

1 Q. In response to PUB-Nalcor-074 and PUB-Nalcor-083 Nalcor provided three load
2 forecast scenarios based on different price assumptions. An analysis of those results
3 indicates an overall price elasticity of approximately -0.30. Please describe the basis
4 for the price elasticity effect shown in the Nalcor price scenarios (e.g., the historical
5 data period, other model coefficients, key forecast drivers).

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8 A. Please refer to the accompanying Excel file PUB-Nalcor-206, Attachment 1, a
9 subset of Nalcor's response to PUB-Nalcor-105, which includes the tabs EQ2, EQ4,
10 EQ5, EQ7, EQ8 that provide the load forecast models that drive the price elasticity
11 effects of the three energy forecast scenarios provided in Nalcor's response to PUB-
12 Nalcor-074. In each of the respective tabs in the Excel file, the historical data and
13 the model coefficients are provided. The historical data period modelled is
14 indicated in cell A4 of each respective tab and the key forecast drivers of each
15 model have been bolded.

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17 Note that the regression models in tabs EQ2, EQ7 and EQ8 are equations that
18 determine the change in customer electricity consumption levels due to changes in
19 electricity price levels directly and are short run price impacts. The regression
20 models in tabs EQ4 and EQ5 are equations that determine the change in annual
21 electricity consumption levels due to changes in annual electricity price levels
22 indirectly via the change to the electric heat market share and are longer term price
23 impacts.