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May 30, 2006

BY HAND AND ELECTRONIC MAIL
Mr. Derek S. Phelps
Executive Director
Connecticut Siting Council
Ten Franklin Square
New Britain, CT 06051

Re: Docket F-2006 - 2006 Ten Year Forecast Of Electric Loads And Resources

Dear Mr. Phelps:

On behalf of ISO New England Inc. ("ISO"), I am enclosing herewith an original and fifteen copies of the Pre-filed Testimony of Mr. David Ehrlich, ISO's Principal Economic and Load Analyst, Load Forecasting, who will testify on behalf of ISO in the above-referenced docket.

Please contact me if you have any questions or need additional information.

Sincerely,

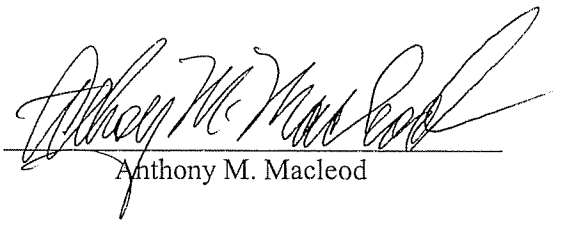
Anthony M. Macleod

AMM:dcs
Enclosure

cc: Matthew Goldberg, Esq.
Service List

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing has been sent via email or first class mail, postage prepaid, on May 30, 2006, to all parties and intervenors or their counsel as set forth on the Service List for Docket F-2006.



Anthony M. Macleod

STATE OF CONNECTICUT
CONNECTICUT SITING COUNCIL

2006 TEN YEAR FORECAST OF	)	DOCKET NO. F-2006
	)	
ELECTRIC LOADS AND RESOURCES	)	MAY 26, 2006

PREFILED TESTIMONY OF ISO NEW ENGLAND INC.
BY DAVID EHRLICH

Q. *Please state your name, title and business address.*

A. David Ehrlich
Principal Economic and Load Analyst, Load Forecasting
ISO New England Inc.
One Sullivan Road
Holyoke, MA 01040

Q. *What positions have you held at ISO and what have your responsibilities been?*

A. As Principal Economic and Load Analyst, Load Forecast, of ISO New England Inc. ("ISO"), I am responsible for the long-run forecast of energy and seasonal peaks for New England which I have been involved with for the last eighteen years. Prior to that I was Project Manager for REMI, an economic modeling consulting firm. I have a B.A. in Economics from Alfred University and a M.S.B.A. in Regional Management and Planning from the University of Massachusetts.

Q. *What is your purpose in submitting pre-filed testimony today?*

A. I would like to share with the Siting Council information regarding ISO's 2006 load forecast.

Q. *Is the information presented in this testimony true and correct to the best of your knowledge and belief?*

A. Yes.

Q. *What are ISO's basic responsibilities?*

A. ISO, whose offices and operations center are located in Holyoke, Massachusetts, is the regional transmission organization for the six-state New England region. ISO is responsible for bulk electric power system operations, wholesale electricity market administration and regional bulk power system planning under the jurisdiction of the Federal Energy Regulatory Commission ("FERC").

Q. *Does ISO make any profit from its role as the Independent System Operator?*

A. No. ISO is a private, not-for-profit corporation governed by an independent Board of Directors with no financial interest in any market participant companies or transactions.

Q. *Does ISO perform annual load forecasting?*

A. Yes. Each year ISO prepares and makes available a ten year forecast of energy and seasonal peak loads.

Q. *Has ISO completed its load forecast for 2006?*

A. Yes. ISO's 2006 load forecast was published on April 18, 2006 in the report entitled, "2006-2015 Forecast Report of Capacity, Energy, Loads and Transmission (CELT) Report" (the "2006 CELT Report") and in supporting documentation.[1]

Q. *What areas does ISO's 2006 load forecast address?*

A. ISO's 2006 load forecast includes energy and seasonal peak forecasts for the ISO Control Area, the six New England States, and 13 sub-areas. The load forecast for the sub-areas include the forecast for three separate areas that together approximate the

[1] *See* http://www.iso-ne.com/trans/celt/index.html.

load forecast for the state of Connecticut: (1) Norwalk-Stamford; (2) Southwest Connecticut; and (3) Connecticut.[2]

Q. What is the basis for the ISO's 2006 forecast?

A. ISO forecasts the seasonal peak loads, based on an assumed set of economic and demographic conditions, that would be expected under a range of weather conditions using over 35 years of historical weather data. This includes peak loads under normal peak weather conditions (i.e. for New England, 90.4 degrees Fahrenheit), which have a 50 percent chance of being exceeded, and peak loads under more extreme weather conditions (i.e. for New England, 94.2 degrees Fahrenheit), which have a 10 percent chance of being exceeded. ISO's 2006 forecast is publicly available.[3]

Q. What does ISO's 2006 forecast show?

A. The summer peak load forecast for 2006 and 2015 for both the New England region and the State of Connecticut are shown in Table 1 below. The corresponding growth in the summer peak load and energy forecasts for 2006 to 2015 respectively, are shown in Table 2 below.

[2] Electrical areas, not geographic boundaries, define sub-areas. The Connecticut sub-areas, therefore, do not correspond exactly with the State of Connecticut.

[3] *See* http://www.iso-ne.com/trans/celt/fsct_detail/index.html

Table 1. Summer Peak Load Forecast: 2006, 2015 (Megawatts)

Area (Probability of being exceeded)	**2006** (50%)	**2015** (50%)	**2006** (10%)	**2015** (10%)
ISO-NE Control Area	27025	31895	28785	34065
State of Connecticut	7250	8535	7730	9120
Norwalk-Stamford Sub-area	1260	1455	1345	1555
Southwest Connecticut Sub-area	2340	2770	2495	2960
Connecticut Sub-area	3580	4230	3815	4520

Table 2. Compound Annual Growth Rates: 2006-2015 (Percent)

Area	**2006-2015** Summer Peak (50/50 and 90/10)	**2006-2015** Energy
ISO-NE Control Area	1.9	1.3
State of Connecticut	1.8	1.4
Norwalk-Stamford Sub-area	1.6	1.0
Southwest Connecticut Sub-area	1.9	1.4
Connecticut Sub-area	1.9	1.3

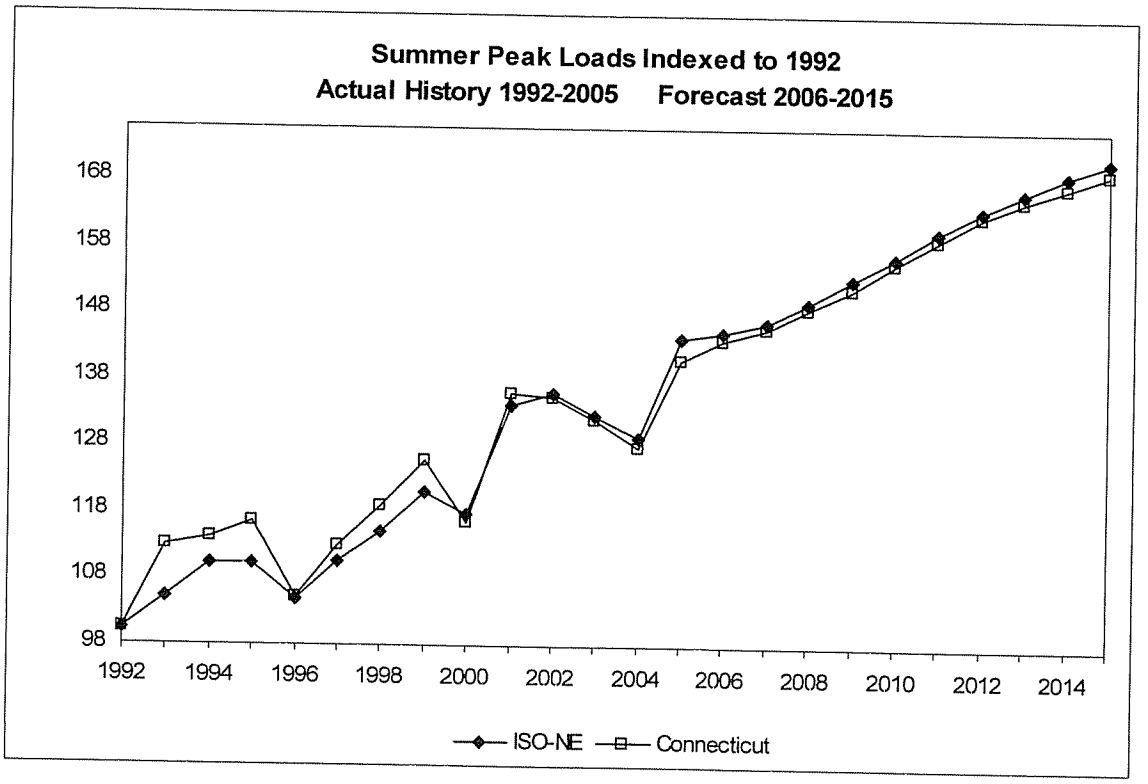
Q. Does the ISO forecast account for reductions from energy conservation and efficiency programs?

A. The ISO forecast includes estimated energy reductions from utility-sponsored demand-side management programs (i.e. energy conservation) and efficiency programs. By 2015, the reductions amount to approximately 1500 MW for New England, and approximately 550 MW for Connecticut.

Q. *How does projected growth in summer peak demand in Connecticut compare with growth in demand for electricity in New England generally?*

A. Figure 1 shows the projected growth in summer peak demand for electricity in Connecticut compared to New England.

Figure 1. Growth of Summer Peak Demand in Connecticut and New England



Q. *Does this conclude your testimony?*

A. Yes, thank you.