

- 1 **Q: Reference: “Embedded and Marginal Cost of Service Review,” The Brattle**
2 **Group, May 3, 2019, Exhibit II at p. 36/8-15**
3
4 **a) Why should impact on price signals be considered as an argument in**
5 **favour of one method over another?**
6
7 **b) Would proximity of price to marginal cost be a preferred criterion to “less**
8 **of a disincentive to conserve”?** **Why or why not?**
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10 **A. a) See our response to NP-PUB-001 for why ex-post consumption effects on costs**
11 **going forward are relevant in the cost classification process.**
12
13 **b) See our response to IC-PUB-013 for a discussion on price signals and marginal**
14 **costs.**