

1     Q.     The SGE Acres report (Production evidence, Exhibit JRH-2) indicates at  
2           page 7-6 that “Just over half (of the utilities surveyed) use energy estimates  
3           in rate setting with most providing these estimates to a regulatory agency”.  
4           Are these survey results the sole foundation of the recommendation at page  
5           9-2 that the same estimate of average annual energy from hydroelectric  
6           resources should be used for operations, planning and *rate setting*. If not,  
7           please provide the other factors relied upon by SGE Acres in reaching this  
8           recommendation.

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11    A.     See response to NP-70 NLH. Energy estimates from hydropower systems  
12           follow from hydrology.