

UNDERTAKING J11.1

Undertaking

To provide estimate of probability that the discount rate for Darlington refurbishment would be outside the range of 6 to 8 percent, the 7 percent, plus or minus 1 percent, over its life.

Response

In the Monte Carlo analysis to develop the probability distribution for the LUEC of the Darlington Refurbishment project, the probability assigned to the discount rate being within the range of 6% to 8% was 80%. Therefore, there was a 20% probability assigned to the discount rate being outside the 6% to 8% range.