



PHILIP W. MCLEOD, PH.D.

CURRENT POSITION

Finance Scholars Group
Professional Affiliate (April 2011 – Present)
Principal (June 2009 – April 2011)

PAST POSITIONS

LECG, LLC
Principal (2000 – 2009)

California State University at Hayward
Lecturer (2003 – 2004)

MHB Consultants
Managing Director (1991 – 2000)

Putnam Hayes & Bartlett
Senior Consultant (1986 – 1991)

Saint Mary's College of California
Lecturer in the Extended Education Degree Program (1986 – 1990)

Diamond Shamrock Thermal Power Division
Manager of Business Development (1983 – 1986)

Kaiser Aluminum Corporation
Senior Corporate Planner and Manager of Acquisitions (1981 – 1983)

Stanford Research Institute
Management Consultant (1979 – 1981)

Office of Senator Ted Stevens
Congressional Fellow - Energy Advisor (1975 – 1976)

Bell Telephone Laboratories
Member of Technical Staff (1971 – 1975)

EDUCATION

Ph.D., Engineering Economic Systems Department, Stanford University, 1980



M.S., Operations Research Department, Stanford University, 1972

BEE, cum laude, Electrical Engineering, Pratt Institute in New York, 1971

ELECTRIC INDUSTRY CONSULTING EXPERIENCE

Prepared reports and testified on the reasonableness of economic models used to value the assets of a major independent power producer in a \$2.0 Billion asset recovery action before U.S. District Court for the Northern District.

Prepared a report and testified on the ability of a major electricity supplier in the Pacific Northwest to exert generation market power based on the market screen methodologies approved by the Federal Energy Regulatory Commission (FERC) in its April 14, 2004 decision.

Prepared economic analyses and submitted an expert report in a breach of contract arbitration proceeding involving a large California retail electricity customer and an energy service provider. He assessed market changes that could have impacted the defendant's ability to carry out its supply obligation under the contract and estimated plaintiff's damages due to the breach.

Prepared a report on criteria of assessing the competitiveness of an electric power exchange and on alternative methodologies for linking the price of long-term bilateral contracts, with independent power producers, to the exchange's market clearing price.

Prepared a report and testified before the Illinois Commerce Commission on tariff design alternatives for rates charged by the utility for electricity service provided to large consumers, including Independent Power Producers.

Prepared and presented a workshop on alternative methodologies for pricing transmission access in a regional transmission organization (RTO). The focus was on developing a transmission rate that eliminated regional rate pancaking, manage congestion, internalized parallel path flows and provided the proper incentives for new investments.

Prepared economic analyses and provided expert testimony on the economic value of an independent power plant in a breach of contract dispute between the developer and a major electric utility before the U.S. Bankruptcy Court for the District of Colorado.

Prepared and presented analyses comparing the different market models for ancillary services being used by deregulated electricity markets in the U.S

Developed an economic model to value the California marketing subsidiary of a privately held retail electricity service provider.

Prepared a study on the forward and spot markets for energy and capacity in the restructured electricity market in California, including an analysis of market rules zonal pricing and congestion management.



Prepared analyses of the economic damages suffered by a major electric utility in a breach of contract dispute involving the transfer of power from facilities dedicated under different purchase contracts with different pricing provisions before the Superior Court of California, County of Los Angeles.

Prepared a study of the potential horizontal market power associated with the prospective sales of energy to the Power Exchange Corporation of California by a major Northwest supplier.

Prepared economic analyses and provided expert testimony before the Superior Court of California, County of Shasta, on the economic loss suffered by a major electric utility in a breach of contract dispute with the developers of an independent power plant over the manipulation of the power plant's maintenance scheduled.

Prepared an analysis of the different proposals for restructuring the electric utility markets in California for Edison Electric Institute, i.e., poolco v. bilateral contracts, zonal pricing, direct access, transmission pricing.

Reviewed proposals to restructure the electricity market in Ontario, Canada and provided recommendations to Ontario Hydro on the potential impacts of these proposals.

Reviewed proposals to restructure the electricity market in Ghana and provided recommendations to Kaiser Aluminum on the potential impacts on their smelter operation in that country.

Prepared economic analyses of the net revenue requirements associated with investments in nuclear versus coal-fired generating plants for a number of utilities in support of the reasonableness of their nuclear power plant decisions.

GAS INDUSTRY CONSULTING EXPERIENCE

Prepared economic analyses and provided recommendations for price adjustments in a natural gas contract price review negotiation involving some of the largest gas suppliers in Australia.

Directed the analyses and prepared testimony on the rational economic behavior of natural gas pipelines involved in multi-billion dollar antitrust/conspiracy case evolving out of the 2000/2001 energy crisis.

Prepared economic analyses and provided expert testimony in U.S. District Court, Central District of California, on a breach of contract case involving a natural gas supplier and a large retail customer. Dr. McLeod opined on the contract terms of the retail natural gas sales agreement.

Prepared testimony on the reasonableness of Canadian gas purchases of a major California utility based on the avoided cost of alternative supplies.

Directed the analysis of alternative gas supply portfolios for a local distribution company faced with reforming its supply contracts with producers given the newly deregulated environment.



Prepared an evaluation of the potential market for gas sales to cogenerators in a three-state service area for a major natural gas pipeline company.

OTHER CONSULTING EXPERIENCE

Directed economic analyses and provided expert testimony before the Superior Court of San Francisco, in the liability phase of a predatory pricing case, involving the pricing of advertising product below cost by a major newspaper. He also estimated the damages suffered by the plaintiff.

Prepared economic analyses and provided expert testimony on the economic damages suffered by a computer database system developer from lost sales and warranty services in a copyright infringement case in U.S. District Court, Northern District of California.

Prepared economic analyses and provided expert testimony on the damages suffered by a foreign software developer from lost product sales resulting from a copyright infringement of a local distributor in a case before the U.S. District Court, Northern District of California.

Prepared economic analyses and provided expert testimony on the economic loss suffered by employees in a class action discrimination case in the Superior Court of California, County of San Francisco.

Prepared a comprehensive report on the economic impact of water shortages on industrial and commercial customers in the San Francisco Bay Area based on an analysis of detailed customer records in nine water districts and a survey of a stratified sample of those customers.

Prepared an economic analysis of the risks and expected benefits associated with developing geothermal energy projects in the western United States, based on an explicit assessment of the resource and market uncertainties.

Structured and negotiated the sale of the Davies Estate geothermal project for Diamond Shamrock Company.

Developed a worldwide survey of the geothermal energy business, which included a profile of the market, resource potential and project opportunities in 16 key countries.

Directed the development of the detailed cost estimation model for the analysis of alternative construction route of a 2,000-mile coal slurry pipeline system in a \$900 million antitrust litigation case between a number of railroads and the pipeline developers.

Prepared an evaluation of the risks and benefits associated with alternative strategies for expanding a company's business communications services.

TESTIMONY AND AFFIDAVITS

MC Asset Recovery, LLC, v. The Southern Company, U.S. District Court for the Northern District of Georgia (2007)



Bonneville Power Administration 2007 - 2009 Rate Case, Federal Energy Regulatory Commission (2004 – 2006)

CSK Auto v. New West Energy, Arbitrator appointed by American Arbitration Association (2003)

TXU Energy Service Company v. American Remedial Technologies, U.S. District Court for the Central District of California (2003)

Commonwealth Edison Company 2001 Rate Case, Illinois Commerce Commission (2001 – 2002)

Pacific Gas and Electric v. Modesto Energy Ltd, Superior Court of the State of California, County of San Francisco (2000 – 2001)

Pacific Gas and Electric v. Oildale Energy LLC, U.S. Bankruptcy Court, Eastern District of California, Fresno Division (2001)

Kamine/Besicorp Allegany LP v. Rochester Gas and Electric, U.S. Bankruptcy Court, District of New Jersey (1998)

Pacific Gas and Electric v. Destec Energy Inc, Superior Court of the State of California, San Francisco (1997 - 1998)

Vandell v. Chevron, Superior Court of the State of California, San Francisco (1996)

Helios Software v. Root International Distribution System, Inc, et al, U.S. District Court, Northern District of California in San Jose, California, (1996 – 1997)

Energy Development and Construction Corp. and San Gorgonio Farms Inc. v. Southern California Edison, Superior Court of the State of California for the County of Los Angeles (1996 - 1998)

Pan Asia Venture Capital Corp v. Hearst Corporation, Superior Court of the State of California for the County of San Francisco (1995 – 1996)

Aeroturbine Corporation v. Pacific Gas and Electric, U.S. Bankruptcy Court, Denver Colorado (1993 – 1994)

Triad Systems Corp. v. SouthEastern Express, U.S. District Court of the Northern District of California (1993 – 1995)

Dr. McLeod has also served as an expert witness in other matters, which were settled prior to trial or the provision of written or oral testimony.

PUBLICATIONS

"The On-Going California Experiment with Direct Access: The Contract Termination Decision" with Robin Walther, presented at 17th Annual Western Conference (sponsored by the Center for



Research in Regulated Industries, Rutgers University), Los Angeles, California, June 23 - 25, 2004.

"Electricity Reforms That Work," with Pablo Spiller, The Utility Project, (Spring 2003) pp. 18-21.

Second "Manifesto on the California Electricity Crisis" with David Teece, et al. One of 20 signatories to a statement on forward-looking policy responses to California's electricity problems, Haas School of Business, U.C. Berkeley, January 31, 2003.

"California's Electricity Markets: Structure, Crisis, and Needed Reforms," (January 2003; see <http://www.lecg.com/website/home.nsf/OpenPage/Energy-ResearchPapersTestimony>) with David J. Teece, et al. Co-author of study documenting the history of California's electricity crisis and exploring potential reforms.

"The California Electricity Crisis and Antitrust Analysis," with Chris Pleatsikas, Trade Practices Law Journal, 2002.

"Manifesto on the California Electricity Crisis," with David J. Teece, et al. A co-author of, and one of 31 signatories to, a policy statement on appropriate governmental responses to the electricity crisis. Haas School of Business, U.C. Berkeley, January 26, 2001

"Analyzing Newspaper Costs in Predation Lawsuits," with Michael Maher, Newspaper Research Journal, Vol. 19, No. 4 (fall 1998), pp. 58-70.

"Towards the Best Bet: Game Theory and Game Theorists Often Help in the Design of New Market Mechanisms," with David J. Salant, Electric Perspectives, (September-October 1998), 74-83.

"The Relationship Between Pension Wealth and Riskiness of Family Portfolios," Business Intelligence Program, SRI International (April 1981).

"Creating Flexibility for Corporate Structures," with William Royce, Business Intelligence Program, SRI International, (December 1980).

PROFESSIONAL ACTIVITIES

Board of Trustee, Power Exchange Corporation of California (1996 – 2001)

Board of Directors Executive Committee, World Affairs Council (1994 –2000)

Western Economic Association

American Economic Association

HONORS AND AWARDS

Congressional Fellow with the Office of Senator Ted Stevens of Alaska



Ford Foundation Fellowship

Bell Laboratories Doctoral Support Fellowship

National Science Foundation Fellowship

CONTACT INFORMATION

Phillip W. McLeod Ph.D.
Principal, Finance Scholars Group
Two Theatre Square, Suite 218
Orinda, CA 94563

Phone: 925.258.9600 X22
Fax: 925.258.9096
Email: pmcleod@FSGexperts.com

September 2013

FSG



Finance Scholars Group

Accounting • Economics • Finance
Intellectual Property • Marketing • Valuation
California • Illinois • Texas • Washington DC
www.FSGexperts.com

FSG provides consulting and expert witness services related to complex issues in accounting, economics, finance, intellectual property, marketing, and valuation. Our experts include prominent professors from leading universities and experienced, highly-credentialed staff professionals, including CPAs, CFAs, MBAs, and PhDs.