

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19

I. INTRODUCTION AND PURPOSE

Q. PLEASE STATE YOUR NAME, AFFILIATION AND BUSINESS ADDRESS.

A. My name is Ann E. Bulkley. I am a Vice President of Concentric Energy Advisors, Inc. (“Concentric”) located at 293 Boston Post Road West, Suite 500, Marlborough, Massachusetts 01752.

Q. DID YOU PROVIDE DIRECT AND REBUTTAL TESTIMONY IN THIS PROCEEDING?

A. Yes, I did.

Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY?

A. The purpose of my supplemental testimony is to respond to the supplemental testimony of the Department of Public Service Staff Finance Panel (“Staff” or the “Staff Finance Panel”) regarding Staff’s characterization of my testimony with respect to the regulatory rankings provided by Regulatory Research Associates (“RRA”) and Standard and Poors (“S&P”).

Q. IS THE STAFF FINANCE PANEL CORRECT THAT YOUR TESTIMONY CONCLUDES THAT THE NEW YORK COMMISISON’S REGULATORY RANKING IS “BELOW AVERAGE” BASED ON THE ANALYSES PRESENTED IN EXHIBITS__ (AEB-10 AND AEB-11)?

1 A. No, it is not correct. As discussed in my direct testimony, Exhibit__ (AEB-10)
2 demonstrates that the New York jurisdictional ranking based on the RRA
3 rankings is “5.0” which was generally consistent with the proxy group average
4 ranking of “5.26”.¹ Exhibit__ (AEB-11) summarizes the S&P credit supportive
5 rankings. I also recognize that the Commission is included in the Strong/Adequate
6 category of the S&P credit supportive rankings, In my rebuttal testimony,
7 however, I referred back to the analyses prepared in my direct testimony and
8 noted that RRA accorded New York an “Average/2” ranking which is the middle
9 of the RRA ranking system. I also noted that New York was ranked 34th out of
10 53 regulatory jurisdictions in the S&P credit supportiveness rankings, which is
11 below the average in that analysis. My conclusions on this analysis were that
12 these results do not support Staff’s contention that New York regulation makes
13 New York utilities less risky than the comparable group. The New York
14 jurisdictional ranking of 34 is also below the proxy group average ranking of
15 25.57.²

16 **Q. WHY IS IT APPROPRIATE TO APPLY A NUMERICAL RANKING**
17 **FROM “1” TO “53” TO THE COMPANIES IN THE S&P CREDIT**
18 **SUPPORTIVE REGULATORY RANKING?**

¹ See Direct Testimony of Ann E. Bulkley at p. 85.
² Ibid.

1 A. Based on the information provided by S&P, I understand the credit
2 supportiveness matrix used by S&P to classified states into five categories from
3 “Strong” to “Weak” and then rank ordered the states within those categories.
4 Therefore, the federal jurisdiction is classified by S&P as the strongest with
5 respect to credit supportiveness and Mississippi is the weakest. All other states
6 are rank ordered within the five classifications. Therefore, it is appropriate to rely
7 on a numerical ranking from “1” to “53”.

8 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

9 A. Yes.