

1 **Q. LEASES**

2

3 **PUB 58.0**

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5 **C-2 Production Printers**

6 **Has NP conducted a lease versus purchase analysis, and if so, why is it not included**
7 **as part of the justification for the project?**

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9 A. A lease versus purchase analysis was not conducted for the production printers prior to
10 the filing of the Application. Because the Company's recent history with the acquisition
11 of printers has typically favoured the leasing option, it was considered appropriate to
12 present the leasing option in the Application as the most likely scenario.

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14 A lease/buy analysis is always conducted before acquisition where those options are
15 appropriate considerations. However, conducting such an analysis as many as 12 months
16 in advance of an acquisition may be premature, given the potential for changes in printer
17 technology and in financial markets over time.

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19 If, at the time of acquisition, the lease/buy analysis favours a purchase, the Board will be
20 apprised of the change.