

1    Q.    In Hydro's opinion, what constitutes 'rate shock'?

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4    A.    Rate shock cannot, in Hydro's opinion, be defined in absolute terms or as a  
5           specific value. Proposed rate increases have to be viewed in relationship to  
6           other factors such as inflation, dollar as well as percentage change in  
7           customers bills, inclusive of costs excluded from the base rates and whether  
8           customers had a reasonable expectation of such change.