Q. Newfoundland Power's approach to allocation of the Rural Deficit among its classes of service is comparable to the revenue requirement approach proposed by Hydro. The 2011 Cost of Service Study for Newfoundland Power states that the "Rural Surcharge is allocated to Class based upon total cost before Rural Deficit, RSA & MTA." Does Dr. Wilson believe the approach used in allocation of the Rural Deficit in Newfoundland Power's cost of service study is reasonable? Please explain your response.

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10 A. See responses to NLH-PUB-007 and NLH-PUB-008.