

OTP/MDU EXHIBIT 343
CHANGES IN COAL AND NATURAL GAS PRICE FORECASTS TO ELECTRIC GENERATORS, AS COMPILED FROM ANNUAL ENERGY OUTLOOK, 1998-2006

A. Forecast prices in real \$ per MMBtu, using \$ base year as given in that year's AEO

<u>Source</u>	<u>Table/Page</u>	<u>Year \$</u>	<u>Coal</u>			<u>Natural Gas</u>		
			<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>
AEO 1998	Table A3, Page 104	1996	\$ 1.09	\$ 1.03	\$ 0.97	\$ 2.84	\$ 2.98	\$ 3.15
AEO 1999	Table A3, Page 116	1997	\$ 1.06	\$ 0.99	\$ 0.93	\$ 3.08	\$ 3.17	\$ 3.24
AEO 2000	Table A3, Page 121	1998	\$ 1.07	\$ 1.03	\$ 0.98	\$ 3.08	\$ 3.21	\$ 3.33
AEO 2001	Table A3, Page 131	1999	\$ 1.05	\$ 1.01	\$ 0.98	\$ 3.03	\$ 3.24	\$ 3.59
AEO 2002	Table A3, Page 129	2000	\$ 1.05	\$ 1.01	\$ 0.97	\$ 3.38	\$ 3.65	\$ 3.87
AEO 2003	Table A3, Page 123	2001	\$ 1.17	\$ 1.15	\$ 1.12	\$ 3.79	\$ 4.14	\$ 4.30
AEO 2004	Table A3, Page 137	2002	\$ 1.22	\$ 1.20	\$ 1.17	\$ 4.04	\$ 4.78	\$ 4.85
AEO 2005	Table A3, Page 143	2003	\$ 1.25	\$ 1.23	\$ 1.25	\$ 4.27	\$ 4.81	\$ 5.20
AEO 2006	Table A3, Page 137	2004	\$ 1.48	\$ 1.40	\$ 1.39	\$ 5.46	\$ 5.08	\$ 5.40
AEO 2007	Table A3, Page 140	2005	\$ 1.71	\$ 1.60	\$ 1.58	\$ 6.22	\$ 5.50	\$ 5.76

B. Forecast prices in real \$ per MMBtu, using year 2000 dollars

<u>Source</u>	<u>Table/Page</u>	<u>GDP Price Deflator</u>	<u>Coal</u>			<u>Natural Gas</u>		
			<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>
AEO 1998	Table A3, Page 104	0.9385	\$ 1.16	\$ 1.10	\$ 1.03	\$ 3.03	\$ 3.18	\$ 3.36
AEO 1999	Table A3, Page 116	0.9541	\$ 1.11	\$ 1.04	\$ 0.97	\$ 3.23	\$ 3.32	\$ 3.40
AEO 2000	Table A3, Page 121	0.9647	\$ 1.11	\$ 1.07	\$ 1.02	\$ 3.19	\$ 3.33	\$ 3.45
AEO 2001	Table A3, Page 131	0.9787	\$ 1.07	\$ 1.03	\$ 1.00	\$ 3.10	\$ 3.31	\$ 3.67
AEO 2002	Table A3, Page 129	1.0000	\$ 1.05	\$ 1.01	\$ 0.97	\$ 3.38	\$ 3.65	\$ 3.87
AEO 2003	Table A3, Page 123	1.0240	\$ 1.14	\$ 1.12	\$ 1.09	\$ 3.70	\$ 4.04	\$ 4.20
AEO 2004	Table A3, Page 137	1.0419	\$ 1.17	\$ 1.15	\$ 1.12	\$ 3.88	\$ 4.59	\$ 4.66
AEO 2005	Table A3, Page 143	1.0641	\$ 1.17	\$ 1.16	\$ 1.17	\$ 4.01	\$ 4.52	\$ 4.89
AEO 2006	Table A3, Page 137	1.0946	\$ 1.35	\$ 1.28	\$ 1.27	\$ 4.99	\$ 4.64	\$ 4.93
AEO 2007	Table A3, Page 140	1.1300	\$ 1.51	\$ 1.42	\$ 1.40	\$ 5.50	\$ 4.87	\$ 5.10

C. Change in forecast prices from previous year's AEO

<u>Source</u>	<u>Measure</u>	<u>Year \$</u>	<u>Coal</u>			<u>Natural Gas</u>		
			<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>
AEO 1998	--	2000	--	--	--	--	--	--
AEO 1999	Change from AEO 1998	2000	\$ (0.05)	\$ (0.06)	\$ (0.06)	\$ 0.20	\$ 0.15	\$ 0.04
AEO 2000	Change from AEO 1999	2000	\$ (0.00)	\$ 0.03	\$ 0.04	\$ (0.04)	\$ 0.01	\$ 0.06
AEO 2001	Change from AEO 2000	2000	\$ (0.04)	\$ (0.04)	\$ (0.01)	\$ (0.10)	\$ (0.02)	\$ 0.22
AEO 2002	Change from AEO 2001	2000	\$ (0.02)	\$ (0.02)	\$ (0.03)	\$ 0.28	\$ 0.34	\$ 0.20
AEO 2003	Change from AEO 2002	2000	\$ 0.09	\$ 0.11	\$ 0.12	\$ 0.32	\$ 0.39	\$ 0.33
AEO 2004	Change from AEO 2003	2000	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.18	\$ 0.54	\$ 0.46
AEO 2005	Change from AEO 2004	2000	\$ 0.00	\$ 0.00	\$ 0.05	\$ 0.14	\$ (0.07)	\$ 0.23
AEO 2006	Change from AEO 2005	2000	\$ 0.18	\$ 0.12	\$ 0.10	\$ 0.98	\$ 0.12	\$ 0.05
AEO 2007	Change from AEO 2006	2000	\$ 0.16	\$ 0.14	\$ 0.13	\$ 0.52	\$ 0.23	\$ 0.16

Source: U.S. Dept. of Energy, Energy Information Administration, *Annual Energy Outlook*, yearly publications, 1998 through 2007. Reference Case Tables' prices converted from various year dollars to 2000 dollars by dividing by a GDP Implicit Price Deflator, based on U.S. GDP data, as reported in U.S. Department of Commerce, Bureau of Economic Analysis, National Economic Accounts: *Gross Domestic Product, Current-dollar and "real" GDP*, spreadsheet at <http://www.bea.gov/national/xls/gdplev.xls>. last updated 27-Sep-2007.