

Bruce Phillips works with clients in the electric and natural gas industries to develop, analyze, and implement strategies to improve their economic performance. In particular, he applies expertise in competitive market and regulatory analysis to business decisions involving restructuring for competition, competitive market entry and exit, regulated power supply planning, incentive regulation, environmental planning and compliance, and the natural gas industry. During more than 20 years of consulting, he has advised companies in the electric utility, competitive power, power marketing, natural gas pipeline, and gas marketing industries, as well as government agencies and non-profit institutions.

Representative projects include:

### **RESTRUCTURING FOR COMPETITION**

- For an electric utility in the Southeast region of the country, Mr. Phillips led a multi-year effort supporting the client's efforts to restructure for competition, including framing corporate issues, identifying business and regulatory options, conducting stranded cost valuations, retail pricing and related financial forecasts, and supporting a structured decision-making process for its senior executives.
- For a major electric utility with operating companies in several states, Mr. Phillips helped develop and assess restructuring proposals to provide retail customers with a choice of suppliers. The effort helped lead to the passage of two state restructuring laws authorizing the introduction of customer choice.
- For another electric utility, Mr. Phillips helped develop a proposal to reform transmission pricing and the regional spot market, and drafted a white paper on the merits of market-based pricing for wholesale transactions.
- For several electric utilities, Mr. Phillips developed and presented seminars on competitive and regulatory trends, focusing on wholesale and retail competition, restructuring alternatives, and the strategic implications for utilities.

### **COMPETITIVE MARKET ENTRY AND EXIT**

- For several competitive power generators considering the sale or retention of competitive generation assets, Mr. Phillips has estimated the fair market value of gas-fired combined cycle, gas-fired cogeneration and coal generation facilities.
- For a major owner-operator of competitive nuclear generation, Mr. Phillips led an effort to analyze the potential value creation and risk reduction benefits of integrating a competitive retail business with the nuclear business.
- For several clients, Mr. Phillips has evaluated the competitive economics of proposed wind generation projects, including a large multi-megawatt project, an innovative wind-compressed air storage technology and others.

- For an electric utility considering its alternatives as a competitive retail electric provider, Mr. Phillips analyzed the economics of acquiring the default service business of other retail electric providers, incrementally acquiring retail customers in newly opened markets and other strategic alternatives.
- For an international power developer seeking to acquire U.S. generating assets, Mr. Phillips managed a product development effort resulting in two investment opportunities – one predicated on improved management of under-performing nuclear units, and another on integrating a portfolio of industrial generation assets with the regional spot market.
- For an independent power marketer, Mr. Phillips led an effort to develop a strategy built around a product concept involving early identification and control of uniquely undervalued generating resources.
- For a consortium of competitive power producers, Mr. Phillips created a new site development strategy and directed the market research necessary to begin its implementation.
- For a private power producer with a proprietary renewable energy technology, Mr. Phillips created a site identification and screening process, identified promising sites for a utility-scale project, and developed and implemented a marketing strategy for the project.

## **REGULATED POWER SUPPLY PROCUREMENT**

- For an electric utility faced with eroding industrial load and surplus generating capacity, Mr. Phillips identified and analyzed alternative generation and corporate options, including off-system power sales, mergers, acquisitions, and regulatory/financial restructurings. The effort led to a series of profitable and innovative long-term power sales.
- For several electric utilities faced with above-market non-utility power purchase contracts, Mr. Phillips evaluated the economics of the power projects from the developer's perspective, designed buyout/contract reformation proposals, and supported subsequent negotiations. The effort led to successful contract renegotiations, materially reducing the client's stranded cost exposure.
- For a group of utilities with jointly owned generating units, Mr. Phillips identified, evaluated and presented recommendations regarding opportunities to reduce costs through improved coordination of maintenance scheduling, provision of backup power and resolution of minimum loading problems.
- For several electric utilities, Mr. Phillips assisted in the development and implementation of competitive bidding systems, focusing on designing new methods for quantifying non-price factors in dollar terms.

### **INCENTIVE REGULATION**

- For an electric utility whose customers were exposed to substantial gas price risk through the company's fuel clause, Mr. Phillips developed an innovative price risk management and production cost incentive, reducing customer fuel risks and establishing an incentive opportunity for the utility.
- For an electric utility in the midst of rate case settlement discussions, Mr. Phillips assisted in the development and evaluation of innovative production cost incentive ratemaking initiatives.

### **ENVIRONMENTAL PLANNING AND COMPLIANCE**

- For a large multi-state utility with a diverse mix of regulated and competitive generating assets, Mr. Phillips reviewed and critiqued the client's environmental strategy, including both its positions and efforts related to possible carbon regulations and its criteria pollutant compliance planning efforts.
- For a broad-based non-profit organization, Mr. Phillips directed an analysis of the economic costs and emission benefits of a range of regulatory policy options intended to reduce sulfur dioxide, nitrous oxide, and carbon emissions, focussing in particular on several types of cap and trade and tax incentive mechanisms.
- For a utility and intervenor groups in a collaborative effort to design demand side management (DSM) programs, Mr. Phillips developed a screening methodology for analyzing the cost effectiveness of DSM measures and programs.

### **NATURAL GAS**

- For a major interstate gas pipeline company, Mr. Phillips identified opportunities to offer new and innovative transport services, and helped establish a subsidiary to develop and offer these services. Subsequent market research led to two additional opportunities – one based on the development of a unique LNG project designed to serve emerging peak season needs, and another based on integrating emerging spot markets for electricity and daily markets for natural gas.
- For a regional interstate gas pipeline company in financial distress, Mr. Phillips directed an analysis of the company's strategy, conducted market research to explore opportunities to sell new gas storage services, and presented recommendations regarding the outlook for profit improvement.
- For the marketing arm of a major gas producer, Mr. Phillips directed a study of likely future demands for natural gas by electric utilities and private power producers, and identified specific marketing opportunities.

- For a gas distribution company, Mr. Phillips directed a review of the utility's supply planning process and provided recommendations for improvement.
- For an owner of an existing underground gas storage facility, Mr. Phillips estimated the fair market value of the client's ownership interest in the facility.

Before helping to establish The NorthBridge Group in 1992, Mr. Phillips was a Principal with Putnam, Hayes & Bartlett, Inc. an economic and management consulting firm in Cambridge, MA. Mr. Phillips received a B.A. from the College of the Atlantic (1978), a M.F.S. from Yale University (1984), and an M.B.A. also from Yale University (1984).