

1 Q. [Pre-filed Evidence of J.W. Wilson & Associates, Inc., April 25, 2014 (“J.W.
2 Wilson Evidence”), page 1]

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4 Dr. Wilson states that:

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6 *“It is our conclusion that the cost allocation steps in Hydro’s filing have been*
7 *carried out in general conformance with Hydro’s prior filings and with the cost*
8 *allocation procedures previously approved by the Board.”*
9

10 Has Dr. Wilson reviewed whether Hydro has normalized loads, expenses,
11 revenues, and other components of the test year in accordance with generally
12 accepted practice, or is his statement concerned only with classification and
13 allocation of costs?
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16 A. This statement concerns only the cost allocation steps in Hydro’s filing. Dr.
17 Wilson did not examine or evaluate Hydro’s practices with respect to
18 normalization of loads, expenses, revenues or other test year components. He did
19 determine that Hydro made regular adjustments for variations in the RSP
20 components, which tends to align revenues and costs over time and minimize the
21 significance of normalization adjustments.