T-3

TIDEWATER UTILITIES, INC.

TESTIMONY OF BRUCE E. PATRICK, P.E.

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Bruce E. Patrick. My business address is: Tidewater Utilities, Inc. located at 1100 South Little Creek Road, Dover, Delaware.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Tidewater Utilities, Inc. (TUI). I am the Vice President and General Manager for TUI.

Q. PLEASE STATE YOUR EDUCATIONAL AND OPERATIONAL BACKGROUND.

A. I have attached my resume as Exhibit A.

Q. HAVE YOU TESTIFIED IN RATE PROCEEDINGS PRIOR TO THIS CASE?

A. Yes, I have testified before the Delaware Public Service Commission.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to provide support for certain operating expenses.

Q. HAVE YOU PREPARED INFORMATION OR SCHEDULES FOR THE O&M EXPENSES COVERED BY YOUR TESTIMONY?

A. Under my supervision, Schedules 3B-2, 3B-3, 3B-4 3B-5 and a portion of Schedule 3B-1 relating to purchased power, chemicals, treatment and lab

services, tank painting and labor were prepared and are included as part of the Minimum Filing Requirements.

Q. CAN YOU DESCRIBE THE INFORMATION IN THESE SCHEDULES?

A. Schedule 3B-1, Labor – Actual cost for the twelve months ended September 30, 2013 (Test Year) has been adjusted through June 30, 2014 (Test Period) to account for projected wage increases. Due to the passing of an employee, there is currently one vacant Plant Operator position. In addition, due to a recent resignation, there is one vacant Sampler position. We are in the process of filling those two positions.

Schedule 3B-2, Power – The actual cost of power has been adjusted for the projected overall system pumpage through the Test Period.

Schedule 3B-3, Chemicals – The actual cost of chemicals for the twelve months ended December 31, 2012 and the Test Year are shown on this schedule by type of chemical. The Test Period cost is based on the actual Test Year cost per gallon applied to the projected Test Period overall system pumpage.

Schedule 3B-4, Treatment and Laboratory Services – The actual costs of treatment and laboratory services for the twelve months ended December 31, 2012 and the Test Year are shown on this schedule. The Test Period projection was derived by applying the actual Test Year cost per gallon to the projected Test Period pumpage.

Schedule 3B-5, Tank Painting – The schedule of tank painting amortizations for the twelve months ended December 31, 2012 and the Test Year are shown on this schedule, as well as projections for the Test Period.

Bruce E. Patrick, PE, MBA
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Harrington, Delaware 19952
302-398-3721

SUMMARY OF QUALIFICATIONS

I currently hold the position of Vice President and General Manager at Tidewater Utilities, Inc. and its affiliates Tidewater Environmental Services, Inc., and White Marsh Environmental Systems, Inc. In this position, I manage the Operations Department which is responsible for the overall management of the Production, Distribution, Maintenance, Water Quality and Engineering Sections of the companies. In this capacity I am responsible for the day to day operations and maintenance of the water and wastewater systems, as well as the water quality/regulatory issues and capital planning and construction.

I previously held the position of Vice President of Engineering within the same companies mentioned above, where I was responsible for the capital improvements planning, budgeting, engineering, and construction.

I have also held the position of Kent County Public Works Director (County Engineer), in which I was responsible for the overall planning, budgeting, engineering, construction and operation and maintenance of the County's regional wastewater facilities. These positions, as well as, my regulatory experience as the Director of Technical Environmental Health Services with the Division of Public Health, and my position as an Environmental Program Manager with the Department of Natural Resources and Environmental Control have required multiple duties in the environmental, regulatory, engineering, and management fields. I am a registered Professional Engineer and have a Master's Degree in Business Administration, which has allowed me to further mesh my technical and administrative/management skills.

EDUCATION

University of Delaware *1987-1991*
Newark, Delaware
Bachelor of Civil Engineering Degree

Delaware State University *1993-1996*
Dover, Delaware *(Part time Basis)*
Master of Business Administration Degree

PROFESSIONAL EXPERIENCE

Vice President and General Manager, Tidewater Utilities, Inc. (and its affiliates), Dover, Delaware.

- Responsible for operations and maintenance of the various water/wastewater facilities and associated appurtenances, involving the coordination of the various sections within the Operations Department.
- Responsible for the preparation and oversight of the operating budgets for the Tidewater companies.
- Responsible for regulatory compliance issues including monitoring and reporting regulatory requirements.
- Responsible for capital program implementation (budgeting, planning, design, permitting, construction).
- Establish Goals and provide administration and direction for the Operations Department (Distribution and Collection, Production/Treatment Water and Wastewater, Maintenance, Water Quality and Engineering).

Vice President of Engineering, Tidewater Utilities, Inc. (and its affiliates), Dover, Delaware.

- Manage Capital Improvements program, including planning and budgeting, for Five Year Capital Program.
- Manage current fiscal year capital budget including the engineering/design, permitting and construction of approximately $12-15 million annually in improvements, ensuring timely and within budget completions.

- Responsible for the oversight of water service agreements, ensuring that the company grows into new un-served areas, while providing quality service at an economical rate.
- Prepare state/federal loan applications for funding assistance.
- Responsible for obtaining necessary easements and handling of other land/property management issues.
- Manage wastewater projects for the company's subsidiary *Whitemarsh Environmental Systems, Inc* and affiliate *Tidewater Environmental Services, Inc.*

Director, Technical Environmental Health Services, Division of Public Health, Dover, Delaware.

- Manage the Office of Plan Review, Permitting and Enforcement and the Office of Radiation Control.
- Responsible for plan review, permitting and enforcement for public drinking water systems, public food establishments, public pools, recreational camps and several other public health programs.
- Manage a technical staff consisting of engineers, scientists and technicians, as well as a clerical support staff.
- Represent the Division of Public health on several Technical Advisory Committees.
- Provide technical assistance to several programs including The Office of Drinking Water, The Office of Health Facilities Licensing and The Office of Community Environmental Health.
- Act as a liaison and/or provide support to the Board of Plumbing Examiners and the Authority on Radiation Protection.
- Administer the Employee Right to Know Program.
- Administer or provide support to funding programs including the Drinking Water State Revolving Fund and the Fluoride Grant Program.

Public Works Director/County Engineer, Kent County Levy Court, Dover, Delaware.

- Responsible for management and engineering work involving the budgeting, planning, design, scheduling, construction, and operation and maintenance for the County's regional wastewater system.
- Prepared and managed a $10 Million annual budget and approved expenditures in compliance with approved budget.
- Responsible for managing a Federally mandated Industrial Pretreatment Program.
- Prepared designs/specifications and bid packages for various wastewater projects.
- Participated in public hearings and meetings and made recommendations regarding the County's wastewater system and other public works projects, to the elected body.
- Prepared grant and loan applications from various agencies in order to obtain funding assistance for projects.
- Responsible for creating and managing new sewer, garbage and street lighting districts.
- Managed a staff of approximately sixty-five (65) people including engineers, scientists, technicians, clericals, operators and other field personnel.

Environmental Program Manager, Department of Natural Resources and Environmental Control, Large Wastewater Systems Branch, Dover, Delaware.

- Managed, coordinated and planned projects for multiple regulatory permitting and compliance programs (Land Treatment/Spray Irrigation, Large On-Site Wastewater Systems and the Underground Injection Control Program).
- Managed a group of technical professionals including engineers, scientists and technicians.
- Assisted in drafting regulations and guidance documents.
- Prepared enforcement documents (Notices of Violations, Conciliation orders, etc.) in order to bring facilities into compliance in an appropriate and timely fashion.
- Reviewed Plans and specifications including alternative technologies for on-site wastewater systems.
- Prepared and analyzed budget proposals, including project funding and projecting user rates.
- Experience in resolving disputes between contractors, co-workers, and the regulated community.
- Experience with computers and multiple software packages including databases, spreadsheets, and statistical analysis packages.
- Participated in public hearings and provided regulatory testimony.

Consulting/Design Engineer, Davis, Bowen and Friedel, Inc., Salisbury, Maryland.

- Performed field studies and developed water and wastewater designs and budgets accordingly.
- Compiled technical reports and performed presentations for various projects.
- Prepared and analyzed cost estimates and budgets for various authorities and projects, including projected user rates.
- Prepared federal grant applications for project funding assistance.
- Monitored construction of projects for compliance with plans, specifications and regulations.
- Assisted in writing and proofing project specifications.
- Prepared operation and maintenance manuals for various designs.

RECOGNITION'S

Department of Natural Resources and Environmental Control

1. Secretary's Certificate of Merit for Meritorious Service to the People and Environment of the State of Delaware.
2. Division of Water Resources - 1996 Outstanding Employee Award - Administrative Management Field.
3. Certificate of Recognition for Coordinating and Providing Technical Expertise on the Proposed Ellendale Sanitary Sewer District.

REFERENCES AVAILABLE UPON REQUEST