

SUPPLIER LOAD ESTIMATION

Including allocation of losses to Suppliers

The ISO-NE settles the hourly energy market in New England based on the market participants' generation, tie lines and supplier loads. The sum of the supplier loads in each zone is the total energy transmitted from generation, ties lines, etc. on an hourly basis. As the assigned 'meter reader', National Grid directly measures and reports the hourly generation and tie line quantities and tracks Supplier enrollments for every customer.

Supplier load data for customers is collected and estimated using National Grid's collection systems.

Customers with interval metering are assigned their actual measured hourly usage. While customers without interval metering, including those with AMI meters, which are currently treated as non-interval, National Grid estimates Supplier load using class-average load profiles based on monthly billed consumption.

Monthly usage for non-interval customers is allocated across each hour of the month using a customer class-specific load profile (load shape), which is weather-adjusted. Both measured and estimated usage is stored by zone, service point, and hour.

The customer's usage is adjusted using a distribution loss factor to account for energy losses, which vary based on whether a customer operates at primary or secondary voltage, as illustrated in the chart below. Primary voltage customers are those served under the Massachusetts and Nantucket Electric G3 rate, while secondary voltage customers include all other customers.

Distribution Loss Factor

Primary Voltage Customers	Secondary Voltage Customers
1.038	1.069

The loss-adjusted usage for each customer is then aggregated by zone and Supplier to calculate the total delivered load by ISO Asset.

Total delivered load (Retail) must match supplied usage (Wholesale) by zone as required by the NE ISO for market settlement. Differences between the total energy supplied and delivered (consumed by customers) are called UFE (unaccounted for energy). UFE is allocated to each ISO Asset (Supplier) based on their share of the total Wholesale load by zone and hour.