NEW YORK INDEPENDENT SYSTEM OPERATOR
Building the Energy Markets of Tomorrow … Today℠
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Revision of the Preliminary 2007 ICAP Forecast

LFTF Members:

We have reduced the 2006 weather-normalized peaks for Con-Ed and O&R and made changes to their allocation of weather-normalized losses. Con-Ed's 2007 forecast increased by 59 MW, O&R's forecast decreased by 28 MW, and an increase of 2 MW was distributed across all other TOs. The previous forecast also contained an arithmetic error of 11.2 MW for load that was shown on the table but excluded in the sum. As a result, the preliminary 2007 ICAP Forecast has increased by 43.1 MW in total.

1) Change to 2006 Weather Normalized MW

Previously, we had used non-coincident peaks instead of coincident peaks for Con-Ed and O&R. This over-stated their weather-normalized 2006 peak load by about 1%. This revision reduces their 2006 load less losses. The NYCA weather normalized peak is now 32,998 MW, a reduction of about 104 MW.

As a result of these changes, the allocation of weather-normalized losses changed slightly for every other TO. This in turn produced some modest changes in each TO's 2006 weather-normalized load and in their 2007 ICAP forecasts.

2) Allocation of Weather-Normalized Losses to Con-Ed and O&R

The previous forecasts for Con-Ed and O&R applied their RLGFs to the weather-normalized 2006 non-coincident load, which included their weather-adjusted actual losses. However, losses for ICAP purposes are first reallocated proportional to the weather-adjusted load of each TO. The effect of the reallocation of losses was to increase the 2006 weather normalized peak for Con-Ed and decrease the peak for O&R. As a result, the RLGFs shown in the ICAP forecast table for Con-Ed and O&R have changed. Con-Ed's has increased and O&R's has decreased to values equal to the RLGFs originally provided by each.

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