press release

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Contact:
Ellen Foley, ISO New England Inc. (413) 535-4139
Erin O'Brien, ISO New England Inc. (413) 540-4565
Marcia Blomberg, ISO New England Inc. (413) 540-4555

ISO New England Forecasts Adequate Resources to Meet Summer Electricity Demand

Economic Conditions Are Expected to Keep Peak Demand Flat

Holyoke, MA—April 29, 2009—According to the region's power grid operator, New England should have adequate electricity resources to meet consumer demand this summer, with current economic conditions expected to keep peak demand for electricity relatively unchanged from 2008 levels.

"The region is in good shape to meet peak demand for electricity this summer," said Vamsi Chadalavada, chief operating officer of ISO New England Inc., operator of the region's bulk power system and wholesale electricity markets. "Supplies are ample, and our portfolio of demand-side resources has grown significantly over the last few years. The economic slowdown, together with improving energy efficiency, is expected to keep peak demand in check."

Peak electricity demand could reach 27,875 megawatts (MW) under normal weather conditions this summer, while the region currently has resources totaling 33,700 MW. New England power plants will be able to supply about 31,225 MW of electricity, and more than 1,900 MW of demand-response resources—load management and on-site generators—can be called on to reduce consumption if supplies start to get tight. The region's energy efficiency programs are also helping to reduce demand, with about 500 MW participating by this summer.

This year's peak demand forecast is 110 MW higher than the 2008 weather-adjusted peak of 27,765 MW, which occurred on June 10. Adjusting demand levels by factoring out year-to-year weather fluctuations gives a clearer picture of changes in demand that are not caused by weather. One megawatt serves about 1,000 homes.

During a heat wave on August 2, 2006, the region's all-time peak demand record was set at 28,130 MW. That record would have soared even higher without the approximately 500 MW of demand-response resources that reduced energy consumption when called on to do so by ISO New England.

If demand spikes and supplies become tight as a result of a prolonged heat wave with high humidity, or a major transmission line or power plant goes out of service unexpectedly, system operators can bring the system back into balance by calling on companies in demand-resource programs to cut their electricity use, bringing in emergency electricity supplies from neighboring regions, and asking consumers to conserve.