2022 Economic Forecast

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LFTF/ESPWG

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# Agenda

- Moody's Analytics Economic Forecast Summary

- Statewide Economic Forecast

- Regional Economic Indicators

New York ISO

January 2022 Moody's Economic Forecast Summary

- Similar to recent forecast iterations, Moody's projects statewide population to decline significantly during the 2030s and 2040s, falling below 18 million by 2050. Population decline is steepest in western and central New York (zones A to E).

- Household growth is generally flat through the late 2020s and early 2030s, and then declines slightly through the late 2030s and 2040s.

- Following two jumps due to stimulus impacts in 2020 and 2021, real income generally grows at its historical rate over the forecast horizon.

- Total employment continues to recover through 2024, before flattening out in the long run. Employment does not fully return to its pre-pandemic level statewide and across the majority of regions.

- Gross State Product (GSP) has fully recovered to the pre-pandemic expected level. In the long run, economic growth is strong.

- Regional projections generally follow statewide trends to varying extents, with Eastern NY (zones F&G) showing the strongest average growth across the various indicators. Western and central NY (zones A to E) generally lags behind the statewide projections.

New York ISO

Statewide Economic Forecast

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Statewide Population (Thousands)

Period	Average Annual Growth
2000-05	0.1%
2005-10	0.4%
2010-15	0.2%
2015-20	-0.3%
2020-25	0.0%
2025-30	-0.1%
2030-35	-0.2%
2035-40	-0.3%
2040-45	-0.5%
2045-50	-0.7%

Data from Moody's Analytics

New York ISO

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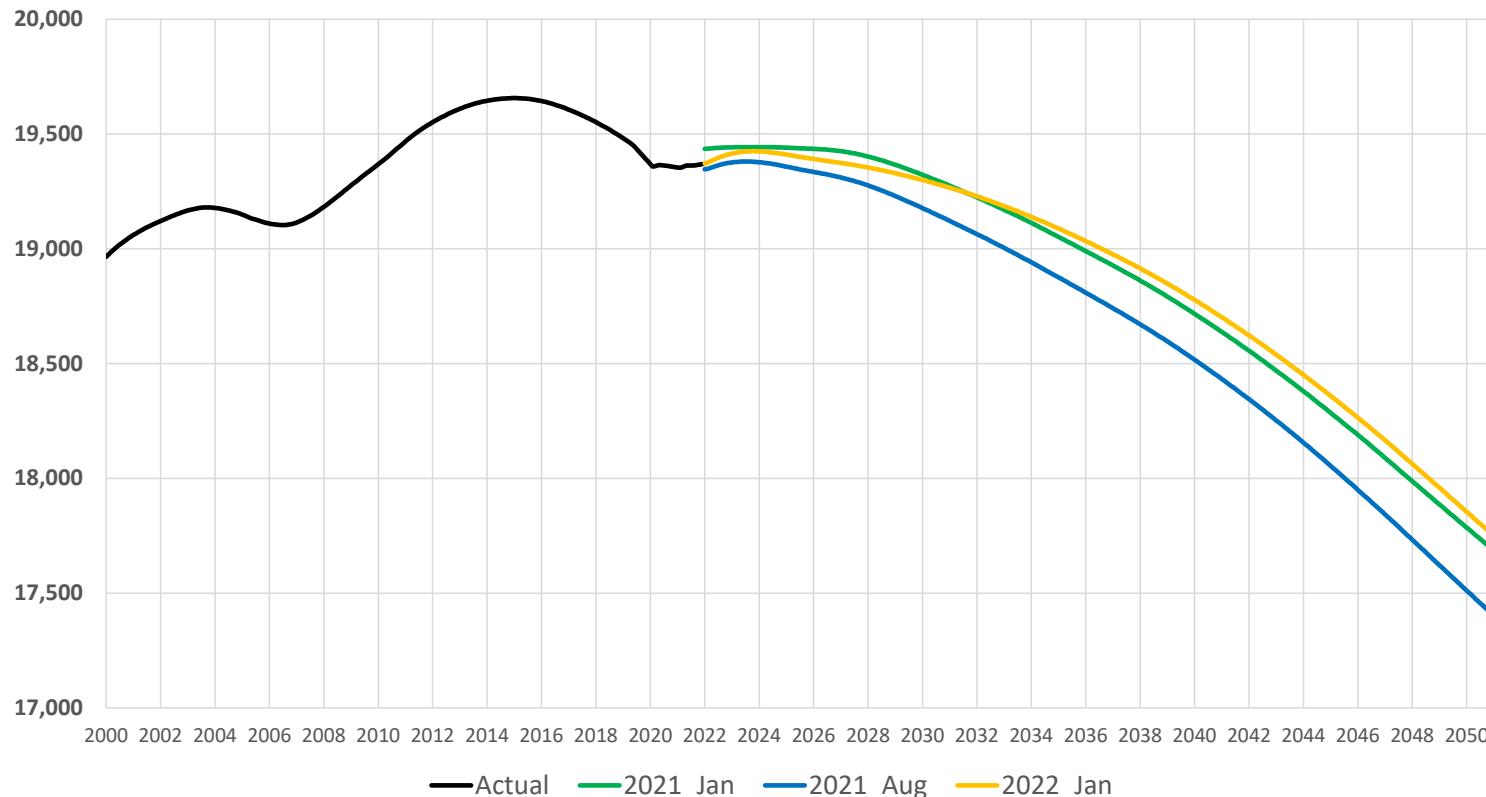
Statewide Households (Thousands)

Period	Average Annual Growth
2000-05	0.1%
2005-10	0.6%
2010-15	0.7%
2015-20	0.0%
2020-25	0.2%
2025-30	0.0%
2030-35	-0.1%
2035-40	-0.4%
2040-45	-0.5%
2045-50	-0.7%

Legend: Actual — 2021_Jan — 2021_Aug — 2022_Jan

Data from Moody's Analytics

New York ISO

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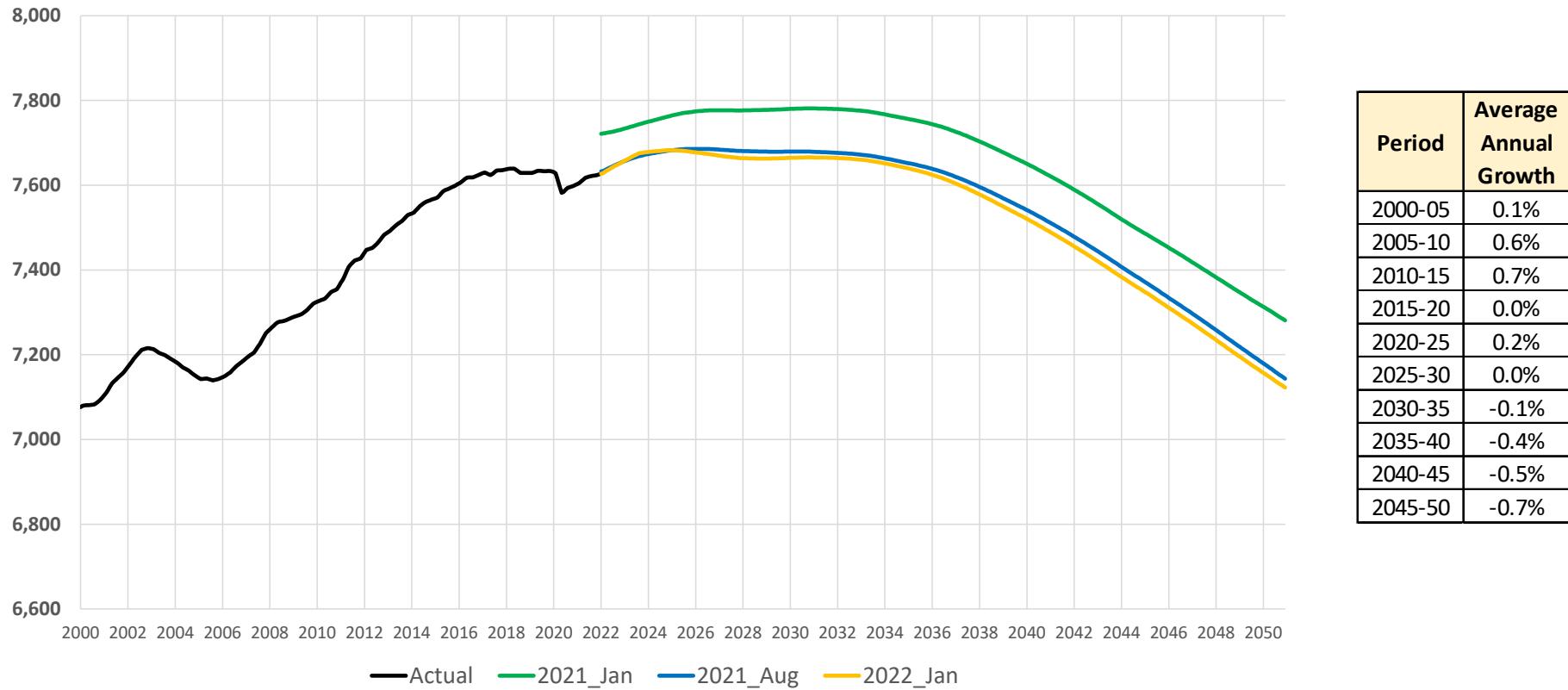
Statewide Real Income ($2012 M)
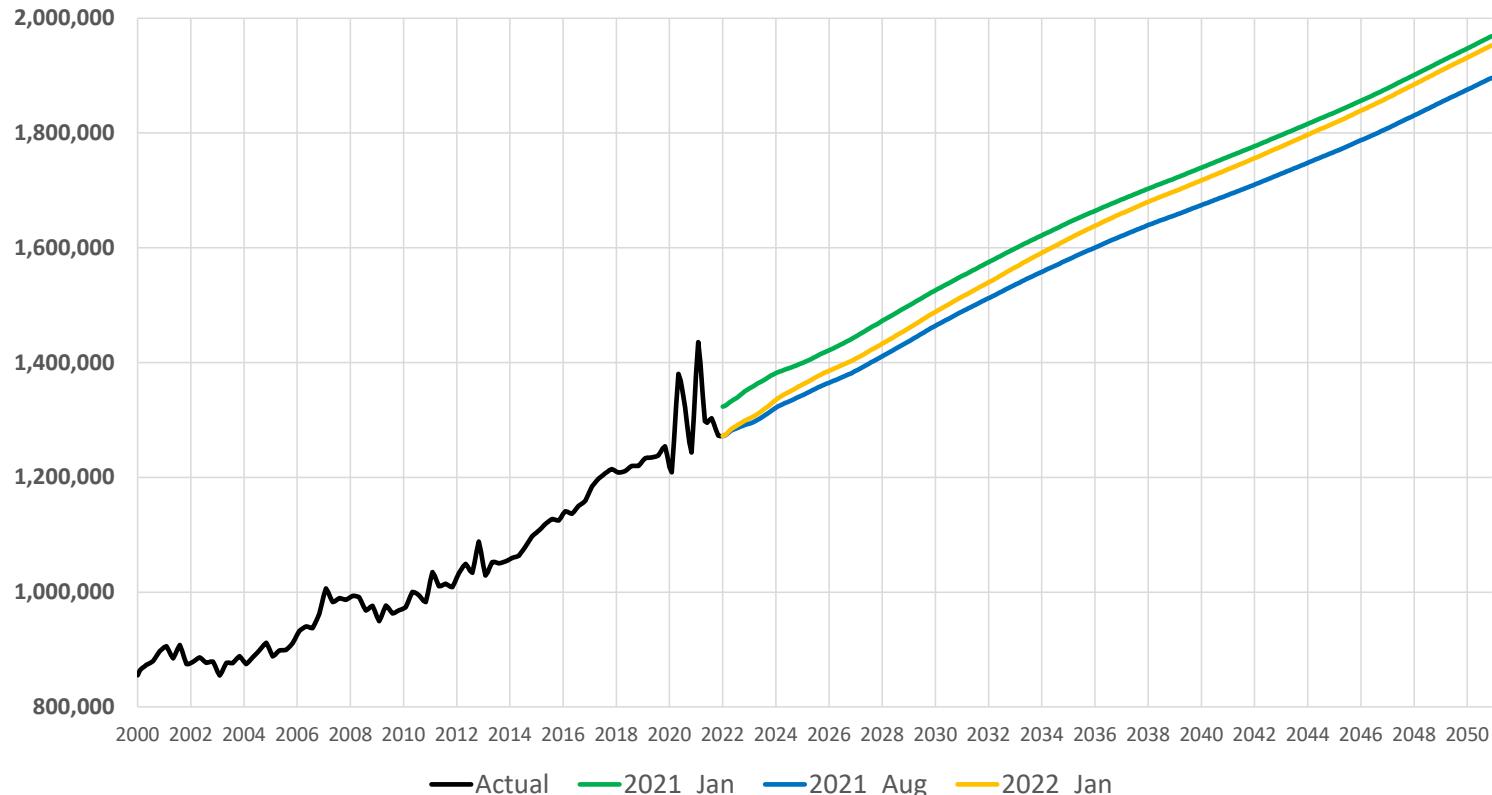
Period	Average Annual Growth
2000-05	0.4%
2005-10	1.8%
2010-15	2.6%
2015-20	3.1%
2020-25	1.2%
2025-30	1.9%
2030-35	1.6%
2035-40	1.2%
2040-45	1.2%
2045-50	1.6%

Data from Moody's Analytics

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Total Employment (Thousands)
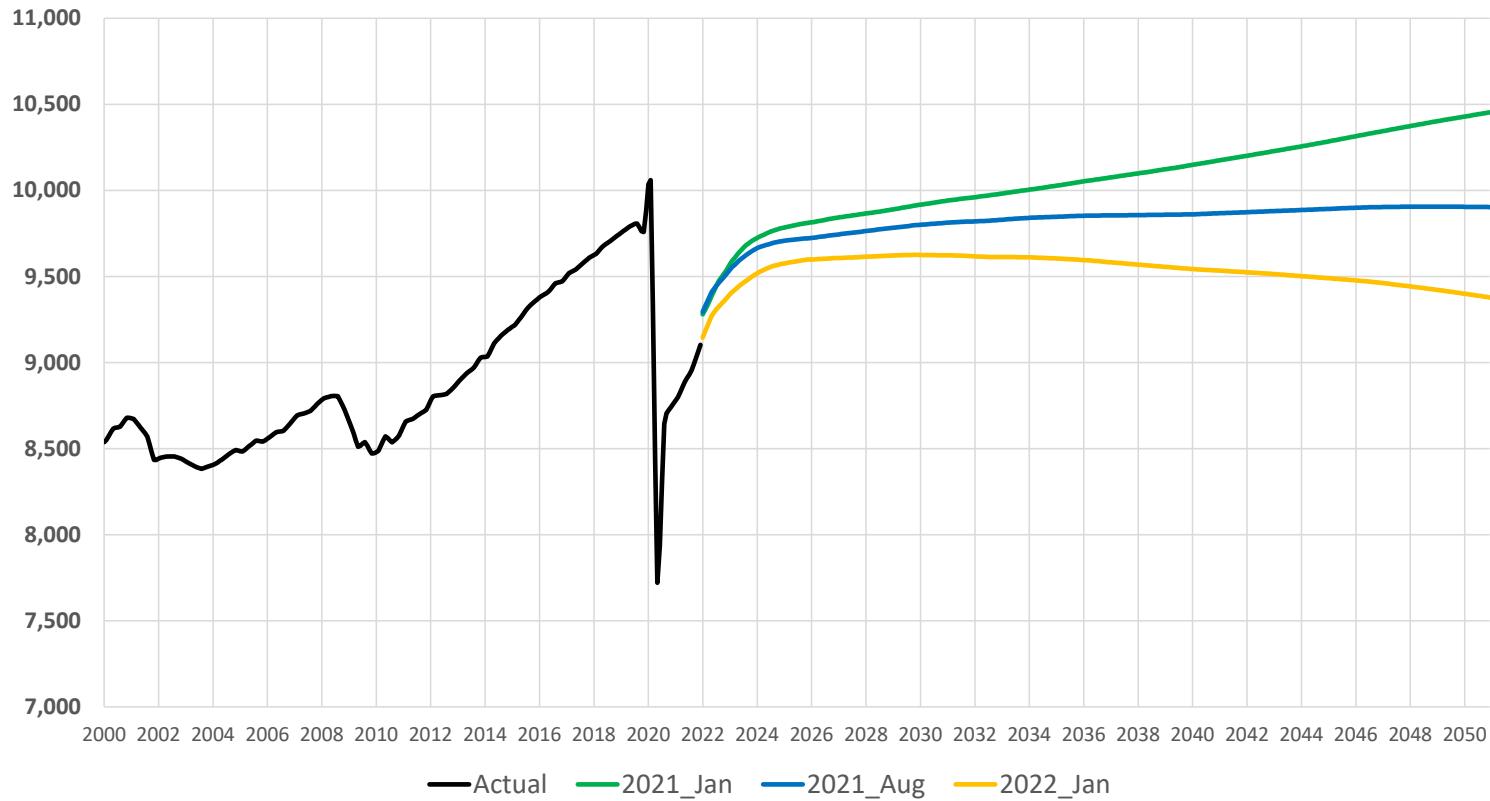
Period	Average Annual Growth
2000-05	-0.3%
2005-10	0.1%
2010-15	1.8%
2015-20	-1.3%
2020-25	1.9%
2025-30	0.1%
2030-35	-0.1%
2035-40	-0.1%
2040-45	-0.1%
2045-50	-0.3%

Legend: Actual — 2021_Jan — 2021_Aug — 2022_Jan

Data from Moody's Analytics

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Gross State Product ($2012 M)

Period	Average Annual Growth
2000-05	1.0%
2005-10	1.3%
2010-15	1.6%
2015-20	1.4%
2020-25	3.9%
2025-30	1.7%
2030-35	1.7%
2035-40	1.4%
2040-45	1.3%
2045-50	1.6%

Legend: Actual — 2021_Jan — 2021_Aug — 2022_Jan

Data from Moody's Analytics
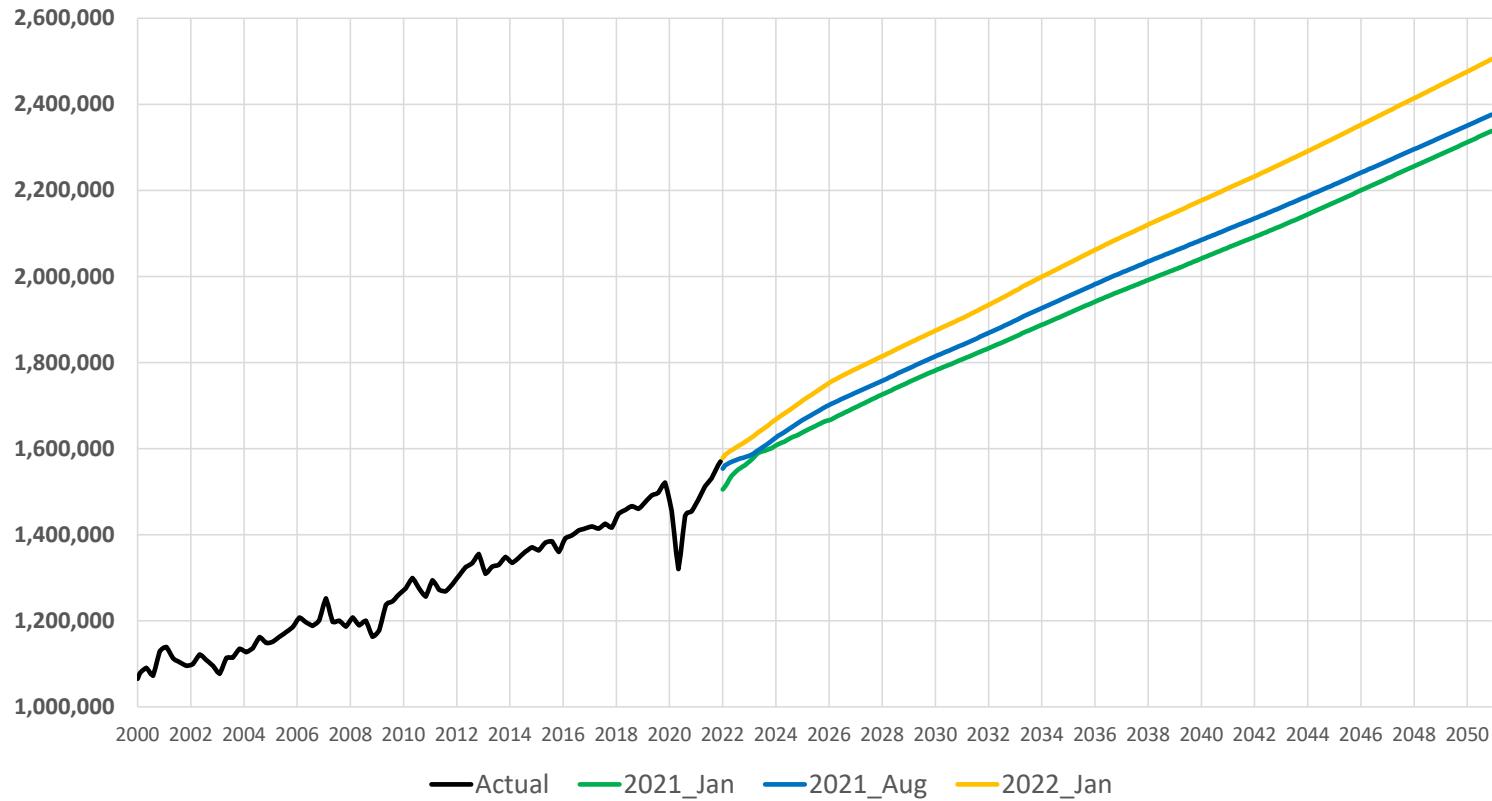
New York ISO
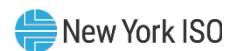
Regional Economic Indicators

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Baseline Population Forecast - Annual Percent Change

Data from Moody's Analytics

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Baseline Households Forecast - Annual Percent Change

Data from Moody's Analytics

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Baseline Real Income Forecast - Annual Percent Change

Legend: A to E, F&G, H&I, Zone J, Zone K, NYCA
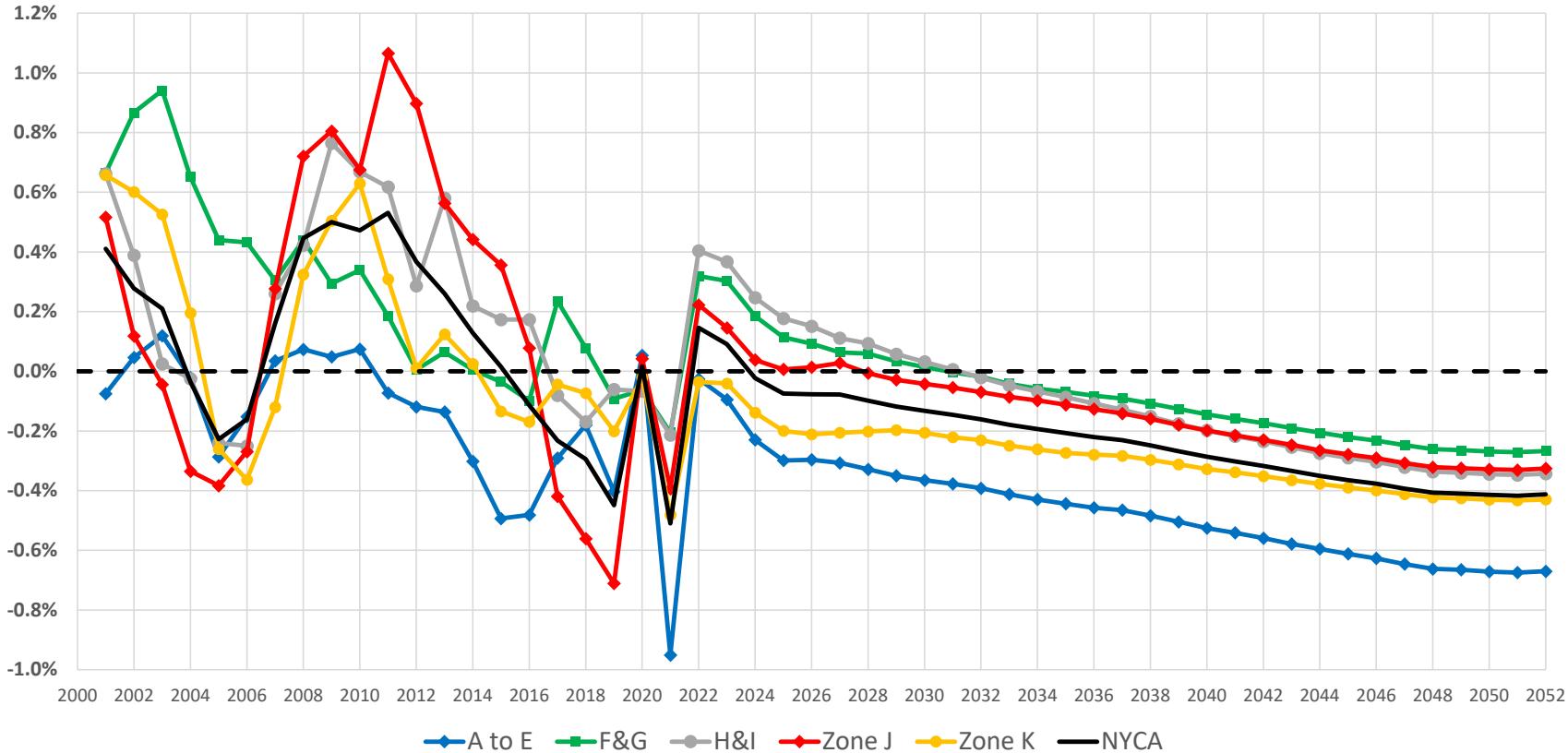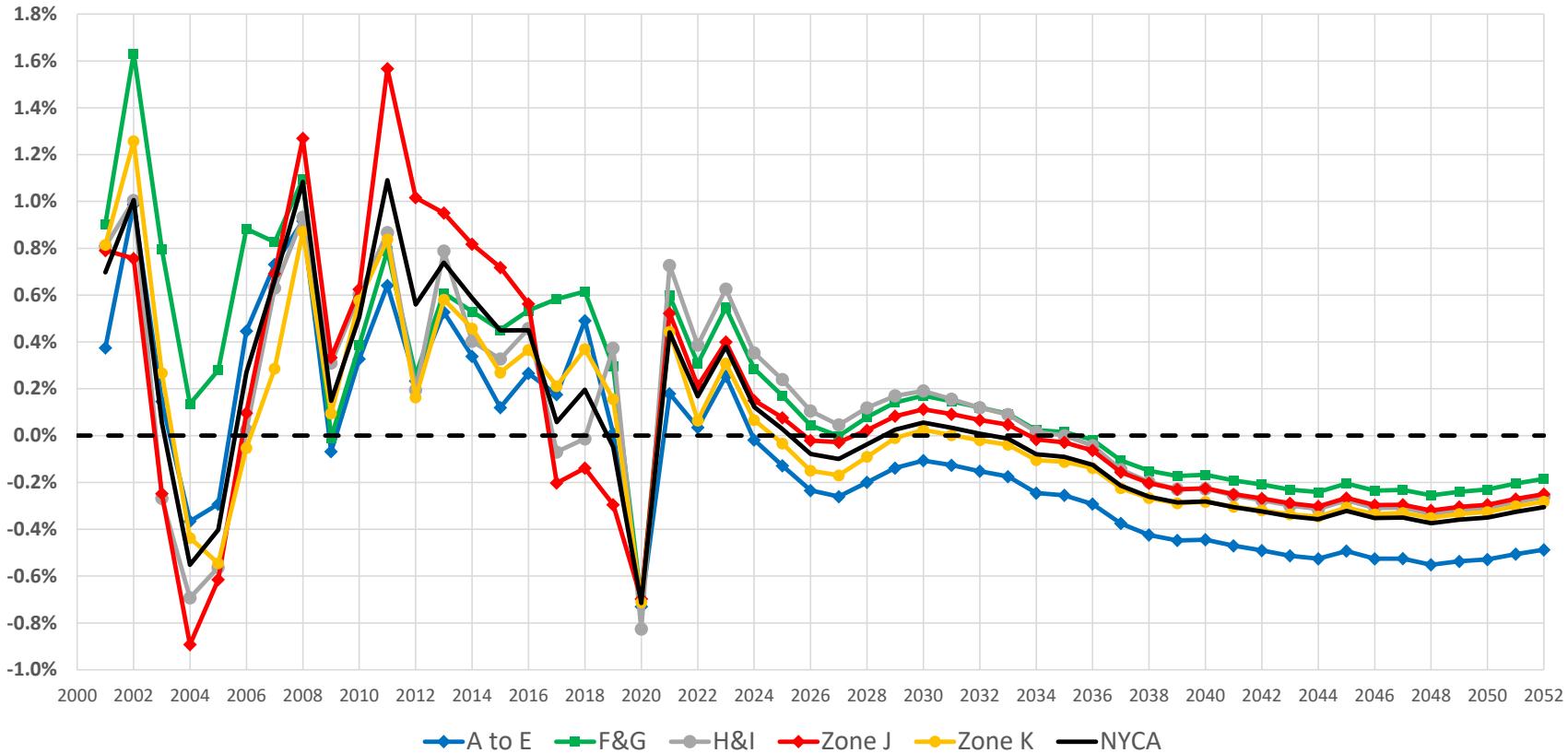
Data from Moody's Analytics

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Baseline Employment Forecast - Annual Percent Change

Data from Moody's Analytics

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Baseline Employment Index (2019 = 1)
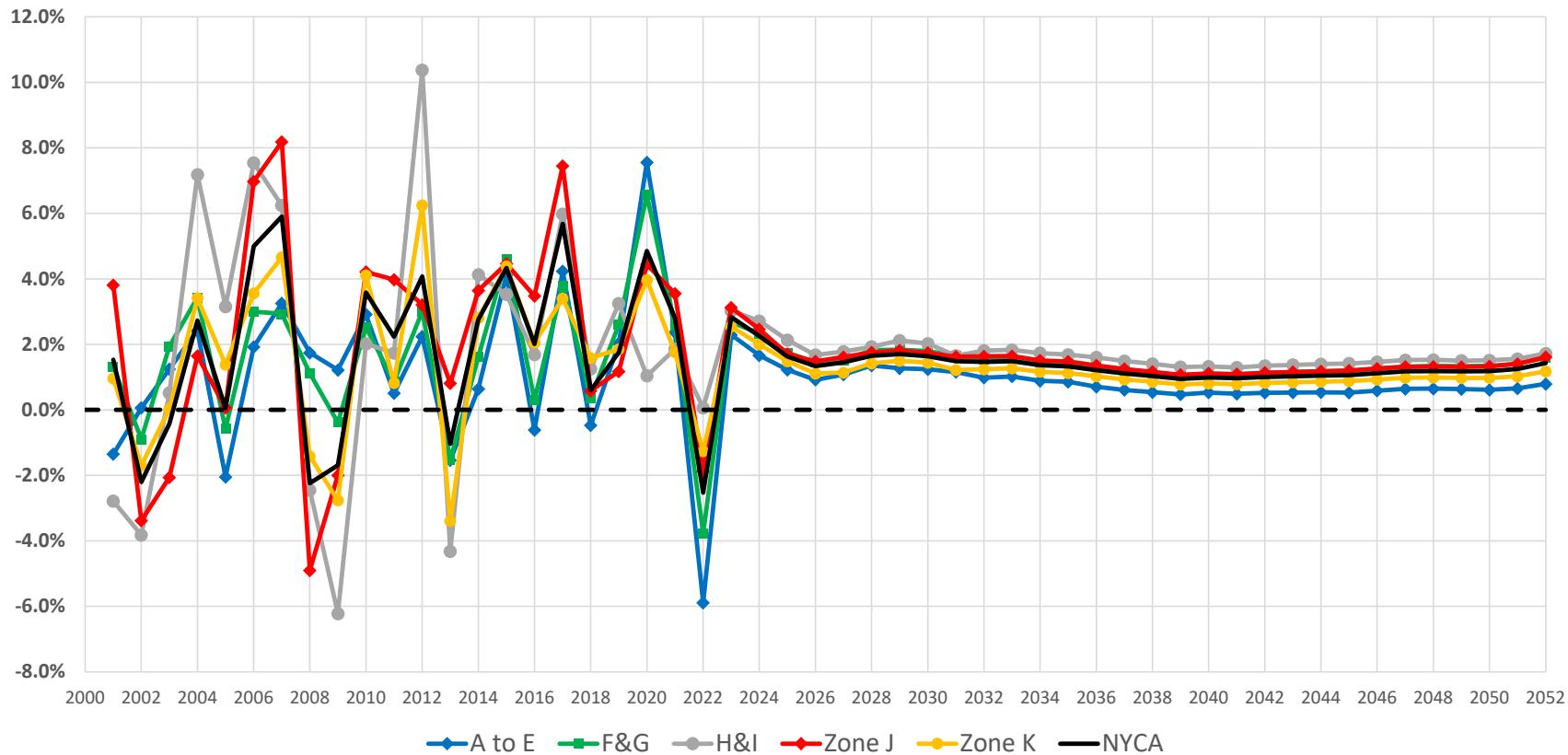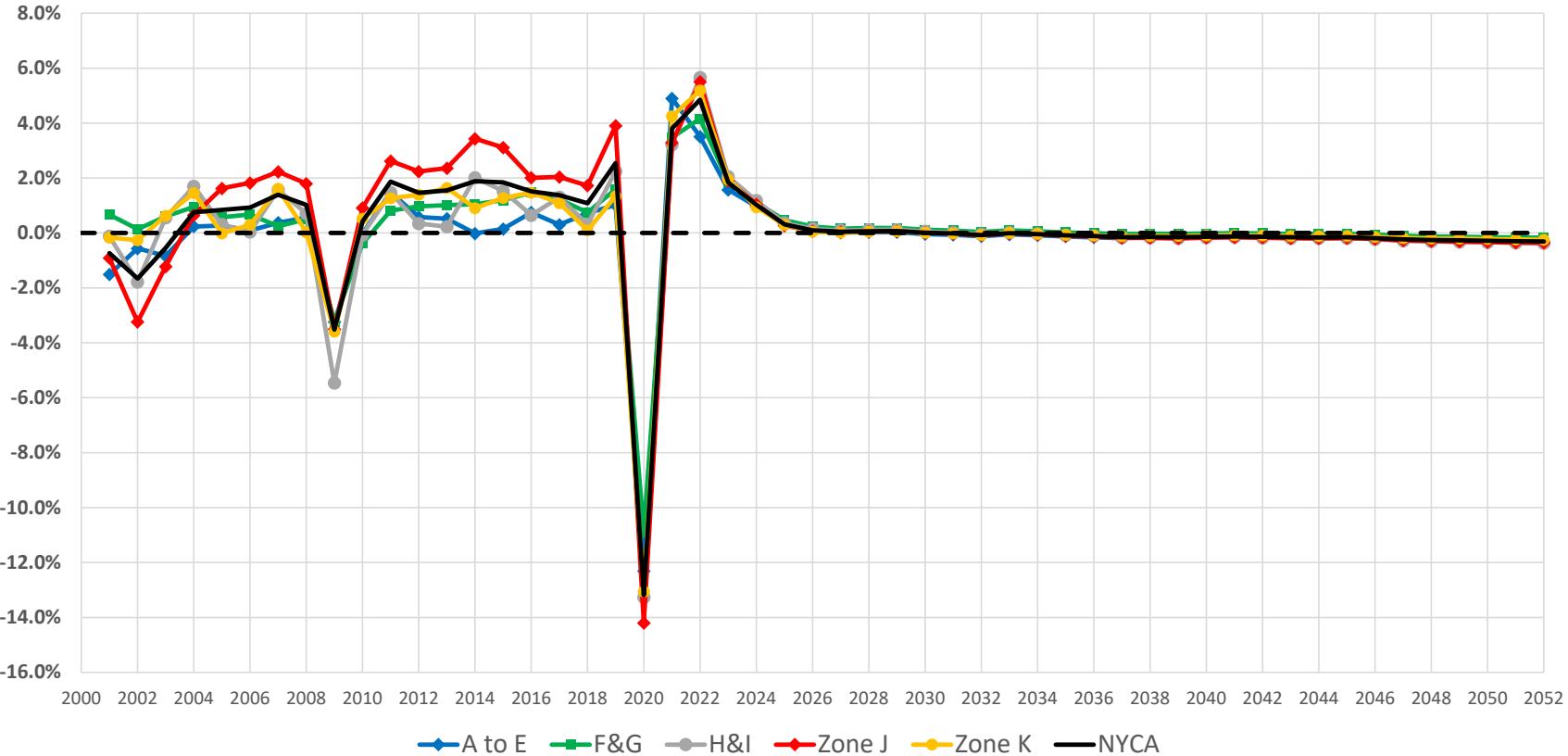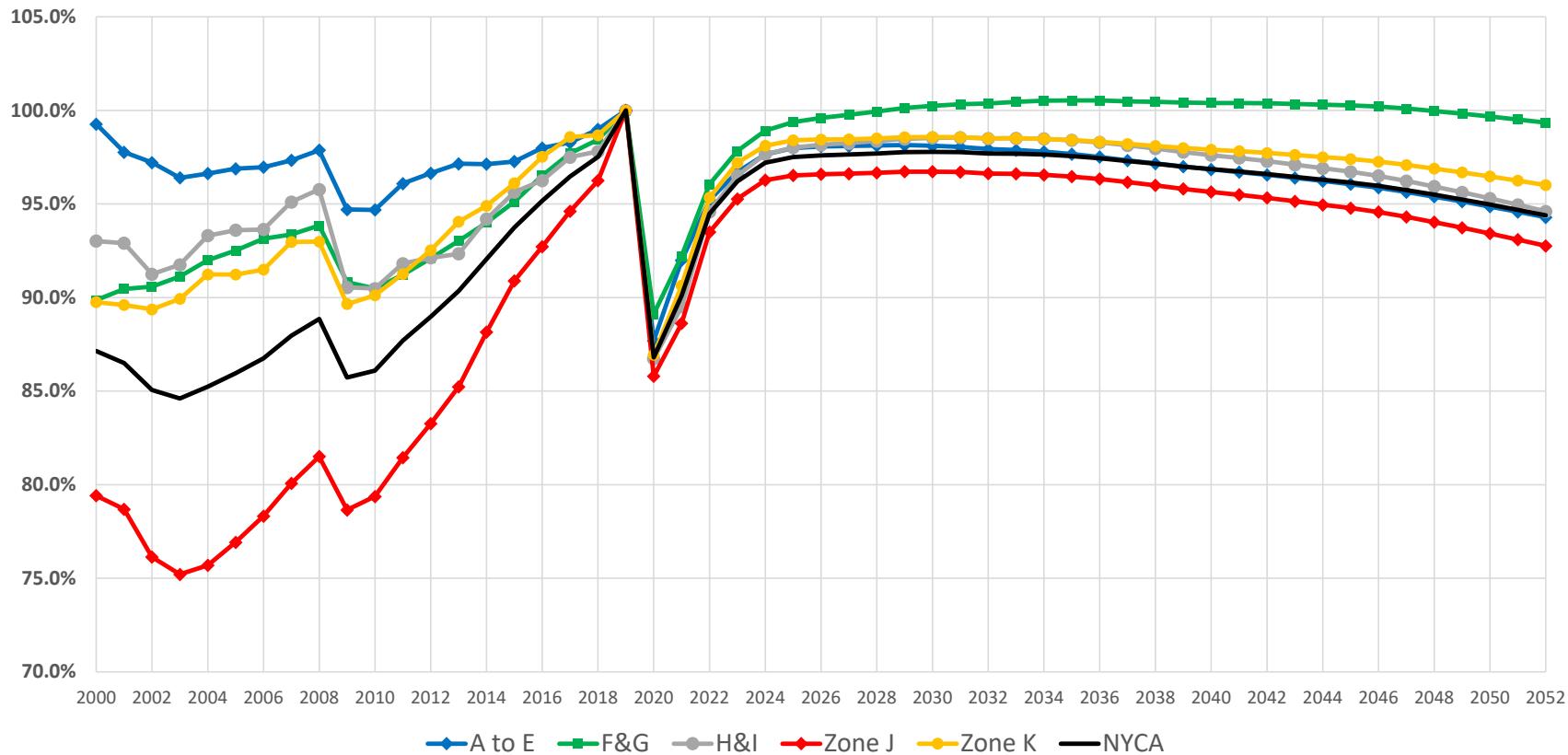
Data from Moody's Analytics

Baseline GDP Forecast - Annual Percent Change

Data from Moody's Analytics

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Baseline GDP Index (2019 = 1)

Legend: A to E, F&G, H&I, Zone J, Zone K, NYCA

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Questions?

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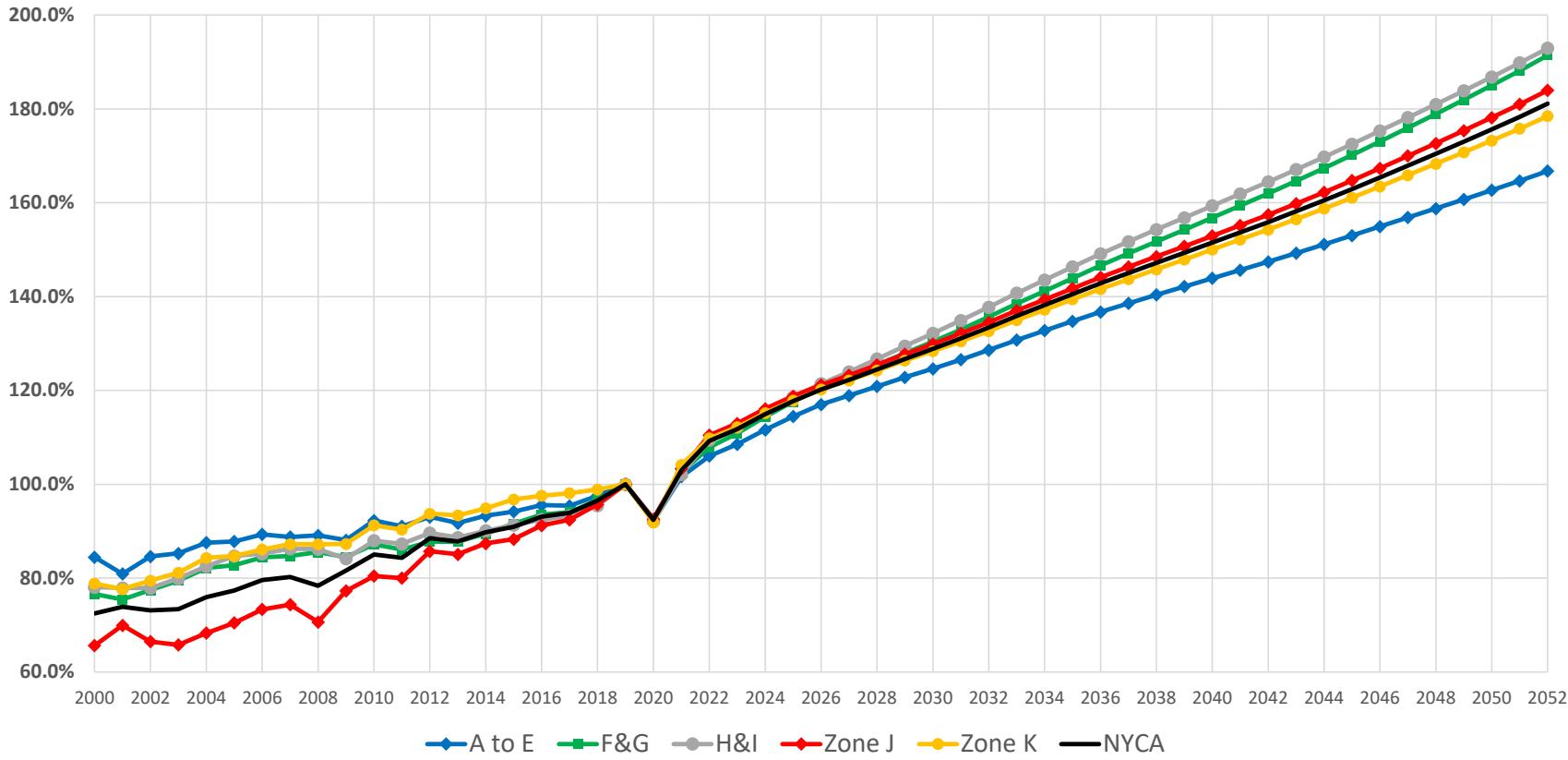
New York ISO

Our Mission & Vision

Mission

Ensure power system reliability and competitive markets for New York in a clean energy future

Vision

Working together with stakeholders to build the cleanest, most reliable electric system in the nation

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