



**Causey Engineering
LLC**

**Gerald J. Hietpas, PE
President**

Causey Engineering LLC

"Forensic and Investigative Services"

PO Box 341057-0018

Austin, TX 78734

www.CauseyEngineering.com

Phone & Fax (512) 261-3930

jhietpas@austin.rr.com

Curriculum Vitae

WILLIAM RODNEY PENNINGTON

Mr. Pennington is an Associate of Causey Engineering, LLC. Causey Engineering has for over 18 years been providing forensic and investigative engineering & business services and litigation support, specializing in industrial, utility and construction issues. Mr. Pennington has particular experience in the field of Natural Gas Pricing, Regulations and Operations.

Education:

Northwestern State University, LA

BS, Mathematics

Experience Summary:

Thirty-three years in the natural gas industry with significant experience in all phases of the natural gas industry from rates and regulations, tariff design and implementation, contract negotiations and interpretations, royalty payments, natural gas pricing, asset and energy management, field operations, asset economic evaluations, storage management, and supply and capacity planning.

Work Experience:

Causey Engineering LLC, Austin, TX 2007 to Present

Forensic Expert: Provide Forensic and investigative work related to the natural gas rate cases. Causey Engineering provides gas rate analysis, governmental regulation investigation and research, accident reconstruction and litigation support primarily related to oil and gas, refineries, chemical and petrochem plants, central power stations, electronic manufacturing, food processing, pulp and paper, lumber manufacturing, industrial construction, and warehousing.

Pendulum Energy, Houston, TX 1991 to Present

Principal: Serve as an expert witness in both state and federal judicial and regulatory proceedings on behalf of PSC's and natural gas companies, including Local Distribution Companies (LDC's), gas producers, electric companies, storage operators, gas marketers,

and pipelines. Have particular knowledge and experience in natural gas tariff interpretation, implementation and design, gas supply planning, contract negotiations and interpretations, as well as royalty provisions and payments.

Prepare and analyze tariffs, storage companies and pipelines. Design tariffs and operating procedures to prepare LDC's for on-system, unbundled open access transportation. Work with pipelines to design new tariff services for the ever-changing post-Order 636 environment.

Prepare, analyze and audit gas supply planning activities, marketing companies and public service commissions. Prepare Gas Supply Plans for filing with public service commissions. Expert witness in gas purchase prudence review cases. Audit Asset and Energy managers on behalf of clients.

Served as an asset manager for five LDC's in the Atlantic Coast. Assisted in maximizing the value of their natural gas assets, including their storage and transportation assets. Negotiated buy and sell deals on their behalf, prepared storage optimization plans, prepared supply optimization plans.

Participate in the analysis and litigation of pipeline rate cases filed with the FERC. General areas of focus are pipeline operating procedures, storage management and operations, and gas supply realignment cost recovery, as well as associated tariff modifications.

Develop and negotiate pipeline allocation procedures for an international project representing a major producer. This involved the negotiation of natural gas and liquids allocation procedures with a foreign government as well as the design and implementation of general operating procedures prior to the start up of the pipeline.

Tenneco Gas, Houston, TX 1985 to 1991

Director of Operations Coordination (1986 – 1991)

Manager of Operations Coordination (1985 – 1986)

Directed a department of seventy professionals responsible for the planning, accumulating, controlling, and communicating of gas volume flows on the Tennessee Gas Pipeline system, a system that ran from South Texas to Chicago, New York and the Atlantic Coast. Designed, implemented, and directed a T&E nomination and scheduling system responsible for the acceptance/rejection of over 100,000 nominations annually affecting over one trillion cubic feet of transportation gas.

Managed a Gas Volume Balancing system responsible for the contractual and physical volume allocations of over 3,000 meters and over 2 Tcf of gas volume flows annually. Had direct responsibility for day-to-day communications with all Tennessee Gas Pipeline customers concerning volume flows. Responsible for assuring that Tennessee Gas personnel adhered to the Tennessee Gas Pipeline tariff concerning the scheduling and flowing of volumes.

Approved all operational related terms and conditions included in the Tennessee Gas Pipeline tariff. Represented the operations groups at all customer meetings and made many key presentations and speeches on behalf of Tennessee Gas Pipeline to customer groups and industry groups.

Tenneco Gas, Houston, TX 1983 to 1985

Manager of Gas Purchase Administration: Directed a section responsible for the analysis and

payment of all gas supply invoices for Tennessee Gas Pipeline, including all gas processing agreements and allocations. Involved over two billion dollars paid to producers annually. Managed the analysis of all Tennessee Gas Pipeline supply contracts for purposes of minimizing potential take or pay exposure. Worked very closely with Senior Management to develop take or pay mitigation strategies and plans.

Tenneco Gas, Houston, TX 1981 to 1983

Supervisor of Rates: Supervised a Special Projects section of the Tennessee Gas Pipeline Rate Department over several key cost allocation and rate design issues. Performed various cost allocation analyses designed to allocate costs between the customers attached to the Tennessee Gas Pipeline system.

Texas Eastern Transmission, Houston, TX 1974 to 1981

Supervisor of Gas Supply (1978 – 1981)

Sr. Analyst Contract Administration (1976 – 1978)

Measurement Technician (1974 – 1976)

Started career as a measurement technician with Texas Eastern with field responsibilities covering much of South Louisiana, including the Yscloskey Processing Plant. This involved the installation and maintenance of various measurement related equipment. Later served in the Contract Administration area with responsibilities that included the proper payment of all gas supply related invoices. Later became Supervisor of Gas Supply with responsibility over the interpretation and implementation of all Texas Eastern gas supply contracts.

Other Experience:

- Developed and taught training classes for the National Energy Services Association (NESA) covering such areas as Gas Contracting and Tariffs, Rates and Regulations, Overview of the Natural Gas Industry, Gas Accounting, and Field Operations.
- NESA Board of Directors.
- Served on the Tennessee Gas Rate Committee, the PGA (Purchase Gas Adjustment) Committee, and the Revenue Management Board.

Forensic Experience:

Serve as an expert witness in both state and federal judicial and regulatory proceedings on behalf of natural gas companies

Use of this CV is prohibited until we have a mutually signed agreement concerning your engagement of Causey Engineering LLC. Pending such, the use of our name is also prohibited, and we reserve the right to accept assignment by others in lieu of your firm.