

**TABLE OF CONTENTS TO THE TESTIMONY OF
BRADLEY G. MULLINS**

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EXHIBIT LIST

- Exhibit No.__(BGM-2)—Qualification Statement of Bradley G. Mullins
- Exhibit No.__(BGM-3)—Exhibit Filing Excerpts from Docket UE-130043
- Exhibit No.__(BGM-4C)—Company Responses to Club Data Requests
- Exhibit No.__(BGM-5C)—Club Letter Proposing Facilities Sale

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Bradley G. Mullins, and my business address is 333 SW Taylor Street, Suite
4 400, Portland, Oregon 97204.

5 **Q. PLEASE STATE YOUR OCCUPATION AND ON WHOSE BEHALF YOU ARE**
6 **TESTIFYING.**

7 A. I am an independent consultant representing utility customers located throughout the
8 western United States. I am appearing on behalf of the Walla Walla Country Club (the
9 “Club”), which is served by Pacific Power & Light Company (“Pacific Power” or the
10 “Company”).

11 **Q. PLEASE SUMMARIZE YOUR EDUCATION AND WORK EXPERIENCE.**

12 A. I received Bachelor of Science degrees in Finance and in Accounting from the University
13 of Utah. I also received a Master of Science degree in Accounting from the University of
14 Utah. After receiving my Master of Science degree, I worked at Deloitte Tax, LLP,
15 where I was a Tax Senior providing tax consulting services to multi-national corporations
16 and investment fund clients. Subsequently, I worked at PacifiCorp Energy as an analyst
17 involved in regulatory matters primarily involving power supply costs. I began
18 performing independent consulting services in September 2013 and currently provide
19 regulatory and economic consulting services to utility customers. A further description
20 of my educational background and work experience can be found in Exhibit
21 No.__(BGM-2).

1 **Q. WHAT TOPICS WILL YOUR TESTIMONY ADDRESS?**

2 A. My testimony addresses matters related to the Company’s Net Removal Tariff, as
3 contained in Rule 6 of Pacific Power’s General Rules and Regulations for Washington
4 (“Rule 6”).

5 **Q. ARE OTHER WITNESSES SUBMITTING TESTIMONY ON BEHALF OF THE**
6 **CLUB IN THIS PROCEEDING?**

7 A. Yes. Club Exhibit No.__(JCT-1T) contains the Complainant Testimony of Mr. Jeffrey
8 C. Thomas, who in his capacity as Club General Manager will discuss issues related to
9 electric service facilities located on Club property. In addition, Club Exhibit
10 No.__(DJM-1CT) contains the Complainant Testimony of Mr. David J. Marne, P.E.,
11 who will discuss issues related to the National Electric Safety Code (“NESC”) and safety
12 standards associated with permanent disconnection.

13 **Q PLEASE PROVIDE AN OVERVIEW OF YOUR TESTIMONY.**

14 A. My testimony provides an overview of the proper implementation of Rule 6 as applied to
15 the Club’s request for permanent disconnection. Specifically, I demonstrate that, in the
16 absence of safety or operational reasons, nothing in the Net Removal Tariff requires the
17 Company to remove all of its facilities from Club property and damage the Club’s golf
18 course property in the process. Rather, it would be in the public interest for the Company
19 to transfer ownership of the facilities to the Club at a price equal to net book value.

TABLE 1
Net Removal Tariff Formula

ln	
1	+ Actual Cost of Removal
2	+ Net Book Value
3	- Salvage Value
4	= Net Removal Tariff Charge

1 **Q. WHEN WAS THE NET REMOVAL TARIFF APPROVED?**

2 A. The Washington Utilities and Transportation Commission (“WUTC” or the
3 “Commission”) approved the Net Removal Tariff in 2002, including the “safety or
4 operational reasons” precondition.^{5/} The relevant Rule 6.I. section approved in 2002 is
5 virtually identical to the current Net Removal Tariff, with the only difference being that
6 the section originally contained the word “distribution” to describe “facilities.”^{6/}

7 **Q. DOES THE NET REMOVAL TARIFF MANDATE THAT FACILITIES BE**
8 **REMOVED IN ALL CIRCUMSTANCES?**

9 A. No. Given the plain language of this rule—that a customer is required to pay facility
10 removal costs “only” if certain preconditions exist—the Net Removal Tariff does not
11 mandate removal of all facilities that provide service to the customer. The Net Removal
12 Tariff requires the Company to remove only those facilities that, pursuant to a request for
13 permanent disconnection: 1) need to be removed for safety or operational reasons; 2)

^{5/} WUTC v. PacifiCorp, Docket UE-001734, Eighth Suppl. Order at ¶ 95 and App. A (Nov. 27, 2002).

^{6/} Compare id. (“Customer shall pay to Company the actual cost for removal less salvage of only those *distribution* facilities that need to be removed for safety or operational reasons, and only if those facilities were necessary to provide service to Customer”) (emphasis added), with Rule 6.I.1 (“Customer shall pay to Company the actual cost for removal less salvage of only those facilities that need to be removed for safety or operational reasons, and only if those facilities were necessary to provide service to Customer”).

1 were necessary to provide service to the customer; and 3) are not located on a public right
2 of way.^{7/}

3 **Q. IS A CUSTOMER REQUIRED TO PAY FOR FACILITIES THAT ARE NOT**
4 **REMOVED PURSUANT TO THESE CRITERIA?**

5 A. No. Charges under the Net Removal Tariff only apply to facilities that are actually
6 removed as a result of a customer request for permanent disconnection. Thus, if a piece
7 of equipment does not meet one of these criteria—for instance, if there is no safety or
8 operational reason that it must be removed—the Company has no basis to impose a
9 charge under the Net Removal Tariff to remove it.

10 **Q. HOW DID THE COMPANY DEFINE “SAFETY OR OPERATIONAL**
11 **REASONS” WHEN THE NET REMOVAL TARIFF WAS APPROVED?**

12 A. When the Commission originally approved the Net Removal Tariff, the Company
13 explained its “reasoning for proposing implementation of net removal cost charges” in
14 testimony.^{8/} In terms of “safety” reasons, the Company explained that removal was
15 necessary to avoid the danger related to duplicative facilities: “Certain facilities should
16 be removed to avoid placing electric supplier employees and public safety personnel such
17 as firemen in a potentially harmful situation where duplicative electric distribution
18 facilities are present; some energized, some not.”^{9/} Regarding “operational concerns,”
19 the Company explained:

20 The reason to impose such costs on departing customers is that
21 these persons cause PacifiCorp to incur the removal costs. The
22 Company believes that it is not fair or reasonable that PacifiCorp
23 be required to absorb such net removal costs or to have an

^{7/} Rule 6.I.1.

^{8/} Exh. No.__(BGM-3) at 5-6 (Rebuttal of Clemens at 4-5).

^{9/} Id. at 5 (Rebuttal of Clemens at 4).

1 annualized net removal expense incorporated into rates under
2 which remaining customers would shoulder the burden of the
3 removal costs incurred. PacifiCorp maintains that it is sound
4 regulatory policy to impose such costs on the departing
5 customers.^{10/}

6 **Q. ARE THERE CIRCUMSTANCES WHEN THE COMPANY SHOULD HAVE AN**
7 **OBLIGATION NOT TO REMOVE CUSTOMER FACILITIES?**

8 A. Yes. In a circumstance when the Company can transfer the facilities to the customer at a
9 purchase price that would hold it harmless relative to the Net Removal Tariff, the
10 Company should have an obligation not to remove the facilities and to pursue the transfer
11 of the facilities in order to mitigate the impact of the Net Removal Tariff on the departing
12 customer. Provided that the transfer price equals the net amount of revenues that the
13 Company would have otherwise recovered under the Net Removal Tariff, neither the
14 Company nor its remaining customers will be aggrieved in any way as a result of the
15 transfer. In addition, if it is more economical for the departing customer to effectuate a
16 transfer, then it is in the interest of both the Company and the customer to transfer the
17 facilities, rather than to engage in economically wasteful, and arguably unreasonable,
18 activities of removing the facilities. Thus, to the extent that customer losses can be
19 avoided through a transfer at no cost to the Company, then it is in the public interest that
20 the transfer occurs.

^{10/} Id. at 6 (Rebuttal of Clemens at 5); accord Exh. No. ___(BGM-4C) (Company Response to Club Data Request (“DR”) 008).

1 **Q. AT WHAT PRICE IS THE COMPANY INDIFFERENT BETWEEN**
2 **TRANSFERRING THE CUSTOMER FACILITIES AND THE NET REMOVAL**
3 **TARIFF?**

4 A. The transfer price at which the Company is indifferent relative to the Net Removal Tariff
5 is equal to the net book value of the departing customer facilities. This is intuitive, as the
6 additional cost of removing the facilities, as well as the additional proceeds from salvage,
7 will be avoided, leaving the net book value as the only remaining Net Removal Tariff
8 item that must be recovered through the sale. An illustration of this concept is detailed in
9 Table 2, below.

TABLE 2
Illustration of Company Net Revenues Under Net Removal Tariff

<u>ln</u>		Net Removal Tariff Revenues	Removal Costs	Net Revenue
1	Removal Cost	\$ 86,000	\$ (86,000)	\$ -
2	Net Book Value	20,000	-	20,000
3	Salvage Value	(2,000)	2,000	-
4	Total	\$ 104,000	\$ (84,000)	\$ 20,000

10 **Q. HOW DOES TABLE 2 DEMONSTRATE THAT THE COMPANY WILL BE**
11 **INDIFFERENT IF IT TRANSFERS THE FACILITIES AT NET BOOK VALUE?**

12 A. In this example, by transferring the facilities to the customer, the Company will forego
13 \$104,000 in revenue pursuant to the Net Removal Tariff, but will also avoid \$84,000 in
14 costs related to removing and salvaging the facilities. Thus, net book value, in this case
15 \$20,000, is the only remaining revenue component of the Net Removal Tariff for which
16 the Company receives no compensation when the facilities are transferred. Thus, to the
17 extent that the Company is capable of selling the facilities for an amount equal to net

1 book value, the Company and its customers will be indifferent relative to the Net
2 Removal Tariff.

3 **Q. HOW IS NET BOOK VALUE DETERMINED UNDER THE TARIFF?**

4 A. For purposes of the Net Removal Tariff, the same accounting conventions used to
5 establish rate base in a general rate proceeding should be used for the net book value
6 calculation in the Net Removal Tariff Calculation, including the treatment of
7 contributions in aid of construction or line extensions. That is, the line extension amount
8 must be deducted when calculating the net book value component of the removal charge,
9 because it would be unfair to charge a customer a line extension, only to charge the
10 customer a second time when the same facilities are removed.

11 **Q. ARE THERE ADDITIONAL COSTS THAT NEED TO BE ADDRESSED IN A**
12 **TRANSFER?**

13 A. Yes. In addition to the net book value, to the extent that ownership in the facilities is
14 transferred, there may be additional labor charges necessary to effect permanent
15 disconnection, such as the costs associated with meter removal and the disconnection of
16 wiring and hardware used in providing electric service to the departing customer. These
17 costs should be reimbursed by the departing customer.

18 **Q. WHY ARE THESE CONSIDERATIONS IMPORTANT IN THIS PROCEEDING?**

19 A. The Club has been willing to take ownership of the facilities in question in this
20 proceeding. Thus, there is no reason established in the Net Removal Tariff that requires
21 the Company to undertake invasive and costly deconstruction activities on the golf course
22 property in order to remove the facilities. Rather, to the extent that the transfer of

1 ownership is based on a price that will hold the Company harmless relative to the Net
2 Removal Tariff, it is in the public interest that the transfer occur.

3 **III. APPLYING THE NET REMOVAL TARIFF TO THE CLUB REQUEST**

4 **Q. HOW DID THE COMPANY APPLY THE NET REMOVAL TARIFF TO THE**
5 **CLUB'S REQUEST FOR PERMANENT DISCONNECTION?**

6 A. The facts surrounding the Club's request for permanent disconnection can be found in the
7 Complaint, and it is not necessary here to restate various interactions between the Club
8 and the Company that have occurred over the past three years. Notwithstanding, it is
9 clear from these interactions that the Company has not properly applied the Net Removal
10 Tariff in responding to the Club's request for permanent disconnection. The Company
11 has taken the position that the facilities located on the Club's premises must be removed
12 or in the alternative that the Club must purchase the facilities for the full removal cost,
13 well above the net book value required under the tariff.^{11/}

14 **Q. WHY HAS THE COMPANY CLAIMED THAT THE CLUB FACILITIES MUST**
15 **BE REMOVED?**

16 A. When asked directly if the Company removes facilities in response to a disconnection
17 request in a situation where "there is no safety or operational reason to remove the
18 facilities," the Company answered: "Pacific Power has concluded that when a customer
19 requests a permanent disconnection, safety and operational reasons necessitate removal
20 of the facilities."^{12/} By this construction, the Company operates under the assumption
21 that removal is necessary *in all circumstances*, and, in so doing, is not in compliance with

^{11/} E.g., Complaint of the Walla Walla Country Club ("Complaint"), Exh. E.
^{12/} Exh. No.__(BGM-4C) (Company Response to Club DR 031).

1 the Net Removal Tariff, which requires a departing customer to pay for removal “only” if
2 safety or operational reasons exist.

3 **Q. WHY IS THIS INCONSISTENT WITH THE NET REMOVAL TARIFF?**

4 A. The Company “ultimately concluded that safety *and* operational reasons exist
5 necessitating the removal of facilities in *each* circumstance of a request for permanent
6 disconnection.”^{13/} This blanket removal policy is not, however, what the Commission
7 approved through the Net Removal Tariff, nor is it consistent with the Company’s
8 obligation to mitigate the costs incurred by customers as a result of requesting to be
9 disconnected from the system. In 2002, when approving the Net Removal Tariff, the
10 Commission stated:

11 PacifiCorp must charge the rates published in its tariffs. *RCW*
12 *80.28.080*. Tariffs cannot be changed except by following
13 statutory notice procedures. *RCW 80.04.130*. PacifiCorp has a
14 statutory obligation to serve all those reasonably entitled to service.
15 PacifiCorp cannot unduly discriminate among customers or
16 provide unreasonable preferences. *RCW 80.28.090, .100, and*
17 *.110.*^{14/}

18 Thus, by not fairly applying the tariff, it does not appear that the Company is
19 complying with the Commission order approving the Net Removal Tariff, or the statutes
20 referenced in the above block quote.

21 **Q. DO SAFETY OR OPERATIONAL ISSUES EXIST IN ALL CIRCUMSTANCES?**

22 A. No. It is not a given fact that safety or operational issues exist in all circumstances,
23 requiring removal of all facilities on a customer’s premises. If it were, there would be no
24 reason for the tariff to contain language limiting reimbursement to scenarios involving

^{13/} Exh. No.__(BGM-4C) (Company Response to Club DR 030) (emphasis added).

^{14/} Docket UE-001734, Eighth Suppl. Order at ¶ 56, n.3.

1 safety or operational issues. Moreover, the Company has abandoned facilities on
2 multiple occasions involving permanent disconnections, including instances in which
3 1200 feet or more of underground conductors were abandoned rather than removed.^{15/}
4 Such practice is consistent with relevant Company policy, as stated contemporaneously in
5 the Company's 2013 general rate case: "*even if there is a safety or operational issue, the*
6 *Company may negotiate with an individual customer to leave certain facilities in place*
7 *provided the customer agrees to purchase and assume liability for those facilities. The*
8 *amount to be paid for the facilities would be negotiated with the customer.*^{16/}

9 In addition, the Company, as the one seeking reimbursement, must bear the
10 burden of demonstrating that safety or operational issues do, in fact, exist in order to
11 receive payment under the Net Removal Tariff. Accordingly, the Company's policy of
12 demanding removal without conclusively demonstrating on a case-by-case basis that
13 safety or operational issues exist is not in compliance with the Net Removal Tariff and
14 should not be permitted by the Commission.

15 **Q. DID THE COMPANY IDENTIFY ANY SPECIFIC SAFETY REASONS THAT**
16 **REQUIRE REMOVAL OF FACILITIES ON CLUB PREMISES?**

17 A. No. I have not been able to identify any attempt on the Company's part to explain any
18 specific safety reasons necessitating removal of facilities on Club premises, other than the
19 blanket statements detailed above. Further, as explained in the testimony of Messrs.
20 Thomas and Marne, the Club's permanent disconnection from Company service would

^{15/} See Re PacifiCorp, Docket UE-132182, PacifiCorp's Report on Permanent Disconnection and Removal of Facilities under Schedule 300 and Rule 6, Required by Order 04 in Docket UE-130043, Attachment D (Nov. 27, 2013).

^{16/} Exh. No.__(BGM-3) at 7 (Docket UE-130043, Exh. No.__(PLT-7) at 36) (emphasis added).

1 not, in fact, implicate dangers associated with duplicative facilities or any safety concerns
2 related to the NESC.

3 **Q. HAS THE COMPANY DEMONSTRATED OPERATIONAL REASONS THAT**
4 **REQUIRE REMOVAL OF FACILITIES ON CLUB PREMISES?**

5 A. No. My understanding is that the Commission approved the Net Removal Tariff
6 following Company testimony stating that removal charges would be necessary in order
7 to avoid burdening remaining customers with removal costs, or requiring the Company
8 itself to “absorb” the net book value of removed facilities. The Club’s request for
9 permanent disconnection, however, has never implicated this or any other operational
10 concern, as the Club has reasonably offered to pay the Company an amount equivalent to
11 the net book value in order to assume ownership of the facilities. The Company,
12 however, rejected the Club’s payment.

13 **Q. PLEASE EXPLAIN.**

14 A. In December 2012, the Club tendered an amount of \$19,581 that had been requested by
15 the Company in order to complete the disconnection.^{17/} This was nearly equivalent to the
16 Company’s net book value calculation of \$19,877, provided immediately after the
17 disconnection payment had been tendered.^{18/} Moreover, the Club was willing to pay the
18 additional \$296, as evinced by repeated offers to pay “the reasonable value” for the
19 facilities in question.^{19/}

20 Notwithstanding, the Company rejected the Club’s payment, demanding that the
21 facilities either: 1) be removed through invasive and expensive deconstruction activities

^{17/} Complaint at ¶¶ 11, 13.

^{18/} Complaint, Exh. D at 3.

^{19/} Complaint, Exh. G.

1 on the golf course property; or 2) be transferred through a sale for \$66,718—a price 74%
2 more than the original cost of the facilities.^{20/} The Company conducted no actual
3 analysis in deriving the sale offer, conceding that it “simply concluded the cost of
4 removal would be a fair value.”^{21/}

5 **Q. HAS THE CLUB ISSUED A MORE RECENT OFFER ON THE FACILITIES?**

6 A. Yes. On June 19, 2015, the Club again offered to reimburse the Company for the net
7 book value of the facilities, plus reasonably negotiated labor charges necessary to effect
8 permanent disconnection.^{22/} While the Company has yet to respond to the Club’s offer, it
9 is clear that the Club intends to hold the Company, and its customers, harmless relative to
10 the Net Removal Tariff, eliminating any claim by the Company that operational reasons
11 require an invasive removal process.

12 **Q. WOULD IT BE CONCERNING IF THE COMPANY REJECTED THIS OFFER?**

13 A. Yes. As discussed above, because the offer equals or exceeds the net book value, the
14 Company will be indifferent regardless of whether the facilities are removed or if it
15 accepts the offer. Thus, the only conceivable reason for the Company to continue to
16 insist on these invasive and costly deconstruction activities is to deter the Club from
17 leaving its system, an improper method to try to prevent the Club from taking service
18 from another energy supplier. In fact, a senior Company official admitted Pacific
19 Power’s actual objective of simply preventing the Club from leaving—stating, shortly
20 after the Club tendered disconnection payment, “[REDACTED]

^{20/} Complaint, Exh. E at 2.

^{21/} Exh. No.__(BGM-4C) (Company Response to Club DR 014).

^{22/} Exh. No.__(BGM-5C).

1 [REDACTED]” even when the adoption of a practice would [REDACTED]

2 [REDACTED]”^{23/}

3 **Q. SHOULD THE COMPANY BE ENTITLED TO RECOVER ANY COSTS UNDER**
4 **THE NET REMOVAL TARIFF IF IT REJECTS A NET BOOK VALUE OFFER?**

5 A. No. The Company should not be entitled to any additional recovery under the Net
6 Removal Tariff if it decides not to accept a net book value offer and, instead, continues to
7 insist on removing the facilities at great cost. Provided that it is being fairly compensated
8 relative to the tariff, it is in the public interest for the Company to take actions to mitigate
9 the damages to the Club in relation to its request for disconnection. It should not have the
10 right to receive reimbursement through the Net Removal Tariff for removing facilities
11 when the disconnection process could have been conducted in a more cost-effective
12 manner.

13 **Q. PLEASE CONTINUE.**

14 A. Where there is no safety or operational reason to remove the facilities, the Company can
15 transfer the facilities to the customer at their net book value. Where there is a liability
16 concern, the Company can require a hold-harmless agreement. Under the Net Removal
17 Tariff, the Company should not construe an obligation to remove the facilities to mitigate
18 the impact of the Net Removal Tariff on the remaining customers.

19 The Company has stated that departing customers should not burden or create
20 expenses for existing customers, contending that departing customer costs need to be
21 recovered upon disconnection. In this matter, the Company has requested the Club pay,
22 in addition to the expenses identified in Table 1 above, the amount of \$66,718 for

^{23/} Exh. No.__(BGM-4C) (Company Response to Club DR 021, Exh. F at PC000093) (emphasis added).

1 removal of the underground conduit and vaults.^{24/} The cost to remove the Club's
2 facilities [REDACTED].^{25/} The payment of \$66,718 is not book
3 value or an amount recovered by Pacific Power's existing ratepayers. [REDACTED]
4 [REDACTED] for removing underground and abandoned facilities.

5 **Q. ON THE ISSUE OF BOOK VALUE, WHAT WAS THE ORIGINAL NET BOOK**
6 **VALUE CALCULATION PERFORMED BY THE COMPANY?**

7 A. In January of 2013, the Company calculated \$19,877 for the net book value of the
8 facilities on the Club premises.^{26/} Because no additional facilities have been installed, the
9 net book value would be expected to decline due to depreciation over the two and a half
10 years since this estimate was performed.

11 **Q. DID THE COMPANY ACCOUNT FOR CONTRIBUTIONS IN AID OF**
12 **CONSTRUCTION IN ITS NET BOOK VALUE CALCULATION?**

13 A. The Company included \$6,881 in contributions in aid of construction related to line
14 extensions as a credit against the net book value calculation.^{27/} The Company, however,
15 has not provided any supporting documentation for its calculation other than a
16 handwritten note on a piece of paper.^{28/} The Company itself stated that it cannot verify or
17 support customer contribution information.^{29/} Consequently, I am unable to determine
18 the accuracy of this value.

^{24/} Complaint, Exh. D at 3.

^{25/} Exh. No.__(BGM-4C) (Company Response to Club DR 009, Exh. B at PC000015).

^{26/} Complaint, Exh. D at 3.

^{27/} Complaint, Exh. D at 4.

^{28/} Exh. No.__(BGM-4C) (Company Response to Club DR 063).

^{29/} See, e.g., Exh. No.__(BGM-4C) (Company Responses to Club DRs 019, 020).

1 **Q. HAS THE COMPANY DEVELOPED A MORE RECENT ESTIMATE OF NET**
2 **BOOK VALUE?**

3 A. Yes. On June 12, 2015, the Company provided a more current estimate of the net book
4 value of the facilities.^{30/} Despite the fact that no new facilities have been installed on the
5 Club's premises since the original estimate was provided in January 2013, the
6 Company's new estimate was \$ [REDACTED]. This was \$ [REDACTED] or approximately [REDACTED] % higher
7 than the original net book value calculation.^{31/} The new net book value calculation
8 appears to contain several errors and inconsistencies, including original cost figures that
9 exceed the same original costs data provided in January 2013. Some of these costs relate
10 to facilities that are several decades old, so the original costs should not have changed
11 between January 2013 and June 2015. Rather, as a result of increased accumulated
12 depreciation, the net book value should have declined materially. Moreover, even the
13 handwritten customer contribution amount in the new calculation differs from the
14 originally stated figure, once more without any explanation or support provided.

15 The Club plans to seek further discovery on such inconsistencies. But, these
16 material inconsistencies seem to suggest that the Company's calculations of net book
17 value are not reliable.

18 **IV. CONCLUSION**

19 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATION.**

20 A. Transferring the facilities to the Club at net book value will provide fair compensation to
21 the Company relative to the Net Removal Tariff. Thus, if it chooses not to accept the

^{30/} Exh. No.__(BGM-4C) (Company Response to Club DR 081, Exh. N at PC000485).
^{31/} Compare id., with Complaint, Exh. D at 4.

1 Club's facilities purchase offer and continues to insist that the facilities be removed at
2 great cost, it should not be entitled to recover any costs from the Club under the tariff.
3 Provided that the Company is being fairly compensated relative to the Net Removal
4 Tariff, the only possible reason for the Company to continue to insist that its facilities be
5 removed through a costly and invasive deconstruction project is to deter the Club from
6 leaving, an improper method for trying to keep a customer. Accordingly, I recommend
7 that the Commission find that it is in the public interest for the Company to transfer the
8 facilities at net book value, plus reasonably negotiated labor charges necessary to effect
9 permanent disconnection, as requested in the Club's June 19, 2015 offer letter.

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 **A. Yes.**