

1 **Q.** Page 27: Please identify by page reference where Hydro's consultant has
2 observed that *"there is no compelling economic or equity reason requiring the*
3 *pass-through of the additional capacity cost savings to the curtailed customers*
4 *if the fuel cost savings alone provide adequate economic incentive for voluntary*
5 *curtailment."*
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8 **A.** The referenced statement is not a quote, but an amplification of Dr. Wilson's
9 understanding of what Hydro's consultant was suggesting in Exhibit 9 at page 7,
10 where it is stated *"There is an argument to be made that if customers want to take*
11 *advantage of opportunities to reduce their own costs through curtailment then*
12 *there is no "inconvenience" as it is an economic decision".* See Exhibit 9,
13 Section 2.1.3 Discussion.
14

15 Hydro's consultant also states at that page that *"If curtailable load is provided a*
16 *Generation Credit treatment, Hydro and NP must address the concern that some*
17 *load during peak periods could still be curtailed for economic reasons, thereby*
18 *effectively resulting in a duplicate credit".*
19

20 Dr. Wilson interpreted these statements to suggest that there is no compelling
21 economic or equity reason requiring the pass-through of the additional capacity
22 cost savings to the curtailed customers if the fuel cost savings alone provide
23 adequate economic incentive for voluntary curtailment, and he gave credit for that
24 suggestion to Hydro's consultant. If this attribution mischaracterizes the intended
25 meaning of Hydro's consultant's statements, Dr. Wilson apologizes for the error
26 and adopts the statement as his own without reference to Hydro's consultant.