

1 Q. On page 84 of the COS Methodology Report, the Board provided guidance on
2 assessing fairness of the allocation of the Rural Deficit when it stated: "Fairness
3 cannot be assessed as due to the method used but instead we must assess fairness on
4 the basis of the result, a shared burden among the classes of customers that is fair to
5 all and not discriminatory."

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7 Does Dr. Wilson believe the current Rural Deficit allocation methodology creates
8 fairness concerns as it results in, on average, approximately \$650 per customer per
9 year being recovered from Hydro Rural Customers on the Labrador Interconnected
10 System and approximately \$215 per customer per year being recovered from the
11 customers of Newfoundland Power? Please explain your response.
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14 A. Yes. See responses to NLH-PUB-007 and NLH-PUB-008.