. Documented significant transactions and allocations through the AT&T organization that affected AT&T Communications. Examined policies and procedures that affected the Communication subsidiary's decision to use internal sources of supply and the corporate entity's allocation of costs to subsidiaries. 1990.

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- Analyzed the GTE Corporation's Indiana local exchange rates and developed a computer model to distribute the carrier's revenue requirement over a matrix of local services and rate groups. 1989.
 - Bay Area Teleport – Conducted a review of the impact of local exchange carrier price flexibility on competitive access in California. 1988.

WATER

- Twice Technical Manager for the regulatory audit of California American Water Company's general office activities and costs, including "California Corporation" administrative and general activities, New Jersey service company activities and cost allocations, and related ratemaking issues. Submitted revenue requirements testimony covering CalAm's projected test years covering the O&M expenses of functions allocated from the national, regional, and state levels to the district operations for which CalAm was seeking an increase in rates. 2008 – 2013.
- Performed revenue requirements reviews and filed related testimony relating to rate filings by several water utilities in Texas while an employee of the Accounting Division of the Texas Public Utilities Commission 1984-1986

CABLE

- Analyzed costs imposed on cable systems by late-paying customers and prepared studies to quantify the additional costs of handling past due accounts. 1995 – 2001.
- Analyzed cable system costs and prepared cost-of-service rate studies for cable companies, including two of the nation's largest cable systems – TCI Chicago and DCLP. Developed cost-of-service methodologies to properly account for affiliate relationships and corporate and divisional cost allocations to the cable systems. Analyzed incremental cost of service under FCC Form 1235 rules for a group of systems calculating the revenue requirement impact of upgrading system capacity upgrades. 1994 – 1995.
- Developed a database application to calculate programming cost increases on a cable-system basis to comply with FCC requirements. 1994.

EDUCATION AND PROFESSIONAL CERTIFICATION

- **Eastern Illinois University**, Charleston, IL
Bachelor of Science – Accounting and Business Administration, August 1979.
- **St. Edwards University**, Austin, TX
Master of Business Administration, May 1986
- American Institute of Certified Public Accountants