

1 **Volume 1, Section 3 – Finance**
2

3 **Q. (pages 20-21) Are there any reasons to believe that 1-to-5-year forecasts of electric**
4 **distribution (a) capital expenditure requirements and (b) major external financing**
5 **requirements are likely, on balance, to be less accurate or reliable in a relatively**
6 **slow-growth province, such as Newfoundland and Labrador, than they will be in**
7 **higher-growth provinces such as Alberta, British Columbia, and Ontario? Please**
8 **explain the various forecasting-related considerations, both pro and con, that are**
9 **weighed in arriving at the answer to this question.**

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11 A. Newfoundland Power does not have comparative information with respect to the relative
12 accuracy of 1 to 5-year forecasts of electric distribution (a) capital expenditure
13 requirements and (b) major external financing requirements for slow-growth provinces
14 and high-growth provinces. Therefore, Newfoundland Power is unable to make any
15 observations on the comparative accuracy or reliability of such forecasts.