Size of Ontario Weather Effects

Stan But

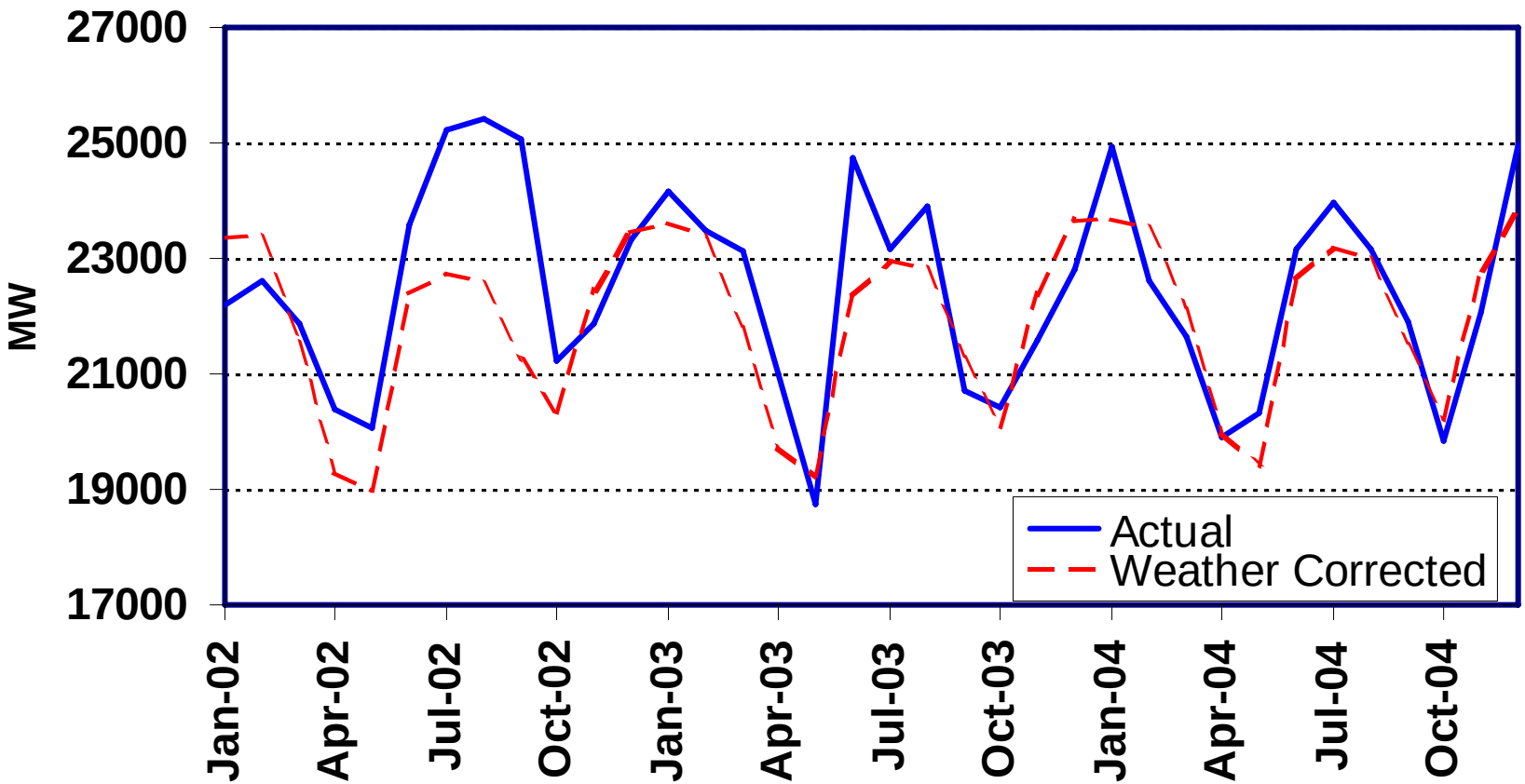
Hydro One

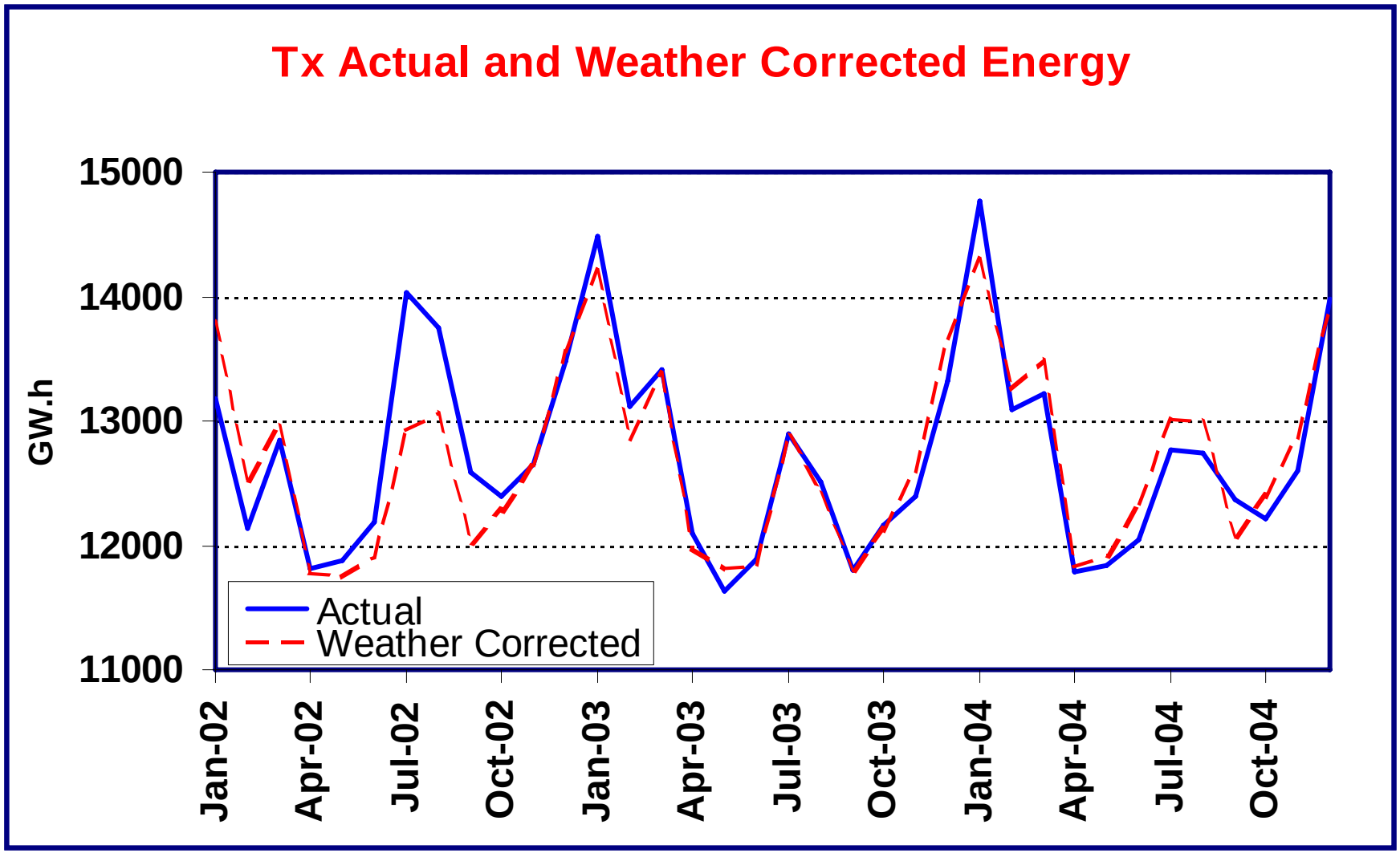
November 2, 2005

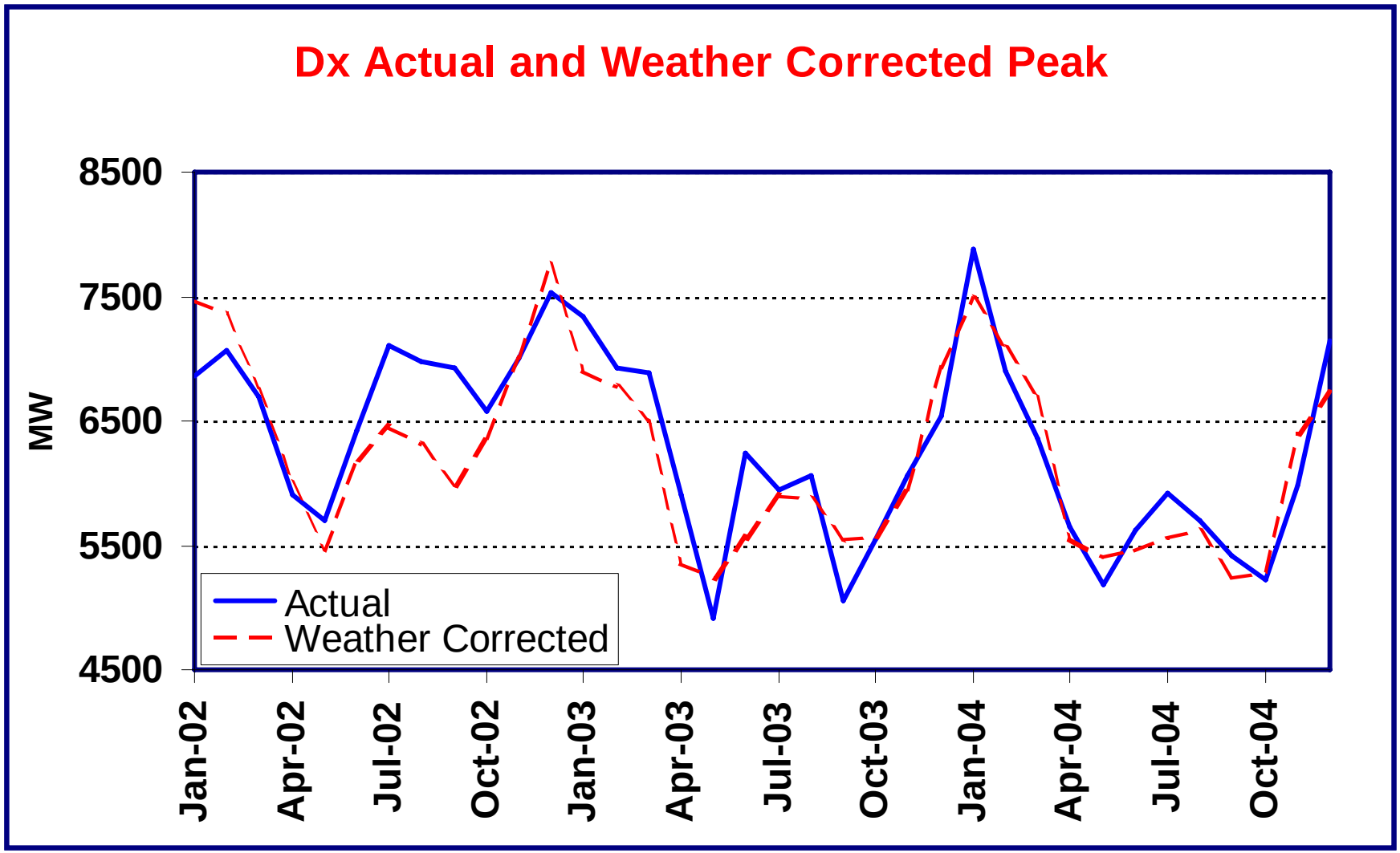
How Big is Weather Effect

- Energy: 1% to 2% for any year
  - equals to 1 or 2 years of growth for some LDCs
- Peak: as high as 10% for some months
  - equals to 5-10 years of growth for some LDCs
- Weather effect for each LDC would be different depending on its location and customer mix

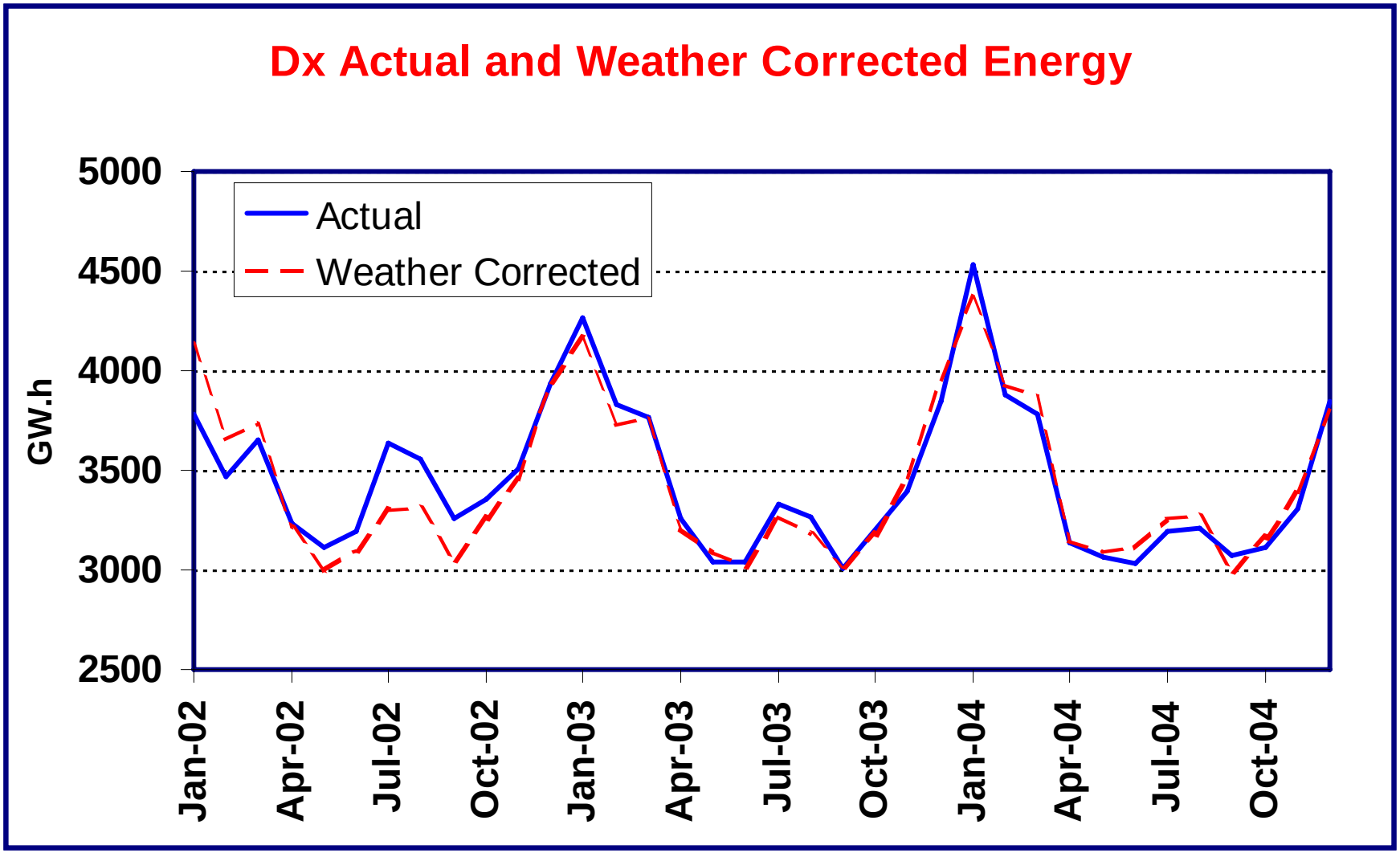
Tx Actual and Weather Corrected Peak




Tx Actual and Weather Corrected Energy
GW.h
15000
14000
13000
12000
11000
Actual
Weather Corrected
Jan-02
Apr-02
Jul-02
Oct-02
Jan-03
Apr-03
Jul-03
Oct-03
Jan-04
Apr-04
Jul-04
Oct-04


Dx Actual and Weather Corrected Peak
MW
8500
7500
6500
5500
4500
Actual
Weather Corrected
Jan-02
Apr-02
Jul-02
Oct-02
Jan-03
Apr-03
Jul-03
Oct-03
Jan-04
Apr-04
Jul-04
Oct-04

Dx Actual and Weather Corrected Energy



Percent Deviation of Actual from Weather Corrected Load in the Year 2002
(%)

	Tx Peak	Tx Energy	Dx Peak	Dx Energy
Monthly				
Jan	-5.0	-4.5	-8.0	-8.5
Feb	-3.2	-3.1	-4.0	-5.1
Mar	1.5	-0.9	-1.0	-2.1
Apr	5.6	0.4	-1.7	0.7
May	5.8	1.0	4.5	3.8
Jun	5.4	2.3	3.6	3.1
Jul	10.9	8.6	10.1	10.3
Aug	12.6	5.2	10.7	7.6
Sep	18.1	4.8	15.9	6.7
Oct	4.5	1.0	3.5	2.9
Nov	-2.6	0.1	-0.1	1.7
Dec	-0.6	-0.6	-2.9	-0.3
Annual:	4.3	1.2	2.1	1.3

Toronto Pearson International Airport:
Cooling and Heating Degree Days in the Year 2002
(Degree C)

	Cooling Degree Days		Heating Degree Days	
	Normal	Actual	Normal	Actual
Monthly				
Jan	0	0	738	566
Feb	0	0	642	540
Mar	0	0	561	545
Apr	1	8	346	329
May	12	8	163	216
Jun	50	74	42	37
Jul	107	192	5	0
Aug	82	146	13	1
Sep	24	85	91	20
Oct	1	10	278	283
Nov	0	0	432	440
Dec	0	0	630	613
Annual:	278	521	3942	3590

Observations

- Weather effect can be significant; weather normalization therefore makes sense
- Variations are prevalent in winter and summer months
- Choice of 1 NCP or more than 1 NCP will have implications on allocation of demand related cost to customers