

1 Q. RE: HGB 5:

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3 54.1 In addition to Government of Newfoundland and Labrador economic
4 forecasts, what other sources of information and economic forecasts
5 are available to Hydro for inclusion in its econometric model and to
6 what extent if any is this information used?

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8 A. 54.1 Hydro contracts with the Department of Finance for the provision of
9 Provincial economic forecast services and this forms the primary input
10 for the long-term load forecast process. Hydro could contract for
11 additional economic forecast services, but for budgetary reasons, and
12 due consideration of local analytical capabilities, Hydro is satisfied
13 with its present arrangements. Notwithstanding, Hydro notes short
14 term views of the economy as offered by various financial institutions
15 from time to time, monitors information from the Atlantic Provinces
16 Economic Council, and occasionally purchases, for a nominal fee,
17 Provincial economic forecast summaries that may be available from
18 such organizations as The Conference Board of Canada. This
19 information is used in a general sense, helping to ensure that a
20 reasonable set of assumptions continually form the basis for the work
21 undertaken by the Department of Finance on Hydro's behalf.