

1 Q. (p.10, lines 4-13) Have the forecasts of costs of No.6 fuel changed since May
 2 2001? Give the average monthly price of No.6 fuel for each month, starting
 3 in January 2001 and continuing to the most recent available.

4
 5 A. Yes, the PIRA Energy Group prepares a World Oil Market Outlook every
 6 month including any revisions to the short term crude and petroleum product
 7 price forecasts as deemed necessary. Their longer-term market price
 8 forecast is reviewed on a quarterly basis and revised as deemed necessary.

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 10 The most recent market price forecast for 2.2% No. 6 fuel oil available from
 11 the PIRA Energy Group was released July 27, 2001. After Hydro's
 12 application of contract discounts of \$0.113 /BBL and \$0.116 /BBL in 2001
 13 and 2002 respectively, and application of Hydro's most recent exchange rate
 14 forecast, PIRA's forecast expressed in Canadian dollars is as follows:

2.2% No 6 Fuel Oil Market Price Forecast (NYH)			
PIRA Energy Group - July 27, 2001			
2001 (CDN \$/ BBL)		2002 (CDN\$/BBL)	
January (Actual)	32.85	January	31.10
February (Actual)	29.85	February	28.70
March (Actual)	31.10	March	27.25
April (Actual)	26.85	April	27.05
May (Actual)	28.65	May	26.95
June (Actual)	26.90	June	26.95
July	25.15	July	26.10
August	26.95	August	26.90
September	28.00	September	28.30
October	29.90	October	28.70
November	32.30	November	29.00
December	32.75	December	28.00
Annual	29.30	Annual	27.90