

Joseph J. Egan, PE, CFE

Joseph J. Egan is a Principal at Davis & Hosfield Consulting LLC in Chicago Illinois. Joe has over 29 years of experience in accounting, construction, prudence reviews, and forensic accounting. He has a background in both accounting and engineering. He previously worked for a Big 6 accounting firm and several large consulting firms. Joe has served a number of times as the Project Auditor or Project Accountant on large construction projects where he independently monitored and verified the cost of construction projects. He has provided expert testimony over 30 times on various matters involving accounting and construction issues. He is a registered Professional Engineer in Illinois.

He has consulted on numerous prudence reviews and other rate-making proceedings with public utility commissions on over 10 matters. These projects included the construction of nuclear power plants, operation and maintenance costs of power plants and transmission networks, large replacement projects, and segregation of cost studies and analyses. Nearly all of the projects involved FERC accounting issues. Joe has performed analysis and financially modeling of CWIP, AFUDC, and rate of return for electric power utilities. He also has extensive experience with the construction of combined cycle power plants.

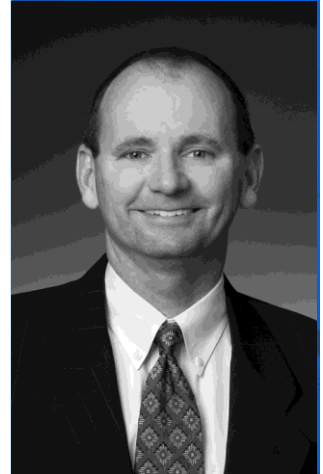
Joe has testified as an expert witness in both state and federal court at deposition, trial and arbitration. He has worked on behalf of both plaintiffs and defendants in disputes, including:

- Construction Cost and Delay Claims
- Breach of Contract/Lost Profits
- Insurance Disputes
- Business Interruption
- Acquisition Disputes
- Environmental Disputes
- Intellectual Property

Select Case Example Experience

Representative Construction Matters

- Analyzed and quantified design and construction costs in a wide variety of industries, including regulated industries, oil refining, high-rise construction, general construction, among others.
- Provided consulting and engineering services on a variety of construction, utility and other dispute matters including: critical path schedule analysis related to the quantification of project delays and assistance in assigning liability for those delays; development of methods to analyze and accurately determine percentage of completion based on work accomplished for terminated lump sum contracts; analysis of cost overruns, acceleration costs and project productivity for craft labor; review of reasonableness of delay and disruption claims, assessment of power plant operations and many others.
- Assisted a bank review various construction loans of a financially troubled contractor.
- Analyzed claims from a terminated contractor against an owner.
- Analyzed cost and schedule impacts of late delivery of heat recovery steam generators at a large combined-cycle power plant. Developed policies and procedures for tracking cost impacts due to late delivery. Assisted develop a claim submitted to equipment supplier.



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- Prepared a claim for a large retail company related to cost overruns and schedule delay during the construction of a retail store. Presented findings at mediation and successfully settled the dispute.
 - Developed a claim for the general contractor and subcontractor on the construction of luxury high-rise condominium project. The claim was for owner caused changes and delay. Also prepared rebuttal analysis to the owner's counterclaim. Testified at arbitration.
 - Analyzed cost overruns at two 1,100 mega-watt combined-cycle power plants. Analysis included a review of craft productivity, engineering overruns and project management.
 - Reviewed liquidated damages at a large combined-cycle power plant.
 - Involved with the negotiations of change orders for cost increases and schedule extensions.
 - Served as Project Auditor of a large construction matter related to the rebuilding of a state park damaged by a reservoir failure.

Insurance and Environmental Experience

- Provided consulting and expert testimony on various insurance matters at over 100 hazardous wastes sites related to recovery of response and remediation costs.
- Accumulated and summarized past and future cleanup cost information in a database for use in insurance recovery matters. Costs segregated between investigation costs, remedial costs and ongoing business costs.
- Assisted a large international waste management firm with its global insurance recovery litigation including accumulating past costs related to response and remedial efforts versus ongoing operating costs at its owned landfills and where it was a PRP at Superfund sites around the country.
- Provided expert testimony in an insurance dispute related to the investigation and cleanup of a hazardous substance. Provided expert testimony related to the costs to investigate and cleanup a hazardous substance and to cost allocation issues.
- Consulted on a matter for a large waste management firm related to accounting and operational issues of landfills for environmental compliance tracking purposes.
- Served as Financial Oversight Manager at several Superfund sites, including a landfill, to monitor cost and schedule, develop cash flows, make cash calls to PRPs and to assist in the negotiation of change orders.



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- Assessed the settlement value of various insurance policies and developed settlement packages used to assist in settlement discussions. Developed models used to allocate damages to various insurance policies and coverage blocks using a variety of trigger theories and allocation methodologies.
 - Assisted an electric utility company prepare for settlement discussions with various insurance companies regarding the cleanup costs of a superfund site.
 - Provided expert testimony related to the reasonableness of response and remediation costs at Superfund sites including consistency with the National Contingency Plan.

Commercial Damages, Intellectual Property and Economic Damage Analyses

- Reviewed a claim by the owner of a hotel for alleged lost profits resulting from a business interruption. Analyzed lost room revenue, food and catering sales as well as liquor sales.
- Prepared rebuttal analysis related to lost profits and reasonable royalty claim on a patent infringement matter involving landfill liner material.
- Prepared rebuttal analysis to alleged breach of contract claim and increased costs related to the supply of computer components used in the final assembly of laptop computers.
- Rebutted business interruption claim resulting from the loss of power at an iron ore mine.
- Analyzed increased costs and lost profits related to a breach of contract involving a manufacturer and a supplier of medical components.
- Analyzed the economic impact of an alleged breach of contract and fraud related to the acquisition of a company. Assisted with preparation of expert report quantifying damages resulting from the fraud and breach of contract.
- Prepared analysis of lost sales and lost profits in numerous patent infringement matters including medical products, plastic bottles, landfill liners, fiber optics, among others.
- Assisted with preparing rebuttal analysis of reasonable royalty related to an alleged misappropriation of trade secrets.
- Investigated alleged false claims submitted by a government contractor related to numerous contracts with the Department of Defense. Investigation includes work preformed and amounts billed for time and expenses.
- Conducted a review of sources and uses of funds for potential fraudulent transactions related to an investment in a high technology startup company.
- Assisted a creditors committee evaluate the ongoing financial viability of a company. In addition, performed an analysis of the sources and uses of cash prior to the bankruptcy.



Expert Witness Testimony Experience

- Provided deposition testimony in 2011 in the United States District Court for the Western District of Tennessee related to the economic damages in a breach of contract, tortious interference, and bribery matter. (Carbon Processing and Reclamation, LLC et al. v. Valero Marketing and Supply Co. et al., No. 09-02127 STA)
- Provided deposition testimony in 2010 in the United States District Court for the Northern District of Illinois related to lost profits, price erosion, and reasonable royalty damages in a patent infringement matter. (Neutral Tandem, Inc. v. Peerless Network, LLC, et al., No. 08CV3402)
- Provided deposition testimony in 2010 in the United States District Court for the Southern District of Indiana, Evansville Division related to cost allocation issues associated with environmental cleanup of a former scrap metal facility. (Evansville Greenway and Remediation Trust v. Southern Indiana Gas and Electric Company, Inc., et al., No. 03:07-cv-00066-DFH-WGH)
- Provided deposition testimony in 2009 in the United States District Court for the Southern District of Florida, Fort Lauderdale Division related to environmental cleanup costs and insurance recovery at a recycling and disposal facility. (Republic Services, Inc. v. American International Specialty Lines Insurance Company, No. 07-21991 CIV-GOLD)
- Provided deposition testimony in 2009 in the Circuit Court of Cook County in a breach of contract matter involving the design of infrastructure for a commercial property development. (Bricks, Inc. v. Manhard Consulting, LTD. No. 05 l3933)
- Provided arbitration testimony in 2009 in an American Arbitration Association proceeding involving cost overruns and schedule delays in a high-rise condominium conversion project. (Pepper Construction Company v. Palmolive Tower Condominiums, No. 51 110 Y 00425 07)
- Provided deposition testimony in 2008 in Lake County Circuit Court of Indiana in a lost profits matter at a steel mill. (Ryerson, Inc. et al., v. Raytheon Engineers & Constructors, Inc. 45C01-0006-CP-905)
- Provided trial testimony in 2007 and deposition testimony in 2005 in the Circuit Court of Jackson County Missouri in an insurance coverage dispute involving the construction of a power plant. (Black & Veatch Corp., v. Wellington Syndicate, et al., 17V 040 500 240)
- Provided deposition testimony in 2006 in the Circuit Court of Cook County, Illinois related to a breach of contract matter and lost profit. (Sprint Services, Inc. v. SBC Telecommunications, No. 03 L 00711)
- Provided deposition testimony in 2006 in the United States District Court for the Southern District of California related to the costs to cleanup a site. (Otay Land, et al., v. UE Limited, et al., Case No.: 03CV2988)
- Provided arbitration and deposition testimony in 2005 related to lost profits and increased costs in the arbitration between Kerr-McGee Rocky Mountain Corporation, et al. and Kinder Moran.



- Provided deposition testimony in 2005 in the United States District Court for the Middle District of Tennessee related to promissory estoppel and lost profits claims. (El. DuPont De Nemours and Companies v. Cardinal Health, Inc., et al., 3:03-0848)
- Provided deposition testimony in 2005 in the United States District Court for the District of Columbia related to a lost profits claim made by a contractor, (Ulliman Schutte Construction, LLC., v. Emerson Process Management & Water Solutions f/k/a Westinghouse Process Control, Inc., 1:02CV01987-RMC)
- Provided deposition testimony in 2004 in the United States District Court for the District of Columbia involving recovery of environmental costs. (Kerr-McGee Chemical, LLC v. United States, DC, Case No. 1:00 CV 01285EGS)
- Provided trial testimony in 2004 and deposition testimony in 2003 in. District Court, Routt County, Colorado related to a lost profits matter. (MDM Group Associates, Inc. v. CNA Reinsurance Company Ltd, U.K.; Certain Underwriters at Lloyd's, London, 01 CV 61)
- Provided deposition testimony in 2004 in the Montgomery Circuit Court, Indiana, in an insurance coverage dispute involving coverage of environmental costs. (P.R. Mallory & Co., Inc., Kraft, et al. v. American States Insurance Co., et al., 54C010005CP0156)
- Provided deposition testimony in 2003 in the United States District Court for the Western District of Missouri in an insurance coverage dispute involving the construction of a power plant. (Hiscox Dedicated Corporate Member, Ltd., et al. v. Black & Veatch Corporation, et al., 01-0270-CV-W-2)
- Provided deposition testimony in 2003 in the arbitration between Nicor, Inc. and Associated Electric & Gas Insurance Services Limited. Provided expert testimony related to the costs to investigate and cleanup a hazardous substance and cost allocation issues.
- Provided deposition testimony in 2003 in the Circuit Court of Cook County, Illinois in an insurance dispute related to the investigation and cleanup of a hazardous substance. Provided expert testimony related to the costs to investigate and cleanup a hazardous substance and to cost allocation issues (Nicor, Inc., et al. v. Associated Electric & Gas Insurance Services Limited (AEGIS), et al., No. 00 L 13161, No. 02 L 1158)
- Provided deposition and arbitration testimony in 2003 in the arbitration between Fireman's Fund Insurance Company and Berkley Insurance Company in a surety bond matter involving the solvency of a company constructing two oil rigs.
- Provided deposition testimony in 2003 in the United States District for the Court for the Western District of Missouri, Western Division, in a construction dispute between Toshiba International Corporation and Black & Veatch Construction, Inc., et al. Provided expert testimony related to reasons for cost overruns and reasonableness of costs. (Toshiba International Corporation v. Black & Veatch Construction, Inc., et al. 01-1012-CV-W-4)
- Provided deposition and arbitration testimony in 2002 in the arbitration between Fireman's Fund Insurance Company and Wurrtembergische Versicherung AG in a surety bond matter involving the solvency of a company constructing two oil rigs.



- Provided deposition and trial testimony in 2002 in the United States District Court for the Northern District of Texas for a patent infringement matter. Provided expert testimony related to lost profits and reasonable royalty. (Poly-America, Inc. v. Serrot International, Inc., 3:00 CV-1457-D)
- Provided deposition testimony in 2000, 2001, and 2002 and trial testimony in 2002 in the United States District Court for the District of Kansas in a cost recovery/contribution matter related to the Gilbert & Mosley Superfund site. Provided expert testimony related to the reasonableness of costs and consistency with the National Contingency Plan. (City of Wichita v. Aero Holdings, Inc., et al. 98-1360-MLB)

Employment History

Davis & Hosfield Consulting LLC ■ *Principal*, April 2008 - Present

Navigant Consulting, Chicago Office ■ *Managing Director*, 2004 - 2008

Tucker Alan Inc. ■ *Vice President*, 1994 - 2004

Arthur Andersen LLP - Environmental Services ■ *Manager*, 1992 - 1994

Peterson Consulting Limited Partnership ■ *Executive Consultant*, 1986 - 1992

Amoco Oil Company ■ *Project Engineer*, 1982 - 1986

Publications and Speeches

- Guest Lecturer at Purdue University for the Building Construction Management Department in its Project Administration and Construction Contracts class, November 2009, April 2010 and November 2010
- Author of "Chinese Drywall Damages Update." Mondaq, August 2010
- Coauthor of "Identifying and Avoiding Financially Distressed Contractors." American Bar Association Forum on the Construction Industry, Volume 12, No. 3, August 2010
- The Association for the Advancement of Cost Engineering Chicago Midwest Section Annual Seminar - "Project Controls Showcase", Spring 2009
- American Bar Association Toxic Tort & Environmental Law Committee Spring Conference "Emerging Issues in Toxic Tort & Environmental Law", Spring 2008
- Coauthor of "Coping With FASB Interpretation No. 47 - Accounting For Conditional Asset Retirement Obligations." American Bar Association Environmental Litigation Committee Newsletter, Fall 2007
- Author of "*Silica Litigation, Where Is It Heading?*" Mealey's Litigation Report: Silica, January 2005
- Author of "*Will Silicosis Be The Next Asbestos?*" American Bar Association, January 2004 Speeches and Seminars
- Panelist "Proving Damages in Patent Trials," The Patent Lawyer, Winter 2005
- The Defense Research Institute Damages Seminar - "The Latest In Toxic Tort Damages" (2005)
- The Association of Patent Law Firms (APLF) Round Table Presentation - "Patent Damages -Beyond The Basics" (2004)
- Equitas Claims Roadmap Workshop - "Financial Overview of Equitas and Lloyd's Enterprise" (2003)
- San Diego County Bar Association, Insurance Coverage and Bad Faith Section - "Financial Overview of Equitas and Lloyd's Enterprise" (2003)
- 11th Annual American Bar Association Section Of Litigation, Insurance Coverage Midyear Meeting - "Settling Future Environmental Liabilities" (1999)



Education

Masters of Business Administration ■ University of Chicago Graduate School of Business, specialization in Finance, 1986

Bachelor of Science ■ Iowa State University, concentrating in Civil Engineering, 1981

Professional Certifications

Professional Engineer, Illinois

Certified Fraud Examiner

Professional Affiliations

American Bar Association

Registered Professional Engineer, Illinois

American Society of Civil Engineers

