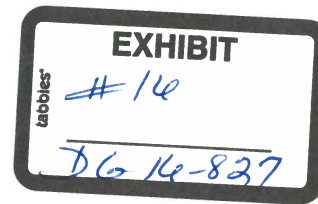


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**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 16-827

**In the Matter of:
Petition for Interconnection/Transition Fund
for Non-Governmental Concord Steam Customers**

Direct Testimony

of

**Stephen P. Frink
Assistant Director – Gas & Water Division**

January 20, 2017

03/11

1 **New Hampshire Public Utilities Commission**

2 **Joint Petition to Establish Interconnection/Transition Fund**
3 **for Non-Governmental Concord Steam Customers**

4
5 **DG 16-827**

6 **Testimony of**
7 **Stephen P. Frink**

8
9 **Q. Please state your name, occupation and business address.**

10 **A.** My name is Stephen P. Frink and I am employed by the New Hampshire Public Utilities
11 Commission (Commission) as Assistant Director of the Gas & Water Division. My business
12 address is 21 S. Fruit Street, Suite 10, Concord, New Hampshire 03301.

13 **Q. Please summarize your educational and professional experience.**

14 **A.** I joined the Commission in 1990 as a member of the Audit Team and worked as a Utility
15 Analyst and Sr. Utility Analyst before becoming the Assistant Finance Director in 1998. In
16 2001 Commission operations were restructured and I became the Assistant Director of the
17 Gas & Water Division and have primary responsibility for the administration of the financial
18 aspects of the regulation of the gas utilities and Concord Steam Corporation.

19 Prior to joining the Commission I worked as a Budget/Financial Analyst for the cities
20 of Austin and Dallas, Texas. I have a Bachelor of Arts and a Master's in Business
21 Administration from the University of New Hampshire.

22 **Q. What is the purpose of your testimony in this proceeding?**

23 **A.** The purpose of my testimony is to advise the Commission on the proposal, reviewed in the

1 instant Docket No. DG 16-827, to establish a \$1,000,000 Interconnection/Transition Fund for
2 Non-Governmental Concord Steam customers (Transition Fund) to facilitate conversions
3 from steam to natural gas service with Liberty Utilities (EnergyNorth Natural Gas) Corp.
4 d/b/a Liberty Utilities (Liberty). The stated purpose of the proposed Transition Fund is to
5 provide the funding for qualifying customers to make these conversions, and the proposal
6 would allow Liberty to recover that cost, with interest, from all ratepayers other than low-
7 income ratepayers.

8 **Q. Please summarize your findings and recommendations.**

9 **A.** The Commission should deny the petition. If approved, Liberty's customers will be harmed
10 through higher rates, with no concomitant general benefit. The proposal requires Liberty
11 ratepayers to fund conversion costs for a limited number of Concord Steam customers and the
12 Transition Fund will produce no cost savings or additional revenue for Liberty ratepayers.

13 Other reasons to deny the petition include:

- 14 • Uncertainty regarding financial harm to Concord Steam customers
- 15 • A lack of clarity in how the Transition Fund monies will be disbursed
- 16 • A lack of clarity regarding administration of the Transition Fund
- 17 • Availability of other sources of funds for conversion
- 18 • Funding favors natural gas conversions
- 19 • Unfair competitive advantage to businesses receiving funds
- 20 • Discriminatory rates as Liberty low income customers exempt
- 21 • General lack of Commission legal authority to approve the Transition Fund proposal

22 Each of the above reasons for denying the petition is explained in greater detail below.

1

2 **Liberty Ratepayers will be Harmed**

3 **Q. Please explain how Liberty ratepayers will be harmed.**

4 **A.** Liberty ratepayers will pay higher rates if the petition is approved. Liberty's offer to provide
5 \$1,000,000 to finance the Transition Fund is conditioned on the Commission authorizing
6 Liberty to create a regulatory asset that accrues interest and to amortize and recover that cost
7 through Liberty's distribution rates over the next five years. The cost to Liberty's ratepayers
8 over five years will be \$1,324,046. **See Attachment SPF-1.**

9 **Q. Is the proposed recovery mechanism similar to that for the \$1.9 million Liberty payment**
10 **approved by the Commission in the Asset Purchase Agreement (APA) docket, Docket**
11 **No. DG 16-770?**

12 **A.** Yes. Order No. 25,965, issued on November 10, 2016, approved a settlement agreement
13 between Staff and Liberty that provided for the recovery of a \$1.9 million payment from
14 Liberty to Concord Steam as a regulatory asset under similar terms. However, no special
15 exemption was made for low-income customers from this distribution-rate recovery
16 mechanism for the APA payment.

17 **Q. Please explain why Staff supported recovery of the \$1.9 million payment from Liberty's**
18 **ratepayers in the APA docket and opposes recovery of the \$1 million payment?**

19 **A.** The discounted cash flow (DCF) analysis comparing the costs and benefits related to the \$1.9
20 million payment in the APA docket demonstrated that Liberty's ratepayers will see a financial
21 benefit through lower rates, as the expected cost savings and additional revenues from the
22 APA exceed the payment. The DCF analysis comparing the costs and benefits of the

1 \$1,000,000 payment demonstrates that Liberty ratepayers will be see financial harm through
2 higher rates, as there are no expected cost savings or additional revenues to offset the cost.
3 The DCF analysis of the \$1,000,000 payment is provided in Attachment SPF-1. Furthermore,
4 general benefits to Liberty, and its ratepayers, related to an orderly shutdown process for
5 Concord Steam were found to exist in the APA proceeding, while no such general benefits
6 would result from the Transition Fund. This has major implications for the legality of this
7 proposal under the Commission's ratemaking authority, which will be discussed below.

8 **Q. Do you agree with the statement in the petition that recovery of the combined payment**
9 **results in a significant net benefit to Liberty customers?**

10 **A.** No. There is no basis for updating the analysis that combines the two payments; these are two
11 discrete investments and each should be considered on its own merits. The \$1,000,000
12 financing of the Transition Fund is an entirely separate transaction and there are no cost
13 savings or additional revenues to offset that expense. Rather than updating the DCF used in
14 the APA docket, which includes the cost savings and additional revenues associated with the
15 \$1.9 million payment, the correct DCF analysis is to include the revenue requirement related
16 to the \$1,000,000 payment over the five year recovery period with no cost savings or
17 additional revenues. The correct DCF analysis is provided in Attachment SPF-1.

18

19 **Uncertainty Regarding Financial Harm to Concord Steam Customers**

20 **Q. Please explain the uncertainty regarding the financial harm to Concord Steam**
21 **Customers.**

22 **A.** The proposal only focuses on the upfront cost of Concord Steam non-governmental customers

1 to convert their steam systems to an alternative energy source. As with any investment, one
2 needs to evaluate both the costs and benefits over time to determine if there is a net cost or
3 benefit. Concord Steam customers can expect a substantial cost savings in annual energy
4 costs from switching to an alternative energy source and will realize a net benefit over time
5 and some may realize an immediate benefit, although the payback for some customers may be
6 exceedingly long.

7 **Q. Can you provide an example of a customer that will realize an immediate benefit?**

8 **A.** One of the petitioners, the Concord Community Music School (CCMS), paid \$26,000 for
9 steam last year and will pay less than \$7,000 a year after converting to natural gas, an annual
10 savings of over \$19,000. The cost to convert is approximately \$20,000 and the Merrimack
11 County Savings Bank (MCSB) has offered to finance the conversion with a three year loan
12 with a 3.95 percent interest rate, requiring annual payments of approximately \$7,000. The
13 CCMS should realize annual savings of approximately \$12,000 in the first 3 years and
14 \$19,000 in year 4 and beyond.

15 **Q. Are there instances where a customer may not need to convert its steam systems?**

16 **A.** Possibly. One of the petitioners, the Capital Center of the Arts (CCA), has two buildings on
17 South Main Street and uses steam to heat the stage and the back stage area and for a snow
18 melt system under the walkway to one of the buildings. The CCA has received four estimates
19 to address the heating system for the sidewalk snow melt system, with costs ranging from
20 \$45,000 to \$72,000. The CCA has just started to research a best solution for heating the stage
21 area.

22 Replacing the snow melt system may not be necessary to keep the CCA sidewalk clear

1 of snow and ice during the winter, nor is it necessarily the most cost effective means. Of
2 course, if the snow melt system conversion is funded by Liberty ratepayers, at no cost to the
3 CCA, that option may be the most cost effective means available to the CCA.

4 **Q. Will all Concord Steam customers see a long-term financial benefit from converting to**
5 **an alternative energy source?**

6 **A.** Yes, although it may not be readily apparent when simply comparing a customer's steam
7 costs for last year with the cost of conversion and cost savings from the alternative energy
8 source. Concord Steam is terminating service because its customer base can no longer
9 support continued operations without drastic rate increases. This is especially true in light of
10 the State's, and Concord School District's, commitment to the shutdown plan for Concord
11 Steam, and determination to convert from steam service. If Concord Steam were
12 (hypothetically) to continue service beyond this winter, its rates would become economically
13 prohibitive very quickly, and at some point, remaining customers would no longer be able to
14 afford steam service and have to convert to an alternative energy source, no matter their
15 preference. The shutdown plan approved in Docket No. DG 16-769 makes this scenario
16 moot, and stops the economic "death spiral" of the utility once and for all.

17
18 **Lack of Clarity Regarding How Funds Will be Disbursed**

19 **Q. Please explain the lack of clarity regarding how funds will be disbursed.**

20 **A.** The petition asks that the Commission establish the criteria to determine how the funds should
21 be distributed and provides some general criteria and considerations that should be included.
22 The criteria and conditions contained in the proposal provide little, if any, clarity as to who

1 would get funds and how much, and on what priority. The proposed criteria and conditions
2 are far too general to be of any real use to the Commission in making its determination
3 regarding whether this proposal is in the public interest, and results in just and reasonable
4 rates.

5 **Q. What criteria does the proposal include?**

6 **A.** According to the petition, there are a minimum of three criteria that should be used in
7 determining disbursements: i) priority for customers demonstrating financial hardship; ii)
8 non-profit organizations having priority; and, iii) a preference for implementation of high
9 efficiency heating system designs.

10 **Q. What other considerations does the proposal set forth?**

11 **A.** The remaining balance of the fund and leveraging of third party financing or refinancing
12 should be considered in disbursement decisions.

13 **Q. What issues do the proposed criteria and conditions fail to address?**

14 **A.** Three critical issues the criteria and conditions fail to address are eligibility, what constitutes
15 financial hardship, and how requests are to be ranked.

16 Regarding eligibility, the petition is silent as to whether the Transition Fund will
17 reimburse Concord Steam customers that have already converted to natural gas service.

18 Regarding demonstrated financial hardship, how will financial hardship and the extent
19 of the hardship be determined? Will it be based on past hardship, projected hardship,
20 hardship based on the ability or inability to get financing, the terms of the financing,
21 conversion costs, or other considerations?

22 Regarding the ranking of requests for funding, the petition provides little guidance as

1 to what items should be considered and weighed. Are all non-profits equal, how does a
2 business demonstrating extreme financial hardship compare with a non-profit demonstrating
3 less financial hardship? Is the financial hardship is caused in part by using an experimental,
4 albeit highest efficiency design, or replacing a non-critical steam system, and if so, how
5 should that factor in determination of financial hardship?

6 It is unclear as to what is meant by “the leveraging of third party financing” and how
7 “the remaining balance of the fund” should factor into disbursements. Are full disbursements
8 given to early applicants? If remaining funds are inadequate to satisfy outstanding requests,
9 do funds get disbursed based on a first-come, first-served basis, partial funding on all
10 requests, and if partial funding is allowed, a set percentage or various amounts based on the
11 existing or revised criteria?

12 **Q. Do you have other concerns regarding the criteria?**

13 **A.** Yes. At the technical session following the pre-hearing conference, when the petitioners were
14 asked if funds would be available to reimburse Concord Steam customers that have already
15 converted to natural gas, there was disagreement on that issue among the petitioners. It is
16 troubling that the petitioners themselves do not agree on who should be eligible for funding,
17 and it is therefore unclear as to what is being requested for Commission approval.

18 **Q. Does the Commission have the statutory authority to set the criteria?**

19 **A.** No, the Commission does not have the statutory authority to establish and administer such a
20 fund. In essence, this is a tax on Liberty’s customers that will be distributed to Concord
21 Steam non-governmental customers facing financial hardship due to Concord Steam
22 terminating utility service. The Commission does not have the authority to take money from

1 one utility to assist the customers of a failed utility, and it does not have the authority to
2 determine who needs assistance and the level of assistance to be provided. This lack of
3 authority will be elaborated on further below.

4

5 **Lack of Clarity Regarding the Administration of the Fund**

6 **Q. Please explain the lack of clarity regarding the administration of the Transition Fund.**

7 **A.** The proposal provides no guidance as to the administration of the fund, simply stating the
8 Transition Fund shall be administered by the Staff, although at the prehearing conference
9 Senator Feltes stated (transcript p. 61, lines 3-11), that Stephen Heavener of the Capital
10 Region Development Council is going to be offering to help administer the Transition Fund
11 but offered no details as to how it would be administered.

12 **Q. What are your concerns regarding the administration of the Transition Fund?**

13 **A.** As previously noted, the proposal is not clear in its criteria as to who will be eligible to
14 receive disbursements and the amounts to be disbursed. Where the funds are to be held
15 (presumably in escrow?) and under what terms need to be determined as well, as well as how
16 those funds are to be administered and monitored. If this proposal were to be approved,
17 applications need to be developed that provide the necessary information to evaluate each
18 request for funding, and the administrator will need to be able to verify applicant information
19 and effectively monitor that the disbursed funds are used as intended.

20 **Q. Do you have an objection to Staff administering the Transition Fund?**

21 **A.** Yes. As mentioned earlier, Staff does not believe the Commission has the statutory authority
22 to establish and administer such a fund. Furthermore, the Commission is not staffed to handle

1 those responsibilities.

2 **Q. Do you have an objection to the Capital Region Development Council administering the**
3 **Transition Fund?**

4 **A.** Staff has not seen an actual offer from the Capital Regional Development Council to
5 administer the Transition Fund, and has not been provided any information as to their
6 qualifications or what their administration would entail. The administration of the Transition
7 Fund should not be assigned to any person or entity unless that person or entity has
8 demonstrated they are qualified to administer the proposed fund and have provided a detailed
9 plan as to how the Transition Fund will be administered.

10

11 **Availability of Other Sources of Funds for Conversion**

12 **Q. Are there programs available to Concord Steam customers for financing conversions?**

13 **A.** Yes, Staff is aware of at least two options available to Concord Steam customers. Both the
14 MCSB and City of Concord have financing programs to fund conversion costs. In addition,
15 one of the petitioners, the Brain Injury Association of New Hampshire, contacted TD Bank
16 and was offered a credit line with an interest rate of 4.25% to pay its conversion costs.

17 **Q. Please describe the MCSB program.**

18 **A.** According to Liberty, since it does not offer a financing program for Concord Steam customer
19 conversions it engage a local lending institution, MCSB, which implemented a financing
20 program to assist in financing conversions from steam to natural gas (Liberty Responses to
21 Staff DR 1-1). Liberty does not know the terms being offered by MCSB under the program
22 but MCSB has offered CCMS a three year loan with an interest rate of 3.95% to finance its

1 conversion costs.

2 **Q. Please describe the City of Concord financing program.**

3 **A.** The City of Concord has a Revolving Loan Fund, as described in Mr. Schweiker’s petition to
4 intervene: “The City of Concord has a Revolving Loan fund (Fund #2701) ‘to provide loans
5 to support housing, social service agencies, licensed daycare centers, and economic
6 development projects that benefit low and moderate income people.’ Typical projects include
7 heating system replacements. The fund presently contains \$505,634 and presumably more
8 could be added by borrowing. Making loans at the city’s cost of capital (near 1% as opposed
9 to the 10% rate of return granted to Liberty Utilities) to be repaid through heating cost savings
10 would seem to be an appropriate way to aid needy building owners without burdening
11 taxpayers or other ratepayers, at the same time allowing customers to choose renewable
12 energy if they wish.”

13 **Q. Have any of the petitioners applied for City funding?**

14 **A.** Yes, the Concord YMCA has submitted a proposal seeking \$500,000 to partially finance a
15 renovation of its day care facility located on Warren Street, including \$125,000 to convert its
16 heating system from Concord Steam to an internal gas fired steam boiler. The City of
17 Concord Community Development Advisory Committee discussed the YMCA proposal at its
18 November 3, 2016 meeting, and the consensus of the Committee was to recommend that the
19 City Council move forward with a Community Development Block Grant application on
20 behalf of the YMCA. **See Attachment SPF-2.**

21 The YMCA also secured a five loan from the NH Business Authority’s Business
22 Energy Conservation Revolving Fund for \$375,000 at an interest rate of 1 percent to convert

1 its main building and anticipates annual energy savings of \$75,000. That conversion was
2 completed in October 2016 and Concord Steam service terminated.

3
4 **Funding Favors Natural Gas Conversions**

5 **Q. Please explain how the fund favors natural gas conversions?**

6 **A.** The funds are only available to Concord Steam customers converting to natural gas, on
7 Liberty service. If the petition is approved, Liberty ratepayers will pay all, or a portion, of the
8 conversion costs of the Concord Steam customers that receive funds. Concord Steam
9 customers converting to natural gas service will reap the energy savings at no cost, or a
10 reduced cost, for conversion. When weighing the economics of converting to an alternative
11 energy sources, eliminating or reducing the cost to convert to natural gas will overwhelmingly
12 favor converting to natural gas.

13 **Q. Is it appropriate to for the Commission to promote one energy source over another?**

14 **A.** No, there is no mandate for the Commission to promote natural gas over alternative energy
15 sources.

16

17 **Competitive Advantage to Businesses Receiving Funds**

18 **Q. Please explain how businesses might gain a competitive advantage if receiving funds.**

19 **A.** Concord Steam customers have been converting from steam to natural as the price
20 discrepancy between the cost of steam and natural gas has widened. As mentioned above, the
21 economics of converting are determined by weighing the cost of converting against expected
22 energy savings. Businesses that have already converted will need to recoup that cost through

1 the price of its products or services, unlike businesses whose conversion costs are paid by
2 Liberty ratepayers. Ironically, if the petition is granted, businesses that paid to convert to
3 natural gas on their own would also be paying conversion costs of businesses receiving
4 Transition Funds, as Liberty's rates would reflect the cost to finance the Transition Fund.

5
6 **Discriminatory Rates as Liberty Low Income Customers Exempt**

7 **Q. Please explain how the proposal results in discriminatory rates.**

8 **A.** Residential low income rates for Northern and Liberty are offered at a rate that amounts to 40
9 percent of each utility's non-low-income residential heating base rate for delivery service (*see*
10 Order No. 24,669, dated September 22, 2006). Low income rates are not based on an item by
11 item cost analysis but on economic parameters that take into account the impact on non-
12 participating customers. Whereas low-income customers currently pay 40% of the
13 distribution costs to serve residential heating customers, under the Transition Fund proposal,
14 low income customers would be exempt from the cost of financing the Transition Fund.
15 Exempting that one class of customer from that cost would be discriminatory and in violation
16 of the principles of RSA 378:10, which states: "No public utility shall make or give any
17 undue or unreasonable preference or advantage to any person or corporation, or to any
18 locality, or to any particular description of service in any respect whatever or subject any
19 particular person or corporation or locality, or any particular description of service, to any
20 undue or unreasonable prejudice or disadvantage in any respect whatever."

21
22 **General Lack of Authority for Commission to Approve Transition Fund Proposal**

1 **Q. Please discuss further the legal infirmities with the Transition Fund proposal.**

2 **A.** The Transition Fund proposal violates well-settled principles of what constitutes “just and
3 reasonable” rates under the statutory framework of RSA Chapter 378. In particular, the direct
4 subsidization of one very small class of future Liberty gas service customers (that is, the
5 proposed beneficiaries of the Transition Fund) by the broad base of Liberty gas ratepayers
6 throughout central and southern New Hampshire violates the settled principle that new
7 extensions of service to utility customers should make economic sense on their own terms,
8 and not burden existing customers financially. *See* Direct Testimony of Stephen P. Frink,
9 Docket No. DG 15-362, April 22, 2016, at 4-5; *see also* *C. Julian Tuthill Et Al. v. Plaistow*
10 *Electric Light & Power Company*, 8 N.H.P.S.C. 509, 510 (1922): “Not infrequently, utilities,
11 in their desire to please the public, make extensions which do not pay and cannot be made to
12 pay because there is not business enough in the territory served. Such extensions are not in
13 the public interest because they must be carried by increasing the rates upon other consumers.
14 Before utilities make extensions into new territory they should be reasonably certain that the
15 new business to be obtained thereby can be made to pay, at least within a reasonable time.”
16 As discussed above, a DCF analysis of the proposal shows that there is no economic benefit
17 for the general body of Liberty gas customers to be found, in stark contrast to the expected
18 benefits of the DG 16-770 APA payment of \$1.9 million, accruing from the orderly shutdown
19 of Concord Steam. As such, this proposal is also in general violation of RSA 378:10, as it
20 gives potential Liberty customers in a single locality (the City of Concord) an unreasonable
21 preference and advantage through a direct subsidy of \$1,000,000 not available to other
22 Liberty customers around New Hampshire.

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Other Matters and Staff Conclusion

Q. Would you please summarize the Commission decision to allow Claremont Gas Corporation (Claremont) to discontinue utility service?

A. Order No. 21,309, dated August 5, 1994 (79 N.H.P.U.C. 426), approved a settlement agreement to allow Claremont to discontinue service under a number of terms and conditions.

In its analysis, the Commissioners stated (p. 12-13): “It is axiomatic that when a utility franchise is granted by this Commission it creates not just a right to operate but an obligation to serve...On the other hand, it is equally settled that a public utility is not obligated to provide service at a loss.” The Commission found there was sufficient evidence to conclude that Claremont’s future operations would be at a loss to the company.

One of the conditions of the settlement was that Claremont customers that converted to bottled propane service with Claremont’s s parent company, Synergy Gas Corporation (Synergy), a retail propane dealer serving the Claremont area, would have their appliances readjusted to accommodate the difference between pipeline gas (900 BTU per CF) and bottled propane gas (2,500 BTU per CF) for free. Readjustment to include replacement of the orifice, regulator and controls of each appliance as needed, but only for customers taking service with Synergy. Although Claremont testified that all customers could be converted to bottled propane service, the settlement included a provision that if a customer could not convert to bottled propane service due to the inability to place a tank in compliance with local ordinances and applicable safety standards, Claremont would bear the cost of converting the customer to an alternate fuel source at a comparable level of service.

1 If a Claremont customer selected a different propane supplier or converted to an
2 alternate fuel source despite having the capability to convert to bottled propane service, the
3 conversion costs would not be paid by Claremont or Synergy under the terms of the
4 Settlement Agreement.

5 **Q. Is proposed Transition Fund consistent with the Commission decision approving**
6 **Claremont Gas terminating utility service?**

7 **A.** No. The proposed Transition Fund requires Liberty, which has no affiliation with Concord
8 Steam, to finance the conversion costs of Concord Steam customers due to Concord Steam
9 terminating service. The Claremont decision required the utility and its parent company, an
10 unregulated propane dealer, to pay customer conversion costs with no provision allowing for
11 Claremont or its parent to recover those costs through utility rates. The proposal before the
12 Commission requires Liberty to finance the Transition Fund, and allows Liberty to fully
13 recover the cost of financing, with interest, from its ratepayers through higher utility rates.

14 **Q. Do you have anything else to add regarding the proposal?**

15 **A.** Yes. Staff appreciates that many of Concord Steam's customers may be experiencing
16 financial hardship due to Concord Steam terminating service and sincerely hopes that those
17 customers can avail themselves of existing programs to alleviate their hardship.

18 Staff is open to Liberty creating a financing program to assist Concord Steam
19 customers converting to natural gas, but is adamantly opposed to requiring that Liberty's
20 ratepayers fund such a program. Liberty giving \$1,000,000 to Concord Steam customers is
21 akin to a charitable contribution, the \$1,000,000 payment provides no benefit to Liberty
22 ratepayers. The Commission's position regarding charitable contributions is described its

1 order on Liberty's predecessor Company rate request, see *EnergyNorth Natural Gas, Inc.* NH
2 PUC 360 (1992), Order 20,542:

3 "In regard to the issue of the inclusion of charitable contributions in normal operating
4 expenses the commission finds that these costs should not be borne by ratepayers. There is no
5 evidence in the record that allows us to conclude that charitable contributions contribute to the
6 efficient provision of utility service necessitating their inclusion in normal operating expenses.
7 Moreover, we believe it would be more appropriate for the ratepayers themselves to make
8 decisions relative to which charities they believe are most worthy of their contributions rather
9 than having the Company make those decisions for them.

10 The commission does not believe it would be appropriate for it to review each
11 contribution by the Company for a determination as to the worthiness of the charities' goals or the
12 "acceptability" of its objectives. While the commission believes that charitable contributions are
13 laudable and necessary for society as a whole, we also believe each individual or entity should
14 have the power to choose which charities deserve their funding or are acceptable to them without
15 that decision being forced upon them by another."
16

17 Liberty's ratepayers should not be required to contribute \$1,000,000 to the Transition
18 Fund. The proposed Transition Fund is not fair or legal and the petition should be denied.

19 **Q. Does that conclude your testimony?**

20 **A. Yes.**