

## 2020 ONLINE CONFERENCE & TRAINING

SEPTEMBER 14 –  
NOVEMBER 5  
COMING TO A  
SCREEN NEAR YOU!

**REGISTER NOW!**

### CONFERENCE SCHEDULE MONDAY, SEPTEMBER 14, 2020

- **11:00 - 11:10**  
Introduction
- **11:10 – 12:00**  
Mary Anne Sullivan, Hogan  
Lovells US LLP – Electric  
Vehicles
- **12:00 – 12:15**  
Break – setup for Meeting
- **12:15-12:45**  
Business Meeting
- **12:45 – 1:00**  
Break
- **1:00 – 1:50**  
Steve Nichols and Jolie Usry,  
E&Y LLP, Asset existence testing  
and impact on balance sheet
- **1:50 – 2:00**  
Closing of Conference

*Times shown in EDT*

### MESSAGE FROM THE PRESIDENT

Happy summer time! When the Board and I took office in January we had no idea what was in store for 2020. I hope you and your families have remained safe and well during the spring quarantine.

In May, the SDP Board of Directors, Staff, Faculty, and Committee Leaders made the difficult decision to postpone our in-person meeting in Phoenix to next year and instead offer the SDP Conference and Training online. Dr. Susan Jensen, the Training Faculty, Kevin Easterling, Libby Maynard, and the Board have been working tirelessly to reorganize the programming. My sincere thanks to Susan and the rest of the team for their diligent work!

We are excited to be able to offer our incredible programming online this year! As you will find in this issue, the SDP Fall Training will offer two sets of courses: 5-Hour Short Courses (previously offered as the Sunday Training) and 10-Hour Training Courses (including many classes from our previously offered Extended Training). A series of Electives are being offered to participants in the 10-Hour Training Courses to cover topics that had previously been included in the Extended Training. The SDP Annual Conference will include two hours of CPE with the Business Meeting hosted in between. We have jumped in feet first to the Virtual Meeting space and look forward to connecting with you online this fall! Read on in this issue to learn more about the Fall Training and visit our website for additional details.

The other new educational and networking benefit developed this year is the Open Mic Forum Series. The SDP Training Faculty developed one-hour discussion sessions on a variety of topics. We have hosted two sold-out sessions so far and have received excellent feedback from participants! Many of the topics included in the Forums are covered in more depth in the Fall Training. Registration for the Forums is complimentary for members and \$50 for non-members. Flip to page 5 to learn more about the upcoming Forums!

Finally, thanks to our SDP Sustaining Sponsors: Alliance Consulting Group, AUS Consultants, Concentric Energy Advisors, Gannet Flemming Valuation and Rate Consultants, RCC, and PowerPlan! The support of these Sponsors enables the SDP to continue to provide the excellent programming you have come to expect. Please read more about our Sponsors on page 6. If your organization is interested in getting involved as an SDP sponsor, reach out to our Executive Director Libby Maynard ([admin@depr.org](mailto:admin@depr.org)) for more details.

I hope you can take some time to unwind and unplug this summer. I hope to see you on screen this summer or fall. Thank you for your continued involvement in the Society!

Regards,  
Amber De Lucenay

# SDP TRAINING

## DR. SUSAN JENSEN, CDP, DIRECTOR OF TRAINING

**SDP Annual Training is going online!** Join SDP this Fall for the excellent training you have come to expect from

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

our in-person events, adapted to an online environment. Our top priority is keeping you and your colleagues safe while fulfilling our mission to provide depreciation education and training. We hope you can

attend, and we are looking forward to seeing you again in person in 2021!

SDP faculty include a dozen experts with hundreds of years of combined experience. The ratio of trainees to faculty is 8 to 1, giving trainees the best learning experience in the industry.

*"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."*

Two or more trainers often co-teach a course to give trainees different perspectives, thus setting us apart from other "sole trainer" offerings. SDP courses apply

*"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."*

depreciation methodologies to real-world data, making the skills acquired readily transferable to the workplace.

### 5-hour Online Short Courses (6 CPEs)

For your convenience, we separated our 5-hour courses (previously offered on Sunday before the Conference) into manageable short sessions offered on Tuesdays and Thursdays 11:00 AM - 2:00 PM EDT.

*"Great class! Very applicable to my job."*

**Introduction to Depreciation** provides trainees with an overview of depreciation topics and preparation for the CDP Exam. The course begins with a discussion of the

## SDP BOARD OF DIRECTORS 2020 OFFICERS

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

importance of depreciation and the complications inherent in estimating depreciation expense. Included in the course are segments on group depreciation accounting, life and salvage analysis, and annual and accumulated depreciation calculations.

*"Intro classes were effective and provided a good background."*

*"Instructor did an excellent job. Great conversational teaching style. Plenty of time to answer questions and discuss topics. Net salvage is a very timely topic. Highly recommend this course."*

**Depreciation and Ratemaking Issues** includes a class on utility regulation and the new class Depreciation for Assets



in Transition. Then a panel of experienced experts share tips for testifying and pitfalls to avoid. The course ends with a panel discussing current issues.

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

### 10-hour Online Training Courses (12 CPEs)

*"Great training, very informative. I look forward to next year's training."*

Similarly, we repackaged our Extended Training into 10-hour courses also offered Tuesdays and Thursdays 11:00 AM - 2:00 PM EDT.

#### Life Analysis Methods and Applications

our new course, explains and probes life analysis models. After a brief review of actuarial and simulation

life analysis models and some of their pitfalls, you apply the models to real-world property data and gain valuable insights to help you interpret the results of the models. You will also examine the engineering reasons that cause assets to fail or be replaced.

**Depreciation Fundamentals** provides an overview of depreciation topics and preparation for the CDP Exam. This course is beneficial for professionals preparing depreciation studies as well as managers seeking an overview of the segments of a depreciation study.

**Analyzing Net Salvage in the Real World** examines how gross salvage and cost of removal are recorded to accumulated depreciation, analyzed using statistical techniques, estimated (for mass and life-span properties), and reflected in the accrual rate.

*"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."*

### Electives

Classes that could not fit into the 10-hour courses are offered as electives on select Wednesdays at 11:00 AM or 3:00 PM EDT. We list recommended electives for each 10-hour course, but registrants in a 10-hour course may take ANY elective! Some electives are split into two sessions; it is recommended that you take both sessions. Taking a 10-hour course together with all of its recommended electives gives you all of the topics that were included when this course was offered as an Extended Training course.

- **Plant and Depreciation Accounting - Introduction**
- **Reserve Imbalances and True-Up**
- **Additional Life Analysis Models - Life Cycle Analysis (Session 1)**
- **Additional Life Analysis Models - Technology Forecasting (Session 2)**
- **Plant and Depreciation Accounting - Intermediate**
- **Depreciation Studies - Steps to Perform in Preparing the Study (Session 1)**
- **Depreciation Studies - Pitfalls to Avoid in Preparing the Study (Session 2)**
- **Evolution of Depreciation Regulation & the Iowa Curves NEW!<sup>1</sup>**
- **Age/Inflation Adjusted Analyses - Overview and Calculations (Session 1)**
- **Age/Inflation Adjusted Analyses - Using Salvage Data and Workshops (Session 2)**

<sup>1</sup> Available to registrants in a 5-hour or 10-hour Course.

**We have trained almost 1,300 professionals since training began in 2003!** For additional information about our courses, please visit [SDP 2020 Overview](#).

*"Excellent presenter - very enthusiastic, engaging, and easy to follow."*

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

*"Class exercise was super engaging, fun, and relevant."*

**REGISTER FOR THE 2020 FALL TRAINING**



## IN MEMORY OF RUSH W. DOZIER JR.

### FIRST PRESIDENT OF THE SOCIETY OF DEPRECIATION PROFESSIONALS

BY BRANKO TERZIC

This year will mark ten years since the passing of Rush W. Dozier, Jr, (20 Jul 1950 - 26 Dec 2010) who served as the first President of the Society of Depreciation Professionals (SDP). He was elected at the inaugural meeting of the SDP in 1987 while serving as Commissioner and Vice Chairman of the State of Kentucky Public Service Commission. Earlier he served as Chief Counsel to Kentucky Governor John Y. Brown who appointed him to the PSC.



I recruited Rush for the position as the first president of the SDP even though he was neither a depreciation expert nor would he go on to be a consultant in depreciation. However, he was keenly interested in science and technology and thus interested in the role depreciation played in supporting innovation in the public utility industries. Rush accepted the position of President because we both understood that the newly formed SDP needed the active participation of public utility commission staff experts to be truly effective. Thus, having a serving commissioner elected as the first president would signal to commission staff nationally that they were welcome, and Rush's participation would hopefully encourage other Commissioners to approve and promote staff participation in the SDP.

Rush accepted with the condition that I serve as his first vice president as I had just completed a six-year term as Commissioner on the Wisconsin Public Service Commission and was returning to consulting. Also, Rush was aware that I knew all the other founding members as I had called for the formation of a depreciation professionals' organization that previous summer at the Iowa State Conference. That call led to meetings with the other founders supported by Tom Nousiane, the head of the large depreciation team at the newly formed Ameritech telecommunications company. Rush's willingness to take the position of president was a significant contribution to the national reputation and prestige of our newly formed organization.

Rush Dozier attended Harvard University and Vanderbilt University Law School before returning to Kentucky to work in journalism where he briefly served as City Editor for the Herald-Leader in Lexington Kentucky.

In obituaries Rush is referred to as a Pulitzer Prize nominated technology and science writer. After service on the PSC, Dozier became an author of such books as Fear Itself: The Origin and Nature of the Powerful Emotion that Shapes Our Lives and Our World, and Why We Hate: Understanding, Curbing, and Eliminating Hate in Ourselves and Our World.

Rush died on Dec. 26, 2010, in Sacramento, Calif. He was 60 years and was survived by his wife Patricia McHugh Dozier. Rest in peace.





**Wednesday, July 22, 2020**

**Solar and Battery Energy Storage Systems**

**Wednesday, August 5, 2020**

**Witness Preparation and Pitfalls**

**Wednesday, August 19, 2020**

**Stranded Investments and Depreciation**

## SDP OPEN MIC FORUMS

**DR. SUSAN JENSEN, CDP, DIRECTOR OF TRAINING**

New this year SDP is offering Open Mic Forums in its new 2020 Summer Series! These forums are our way of keeping in touch with you as we look forward to our Fall Training.

*“All the presentations and comments by presenters were very informative.”*

Our 1-hour forums are hosted on select Wednesdays from 11:00 AM-12:00 PM Eastern. The forums begin with a brief presentation by SDP trainers followed by a group discussion among trainers and participants. Two or more trainers co-teach each forum to give participants different perspectives, thus setting us apart from other “sole trainer” offerings. SDP faculty include a

*“I was impressed with how well the forum was conducted.”*

dozen experts with hundreds of years of combined experience.

We are pleased to report that our forums sell out so early registration is encouraged. This result is not surprising in that 100% of survey responses rate the speakers good or excellent.

It's not a problem if you were not able to attend a forum, because many of the topics discussed in the forum will be discussed in more detail in our Fall Training courses and electives. The SDP website contains information about each forum and a table mapping forum topics to specific training courses and electives. [Learn More & Register](#)

*“Interesting and well-balanced presentation.”*

*“Great program with a variety of topics and a good way to keep interest in the SDP.”*

**We have trained almost 1,300 professionals since training began in 2003.** The forums offer an excellent opportunity to learn more and share your insights with colleagues. Now more than ever, community is important, and we hope you can join us!

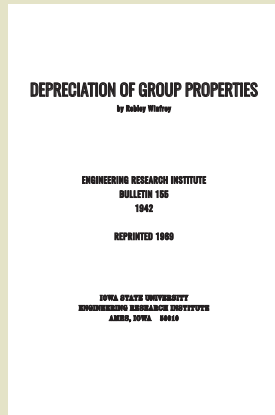
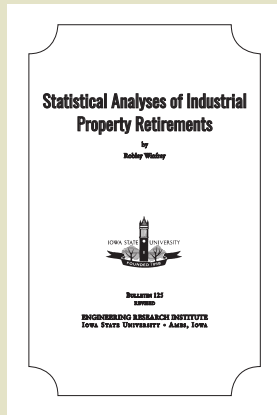
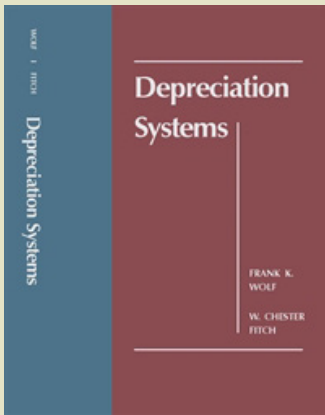
*“Keep it up. I have already registered for some of the upcoming Open Mics. It was great to touch base with SDP folks again.”*



# PUBLICATIONS FROM SDP EDUCATION FUND

The Society of Depreciation Professionals (SDP) announced the formation of the SDP Education Fund (Fund) in 2018 to further SDP's purpose as an educational institution. The Fund will help to further 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 SDP Education Fund are those of the authors. These opinions do not necessarily reflect the views of the Society of Depreciation Professionals.*



- Depreciation Systems by Frank K. Wolf and W. Chester Fitch - \$50 donation
- Iowa Engineering Experiment Station Bulletin 125, "Statistical Analyses of Industrial Property Retirements" - \$35 Donation
- Iowa Engineering Experiment Station Bulletin 155, "Depreciation of Group Properties" - \$35 Donation

Bulletins 125 & 155 are available through our website with a minimum donation of \$35 each or \$60 for both. A bundle of all three Fund publications is available for \$100. All three of these 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!

Click the image below to get your copy today.

**CLICK HERE** to donate and receive a copy of

**DEPRECIATION SYSTEMS**  
A Textbook by Frank K. Wolf and W. Chester Fitch.



## CALL FOR NOMINATIONS | BRIAN ANDREWS, CDP, SDP IMMEDIATE PAST PRESIDENT

Greetings! As an outgoing board member, it has been my pleasure to serve the society. I hope this finds some members that would consider serving the Society. Next year, we will have two Board Member vacancies: Vice President and Director-At-Large. The Vice President position is a three-year term, which includes the positions of Vice President, President, and Past President. The person filling this role would have the responsibility of setting the agenda for the 2021 SDP Conference. The Director-At-Large is a two-year term. The Director-At Large provides valuable input during the monthly SDP Board meetings. If you are interested in becoming involved in the Society as a Board Member, please contact us or complete the [Volunteer Interest Form](#) on the SDP website.



# 2020 SPONSORS

Our sponsors provide generous monetary donations and donations-in-kind toward making our Annual Conference and Training the successful events that they are. These contributions go towards the many breakfasts, lunches and special events that conference and training attendees enjoy throughout the week.



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 full-time 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.



AUS Consultants has been delivering unsurpassed consulting services to the utility industry for decades. Our expertise includes all aspects of the utility regulatory and ratemaking arenas, as well as the valuation field. Because we focus exclusively on the utility industry, we have developed deep industry expertise and experience, which we pass on to our clients, providing first-rate services and ensuring our clients' success. Our consultants have decades of experience, are well respected throughout the industry, and understand the key strategic issues faced by today's utility professionals. All of our consultants are utility experts and have advised vertically integrated utilities as well as utilities operating in the restructured industry. AUS Consultants' valuation expertise includes utility asset valuation, as well as the valuation of intellectual property and intangible assets. AUS Consultants publishes two of the top utility reports in the industry: the AUS Monthly Utility Report and the AUS Telephone Plant Index.



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](mailto:info@powerplan.com) or visit [www.powerplan.com](http://www.powerplan.com)



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Founded in 1915, Gannett Fleming is a global infrastructure firm that provides planning, design, technology, and construction management services for a diverse array of markets and disciplines. We 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 projects and internal 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. Our 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. We combine the guiding traditional principles with innovative approaches to provide an understandable product that can stand the test of scrutiny.



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



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.

RCC consultants specialize in providing solutions to meet the unique requirements of the rate-regulated and asset-intensive industries. From the west coast to the east coast, and just about all the investor-owned utilities, railroads and telecoms in between, RCC consultants have spent time consulting and creating, planning, managing and implementing no-nonsense data and process solutions. Along the way, RCC has had the opportunity to work side by side with great software innovators as well as industry leaders within an ever-changing economic, business, regulatory and technology environment.

RCC continues to focus on the capital asset lifecycle's impacts on fixed asset accounting, income tax compliance and accounting, rate-making, and technology. RCC believes in a cross-functional approach to enable clients to build a best-in-class accounting and systems process that meets customers' internal and external requirements. In order to maintain the high levels of service for which it is known, RCC continues to invest in attaining and retaining all the functional knowledge and technical skills required to plan and execute proven solutions for the most challenging situations.

FOR INFORMATION ON BECOMING A SPONSOR VISIT OUR WEBSITE [DEPR.ORG](http://DEPR.ORG)