

1 **Volume 2, Tab 8 – Customer, Energy and Demand Forecast**
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3 **Q. (page 4) “Domestic customer growth is largely a result of housing starts. The**
4 **Conference Board of Canada forecasts housing starts of 1701 units in 2007 and 1405**
5 **in 2008 while Canada Mortgage and Housing is projecting 2150 units in 2007 and**
6 **2050 units in 2008. Using an average of these forecasts the number of domestic**
7 **customers is forecast to grow by 1.0 percent in 2007 and .9 percent in 2008.” Please**
8 **compare the accuracy of each body’s forecast housing starts relative to actual**
9 **housing starts in this province over the past 10 years.**

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11 A. Table 1 provides actual housing starts for 1997 to 2006 along with housing start
12 projections for those years prepared by the Conference Board of Canada and Canada
13 Mortgage and Housing. The housing forecasts provided correspond to the customer and
14 energy sales forecasts contained in Appendix D, *Customer, Energy and Demand*
15 *Forecast*, Volume 2, Supporting Materials, Tab 8.
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Table 1
Comparison of Housing Start Forecasts

Year	Actual Starts	Conference Board of Canada	Canada Mortgage and Housing
1997	1,696	1,933	1,550
1998	1,450	1,957	1,950
1999	1,371	1,498	1,700
2000	1,459	1,627	1,450
2001	1,788	1,650	1,500
2002	2,419	1,661	1,575
2003	2,692	1,695	2,250
2004	2,870	1,493	2,000
2005	2,498	1,433	2,300
2006	2,234	1,694	2,225

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20 Since 2005, Newfoundland Power’s forecasts of domestic customers have been based on
21 an average of the Conference Board of Canada and Canada Mortgage and Housing
22 forecasts of housing starts.