

1 Q. **Reference: Evidence on Rate Stabilization Plan – Surplus Refund Plan**

2 What advantages, from both a customer and utility perspective, would be
3 associated with using historical electricity consumption over the January 1, 2007 to
4 August 31, 2013 period, as opposed to the January 2013 to December 2013 period,
5 as the basis for calculating refunds? (Surplus Refund Plan, Page 11, Lines 8-9)

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8 A. The advantage of using historical electricity consumption over the surplus accrual
9 period (putting aside the cost, dedication of utility personnel and elapsed time, if
10 the process worked perfectly) is that some customers may perceive that they
11 received their accurate portion of the refund. The utility could argue it made its
12 best efforts to refund the RSP balance accurately.

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14 As a practical matter, however, the actual outcome will, in all probability, be less
15 than perfect and this can open the door to challenges from, e.g., late comers who
16 declare that they were past customers. Notwithstanding the cost and effort, the
17 end result would go beyond the way the RSP is normally collected and refunded
18 which targets existing and future customers of the customer class, not the actual
19 customers on a retrospective basis.