

1 Q. Please provide a detailed explanation of the differences between the “base
2 case” expansion analysis in the NERA May 2006 report (Table 2) and the
3 Stone and Webster February 2006 report on the NP Generation Credit
4 (Exhibit 6). Please explain all differences in assumptions between the two
5 scenarios, including load forecasts (by customer class), reserve percentages,
6 asset costing of each supply option and all other reasons driving the two
7 different development sequences.

8

9

10 A. The major difference between the Stone and Webster February 2006 report
11 on the NP Generation Credit (Exhibit 6) and the “base case” expansion
12 analysis in the NERA Marginal Cost Study May 2006 report (Table 2), is the
13 load forecast. The Stone and Webster February 2006 report on the NP
14 Generation Credit (Exhibit 6) used the 2005 Provincial Load Forecast (PLF),
15 which assumed the ACI newsprint mill at Stephenville was operating. The
16 NERA May 2006 report (Table 2) used the 2006 PLF, which takes into
17 account the closing of the Stephenville mill.

18

19 The other assumptions between the two scenarios remain basically the
20 same.