

1 Q. On page 16 of the Report it is stated that Hydro has not issued an updated
2 Generation Planning Load Forecast since 2012 but conducted a review of the
3 previous forecast. Please provide an updated Generation Planning Load Forecast.
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6 A. The Generation Planning Load Forecast is determined through an iterative process
7 with the generation planning exercise as described below. Hydro plans to carry out
8 a generation expansion/generation planning forecast analysis in the fall of 2014 and
9 will be able to provide an updated Generation Planning Load Forecast after that
10 exercise is completed.
11

12 **Planning Load Forecast Cycle**

13 Within Hydro, the development of the electricity load forecast is analytically linked
14 across the System Planning and the Investment Evaluation departments. The
15 System Planning Department is responsible for preparing the load forecast and
16 required capital plans while the Investment Evaluation Department is responsible
17 for determining long term electricity prices.
18

19 The Market Analysis section of the System Planning Department prepares an initial
20 long term load forecast for which the System Planning Department develops a long
21 term capital plan for the power system that ensures sufficient generating capability
22 and reliability. The Investment Evaluation Department then prepares revenue
23 requirements based on the capital and operational plan and subsequently
24 determines long term electricity prices. The new electricity prices are then entered
25 back into the electricity forecasting model and an iterative process begins across
26 the Market Analysis, System Planning and Investment Evaluation planning groups
27 until equilibrium is established between supply and demand. This process is

- 1 referred to as the planning load forecast cycle and typically takes up to three or four
- 2 months to complete.