

From: Miller, Elizabeth
Sent: Wednesday, April 25, 2012 10:35 AM
To: MacLean, Alex; Lofy, Bill; London, Sarah
Subject: FW: Browning: Alternative action re the \$21 m?

Just fyi.

From: Cynthia Browning [mailto:cynthiab@sover.net]
Sent: Wednesday, April 25, 2012 10:33 AM
To: Miller, Elizabeth; Porter, James
Subject: Browning: Alternative action re the \$21 m?

Dear Liz and Jim,

Here is the proposal that I have put forth in terms of resolving the bailout payback issue. I hope there is something there of use. I will continue pushing the amendment. I think that it would be wise for the administration to ask GMP to voluntarily re-open this, then it is not DPS changing a position, they would just be going along with GMP's desire to resolve this.

GMP and DPS should re-open the MOU and put forth something like the proposal below. It will mean that GMP has to come up with the \$21 m upfront, but after the mechanism of re-couping the \$21 m from ratepayers based on the investments done with their original \$21 m this is the only way to recover from proposing such an inequitable arrangement, which was a payback that not only doesn't really pay back but takes more. And they would have had to come up with actual \$\$\$ to give to the weatherization/efficiency programs, so not such a big difference ...

GMP offers all ratepayers a credit on their accounts. There would also be a checkoff box if the ratepayer preferred to donate their payback share to one of the nonprofit Community Action Programs doing efficiency and weatherization for low income people.

Each ratepayer's payback share could be either by ratepayer class --- residential around \$76, commercial several hundred, etc., or just everyone the same -- \$150 each.

The default option would be the account credit. Ratepayers would have to take action to check the donation box for that to happen. The credits and the donations could be rolled out over a period of time.

Ratepayers who chose to donate could get a charitable tax deduction since the organizations are 501c3. GMP would bundle the donations and transmit them to the groups.

GMP could NOT include the cost of the payback in their rate base NOR could they take any charitable tax deduction themselves.

I still have many other concerns about the merger, but it ought to be possible to take steps that could reassure Vermonters and their representatives and senators that there is a better chance that they will get their money back.

Rep. Cynthia Browning, Arlington
802.375.9019
cynthiab@sover.net