

can be measured. This difficulty is most frequently overcome in one of two ways:

- 1) construct two or more markedly disparate baseline scenarios against which all proposed policy measures can be tested. Those policy measures which are invariant in their effects, independent of choice of baseline scenarios, can be considered to be more certain in their costs and effectiveness than those whose effects are dependent upon choice of baseline scenario.
- 2) construct one baseline scenario against which all proposed policy measures can be tested. For those policy measures which appear promising, execute widely varying changes in baseline assumptions to test the sensitivity of the policy measures to baseline assumptions.

In specific situations a choice is generally made between these two approaches based on several criteria: number of policy options to study, cost of analysis for each scenario, opportunity and ability to perform sensitivity analyses, etc.

Studies currently underway in both countries on possible control options have not coordinated their baseline assumptions, although such coordination is recognized to be highly desirable. Such coordination does not require the use of the same value for each scenario parameter in both countries, only that the choice of parameters is consistent for the two. For example, assumed U.S. energy imports from Canada should match assumed Canadian exports to the U.S., but the market price of energy in the two countries may be quite different due to varying domestic energy policies.