



Power to Ontario.
On Demand.

Peak vs Average Pre-Dispatch Demand Forecasting

MPWG

November 3, 2006 - Webcast



- Have performed analysis of potential impacts to market of using an average demand forecast
 - Analysis assumed no market response or arbitrage mitigation of the potential price increase
 - Results were published September 1, 2006
 - Schedule fewer imports
 - Greater reliance on domestic supply in real time
 - Real time price and volatility increases

- Reliability Assessment and Operational Impact
 - Build internal consensus for which hours are acceptable to use an average demand forecast
- Efficiency Analysis
 - estimate the cost of ‘gross inefficiencies’ caused, or exacerbated, by a peak demand forecast
 - Ex. Scheduling imports while reducing nuclear output
 - Estimate the cost of other inefficiencies
 - Ex. Scheduling imports supplied by natural gas while reducing output from lower cost domestic resources
- Report back at December meeting