

Spring/Summer Newsletter

SDP SOCIETY OF DEPRECIATION PROFESSIONALS

REGISTRATION
OPEN



2024
**ANNUAL
CONFERENCE
& TRAINING**

Date
September 15-20, 2024

Venue
Hyatt Regency Milwaukee
333 W. Kilbourn Ave
Milwaukee, WI 53203

2024

President's Message

Hello SDP Community,

We are on our way to Milwaukee! I hope you are enjoying your start to summer and making plans to attend the 37th Annual SDP Conference and Training in Milwaukee this September. More details are in this newsletter and on our website www.depr.org.



I am so excited to welcome you to my hometown. Milwaukee has something for everyone to enjoy – sports, fine arts, great food, Lake Michigan, and the Harley-Davidson Museum to name a few. I hope you will be drawn to Milwaukee for the Conference and Training but also save time to enjoy some of my favorite Brew City flavors – beer, fried cheese curds, and frozen custard!

The SDP Board has been working hard to make SDP an organization you rely on and value all year long, not just at the time of the SDP Conference and Training. We recognize that our members are busy so we very much appreciate the time they devote to serving on our committees. We encourage you to consider serving on a committee or on the Board.

We welcome your feedback and insight to help us expand SDP beyond being known only for its excellent Conference and Training but also for valuable networking and more. As you experience the benefits of membership, we encourage you to talk to others about being a part of this great organization. SDP is a community that appreciates how fascinating, complex, and fun depreciation can be!

I look forward to seeing many longtime friends and making new ones in September. Please consider registering now for our [2024 SDP Conference and Training](#).

Thank you for being a part of what I consider to be one of the coolest organizations around!

Sincerely,

Rebecca Richards

Rebecca Richards, CDP
SDP President



Board and Committees

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Kevin Easterling
Manager Property Assets
CSX

Click [Here](#) for the Volunteer Interest Form

Upcoming Open Mic Forums

Thursday, June 27, 2024
12:00 PM -1:15 PM Eastern

Forecasting Life for Current and New Technologies

- Recognizing Obsolescence
- Factors in the Initial Life Estimate

Presented By:
Ned Allis, CDP
Bryan Berry, CEM
Amanda Nori, CDP

Thursday, August 8, 2024
12:00 PM -1:15 PM Eastern

Costs and Capital Recovery for Energy Transition

- Replacing Fossil Fuel Plants
- Electrifying Transportation and Home Heating and Cooking

Presented By:
Ned Allis, CDP
Melissa Howard, CDP, PE



Register Now!

2024 Annual Conference and Training

Registration is now open for the 34th Annual SDP Conference and Training in Milwaukee, Wisconsin!

Our highly-rated program is comprised of four offerings for you to choose from:

- Two Sunday Training courses
- A 1.5-day Conference featuring depreciation-related topics and expert speakers
- A new Midweek Training course
- Three extended Training courses for a deeper dive

SDP has negotiated a reduced room rate of **\$169/night** at the Hyatt Regency Milwaukee! Never miss a moment of the downtown action from this hotel. Recharge in contemporary rooms and admire city views from the hotel.

Join us on Sunday night for our Welcome Reception at the Hyatt Regency from 5:30-7:30 PM with hors d'oeuvres and an open bar!

Topics to be discussed include: *Depreciation and Energy Transition Legislation, Generative AI, The Role of Professional Judgement Panel, Depreciation of Intangible Assets, and The Interplay Between Natural Gas and Electric on the Energy Transition.*

SEPT 15th - 20th
2024

HOTEL Hyatt Regency Milwaukee
333 W. Kilbourn Ave
Milwaukee, WI

EXPLORE MILWAUKEE WITH US!

We can't wait to see you at our annual conference, being held this year in Milwaukee, WI from **September 15-20, 2024**.

When you visit, be sure to check out these exciting local attractions below, all within walking distance from the **Hyatt Regency Milwaukee Hotel!**



Harley-Davidson Museum

When you visit, you will discover culture and history through stories and interactive exhibits that celebrate expression, camaraderie, and love for the sport. With an unrivaled collection of Harley-Davidson® motorcycles and memorabilia on two floors, a trip to the H-D Museum is an experience that will last a lifetime. **Join SDP at the museum on Monday, September 16 from 6-9 PM for our Annual Conference Event!**



Milwaukee Public Market

Milwaukee's iconic food and event destination, the Milwaukee Public Market is a bustling community hub for Milwaukeeans and a can't-miss experience for out-of-town guests. Bursting with unique, high quality selections of artisan and ethnic products, and freshly-made prepared foods, you're sure to enjoy shopping the independent merchants of the Milwaukee Public Market.



Milwaukee RiverWalk | Downtown's East Bank

The RiverWalk connects three downtown neighborhoods through an approximately 20-block pedestrian promenade on either side of the Milwaukee River. The downtown RiverWalk runs through the heart of the city, past gleaming skyscrapers, hotels and restaurants. While each RiverWalk segment has a distinct personality, they are unified by art – in the form of both permanent and changing exhibitions. This outdoor gallery adds to the natural beauty and ambience to be experienced along the way.

Open Mic Forums

Back by popular demand, SDP will again offer Open Mic Forums this summer! These forums enable members to stay connected with fellow members and discuss upcoming trends and current issues in the regulatory arena. The brief forums are hosted at noon Eastern on select Thursdays.

They begin with a presentation by SDP trainers followed by discussion among trainers and attendees. Two or more trainers co-teach each forum to give participants different perspectives, thus setting us apart from “sole trainer” offerings. SDP faculty include experts with hundreds of years of combined experience.

Over 50 attendees benefited from our three OMFs last year. This impressive attendance is not surprising in that OMFs have been rated an average of 4.9 out of 5 stars by attendees!

“It was great to touch base with SDP folks again.”

“Loved the topic since it’s relevant and becoming an issue in most states now.”

“Interesting and well-balanced presentation. I was impressed with how well the forum was conducted.”

“Glad the topic will be repeated at the Conference!”

“Always enjoy participating in SDP training! Can’t wait for the in-person training and conference!”

OMFs provide a preview of many of the topics discussed in our Fall Training.

- On **June 27** we discussed **Forecasting Life for Current and New Technologies**, with emphasis on *Recognizing Obsolescence* and *Factors in the Initial Life Estimate*.
- On **August 8** we discuss **Costs and Capital Recovery for Energy Transition** including *Replacing Fossil Fuel Plants* and *Electrifying Transportation and Home Heating and Cooking*.

SDP has trained over 1,550 professionals since training began in 2003. The OMFs offer an excellent opportunity to gain more experience and share your insights with colleagues. We hope you can join us for our 2024 OMFs!

By Dr. Susan Jensen, CDP, Director of SDP Training

SDP Training

By Dr. Susan Jensen, CDP, Director of SDP Training

We look forward to more successful training courses this Fall! We responded to your requests for a **new course: Utility Ratemaking – History, Revenue Requirements, and Process**. To accommodate your busy schedules, this course will be offered midweek **Tuesday afternoon through Wednesday**.

The quality of the training experience is enhanced by meeting in person where trainers can assess their communication and trainees benefit from different points of view expressed during class. And we have fun and beneficial in-person networking opportunities!

SDP faculty is comprised of almost a dozen experts with hundreds of years of combined experience. Trainers have added to course content by including their case study experiences over their busy past several months. SDP courses apply depreciation methodologies to real-world data in these case studies, thus making the skills acquired readily transferable to your work.

Your learning experience is further enhanced by having two or more trainers co-teach your courses to share different perspectives, thus setting us apart from other “sole trainer” offerings. The ratio of trainees to faculty of 8 to 1 gives trainees the best learning experience in the industry.

During our week of training, we offer the exam for the credential that depreciation professionals want – the **Certified Depreciation Professional** (CDP). SDP training is the best preparation for the CDP exam. Each course offers CPEs needed to maintain your CDP and other credentials.

We offer a variety of courses: from two courses on Sunday before the SDP Conference to our new Midweek Training course and three Extended Training courses following the Conference, as discussed below.

“Knowledgeable, helpful experts as instructors. Excellent info. Well-done training materials & organization.”

“Having two instructors was effective in breaking up the presentation. Gave a great complement of views.”

“Combo of trainers made for a very informative and entertaining class.”

“Intro classes were effective and provided a good background.”

“Great training, unavailable anywhere else! Will be back with more reps from my team!”

“Appreciate the trainers’ experience and wealth of knowledge which you cannot get from instruction manuals.”

SUNDAY TRAINING COURSES

Introduction to Depreciation (6 CPEs)

On Sunday before the Conference, this course provides trainees with an overview of depreciation accounting, property data, depreciation rates, accumulated depreciation, and life and salvage analyses – topics you need to know for the CDP Exam.

Ratemaking Overview and Current Issues Panel (6 CPEs)

This course includes the **new class** you requested: ***Technology Forecasting and Forces of Change***. This new class includes a discussion of technical information and economic forces affecting life estimates.

To begin the course, a former FERC Commissioner gives a fascinating explanation of how depreciation fits in the process of ***utility ratemaking***. The course ends with a discussion of ***current issues*** including those currently before regulators, decarbonization, EVs and battery storage, and topics suggested by you!

MIDWEEK TRAINING COURSE

Utility Ratemaking – History, Revenue Requirements, and Process (11 CPEs)

In response to your requests, our depreciation experts have developed this **new course** to explain ***how depreciation fits into utility ratemaking***. The course begins with a brief review of the history of utility regulation, including seminal court cases you encounter in testimony. The instructors then present the ***Revenue Requirements*** formula and explain each component and their interactions.

The course moves on to the ***Ratemaking Process*** beginning with data requests and discovery filings. The course completes the cycle by walking you through the ***hearings process*** and ***required briefs***.

“All classes were very helpful for a novice in the field. I look forward to taking classes in the future.”

“Excellent presenter - very enthusiastic, engaging, and easy to follow.”

“Class exercise was super engaging, fun, and relevant.”

“Instructor did a great job. Really appreciate when she shared her real-life experiences.”

“Great training, very informative. I look forward to next year's training.”

“One of the best trainings I have attended.”

“I enjoyed the instructors. A ton of knowledge and they presented it well. Very patient with others and a real pleasure to learn from.”

EXTENDED TRAINING COURSES

Depreciation Fundamentals (22 CPEs)

This overview of depreciation topics includes depreciation accounting, property data, life and salvage analyses, and depreciation calculations and is excellent preparation for the CDP Exam. At your request, we will again include the class ***Evolution of the Iowa Curves***. This course is beneficial for professionals preparing depreciation studies as well as managers wanting an overview of the segments of a depreciation study.

Life Analysis Methods and Applications (22 CPEs)

This course provides hands-on experience analyzing the life of real-world property in small groups. The course also probes the engineering reasons that cause assets to fail or be replaced and any resulting removal cost. At your request, we added a class taking us beyond the life analyses to ***Forecasting Life Using Life Analysis Results***. We also added a class that uses life estimates to calculate depreciation. Different weighting methods for remaining lives are discussed.

Preparing and Supporting a Depreciation Study (22 CPEs)

Back by popular demand! Our capstone course brings together skills learned in our previous courses. The course is intended for professionals who prepare depreciation studies as well as managers seeking an overview of the depreciation study process.

The course focuses on developing life and salvage estimates and depreciation rates reflecting company and technology impacts. Trainees work in small groups giving them ample attention from the instructors. The course also addresses preparing and supporting the depreciation study report. Expert instructors will share valuable tips about ***how to effectively testify***.

We have trained over 1,550 professionals since Extended Training began in 2003. For additional info about our courses, please visit www.depr.org. We look forward to seeing you at our **2024 Conference and Training in Milwaukee!**



SDP Trainers and Interns

Row 2: Rick Fisher, Melissa Howard, John Wiedmayer, Bill Stout, Amanda Nori, Susan Jensen, Larry Kennedy

Row 1: Jason Powery, Karen Ponder, Ned Allis

Not Pictured: Rich Bennett, John Lacey, Branko Terzic, Dane Watson

Committee Update

Membership Committee Update

Members like you are the best spokespeople for the SDP, and we want to give back to those who help spread the word about our group. Watch your emails in the coming weeks for the official launch of the **Member-Get-A-Member Campaign**, where you can earn a gift card for every person you refer to the SDP. The more people you refer, the more gift cards you receive, making it a "win-win" for both you, a valued member of the SDP, and the new member you bring along who will benefit from [SDP's excellent Conference and Training](#) in September! Your efforts will also help keep the SDP strong and growing.



Kevin Easterling

CHAIR, SOCIAL MEDIA COMMITTEE

Social Media Chair

The SDP is pleased to announce **Kevin Easterling** as the new [Chair of the Social Media Committee](#). We are thankful to have someone of Kevin's knowledge and commitment heading up this important committee.

The [Social Media Committee](#) will help promote the SDP and broaden our footprint in this important media arena. This is a special time for SDP, and we encourage our members to become more involved in the SDP by joining this committee and other committees.

If you would like to join a committee, please contact SDP President, [Rebecca Richards](#) at r-richards@alliancecg.net.

Best Wishes!

Steve Barreca Retired Last Year.

Stephen (Steve) Barreca is the founder and president of [BCRI Valuation Services](#), where he successfully served his clients for over 40 years. He also served as Vice President of Communication Technology Strategies for [Technology Futures Inc \(TFI\)](#). Prior to joining TFI, Mr. Barreca spent 20 years at [BellSouth Telecommunications](#) in various engineering, strategic planning, regulatory, and depreciation capacities.

Steve has been involved with the SDP since its inception in 1987. He has given presentations at the SDP Annual Conference, published articles in the SDP Journal, and served on SDP's Membership Committee. As SDP President in 1998, he promoted our training and developed and taught several training classes nearly every year since training began.

Steve holds SDP's first CDP Certificate and chaired the Certification Committee for several years. In that capacity, he oversaw new and renewal applications. His discretion and leadership will be missed. Steve, thank you for your decades of service to SDP. Best wishes to you and your lovely wife Catherine in the next chapter of your lives.

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Years of SDP
Involvement

1998

SDP President



Got Depreciation Skills?

Become a Certified Depreciation Professional!

The Society's **Certified Depreciation Professional (CDP) Program** recognizes individuals who have demonstrated their expert knowledge and experience in the depreciation practice. At the publishing of this Newsletter, there are 49 active CDPs. In addition to recognizing experts in depreciation, the CDP program elevates the practice of depreciation by establishing minimum standards and promoting active collaboration and participation in the field.

Becoming a CDP requires passing the SDP administered and proctored exam that covers seven technical areas in addition to a section on [Ethics and Standards of Professional Conduct](#). Applicants must also demonstrate a minimum of five years of depreciation professional experience. The CDP designation is renewed through Professional Development obtained by performing activities such as attending the SDP conference and annual meeting, presenting, training, serving on the SDP Board of Directors, and conducting and reviewing depreciation studies, to name a few examples.

If you are interested in learning more about obtaining a CDP designation you can find more information at www.depr.org/page/certification.

Congrats to our new CDP's!



Hayitbay Mahmudov, CDP

Hayitbay Mahmudov (MA in Economics) is a Principal & Consultant with InterGroup Consultants Ltd. providing expert advice and support related to the development and review of rates for regulated utilities. Hayitbay has over 15 years of experience in utility regulation, including analyses related to revenue requirement, cost of service, and rate design; economic analysis for major capital projects, including benefit-cost analyses. He has provided expert testimony on the matters related to revenue requirement, rate design and depreciation studies in various proceedings before the Alberta Utilities Commission, the Ontario Energy Board, and the Northwest Territories Public Utilities Board.



Sumeer Sharma, CDP, CPA, CMA

Sumeer Sharma is a professional accountant with 20 years of experience in the utilities industry, having worked for both utilities and regulators. On the utility side, he's worked for TransAlta and ATCO, and on the regulation side he has worked for the British Columbia Utilities Commission (BCUC) and the Alberta Utilities Commission (AUC). His educational background includes a BSc in Actuarial Science, and a BComm in Accounting, both from the University of Alberta. He is currently based out of Edmonton, Alberta as a Regulatory Specialist with the AUC.

Current Issues Publication



The SDP is pleased to announce the return of our **Current Issues publication**. This effort continues the legacy established by **John Ferguson**, the first recipient of the SDP Lifetime Achievement Award. This member benefit is a useful resource to not only monitor and track current depreciation topics but also develop potential topics for future conferences and training. We believe the publication will encourage networking among SDP members.

We are especially thankful to the Honorable **Branko Terzic**, Distinguished Fellow, U.S. Council on Competitiveness, for accepting the appointment as Chair of the Current Issues Committee. This committee will summarize information submitted by SDP members. The summaries will be posted periodically on the SDP website and sent to SDP members. This publication will be a great resource to inform members about current depreciation issues and activities being discussed and implemented across the industry.

Beginning this month, please look for emails from the Current Issues committee soliciting current depreciation topics to share with our members.

Trainer Development Program

To ensure the continuation of SDP's training, in 2023 the SDP initiated the **Trainer Development Program (Program)**. Intern participation in the 2023 Fall Training included observing the primary trainer, assisting students during workshops, and delivering a portion of the lecture using materials provided by the trainer.

In 2024 the SDP accepted an additional Training Intern into the Program: **Rebecca Richards, CDP** of Alliance Consulting Group. Rebecca joins the three Interns accepted into the Program in 2023: **Amanda Nori, CDP** of Concentric and **Melissa Howard, CDP** and **Jason Powery, CDP** of Gannett Fleming. Interns will participate in the 2024 SDP OMFs and Fall Training with second-year Interns having enhanced responsibilities. The SDP plans to gradually add Interns to increase the number of trained teaching professionals and allow current faculty to have a reduced teaching workload.

To be considered for this Program, potential trainers must be nominated by an SDP Trainer and have a current SDP Trainer as a sponsor/mentor. The application that is submitted to the SDP Education and Training Committee must demonstrate that the potential trainer satisfies the following requirements:



- 01 is an active SDP member
- 02 has worked in depreciation during at least five of the most recent ten years
- 03 has given at least one presentation at an annual SDP Conference
- 04 is a Certified Depreciation Professional (CDP)
- 05 has effective communication skills

For additional information, please contact SDP Training Director Dr. Susan Jensen, CDP at Training@depr.org.

Susan Jensen, PhD, CDP; Karen Ponder, PhD, CDP; Bill Stout, PE, CDP



Member Spotlight

A SINGER IN OUR MIDST!

Bill Stout, PE, CDP

SDP Faculty Member and Past President

While attending Depreciation Programs, Inc. (DPI) training in Grand Rapids, Michigan in the mid-1990s, we were introduced to Bill's singing talent. One of the local lounges was putting on a karaoke event. Bill brought the house down when he belted out *New York, New York*. Karen Ponder and Susan Jensen followed with, appropriately, Helen Reddy's *I Am Woman*.

Bill enjoys singing the standards, particularly Sinatra. His music interest began in church Children's Choir, transitioning to the Adult Choir in high school when he changed from soprano to bass. Music is in his family as his mother played piano in Sunday School and both Bill and his sister took piano lessons. He sang in small music groups, a quartet, and high school Broadway musicals, including often taking solo parts.

At Rensselaer Polytechnic Institute, he was in the men's chorus his freshman year while continuing to sing in the church choir. He loves singing at holiday parties and playing the Great American Songbook and Broadway show tunes. We hope we are lucky enough to hear him sing or play piano at a future SDP Conference and Training!

Branko Terzic

Regulation: The Scientific Age Continues

At the dawn of the public utility age, from the 1890's to 1920, the United States embarked on a unique experiment in which private enterprise would deliver "public services" under what was called 'the scientific theory' of regulation.

Professor John H. Gray addressing the Economic Club of San Francisco on July 28, 1914, summed it up in this extract from *Valuation, Depreciation, and the Rate-Base* (John Wiley & Sons, New York 1917) by Dr. Carl Edward Grunsky:

We have very recently entered upon the experiment of administrative control through central commissions. ... The scientific theory is that utilities should render adequate, safe, and universal service, at just, reasonable, and fair prices to all, and that the sovereignty shall be the final judge in every case of these matters. This statement implies, of course, that the total gains or rewards of the owners shall be reasonable under all circumstances, including that of virtually guaranteed monopoly.

Leading the charge nationally for "scientific regulation" was U.S. Senator Robert "Fighting Bob" LaFollette and the Wisconsin idea. Arguing in the Senate in 1906 for support of the Interstate Commerce Commission, LaFollette promoted the Wisconsin Idea "in the use of experts in government" by asserting that "the members of the Commission...acquire expert knowledge and become the tribunal of facts."

Looking back over the past hundred plus years of regulation one can see the results. The U.S. at the beginning of the 21st century had well-functioning electric and natural gas systems regulated 'scientifically' by state public service commissions and the U.S. Federal Energy Regulatory Commission. But the regulatory path through 20th century was neither easy nor without major controversies.

The "holding company" era resulted in the passage of PUHCA legislation restructuring the industry in the 1930's. A raging debate over the valuation of rate base took over 50 years to settle with the adoption of "original cost less depreciation" by most states and the FERC in the 1950's. Tensions between regulators and the regulated ebbed and flowed in spite of accusations of "regulatory capture".

Grunsky wrote in 1917 that "*Public service commissions were not created to assume a hostile attitude to the public service corporations...It must not be expected, however, that mistakes will not be made. As the records to date are read, such mistakes will be found in both directions.*"

Regulation: The Scientific Age Continues - Continued

Even LaFollette recognized this is his 1906 speech in which he said *"The Commission may err. The judgement of the wisest, most conscientious, and most expert man is not always fallible."* But he argued that the possibility of error did not detract from the necessity of scientific regulation. It also did not obscure the fact that scientific regulation was premised on the appointment of people who were already expert on public utility matters on the day of appointment.

LaFollette, while Governor, himself was criticized for appointing Chicago lawyer David Lilienthal to the Wisconsin Public Service Commission, rather than a state resident. His response was that the state citizens needed the best expert available. Lilienthal later went on to serve as head of the Tennessee Valley Authority and the Atomic Energy Commission.

All of this regulatory dialogue dealing with state regulation of monopoly public utility companies was well underway, litigated and legislated by the time Dr. Grunsky was publishing *Valuation* in 1917. Even the issue of competition while settled was still nettlesome. Grunsky writes that before the adoption of the monopoly model *"...it was common belief that free and unrestricted competition should be encouraged and would result in permanent advantage to the public. The fallacy of this view when large public service concerns are involved is now generally recognized....the temporary advantages may become a permanent burden."*

So, the issue of competition still merited addressing in 1917? Other issues were settled by then as well as to rate design, return on investment etc. Yet, many of the same issues before policymakers and regulators a hundred years ago are before regulators and legislators today.

1. What role is there for competition with a public service model?
2. What should be the role of the distribution utility?
3. How should electric rates be designed, when faced with distribution competition?
4. What should be the fair return?
5. Should assets on the customer side of the meter be in rate base?

As I write, there is no national consensus on many of these issues, nor is one likely needed. Some states have restructured and allow retail competition. Some states rely exclusively on wholesale power markets for energy supply (kilowatt-hours) and security of power supply (sufficient kilowatts of capacity) and the state regulators regulate only distribution rates. Others follow the historic model of vertical integrated electric utilities under full state PSC regulation.

In all cases, however, the importance of the expert regulator applying "scientific" regulation is still paramount.

The Honorable Branko Terzic is a former Commissioner on the U.S. Federal Energy Regulatory Commission and State of Wisconsin Public Service Commission, in addition to energy industry experience was a US Army Reserve Foreign Area Officer (FAO) for Eastern Europe (1979-1990). He hold a BS Engineering and honorary Doctor of Sciences in Engineering (h.c.) both from the University of Wisconsin- Milwaukee.

CDP EXAM DETAILS

A proctored, closed-book exam is given at each SDP Annual Meeting or remotely.

When we offer the conference and training online, the exam may be taken remotely with permission from the Certification Chair and the appropriate designation of a proctor.

[View the guidelines here.](#)

The exam has two parts -- the Ethics part and the Technical part.

Part I (Ethics portion) includes questions about the SDP Code of Ethics and the SDP Standards of Professional Conduct.

Part II (Technical portion) includes questions in the following areas:

- » Plant and Reserve Accounting
- » Life Analysis Concepts
- » Life Analysis Using Actuarial Models
- » Life Analysis Using Simulation Models
- » Salvage and Cost of Retiring Analysis
- » Life Cycle Analysis
- » Depreciation Calculations

TO PASS THE EXAM

To pass the exam, a minimum score of 70% is required on the Ethics part of the exam. Additionally, a score of 70% is required on the Technical part of the exam OR on the Ethics and Technical parts combined.

- An applicant who has twice unsuccessfully taken the exam must wait a minimum of 1 year before retaking the exam.

RECOMMENDED STUDY MATERIALS

SDP currently offers *Depreciation Systems*, *Engineering Valuation and Depreciation*, and *Bulletins 125 and 155* as a gift with donations to our Education Fund; see details on our website. Other resources may be found online, in libraries, or by reaching out directly to the publishing organizations listed.

Certification as a CDP

GOALS OF CDP PROGRAM

- Allow individuals to demonstrate their knowledge of depreciation.
- Provide an opportunity for members to be recognized as having met the requirements established by SDP.
- Elevate the practice of depreciation by establishing minimum standards.
- Keep members current and participating in the field.

REQUIREMENTS FOR CDP STATUS

- Active membership in the SDP.
- At least 5 years of full-time professional depreciation experience, at least 2 years of which must be in the area of depreciation administration. Three years of experience may be in related fields such as engineering, finance, planning, regulation, and regulatory consulting. Depreciation administration comprises any of the following activities: involvement or responsibility for the preparation of depreciation studies, the review of depreciation studies, the development of depreciation analysis software systems, and instruction in depreciation analysis and procedures.
- College degree or its equivalent. Each year of practical depreciation experience equals 1 year of college equivalency. The Certification Committee recognizes career development and non-academic equivalency, e.g., courses, seminars, teaching, administrative/supervisory positions, and membership in professional organizations.
- Documentation of all academic and non-academic experience is mandatory and must be on file at the SDP office (e.g., copy of diploma, current letter from college, transcript).
- Successful passage of CDP Exam within five years prior to CDP application.
- Completed Application and References.

FEES

- \$225.00 CDP Exam Fee
- \$150.00 CDP Application for new CDP applicants
- \$100.00 CDP Re-certification for current CDPs

Education Fund

The Society of Depreciation Professionals (SDP) formed the SDP Education Fund (Fund) in 2018 to further SDP's purpose as an educational institution. The Fund helps advance the SDP's objectives "... to promote the professional development and professional ethics of those practitioners in the field of depreciation; to collect and exchange information about depreciation engineering and analysis; to provide a national forum of programs and publications concerning depreciation."

The views expressed in the books provided through the Fund are those of the authors. These opinions do not necessarily reflect the views of the SDP.



Depreciation Systems - NOW SPIRAL BOUND by Frank K. Wolf and W. Chester Fitch - \$50 Donation

Bulletin 125, Statistical Analyses of Industrial Property Retirements - \$35 Donation

Bulletin 155, Depreciation of Group Properties - \$35 Donation

Engineering Valuation and Depreciation by Anson Marston, Robley Winfrey, and Jean C. Hempstead - \$65 donation

Bundle Donations

\$60 for both *Bulletins 125 and 155*
\$100 for all three books

Depreciation Systems is a highly regarded and widely cited textbook that covers a range of depreciation topics, including survivor curves, net salvage, actuarial and simulation life analysis methods and forecasting, and depreciation systems. Familiarity with *Bulletin 125* and *Bulletin 155* is considered a must for serious depreciation practitioners. *Engineering Valuation and Depreciation* encompasses engineering valuation, depreciation, and the Iowa curves. All four texts have been out of circulation for a number of years, and we are grateful to the authors and institutions who provided permission to reprint them!



2024 Sponsors



Alliance Consulting Group is an international consulting firm formed in 2004 to provide professional and expert witness services to utilities. Since 2004, Alliance Consulting Group has conducted over 200 depreciation studies for regulated and non-regulated clients across nearly all utility segments. We have filed testimony more than 35 states as well as FERC. Alliance Consulting Group is led by Managing Partner Dane Watson who is actively involved in the day-to-day operations and is their primary Expert Witness. We currently have three fulltime Senior Consultants, Dr. Karen Ponder, Ms. Rhonda Watts, and Ms. Rebecca Richards, as well as other support staff. Alliance Consulting Group is dedicated to providing quality consulting and expert services to the utility industry. Our professionals have over 115 years of combined experience around the utility industry, and we have been employed in the industry as utility employees, managers and consultants.

Concentric Advisors, ULC is a new Canadian subsidiary of Concentric Energy Advisors, located in Calgary, Alberta. Concentric Advisors possesses expertise in numerous aspects of the power, natural gas, oil pipeline, telecom, water, and railway industries with a focus on depreciation and valuation.

Gannett Fleming, founded in 1915, is a global infrastructure firm that provides planning, design, technology, and construction management services for a diverse range of markets and disciplines. They have helped to shape infrastructure and improve communities through transportation, environmental, water, energy, and facility-related projects in more than 65 countries. The firm embraces sustainability and innovation for all activities, finding the best solutions and the most efficient processes while being responsible stewards of the environment. Gannett Fleming Valuation and Rate Consultants, LLC provides consulting services to investor-owned and publicly-owned utilities and has successfully represented clients in public pricing policy and related matters before regulators and in courts of law. Their team of engineers, accountants and analysts has a broad experience base to meet your needs and is skilled in using computer-modeling techniques to customize studies and analysis. They combine the guiding traditional principles with innovative approaches to provide an understandable product that can stand the test of scrutiny.

PowerPlan software provides financial insight into how complex rules and regulations impact your organization – empowering you to make credible decisions that improve overall corporate performance. The integrated solution provides complete visibility starting with forecasting and monitoring to scenario planning and analytics while maintaining financial compliance. For more information, email info@powerplan.com or visit www.powerplan.com.

Regulated Capital Consultants was formed in 2010 with the purpose of providing rate regulated and asset-intensive industries with a trusted advisor, offering accounting, tax, regulatory, and IT departments with systems advocacy services and internal resource support. RCC's consultants combine their knowledge of accounting, tax, and regulatory processes with deep technical expertise to provide customers with results that are accurate and actionable. With unparalleled experience in the industry, RCC's expert consultants add immediate value to every project.

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