



# Regulatory and Litigation Support Services



ICF International combines industry-leading analytics with a full range of energy, environment, transportation, and construction market experience to ensure the highest level of support for our regulatory and litigation clients.

## Environment

- Compliance, auditing, and liability analysis
- Geotechnical engineering
- Remediation management
- Environmental forensics
- Due diligence

## Energy Markets

- Asset valuation and prudence
- Rate structure analysis
- Integrated resource planning, risk analysis, and forecasting
- Emissions and emissions allowance price forecasting
- Congestion analysis and locational marginal price forecasts

## Transportation and Construction

- New railway line approvals
- Risk assessment
- Economic feasibility

For more than 30 years, ICF International has served the regulatory and litigation needs of energy, environment, transportation, and construction clients, helping chart appropriate courses through complex and challenging issues, particularly when resources or reputations are at stake. Our support for scores of successful cases reinforces our reputation for credibly advocating our clients' views before courts and regulatory commissions. We bring a strong team of experts to support engagements ranging from internal client regulatory strategy development to providing expert testimony in regulatory proceedings and litigation.

ICF performs rigorous unbiased analyses that provide insights for better business decisions. We help attorneys assist their clients in responding to, directing, and managing rapidly changing regulation in their industries. We also work directly with industry professionals to develop strategies that address current regulatory issues and anticipate regulatory change.

ICF prepares testimony and regulatory submissions; provides expert testimony; prepares impact assessments and prudence analyses, performs management audits, and participates in depositions. We have supported reviews of restructuring and stranded-cost mitigation proposals involving hundreds of millions of dollars.

## Featured Solutions

### Project Appraisal—Power Plant

ICF testified in an arbitration case regarding the value of an existing power plant. The case was resolved in our client's favor at a valuation of more than three times the value proposed by the other party.

### Oil and Gas Pipeline Valuation

To support regulatory intervention, ICF examined the implications associated with the potential dramatic expansion of pipeline export capacity from Canada into the U.S. Midwest for 1998–2005. The expansions considered included TransCanada Pipelines, Foothills, Alliance, and Viking-Voyager. ICF also commented on the ability of the Canadian gas exploration and production industry to produce economically the natural gas necessary for all pipeline additions.

### Power Plant Finance Analysis

ICF supported Philadelphia Electric Company in a stranded-cost case before the Pennsylvania Public Utility Commission by providing forecasts for future market prices, power plant revenues, power plant dispatch, grid system operations, model-based market value assessment, extensive multiple model review, and assistance in testimony evaluation.

### Diesel Train Risk Assessment

ICF performed a risk assessment for New Jersey Transit, which was planning a service using lightweight diesel multiple-unit trains on a route shared with limited freight service. ICF's risk assessment estimated the unique risks of this operation and provided information to the Federal Railroad Administration on whether proposed safety precautions were adequate.

## Environmental Compliance

ICF is supporting a law firm on behalf of its client, Toyota Motor Corporation, with the implementation of an innovative consent decree with the U.S. Department of Justice and the U.S. Environmental Protection Agency (EPA). Under the decree, Toyota is funding and implementing a \$20 million dollar program to retrofit diesel engines in school buses around the country. Applying its expertise in engine and fuel technology, marketing and communications, and project management, ICF is designing the diesel retrofit program and will be implementing the program over its 5-year life.

## Safety Assessment

ICF prepared the safety analysis for rail/highway crossings and analyzed hazardous materials transport for the Surface Transportation Board on the proposed construction and operation of a new 3.2-mile rail line in East Baton Rouge, Louisiana. The proposed line would connect Illinois Central rail lines to a plant owned by ExxonMobil Chemical Company.

## Environmental Audits

When a plant in the chemicals division of a major U.S. paper products manufacturer became the focus of an EPA criminal enforcement action, the parent company asked ICF to conduct independent environmental audits of the division's facilities. We fielded audit teams for each of the seven facilities, identifying the areas where they were not in compliance with federal, state, or local environmental regulations, company policies, or good industry practices, and assessed the status of each facility's environmental management systems.

## Contracting Practices—Fuel Markets

ICF provided support and expert testimony concerning the prudence of Houston Lighting & Power's coal contracting practices. After testimony was filed, the State of Texas dropped its prudence case, saving the company more than \$100 million in potential damages.

## Testimony

ICF provided expert testimony, market price forecasts, and asset valuations on behalf of FirstEnergy in a large stranded-cost case argued before the Public Utilities Commission of Ohio.

## Geotechnical Estimation and Economic Feasibility

ICF was retained by a major foreign investment consortium to evaluate the reserves, mine plan, and mill process design of a low-grade gold deposit in Utah. We reviewed sampling procedures and determined the reliability of the reserve. Review of the mine plan included plant design, mining method and rate, cash flow for capital investment and projected return on investment, and consideration of water use and treatment/discharge. Review of the mill process included design review, examination of the pilot plant, including a trial run, and analysis of results on previous runs. Our analyses indicated the process would be uneconomical and we proposed modifications to the mill process.

## Bankruptcy Litigation—Fuel and Power Markets

ICF provided litigation support in the \$1 billion Cajun bankruptcy case for Central and Southwest (CSW). ICF gave expert testimony and served as lead witness for CSW before both the Federal Bankruptcy Court and the Louisiana Public Utilities Commission on issues such as coal contracting, coal prices, coal transportation costs, power market conditions, and regulated rates.

## Health and Safety Liability Litigation Support

ICF staff was retained by a major New York law firm representing a party in a multibillion dollar litigation to put a value on an indemnity related to the health and safety liabilities associated with two missing nuclear fuel rods. We considered reasonable worst-case negligence scenarios, appropriate responses (including search and safe retrieval/disposal, response, and cleanup), and reasonable cost estimates for the responses.

## Natural Gas Market Litigation Support

EEA, an ICF International company, provided testimony before Canadian provincial regulators regarding competition and market concentration in the natural gas storage market. The approach to the analysis, which was accepted by the regulators, applied an innovative method to demonstrate the extent of the relevant geographic and product market. The resulting decision shifts more than 50 Bcf of storage working gas capacity out of the utility's regulated cost of service, and gives the client the opportunity to retain earnings on approximately \$30 to \$40 million dollars per year in revenue from market-based storage services.

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## About ICF International

ICF International (Nasdaq: ICFI) partners with government and commercial clients to deliver consulting services and technology solutions in the energy, environment, transportation, social programs, defense, and homeland security markets. The firm combines passion for its work with industry expertise and innovative analytics to produce compelling results throughout the entire program life cycle, from analysis and design through implementation and improvement. Since 1969, ICF has been serving government at all levels, major corporations, and multilateral institutions. More than 2,000 employees serve these clients worldwide.

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