

BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of

Niagara Mohawk Power Corporation

Cases 12-E-0201 and 12-G-0202
August 2012

Prepared Testimony of Retail
Access Panel:

Christopher L. Graves
Principal Economist
Office of Regulatory Economics

Honor Marie Kennedy
Utility Consumer Specialist III
Office of Consumer Policy

State of New York
Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

1 Q. Panel, please state your names and business
2 address.

3 A. We are Christopher L. Graves and Honor Marie
4 Kennedy. Our business address is Three Empire
5 State Plaza, Albany, New York 12223-1350.

6 Q. Mr. Graves, please describe your educational
7 background.

8 A. I received a Bachelor of Science degree in
9 economics from the Illinois State University in
10 1990 and a M.A. in economics from the Southern
11 Illinois University at Edwardsville in 1997.

12 Q. Mr. Graves, please summarize your professional
13 experience.

14 A. I am a Principal Economist in the Office of
15 Regulatory Economics of the Department of Public
16 Service. I have been with the New York
17 Department of Public Service (DPS) since January
18 2002. I have provided analysis and testimony on
19 electric and telecommunications issues
20 including: renewable portfolio standard, demand
21 response in electricity, hourly pricing of
22 electricity, telecommunications mergers, and
23 competition in the local exchange market.

1 Before coming to the DPS, I worked in the
2 Telecommunications Division of the Illinois
3 Commerce Commission as an Economic Analyst from
4 1996 to 2002. I provided the Commission with
5 independent analysis and recommendations
6 regarding policy issues, tariffs, pricing, and
7 the application of laws and regulations. Areas
8 on which I concentrated included: unbundled
9 network element (UNE) pricing, implementation of
10 the Telecommunications Act of 1996, market
11 competition, line sharing, and the effects of
12 telecommunications mergers on competition in the
13 local exchange market. While working on my
14 master's degree, I worked for the Economic Group
15 of Southwestern Bell Telephone Company as a
16 researcher.

17 Q. Mr. Graves, have you appeared as a witness
18 before this Commission?

19 A. Yes, I have testified in Cases 05-E-1222, 07-E-
20 0523, 08-E-0887, 10-E-0050, 10-E-0362, and 11-E-
21 0408.

22 Q. Ms. Kennedy, what is your position at the
23 Department?

1 A. I am employed in the Consumer Advocacy Section
2 in the Office of Consumer Policy.

3 Q. Please describe you educational background and
4 professional experience.

5 A. I have a Bachelor of American Studies degree,
6 with focused areas in Sociology, Linguistics and
7 Mass Communications, earned through studies at
8 the State University College at Fredonia and
9 American University. I also pursued graduate
10 studies through the Business Administration
11 Masters Program at Canisius College. Prior to
12 my employment with the Department, I was the
13 community office manager for the City of
14 Jamestown, New York's Planning Department for
15 its five-year Master Plan and was a staff member
16 the New York State Assembly's House Operations
17 Committee with responsibilities focused on
18 constituent and public relations. I joined the
19 Department in 1982 as an Outreach and Education
20 Specialist for the Western New York Region and
21 later became Supervisor of the Western Area
22 Operations for the Consumer Service Division.
23 In 1990, I was appointed as the Department's

1 External Affairs Officer for the newly created
2 Office of External Affairs which developed
3 and/or coordinated legislative, media and public
4 communications initiatives. I rejoined the
5 Office of Consumer Education and Advocacy as a
6 Business Advocate within its Business Advocacy
7 Unit, and later, as a member of the Market
8 Oversight Group within its Residential Advocacy
9 Group. In April 2008, I became a member of the
10 Office of Industry and Government Relations in
11 the Retail Access Section. Since 2010, I have
12 been with the Office of Consumer Policy's
13 Consumer Advocacy Section.

14 Q. Please describe your current responsibilities
15 with the Department.

16 A. My responsibilities are focused on the
17 relationships associated with the Energy
18 Services Company (ESCO) sector, including the
19 quality and delivery of consumer related
20 programs and services, business transactions
21 between ESCOs and ESCOs or utilities, compliance
22 with the Commission's Uniform Business Practices
23 and other rulings, and representation of ESCO

1 issues in Department proceedings and involvement
2 on other policy issues or strategies concerning
3 New York's energy markets.

4 Q. Have you previously testified before the
5 Commission?

6 A. Yes. I have previously testified on energy
7 efficiency programs, consumer protections, low
8 income and special needs customers programs,
9 consumer outreach and education, economic
10 development, and competitive retail market
11 initiatives.

12 Q. What is the purpose of the Panel's testimony?

13 A. The purpose of our testimony is to address
14 concerns about the competitiveness of the
15 residential market for energy and offer
16 solutions to enhance the information consumers
17 have to make competitive choices.

18 Q. What specific recommendations are you offering
19 at this time?

20 A. We recommend that Niagara Mohawk provide basic
21 information to ESCO customers concerning the

1 amount that the customer would have been billed
2 if he/she had purchased commodity from the
3 utility.

4 **Competiveness of the Residential Energy Market**

5 Q. What do economists mean when they talk about a
6 perfectly competitive market?

7 A. Economists are referring to a market that is
8 efficient because sellers put resources to their
9 highest valued use, output is optimal, and no
10 change in production or distribution would
11 increase the benefits derived by any seller or
12 buyer, without making someone else worse off.

13 Q. Are there any common characteristics of
14 competitive markets?

15 A. Economists agree that perfectly competitive
16 markets possess four main characteristics, which
17 are: 1) the existence of many buyers and
18 sellers; 2) a standardized product; 3) free and
19 easy entry and exit; and 4) complete and perfect
20 knowledge about market prices and the nature of
21 goods sold.

1 Q. Are all of these characteristics present in all
2 competitive markets?

3 A. No. In reality, markets operate between the
4 model of perfect competition and monopoly.
5 However, economic models allow one to observe
6 how markets behave, depending on their
7 structure. Therefore, economic models are
8 useful because they assist analysts in
9 predicting the likely behavior of market
10 participants, depending on the characteristics
11 that are evidenced in any particular market.

12 Q. Will you please explain, in turn, why each of
13 the four identified characteristics of
14 competitive markets is conducive to establishing
15 competitive markets?

16 A. Yes. First, the existence of many sellers in a
17 market tends to prevent any one seller from
18 charging buyers more for a product than the cost
19 that the seller incurs to produce and sell the
20 product, plus a reasonable return on investment.
21 This is because buyers would simply obtain the

1 product from the seller's competitors if the
2 seller attempted to increase price above that
3 amount. Correspondingly, the existence of many
4 buyers works to prevent any one buyer from
5 dictating an inappropriate price for or
6 distribution of a product because sellers will
7 not sell to the buyer at below the market price.

8 Q. What is the importance of having a standardized
9 product?

10 A. When a product is standardized, each seller's
11 product is a substitute for the others'
12 products, and the only differentiation is price.
13 Accordingly, a standardized product allows
14 buyers to make accurate comparisons among
15 products by comparing each seller's price and
16 selecting the least priced good. Contrarily,
17 when product standardization does not exist,
18 suppliers are able to distinguish their products
19 and, as a result, may have the power to
20 manipulate supply and price.

1 Q. How does free and easy entry and exit help
2 create a competitive market?

3 A. The ease of entry into a market is important
4 because it affects the ability of new suppliers
5 to enter the market in response to above normal
6 profits by the current market suppliers. The
7 entry of the new suppliers will increase supply
8 and, in return, drive down the good's price to
9 its cost plus a reasonable return.

10 Alternatively, if it is not easy to enter a
11 market and, as a result, new suppliers are
12 delayed in entering in response to above normal
13 profits, then the market will not be competitive
14 and the current supplier(s) will enjoy high
15 profits for a longer period of time.

16 Q. Why is it important for buyers and suppliers to
17 have perfect information about market prices and
18 the nature of the good?

19 A. First, buyers must have knowledge to determine
20 which seller is pricing the good at the lowest
21 price. If buyers have limited information, they

1 may buy an over-priced good and, as a result,
2 support an inefficient producer or a supplier's
3 above normal profits. Sellers and potential
4 sellers must know the least cost method of
5 producing goods and services in order to
6 identify opportunities to make above normal
7 profits and make efficient decisions on whether
8 to enter or exit a market.

9 Q. You mentioned earlier that most markets actually
10 exist between the models of perfect competition
11 and monopoly. How do these four characteristics
12 which you just discussed, i.e., many suppliers
13 and buyers, standardized products, ease of entry
14 and exit, and perfect information, help
15 economists?

16 A. Economists use these characteristics to analyze
17 the degree of competition in a market.

18 Q. How does the market for the supply of
19 electricity and natural gas to residential
20 customers in Niagara Mohawk's service territory

1 measure up in regard to these characteristics of
2 a competitive market?

3 A. In terms of the number of suppliers and buyers
4 this market seems to be very robust. There are
5 approximately 50 ESCOs that serve the Niagara
6 Mohawk market of approximately 1.5 million
7 electric customers and approximately one half
8 million natural gas customers. While the ESCOs
9 market share has grown over time, ESCOs only
10 supply approximately 20% of the electric market
11 and just over 22% of the natural gas market.
12 The Antitrust division of the Department of
13 Justice (DOJ) reviews the number of suppliers
14 and the market shares of those suppliers in a
15 market when mergers are proposed that could
16 reduce the number of competitors in a market and
17 thus reduce the competitiveness of a market. By
18 the DOJ's Horizontal Merger Guidelines standards
19 for market concentration, the residential
20 electric and gas markets would not be considered
21 competitive. The Public Service Commission

1 protects customers from the exercise of market
2 power by maintaining the customer's option of
3 buying from the dominant supplier, Niagara
4 Mohawk, and regulating the rates Niagara Mohawk
5 charges for supply of energy.

6 Q. Would you describe electric or natural gas
7 supply as standardized products?

8 A. While delivery of these products follows very
9 rigorous standards, the supply product can vary
10 a great deal. For the residential class,
11 Niagara Mohawk is limited to providing a
12 residential product that is hedged to a degree
13 monitored by the Commission; because the rate is
14 not 100% hedged it varies month to month to a
15 small degree based on market prices. ESCOs are
16 free to offer variable rates, fixed rates, rates
17 indexed to commodity prices, and supply sourced
18 from renewable or low carbon sources. ESCO
19 supply products can include a wide range of
20 hedging options to control the variation in the
21 price, various percentages of renewable power,

1 value added services, and perhaps other benefits
2 like frequent flyer miles. ESCOs may try to use
3 such options to differentiate their supply
4 options from the Niagara Mohawk supply option
5 and the offerings of other ESCOs. These
6 different supply options can be thought of as
7 their own smaller markets. ESCOs' supply
8 options can bring additional value to customers,
9 but the range of options can make it difficult
10 for customers to compare supply options because
11 not all the options are alike. The more
12 differentiated supply options are, the less
13 substitutable they are with one another.

14 Q. Does the New York residential electric market
15 have a lot of supply product choices?

16 A. Yes. The 2011 Annual Baseline Assessment of
17 Choice in Canada and the United States
18 (ABBACCUS) Report, an annual assessment of
19 restructured electricity markets, found that
20 there were 74 electric supply products available

1 to residential customers in New York. This is
2 second only to Texas with 246 product offerings.

3 Q. Why is this important?

4 A. With so many choices it is important that
5 customers have some way to compare these
6 choices. If the cost, in terms of effort by
7 consumers, of comparing these choices is more
8 than the perceived value to consumers of
9 alternative supply choices, customers may not
10 choose to investigate alternative supply
11 options. For example, if instead of prominently
12 displaying the price of gasoline, gas stations
13 made customers ask the attendant to learn the
14 price of gas. This would drive up the cost of
15 gaining information about competing products and
16 cause customers to do less price comparison
17 shopping. Less shopping means less discipline
18 of the market to weed out high priced or low
19 quality suppliers.

1 Q. Are the residential electric and natural gas
2 markets in New York characterized by easy entry
3 and exit for suppliers and customers?

4 A. Suppliers face regulations and requirements from
5 the Department of Public Service, New York
6 Independent System Operator, and Niagara Mohawk
7 in order to enter or exit Niagara Mohawk's
8 service territory; however, we would not
9 consider these regulations and requirements
10 onerous. The 2011 ABACCUS report found that New
11 York had the second highest number of retail
12 suppliers making offers to residential
13 customers, 35, second only to Texas at 42. It
14 is clear that suppliers are not significantly
15 restricted from entering or exiting the market.

16 Q. How would you characterize the level of
17 information that buyers and suppliers have about
18 market prices and the nature of energy supply
19 products?

20 A. This is not a very transparent market. It is
21 hard for consumers to know and compare prices of

1 energy. It is not like the market for gasoline
2 where suppliers are located around the community
3 and their price per unit is clearly displayed.
4 There are no price tags attached to the
5 electrons flowing into customers' homes. Many
6 times energy consumers don't know the price of
7 that energy supply until a month after they have
8 already consumed the energy and received a bill
9 from their supplier. The Commission's website,
10 Power to Choose, www.newyorkpowertochoose.com,
11 does allow customers to see the utilities' rate
12 and the various ESCO offers. But not all
13 customers have access to the internet and not
14 all customers are aware of the Power to Choose
15 website.

16 Q. Does the Power to Choose website offer a tool to
17 provide the price transparency that is vital to
18 a competitive market?

19 A. The Power to Choose website only provides
20 current prices, many of which are variable and
21 not guaranteed to prevail in the future. The

1 website does not provide information on how the
2 ESCO prices have compared to utility rates over
3 time. It would take a great deal of effort for
4 any given customer to track utility and ESCO
5 rates over time to calculate the difference in
6 prices. Remember that in order to obtain a well
7 functioning competitive market; it is important
8 that the cost to consumers of obtaining
9 information about prices be kept low so as not
10 to discourage shopping.

11 Q. If a customer didn't have access to the internet
12 at home, couldn't the customer just go to the
13 public library and research the prices offered
14 by ESCOs?

15 A. Yes, a customer could go to the library to
16 access the internet. But if the cost of
17 searching for product information and pricing is
18 greater than the predicted marginal benefit, a
19 rational shopper will avoid investigating their
20 option. To the extent the cost to the customer
21 of searching for product information is high,

1 customers will tend to do little or no
2 investigation.

3 **Recommendations**

4 Q. Do you have any recommendations to enhance the
5 information available to residential ESCO
6 customers that would help the energy market be
7 more transparent and thus more competitive?
8 A. Yes. We recommend that Niagara Mohawk provide
9 basic information to ESCO customers concerning
10 the amount that the customer would have been
11 billed if he/she had purchased commodity from
12 the utility. This recommendation is intended to
13 provide ESCO customers with facts that they can
14 use in making their energy supply purchase
15 decisions, including helping ESCO customers
16 determine what they are implicitly paying for
17 value added services. Providing this
18 information to ESCO customers is expected to
19 enhance the ability of consumers to understand
20 the benefits or costs which result from their
21 choice to buy from ESCOs. Customers will more

1 easily be able to judge whether the prices they
2 are paying their ESCOs are reasonable for the
3 services they obtain from their ESCOs. By
4 Niagara Mohawk providing the information to
5 customers, this reduces the cost to customers of
6 obtaining this information. This makes the
7 market for ESCO products more transparent and
8 competitive.

9 Q. Would such a comparison of the ESCO's prices
10 versus the utilities price disadvantage ESCOs
11 that offer value added services since this could
12 cause their price per unit of energy to be
13 greater than utility's price per unit of energy?

14 A. No, if the ESCO is offering the consumer a
15 product that the consumer values- like a fixed
16 rate, a rate with different hedging from the
17 utility, a rate with no hedging, green energy,
18 furnace maintenance, or frequent flyer miles-
19 the comparison simply helps the customer
20 understand the additional price that the
21 customer is paying, if any, for the value added

1 services. Customers that believe the extra
2 price is worth paying to receive the value added
3 services will continue their purchases of supply
4 that has those services. Customers that find
5 the extra cost to be too high, will either
6 discontinue service from that ESCO or will seek
7 other ESCOs that offer similar products at
8 better prices. Customers can purchase value
9 added services only from ESCOs, so customers
10 would have to do further investigation with
11 other ESCOs to see if the price of their value
12 added services is competitive. It is this act
13 of shopping around for products that polices the
14 market for over priced products. Efficient
15 ESCOs should welcome comparisons to the utility
16 product, because they can provide value added
17 products at a competitive price. Many ESCOs
18 make representations of their products versus
19 the incumbent utility's product, so the
20 comparison simply provides a method to verify

1 ESCO representations after the customer has
2 signed up with an ESCO.

3 Q. Please explain the information that you
4 recommend should be presented to residential
5 ESCO customers.

6 A. We recommend that Niagara Mohawk provide
7 residential ESCO customers with clear, accurate
8 information concerning the amount that they
9 would have been billed had energy been purchased
10 from the utility, and the difference between
11 that amount and what the ESCO customer was
12 actually billed. In calculating the charges
13 that the customer would have incurred had the
14 ESCO customer purchased commodity from the
15 utility, Niagara Mohawk should accurately
16 reflect all taxes, surcharges and other
17 adjustments that would have been applicable on
18 both delivery and supply, had the ESCO customer
19 been a full service utility customer in the
20 applicable time period. Niagara Mohawk should
21 present all such information to customers in a

1 fair and unbiased manner, as we will explain
2 later.

3 Q. In what form should this information be
4 presented to residential ESCO customers?

5 A. We recommend that Niagara Mohawk deliver this
6 factual information to customers in three ways:
7 printed on its monthly consolidated bills,
8 through a web-based historical utility bill
9 calculator, and printed on any notice of
10 termination or notice of deferred payment
11 agreement, or DPA, default.

12 Q. Please elaborate on your first recommendation
13 concerning information on Niagara Mohawk's bill.

14 A Niagara Mohawk should print on its monthly
15 consolidated bills for residential ESCO
16 customers, the following information for both
17 the current billing period and the most recent
18 12-months: the amount the ESCO customer was
19 actually billed; the amount that the ESCO
20 customer would have been billed had energy been

1 purchased from the utility; and the difference
2 between the two.

3 Q. Please explain your second recommendation
4 regarding a historic utility bill calculator for
5 residential ESCO customers.

6 A. We recommend that Niagara Mohawk develop and
7 implement a web-based historic utility bill
8 calculator for residential ESCO customers to
9 whom Niagara Mohawk issues consolidated bills.
10 This tool would reside on Niagara Mohawk's
11 website in a location that is easily accessible
12 by residential ESCO customers. It should be
13 designed so that after the customer enters
14 his/her account number, a table is produced with
15 rows representing each of the last 12 months,
16 and columns representing the total amount
17 charged to the ESCO customer, the amount of
18 total charges that would have been applicable if
19 the customer was a full-service utility
20 customer, and the difference between those two
21 amounts. The tool would also present the total

1 of those amounts over the 12-month period. The
2 tool should be available for both electricity
3 and natural gas ESCO customers.

4 Q. Why is it important to provide 12 months of
5 data?

6 A. Many of the ESCOs provide fixed rate or hedged
7 products, the value of these products is only
8 seen over time. If a customer purchases a one
9 year fixed price, it is important to look at
10 that rate's performance over time to see its
11 true value. A fixed rate may appear over priced
12 during some months, but over 12 months provide
13 good value to customers.

14 Q. Please explain your third recommendation, that
15 the information should be printed on any notice
16 of termination or notice of deferred payment
17 agreement default.

18 A. The Public Service Law specifically allows an
19 ESCO customer to end a suspension by paying the
20 lesser of actual charges or the equivalent
21 bundled service charges; however, there is

1 currently no easy way for customers to obtain
2 the equivalent bundled service charge or compare
3 these amounts. Thus, Niagara Mohawk should
4 deliver comparative bill information to
5 residential ESCO customers who have received a
6 notice of service termination or DPA default
7 right on that notice.

8 Q. Should this information be provided at any other
9 times or places?

10 A. Yes. On calls from ESCO customers complaining
11 about high bills or seeking alternative payment
12 arrangements, the Company should inform the
13 customer that the Company will send the customer
14 the personalized historical utility bill
15 comparison information that is produced from the
16 web-based historical utility bill calculator.
17 In addition, we recommend that the Company
18 provide a letter containing the bill comparison
19 information, as soon as practical, to all ESCO
20 customers participating in low-income assistance
21 programs and all residential ESCO customers on

1 deferred payment arrangements. This is intended
2 to provide comparative billing information to
3 customers that are most vulnerable to service
4 termination.

5 Q. Is there a reason that low income and payment
6 troubled customers need special protection?

7 A. Yes. Low income customers are less likely to
8 have computers or internet service at home, and
9 therefore may not have the resources to do
10 internet research easily and cost effectively.
11 Furthermore, energy costs are a
12 disproportionately larger share of low income
13 household expenses. All electric and gas
14 utilities in the state, including Niagara
15 Mohawk, have affordability programs meant to
16 assist them. These programs, which are funded
17 by all ratepayers, should spend money wisely.
18 It is therefore especially important that
19 customers participating in these programs have
20 sufficient information to make informed choices

1 regarding their selection of ESCO supply
2 options.

3 Q. Please elaborate on your statement that all
4 comparative billing information should be
5 presented to customers in an unbiased manner.

6 A. The information that we recommend Niagara Mohawk
7 provide to its customers through each of the
8 three vehicles described above is factual. Such
9 information should be presented by Niagara
10 Mohawk in a manner that makes no judgment about
11 the superiority of either the utility or ESCO's
12 product.

13 Q. How do you propose this be done?

14 A. Drafts of all materials accompanying the
15 comparative billing information, including bill
16 inserts, web pages, letters, and scripts for use
17 by call-center staff, should be subject to the
18 review and approval of Director of the
19 Department's Office of Consumer Policy.
20 Competitively-neutral explanations of the
21 comparative billing information should be in

1 plain language and readily accessible to
2 customers. Concerning the information printed
3 on consolidated bills of ESCO customers, Niagara
4 Mohawk should include a bill insert explaining
5 the new information as part of the first bill in
6 which this information is available and at least
7 annually thereafter. Explanatory information
8 should also be readily accessible on the
9 Company's website, as a part of existing
10 information that explains Niagara Mohawk's
11 bills.

12 The web-based historic utility bill calculator
13 should also include competitively-neutral
14 explanations of the tool. Similarly, the
15 information provided by utility representatives
16 to low-income and payment-troubled ESCO
17 customers, including letters to be sent to
18 customers and scripts to be used by utility call
19 center staff, should be presented in an unbiased
20 manner.

1 All such information should clearly state that
2 the ESCO product may be more expensive in
3 instances if it includes value added services
4 and that customers should contact their ESCOs if
5 they have any questions.

6 Q. Do you recommend that the Commission adopt all
7 of the proposals just described?

8 A. Yes. The approaches are complementary. Because
9 of space limitations on utility bills, the
10 information to be printed on consolidated bills
11 would be limited to data for the most recent
12 month and the total over the past 12 months. In
13 contrast, the web-based bill calculator would
14 provide information for each of the last 12
15 months, and would be available at the customer's
16 convenience. The information we recommend be
17 made available on notices of termination or DPA
18 default is designed to be provided when these
19 customers are making decisions concerning their
20 payment of utility arrears. The information
21 that we recommend be made available to customers

1 with high bill complaints or seeking alternative
2 payment arrangements, and to low-income and
3 payment-troubled customers, is to make such
4 information available to customers who are most
5 vulnerable to having their utility service
6 terminated.

7 Q. Would your recommendation require Niagara Mohawk
8 to incur additional costs, and if so, what is
9 the magnitude of those costs?

10 A. As stated in the response to PULP-108 (in
11 Exh__SAP-3), Niagara Mohawk estimates that the
12 one-time development cost of the web-based
13 historic utility bill calculator, would be from
14 \$400,000 to \$900,000. The Company states that
15 presenting comparative billing information on
16 its bills would add significant, as of yet
17 unquantified, additional costs. We expect that
18 our recommendation regarding information to be
19 provided to low-income and payment troubled
20 customers would result in additional, as yet
21 unquantified, costs.

1 We request that in its responsive testimony,
2 Niagara Mohawk quantify the one-time and on-
3 going costs of our recommendation. The
4 Company's testimony should also include
5 supporting materials for review by Staff.

6 Q. Should these costs be recovered from customers,
7 and if so, how?

8 A. We recommend that, for the costs of these
9 recommendations that the Commission finds
10 reasonable, they be recovered from ESCOs and/or
11 ESCO customers. As explained above, these costs
12 would be incurred to enhance transparency in
13 retail energy markets. The resulting
14 information would benefit ESCO customers and
15 competitive ESCOs. Consistent with fundamental
16 principles of cost causation and recovery, ESCOs
17 and/or their customers, who are both causing
18 these costs to be incurred and who would be the
19 beneficiaries of this information, should fund
20 these expenditures. We recommend a
21 collaborative to begin not more than 60 days

1 after the Commission order to develop the
2 materials and determine how costs will be
3 recovered from ESCOs.

4 Q. Does this conclude your direct testimony at this
5 time?

6 A. Yes, it does.