

1 Q. Outline the assumptions on provincial economic activity and relative energy  
2 prices used in formulating the Long Term Planning Load Forecast, including  
3 inflation, exchange rates, and borrowing costs for different short and long-  
4 term debt.

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7 A. The assumptions on Provincial economic activity are as per summary of Key  
8 Economic Indicators summary presented in response to IC-161 NLH. The  
9 exchange rate and short and long term borrowing costs do not factor  
10 explicitly into the Long Term Planning Load Forecast (PLF) and are not  
11 inputs. The response to IC-33 NLH provides medium term exchange rate  
12 assumptions utilized in the formulation of the rate referral. The key relative  
13 price consideration for the PLF is for home heating fuel oil for the space  
14 heating market. The average domestic prices for home heating fuel oil and  
15 electricity used in the 2003 PLF are:

<b>Relative Energy Prices<sup>1</sup> in 2003 PLF</b>		
	<b>Fuel Oil (\$/GJ)</b>	<b>Electricity (\$/GJ)</b>
2002 A	15.70	21.70
2003	17.50	22.50
2004	16.55	24.85
2005	16.35	25.25
2006	16.45	25.80
2007	16.50	26.35
2008	16.90	26.80
2009	17.30	27.00
2010	17.70	27.20

1. Nominal dollars for marginal price to a user.