

1 Q. Reference Dr. Wilson's evidence. On page 13, Dr. Wilson states:

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3 *All customers who benefit from lower cost energy because of an extensive*
4 *transmission grid should be allocated an energy share of the costs that make that*
5 *low cost energy possible.*
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7 Using this reasoning, why, in Dr. Wilson's opinion, should Hydro not also classify
8 distribution lines between demand and energy? In responding to the question,
9 please address whether the magnitude of the cost of transmission versus distribution
10 is important and why such a distinction should be relevant to the principles and
11 concepts advanced. Please also distinguish between networked and radial lines to
12 the extent relied on in responding and why either should make a difference under
13 Dr. Wilson's proposed methodology.
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16 A. In Dr. Wilson's opinion it would also be reasonable to classify both radial and network
17 distribution lines between demand and energy. Cost causality is not determined by
18 differences in the magnitude of the cost of transmission versus distribution.