

**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Docket No. 7770

Joint Petition of Central Vermont Public Service)
Corporation ("CVPS"), Danaus Vermont Corp.,)
Northern New England Energy Corporation)
("NNEEC") for itself and as agent for Gaz Metro)
Limited Partnership and its parents, Green)
Mountain Power Corporation ("GMP") and)
Vermont Low Income Trust for Electricity, Inc.)
("VLITE"), for approval of: (1) the merger of)
Danaus into and with CVPS; (2) the acquisition)
by NNEEC of CVPS and certain other Vermont)
companies; (3) the amendment to CVPS's Articles)
of Association; (4) the merger of CVPS into and)
with GMP; and (5) the acquisition by VLITE of a)
controlling interest in Vermont Electric Power)
Company, Inc.)

**PREFILED TESTIMONY OF
KENNETH A. NOLAN
ON BEHALF OF
CITY OF BURLINGTON, VT ELECTRIC DEPARTMENT**

January 20, 2012

Summary: Mr. Nolan's testimony addresses how the proposed merger between Central Vermont Public Service Corporation and Green Mountain Power will affect BED, with particular focus on how it will affect BED's joint arrangements with the companies, and the overall relationship between BED and Vermont Electric Power Company, Inc. and Vermont Transco, LLC.

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Exhibits

Exhibit BED-1

Resume of Kenneth A. Nolan

1 **1. Introduction**

2 Q1. Please state your name, occupation and business address.

3 A1. My name is Kenneth A. Nolan. My business address is City of Burlington Electric Light
4 Department (“BED”), 585 Pine Street, Burlington, VT 05401. I am employed as BED’s
5 Manager of Power Resources responsible for Transmission Access, Integrated Resource
6 Planning, power supply procurement, load forecasting, rate design, and demand-side
7 management monitoring and reporting.

8
9 Q2. Please summarize your education, training and professional experience.

10 A2. My qualifications are set forth in my resume, attached hereto as Exhibit BED-1.

11

12 Q3. What is the purpose of your testimony?

13 A3. My testimony addresses how the proposed merger between Central Vermont Public
14 Service Corporation (“CVPS”) and Green Mountain Power (“GMP”) will affect BED. In
15 particular, I will focus on how it will affect BED’s joint arrangements with the
16 companies, and the overall relationship between BED and Vermont Electric Power
17 Company, Inc. (“VELCO”) as well as Vermont Transco, LLC (“TRANSCO”) as both an
18 owner and a customer. I also discuss the risks to BED ratepayers presented by the
19 proposed merger, and recommend how to minimize those risks.

20

1 Q4. Has BED concluded that its ratepayers would be at risk from the proposed merger?

2 A4. BED is concerned with a combined GMP-CVPS having the ability to dominate decision
3 making, especially given the wide array of joint arrangements in place among Vermont
4 utilities. BED has reviewed all of its known agreements with both GMP and CVPS, and
5 has identified a very limited number of potential risks. Among the agreements reviewed
6 were the Agreement for Joint Ownership, Construction and Operation of the Highgate
7 Transmission Interconnection (“Highgate Agreement”), the Agreement for the Joint
8 Ownership, Construction and Operation of the Joseph C. McNeil McNeil Generating
9 (“McNeil Agreement”), the recently approved Power Purchase and Sale Agreement
10 among the Vermont utilities and H.Q. Energy Services (U.S.) Inc. (“HQUS Contract”),
11 and the overall ownership arrangements of VELCO and TRANSCO, among others. Most
12 of those agreements have mechanisms built-in that will operate upon completion of the
13 proposed merger to minimize the risk to BED ratepayers. BED identified only two
14 instances where it believes the existing mechanisms are not adequate: 1) the Highgate
15 Agreement; and 2) the VELCO ownership arrangement including the ownership structure
16 of TRANSCO.

17 Q5. Does the proposed merger create any concerns for BED with respect to the operation of
18 the McNeil Station?

19 A5. Presently, McNeil is owned by BED (50%), CVPS (20%), Vermont Public Power Supply
20 Authority (“VPPSA”) (19%) and GMP (11%). Under the McNeil Agreement, major

1 decisions affecting the plant, such as approval of annual operating and maintenance
2 budgets and capital expenditures in excess of \$500,000, require a two-thirds vote. While
3 BED's majority ownership position may be somewhat diluted by the loss of one joint
4 owner, the plant has historically been operated by consensus for the most part, so BED
5 sees no real need to amend the McNeil Agreement as a result of the proposed merger.
6

7 **2. BED Concerns with Highgate Agreement**

8 Q6. Can you explain the concern with regard to the Highgate Agreement?

9 A6. Under the Highgate Agreement, each owner has a representative on a management
10 committee with a percentage of votes equivalent to its ownership share in the project.
11 The existing agreement requires that decisions of the management committee be made by
12 at least two owners representing a majority of the ownership shares in the project. BED
13 had thought that was sufficient; however, during the negotiation of the HQUS Contract,
14 an event occurred that raises a concern that the existing protections may not be adequate
15 in a post-merger environment.

16 Much as it does with the TRANSCO assets, VELCO manages the Highgate converter on
17 behalf of the owners. Typically, to take an action that commits owner revenues, VELCO
18 must get approval through a vote of the management committee. During the negotiation
19 of the HQUS Contract, HQUS expressed concern that it could not count on the converter
20 being operational for the life of the agreement, and sought a commitment from the

1 Highgate owners to upgrade the facility. CVPS and GMP, as the contract negotiators,
2 asked VELCO to send a letter to HQUS committing to pursue the upgrade, which
3 VELCO did after consulting with GMP and CVPS management. By sending the letter,
4 VELCO committed the owners of Highgate to a \$30+ million upgrade of the facility
5 without a formal vote approving the upgrade. VELCO did in fact have approval of 50%
6 of the ownership and two owners as the agreement requires, but BED did not find out
7 about the commitment to upgrade the facility until nearly a month later. By the time the
8 issue was presented to the management committee for a vote the commitment already had
9 been made, and the vote was a formality.

10
11 Q7. Will the proposed merger actually help that situation since post-merger VELCO will need
12 to consult another owner to approve its actions?

13 A7. While the merger is unlikely to make the situation worse, the reality is that companies
14 who own transmission have different business needs than those who do not. BED is
15 concerned that post-merger there will be two remaining low voltage transmission
16 providers in Vermont, GMP and Vermont Electric Cooperative (“VEC”), creating a
17 situation similar to what we have today with GMP and CVPS. Their interests will be
18 more aligned with regard to the operation of Highgate than with the non-transmission
19 providers, so the potential for two votes to make decisions will continue to pose risks to
20 BED and the other minority owners.

1 **3. BED Proposed Solution for Highgate Agreement**

2 Q8. So what would you propose as a solution?

3 A8. The Highgate Agreement should be amended to insure that VELCO cannot take such an
4 action again without broader consultation and consensus. The solution is very simple
5 from my perspective. Any action should require an affirmative vote of at least three
6 owners representing a majority of the ownership shares, similar to what is required today
7 for amendments to the Highgate Agreement. This will ensure that at least one non-
8 transmission owning utility supports the decision.

9 **4. BED Concerns with VELCO Governance including TRANSCO**

10 Q9. What are BED's concerns related to VELCO and TRANSCO following the proposed
11 merger?

12 A9. Let me start by providing some background. I have been involved with VELCO for more
13 than 20 years. When I was hired by VPPSA in March of 1988, one of my first projects
14 was to evaluate the construction of a VELCO substation serving Lyndonville. VELCO
15 opposed the project on the grounds there was not enough reliability benefit at the time, so
16 the project did not actually get built until 2010 – some 22 years later. Aside from the
17 reliability issues, the project would also have allowed Lyndonville to stop paying CVPS
18 for transmission service. From my perspective at the time, at least a portion of VELCO's
19 reluctance to support the project stemmed from the fact that it would have been
20 financially detrimental to its largest owner.

1 Since then I have been involved with a number of project discussions, and VELCO
2 committees, where there was a continual tension between the smaller owners and the
3 larger ones. This includes review of the Lamoille County Project, the East Avenue Loop
4 Project, the WASS efficiency study working group, the Vermont Transmission
5 Agreement (“VTA”) Implementation Study Group, and more recently the VELCO
6 Operating Committee.

7
8 VELCO is a unique animal in the transmission world in that it provides Vermont’s small
9 municipal and cooperative utilities an opportunity to own transmission and participate in
10 decisions that does not exist elsewhere in the country, but this structure creates an
11 inherent tension between the larger owners and smaller owners that is always present.

12
13 Q10. There is always going to be tension between various owners in cost allocation and tariff
14 discussions. Why do you feel that should be a concern of the Board in considering the
15 proposed merger?

16 A10. Because transmission costs are becoming a larger and larger portion of every utility’s
17 cost of service, and decisions on cost allocation made at VELCO can have a direct effect
18 on the competitive position of the various utilities. It is no secret that over the 100+ years
19 of BED’s existence GMP has made numerous overtures about its desire to buy BED. At
20 the moment that potential is a topic of debate in Burlington’s mayoral election. VELCO

1 is in a unique position to affect the allocation of costs between Vermont utilities, and in
2 doing so ultimately affect their rates and competitive standing. Having the utility that has
3 repeatedly expressed a desire to purchase BED now become the super-majority
4 shareholder of a company able to affect BED's cost of service presents a major concern.

5
6 Q11. Do you have any examples where VELCO has shifted costs to the detriment of one utility
7 over another?

8 A11. Let me start by saying I am not aware of any example where VELCO has intentionally
9 shifted costs to systematically make a utility less competitive. For the most part I believe
10 VELCO tries to remain neutral, and certainly has worked hard to put mechanisms in
11 place to make their decisions more open in recent years, at least in a world with two large
12 owners. However, there are literally hundreds of examples where simple everyday
13 decisions can shift costs among utilities. A few examples:

- 14 i. As noted above, by deciding that the Lyndonville substation proposal did
15 not provide enough reliability benefit in 1988, VELCO essentially kept
16 Lyndonville paying CVPS transmission fees for another 20+ years. That
17 decision imposed costs on Lyndonville that raised its rates, while
18 maintaining a revenue stream for CVPS. A decision to pursue the
19 substation would have resulted in a different cost structure.
- 20 ii. The Lamoille dispute is another example. Regardless of your position on

1 who should pay for what components, the fact is that VELCO must
2 determine which facilities are considered “Common” under the VTA, and
3 which are considered “Specific.” I had a similar experience related to the
4 East Avenue Loop project and can say from first-hand experience that
5 those allocation decisions are made for each component right down to the
6 conduit. As we saw in the Lamoille case, which components are
7 considered Common and which are Specific can have a major impact on
8 utility costs and thereby rates.

9 iii. More generally, I have been involved in the WASS Study, and through the
10 Operating Committee in discussions about fiber-optic deployment,
11 provision of state-wide radio services, and other cases where VELCO has
12 had to choose whether to provide the utilities with a specific service, and if
13 so, how the costs should be allocated. I can say that the process for
14 making those decisions has improved a lot over the years, and now
15 involves significant utility input and discussion, but it was not always that
16 way.

17
18 Q12. Have you noticed any bias in VELCO’s decisions?

19 A12. I would not say there has been an intentional bias, but I would say VELCO has
20 historically related better to the larger utilities. Certainly when I started my career it

1 seemed like VELCO considered itself the “big brother” to the municipal utilities. That is,
2 it acted like the smaller utilities did not know what they were doing, and that VELCO
3 staff had to both educate and protect those utilities. In recent years, there have been a
4 series of controversial projects including the Northwest Reliability Project, the Lamoille
5 County Project, and the East Avenue Loop Project that were the subject of significant
6 debate around cost allocation among the utilities. As VELCO has wrestled with those
7 discussions, I have personally noted a change in approach to one of being more inclusive
8 about decision making and treating the smaller utilities more like partners.

9
10 Q13. If VELCO has not historically been biased and is becoming more responsive to its smaller
11 owners, why are you concerned about the merger?

12 A13. My concern stems primarily from my recent participation on the VELCO Operating
13 Committee, and various project working groups. Since the merger announcement I have
14 noticed VELCO tending to defer to GMP, and being less concerned about the smaller
15 owners. By way of example, we recently had an Operating Committee vote on whether to
16 authorize VELCO to resettle utility loads in the event that a metering error was discovered
17 after the fact. Approval of the resettlement process passed unanimously, but at the next
18 meeting GMP stated that it had changed its position and wanted to re-open the issue on
19 how far back to look in the event of an error. The committee discussed GMP’s concern
20 and decided to keep the same position, with GMP being the lone dissenter. VELCO

1 indicated it would proceed as voted, but indicated it had determined that without
2 developing a formal letter agreement and getting FERC approval, it was limited to the
3 process provided by ISO New England. At the next meeting VELCO told the committee
4 that after further thought and consultation with its FERC counsel, who had supported the
5 committee's position initially, it felt the letter agreement should not be filed with FERC.
6 GMP then stated its support for VELCO's position. To date, the letter agreement has not
7 been filed, and the committee is continuing to "talk about it." There is an undertone
8 developing that is very similar to what I felt representing smaller utilities 15 to 20 years
9 ago, where the tendency was to defer to the larger utility (CVPS at the time).

10
11 Q14. Even if the "undertone" is similar, why should that be an issue for the PSB with regard to
12 the proposed merger? Why isn't it a business issue as it always has been?

13 A14. The merger threatens to change the underlying dynamic. Pre-merger there are two large
14 utilities, one owning about 40% of VELCO and one owning roughly 30%. While they
15 essentially control VELCO if they act together, the reality is that they usually have
16 different positions. The smaller utilities have to work hard to get their voices heard, but it
17 has been possible to affect decisions if you cared enough to work at it. Post-merger, one
18 utility will own 78% of VELCO and will be able to control all decisions. There will be no
19 need to listen to the smaller utilities. When you combine this with the history of GMP
20 making overtures to buy BED, it is very concerning.

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Q15. Doesn't GMP's proposal to place a portion of its VELCO shares into the VLITE trust managed by BED, VPPSA, and VEC address that concern?

A15. Yes. GMP deserves credit for trying to propose a solution. Creation of VLITE with VEC, VPPSA, and BED as Trustees, combined with more formal governing documents, and revisions to the TRANSCO Operating agreement to insure that GMP cannot remove VELCO as the manager of TRANSCO go a long way toward addressing BED's concerns. However, we have already seen testimony from the Department of Public Service ("DPS" or "Department") opposing this approach.

5. BED Response to DPS Testimony

Q16. Have you reviewed the Department's testimony?

A16. Yes I have.

Q17. Do you concur with the concerns raised by the DPS, and if so, do you believe its proposed solution solves BED's concerns?

A17. I agree with many of the concerns raised by the DPS in a theoretical sense; however, I disagree with the viewpoint that VELCO's Board of Directors does not act, or is not required to act, in the public good, and Professor Dworkin has not set forth any example where VELCO has failed to do so. I also disagree with the Department's proposed

1 solution and believe it would put BED in an even weaker position in trying to have its
2 voice heard.

3

4 Q18. So despite your concerns about cost shifting and not listening to municipal utilities you
5 believe VELCO, and its governing board, act in the public interest?

6 A18. Yes. There are many ways to define what is in the “public interest,” but it is safe to say
7 that VELCO is bound in many ways to act in what it believes is the public good. In his
8 testimony Professor Dworkin implies that the sole gauge of whether the public interest is
9 being served is whether Vermont based advocacy groups or politicians are being listened
10 to, and his solution is then to give them a voice on the Board of Directors. I disagree with
11 that premise entirely.

12 Over the past two decades VELCO’s hands have been tied quite thoroughly with regard to
13 the need to meet the public interest or act in support of the public good. VELCO must
14 answer to NERC with regard to reliability and quality of service, to FERC with regard to
15 access to service and cost, to ISO New England with regard to long term planning and
16 interaction with the New England wide power market stakeholder process, to the Vermont
17 Legislature with regard to mandates for a publicly available long range plan and the
18 requirement to advocate for non-transmission solution “equal treatment” at ISO New
19 England, to the VSPC with regard to the evaluation of transmission alternatives and
20 insuring early public access to transmission decisions, and to the PSB with regard to any

1 actual construction and siting decisions.

2 In my view, VELCO has a very clear mandate to pursue public interest goals at the
3 federal, regional, and state level. What is not so clear is how to juggle all of these,
4 sometimes competing, goals in the context of a very complicated business environment.
5 The last thing VELCO needs is for its Board of Directors to be stacked with a large
6 percentage of advocates and political appointees who may or may not know how the
7 industry works.

8

9 Q19. Do you disagree with the changes to the Board structure that the DPS proposes?

10 A19. I fundamentally disagree with the attempt to politicize the VELCO Board. This is a
11 private corporation under Vermont law, and it would be unprecedented to have a large
12 portion of its Directors appointed through a political process.

13 Despite any concerns I may have, the one thing I can say is that discussions at the VELCO
14 Operating Committee and ultimately the VELCO Board have allowed the utilities to
15 discuss and debate how best to meet the public interest in a way that fairly affects all of
16 the utilities. Having the Board dominated by non-utility members, who may not even
17 know how the business works can only make those conversations more difficult.

18

19 Q20. What is the best way to address the public benefit issue raised by the DPS?

20 A20. As stated previously I believe that VELCO has a sufficient mandate to act in the public

1 good through the overlapping federal, regional, and state regulations under which it
2 operates. If we look regionally, even in the other New England states where they have
3 deregulated to focus transmission companies on simply delivering power under regulated
4 rates, none have gone so far as to dictate the make-up of the Board of Directors. Further,
5 ISO New England, which controls the transmission system throughout New England, has
6 an independent Board with no political appointees, although Board members do undergo a
7 stakeholder vetting process, and the region's regulators have input as a stakeholder
8 through NESCOE.

9
10 Q21. Is the fact that other states have not adopted the structure proposed by the Department
11 sufficient reason for Vermont not to adopt it?

12 A21. No. What I am saying is others have not adopted a structure similar to the one the DPS
13 proposes because it is unnecessary and creates other problems.

14 VELCO is no different in ownership than GMP or Entergy, and has no different mandate
15 to act in support of the public good. But the DPS has not proposed making 38% of GMP's
16 post-merger Board of Directors political appointees. Nor did the DPS propose 38% of
17 Vermont Yankee's Board of Directors must be political appointees in order to get a
18 license extension for its nuclear plant. Those changes were not proposed because there is
19 a clear recognition that such a structural change would have far reaching and unintended
20 consequences. The same is true for VELCO.

1 I am aware of at least one example of a structure similar to the DPS proposal. The
2 University of Vermont, which receives a large share of its funding from the state, has a
3 Board of Trustees composed of twenty-five members, with nine appointed by the
4 Legislature and three appointed by the Governor. Nine others are so-called self-
5 perpetuating, two are students, and the Governor and UVM President are ex officio
6 members. Of the twenty-three voting members, twelve are political appointees. This puts
7 the DPS proposal for VELCO into context. It is really a proposal for a state takeover of
8 VELCO, without the actual purchase of the company.

9
10 Q22. Are there any other aspects of the DPS proposal that are of concern?

11 A22. Yes. The proposal to include a public power seat representing those ratepayers not
12 represented by VEC, BED, or VPPSA is of concern. BED certainly supports a larger
13 voice for public power, but disagrees with this solution. The present VELCO
14 representation works fairly well from a public power standpoint because BED, VEC, and
15 VPPSA each own roughly the same percentage of VELCO. VEC owns roughly 7.49% of
16 the voting shares, BED owns roughly 6.38%, and VPPSA owns roughly 5.93%. If you
17 account for the fact that Stowe was a VPPSA member historically, VPPSA actually owned
18 about 6.88% when the decision to give it a seat was first made. The only entity that did
19 not fit cleanly into that group was WEC, which owns 1.21%. Given this situation a logical
20 argument can certainly be made as to why these three entities would be given a seat on the

1 Board. The DPS proposal to add a seat for any public power entity not represented has
2 three possible negative implications: 1) it means that a company owning potentially 1% of
3 the VELCO stock will have the same Board representation as a company owning 6% or
4 more, which would not normally be the case in an independent corporation, 2) it would
5 actually provide an incentive for municipals to leave VPPSA in order to get a direct seat,
6 and 3) as a potential unintended consequence provides an incentive for VPPSA members
7 to “game” the Board process (i.e., by “officially” leaving VPPSA as a “member” but
8 perhaps contracting back for the work VPPSA now performs) and in the process garnering
9 two additional VPPSA votes. It would create a very awkward structure where a utility
10 with less VELCO ownership than an individual VPPSA member, which is represented by
11 the sole VPPSA Director, had their own direct board seat.

12
13 **6. BED Proposed Solutions for VELCO Governance**

14 Q23. You clearly have concerns with both the GMP and DPS proposals for VELCO
15 governance. Does BED have an alternative it believes is workable?

16 A23. Actually BED believes the GMP proposal could work if the right changes were made to
17 the TRANSCO Operating Agreement to ensure that VELCO continued to manage its
18 assets. But given the DPS strong opposition to that approach, we do have an alternate
19 concept that we believe addresses the concerns raised.

20

1 Q24. What do you propose?

2 A24. First, let me say that BED agrees with the DPS's desire for VELCO to be responsive to
3 both the public interest and to the concerns of smaller customers. However, that desire
4 must be balanced with the fact that VELCO is a private corporation whose existing
5 owners have certain rights, both legal and perceptual from longstanding corporate
6 practice. BED's proposed governance changes are designed to better address the public
7 responsiveness goals while minimizing changes to the existing VELCO governance
8 structure. They include:

- 9 i. Establish formal criteria for independent Directors similar to what is utilized by
10 ISO New England, so that the VELCO Board has some basis from which to
11 choose the three Independent VELCO Directors.
- 12 a. Include in the new Bylaws a process by which VELCO solicits comments on
13 the criteria from the DPS and other potential stakeholders on a routine cycle,
14 preferably in line with the 3-year transmission planning cycle or the State
15 Energy Plan.
- 16 b. Include in the new Bylaws a process by which VELCO solicits nominations
17 for Independent Directors from a wide array of stakeholders.
- 18 c. Require that the Board choose from the submitted nominations in determining
19 a slate of Directors to propose to the VELCO Owners.

20 This provides for a much more open and transparent Independent Director nominating

1 process while insuring that the chosen Directors have the skills VELCO requires at any
2 given time, and avoiding the potential politicizing of the decision that is inherent in the
3 DPS proposal.

4 ii. Reconstitute the VELCO Board as:

5 a. One (1) seat for the VELCO CEO

6 b. Three (3) Independent Director seats

7 c. Four (4) seats for GMP

8 d. One (1) seat for VEC

9 e. One (1) seat for BED

10 f. One (1) seat for VPPSA

11 g. Two (2) seats for public power at large

12 Such a structure would essentially balance the public power and IOU positions on the
13 Board. Even if the VELCO CEO tended to lean toward support of his largest shareholder
14 it would place the vote as 5-to-5 and put the Independent Directors in a swing vote
15 position. In any event it would bring more of a public power direction to VELCO
16 decisions.

17 iii. Establish that the two (2) at large public power seats be selected by public power
18 in total (coops and municipals), with entities potentially having more than one
19 seat. This eliminates the potential gaming that could exist around VPPSA
20 membership, and since BED and VEC would be participating in the discussion it

1 should reduce concerns about very small owners having a disproportionate vote
2 on the Board.

3 iv. Lastly, with regard to GMP ownership of 78% of the voting rights post-merger,
4 and the proposal to put roughly 33% of the combined Class B and Class C voting
5 shares into a Trust, the so-called VLITE, BED sees no reason why this is
6 necessary. The same outcome could be achieved by creating a new non-voting
7 Class of stock which pays a dividend equivalent to that received by those shares
8 today, and simply making them non-voting. Then whatever commitments GMP
9 wanted to make with regard to low income support would be de-coupled from the
10 VELCO governance determination, which is as it should be. It would require a
11 larger percentage of GMP shares be converted in order to leave them with 45% of
12 the remaining voting interest, but should be easily achievable.

13
14 Q25. Are there any other changes required to implement BED's concept?

15 A25. Only as the DPS noted, changes would be required in the TRANSCO Operating
16 Agreement to ensure that GMP did not use its majority ownership of TRANSCO
17 membership units to replace VELCO as the TRANSCO Manager rendering all of the
18 changes we suggested moot. We would want to see all of the sections where the
19 Members make decisions about replacing the Manager or changing the way the Manager
20 does its duties to require more than 50% of the Membership Units and more than 50% of

1 the Members voting in favor to effectuate a change.

2

3 Q26. Is there anything else you would like to add with regard to VELCO?

4 A26. Only that BED and the other utilities that are not part of the proposed merger have a right
5 to expect that our autonomy and competitive position should not be negatively impacted
6 by the proposed merger. A decision to fundamentally change the VELCO ownership
7 structure, or impose some alternate method for choosing corporate Directors can have far
8 reaching and unintended consequences both within the utility environment and
9 elsewhere.

10

11 Q27. Does this conclude your direct testimony?

12 A27. Yes it does.