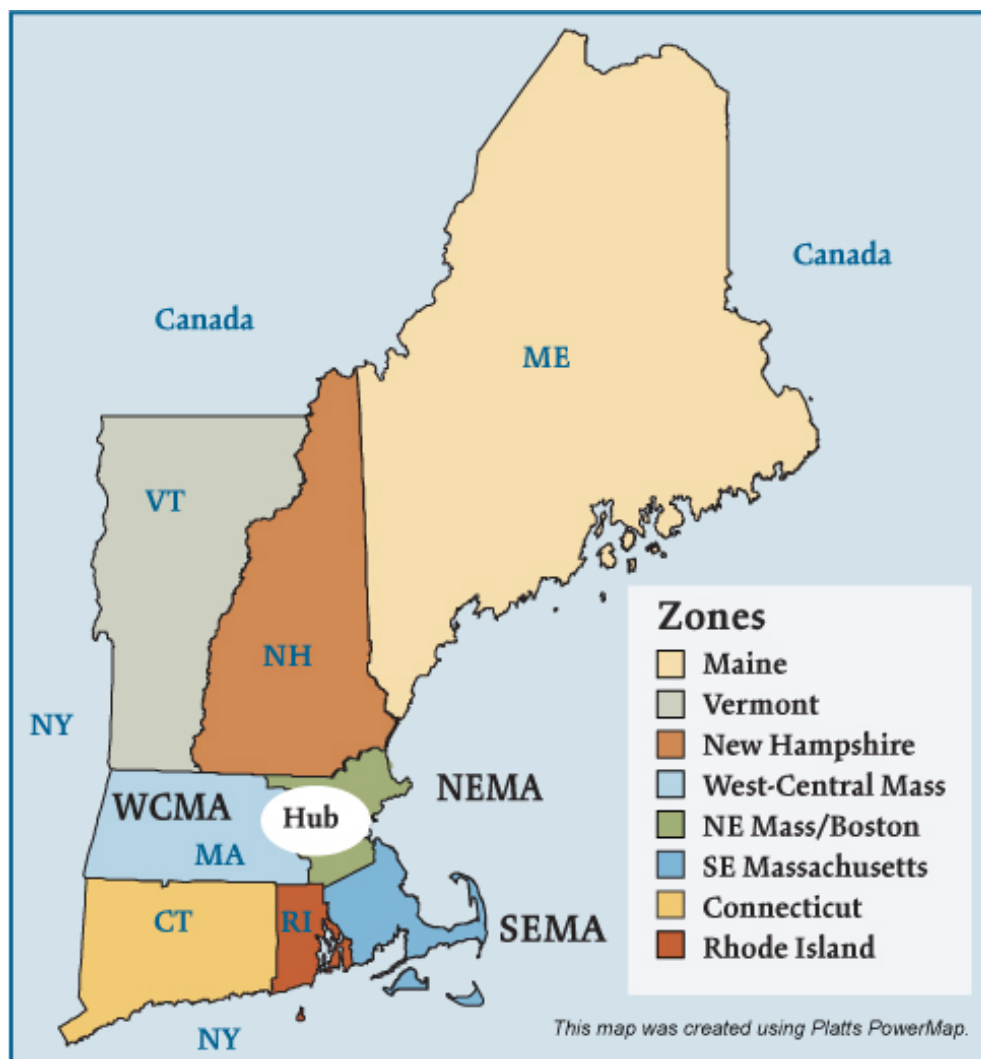


New England (ISO-NE) Electric Regions



Overview

Geography

States covered: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont

Reliability region: ISO New England (ISO-NE) sub-region of the Northeast Power Coordinating Council (NPCC)

Balancing authority: ISO New England (ISO-NE)

Load zones: Connecticut, Maine, New Hampshire, Rhode Island, Vermont, Northeastern Massachusetts/Boston (NEMA), Southeastern Massachusetts (SEMA) and Western/Central Massachusetts (WCMA).

Hub: Mass Hub

RTO/ISO

ISO New England (ISO-NE) (established 1997) operates the region's power grid and wholesale electric markets:

- Energy market: two-settlement (day ahead and real-time) spot market with locational marginal pricing (an internal hub, eight load zones and more than 500 nodes),
- Capacity market,
- Forward reserves market,
- Regulation market, and
- Financial transmission rights market.

[ISO-NE 2009 State of the Markets Report](#)

Market Monitor: David LaPlante – Internal Market Monitor

Generation/Supply

Marginal fuel type: natural gas

Generating capacity (summer 2007): 30,879 MW

Very little new generation has been brought on line recently in New England. The ISO states that it, "...has adequate installed capacity to meet regional capacity needs through 2009. The ISO is optimistic that adequate demand and supply resources will be purchased and installed in time to meet the projected capacity needs and the resource adequacy requirements for 2010 and beyond."

Capacity reserve (summer 2007): 4,736 MW

Reserve margin (summer 2007): 18.1%

Demand

All time peak demand: 28,130 MW (set August 2, 2006)

In summer of 2006, demand reached record levels on several occasions due to extremely hot weather.

Peak demand growth: 7.1% (2007-2006) (weather-normalized peak increased by 1.9%)

	2004	2005	2006	2007
Summer Peak Demand (MW)	24,116	26,885	28,130	26,143
<i>Source: Derived from ISO-NE Data</i>				

Load pockets: Southwest Connecticut, Southeastern Massachusetts (SEMA), and Northeastern Massachusetts/Boston (NEMA).

Prices

Annual Average Price (RTO Day-Ahead Mass Hub)

2004: \$53.74/MWh

2005: \$78.63/MWh

2006: \$60.88/MWh

2007: \$67.97/MWh

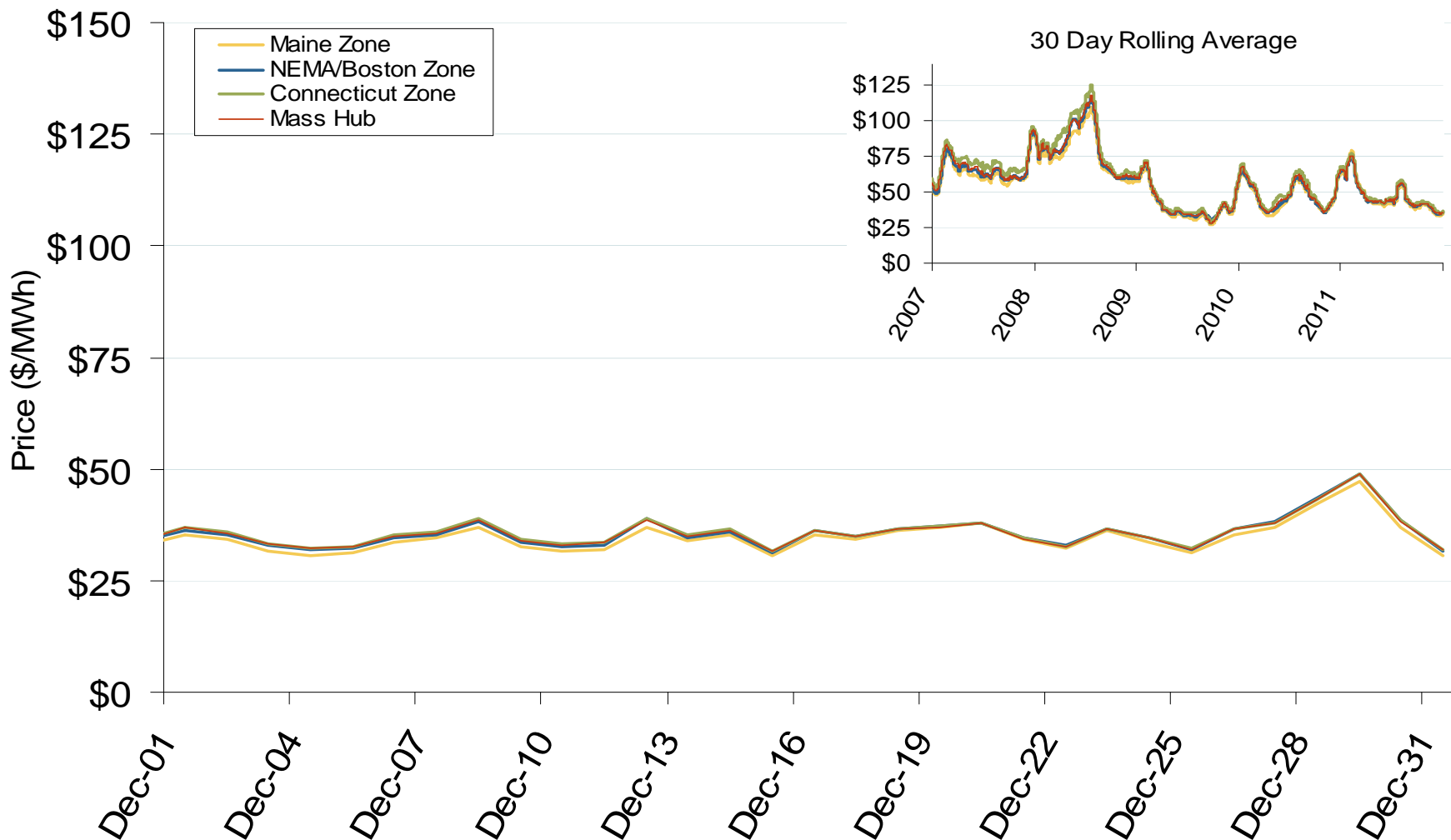
New England Annual Average Bilateral Prices

Annual Average Day Ahead On Peak Prices (\$/MWh)						
	2007	2008	2009	2010	2011	5-Year Avg
Mass Hub	\$77.39	\$91.55	\$46.24	\$56.18	\$52.64	\$68.23
Ny Zone G	\$83.51	\$100.99	\$49.80	\$59.48	\$56.41	\$73.94
NY Zone J	\$94.15	\$112.63	\$55.77	\$65.76	\$62.71	\$82.84
NY Zone A	\$64.02	\$68.34	\$35.54	\$43.89	\$41.52	\$54.09
PJM West	\$71.15	\$83.70	\$44.60	\$53.68	\$51.99	\$63.00

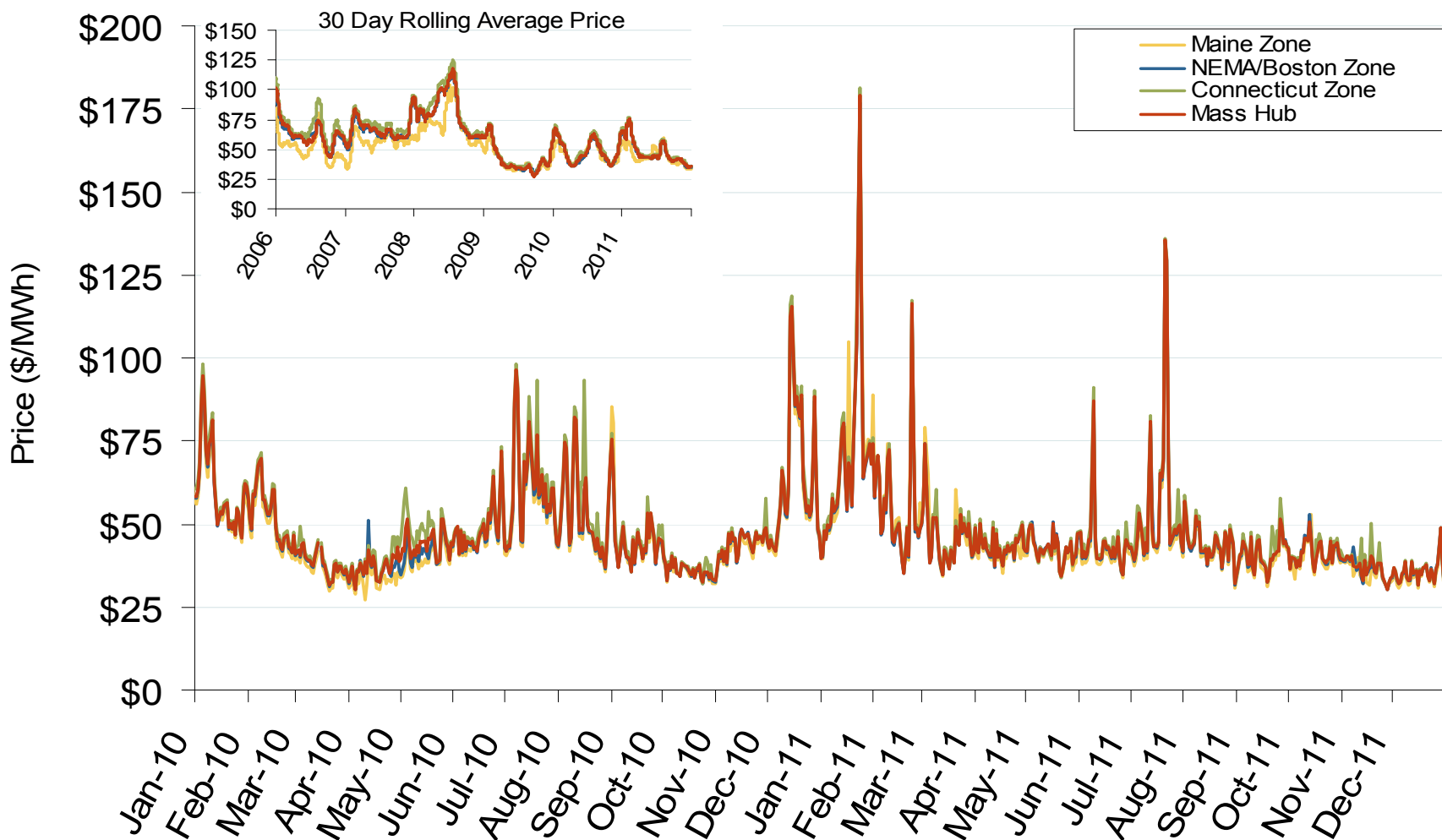
New England Electric Market: Last Month's RTO Prices

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

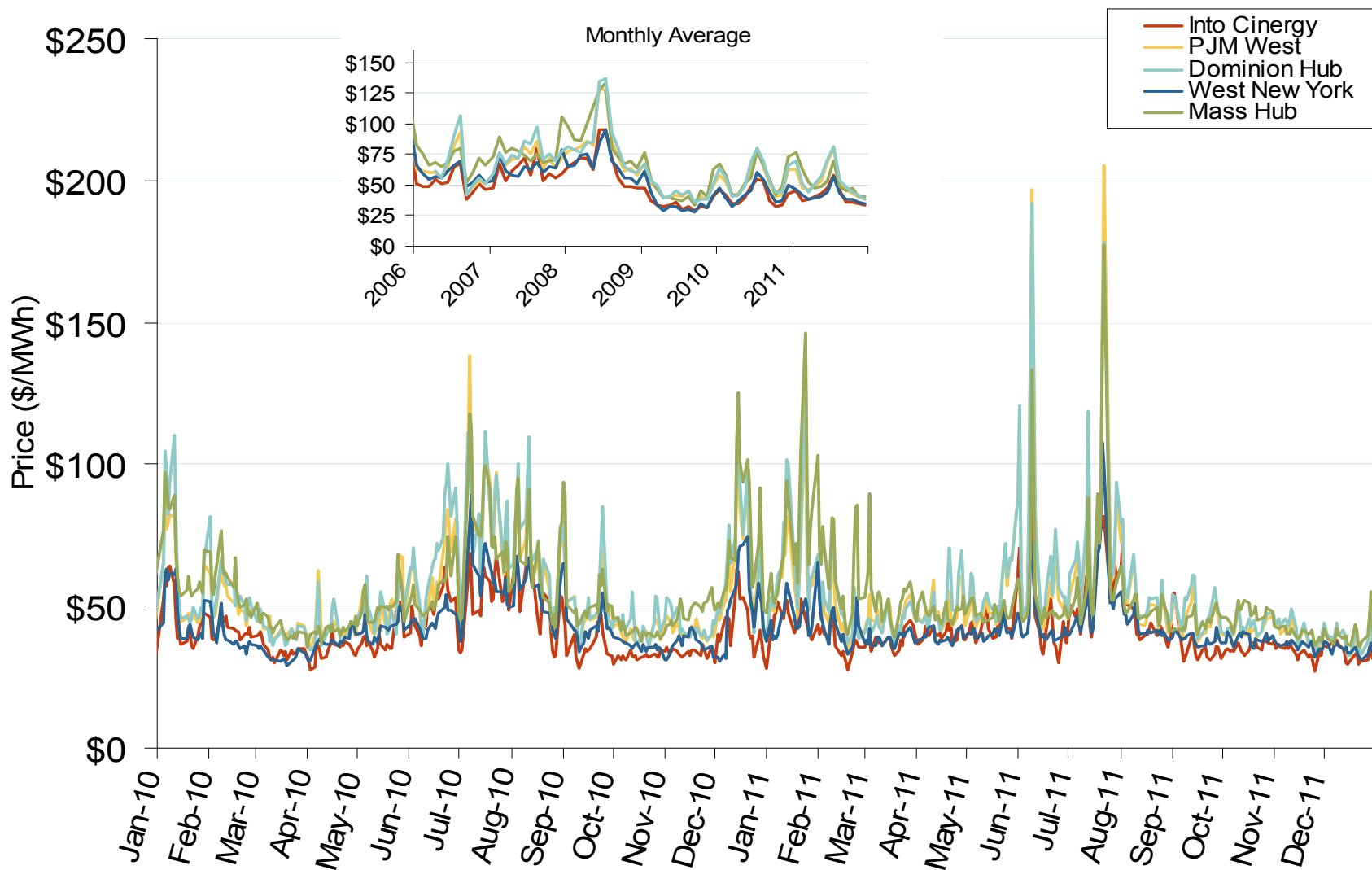
Daily Average of ISO-NE Day-Ahead Prices - All Hours



Daily Average of ISO-NE Day-Ahead Prices - All Hours



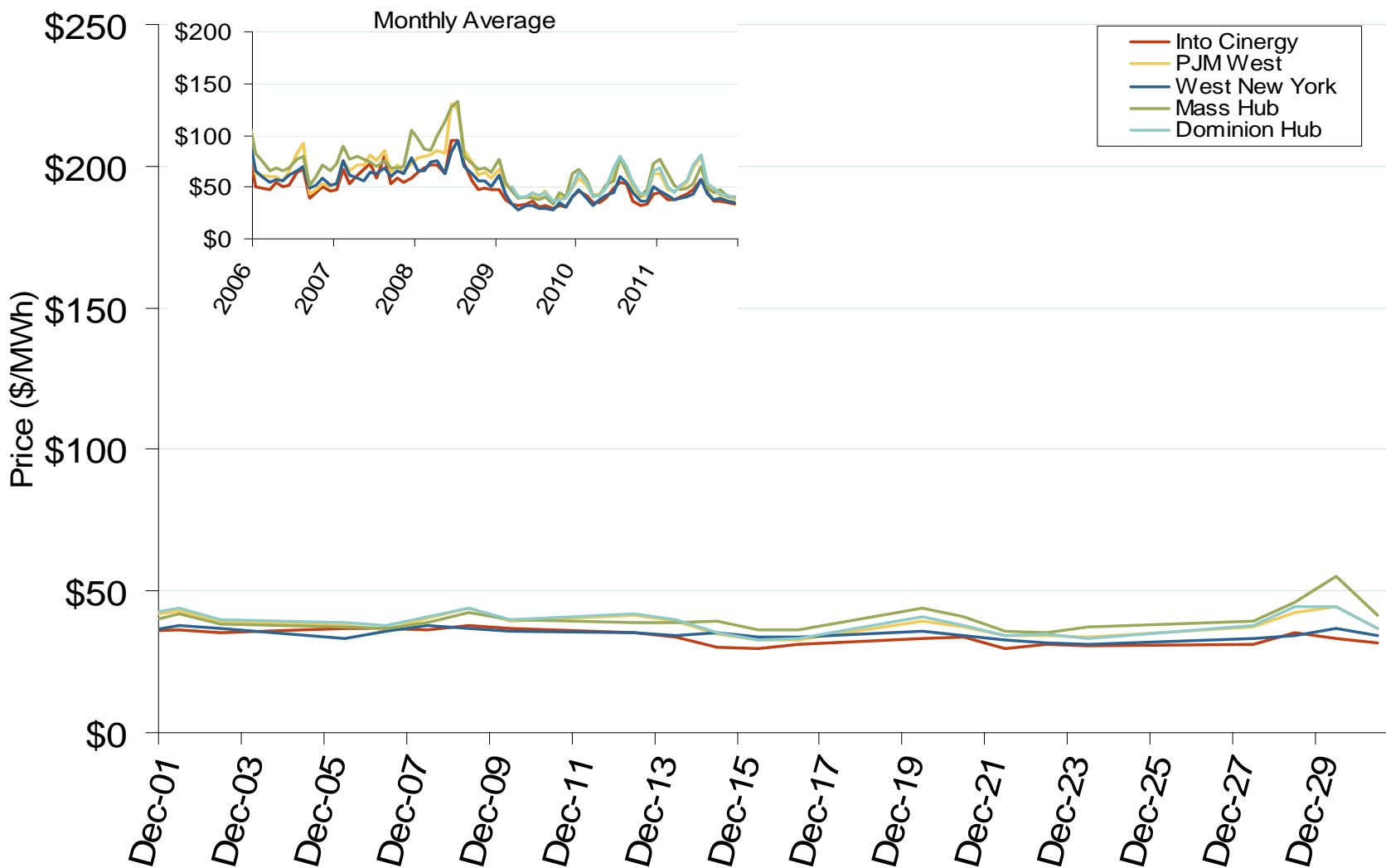
Eastern Daily Bilateral Day-Ahead On-Peak Prices



New England Electric Market: Last Month's Eastern Bilateral Prices

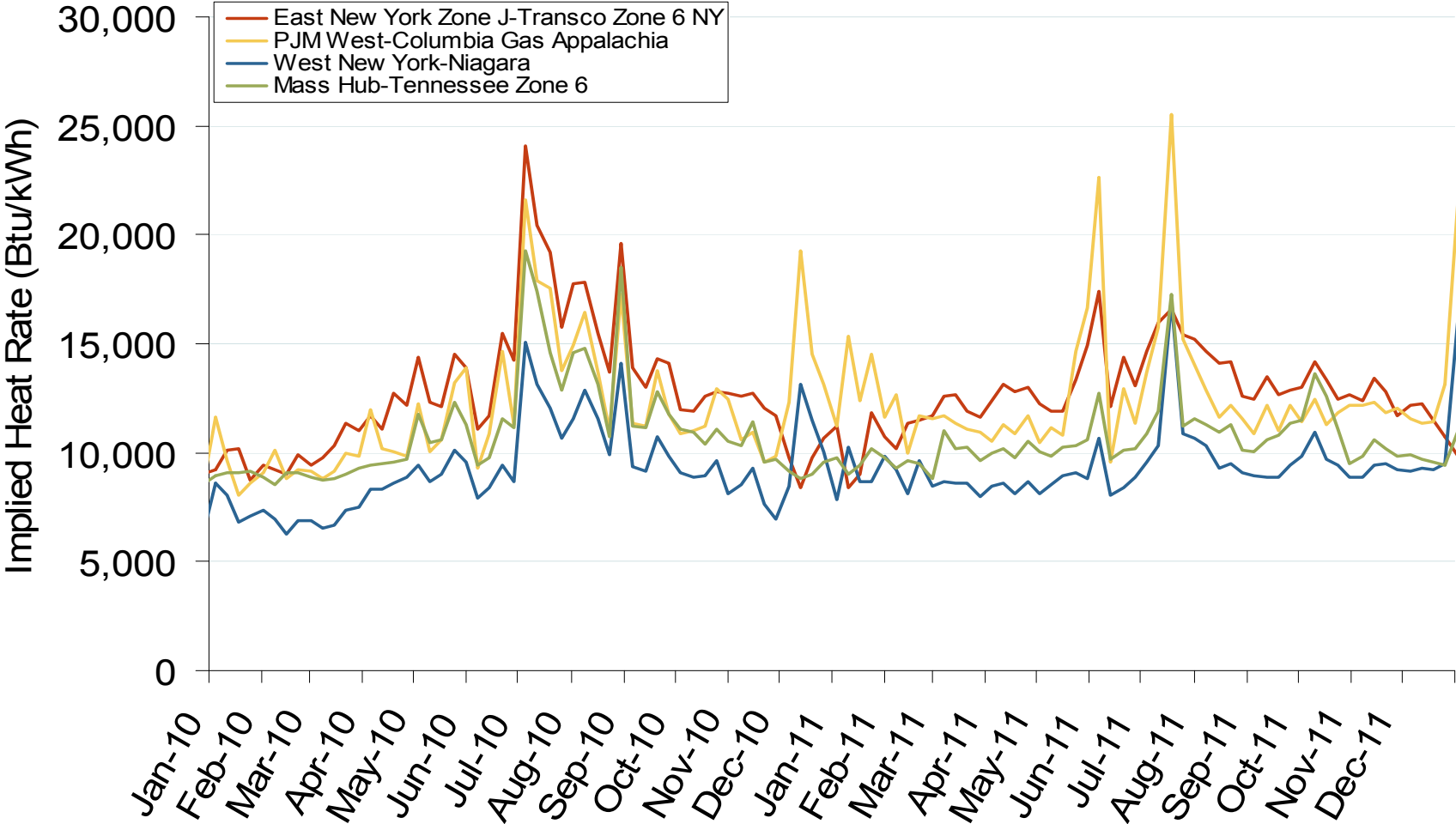
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Eastern Daily Bilateral Day-Ahead On-Peak Prices



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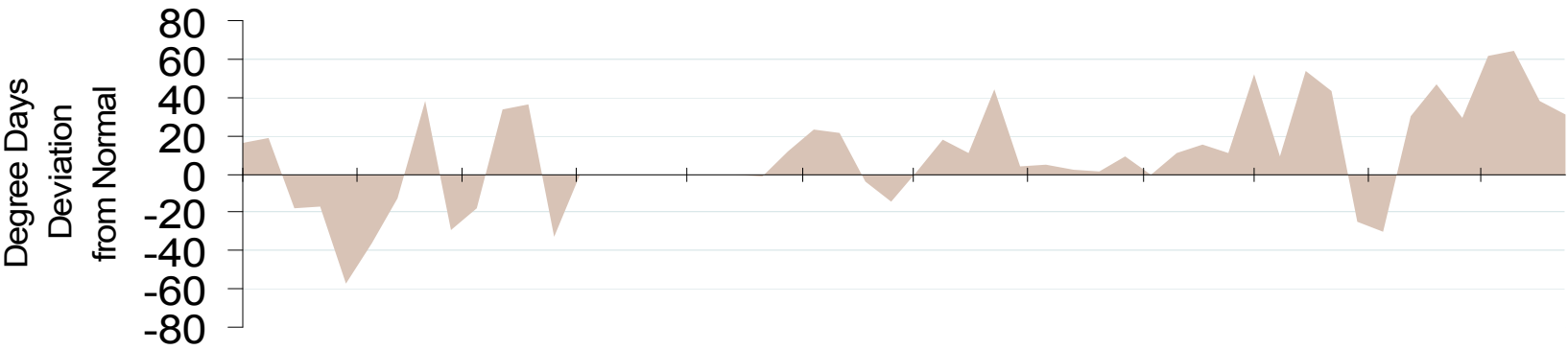
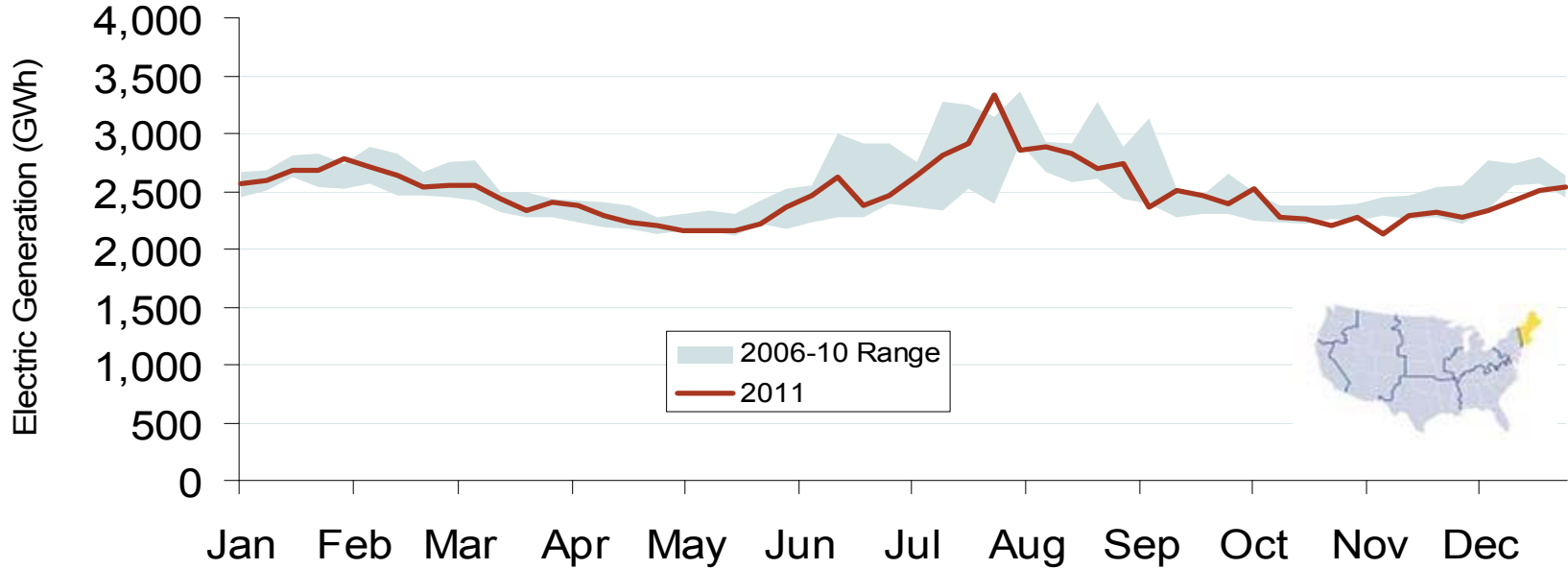
Implied Heat Rates at Eastern Trading Points - Weekly Avgs.



Source: Derived from Platts on-peak electric and natural gas price data
January 2012

Updated: January 03, 2012

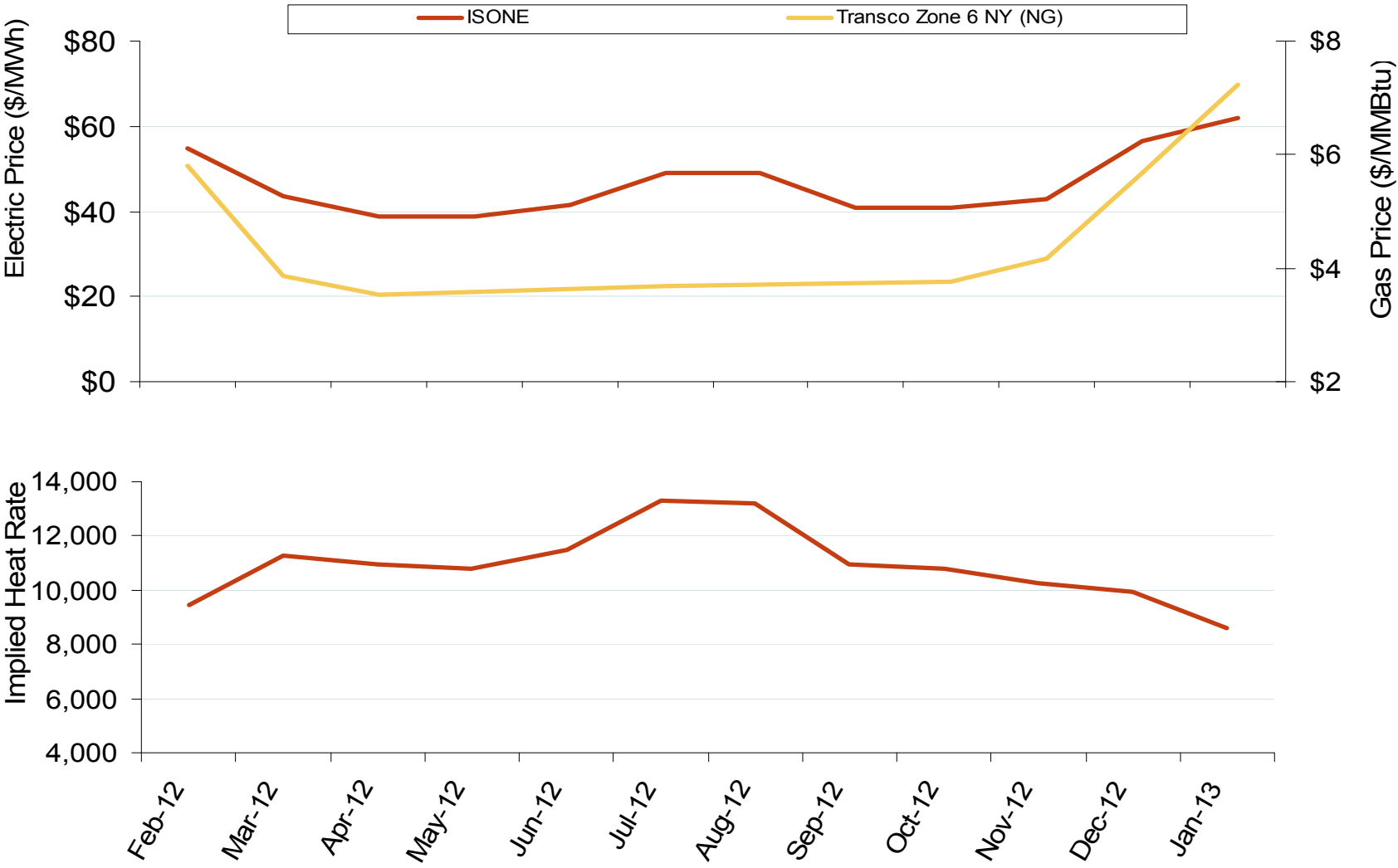
Weekly Generation Output and Temperatures New England



Source: Derived from EEI and NOAA data
January 2012

Updated: January 05, 2012

New England Electric Forward Price Curves and Implied Heat Rate



Source: Derived from Nymex data
January 2012

Updated: January 04, 2012