Q. In the Executive Summary, page ii, commencing at line 18, Hydro proposes that its use of a payout rate reflective of system marginal generation costs to apply to net excess generation instead of the use of the retail rate.

(a) What timeframe is Hydro considering in this proposal, i.e. marginal costs at the time of payment for the annual credit, marginal costs averaged over the year that credits have accumulated, marginal costs in the month that a credit occurred, etc.?

A. Hydro's proposal is to use the marginal cost based pay-out rate at the time of determining the credit for any net excess generation during the settlement process.