Q. Reference: ESRA, Nov. 2016, p. 9.

Citation:

"*Hydro bases its generation supply planning decisions on its P90 peak demand forecast.*[7]*The P90 peak demand forecasts reflects the associated increase in demand over the normalized peak demand forecast resulting from instances of severe wind and cold. In those instances, the actual peak will exceed the normalized, or P50, figure. The development of the P90 peak demand forecast is an extension of Hydro's regularly prepared system operating load forecast.*"

Question: This statement would suggest that the P90 forecast does not take into account higher than expected load growth, but only weather-related events. Please confirm or correct this interpretation.

If the P90 forecast only incorporates weather-related uncertainty, please explain how Hydro's planning process takes into account the uncertainty in its underlying load forecast.

A. Hydro confirms that its higher P90 load forecast requirement compared to its P50 load forecast requirement only takes weather related events into account. Hydro's planning process takes into account the uncertainty relating to higher than expected load growth in its underlying load forecast by developing and evaluating alternate load forecast scenarios, also referred to as sensitivity forecasts. As part of this energy supply risk assessment, Hydro developed three alternate load forecast scenarios which were evaluated and presented in section 6.2 of the report.