

- 1 Q. Further to NP 129 NLH: Does Hydro agree a wholesale rate that prices
2 energy for most months of the year at a cost significantly below the short-run
3 cost of producing that energy is inefficient? If not, why not?
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6 A. Since the first energy block in the illustrative demand-energy rate is so close
7 to what the rate would be if expressed as a flat year-round rate, it is not seen
8 as being inefficient.