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In the Matter of the Petition of Minnesota Power for the Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners

PUC Docket No. E-015/PA-24-198

LIUNA Minnesota and North Dakota ("LIUNA") appreciates the opportunity to offer comments and exceptions to the Report of the Administrative Law Judge in the matter of the petition filed by Minnesota Power concerning the planned acquisition of parent company ALLETE, Inc. by Global Infrastructure Partners ("GIP") and the Canada Pension Plan Investment Board ("CPP") (jointly "The Partners").

Comments on the Proposed Settlement

LIUNA strongly believes that the proposed acquisition was consistent with the public interest within the meaning of Minn. Stat. § 216B.50 before the announcement of a settlement agreement between the Department of Commerce ("Department"), ALLETE and The Partners. The transaction has never been anything more or less than a turnkey sale of a regulated utility holding company from one set of investors to another, with no change in the regulatory framework that holds privately-owned utilities accountable for serving the public interest. While opponents of the transaction have speculated wildly regarding potential risks of a change in ownership, not one has been able to explain how infrastructure fund investors would overcome the hurdle that foils publicly-traded utility investors on a regular basis – how to get the Minnesota Public Utility Commission ("Commission") to let them boost profits at the expense of customers and the public interest.

Despite the lack of real evidence or even a coherent theory of the case, the notion that a privately-held company can defy the laws of physics that govern regulated utilities that are traded on stock exchanges has persisted. Increasingly, opposing parties appear to believe that it is the Securities and Exchange Commission ("SEC") and New York Stock Exchange ("NYSE") and), rather the Commission, which stands between ratepayers and greedy investors, even though both exist precisely to protect investor interests.

At the same time that opponents have vastly overplayed the threat that infrastructure investors will find new ways to pick regulatory locks, they have dangerously underestimated the threat posed by a lack of ready capital to undertake historic investments – many of which have already been approved by the Commission and most of which are likely to be necessary to achieve the state's carbon-free goals. Opponents' studied lack of interest in the risks associated insufficient access to capital were hard to explain at the beginning, but given the rapid deterioration of the economic and policy outlook, the glib hand-waving now amount to whistling past the graveyard.

The case that the acquisition was a good idea to begin with, however, should not take anything away from the monumental achievement of the Department in securing a suite of new and substantial commitments that amplify the public benefits of the deal while firmly dispatching real and perceived risks. The list of benefits and protections secured through the agreement is almost too long to list, and includes provisions that will *lower* capital costs and rates and *subsidize* clean energy investment while requiring *greater* transparency and imposing *stronger* accountability controls than exist for Minnesota Power today.

The agreement includes rate relief in the form of a one-year moratorium on increases. While this amounts to temporary relief, it comes at a critical time for customers and communities that are already struggling with the impact of the suspension of operations at two large mining operations on the Iron Range. Without the acquisition, Minnesota Power's residential, commercial and industrial customers would have to begin making up the difference almost immediately.

The agreement also *lowers* the utility's Return on Equity, demonstrating the potential of the acquisition to save customers money by *lowering cost of capita*l. Minnesota Power's current cost of capital is higher than many other utilities due to the company's small size and high exposure to risk compared to peers. While the acquisition doesn't change the risk that a drop in demand for U.S. steel will negatively impact the utility, the new owners are able to take a long view and can leverage their scale to help MInnesota Power punch above its current weight.

These benefits are additive to an agreement negotiated by Energy Cents Coalition, which allows Minnesota Power customers who are behind on their bills because they are unemployed or facing other financial hardships can have their debt forgiven. That is a big deal for LIUNA members and other workers who cannot always count on steady employment, especially in today's economy.

Additionally the Department has secured a commitment for the Partners to provide $50 million out of their own pockets to support the development and deployment of cutting-edge technologies that will help us address the last 20% of hard-to-abate emissions associated with gas plants that keep power flowing to the grid when not enough generation is coming from variable renewables. This commitment will help Minnesota achieve carbon-free goals while reducing the burden on ratepayers and supporting deployment of new job-creating technologies that deliver clean, dispatchable power.

On top of financial commitments, the Department won a number of financial, governance, transparency, and service quality commitments that go far beyond addressing concerns over private equity ownership. If approved by the Commission, these commitments would allow for stronger oversight than is possible today. For example, Minnesota's other investor-owned electric utilities already own holding companies that are permitted to borrow funds and deploy those funds as equity in the regulated utility (so-called "double leverage"). But under the agreement with the Department, the holding company that owns Minnesota Power would be restricted in its ability to pay dividends to investors — ensuring that investors cannot simply pay themselves with borrowed funds.

The Partners have also committed that six of 14 ALLETE directors will be independent of both ALLETE and the Partners, whereas no such limitation exists today on the number or percent of board members who can be employed by large shareholders. DoC likewise negotiated a hefty $250,000 financial penalty for failure to meet service quality benchmarks, which provides a strong disincentive for the company to cut corners when it comes to operations and maintenance work, much of which is performed by union workers. No such penalties exist for Minnesota

Power today, and the Commission lacks independent authority to require them outside the context of the proposed settlement agreement.

Finally, ALLETE and the Partners have agreed to disclose all contracts over $500,000 between Minnesota Power and any company affiliated with the Partners. While unrefuted testimony provided by LIUNA witness Erin Bryant shows why such concerns are greatly exaggerated, it is important to recognize that no equivalent reporting occurs today, even though institutional investors such as BlackRock hold substantial positions in ALLETE and other publicly-traded utility companies that serve Minnesota companies.

The terms of the settlement between the Department, ALLETE and the Partners are directly responsive to objections put forward by opponents, and by Administrative Law Judge Megan McKenzie ("the ALJ") in her report. The top concern raised by the Department and opponents of the transaction – and arguably the concern most firmly grounded in reality – was that the Partners could employ "double leverage" as a form of "financial engineering" to boost profits, and in so doing, jeopardize the utility's debt rating and ultimately its financial stability. The settlement directly addresses this issue, not only by requiring ALLETE and the Partners to maintain investment-grade credit ratings but also by restricting the Partners' ability to issue dividends to investors.

The settlement speaks directly to a host of other concerns raised by both the Departments and remaining opponents of the transaction, including among others fears that the Partners could use engage in self-dealing through business affiliates (addressed by disclosure commitments to the degree fears are not based purely on misconceptions about the operations of private fund managers); and fears that the utility might cut corners to boost earnings (a poor strategy for increasing earnings that is not unique to private-hold companies but nonetheless addressed through service quality penalties. The settlement also speaks to the questions the Commission asked the ALJ to investigate, including potential benefits and harms; regulatory requirements commitments that might better align the transaction with the public interest; and the impact of the transaction on the utility's ability to comply with Minnesota's carbon-free standard.

The evidentiary record clearly shows that a privately-held utility is subject to the same regulations and the same gravitational forces as one that is traded on the New York Stock Exchange. The difference, pursuant to the settlement, is that the Commission would have have additional tools – belt, suspenders and several other contraptions designed for the same purpose – that it does not have today to assure beyond any shadow of a doubt that the post-acquisition is equally or better aligned with the public interest than the Minnesota Power of today.

Exceptions to the Administrative Law Judge's Report

LIUNA has participated in dozens and dozens of informal and contested case proceedings where an Administrative Law Judge was charged with overseeing at least a portion of the process and preparing a set of findings and recommendations for the Commission. While we have not always agreed with their conclusions, each ALJ has made a substantial contribution to the development of a coherent evidentiary record and each has treated citizens who show up to participate in the process in a polite and respectful manner. In short, even where they erred in some particular, every other ALJ has moved the ball forward and left the Commission in a stronger position to decide the case in question.

The current case is a shocking exception to the rule that ALJs make the case clearer and the process better than it would be otherwise. Despite our differences with ALJs in the past, until the current proceeding, we had never seen an ALJ clearly pick a side in a contested case, deliberately hide the ball by arbitrarily excluding the better part of the evidentiary record, or dismiss and insult participants in a public hearing because they voiced the wrong opinion. The ALJ's conduct in this case has not just been outside the norm, but outside the entirety of our experience at the Commission.

It is hard to figure out where to begin when listing our Exceptions to the ALJ's report, because the report is written as if the bulk of the evidentiary record in the case does not exist. The consequence of the ALJ's decision to omit nearly all of the evidence that was not to her liking doesn't just leave the Commission with a lopsided record and a set of badly-skewed conclusions; it effectively renders the ALJ's report worthless in a high-stakes case where the Commission could have benefited greatly from a thorough and balanced summary of the record.

There are literally hundreds of examples in which relevant facts and testimony have been excluded from the report with no explanation whatsoever. One of the most striking involves the testimony of Ms. Bryant, who served as one of just two independent witnesses in the proceeding with expertise in private equity and infrastructure funds. Ms. Bryant provided direct and rebuttal testimony covering a number of topics that were directly relevant to the case, including but not limited to typical private equity and infrastructure fund management practices and incentives; the difference between funds that invest in infrastructure and real estate and those that invest in companies that are not closely tied to real assets; LIUNA's direct experience working with GIP both as a manager of pension assets held by affiliated funds and as a stakeholder impacted by the practices of GIP-owned projects and operating companies; the challenges ALLETE would face attracting institutional investors based on the company's size and risk profile; and how publicly-traded and publicly-held companies compare on responsibility metrics based LIUNA's experience.

CURE, which opposes the transaction, introduced its own private equity witness – James Baker whose experience is similar to that of Ms. Bryant, although he has less direct knowledge of transactions involving regulated utilities. The ALJ substantively cites Mr. Baker 42 times in her report, relying heavily if not exclusively on his testimony to support findings of fact that characterize private equity ownership and its purported impact on portfolio companies. Ms. Bryant's testimony, on the other hand, is never cited substantively in the ALJ's findings of fact. The ALJ does not assert that Ms. Bryant's testimony lacks credibility or that her testimony is not responsive to concerns raised by opposing witnesses – she simply ignores the evidence as if it did not exist leaving us to wonder if she simply did not bother to read it at all.

The ALJ's curious blindness to witnesses and evidence that did not fit her preconceptions was not limited to Ms. Bryant. Energy Cents Coalition ("ECC") witness George Shardlow is appears just once in the substantive portion of her report, despite that fact that his rebuttal testimony refutes the thesis of her report from the perspective of a low-income consumer advocate, not to mention that fact that ECC negotiated successfully for an important public benefit in the form of Partner-funded debt relief for customers in arrears. And of course her blindness extends to testimony and exhibits provided by many witnesses for ALLETE and the Partners which thoroughly refutes most of the claims in her Report. As just one example, ALLETE witness Jennifer Cady provided concrete evidence that ownership of regulated utilities by privately held funds is *not* associated with faster rate growth than ownership by public shareholders. Despite providing the *only quantitative evidence in the record* concerning the impact of private fund ownership on rates, Ms. Cady's analysis is nowhere to be found in the report. It as if the ALJ used a magic eraser to wipe away any inconvenient testimony.

Cataloguing all of the willful erasures, oversights and skewed findings in the report is beyond our capacity – it would require a brand new ALJ assigned to restore the full record. We can, however point to a number of specific findings where the ALJ's proposed text should be corrected by the Commission.

 # 73, 74 - The references to ownership of "traditional oil and gas companies" and the Rio Grande LNG project, which the ALJ copied and pasted from opponents' proposed findings of fact with light editing for grammar, are entirely gratuitous and irrelevant to the case. No party provided evidence or even made a coherent argument that the mere existence of conventional energy holdings in the Partners' portfolios should impact the governance of ALLETE or Minnesota Power if the transaction were approved.

The decision to cite conventional energy holdings, but not the Partners' extensive renewable investments which amount to more than $15 billion for GIP alone,[1] suggests that the references to conventional energy investments are an exercise in polemics rather than fact-finding. If anything, the Partners' substantial renewable investments and experience are much more relevant to the case given Minnesota Power's leadership in renewables and obligation to meet Minnesota's carbon-free standard.

#87 - The finding suggests a contradiction between the Minnesota Power's public claims about seeking buyers that were aligned with the utility's core values and strategy, stating that "the evidence shows the Partners were ultimately the only bidders for the company and were chosen based on their willingness to pay a stock premium."

The evidence cited by the ALJ in finding #86, however, indicates that the initial group of potential buyers was, in fact, recruited based on strategic alignment and ability to meet capital needs. Once the group was identified, however, the record shows that ALLETE's board did exactly what the boards of publicly-traded companies are not only expected, but required, to do pursuant their fiduciary duties: negotiate the best possible deal for ALLETE shareholders (see findings #88-103).

While the ALJ seemingly struggles to reconcile ALLETE's need for better access to capital with the company's decision to play hardball with the Partners over the acquisition price, to those with any familiarity with the business world, this is Negotiation 101. If there is any contradiction, it is not between Minnesota Power's public descriptions and the realities of the transaction, but

[1] "GIP's renewable portfolio is one 18 of the largest renewables platforms in the United States and globally. GIP's current 19 renewables portfolio includes approximately $15 billion of equity invested or committed 20 across 22 GW in operation, or in 23 GW of operating or under-construction renewables 21 projects royalty interests, and approximately 176 GW under construction or in 22 development." Bram Direct at 14

between naive assumptions about the governance of publicly-traded companies that underpin the ALJ's report and the reality that directors of publicly-traded companies seek to advance the financial interests of shareholders just as zealously as private fund managers seek to advance the interests of their investors.

#117 - The ALJ cites statements from Federal Energy Regulatory Commission Chairman Christie from opinions approving both the purchase of GIP by BlackRock, and the extension of "blanket authorization" for BlackRock's to continue purchasing voting shares in regulated utilities to infer that the Commission should view the proposed acquisition of ALLETE with a skeptical eye.

But beyond the fact that Christie voted to authorize BlackRock's involvement in both cases, his warning is applicable to BlackRock's current role as a major ALLETE shareholder and the company's potential future role if the acquisition is approved.[2] Chair Christie's concern to avoid improper use of market power is actually better addressed by transparency commitments that accompany the transaction than by the status quo where there is no reporting on transactions between MP and companies affiliated with BlackRock.

#124 - While the ALJ asserts that "Intervenors identified multiple ways ALLETE could reduce or mitigate its capital needs", there is no evidence in the record demonstrating that proposed alternatives could adequately meet anticipated capital needs and extensive evidence that reliance on such measures would expose ratepayers and other stakeholders to unacceptable risks while jeopardizing the utility's ability to meet legal requirements including those associated with Minnesota's Carbon Free Standard. Comments filed by the Minnesota Building Trades, for example, provide a detailed explanation of risks that accompany overreliance on third parties to build out critical infrastructure.[3]

#125 - The ALJ relies on the testimony of several opposing witnesses to support the notion that the utility's need for capital could be mitigated through increased reliance on Power Purchase Agreements (PPAs), their testimony consists entirely of unsubstantiated claims that PPAs provide an adequate substitute for available capital simply because they exist in energy markets. Although they assert that PPAs are a viable option, none of the witnesses provide any analysis on the availability of local PPAs sufficient to meet Minnesota Power's requirements, let alone the availability of PPAs that are cost-competitive with utility-owned projects and aligned with the values of the utility and its stakeholders.

The fact that the report devotes just one sentence to PPAs with no discussion of their attendant risks is not due to lack of record evidence, but to a failure to consider extensive record evidence detailing the patchy track record and substantial costs of reliance on PPAs. Comments filed by the Minnesota Building Trades highlight the inability of PPA provider Cypress Creek to deliver on the company's commitment to build the 10 megawatt Blanchard Solar and the resulting need for Minnesota Power to build its own 20 MW solar project using local union labor and

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[2] "Owning 20 percent, or even less than that, of a utility's stock could well result in the exercise of substantial influence over a utility." ALJ Report Finding 118

[3] https://www.edockets.state.mn.us/documents/%7BA04C4096-0000-C117-BB29-A4DFD32C4A31%7D/download?contentSequence=0&rowIndex=134

locally-manufactured solar panels.[4] Since the successful commissioning of MP Solar, the Commission has determined that the addition of roughly 200 MW of utility-owned solar adjacent to the Boswell plant and in Benton County provides the best option for ratepayers compared to alternative bids submitted by third parties.

Finally, today Minnesota Power filed a petition for approval to build and own Longspur Wind, a 200 MW wind farm in North Dakota that emerged as the best value in a competitive Request for Proposal process[5]. In each case, PPAs clearly failed to deliver the best value, and in at least one case reliance on a PPA threatened the utility's ability to meet statutory requirements (in this case the Solar Energy Standard).

In addition to the fact that PPAs have proven to be more expensive and/or less dependable than utility-owned projects, reliance on PPAs also weakens Minnesota Power's ability to deliver on state priorities including maximization of socioeconomic benefits for local workers and communities, provision of just transitions for legacy energy workers, and inclusion of communities that are historically underrepresented in energy employment. In the Longspur case, for example, PPA providers also appear to have been unable or unwilling to meet Minnesota Power's requirement for use of local union labor, which has been associated with significant public benefits.

As the Minnesota Building Trades observe in their comments:

> [C]apital shortfalls will limit Minnesota Power's ability to set and enforce requirements that advance the workers' interests and the state's values. A decade ago, large wind and solar energy projects built to serve Minnesota utilities created very few jobs for union or local workers, as documented by North Star Policy Institute and Local Jobs North because the third-party developers responsible for construction hired contractors that relied heavily on non-union out-of-state workforce.
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> Today, similar projects are creating hundreds of jobs for union and local workforce, in large part because utilities like Xcel Energy and Minnesota Power began to simultaneously pursue more self-build projects, and to make use of local and/or union labor a requirement for Power Purchase Agreement providers that were previously reluctant to make any such commitments. Neither utility could have moved the market without having the option of building their own projects if third-party providers balked. The same is true for efforts to increase participation of people of color, women and veterans in the workforce and as vendors, which have made much greater strides through utility-owned than through third-party-owned projects."[6]

The same is true for the ALJ's suggestion that Minnesota Power could avoid capital spending by deploying "demand response, energy efficiency measures, and grid-enhancing technologies".

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[4] Ibid.

[5] https://www.edockets.state.mn.us/documents/%7BE0367698-0000-CE10-9781-01A328D04471%7D/download?contentSequence=0&rowIndex=1

[6] https://www.edockets.state.mn.us/documents/%7BA04C4096-0000-C117-BB29-A4DFD32C4A31%7D/download?contentSequence=0&rowIndex=134

While these demand strategies can play a role in the cost-effective delivery of reliable electric service, each has already been incorporated into resource plans that nonetheless call for substantial investments in new generation, transmission and distribution infrastructure.

Parties that suggest the utility could significantly mitigate capital needs by deploying these strategies provide no analysis to quantify how much generation and transmission can safely be avoided through demand response, energy efficiency and grid-enhancing technologies. The fundamental problem with their argument is that the Commission already require regulated utilities to use such strategies to the degree that they deliver net benefits to customers and society as a whole. Opponents provide no evidence of opportunities for incremental advances in this area, let alone gains sufficient to erase the utility's capital needs

#129 - While many of the report's findings lack foundation, no finding is more divorced from reality than the claim that the acquisition "will likely increase incentives for ALLETE to pursue more capital-intensive investments, because the Partners will likely pressure ALLETE to grow rate base to maximize returns." The double use of "will likely" underscores the degree to which the finding and the underlying testimony (two citations to the testimony Sierra Club witness Courtney Lane and one bizarrely attributed to Ms. Cady) amount to pure, unadulterated speculation. The most serious error in the finding, however, is the implicit assumption that utilities rather than regulators control rate base growth.

To be clear, we have no quarrel with the suggestion that the Partners have an incentive to grow rate base to maximize returns – a statement as surprising and insightful as saying that grass is green or that the sky is blue. Our objection is to the naive notion that the current owners of ALLETE — or any other publicly-traded utility for that matter — lack a comparable incentive to grow rate base and maximize returns for their own stockholders.

The most serious logical flaw in this finding is the assumption that rate base growth of a rate base is a function of a utility's profit motive, rather than the regulators' determination of need. If there were a mathematical formula for rate base, it would not be the ratio of investor greed over regulatory resistance. Instead, the formula would be a limit function where rate base growth is capped based on regulatory determinations of need, which are consistently lower than the growth rates preferred.

No party has provided evidence in this case that any of Minnesota's shareholder-owned utilities have chosen to constrain their own earnings in order to further the public interest, and two of the leading opponents to the acquisition — the Office of the Attorney General ("OAG") and Citizens Utility Board ("CUB") — make the exact opposite argument in nearly every other Commission proceeding.[7] The fiction that investors in private funds seek outsized profits, while stockholders meekly accept whatever regulators deign to give them, is belied by our collective experiences working with shareholder-owned utilities, not to mention basic common sense.

[7] Watching sophisticated advocates such as OAG and CUB, who regularly inveigh against utility profit-seeking, treat the boards and shareholders of publicly-traded utilities as if they belonged to charitable foundations rather than for-profit businesses is a "through-the-looking-glass" experience. We trust, however, that their newfound appreciation for the wisdom, restraint and public-interest orientation of publicly-traded utilities is tactical and not permanent.

Some of us are old enough to remember when, just a few years ago, ALLETE and Xcel Energy investors reacted poorly to what they perceived to be unfavorable decisions in rate cases. More to the point, the negotiations that preceded the agreement by the Partners to acquire ALLETE, which are laid out in painstaking detail by the ALJ in findings 88-103, should be sufficient to dispel the myth of meek, patient stockholders and rapacious private fund investors. If anything, the narrative suggests that ALLETE's board of directors negotiated more aggressively and got the better end of the bargain.

#133 - The ALJ betrays a fundamental misunderstanding of market dynamics and the meaning of Department witness Craig Addonizio's observation that companies valued at more than $250 million to $500 million can efficiently access capital. While this is true in absolute terms, as Ms. Bryant and ALLETE witnesses point out, the problem is not whether ALLETE would have reasonable access any capital, but whether the company can efficiently and affordably access amounts of capital in excess of its current market value, which presents a very different type of risk to investors than investing in a "small" company.

#135 - The evidence clearly indicates that ALLETE faces significant capital risk even if its actual capital need is lower than estimated – an increasingly rare occurrence where infrastructure costs have been escalating rapidly in recent years. ALLETE's "historical" success in meeting capital needs underscores how little thought the ALJ has put into the gear shift that must occur for a utility with an historically slow pace of capital investment to complete a rapid technological transition in a short time period. Finally, even if were true that public markets are "more likely than not" to provide ALLETE with adequate access to capital, the consequences of "not" are sufficiently severe, as detailed by ALLETE witnesses and Minnesota Building Trades among others, that they cannot be treated as a mere inconvenience.

#186 - The ALJ fundamentally mischaracterizes the relationship between the resource planning process, actual resource deployment and ownership. While Minnesota Power has an obligation to put forward the resource plan that the utility believes best balances affordability and reliability while achieving compliance with legal obligations and advancing priorities such as economic development, the ultimate decision on which resources will be deployed will be made by the Commission. Furthermore, the proposed owners had no role in the development of the utility's proposed Integrated Resource Plan ("IRP") precisely because they do not own and control the company. Treating Minnesota Power's proposed IRP as a proxy for the intention of the Partners or a look into their soul is both misguided and pointless. If the transaction is approved, the Partners will finance the resources the Commission approves because they best advance the interests of customers fulfill the utility's obligations.

#272-273 - The ALJ misunderstands the proposed governance structure of ALLETE, which balances the interest of GIP investors against the interests of CPP investors. While the proposed structure does not by itself guarantee that the company will pursue the public interest any more than ALLETE's current governance arrangement, the competition between GIP and CPP help to guard against any temptation to engage in improper affiliate transactions or other activities that could jeopardize ALLETE for the benefit of outside interests. As LIUNA witness Bryant observes, it is not consistent with the fund managers to incur unnecessary costs or run risks at ALLETE for the benefit of other funds other management, much less for one fund manager (say

CPP) to allow the co-manager (GIP) to engage in activities that could jeopardize investors in ALLETE for the benefit of other GIP investors, or vice versa.

#276 - This finding goes to the heart of how the difference between private holdings and public equities has been mischaracterized, first by opponents and subsequently by the ALJ who largely copied and pasted the claims of opponents into her report with little or no scrutiny. In this case, as LIUNA pointed out in our reply brief, Mr. Baker not only misrepresented the findings of the study in question but also changed the study's title – whether deliberately or by accident – to alter its apparent meaning.

Anyone who takes the trouble to read the study in question will discover that its core findings contradict Mr. Baker's thesis that the private equity business model is fundamentally destructive and rapacious. Mr. Baker's source, however, reach the exact opposite conclusion, which is why the actual title of the article includes the word "heterogenous" – a term he conveniently omits in his footnote. Rather than treating private equity acquisitions as an undifferentiated mass, the authors use statistical analysis to show that the impacts of private equity ownership vary widely based on a number of factors including the characteristics of the operating company, economic circumstances, and even the identity of the particular fund manager responsible for the acquisition. While the study's findings are inconsistent with Mr. Baker's characterization of private equity, they are entirely consistent with the testimony of Ms. Bryant.

While this is not a comprehensive review of flaws in the ALJ's report, it should provide a reasonable beginning. We thank Commissioners for your consideration.

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