

NYISO 2002-2003 ICAP Forecast

Some Relevant Tariff Language

NYCA Adjusted Actual Peak Load (AAPL)

Actual peak Load adjusted to reflect: (i) Load relief measures such as voltage reduction and Load Shedding; (ii) peak Load reduction provided by Interruptible Load Resources; and (iii) Normalized design weather conditions, as necessary. (NYISO Services Tariff, definitions)

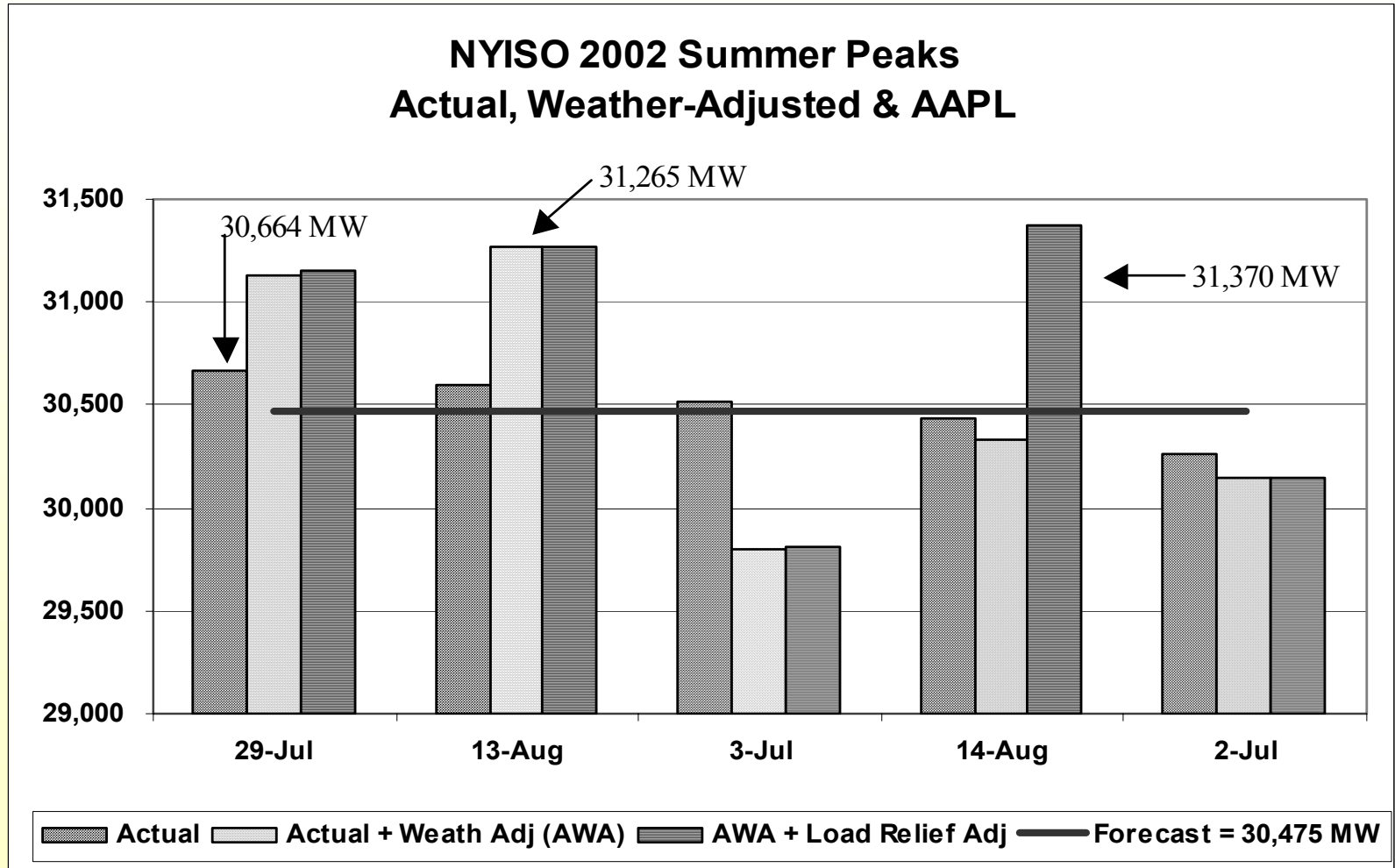
The ISO will calculate a NYCA peak Load each year by applying regional Load growth unit factors to the prior calendar year's AAPL (Section 5.11)

Each Transmission District's peak Load forecast shall assume, as a starting point, the relevant Transmission District's AAPL during the prior calendar year... (Section 5.11)

2002 NYISO Summer Peak Loads

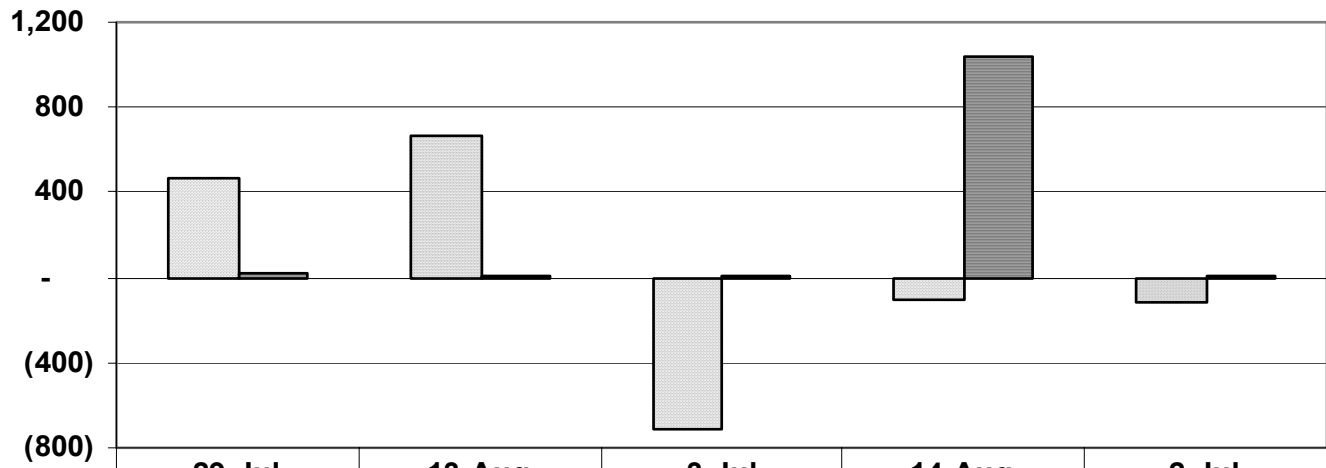
<u>NYCA 2002 Five Highest Peak Days</u>					
	<u>29-Jul</u>	<u>13-Aug</u>	<u>3-Jul</u>	<u>14-Aug</u>	<u>2-Jul</u>
Peak Hour	17	17	16	15	17
Week Day	Mon	Tue	Wed	Wed	Tue
Actual Load	30,664	30,596	30,520	30,432	30,258
Load Relief Measures					
EDRP/SCR	0	0	0	1,000	0
TO Programs	14	8	12	38	8
Appeals, Volt Reduc	-	-	-	-	-
Other	-	-	-	-	-
Total	14	8	12	1,038	8
Actual Load + LRM	30,678	30,604	30,532	31,470	30,266
Weather					
NYISO Index	81.19	80.87	83.26	82.19	82.22
Design Conditions	82.02	82.02	82.02	82.02	82.02
Design - Observed	0.83	1.15	(1.24)	(0.17)	(0.20)
MW / Degree	565	580	580	580	580
Weather Adjustment	471	669	(719)	(101)	(115)
Annual Adjusted Peak Load	31,150	31,270	29,810	31,370	30,150

2002 NYISO Summer Peak Loads



2002 NYISO Summer Peak Loads

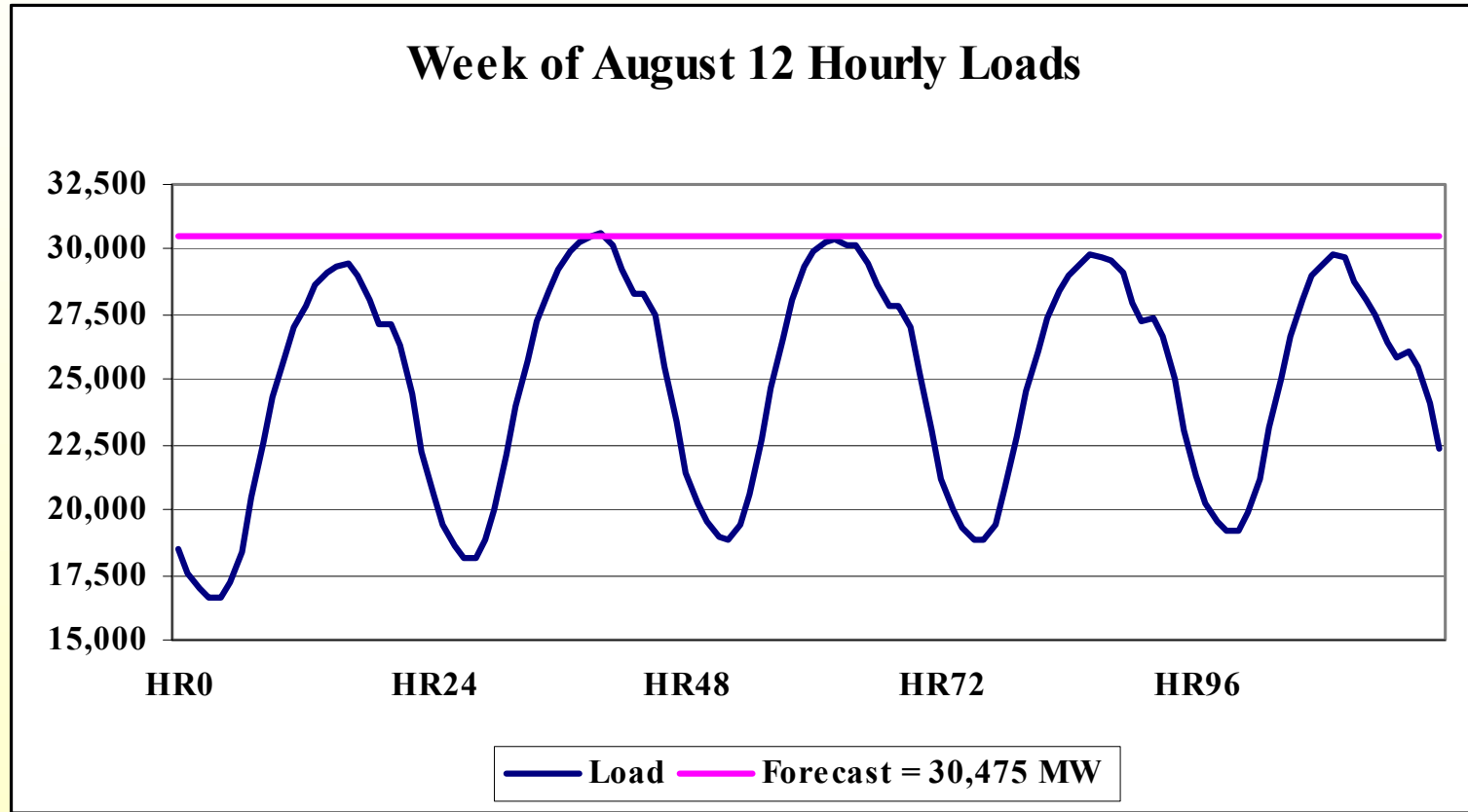
**NYISO 2002 Adjustments to Peak
Weather & Load Relief**



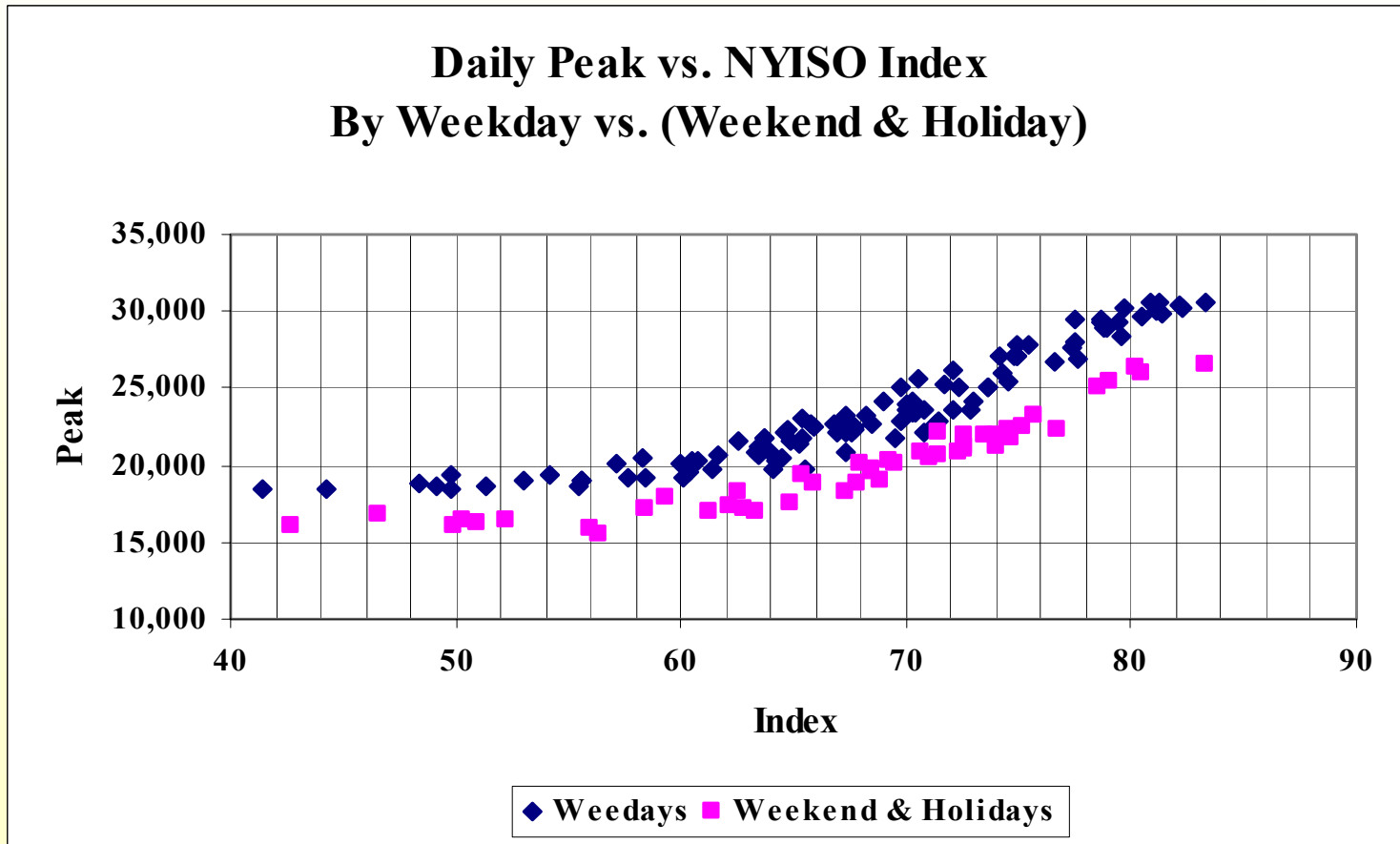
□ Weather Adj	471	669	(719)	(101)	(115)
■ Load Relief Adj	14	8	12	1,038	8

□ Weather Adj ■ Load Relief Adj

2002 NYISO Summer Peak Loads



2002 NYISO Summer Peak Loads



ICAP Load Forecast Process

More Relevant Tariff Language

The ISO will calculate a NYCA peak Load each year by applying regional Load growth unit factors to the prior calendar year's AAPL (Section 5.10).

Regional Load growth factors shall be proposed by the Transmission Owners and reviewed by the ISO pursuant to procedures agreed to by all Market Participants which shall be described in the ISO Procedures. (Section 5.10)

Disputes concerning the development of RLGFs shall be resolved through the ISO's Dispute Resolution Procedures. (Section 5.10)

ICAP Load Forecast for 2002

<u>Transmission District</u>	<u>TO</u> <u>2001 Peak</u>	<u>TO Weather Norm.</u> <u>2001 Peak</u>	<u>TO</u> <u>2002 Peak</u>	<u>TO</u> <u>Growth Factor</u>
Central Hudson	1,049	985	990	0.5%
Con Edison	12,207	12,225	12,225	0.0%
LIPA	4,844	4,605	4,667	1.3%
NYPA	648	648	648	0.0%
NYSEG	2,511	2,516	2,498	-0.7%
NMPC	6,283	6,370	6,370	0.0%
Orange and Rockland	1,340	1,355	1,380	1.8%
RGE	1,544	1,512	1,560	3.2%
NYCA Weighted Average Growth Rate:				<u>0.41%</u>

NYCA Weather Normalized 2001 Summer Peak 30,780 MW

NYCA 2002 Summer Peak Forecast including Rockland Electric	30,910 MW
less: Rockland Electric Peak Contribution	435
NYCA 2002 Summer Peak Forecast Net	30,475 MW

1/30/2002

ICAP Load Forecast Process

Load Forecasting Manual Section 2.0

TOs provide the ISO:

1. Methodology used to forecast RLGF for its TD
2. The forecasted RLFG
3. Previous five calendar years' AAPLs
4. Losses
5. SCRs and DADRP/EDRPs
6. LSE data required to be provided by TOs

See manual for details

ICAP Load Forecast Process

Regional Load Growth Factors Acceptance Criteria

- 1. RLGFs should be within 5 year range of AAPL growth**
- 2. Same relationship to economic growth in forecast as in history**
- 3. ISO projections of TD RLGf**

TD RLFG forecast should be consistent with 2 of three

See Section 2.2.2 of LF Manual

ICAP Load Forecast Process

2002 Criteria Summary

Criteria 1: Recent Historical Load Growth			
		: Done	
		<u>Minimum</u>	<u>Maximum</u>
Central Hudson		1.0098	1.0189
Consolidated Edison		1.0175	1.0228
LIPA		1.0200	1.0361
NYSEG		0.9988	1.0008
Niagara Mohawk		0.9746	1.0376
NYPA			
O&R		1.0246	1.0338
RG&E		0.9926	1.0465

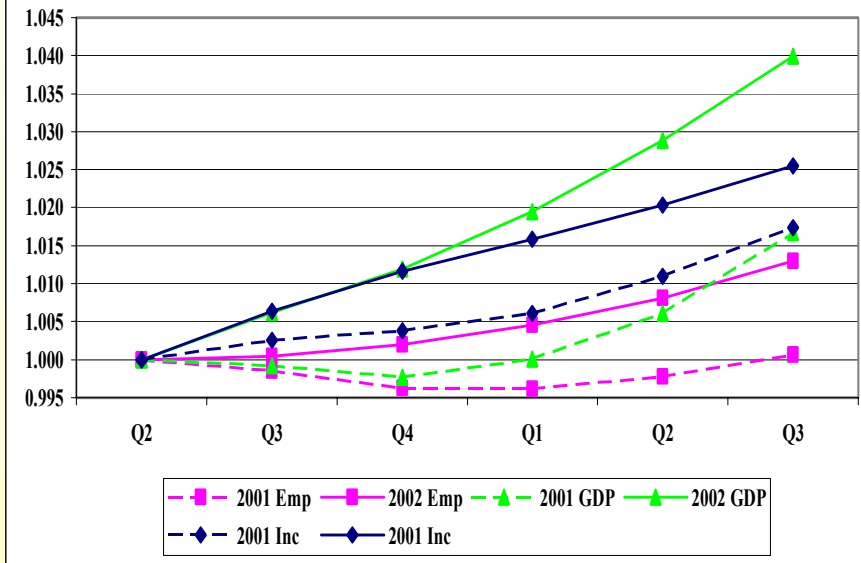
Criteria 2: Relationship to Economic Indicators			
		: Done	
		<u>Minimum</u>	<u>Maximum</u>
Central Hudson		0.9817	0.9986
Consolidated Edison		0.9879	1.0036
LIPA		1.0034	1.0209
NYSEG		0.9676	0.9858
Niagara Mohawk		0.9694	1.0345
NYPA			
O&R		0.9966	1.0121
RG&E		0.9880	1.0447

Criteria 3: Projections Performed by the NYISO				
		: Done		
	<u>Predicted</u>	<u>Minimum</u>	<u>Maximum</u>	
Central Hudson	1.0061	1.0015	1.0107	
Consolidated Edi	1.0010	0.9983	1.0037	
LIPA	1.0057	0.9976	1.0138	
NYSEG				
Niagara Mohawk	0.9894	0.9579	1.0209	
NYPA				
O&R	0.9973	0.9927	1.0019	
RG&E	0.9939	0.9670	1.0208	

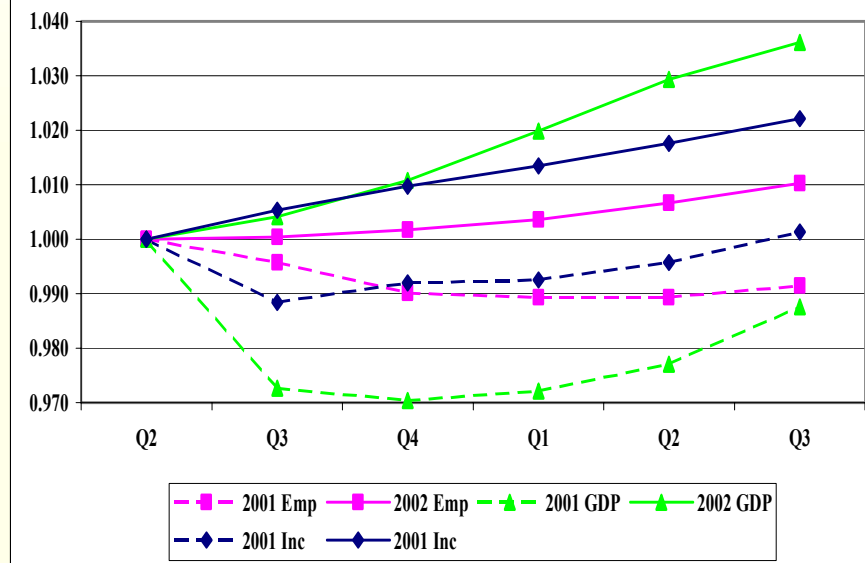
Combined 1& 2:			
		: Done	
		<u>Minimum</u>	<u>Maximum</u>
Central Hudson		0.9957	1.0088
Consolidated Edison		1.0027	1.0132
LIPA		1.0034	1.0209
NYSEG		0.9676	0.9858
Niagara Mohawk		0.9694	1.0345
NYPA			
O&R		0.9966	1.0121
RG&E		0.9812	1.0255

Economic Outlook Last Year vs. This Year

US Forecasts

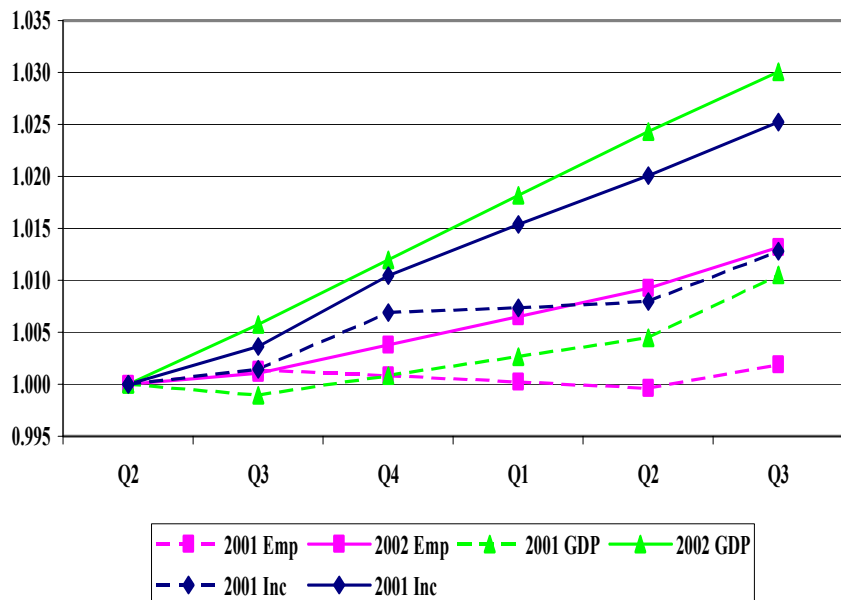


NY Forecasts

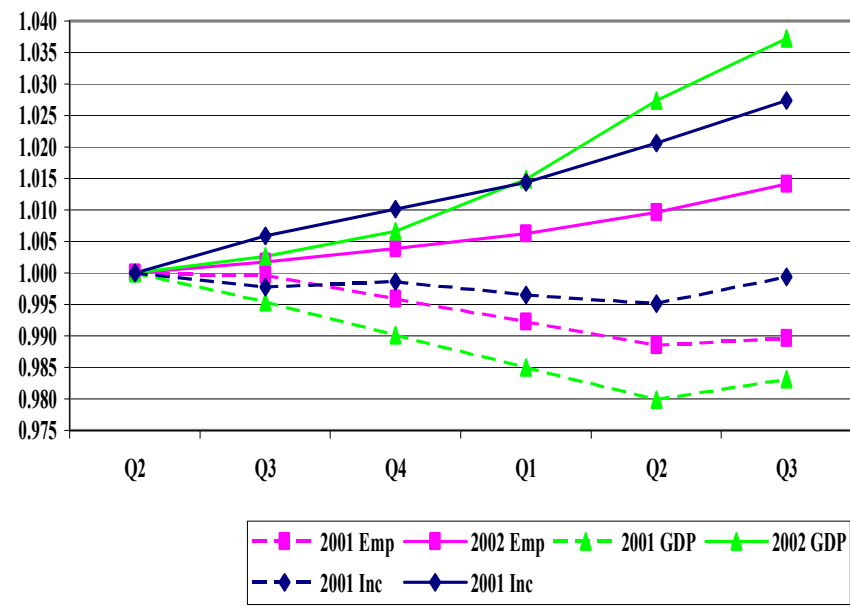


Economic Outlook Last Year vs. This Year

Upstate Forecasts

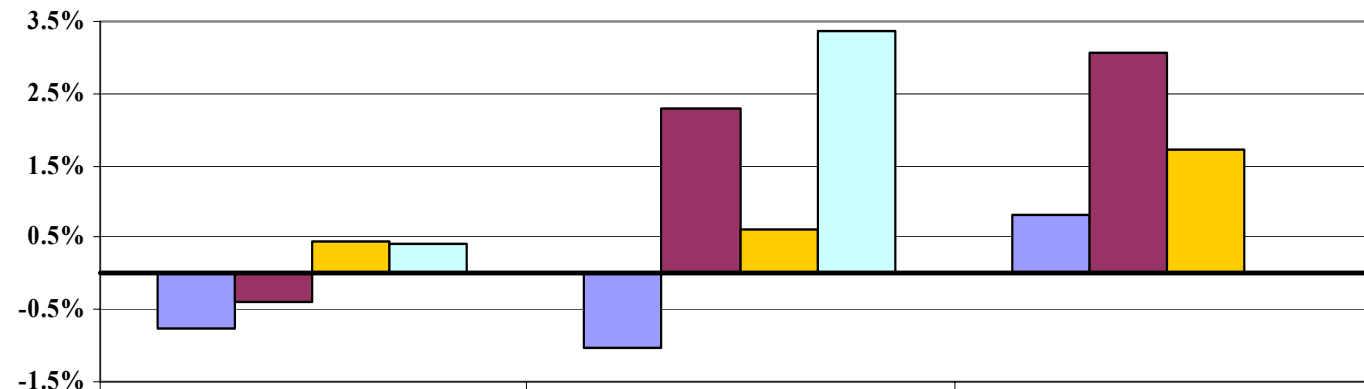


Downstate Forecasts



Economic Outlook Last Year vs. This Year

2001 vs 2002 Projections and Actuals



	01/02 ICAP	01/02 Act	02/03 ICAP
Emp	-0.0075	-0.0104	0.0082
GSP	-0.0040	0.0228	0.0306
Inc	0.0043	0.0063	0.0171
Peak	0.0041	0.0336	

■ Emp
 ■ GSP
 ■ Inc
 ■ Peak

2003 ICAP Load Forecast Timeline

Load Forecast / ICAP Reporting Timeline

<u>Event</u>	<u>Schedule</u>
ISO posts NYCA and TD Economic Outlooks for 2001 Capability Year	8-Dec
a) TO provide TD peak load forecasts and b) LSE peak load coincident with TD peak to ISO and LSEs	15-Jan 15-Feb
ISO releases preliminary TD peak load forecasts to Market Participants	22-Jan
NYSRC sets Installed Reserve Margin for the NYCA for 2001/2002 Capability Year	31-Jan
Peak load forecast comment period	23-Jan - 24-Jan
Peak load forecast dispute resolution period	25-Jan - 21-Feb
Post NYCA peak load forecast for Summer 2000 Capability Period, NYCA ICR determined	22-Feb
TD ICAP requirements posted	23-Feb
TO provide load shifting information relating to load shifts through 2/28 to ISO and LSEs	5-Mar