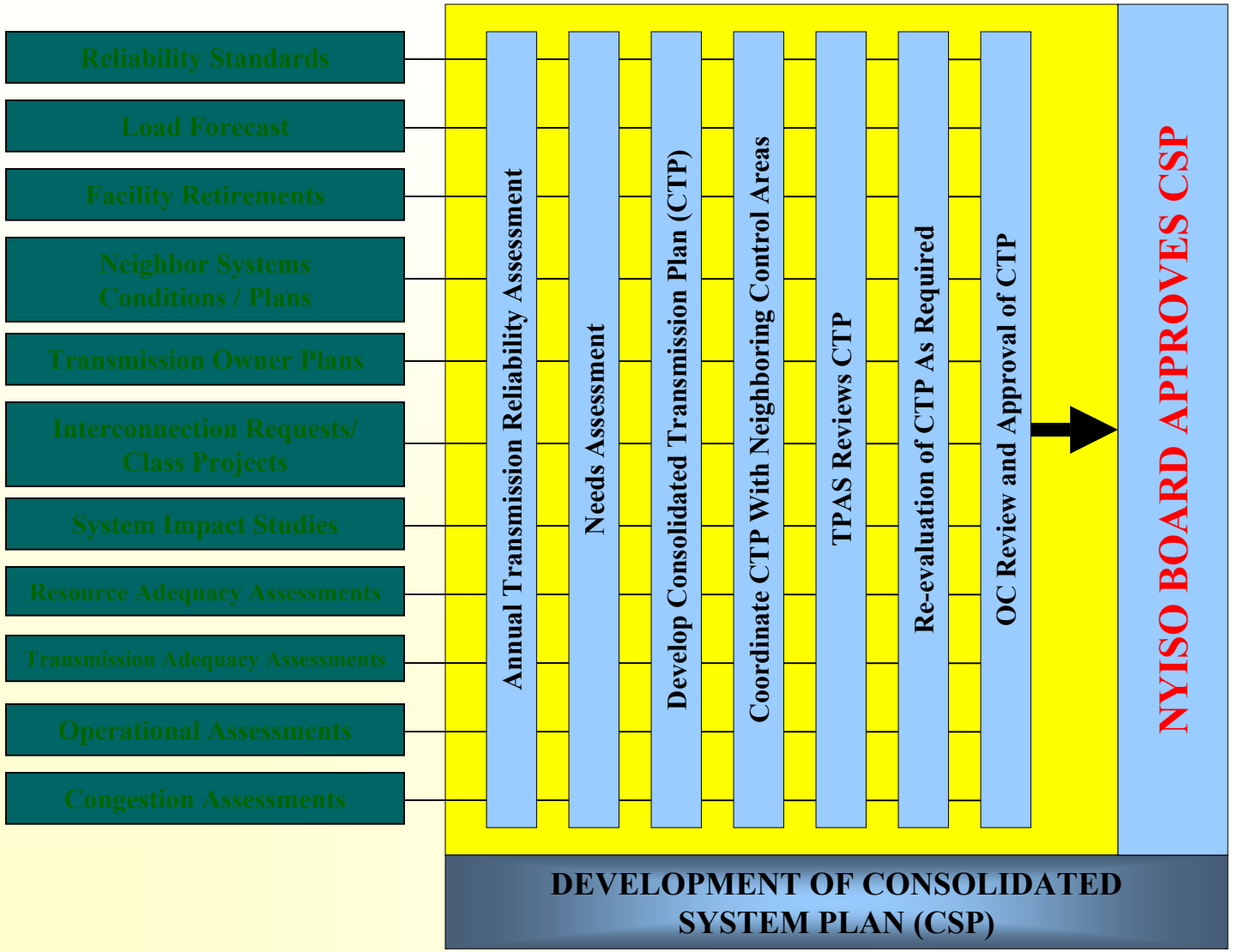
NYISO 2003 Summer Peak Load

30,333 MW

June 26, Hour Ended 5 PM

NEW YORK INDEPENDENT SYSTEM OPERATOR



NEW YORK INDEPENDENT SYSTEM OPERATOR

NYISO Electric System Planning Process

LFTF Role

1. Review NERC, NPCC, NYISO Load & Capacity Report forecasts
2. Develop Process for 10 Year Forecast
   - **Input from all Market Participants**
   - **Solicit NYSERDA, other Agency inputs**
   - **Subject to evaluation by NYISO, similar to ICAP load forecast**
3. Develop 10 Year Forecast
   - **Based on common set of assumptions (e.g., Economy.com)**
   - **Linked with EDRP, other DSM programs**
4. End of Feb. 2004 completion date

NYISO Electric System Planning Process (1)

ESP Load Forecasting Process Strawman

1 **R' = GWH/GSP =** $aGSP^{(b-1)}P_e^{(b2)}$ Estimated from historical information by NYISO staff

	R							R'
	Epoch 1	Epoch 2	Epoch 3	Epoch 4	Epoch 5	Overall Average	04 - 13 Forecast	
TO 1	0.84	0.97	1.04	1.10	1.01	1.007	1.100	1.060
TO 2	1.10	1.02	1.06	1.15	1.02	1.052	1.050	1.030
TO 3	1.02	1.04	1.07	1.05	1.05	1.050	0.980	1.000
MES 1 (in TO 1 TD	1.12	1.13	1.09	1.11	1.06	1.096	1.100	1.110
MES 2 (in TO 3 TD)	1.02	1.04	1.07	1.05	1.05	1.050	1.040	1.070

Epochs correspond to more or less distinct economic periods (recession, oil embargoes, etc.)

2 **Acceptance Range**

	Low	High	Accept	Investigate
TO 1	0.97	1.04		x
TO 2	1.06	1.10	x	
TO 3	1.04	1.05		x
MES 1 (in TO 1 TD	1.09	1.12	x	
MES 2 (in TO 3 TD)	1.04	1.05		x

NYISO Electric System Planning Process (2)

3 **Investigate Forecasted R's not in Acceptance Range**

Changing composition of GSP (structural change)
DSM/NYSERDA Programs
Etc.

4

Final Energy Forecast

	R	2004 GSP	2005 GSP	2013 GSP
TO 1	1.060		61886.8	69270.3
TO 2	1.050		54666.7	62160.0
TO 3	0.980		33469.4	33984.5
MES 1 (in TO 1 TD	1.060		6188.7	7012.5
MES 2 (in TO 3 TD)	0.980		1673.5	1905.5

	2004 GWH	2005 GWH	2013 GWH
TO 1	x	65,600	**73,427**
TO 2	x	57,400	**65,268**
TO 3	x	32,800	**33,305**
MES 1 (in TO 1 TD	x	6,560	**7,433**
MES 2 (in TO 3 TD)	x	1,640	**1,867**
	x	164,000	**181,300**

5 **Final Peak Forecast** **TBD**

NEW YORK INDEPENDENT SYSTEM OPERATOR

NYISO Electric System Planning Process (3)

Still TBD

- Converting Energy to Peak forecast
- Source of Electric Price Variable(s)
- DSM/EDRP
- MP Inputs
- ???

Consolidated Planning Process
Proforma Timeline