

**CHRISTENSEN
ASSOCIATES
ENERGY CONSULTING**

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November 16, 2010

Ms. Laura Demman
Director and Legal Counsel
Natural Gas Department
Nebraska Public Service Commission
P.O. Box 94927
Lincoln, NE 68509-4927

Dear Ms. Demman:

In response to your letter of November 9 regarding notice of intent to contract with Christensen Associates Energy Consulting, I offer this letter and its attachment describing our consulting assignments for Nebraska utilities in the past five (5) years. All assignments are with electric utilities only. Specifically, we have contracted with Grand Island Electricity Department, Lincoln Electric System, and Omaha Public Power District.

We currently have three assignments that have not yet concluded:

- **Grand Island Electricity Department:** We have concluded work on a cost-of-service analysis. If the Department were to consider submitting a rate adjustment request to the City, we could be asked to support that submission.
- **Lincoln Electric System:** We are currently advising LES with respect to fuel cost recovery design issues.
- **Omaha Public Power District:** We are currently providing consulting services regarding transmission-related issues.

Ms. Laura Demman
Page 2
November 16, 2010

It may be worth noting that our project manager, Mr. Robert Camfield, has performed no work for a Nebraska client in this five-year period. If this information raises additional questions, please contact Mr. Bruce Chapman at 608.231.2266 or via email: brchapman@caenergy.com.

Sincerely,

A handwritten signature in black ink that reads "Tammy Droessler". The signature is written in a cursive, flowing style.

Tammy Droessler
Senior Vice President

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Attachment

Christensen Associates Energy Consulting Assignments in Nebraska, 2005-2010

Grand Island Electricity Department

Cost of Service Analysis. November 2007 – present. CA Energy Consulting conducted an electric cost-of-service analysis, including customization of its COS model. Possible additional work could involve rate filing support.

Support Work in Preparation for a Rate Case. April – June 2007. CA Energy Consulting assisted in developing a request for proposals to support preparation of a rate review.

Lincoln Electric System

Guidance regarding Fuel Cost Recovery Design Alternatives. September 2010 – present. CA Energy Consulting is currently providing advice on alternative designs of fuel cost recovery mechanisms.

Time-of-Use and Critical Peak Pricing Rate Design. September – December 2006. CA Energy Consulting provided Lincoln Electric System with instructions and advice for designing time-of-use (TOU) and critical peak pricing (CPP) retail programs.

Cost-of-Service Review. December 2005 – August 2006. CA Energy Consulting reviewed a cost-of-service study, and provided recommendations with respect to allocation methods, the development of allocators, and rate design.

Omaha Public Power District

Occasional Consulting on Costing and Pricing Issues. CA Energy Consulting has provided information and advice from time to time on a range of topics. These topics include advice on a particular retail rate, research on transmission tariffs, and on retail industrial customer contracting. Currently, we are providing consulting on one topic bearing on transmission-related issues.

Annual Professional Forum on Pricing Issues of Interest to Large Public Power Companies. March 2005 – July 2008. CA Energy Consulting was responsible for the content development, speaker recruitment, marketing, participant registration, site logistics, and comprehensive on-site support for an annual pricing seminar over a four-year period.