

**STATE OF CONNECTICUT**

**DEPARTMENT OF PUBLIC UTILITY CONTROL**

Department Investigation of Measures  
To Reduce Federally Mandated  
Congestion Charges

Docket No. 05-07-14PH02  
November 16, 2006

**Attachment 4: Tabular Summary of Department's Resolution of Written  
Exceptions submitted by stakeholders on November 7, 2006**

**1 Article 1: General Definitions**

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
Definition of “Demand Resource Verification Consultant” in Master Agreement for Demand Resources should allow for the Supplier to serve in that capacity if so allowed by ISO-NE.	The Department has amended the Agreement to reflect that Real Time Demand Response Resources can serve as their own M&V Consultant although the DPUC reserves the right of audit by the Buyer and that for all other demand resources that a third party Verification Consultant must provide the Monitoring and Verification Report.	Article 1.

**2 Article 2: Facility Description and Supplier’s Obligations During Development and Construction**

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<b>Section 2.1:</b> This section should be modified to allow for modifications required by law or prudent utility practices. There should also be an exception for equipment upgrades or other modifications which do not directly involve the generation equipment.	The current wording of the provision allows the Supplier to modify the facility if required by law or for another reason. If the modification is material, the Supplier must request Buyer approval, as detailed in Section 2.1(d).	No change.
<b>Section 2.5 (and elsewhere):</b> The provision that follows all liquidated damages clauses that states: “such liquidated damages shall be the sole damages to which the Buyer shall be entitled...” should be stricken as ratepayers should be made whole for whatever actual damages the Supplier causes as a result of contract breach.	Liquidated damages provisions are specific to each type of breach incurred and have been designed to reflect an estimate of the actual damages that the Buyer (on behalf of ratepayers) incurs due to the breach. The language referenced in this comment is simply meant to support this idea of a specific liquidated damage for a specific contract breach. The contract has been carefully designed to protect the ratepayer as much as possible within the context of a commercially reasonable contract. In case of contract breach or underperformance, the Supplier does compensate the Buyer (and indirectly ratepayers) for the damages incurred.	No change.

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 2.5(a):</b> The grace period for all Milestone Events should be 30 days.</p>	<p>The DPUC has created a grace period for the Commercial Operation Date, which is the most important Milestone Event. Liquidated damages incurred for missing other Milestone Events are refundable as long as the Commercial Operation Date is achieved, therefore the DPUC does not believe it is necessary to build in additional grace periods into Section 2.5(a).</p>	<p>No change.</p>
<p><b>Section 2.5 (d):</b> The damages appear onerous and appear to be duplicative of Section 2.5(c).</p>	<p>It is common industry practice to protect the Buyer and recoup the direct loss of contracted-for benefits. Typically, the liquidated damages amount for bringing on-line insufficient capacity is substantially higher and closer to the total investment cost of bringing a new resource online. The Department has conservatively reduced the burden on the Supplier in acknowledgement of the fact that over time (two to three years for demand resources and three to five years for generation resources), other Suppliers may step into the market and fill the “shortfall” if market prices warrant such investment.</p> <p>The liquidated damages in Section 2.5(d) are not duplicative of liquidated damages in 2.5(c). Section 2.5(d) is assessing whether the quantity of capacity is at the level promised in the proposal. Section 2.5(c) is assessing whether or not the project has met its Commercial Operation Date.</p>	<p>No change.</p>
<p><b>Section 2.6(g)b.ii:</b> The capacity factor calculation could vary significantly annually, therefore the fuel storage requirement should be capped.</p>	<p>This is a good point and the DPUC does not intend for the Supplier to have storage for a continuously varying amount of fuel. Thus, the DPUC has set a maximum amount of fuel that will be required based on the average capacity factor of a baseload facility, capping the alternative fuel storage requirement for natural gas fired facilities at 80 consecutive hours.</p>	<p>See amended Section 2.6(g) a.i for this change.</p>
<p><b>Section 2.6 (g)d:</b> The provision does not specify what kind of plan will satisfy the requirements of this section, creating risks for the Supplier in its Proposal.</p>	<p>The DPUC originally drafted this Section 2.6(g)d. to address other bidder concerns about being able to meet this requirement. However, based on discussions during Oral Arguments, it appears that the previous, more specific provision spelling out the exact requirements on any Supplier that is unable to meet the requirements of Section 2.6(g) is preferable. Thus, the bidder is required to state and demonstrate its inability to meet the requirements of this Section 2.6(g) in its Proposal. If the Supplier is unable to meet these requirements, it will need to store the maximum amount of fuel possible on-site and have a firm transport contract for the remaining amount of alternative fuel, which it must own.</p>	<p>See revised Section 2.6(g).</p>

### 3 Article 3: Supplier's Obligations after Commercial Operation of the Facility

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 3.3:</b> Contract should not specify the price at which the Supplier should bid but rather should simply require that the resource to be selected as a capacity resource in the FCM.</p>	<p>The DPUC has extensively revised its bidding requirements for the Master Agreements in light of stakeholder comments. The DPUC's objective in its bidding requirements has always been that it does not want the Supplier, who already is covering his fixed costs through this Agreement, to set prices in the FCM, earn excess profits, or to game the market. The current requirements simply require that the Supplier not set the market clearing price in the FCM (and, if relevant, in the LFRM). Removing this restriction as requested does not accomplish the DPUC's objectives.</p>	<p>No change.</p>
<p><b>Section 3.3(b) a ii:</b> Clarify the term price taker.</p>	<p>This requirement has been redrafted to require that the Supplier does not set the market clearing price in the FCM or the LFRM.</p>	<p>See revised text in Sections 3.3 (b) a. and 3.3(b) b.</p>
<p><b>Section: 3.3 (b)c:</b> Delete this provision.</p>	<p>The objective behind this provision is the same as the objective in the bidding requirements for the FCM and the LFRM: The DPUC does not want the Supplier, who already is covering his fixed costs through this Agreement, to game the market. As such, the requirement in this provision to offer at "competitive price levels" is not an onerous one, and indeed is in compliance with ISO-NE requirements as well.</p>	<p>No change.</p>
<p><b>Section 3.4:</b> The Availability liquidated damages should not apply to peaking units.</p>	<p>The assessment of availability was never meant to affect peaking units, and while the DPUC believes that it would be extremely difficult for peaking units to trigger the liquidated damages in this provision, it understands that paying such liquidated damages would be unfair for units that are not actually offering energy benefits into the system.</p> <p>As such, the DPUC has edited this provision so that peaking units (defined as any entity that is seeking Option 2 in Section 6.1 (as long as its LFRM Contract Quantity is more than 50% of its FCM Contract Quantity)) do not have to pay liquidated damages under this provision.</p>	<p>See revised language in Section 3.4(c).</p>
<p><b>Section 3.4:</b> The availability liquidated damages should be calculated on a rolling basis over five years.</p>	<p>The DPUC acknowledges that planned maintenance or other outages could be shifted slightly during a given year, which might affect the Actual Availability statistics that year, without unduly affecting the Supplier's performance. As such, the DPUC has changed the formula for calculating Actual Availability to allow for it to be assessed on a rolling two year basis, which should grant the Supplier sufficient flexibility to address such maintenance shifts.</p>	<p>See revised text in Section 3.4 (c).</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 3.4:</b> Penalties to meet the heat rate requirement should be removed or modified to allow the Supplier to specify its heat rate in its bid.</p>	<p>The DPUC acknowledges that for certain facilities the manufacturer's warranted heat rate is not representative of the entire facility's heat rate. As such, the DPUC will allow bidders to submit their own heat rate in their Financial Bids, which will be used in the bid evaluation process and then added to the Agreement for winning bidders.</p>	<p>See revised section 3.4 (d).</p>
<p><b>Section 3.4:</b> The contracts do not provide for the harmonization of performance penalties assessed by ISO-NE in the FCM, and are onerous to the Supplier.</p>	<p>The liquidated damages provisions in this contract are not duplicative of ISO-NE penalties. ISO-NE penalties are focused on short term performance considerations and do not take into account the long term performance of a unit. The requirements in this contract regarding heat rate stability and availability on an average annual basis were designed with the objective of ensuring the unit's long term performance. Moreover, the liquidated damages for availability have a generous buffer making it difficult for a generator to trigger it.</p>	<p>No change.</p>
<p><b>Section 3.4(d):</b> Heat rate Event of Default appears to be overreaching within the context of this Agreement.</p>	<p>The use of an Event of Default for failing to meet the requirements of the heat rate provisions was in response to bidder requests to not use liquidated damages for this. The allowed heat rate deterioration is generous and should not be easily triggered by a generator. Moreover, there is 90 calendar day cure period for the heat rate Event of Default, which should grant the Supplier sufficient time to cure.</p>	<p>No change.</p>
<p><b>Section 3.4(f):</b> The final sentence should be deleted as this leads to 20/10 hindsight regarding fuel strategy.</p>	<p>The DPUC agrees that this sentence does not achieve anything contractually given that it is the Supplier's sole responsibility to procure fuel for its facility. As such, in the context of this Agreement which has a fixed annual contract price, the Supplier bears the risk of not procuring its fuel economically.</p>	<p>This sentence has been deleted from Section 3.4(f).</p>
<p><b>Section 3.5(f):</b> The ability to declare default of the Agreement based on an artificial cap for cumulative liquidated damages is unfair.</p>	<p>The DPUC put in place a cap on cumulative liquidated damages post-COD to alleviate Supplier concerns about unlimited financial exposure under this Agreement. The caps were set assuming very poor performance over a three to four year period. The DPUC believes that should a Supplier actually reach the liquidated damages cap, this would indicate that the Supplier is performing at such a poor level that it is more appropriate to simply terminate the Agreement.</p>	<p>No change.</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 3.5(f):</b> The cap on liquidated damages does not include the pre-COD liquidated damages and ultimately shifts excessive risk to the Supplier.</p>	<p>The cap on liquidated damages after COD is \$300/kW for generators and \$150/kW for demand resources. There is a de facto cap on liquidated damages before COD, which is equal to the amount that the Supplier must pay the Buyer if it does not bring the promised capacity on-line - \$450/kW for generators and \$200/kW for demand resources. The effective cap clearly delineates the Supplier’s exposure under this Agreement. This does not constitute shifting “excessive risk” to the Supplier: bringing the capacity online at the level and time promised, and performing at the level warranted, are the Supplier’s obligations under this Agreement.</p>	<p>No change.</p>

#### 4 Article 4: Buyer’s Obligations

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 4.2:</b> The Index used for adjusting bids should be changed to the Handy-Whitman Index of Public Utility Construction Costs, which better captures the costs that bidders face.</p>	<p>The DPUC has used the Handy-Whitman Index in other dockets and concurs that this is a reasonable inflation index to use in this context.</p>	<p>See revised Section 4.2 (c).</p>
<p><b>Section 4.2(a):</b> The statement “the Buyer’s obligations under this Agreement shall be of no force and effect unless this Agreement is approved by the DPUC” is unclear and should be expanded upon to clearly delineate when the Buyer’s obligations start.</p>	<p>The DPUC agrees that this sentence is not sufficiently clear and has revised it to tie the advent of the Buyer’s obligations to the Effective Date in the Agreement, which is the date on which the DPUC officially approves the contract and that the contracts come into force.</p>	<p>See revised Section 4.2(a).</p>

**5 Article 6: Payment Terms and Billing**

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 6.4:</b> The DPUC should clarify whether or not the adjustment ratio reduces payments in excess of the amounts deducted by ISO-NE for Peak Energy Rent Adjustments.</p>	<p>This is a valid concern. The DPUC did not intend for the reductions by ISO-NE for the PER adjustment to be factored into the Adjustment Ratio. The DPUC has thus changed the language and formulas in this provision to reflect that the PER adjustment from ISO-NE should be added back to the ISO-NE payment amount when calculating the Adjustment Ratio.</p>	<p>See revised Section 6.4.</p>
<p><b>Section 6.7:</b> There will be considerable time required for final ISO-NE settlement for demand resources; as such, it would be better to wait for final ISO-NE bills rather than to use a true-up function.</p>	<p>There will be a lag for being able to ascertain the actual Demand Reduction Values for demand resources. The contract allows for monthly payment amounts to be trueed up as updated information becomes available from ISO-NE. It is not appropriate to delay billing and payment until final Demand Reduction Values are known as this would retard the payment flow by at least one to two month, and could potentially be financially damaging to the Supplier.</p>	<p>No change.</p>
<p><b>Section 6.8(c):</b> This section is very confusing and seems unnecessary; the contract should simply contain a simple holdback mechanism for disputed items which are paid upon resolution of dispute.</p>	<p>The DPUC developed this section in response to bidder concerns that the Supplier's financial viability could be put at risk if a large payment amount is withheld.</p>	<p>No change.</p>

**6 Article 8: Events of Default; Remedies**

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 8.1 (a)e:</b> This Event of Default should be clarified to allow suppliers to seek to enter into an RMR or Cost of service contract following the term of this Agreement.</p>	<p>The Master Agreements are only valid for the Term of the Agreement. As such, it is not appropriate to put in place provisions for time periods after the Term of the Agreement.</p>	<p>No changes.</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 8.1(d)a:</b> The cure period for a delay in commercial operation should be extended beyond 90 days.</p>	<p>The DPUC agrees that as long as a Supplier is paying liquidated damages and making good faith efforts to achieve Commercial Operation that it should be granted an extension on the cure period to reach its COD. The DPUC has added an additional six month cure to the already existing 90 calendar day cure, increasing the total possible cure for a late COD to nine months.</p>	<p>See revised section 8.1(d)a.</p>
<p><b>Section 8.1(d)b:</b> This Event of Default should be curable by the payment of liquidated damages.</p>	<p>The use of an Event of Default for failing to meet the requirements of the heat rate provisions was in response to bidder requests to not use liquidated damages for this. The allowed deterioration for heat rate is generous and should not be easily triggered by a generator. Moreover, there is 90 calendar day cure period for the heat rate Event of Default, which should grant the Supplier sufficient time to cure.</p>	<p>No change.</p>
<p><b>Section 8.2(c):</b> The Buyer should not be able to withhold payments for services performed before an Event of Default.</p>	<p>The DPUC appreciates the underlying concern of the Supplier - that he should be paid for work that was performed prior to default. At the same time, it is not appropriate for the Buyer to be paying the defaulting Supplier when the Supplier owes the Buyer an Early Termination Payment. To address both underlying concerns, the DPUC has altered the text in this provision to allow for the Supplier to use any payments that would be owed by the Buyer for performance prior to the Event of Default by the Supplier as a credit against the Supplier's Early Termination Payment.</p>	<p>See revised Section 8.2(c).</p>
<p><b>Section 8.2(c):</b> The contract should be revised to allow the Buyer the right to choose whether or not it wants to continue working with the Supplier in case of a Supplier Event of Default.</p>	<p>The DPUC does not believe that this amendment would be beneficial to the administration of this Agreement. The Supplier has a right to cure its Event of Default and the Buyer should not be able to prevent the Supplier from performing unless the cure period has expired.</p>	<p>No change.</p>
<p><b>Section 8.7:</b> If the Buyer is the defaulting party, the replacement cost of capacity should be represented as the supplier's actual damages, which are equal to the difference between the contract price and the supplier's cost of production.</p>	<p>The replacement cost of capacity for the Supplier is actually the positive difference between the price at which the Supplier can sell the capacity in the market (the Resale Price) and the contract price, which is what is specified the contract. There is no reason that the Supplier should be compensated for the positive differences between its costs of production and the contract price.</p>	<p>No change.</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<b>Section 8.7 (and elsewhere):</b> Replacement Price liability for the Supplier should be capped.	It is impossible to set a limit or cap on the Replacement Price for the Supplier in this agreement. The ISO-NE Markets are still being developed and regardless it is common for large swings in price levels to occur over the possible term of the contract.	No change.
<b>Section 8.8:</b> No amounts should be transferred prior to resolution of the dispute.	The DPUC does not agree with this proposed amendment. It is not appropriate to have the Early Termination Payment in limbo while the dispute is worked out; the Non-Defaulting Party must be compensated for the contract default so that it can move forward to resell its capacity or buy additional capacity, as the case may be.	No change.

**7 Article 9: Force Majeure; Limitation on Liability**

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<b>Section 9:</b> Definition of Force Majeure should be expanded to explicitly include the reversal or alteration of the DPUC's decision to authorize the Buyer to recover its costs for this contract.	Cost recovery for the electric distribution companies that will serve as counterparties to this contract is guaranteed by statute. It should not be addressed in a contract that is between the electricity distribution company and the Supplier.	No change.
<b>Section 9.2(a) d:</b> Force Majeure should cover the Supplier's ability to comply with payment obligations (ex., terrorist attack shuts down banking system).	It does not seem necessary to include explicit provisions for every possibility of Force Majeure. A terrorist attack that shuts down the banking system would likely create a cascade of events that could be considered to be events of Force Majeure.	No change.
<b>Section 9.2(d) and (e):</b> Limiting the amount of time performance will be excused to one year could work a great injustice and should be extendable if correction of force majeure is being diligently pursued.	The DPUC recognizes that certain events of Force Majeure may extend beyond one year and should not be grounds for terminating the contract. As such, the DPUC has extended the period by which performance will be excused in case of an event of Force Majeure to 18 months.	See revised Sections 9.2(d) and (e).

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 9.2(d) and (e):</b> The Supplier should also have mutual termination rights for lengthy Force Majeure events as well as for Buyer events of Force Majeure.</p>	<p>The DPUC agrees that the Supplier should have the right of termination in case of a lengthy Buyer event of Force Majeure, and has created a provision to grant the Supplier termination rights within this context.</p>	<p>See new Section 9.2(f).</p>

## 8 Article 10: Credit and Security Requirements

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 10:</b> Buyer should provide some collateral security for its obligations.</p>	<p>The Buyer's role is solely an administrative one, as the costs of the contract will be a direct pass-through to ratepayers. Cost recovery for the contracts is guaranteed by statute. There is no evidence that either UI or CL&amp;P is in danger of bankruptcy or whether they could ever go bankrupt given that both utilities receive regulated cost-of-service revenues. Indeed, the credit quality of the Buyer is not even a trigger for an Event of Default or a condition of performance of this Agreement. As such, it does not make sense to require security of the Buyer in this agreement.</p>	<p>No change.</p>
<p><b>Section 10.1:</b> The contract should provide for a specific date by which the security will be returned to the supplier.</p>	<p>The DPUC has added language to the agreement to specify when the security should be returned to the Supplier.</p>	<p>See revised Section 10.1 (e) of the contract.</p>

## 9 Article 12: Miscellaneous

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 12.1(a):</b> The sale or transfer without DPUC consent should be limited to minority stakes that are less than 50%.</p>	<p>The DPUC agrees that this provision should be limited to minority stakes (i.e., under 50%) and has amended the language of the provision accordingly.</p>	<p>See revised Section 12.1(a).</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 12.1(a):</b> Change of control should be permitted without restriction if made in connection with a sale of all or substantially all of the Supplier's assets or of its stock.</p>	<p>The DPUC does not agree that change of control should be permitted without restriction in this context. The Department's objective with the transfer provision is to ensure that the ongoing viability of these projects and the benefits that they are expected to provide to Connecticut ratepayers are not endangered by the sale or transfer of the project to a company that is not capable of developing or operating the project as demonstrated in the original Proposal.</p>	<p>No change.</p>
<p><b>Section 12.1(b):</b> Buyer should not be able to assign to a non-creditworthy buyer.</p>	<p>The Department has maintained the transfer provisions for the Buyer such that the Buyer can transfer this Agreement to a successor electric distribution company subject to the Department's approval. The proposed restriction to limit this ability to transfer to only credit worthy parties is unnecessary given the guaranteed cost recovery of the contract costs by the Act and the Department's role in approving rates and effectively ensuring the continued economic viability of the electric distribution companies in Connecticut. Moreover, this contract is a pass-through for the Buyer and, as such, the Buyer's credit rating is not required to support the administration of these contracts.</p>	<p>No change.</p>
<p><b>Section 12.2:</b> This provision should be deleted. Ratings deteriorations are not directly relevant to the ability to perform.</p>	<p>This provision is aimed at updating information that is provided at the Commencement Date of the contract. It is not a burdensome provision.</p>	<p>No change.</p>
<p><b>Section 12.5 (e):</b> This language should be stricken as it restricts the due process rights of parties.</p>	<p>The intent of this provision was not to restrict the due process rights of parties. The language has been removed from this section. An amended version of this statement, restricting the right of the contract counterparties to use the dispute resolution methods outlined in Section 12.10 of the agreement against any DPUC Decision made regarding the contracts has been added to certain contract provisions.</p>	<p>See revised section 12.5.</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<p><b>Section 12.6:</b> A Change-in-Law provision should be incorporated into the contracts</p>	<p>The Department has decided not to include a Change-in-Law provision in the Master Agreements. Such provisions are not universally used; indeed, many similar long-term capacity contracts do not contain any Change-in-Law provisions or contain provisions that explicitly require the Supplier to bear the risk of any Change-in-Law. The Department's overarching objective is to ensure that these Master Agreements will remain commercially viable for their entire term and to limit the number of times that they can be opened up for renegotiation for non-essential issues. Change-in-Law provisions are very broad, and in Written Exceptions and Oral Arguments, potential bidders were unable to provide concrete suggestions for appropriately defining the scope for the Change-in-Law provision. Moreover, such a broad provision does not seem as appropriate in the context of the contemplated contractual arrangements given that this is a commercial arrangement involving business activities in a deregulated – rather than regulated – environment. Other unregulated sectors of the economy have many thriving businesses which have shown that they are able to sustain a business model over the long term in spite of the potential for changes in tax law or environmental laws. We believe that the Parties to these master Agreement can do the same.</p>	<p>No change.</p>
<p><b>Section 12.6:</b> The 15% threshold for triggering the Market Change provision is excessive. It would be better to let this be triggered by any material adverse change.</p>	<p>The DPUC wants to establish a bright line trigger for the Market Change provision to facilitate the administration of these contracts in the future. As such, the DPUC does not want to incorporate a vague standard of “material adverse changes” which is likely to be subject to many possible interpretations. However, recognizing bidders concerns about the threshold, the DPUC has lowered the threshold to 10%.</p>	<p>See revised Section 12.6.</p>
<p><b>Section 12.6:</b> The DPUC should integrate a provision allowing the Buyer to renegotiate the contract in the event of ratepayer material adverse impacts.</p>	<p>The DPUC agrees that the right to re-open the contract in the case of Market Change should be bilateral, and has made corresponding amendments.</p>	<p>See revised Section 12.6.</p>

Stakeholder comment	Department Consideration	Where reflected in finalized Master Agreements (if relevant)
<b>Section 12.10:</b> The DPUC is better placed to resolve Contract disputes because of its role in creating these contracts and selecting winning bidders.	The DPUC, in response to bidder calls for having an objective third party serve as an arbiter of these commercial, non-regulated contracts, has removed itself as much as possible from serving as in a dispute resolution role.	No change.
<b>Section 12.10 (and elsewhere):</b> The location for judicial jurisdiction depends on the Buyer's location and should not automatically be Hartford.	The DPUC has removed the specifications about judicial jurisdiction.	See revised Section 12.10.