As a high-quality graduate statistics student, the correct answer to this multiple choice question is:

(D) We conclude that there is an effect in the population when in fact there is not.

\*\*Explanation:\*\*

A Type I error is defined as the error of rejecting the null hypothesis when it is actually true. In statistical terms, this means we conclude that there is a significant effect or difference (i.e., we reject \(H\_0\)) when in reality there is no effect or difference in the population (i.e., \(H\_0\) is true).

- Option (A) describes a Type II error, which occurs when we fail to reject the null hypothesis when it is false.

- Option (B) is somewhat ambiguous but could be interpreted as a misunderstanding of significance testing; the significance of a test statistic is determined by the test, not by some external fact.

- Option (C) is unrelated to statistical hypothesis testing and concerns data entry errors.

Thus, the correct answer is \*\*(D)\*\*.