

1 Q. In its key findings section, Navigant states (Exhibit 101, p. 12 of 79) that the fuel
2 cost forecast used by Nalcor in its analysis of the generation expansion alternatives
3 was reasonable? How was this determination made?
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6 A. It is Nalcor's understanding that Navigant compared Nalcor's fuel price projections
7 with the long term oil price forecast in "Outlook 2011" published by the United
8 States Federal Energy Information Administration ("EIA"). The price levels and price
9 escalation in Nalcor's and EIA's oil price forecasts were judged by Navigant as
10 sufficiently comparable to be considered reasonable.