

IESO 18-Month Outlook

Presentation to the FASC
January 26, 2005



- weekly peak demand revised
- changes in price responsive demand capability
- changes to generator planned outages
- updated transmission projects and planned outages

Fuel Type	Total Capacity (MW)	Number of Stations
Nuclear	10,882	5
Coal	7,564	5
Oil / Gas	4,976	23
Hydroelectric	7,676	61
Miscellaneous	66	2
Total	31,164	

Scheduled Generation Additions

Proponent/Project Name	Zone	Fuel Type	Capacity MW	Connection Applicant's Estimated I/S Date
Pickering Unit 1	Toronto	Nuc	515	September 2005
Total			515	

Renewables RFP: 5 of 10 in service during Outlook period (178.6 MW)

3 embedded (12.1), 2 connected to grid (166.5 MW)

Price Responsive Demand

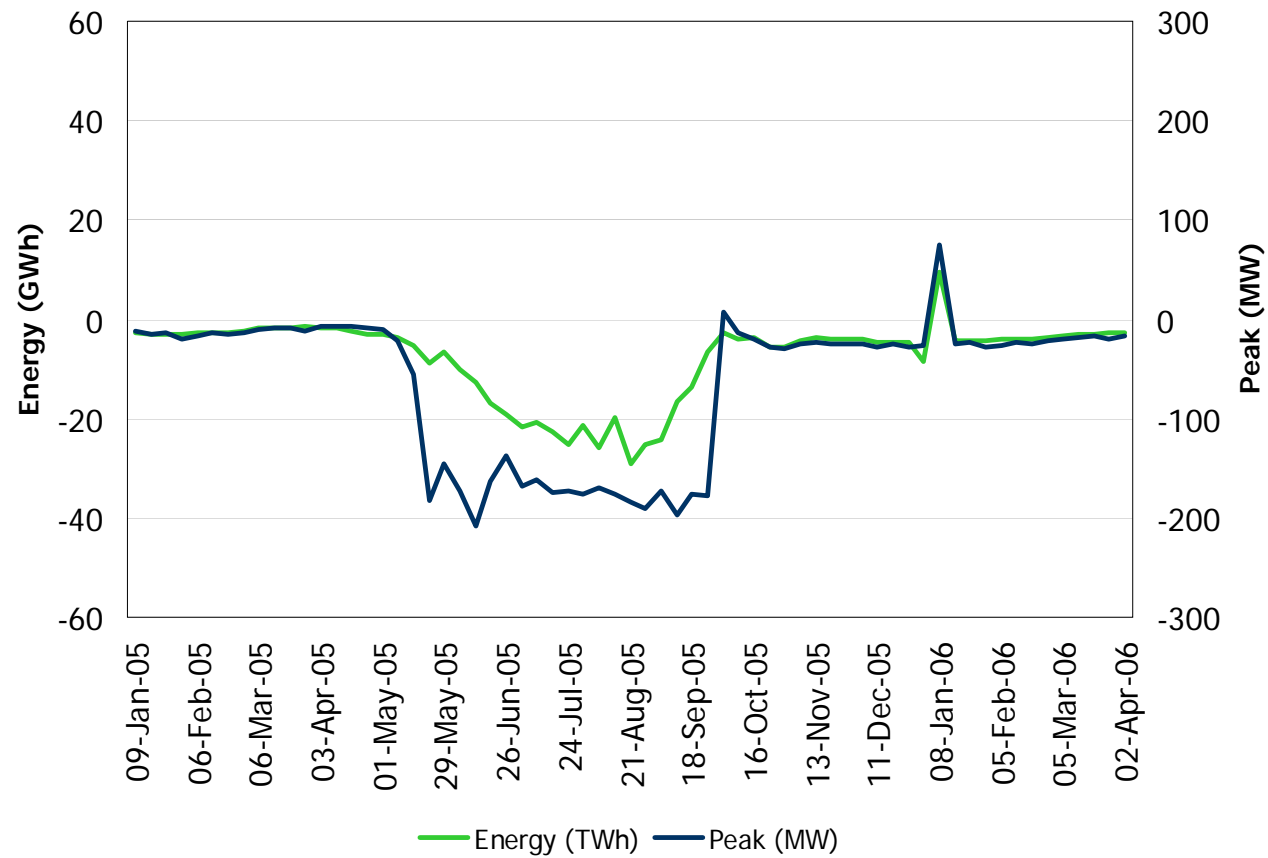
- Participant timing updated from Q3
- Forecast participation rate updated to reflect recent experience (up 5 MW in base scenario)

- methodology – no modifications
- impacts to end of September 2004 captured
- peaks are slightly lower
- energy is slightly lower

Season	Normal Weather Peak (MW)	Expected Seasonal Peak (MW)	Extreme Weather Peak (MW)
Winter 2005	23,891	24,721	25,594
Summer 2005	23,636	25,412	26,583
Winter 2006	23,991	24,750	25,611

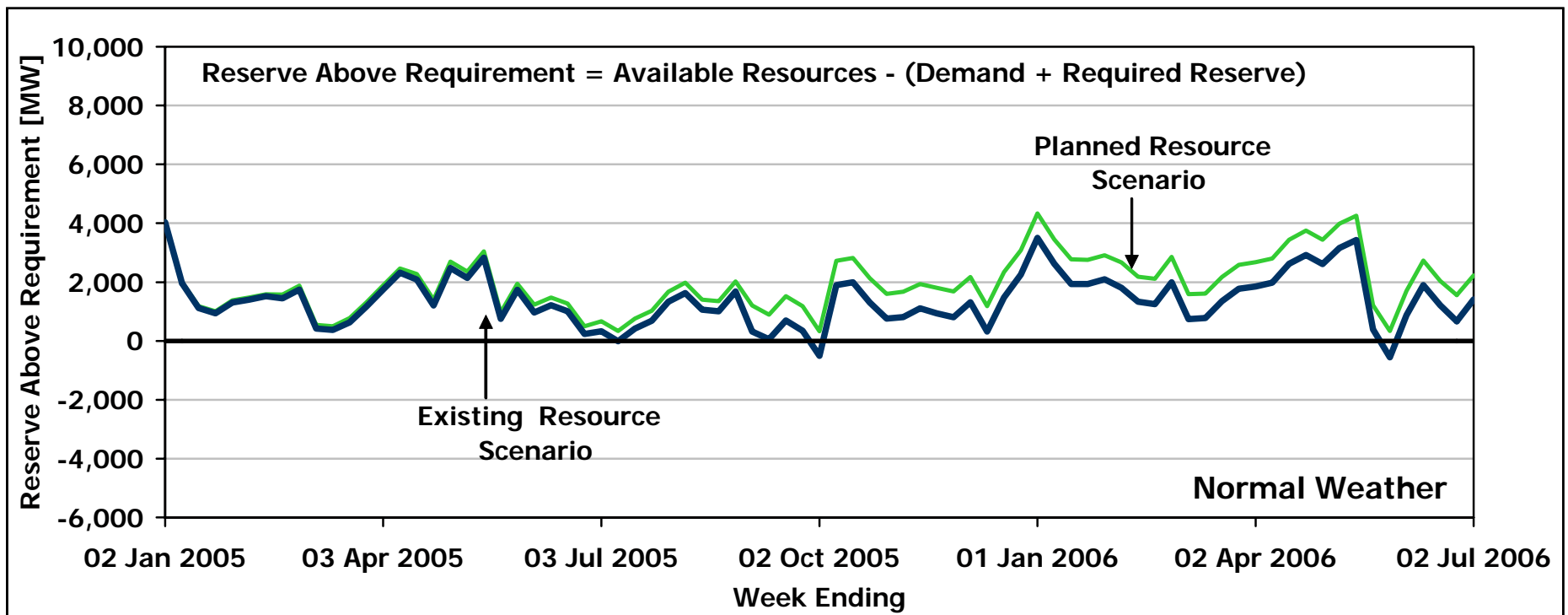
- **2005 energy: 154.4 TWh**
- **2006 energy: 155.4 TWh**

Peak and Energy Changes



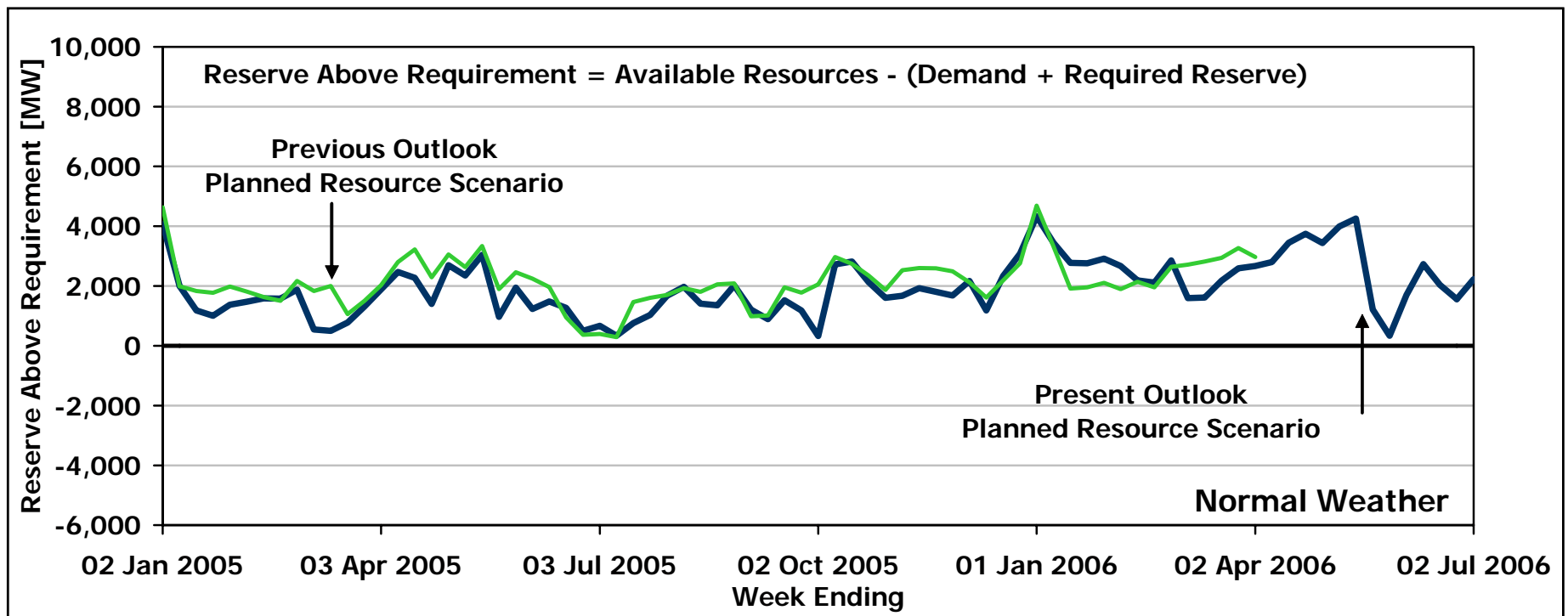
Reserve Above Requirement

Normal Weather Scenario



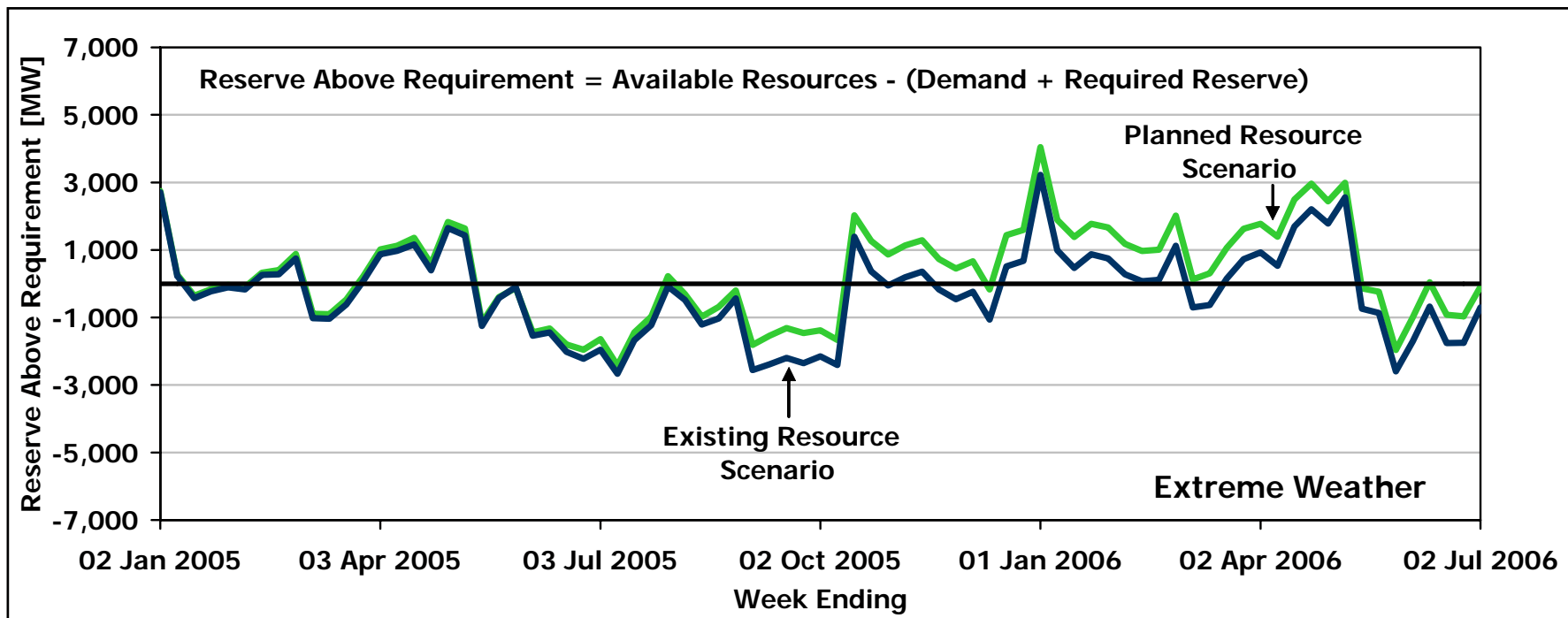
Reserve Above Requirement

Normal Weather Scenario - Present vs. Previous Outlook



Reserve Above Requirement

Extreme Weather Scenario



- Existing Resource Scenario
 - reserve margins positive for all but three weeks of the study period
 - Occasions where generator outages are at risk
- Planned Resource Scenario
 - Continues to indicate generally positive resource adequacy picture
 - reserves exceed requirements for all weeks under Normal weather scenario
- still periods with reserves below required levels under extreme weather (both scenarios)

- Lakeview after Apr. 30, 2005
 - Firm plans in place to address reliability concerns
 - transmission solutions planned, tracking to schedule
 - 3 of 4 caps installed (2 in service, 1 imminent), 4th on schedule
- Transmission similar to last Outlook
 - limits to transmission outages expected under peak conditions, especially in summer
 - reactive supply concerns continue to exist under peak summer conditions in Toronto & Windsor.