BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES & TRANSPORTATION COMMISSION, Complainant, v. PUGET SOUND ENERGY, INC. Respondent.	DOCKET NO. UE-072300 and DOCKET NO. UG-072301 (*consolidated*)

BRIEF OF PUBLIC COUNSEL

(POWER COST ONLY RATE CASE ISSUE)

SEPTEMBER 26, 2008

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I. INTRODUCTION

1. While Public Counsel initially agreed to the adoption of the Power Cost Only Rate Case mechanism (PCORC) for Puget Sound Energy, Inc., (PSE) as a part of the settlement in Docket No. UE-011570, after six years of experience, including four PCORC filings, Public Counsel now believes the PCORC is a failed experiment. It has become evident that the mechanism is no longer being used appropriately and is unfairly shifting power cost risk to consumers. For that reason, Public Counsel recommends that the Commission eliminate the PCORC.

2. If the Commission decides that PSE should retain the PCORC, Public Counsel recommends several essential modifications to remedy the flaws in the mechanism.

II. THE PCORC SHOULD BE ELIMINATED

A. Overview.

3. Prior to the PCA Settlement Agreement in Docket No. UE-011570, PSE had two major means of adjusting rates --- through a general rate case or through interim rate relief. The PCA Settlement established not only the PCA, but also the PCORC to deal with power cost fluctuations and as an alternative method of changing rates.

4. The PCORC was defined in the Settlement Agreement as "a periodic proceeding specific to power costs that would true up [PSE's] Power Cost Rate to all power costs identified in the Power Cost Rate. The Company can also initiate a power cost only proceeding to add new resources to the Power Cost Rate."[1] Notwithstanding this broad language, the PCORC was primarily justified because of PSE's expressed "need to deal with increased costs associated with

[1] *WUTC v. Puget Sound Energy*, Docket No. UE-011570 and UG-011571 (consolidated), PCA Settlement, p. 5.

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adding new resources for growth or replacing old low-cost resources."[2] Every PCORC filing has included a new resource addition.

5. In the last PCORC, Docket UE-070565, the Commission approved a Settlement Agreement which included an agreement to establish a stakeholder review of the PCORC process after serious concerns were raised by Staff, Public Counsel, and ICNU regarding the mechanism. This review was to consider the scope and timing of the PCORC process and whether the mechanism should continue. After meeting numerous times in the fall of 2007, the parties were unable to come to an agreement about whether the PCORC should be changed or eliminated.

B. The PCORC is Distorting The Basic Objectives of The PCA.

1. About the PCA.

6. The PCA mechanism compares actual power costs to PCA allowable costs that result from PCA "baseline" per kwh amounts that have been set in a rate proceeding (i.e., a rate case or PCORC filing). If actual power costs are greater or less than the PCA allowable costs, there are several constraining sharing bands that determine customer and Company responsibility for the difference, as follows:

First Band (dead band)	$20 million, plus or minus, annually	100 % of costs or benefits to PSE
Second Sharing Band	$20-40 million, plus or minus, annually	50% of costs or benefits to PSE 50% to customers
Third Sharing Band	$40 -120 million, plus or minus, annually	10 % of costs or benefits to PSE 90% to customers
Fourth Sharing Band	Greater than $120 million, plus or minus, annually	5% of costs or benefits to PSE, 95% to customers

[2] *WUTC v. Puget Sound Energy,* Docket No. UE-011570 and UG-011571 (consolidated, Exh. No. 562 (MRL-2T)(Testimony of Staff witness Merton Lott), p. 13.

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7. The PCA intentionally does not exactly match power revenues and power costs. A fundamental characteristic of the PCA is that not all of the differences between actual and allowable Net Power Costs are either collected or returned. The PCA was established to accomplish four basic objectives, including: (1) to avoid frequent rate changes; (2) to incent the Company to hold down its power costs; (3) to treat customers and the Company symmetrically with regard to risk of changes in power supply costs; and (4) to prevent the Company from experiencing financially problematic under-collections of power costs.[3]

8. While initially approved together, the PCORC and the PCA, in fact, are no longer compatible. As currently employed by PSE, the PCORC significantly interferes with the PCA. As it has worked out, of the four objectives, the only one that has not been thoroughly distorted by the PCORC is the fourth, the avoidance of under-collection. The first three objectives are frustrated by the PCORC because the PCORC makes it easier to frequently increase the PCA baseline, thereby reducing PSE's incentive to minimize power costs, and shifting risk to customers.

9. Analysis provided in the direct testimony of Public Counsel witness, Ms. Lee Smith, shows that without the PCORC there would have been more rate stability, more incentive for the Company to contain its power costs, and more sharing of risk.[4]

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[3] *See WUTC v. Puget Sound Energy,* Docket No. UE-011570 and UG-011571 (consolidated), Supplemental Order: 12, Rejecting Tariff Filing, Approving and Adopting Settlement Stipulation Subject to Modifications and Clarifications, and Conditions; Authorizing and Requiring Compliance Filing (Order No. 12), ¶¶ 22-24 (hereinafter *PCA Order*).

[4] Exh. No. LS-1TC, p.19 (Smith).

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2. There have been excessive rate changes due to the PCORC.

10. In the PCA, Company cost deferral balances can only result in a rate change if the utility share of the divergence from the baseline power cost is comparatively large. By design, the sharing bands and the allowable trigger for rate changes can prevent rates from changing often. However, when the PCORC resets the baseline, rates are changed when the PCA alone would not have allowed a rate change.

11. Whereas the PCA was designed to stabilize rates except when severe variations in costs require prompt cost recovery to protect the financial health of the utility,[5] PSE has nullified this function of the PCA through its use of PCORC. The Company has utilized the PCORC to modify its PCA baseline power charge frequently – in June 2004, November 2005, and again in September 2007.[6] Thus, the PCORC filings have resulted in more rate changes than would have occurred in its absence. As Ms. Smith stated in her testimony, the evidence shows that if the PCORC had been eliminated, three PCORC-initiated rate changes also could have been eliminated, and there would have been, at most, one rate change resulting from the PCA.[7]

12. Without the intervention of PCORCs, there would have been larger Company positive and negative deferrals, but fewer rate changes. The PCA would determine, according to its original design, when the mismatches between revenues and costs resulted in surcharges or credits. The PCA baseline would still have been adjusted, but only at the time of a GRC.

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[5] *See PCA Order,* ¶24 (stating, "the PCA . . . is designed to promote rate stability even in the face of fluctuating power costs").
[6] Exh. No. LS-1TC, p. 16:15-16.
[7] Exh. No. LS-1TC, p.19.

Abolition of the PCORC would result in more stable rates for consumers, allowing the PCA mechanism to serve its intended purpose.

3. The incentive to hold down power costs has been reduced by the availability of the PCORC.

13. The PCA was also designed as an incentive for the Company to minimize costs.[8] In his testimony regarding the original PCA settlement, Mr. Jim Lazar, witness for Public Counsel, stated:

> "The mechanism requires two significant deviations from "normal" power costs before rates would change. First, no costs are deferred for future collection until allowable power costs exceed normalized power costs by at least $20 million...Second, the amount of deferred power costs must reach $30 million before a surcharge is triggered. Given the sharing mechanism, power costs would have to exceed normal levels by a total of about $62 million before a surcharge would be triggered. This is likely to be relatively infrequent." [9]

14. However, the PCORC has significantly reduced this incentive if not removed it entirely. PSE has less reason to contain power costs if it can easily modify the allowable amount of power costs, which is exactly how the PCORC has been employed. The PCORC mechanism has allowed the Company to increase, with little delay, its baseline PCA rate to reflect higher power costs, which under the PCA might fall within the sharing bands and require the Company to absorb at least a portion of these costs. Instead, with the PCORC, PSE can simply set a new benchmark. There is clearly less pressure to contain power costs if the allowable amount of power costs can be so easily modified.

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[8] *See PCA Order,* ¶ 22.
[9] *WUTC v. Puget Sound Energy,* Docket No. UE-011570 and UG-011571 (consolidated), Direct Testimony of Jim Lazar, Exh. No. 551 (JL-T) PCA.

4. The PCORC has been used to shift risk from the Company to customers.

15. The Commission clearly stated in its order approving the PCA that, "[a] PCA mechanism should achieve an appropriate balance between risks to customers and risks to utility shareholders." However, risk has been largely shifted to the ratepayer due to the PCORC. The sharing bands were designed to share risk, as well as cost, between the Company and ratepayers. But, as UTC Staff Witness Mr. Michael Parvinen testified at hearing in this case, resetting the PCA baseline through the PCORC distorts the operation of the PCA because it becomes harder to get into the outer bands of the PCA in which over or under-collections are shared between the Company and customers.[10] The Company's ability to reset the baseline reduces the risk that the Company will not collect enough in rates to cover the power costs and increases customers' risk of overpaying.

16. In the past few years, there has been a major turnaround in PSE's collection of power costs, as even PSE Witness, Mr. John Story noted.[11] From the inception of the PCA in 2001 through June 2005, PSE's recovery of power costs through the PCA baseline tended to be less than the PCA allowable costs. However, since that time, in every PCA period, PSE has collected more in PCA revenues than needed to cover power costs.[12]

17. The entire amount of the Company's over-collections since June 2005 has been retained by the Company. Under the PCA sharing bands, PSE always keeps the first $20 million that is over-collected.[13] The accounting for additional over-collections beyond $20 million per year is

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[10] TR. 611:13-612:6 (Parvinen).
[11] TR. 508:3 (Story).
[12] Exh. No. JHS-27, p. 2 ("Imbalance for Sharing, PCA Period").
[13] "Over-collection" here means that power costs are below the baseline reflected in rates and the PCA. PSE retains these revenues unless refunds are required under the sharing bands.

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shared between the Company and customers, but the customer deferral balance has not risen to a level that results in any refund to customers.

18. In sum, while originally the PCA did result in the Company bearing some risk associated with increasing power costs, it is clear that the Company has reduced, if not eliminated, its own risk at the expense of customers, and PCORC filings have contributed to this outcome. Ultimately, the balance of risk associated with the collection of power costs has been shifted to PSE's customers.

5. There is little likelihood that customers will ever get a benefit resulting from PSE over-collections.

19. A fundamental purpose of the PCA is that it allows customers to share benefits of power cost deviations.[14] However, the evidence shows that customers have not received any benefits from PSE's over-collections to date, and suggests they will not receive future benefits to balance these over-collections.[15]

20. The Company's over-collections from the PCA have been substantial. The Company claims that its over-collections have been due to water flow and colder temperatures.[16] However, in 2007, when PSE over-collected $26.6 million, customers paid an additional $22.1 million as a result of the PCORC order that increased the PCA baseline in September of 2007.[17] Without the PCORC Order, during 2007 the Company would have over-collected $26.6 less $22.1 million, or only $4.5 million. Since neither $26.6 million nor $4.5 million would lead to a credit to

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[14] *See PCA Order*, ¶22.

[15] Mr. Story misspoke when he stated that "the customer is actually getting money back." (TR. 508:6(Story)) In response to additional questioning, he admitted that customers haven't received any rate decrease or refund as a result of the Company over-collection. (TR. 593:17-25 (Story))

[16] TR. 508:3-5 (Story).

[17] Exh. No. LS-1TC, p 18, Table 2, l. 6, 3rd column.

customers, the effect of the PCORC was to increase the Company's over-collection by the full $22.1 million through increasing what customers paid.

21. This significant over-collection appears to be continuing into 2008. Through June 2008, the Company has over-collected $28.9 million.[18] It is highly unlikely that customers will receive any of this over-collection through a rate reduction, as the customer "share" of the imbalance is only $4.4 million, i.e. not enough to trigger a rate reduction.[19] Moreover, the history of the PCORC and the PCA demonstrates that the Company has learned how to over-recover actual power costs through modifying the PCA base rate while keeping the over-recovery below the level that would result in PCA refunds.

22. Customers do not receive any benefit from PSE over-collections unless an accumulated annual customer share increases to greater than $30 million. However, there is almost no chance that that will happen. For instance, in 2007, the customer "share" was only $3.3 million[20] of the total imbalance of negative $26.6 million.[21] This small customer "share" did not result in a credit to customers – the Company simply retained its entire $26.6 million over-collection in 2007.

23. Moreover, the Company has considerable ability to control the customer balance in the PCA through various means, including filing PCORCs. A PCORC can increase the baseline PCA to reduce the possibility of a large under-collection, and it could also reduce the baseline

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[18] Exh. No. JHS-27, p. 2.
[19] Exh. No. JHS-27, p. 2.
[20] Reported in last column of Exh. No. JHS-27, p. 2.
[21] The amount of Company over-collection is found in the Cumulative column under the Difference heading on Exh. No. JHS-27, p. 2.

PCA if the Company's over-collection in a period might be so large as to trigger a credit to customers.

C. Other Concerns About The PCORC.

1. Cost of Capital.

24. The availability of the PCORC allows the Company to manipulate its ratemaking options in order to attain a more favorable result based on whether the cost of equity capital is increasing or decreasing. PSE has the option to file PCORCs (instead of general rate cases) when the cost of equity capital is decreasing, thus retaining the higher rates of return from a previous rate case until the conclusion of the next general rate case. On the other hand, the Company can choose to file a general rate case at any time when equity rates are increasing.[22]

2. The PCORC creates an unnecessary regulatory burden.

25. With the PCORC, in effect, the Company has a total of four mechanisms by which it can change rates: the PCA, the PCORC, a general rate case, and an interim rate case. In less than five years, PSE has filed three PCORC cases, in addition to PCA filings and rate cases.[23] The additional cases resulting from the PCORC filings impose resource burdens on all parties, and on the Commission.[24] The PCORC has also created additional costs for PSE customers. Moreover, it appears that this regulatory burden will not decrease in the near future as PSE has indicated that either a general rate case or a PCORC will be filed every year from 2009 to 2013.[25]

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[22] TR. 612:8-20.
[23] This does not include the additional case that was required to reset the PCA period to a calendar year.
[24] Exh. No. LS-1TC, p.23:4-12.
[25] TR. 560:1-2 (Harris).

26. The additional regulatory burden created by the PCORC is unnecessary. As mentioned above, Ms. Smith performed an analysis that demonstrated that if the Company had not been able to increase its PCA baseline through PCORC cases at all, it would have experienced larger deferrals, but only once would the Company under-collection have risen to a level that might have resulted in a surcharge to customers. This analysis assumed that general rate cases would have been filed at the same time that PCORCs had been filed, and that the power cost estimates arising from those cases would have been fairly accurate. The cases would have taken longer, but would have been adequate to allow the timely recovery of power costs. This process of recovery would have meant that customers would have avoided $63 million more in rate increases due to changes in the PCA baseline resulting from PCORCs.[26]

27. Mr. Story disagreed with the alternative rate path provided by Ms. Smith, but did not provide an alternative analysis.[27] He found it "unlikely" that power costs would equal power revenues for a period after a general rate order, but he agreed that power revenues could actually be greater than power costs after a rate order.[28] This would have meant that the Company's PCA balances would likely have been even more favorable than in Ms. Smith's analysis.

28. In sum, it is reasonable to assume that had there been no PCORCs, the total number of regulatory proceedings would have been lower without the Company experiencing significant financial problems.

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[26] Exh. No. LS-1TC p.19:1-2.
[27] TR 590:6-14 (Story).
[28] TR. 591:20-23 (Story).

D. There Is No Reason to Retain The PCORC.

1. There is no evidence that the PCORC is necessary to prevent financial distress to PSE.

29. The evidence in this proceeding does not demonstrate that continuation of the PCORC is necessary to protect the Company against dire financial outcomes. Without the PCORC, the PCA would perform its intended function of protecting the Company against large under-collections of power costs. If the Company did experience sharp increases in costs and the suspension period of a general rate case was a problem, it could file for interim relief at the outset of the rate case.

30. The Company claims that it will be harmed if it does not have the PCORC because it needs immediate recovery of costs associated with new generating units. However, the Company admits that it can file accounting petitions that allow it to defer costs during the period after it acquires a resource and before the unit is reflected in rates, and accrue a deferred return until it is included in a subsequent rate proceeding, assuming a finding of prudence.[29] PSE Witness, Kimberly J. Harris, did not recall any accounting petitions for deferral that were denied except for its petition regarding Tenaska.[30]

31. Ms. Harris claims in her Direct Testimony that the PCORC was necessary to prevent cash flow problems.[31] However, in testimony before the Commission, she stated that cash flow

[29] Exh. No. KJH-10(a).
[30] TR. p. 856:19-22 (Harris). *See WUTC v. Puget Sound Energy,* Docket No. UE-031725, Order 14. Rejecting Tariff Filing, Authorizing and Requiring Compliance Filing, and Requiring PCA Account Adjustment, ¶93 (discussion of Tenaska).
[31] Exh. No. KJH-1CT p.20.

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constraints had never caused the Company to choose to acquire or not acquire a resource.[32] She also acknowledged that the Company had control over the timing of its rate case filings. PSE has the ability to time GRC filings more closely to its major resource acquisitions. The regular alternating annual schedule projected for GRCs and PCORCs in the Company's business plan does not appear to have any particular connection to specific resource acquisitions.[33]

32. Indeed, the Company's desire to retain the PCORC seems to be that it has more "regulatory certainty"[34] with a PCORC than compared to an order allowing deferral of costs.[35] Without a PCORC, PSE would be able to collect all prudent costs associated with a new unit either in a GRC or, where timing is a problem, through an accounting order (including carrying costs). Instead, it understandably prefers to get recovery more quickly through the PCORC mechanism. "Regulatory certainty," viewed from the customer perspective, in this instance is merely a euphemism for certainty that ratepayers will bear the risk.

2. There is no evidence that the Company would make "wrong" resource decisions if it did not have the PCORC.

33. PSE implies that its resource decisions will be distorted if the PCORC is eliminated.[36] The Company also claims that the PCORC enables it to make correct choices between resources and allows it to make "opportunistic" acquisitions.[37] However, PSE has not provided any indication that it would not make efficient resources decisions if it did not have the PCORC.[38]

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[32] TR. 576:19-21 (Harris).
[33] TR. 560:23-56:13
[34] TR. 568:19-21 (Harris).
[35] However, the only case on the record in which the Company was not allowed recovery of deferred costs is the Tenaska case, a contract that was subject to a prudence review and disallowance in Docket UE-921262. It is a basic tenet of ratemaking that imprudent costs will not be allowed. In this proceeding, recovery was denied because the Commission found the Company's actions had been imprudent (Exh. No. KJH-19, pp. 43-44.)
[36] Exh. No. KJH-1CT, p. 21:1-5
[37] TR. 577:23 - 578:12.
[38] Exh. No. KJH-10, d-f.

Moreover, the Company has never had to choose between acquiring or not acquiring a resource due to cash flow constraints.[39]

34. Without the PCORC, the Company could acquire a new generation unit and request an accounting order to defer the costs for future recovery. It could then file a standard rate case (which, compared to the proposed revisions to the PCORC schedule would only mean deferring recovery, at most, an additional five months). If the Company had financial difficulties resulting from the acquisition, it also has the option of filing a standard rate case along with a request for interim relief. The principal difference is that, without the PCORC, the Commission and parties have more time to evaluate the requested rate relief in a context that considers all costs and revenues, not just power supply costs.

3. PSE does not face increased risk of under-collection in the future.

35. The evidence does not support the Company's claim that its risk of under-collection will get higher as its power supply portfolio changes.[40] Indeed, the opposite is likely to be true. Company testimony indicates that the bulk of its new resources will consist of gas or renewable resources.[41] The risks associated with the former can be addressed through hedging and the risks associated with the latter are overstated. According to PSE witness David E. Mills, the Company is also less subject to volatility in market prices because it has added more purchase power contracts.[42]

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[39] TR. 576:18-23.
[40] TR. 517:5-23.
[41] Exh. No. KJH-1T, p.13:6-11.
[42] TR. 525:11-12 (Mills).

36. For gas resources, the volatility of gas supply can be addressed through hedging of gas supplies. For power purchases, price volatility can also be addressed through a hedging program. The Company has specific organizations, staff, and procedures to manage its hedging strategies.[43] Moreover, the Company has modified its hedging policy several times since 2002 to reduce its dollar risk associated with both purchased power and fuel costs.[44] PCORC filings have reflected both hedged power and hedged gas costs. Mr. Mills noted specifically that all fixed-price short term rate year power costs were included in the modeling of rate year power costs.[45] In addition, allowed general rate case costs include the cost of the hedging program itself.[46]

37. New renewable resources should reduce, not increase, risk associated with power costs. Wind produces energy at essentially zero variable cost.[47] Although Mr. Story testified that wind resources require other resources to be held to support it,[48] merely "holding" resources does not increase variable costs. In fact, the Company has not added resources to support its wind resources, so this assertion is devoid of substance.[49]

4. Single Issue Ratemaking.

38. In the adoption of the PCORC, parties agreed and the Commission recognized that PCORC proceedings would be an exception to the general rule that a company should not be

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[43] Exh. No. DEM-1CT p. 8:9-20.
[44] Exh. No. LS-1TC p. 20:10-16.
[45] Exh. No. DEM-1CT p. 29:18-20.
[46] *WUTC v. Puget Sound Energy,* Docket UE-060266 and UG- 060267(consolidated), Order 08, ¶ 34.
[47] Although there are variable costs associated with wind *integration*, these costs are relatively small. *See* Exh, No.__(JHS-22).
[48] Exh. No. JHS-RT p. 37:17-19.
[49] TR. 589:4-5, 18-24 (Story).

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allowed to file single issue rate cases. This was an issue that parties specifically noted because the PCORC would be such a significant deviation from traditional ratemaking practices.

39. Traditional rate case ratemaking allows a thorough and consistent review of all costs and revenues, affords the utility an opportunity to earn a reasonable rate of return, and provides the utility with an incentive to minimize costs between rate cases. In contrast, single issue ratemaking is normally not permitted and for good reason. It presents an unbalanced view of utility costs and revenues. A single issue case focuses on a single cost or category of costs – always rising costs – and seeks recovery on that basis alone. PSE's excessive use of the PCORC has borne out this initial fear. It has become part of the Company's programmatic ratemaking schedule as opposed to an occasional special purpose filing. Nearly instantaneous cost recovery for isolated categories of company costs is not, and has never been, a tenet of rate of return ratemaking. Yet this unfair and unbalanced approach is the result of the PCORC filings in their current incarnation.

III. IF THE PCORC IS RETAINED, IT MUST BE MODIFIED

40. While Public Counsel urges the Commission to eliminate the PCORC mechanism for the reasons stated above, in the event that the Commission decides to permit PSE to retain the PCORC mechanism, there are four reforms that Public Counsel recommends as essential to limit the use of the PCORC to necessary circumstances.

41. First, a PCORC filing should only be permitted for new resources of 150 MW or more in size. This will work to restrict the use of the mechanism to cases where the new resource will have a large impact on power costs and it is therefore more justifiable to allow the company to

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bring the resource into rates outside a general rate case. It would also bring the mechanism back into line with the primary purpose for which it was intended.

42. Second, the PCORC should be limited to recovery of costs associated with a new resource (of 150 MW or more). Recovery of power costs unrelated to the new resource should be required to be treated under the PCA. This will allow the PCA to work as intended.

43. Third, PSE should only be permitted to "reset" the PCA baseline in a GRC. By not allowing the baseline to be reset in the PCORC, again, the distortion and nullification of the PCA will be minimized.

44. Fourth, a PCORC filing should not be permitted earlier than 12 months after the effective date of a rate change from a prior rate case. If PSE has significant rate needs during that period, including acquisition of a new resource, it can file a GRC. Establishing a short "PCORC moratorium" period after a rate change would serve the rate stability goal of the mechanism as originally adopted, while at the same time, minimizing the single issue ratemaking problem.

IV. CONCLUSION

45. While Public Counsel originally supported the adoption of the PCORC as a way to help PSE deal with the occasional need to accelerate inclusion in rates of major new resources needed to meet load, the PCORC has grown into an unrecognizable creation with unintended and undesirable consequences. As employed by PSE, the PCORC has effectively eliminated the usefulness of the PCA, largely shifting power cost risk to consumers in violation of the goals of the PCA. It has decreased rather than increased rate stability, while costing consumers millions of real dollars that would likely not have been collected under the PCA. As the Company

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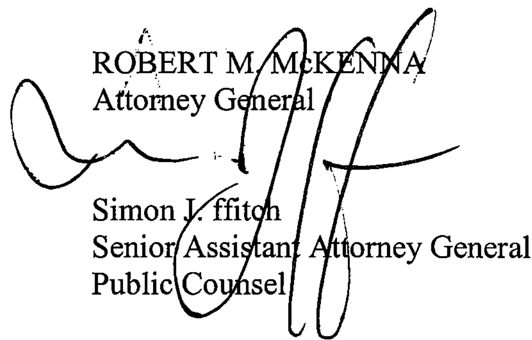
business plan reflects, the PCORC has become a routine way to increase rates and revenue, rather than a special purpose vehicle to be used in unique circumstances.

46. The PCORC has many advantages for PSE, including the ability to process what amounts to a major rate case on a far shorter time line, without enduring scrutiny of its full financial picture. The short timelines of the PCORC, however, seriously stretch the ability of Public Counsel, Commission Staff and other interveners to adequately review the filings, notwithstanding the significant amounts at stake.

47. PSE has reasonable options. It can bring major new resources into rates in a general rate case, as it has done for decades. If it needs to file for deferral of new resource costs for short periods prior to the GRC filing, it has that option.

48. For all these reasons, the PCORC has outlived its usefulness and should be eliminated.

49. DATED this 26th day of September, 2008.



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