



CARIS Fuel Price Forecast

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ESPWG

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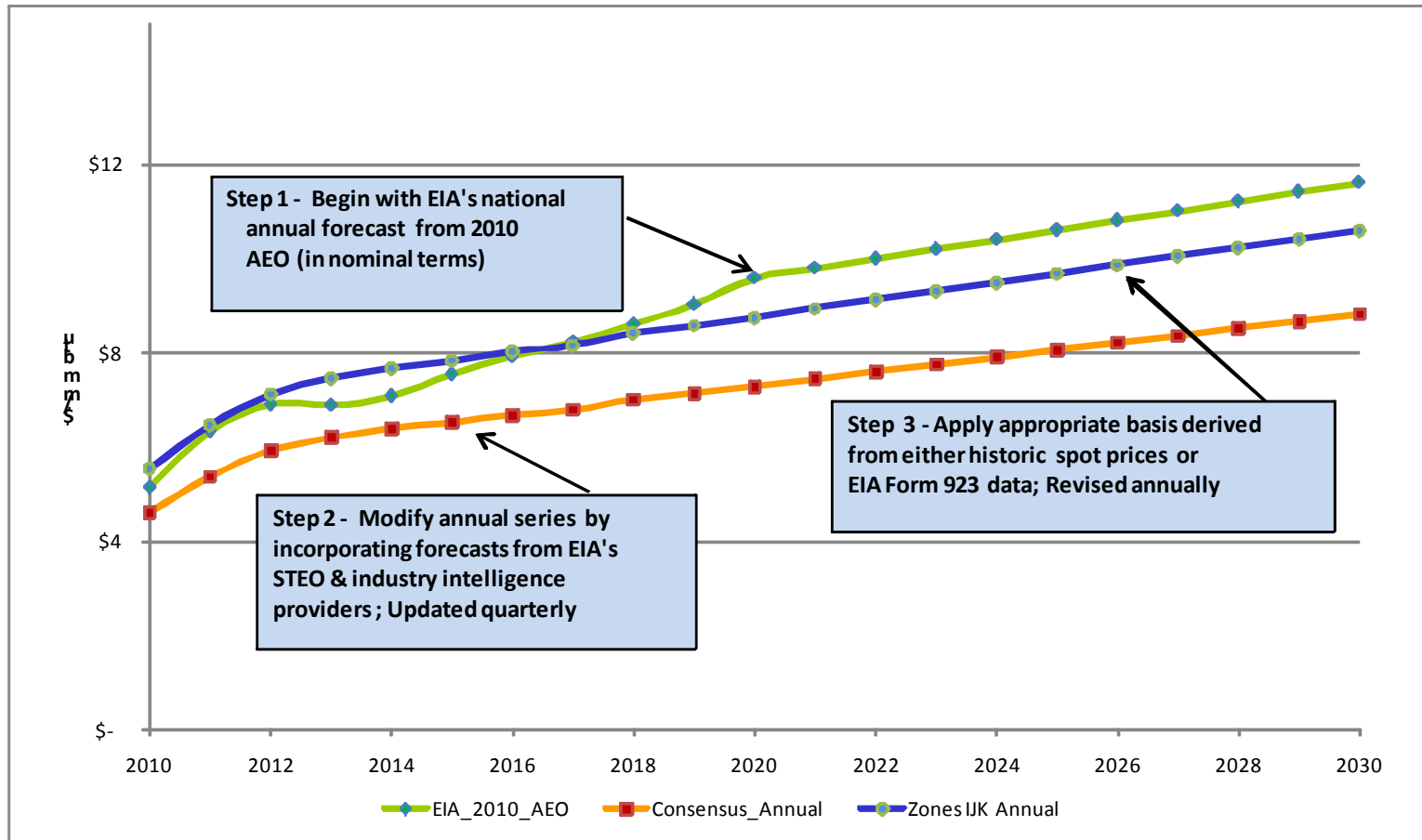
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Discussion of Fuel Price Forecast

- ***Overview of methodology used for fuel-price forecast***
- ***Comparison of current fuel-price forecast with CARIS Ph. 1 forecast***
- ***Assessment of NYISO's fuel-price forecast for external control areas***

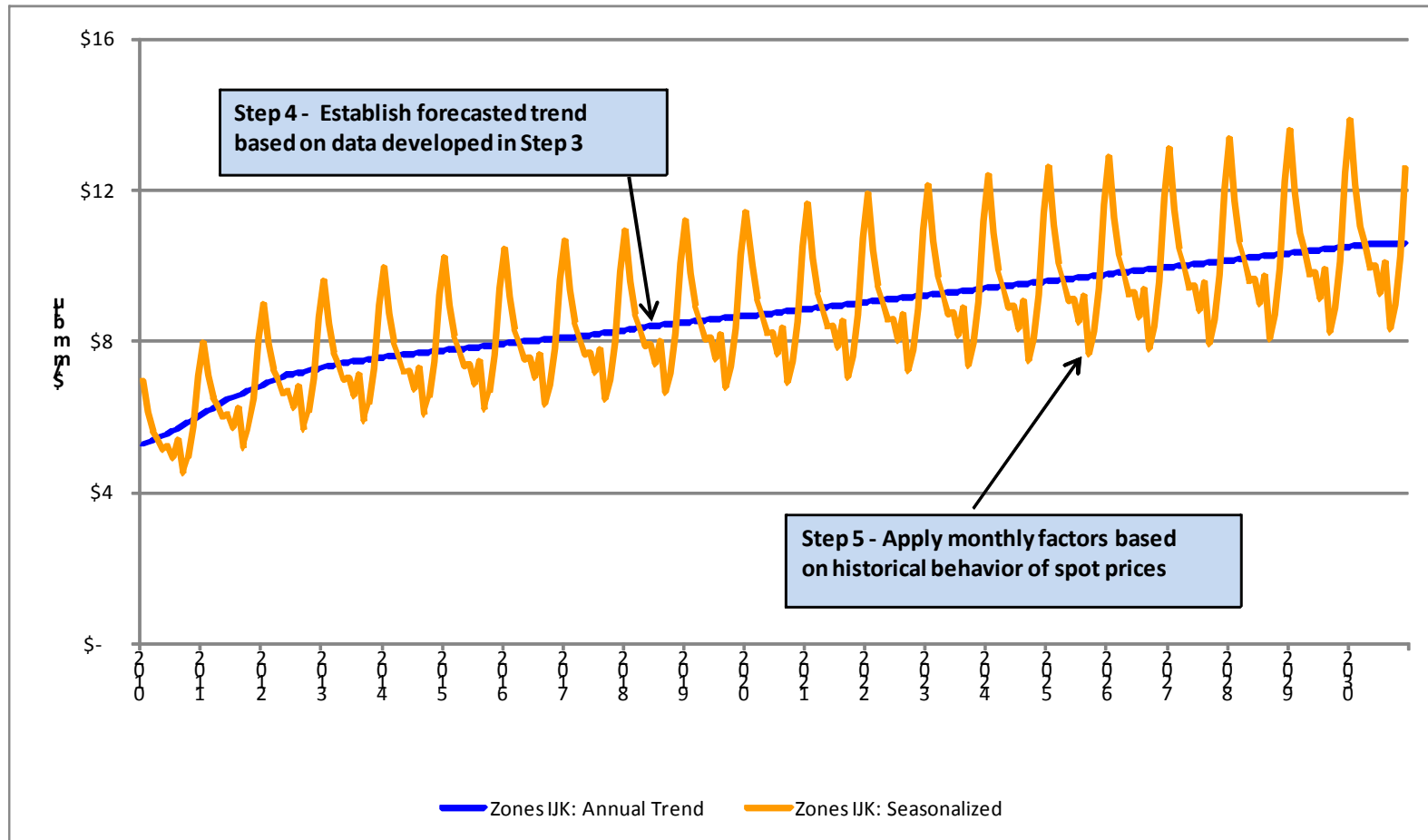
Development of Fuel Price Forecast



Steps 1 – 3 establish the Annual Trend for a given fuel price

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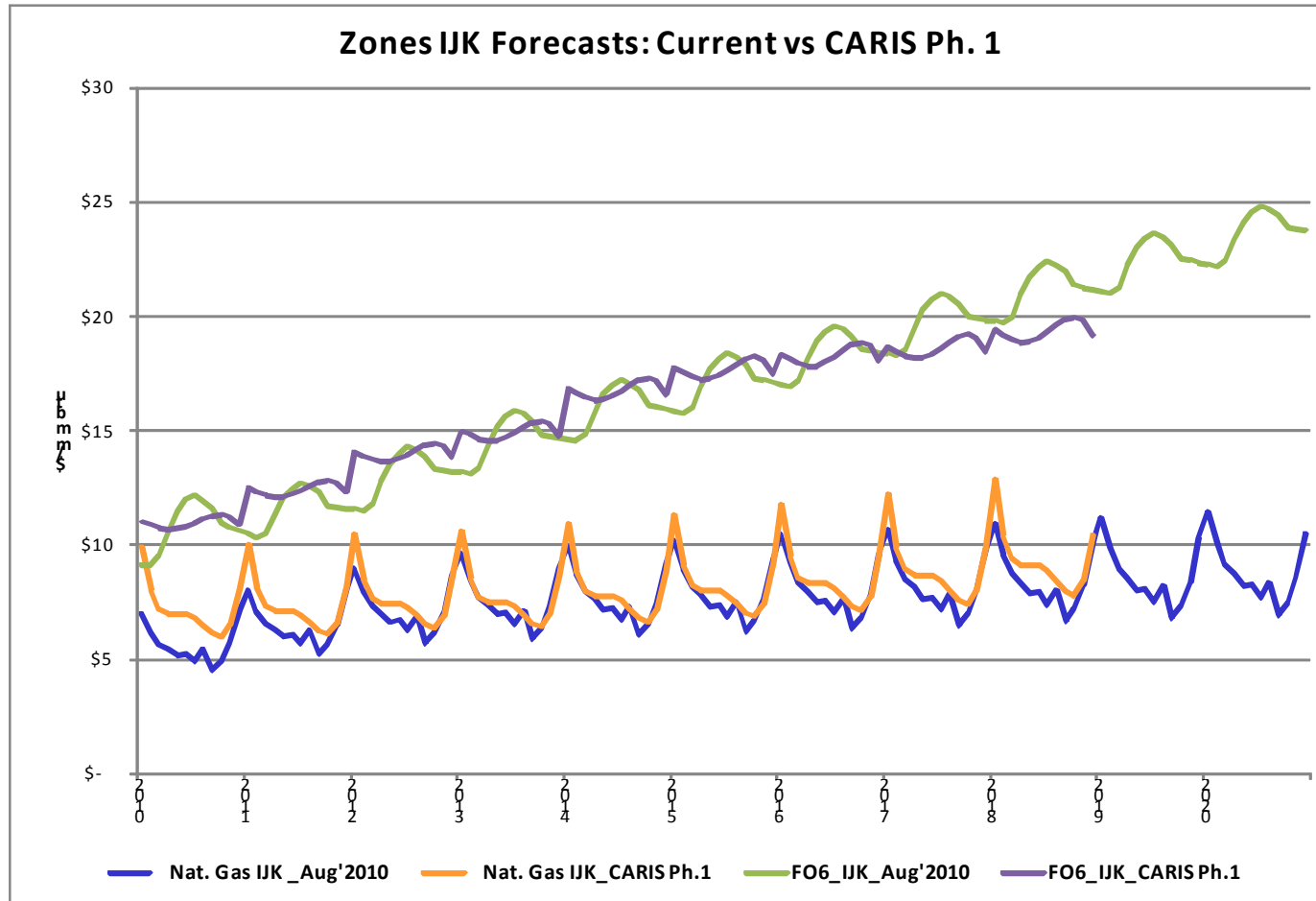
Development of Fuel Price Forecast



Steps 4 & 5 apply seasonal/monthly factors that reflect historical intra-year fluctuations

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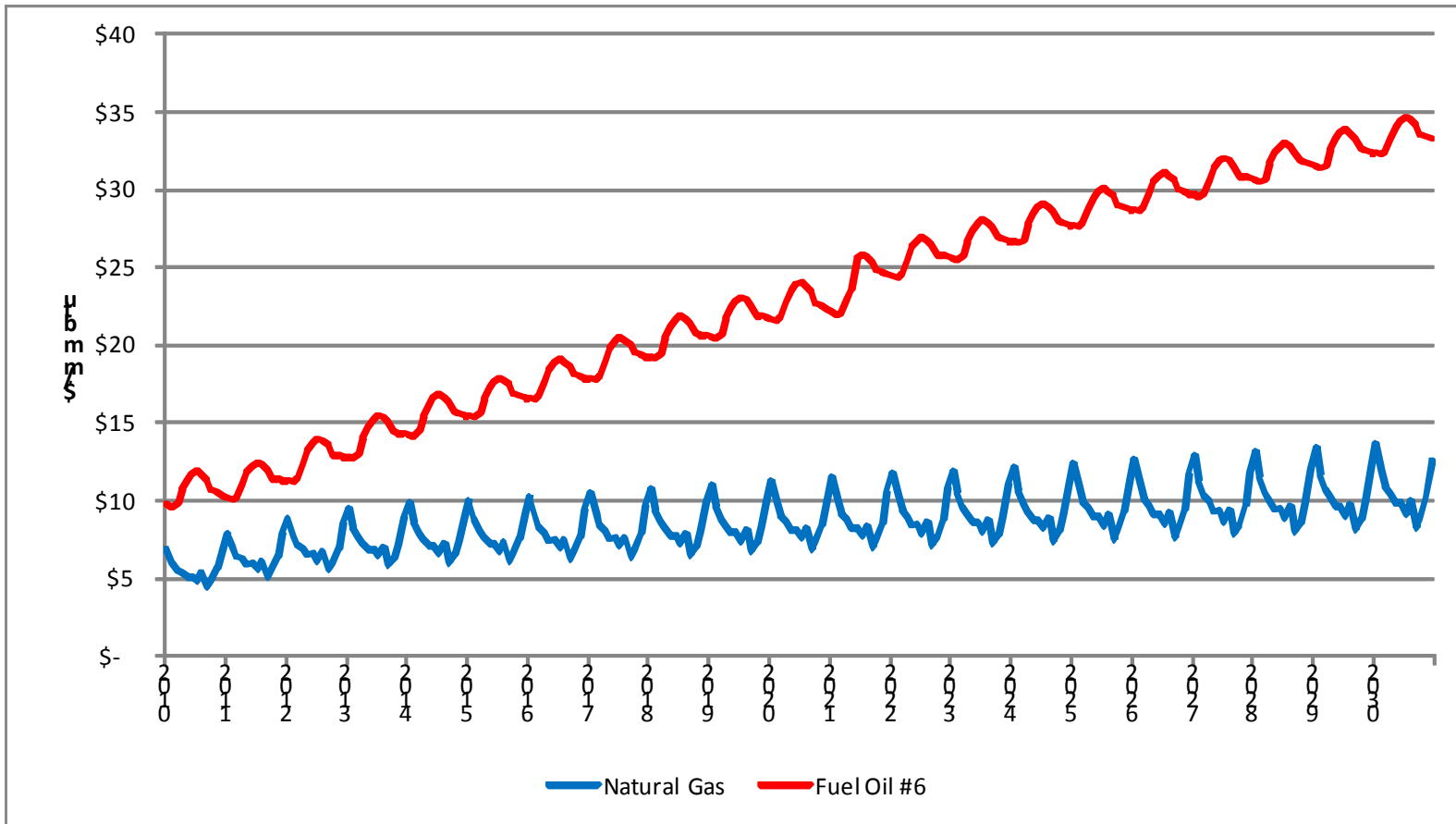
Fuel Price Forecast Comparison



Current (Aug. '10) forecasts start lower but rise faster than those for CARIS Ph. 1

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External Fuel Price Forecast: ISO-NE

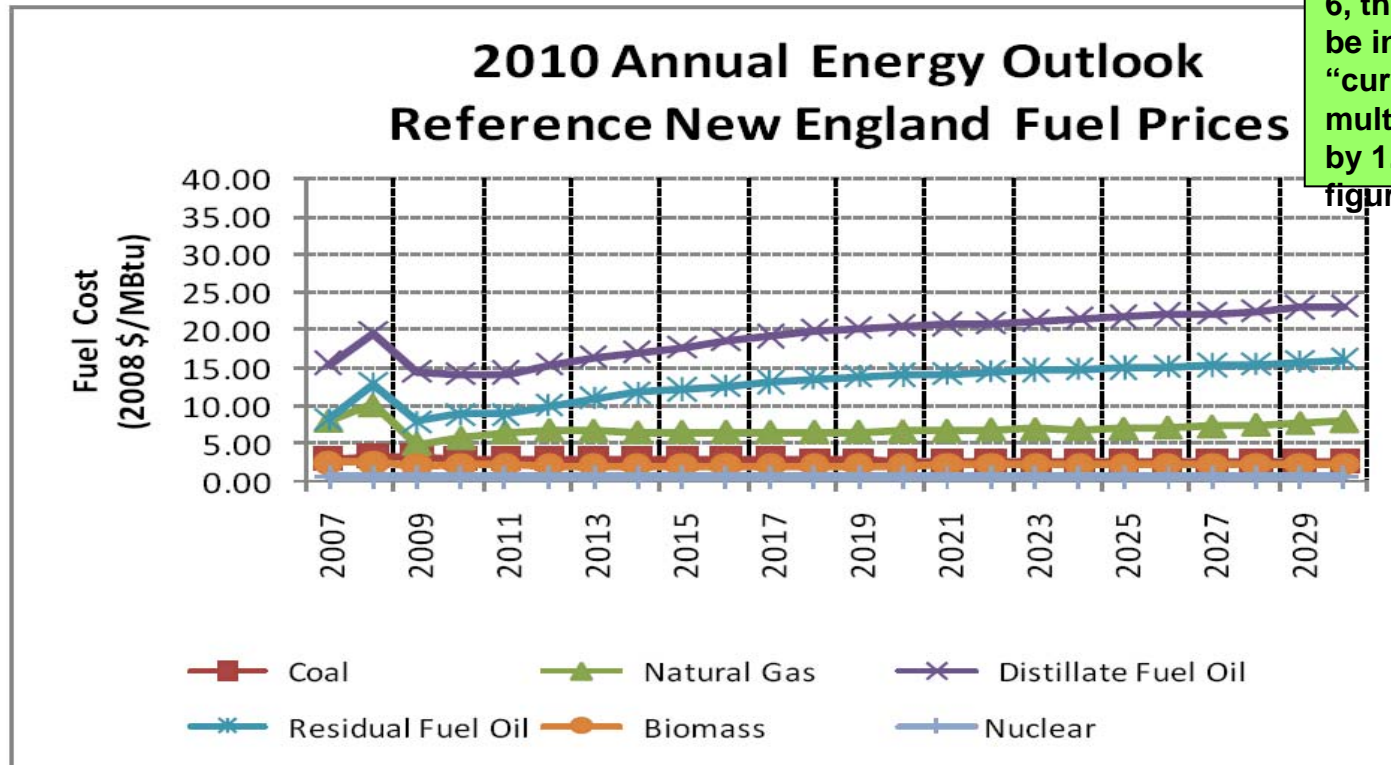


Variance between regional forecasts for a given fuel are due to different bases

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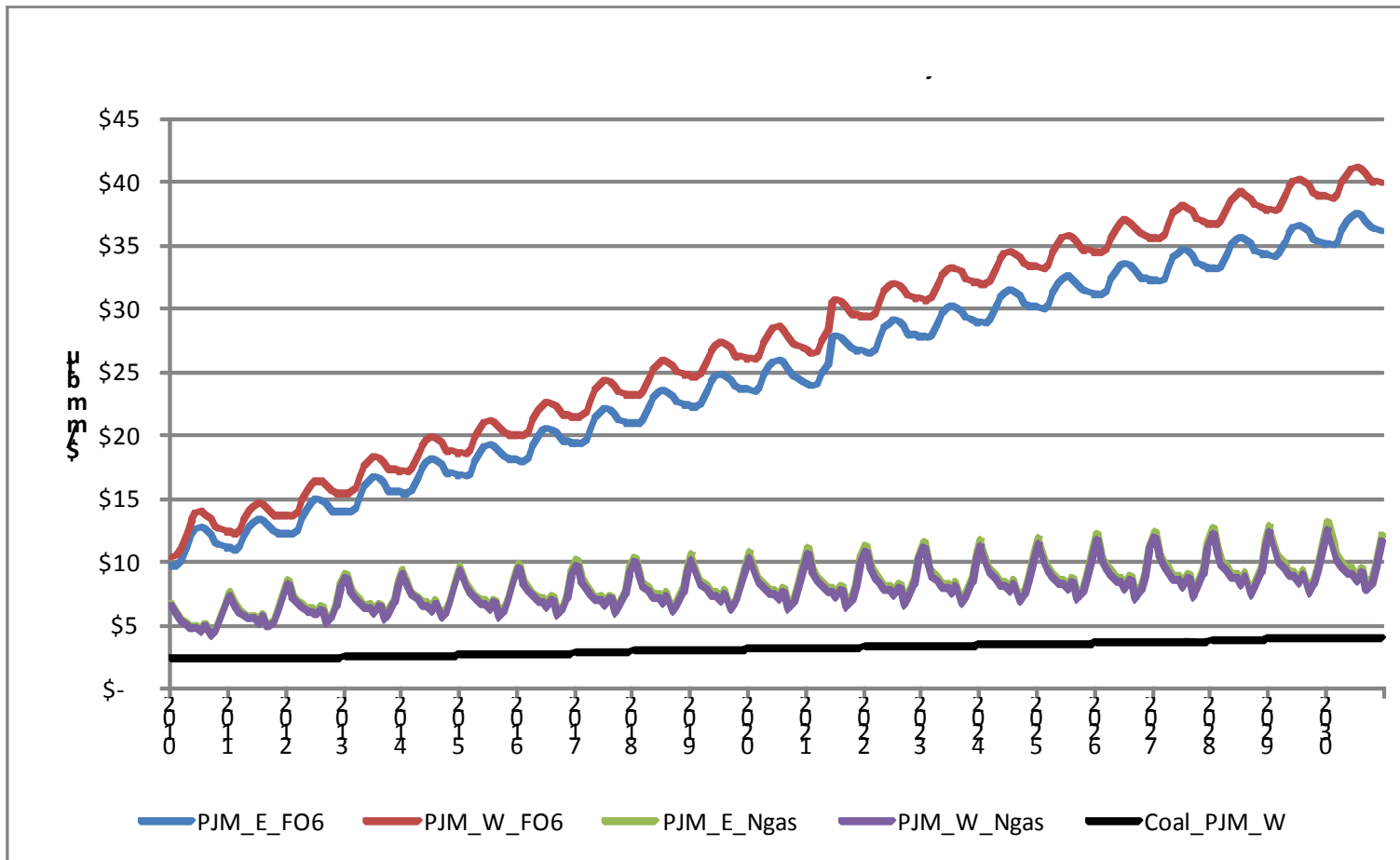
ISO-NE's Fuel Price Forecast

Fuel Price Forecast – 2010 AEO Base



To compare with Slide 6, these figures must be inflated to "current dollars"; multiply 2020 figures by 1.22 and 2030 figures by 1.5

External Fuel Price Forecast: PJM



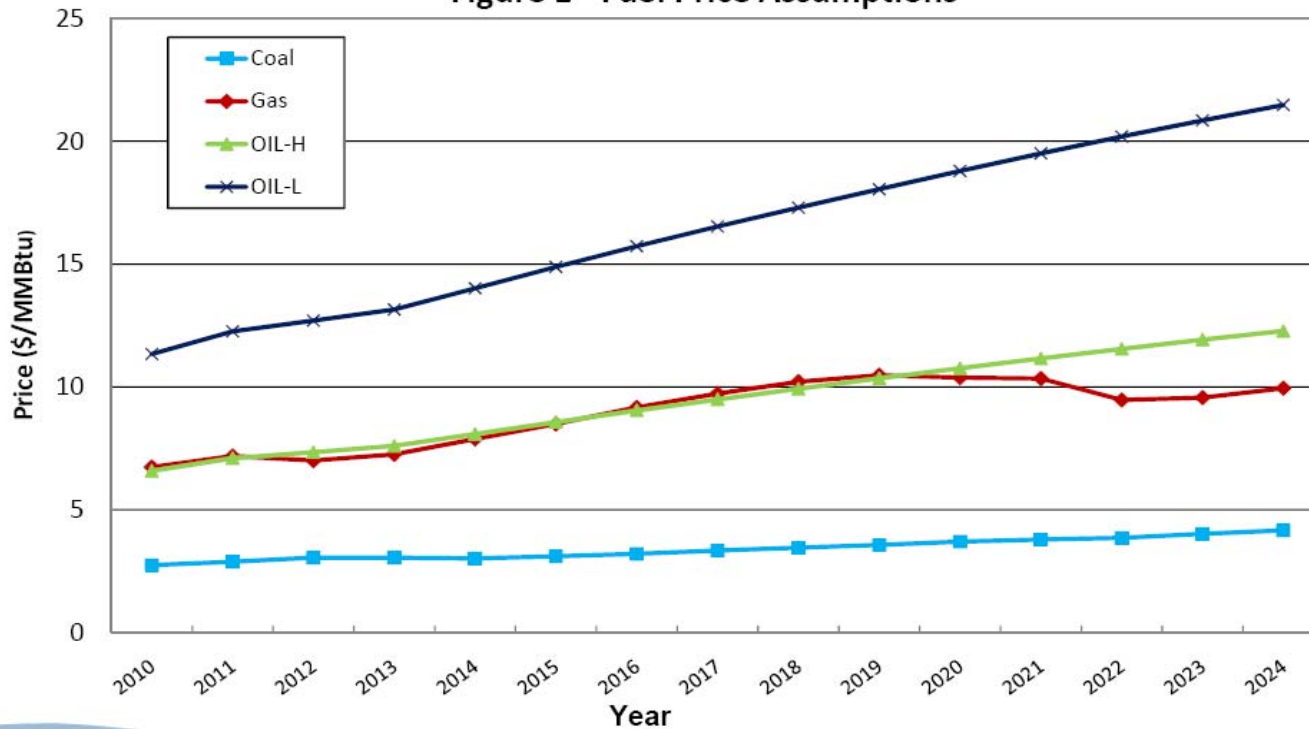
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PJM's Fuel Price Forecast



Fuel Price Forecasts

Figure 1 - Fuel Price Assumptions



Source: PJM 2010 Market Efficiency Analysis Final Assumptions, TEAC Mtg., 5/12/10

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The New York Independent System Operator (NYISO) is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and provides comprehensive reliability planning for the state's bulk electricity system.

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