

**STATE OF NEW HAMPSHIRE**  
**PUBLIC UTILITIES COMMISSION**  
**BEDFORD WASTE SERVICES CORPORATION**  
**DW 20-**

**PETITION FOR APPROVAL OF  
MCSB CHANGE IN TERMS AGREEMENT**

**PREFILED DIRECT TESTIMONY OF STEPHEN P. ST. CYR**

- Q. What is your name and business address?
- A. My name is Stephen P. St. Cyr and my business address is 17 Sky Oaks Drive, Biddeford, ME.
- Q. Who is your employer?
- A. My employer is Stephen P. St. Cyr & Associates.
- Q. What are your responsibilities in this case?
- A. My responsibilities are to present Bedford Waste Services Corporation (“Company” or “Bedford”) MCSB Change in Terms Agreement request and to prepare the financial exhibits and prefiled direct testimony which describes the Change in Terms Agreement.
- Q. Have you prepared testimony before this Commission?
- A. Yes, I have prepared and presented testimony in numerous cases before the Public Utilities Commission, including requests for new and expanded franchises, requests for approval of State Funds, commercial bank and owner financings and requests for rate increases.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the Company's request for approval of a Change in Terms Agreement. The Change in Terms Agreement changes only the interest rate, reducing it from 4.75% to 3.95%. All other provision of the previously PUC approved MCSB loan remain in effect. The impact of the lower interest rate will be lower the monthly payment from \$1,322.31 to \$1,263.24, a savings of \$59.07 saving per month or \$708.84 per year.

Q. Does the Company anticipate an increase in rates?

A. No.

Q. Has the Company determined the impact of the financing on the Company's financial statements?

A. Yes. I have prepared proforma financial statements identified as SPS 1 – SPS 6. The impact on the financial statements is minimal. On the B/S, the total impact is \$508, represent a slight increase in cash, an increase in miscellaneous deferred debits and an increase in earnings. See SPS-1. On the P&L, the total impact is an increase of \$508, represent a small increase in earnings due to the lower interest rate. See SPS-2. Again, there is minimal impact on the capital structure. See SPS-3. There are a few journal entries. See SPS-4. There are no funds being provided by the bank. See SPS-5. After discussion with the PUC Staff, it was determined that a petition is required in order for the PUC to approve the Change in Terms Agreement. St. Cyr & Associates is trying to minimize its costs so as to maximize the savings to Bedford.

- Q. Why should the Commission approve the Change in Terms Agreement?
- A. The Commission should approve the financing because it is in the best interest of the Company and its customers. The Company's cash flow continues to be tight. The Change in Terms Agreement reduces the current debt service payment. It allows the Company to take advantage of the current favorable interest rate environment and provides a little extra cash.
- Q. Is there anything else that the Company would like to bring to the Commission's attention?
- A. Bedford would appreciate it if the PUC Staff could conduct a timely review and, if necessary, make a timely recommendation. Also, Bedford would appreciate it if the PUC could make a timely approval.
- Q. Please summarize the approval that the Company is requesting.
- A. The Company respectfully requests that the PUC approve the Change in Terms Agreement.
- Q. Does this conclude your testimony?
- A. Yes.

SPSt. Cyr

07/01/20