



Monthly Report

September 2008

Rana Mukerji

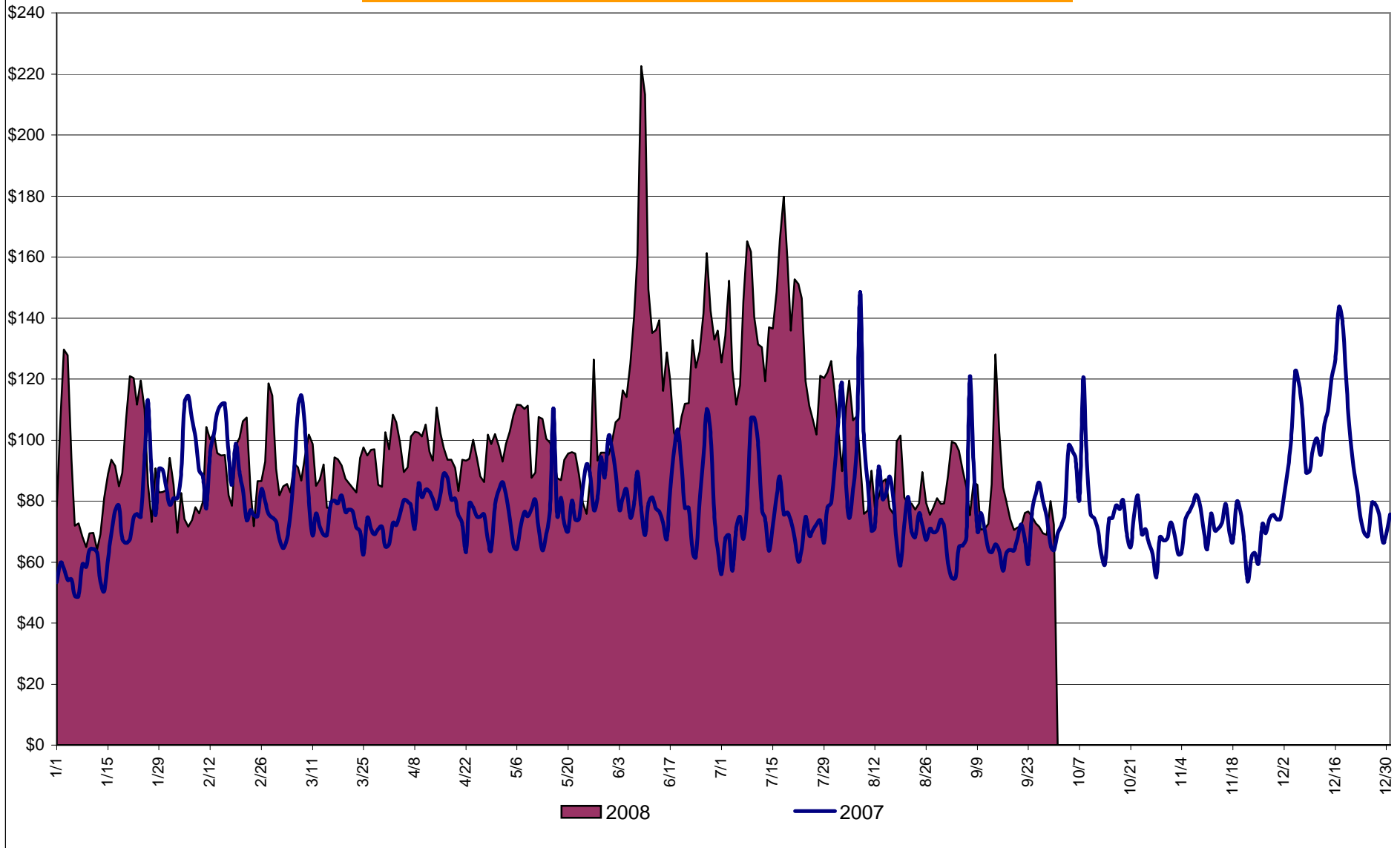
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Market Performance Highlights for September 2008

- LBMP for September is \$80.15/MWh, down from \$85.60/MWh in August 2008.
 - Average monthly cost is \$83.09/MWh, down from \$89.39/MWh in August 2008.
 - Day Ahead and Real Time LBMPs have decreased from August 2008.
- Average daily sendout is 461GWh/day in September, down from 488GWh/day in August 2008 and is comparable to September 2007.
- Natural Gas prices as well as other fuels are all down this month.
 - Kerosene is \$24.40./mmBTU, down from \$24.46/mmBTU in August.
 - No. 2 Fuel Oil is \$20.81/mmBTU, down from \$22.58/mmBTU in August.
 - No. 6 Fuel Oil is \$15.29/mmBTU, down from \$17.67/mmBTU in August.
 - Natural Gas is \$8.05/mmBTU, down from \$8.79/mmBTU in August.
- Uplift is lower compared to August 2008:
 - Total uplift (Schedule 1 components including NYISO Cost of Operations) decreased from \$32.2 million in August 2008 to \$15.2 million in September 2008.
 - Uplift (not including NYISO cost of operations) is \$0.43/MWh, down from \$1.37/MWh in August 2008.

Daily NYISO Average Cost/MWh (Energy & Ancillary Services)*
 2007 Annual Average \$80.29/MWh
 September 2007 YTD Average \$79.57/MWh
 September 2008 YTD Average \$103.45/MWh



* Excludes ICAP payments.

NYISO Average Cost/MWh (Energy and Ancillary Services) *
from the LBMP Customer point of view

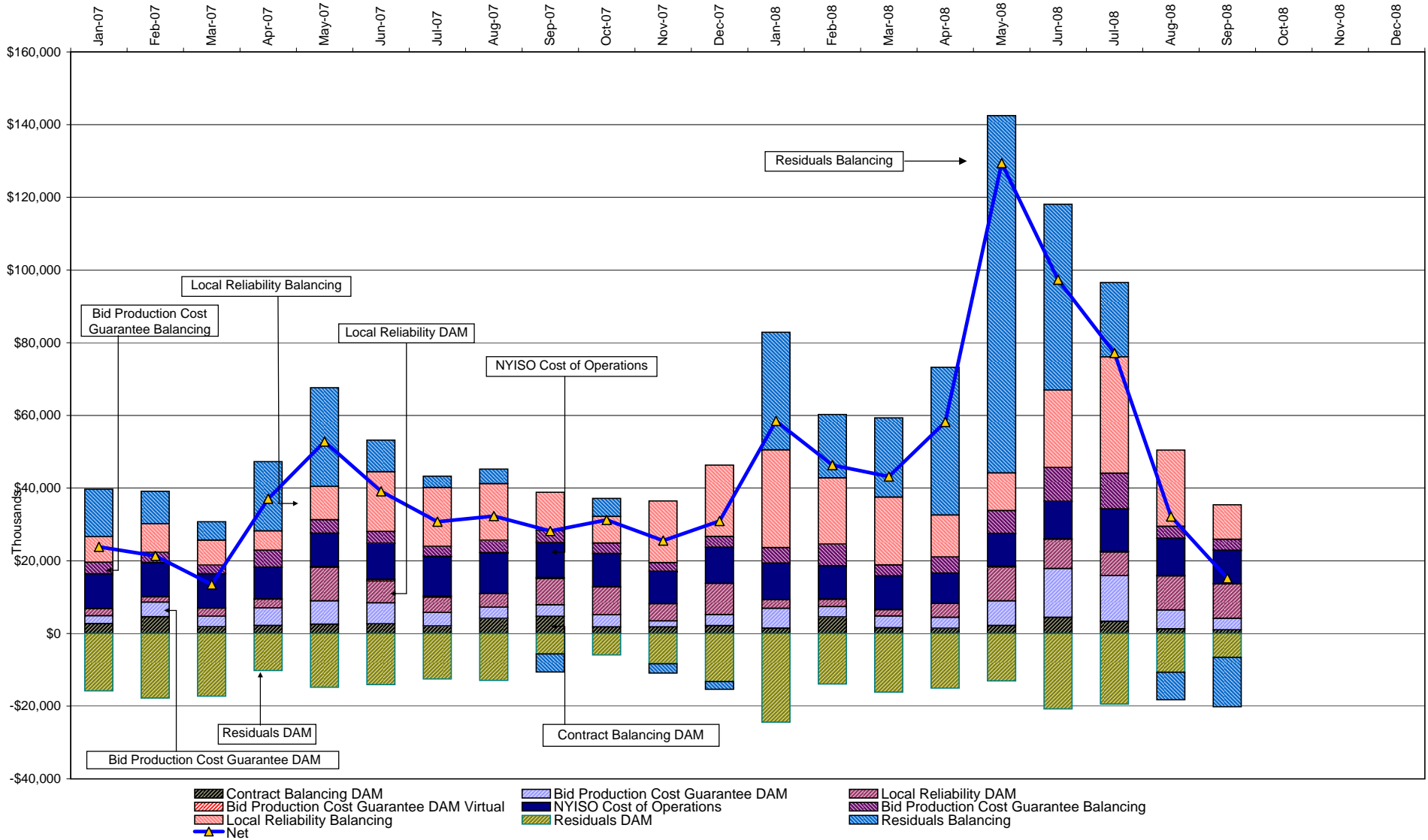
2008	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	86.98	85.69	85.21	90.91	87.18	128.17	131.33	85.60	80.15			
NTAC	0.35	0.43	0.41	0.62	0.48	0.78	1.04	0.66	0.69			
Reserve	0.38	0.48	0.55	0.47	0.34	0.27	0.28	0.25	0.27			
Regulation	0.54	0.57	0.61	0.54	0.50	0.52	0.44	0.49	0.54			
NYISO Cost of Operations	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63			
Uplift	3.06	2.57	2.31	3.80	8.52	5.50	3.56	1.37	0.43			
Voltage Support and Black Start	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38			
Avg Monthly Cost	92.31	90.75	90.11	97.34	98.03	136.24	137.66	89.39	83.09			
Avg YTD Cost	92.31	91.57	91.09	92.55	93.60	101.54	108.19	105.74	103.45			

2007	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	67.23	89.14	75.09	73.14	75.28	79.28	73.10	81.50	68.22	73.49	67.46	93.44
NTAC	0.46	0.56	0.57	0.53	0.58	0.74	0.51	0.34	0.44	0.33	0.69	1.00
Reserve	0.43	0.23	0.34	0.36	0.28	0.23	0.21	0.13	0.11	0.29	0.31	0.25
Regulation	0.46	0.47	0.55	0.35	0.37	0.43	0.39	0.36	0.41	0.52	0.65	0.69
NYISO Cost of Operations	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
Uplift	1.00	0.88	0.29	2.14	3.08	1.96	1.21	1.29	1.26	1.62	1.26	1.35
Voltage Support and Black Start	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Avg Monthly Cost	70.57	92.29	77.85	77.52	80.59	83.65	76.41	84.62	71.43	77.24	71.37	97.73
Avg YTD Cost	70.57	81.65	80.36	79.68	79.86	80.51	79.84	80.55	79.57	79.36	78.70	80.29

* Excludes ICAP payments.

These numbers reflect the rebilling of prior periods.

NYISO Dollar Flows - Uplift - OATT Schedule 1 components - Data through September 30, 2008



DAM Contract Balancing amounts are for payments made to generating units to make them whole for being dispatched below their Day-Ahead schedule, as a result of out-of-merit dispatches.
 DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.
 DAM residuals consist of both energy and loss revenue collections and payments. By design, there is a net over collection of revenues due to the difference between the marginal losses paid to generation and the average losses charged to loads.

NYISO Dollar Flows - Uplift - OATT Schedule 1 components

<u>Month</u>	<u>Bid Production</u>		<u>Contract</u>	<u>Residuals</u>	<u>Bid Production</u>		<u>Residuals</u>	<u>NYISO Cost of</u>	<u>Bid Production</u>		<u>Net</u>
	<u>Cost Guarantee</u>	<u>Local Reliability</u>			<u>Cost Guarantee</u>	<u>Local Reliability</u>			<u>Cost Guarantee</u>	<u>Operations</u>	
	<u>DAM</u>	<u>DAM</u>	<u>Balancing</u>	<u>DAM</u>	<u>Balancing</u>	<u>Balancing</u>	<u>Balancing</u>				
January 2007	2,121,916	1,966,262	2,743,942	(15,818,794)	3,186,551	7,046,742	13,011,316	9,582,068	8,078	23,848,082	
February 2007	4,022,646	1,438,821	4,606,796	(17,774,276)	2,772,443	7,868,852	8,953,537	9,451,692	10,707	21,351,218	
March 2007	2,871,311	2,225,215	1,874,143	(17,278,141)	2,373,027	6,897,996	5,051,448	9,382,741	77,416	13,475,155	
April 2007	4,837,015	2,407,920	2,211,051	(10,220,053)	4,639,508	5,354,877	19,026,741	8,754,201	41,228	37,052,489	
May 2007	6,432,750	9,246,775	2,555,745	(14,820,908)	3,699,762	9,160,028	27,153,737	9,236,334	137,054	52,801,278	
June 2007	5,735,383	6,026,500	2,681,985	(14,107,652)	3,242,794	16,428,673	8,708,855	9,932,684	450,730	39,099,951	
July 2007	3,724,977	4,228,483	2,064,484	(12,531,989)	2,756,671	16,221,477	3,094,996	10,864,460	326,204	30,749,762	
August 2007	3,103,525	3,737,952	4,141,203	(12,936,450)	3,395,200	15,570,316	3,997,550	11,271,343	3,811	32,284,450	
September 2007	3,186,833	7,222,119	4,717,147	(5,626,755)	3,306,693	10,543,296	(5,003,146)	9,603,475	261,124	28,210,787	
October 2007	3,357,585	7,632,936	1,798,956	(5,921,523)	2,872,877	7,308,538	4,966,615	9,193,310	30,547	31,239,842	
November 2007	1,657,266	4,735,024	1,802,607	(8,349,949)	2,388,253	16,976,463	(2,568,770)	8,902,795	7,271	25,550,958	
December 2007	3,055,062	8,565,745	2,154,003	(13,228,665)	2,969,847	19,615,032	(2,148,392)	9,950,370	5,596	30,938,598	
January 2008	5,480,443	2,322,015	1,466,685	(24,410,250)	4,263,896	26,878,534	32,368,706	10,006,985	90,844	58,467,859	
February 2008	2,851,559	2,004,852	4,553,467	(13,950,547)	5,949,109	18,227,039	17,452,388	9,140,611	83,837	46,312,316	
March 2008	3,233,694	1,740,202	1,577,535	(16,138,129)	2,994,848	18,670,436	21,776,240	9,261,707	55,481	43,172,014	
April 2008	3,006,315	3,829,430	1,430,207	(15,051,057)	4,434,357	11,544,789	40,643,817	8,342,381	2,557	58,182,796	
May 2008	6,791,091	9,219,719	2,205,112	(13,064,055)	6,289,501	10,367,065	98,295,272	8,952,519	356,375	129,412,599	
June 2008	13,428,959	8,093,735	4,441,022	(20,784,192)	9,285,590	21,308,242	51,133,725	10,367,509	43,528	97,318,118	
July 2008	12,557,448	6,483,014	3,371,448	(19,430,346)	9,840,452	31,981,409	20,468,666	11,699,504	165,269	77,136,863	
August 2008	5,202,020	9,346,079	1,280,130	(10,677,428)	3,295,864	20,946,214	(7,605,560)	10,295,874	84,676	32,167,869	
September 2008	3,167,610	9,487,427	1,014,625	(6,567,881)	3,024,628	9,481,868	(13,625,446)	9,169,029	52,103	15,203,963	
October 2008											
November 2008											
December 2008											

Data reflects rebilling of prior periods.

NYISO Markets Transactions

2008	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Day Ahead Market MWh	14,984,732	13,722,512	13,744,999	12,645,499	13,325,474	15,365,697	17,761,482	15,971,685	13,927,588			
DAM LSE Internal LBMP Energy Sales	42%	42%	45%	48%	42%	45%	47%	45%	45%			
DAM External TC LBMP Energy Sales	9%	7%	5%	4%	6%	5%	8%	7%	4%			
DAM Bilateral - Internal Bilaterals	43%	43%	43%	40%	45%	43%	39%	42%	44%			
DAM Bilateral - Import/Non-LBMP Market Bilaterals	5%	5%	5%	5%	4%	4%	4%	4%	5%			
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	2%	2%	2%	1%	1%	1%			
DAM Bilateral - Wheel Through Bilaterals	0%	1%	1%	1%	1%	1%	1%	1%	1%			
Balancing Energy Market MWh	918,715	806,490	975,279	617,058	904,576	1,111,429	831,789	389,876	644,897			
Balancing Energy LSE Internal LBMP Energy Sales	24%	48%	15%	-29%	2%	35%	47%	45%	65%			
Balancing Energy External TC LBMP Energy Sales	68%	49%	81%	121%	98%	56%	53%	47%	35%			
Balancing Energy Bilateral - Internal Bilaterals	6%	1%	3%	5%	-2%	5%	3%	6%	4%			
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%	0%	-1%	0%			
Balancing Energy Bilateral - Wheel Through Bilaterals	2%	1%	1%	2%	2%	5%	-2%	3%	-4%			
Transactions Summary												
LBMP	53%	52%	53%	55%	52%	53%	57%	53%	51%			
Internal Bilaterals	41%	41%	41%	38%	42%	40%	37%	41%	42%			
Import Bilaterals	5%	5%	4%	5%	4%	4%	4%	4%	5%			
Export Bilaterals	1%	1%	1%	2%	2%	2%	1%	1%	1%			
Wheels Through	0%	1%	1%	1%	1%	1%	1%	1%	1%			
Market Share of Total Load												
Day Ahead Market	94.2%	94.4%	93.4%	95.3%	93.6%	93.3%	95.5%	97.6%	95.6%			
Balancing Energy +	5.8%	5.6%	6.6%	4.7%	6.4%	6.7%	4.5%	2.4%	4.4%			
Total MWh	15,903,447	14,529,002	14,720,278	13,262,557	14,230,050	16,477,126	18,593,271	16,361,561	14,572,486			
Average Daily Energy Sendout/Month GWh	456	455	432	406	403	499	541	488	461			
2007	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Day Ahead Market MWh	14,164,585	13,771,553	13,677,039	12,880,994	13,514,244	14,692,700	16,038,367	16,703,812	14,127,144	13,430,445	12,748,392	14,451,609
DAM LSE Internal LBMP Energy Sales	45%	44%	48%	46%	44%	46%	48%	48%	46%	45%	47%	44%
DAM External TC LBMP Energy Sales	4%	7%	4%	6%	6%	4%	4%	5%	4%	2%	2%	5%
DAM Bilateral - Internal Bilaterals	47%	45%	44%	44%	45%	45%	42%	41%	43%	46%	43%	45%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	2%	2%	2%	2%	2%	3%	4%	4%	5%	6%	6%	5%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	2%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	0%
Balancing Energy Market MWh	436,345	630,212	626,488	471,340	563,349	443,615	515,326	469,749	506,866	579,078	819,666	709,510
Balancing Energy LSE Internal LBMP Energy Sales	51%	49%	43%	33%	71%	85%	58%	47%	84%	45%	36%	39%
Balancing Energy External TC LBMP Energy Sales	56%	59%	58%	68%	33%	25%	58%	62%	34%	61%	63%	54%
Balancing Energy Bilateral - Internal Bilaterals	-1%	-4%	1%	0%	8%	6%	4%	8%	3%	7%	1%	5%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%	0%	4%	6%	1%	0%	0%	1%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-7%	-4%	-2%	-1%	-15%	-23%	-22%	-18%	-21%	-15%	0%	1%
Transactions Summary												
LBMP	51%	54%	54%	54%	52%	51%	53%	55%	52%	49%	52%	51%
Internal Bilaterals	45%	42%	42%	42%	44%	43%	41%	40%	41%	44%	41%	43%
Import Bilaterals	2%	2%	2%	2%	2%	3%	4%	4%	5%	5%	5%	5%
Export Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	1%	1%	1%	1%	1%	0%	0%	0%	0%	1%	0%
Market Share of Total Load												
Day Ahead Market	97.0%	95.6%	95.6%	96.5%	96.0%	97.1%	96.9%	97.3%	96.5%	95.9%	94.0%	95.3%
Balancing Energy +	3.0%	4.4%	4.4%	3.5%	4.0%	2.9%	3.1%	2.7%	3.5%	4.1%	6.0%	4.7%
Total MWh	14,600,930	14,401,765	14,303,527	13,352,334	14,077,594	15,136,315	16,553,693	17,173,561	14,634,010	14,009,523	13,568,057	15,161,119
Average Daily Energy Sendout/Month GWh	449	471	438	414	423	484	510	523	468	436	428	458

+ Balancing Energy: Load(MW) purchased at Real Time LBMP.

* The signs for the detail section intuitively reflect the direction of power flow eliminating the use of double negatives when Balancing Energy is negative.

Notes: Percent totals may not equal 100% due to rounding.

Virtual Transactions are not reflected in this chart.

NYISO Markets 2008 Energy Statistics

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>DAY AHEAD LBMP</u>												
Price *	\$83.07	\$82.66	\$83.11	\$89.77	\$89.35	\$121.83	\$125.89	\$81.02	\$74.07			
Standard Deviation	\$28.43	\$22.45	\$17.97	\$19.87	\$23.21	\$41.13	\$38.25	\$21.91	\$17.78			
Load Weighted Price **	\$86.14	\$85.14	\$85.09	\$92.37	\$92.48	\$128.61	\$131.60	\$84.41	\$76.77			
<u>RTC LBMP</u>												
Price *	\$79.46	\$85.91	\$83.81	\$90.48	\$96.21	\$120.88	\$119.78	\$80.23	\$75.23			
Standard Deviation	\$35.00	\$60.79	\$34.42	\$31.97	\$61.32	\$64.44	\$53.84	\$39.90	\$49.92			
Load Weighted Price **	\$81.98	\$88.30	\$85.82	\$92.22	\$99.59	\$127.40	\$123.71	\$82.76	\$78.66			
<u>REAL TIME LBMP</u>												
Price *	\$79.00	\$85.89	\$83.51	\$89.37	\$93.72	\$120.05	\$118.37	\$77.34	\$72.47			
Standard Deviation	\$38.83	\$49.87	\$33.64	\$31.14	\$59.68	\$80.00	\$49.42	\$33.97	\$56.87			
Load Weighted Price **	\$81.97	\$88.72	\$85.68	\$91.31	\$97.50	\$128.95	\$122.64	\$80.09	\$77.60			
Average Daily Energy Sendout/Month GWh	456	455	432	406	403	499	541	488	461			

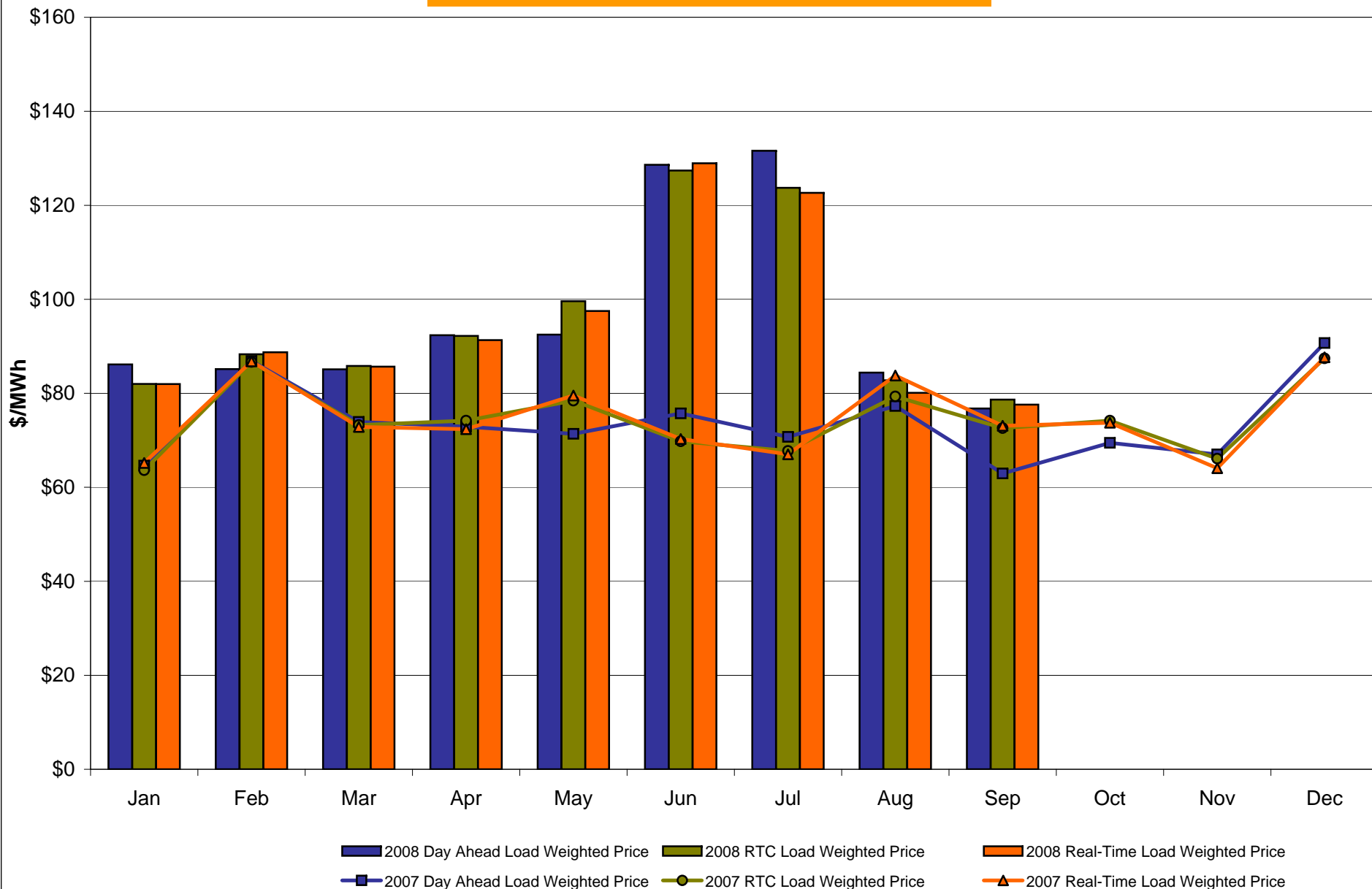
NYISO Markets 2007 Energy Statistics

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>DAY AHEAD LBMP</u>												
Price *	\$62.20	\$84.73	\$71.75	\$70.56	\$68.38	\$71.78	\$67.05	\$73.24	\$60.14	\$66.23	\$65.01	\$87.50
Standard Deviation	\$21.16	\$21.02	\$19.36	\$18.29	\$19.79	\$23.08	\$22.12	\$24.41	\$17.87	\$21.71	\$15.99	\$29.30
Load Weighted Price **	\$64.61	\$86.87	\$73.90	\$72.88	\$71.37	\$75.73	\$70.73	\$77.30	\$62.95	\$69.45	\$66.99	\$90.70
<u>RTC LBMP</u>												
Price *	\$61.44	\$84.30	\$70.97	\$71.30	\$74.54	\$66.19	\$64.91	\$73.23	\$67.49	\$70.80	\$64.27	\$84.99
Standard Deviation	\$28.08	\$40.04	\$29.30	\$37.47	\$62.84	\$30.91	\$24.66	\$77.17	\$76.02	\$54.01	\$26.78	\$34.52
Load Weighted Price **	\$63.64	\$86.66	\$73.23	\$74.18	\$78.42	\$69.78	\$67.75	\$79.33	\$72.59	\$74.17	\$66.11	\$87.44
<u>REAL TIME LBMP</u>												
Price *	\$62.38	\$84.03	\$70.46	\$69.75	\$74.79	\$65.78	\$63.20	\$75.33	\$65.87	\$69.23	\$62.03	\$84.46
Standard Deviation	\$32.76	\$42.22	\$28.57	\$30.57	\$61.97	\$31.86	\$27.37	\$84.24	\$78.46	\$57.31	\$25.48	\$35.40
Load Weighted Price **	\$65.19	\$86.80	\$72.85	\$72.35	\$79.53	\$70.28	\$67.02	\$83.79	\$73.09	\$73.74	\$64.05	\$87.67
Average Daily Energy Sendout/Month GWh	449	471	438	414	423	484	510	523	468	436	428	458

* Average zonal load weighted prices.

** Average zonal load weighted prices, load weighted in each hour.

NYISO Monthly Average Internal LBMPs 2007 - 2008

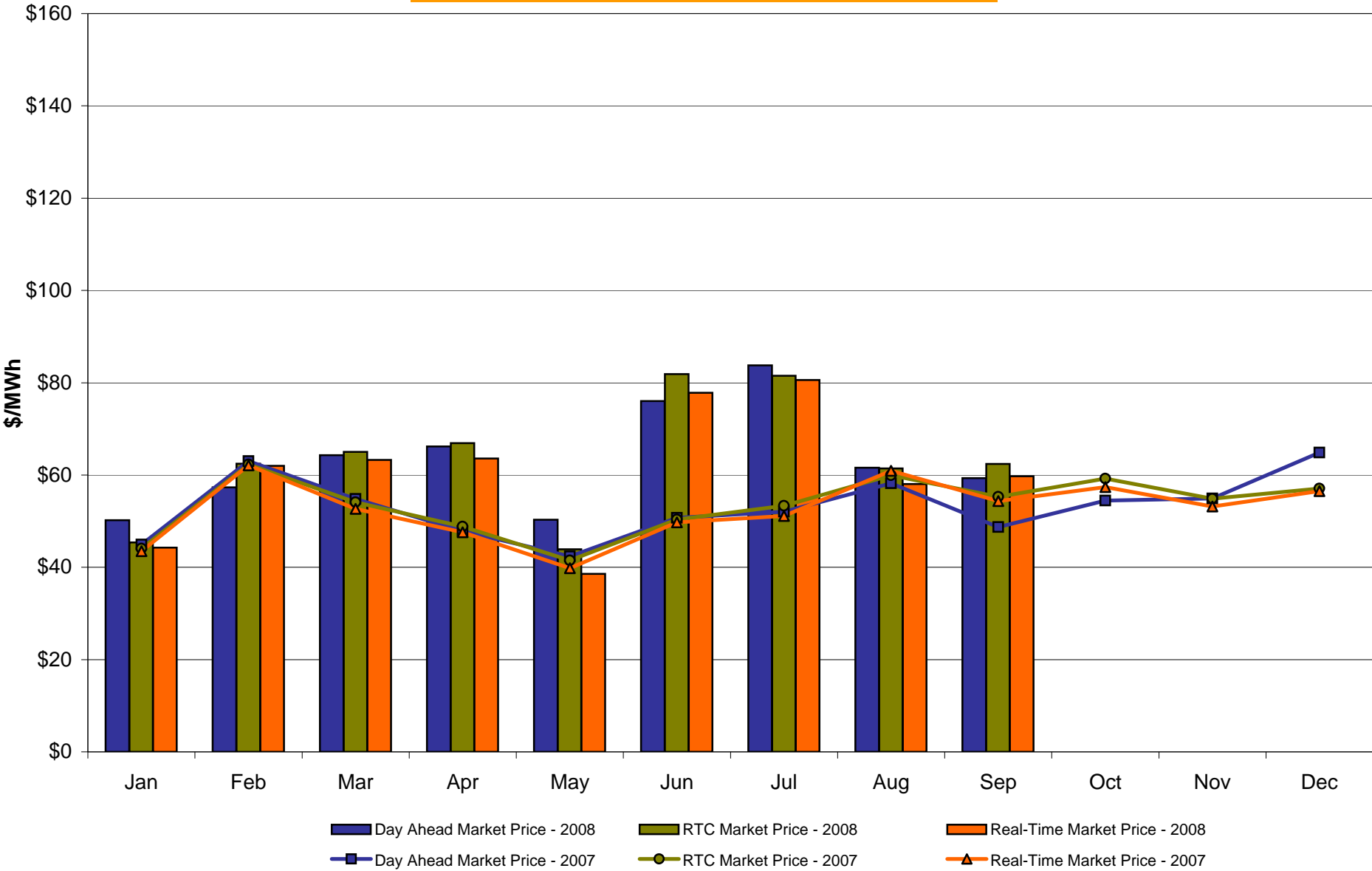


September 2008 Zonal LBMP Statistics for NYISO (\$/MWh)

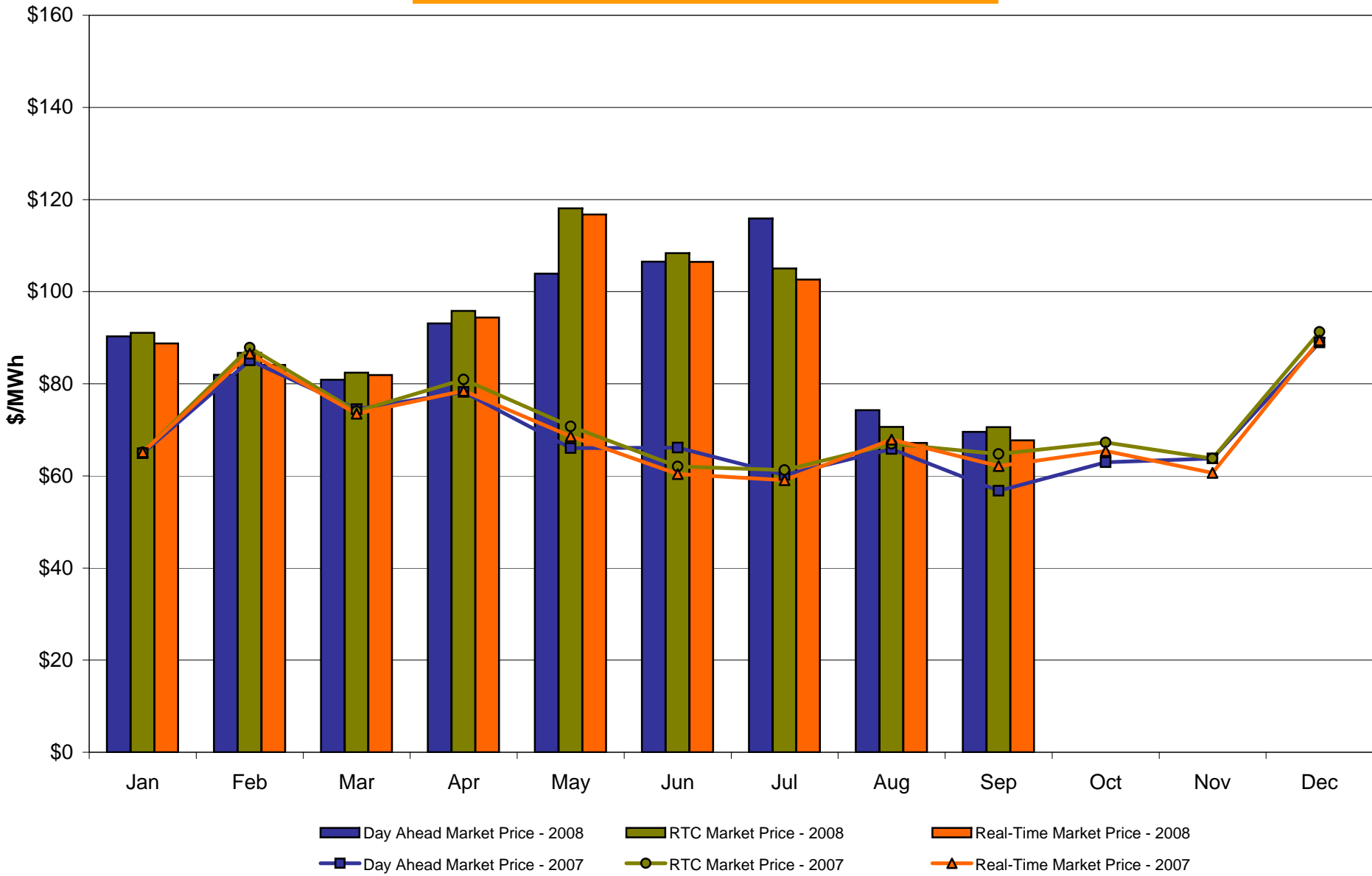
	<u>WEST</u> <u>Zone A</u>	<u>GENESEE</u> <u>Zone B</u>	<u>NORTH</u> <u>Zone D</u>	<u>CENTRAL</u> <u>Zone C</u>	<u>MOHAWK</u> <u>VALLEY</u> <u>Zone E</u>	<u>CAPITAL</u> <u>Zone F</u>	<u>HUDSON</u> <u>VALLEY</u> <u>Zone G</u>	<u>MILLWOOD</u> <u>Zone H</u>	<u>DUNWOODIE</u> <u>Zone I</u>	<u>NEW YORK</u> <u>CITY</u> <u>Zone J</u>	<u>LONG</u> <u>ISLAND</u> <u>Zone K</u>
DAY AHEAD LBMP											
Unweighted Price *	59.33	62.12	63.43	63.95	66.43	69.58	73.96	74.18	74.62	78.57	89.49
Standard Deviation	11.35	11.87	11.19	12.13	12.65	13.79	18.02	18.54	18.69	20.35	29.06
RTC LBMP											
Unweighted Price *	62.38	65.01	64.00	66.51	68.48	70.58	73.89	74.28	74.51	79.80	88.98
Standard Deviation	43.22	45.35	53.81	46.03	47.30	48.31	50.36	50.69	50.49	52.21	68.65
REAL TIME LBMP											
Unweighted Price *	59.76	62.25	61.30	63.70	65.59	67.74	71.20	71.60	71.82	76.97	87.18
Standard Deviation	49.89	52.34	59.27	53.21	54.61	55.87	57.46	57.79	57.74	60.20	72.42
	<u>ONTARIO</u> <u>IESO</u> <u>Zone O</u>	<u>HYDRO</u> <u>QUEBEC</u> <u>(Wheel)</u> <u>Zone M</u>	<u>HYDRO</u> <u>QUEBEC</u> <u>(Import/Export)</u> <u>Zone M</u>	<u>PJM</u> <u>Zone P</u>	<u>NEW</u> <u>ENGLAND</u> <u>Zone N</u>	<u>CROSS</u> <u>SOUND</u> <u>CABLE</u> <u>Controllable</u> <u>Line</u>	<u>NORTHPORT-</u> <u>NORWALK</u> <u>Controllable</u> <u>Line</u>	<u>NEPTUNE</u> <u>Controllable</u> <u>Line</u>			
DAY AHEAD LBMP											
Unweighted Price *	58.05	63.67	63.67	68.59	70.86	89.19	88.28	87.18			
Standard Deviation	10.63	10.97	10.92	15.87	13.09	29.12	28.78	28.69			
RTC LBMP											
Unweighted Price *	59.38	61.71	51.81	68.64	68.38	87.07	86.23	85.32			
Standard Deviation	16.88	55.19	104.89	21.09	16.45	33.37	33.04	33.08			
REAL TIME LBMP											
Unweighted Price *	57.43	60.16	59.01	63.82	66.05	84.38	83.65	82.65			
Standard Deviation	31.52	47.58	47.35	32.89	30.41	59.49	59.26	59.34			

* Straight LBMP averages

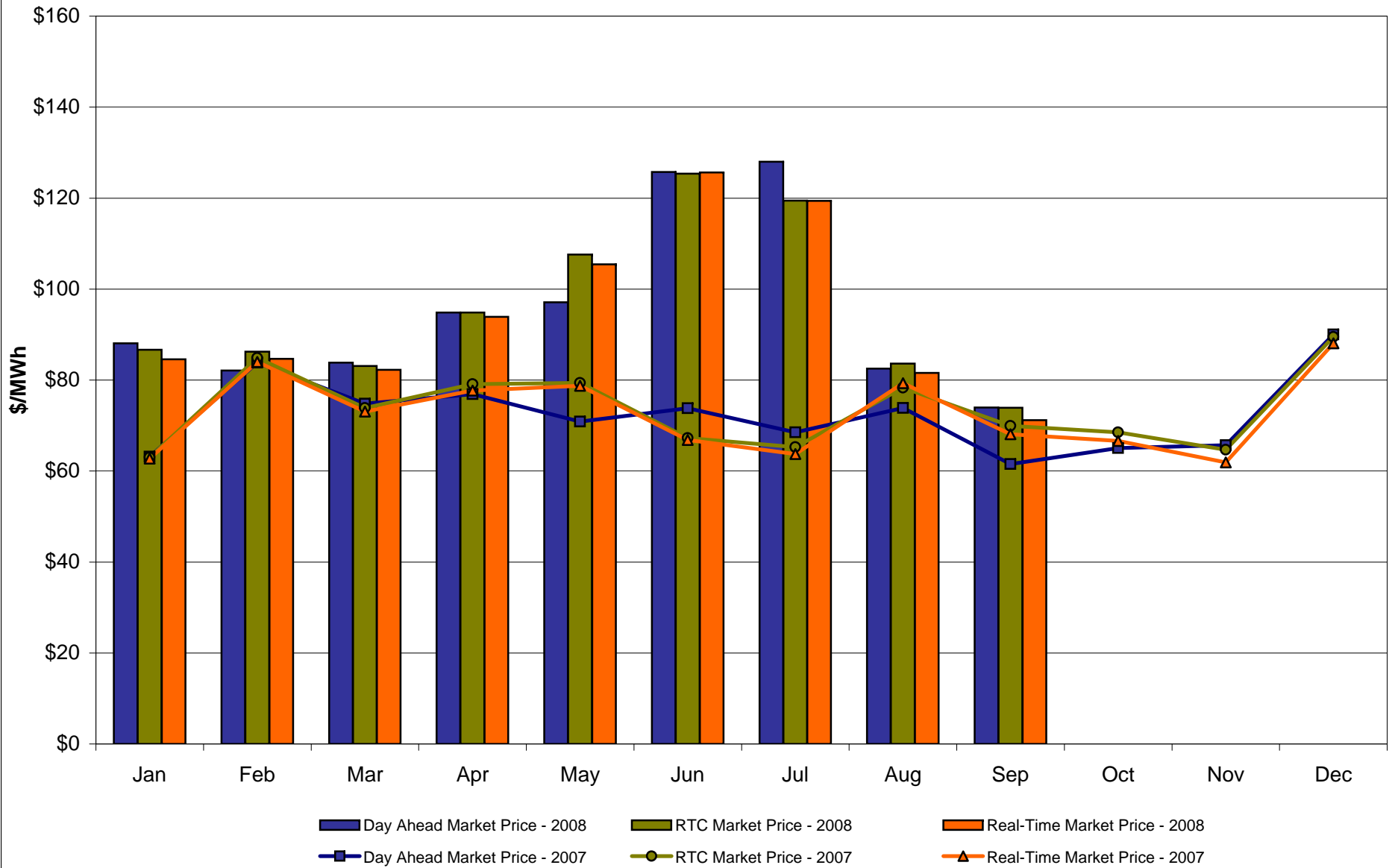
West Zone A Monthly Average LBMP Prices 2007 - 2008



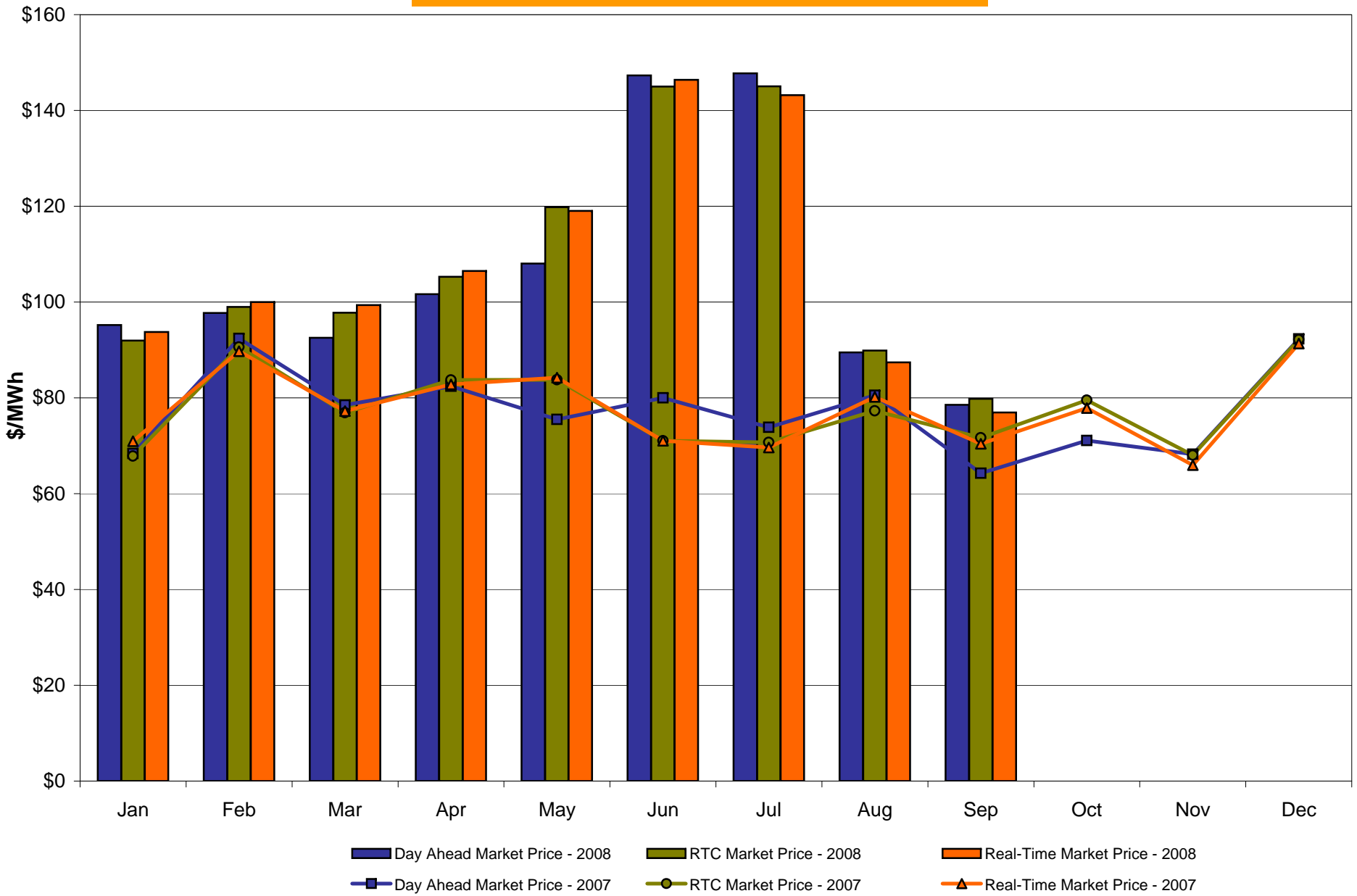
Capital Zone F Monthly Average LBMP Prices 2007 - 2008



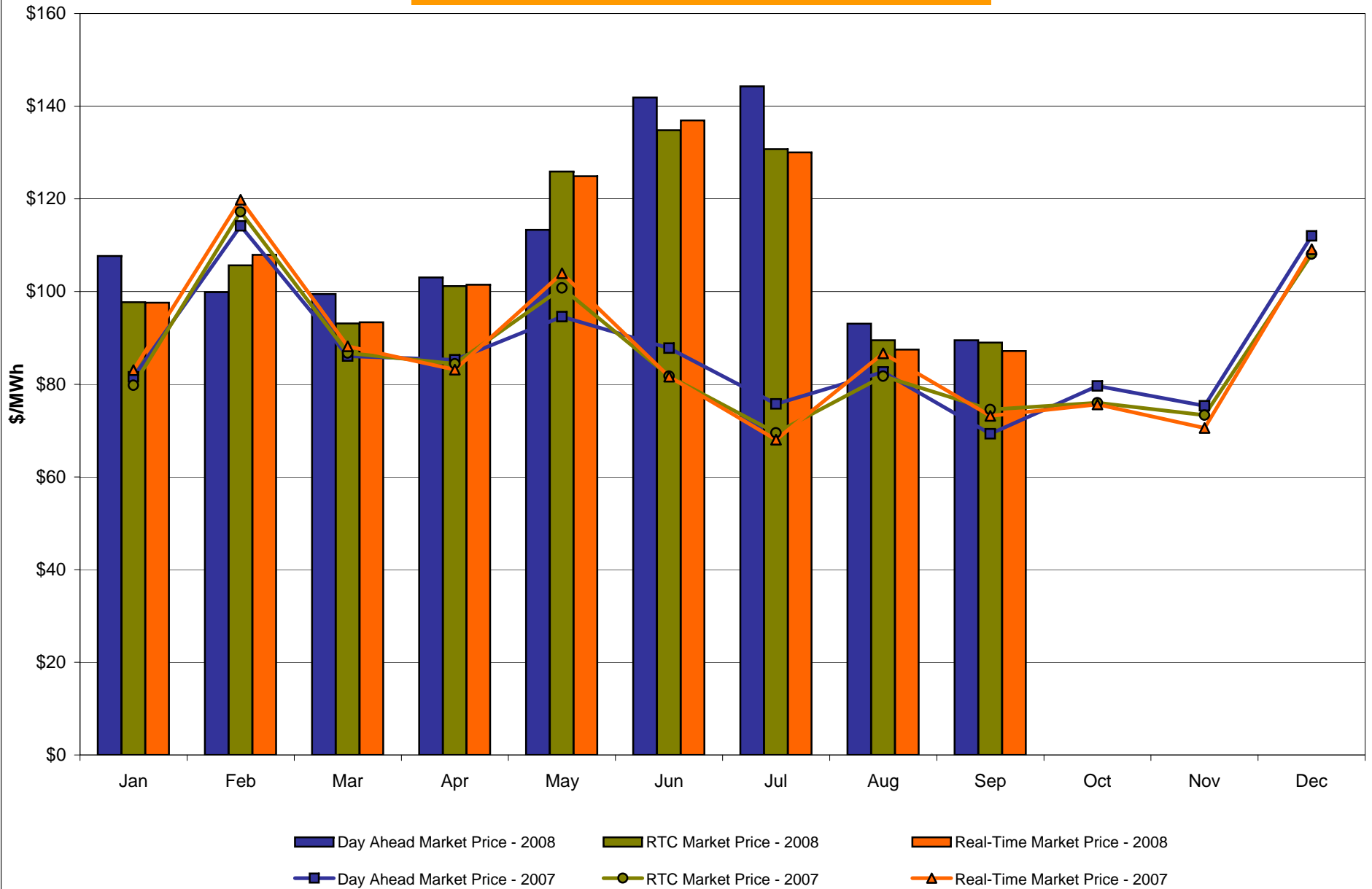
Hudson Valley Zone G Monthly Average LBMP Prices 2007 - 2008



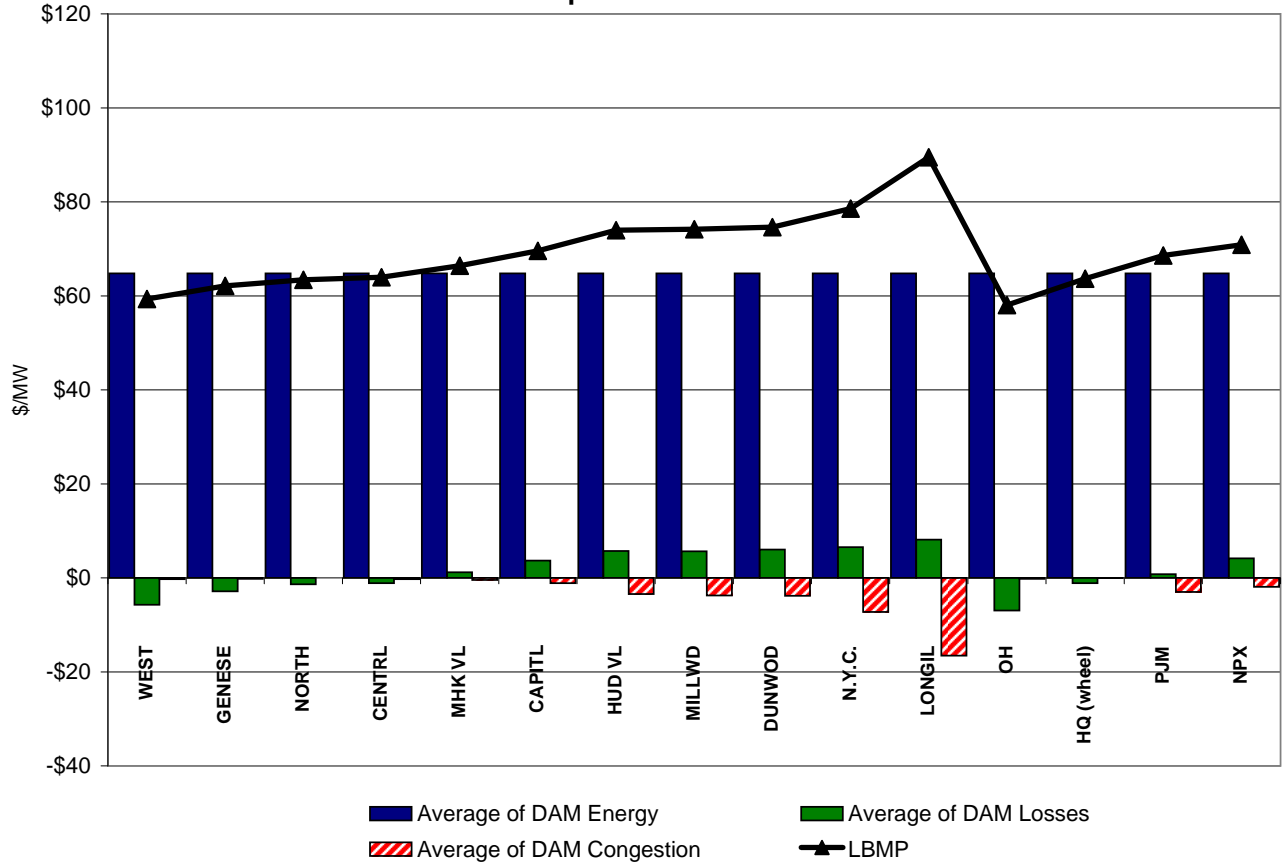
NYC Zone J Monthly Average LBMP Prices 2007 - 2008



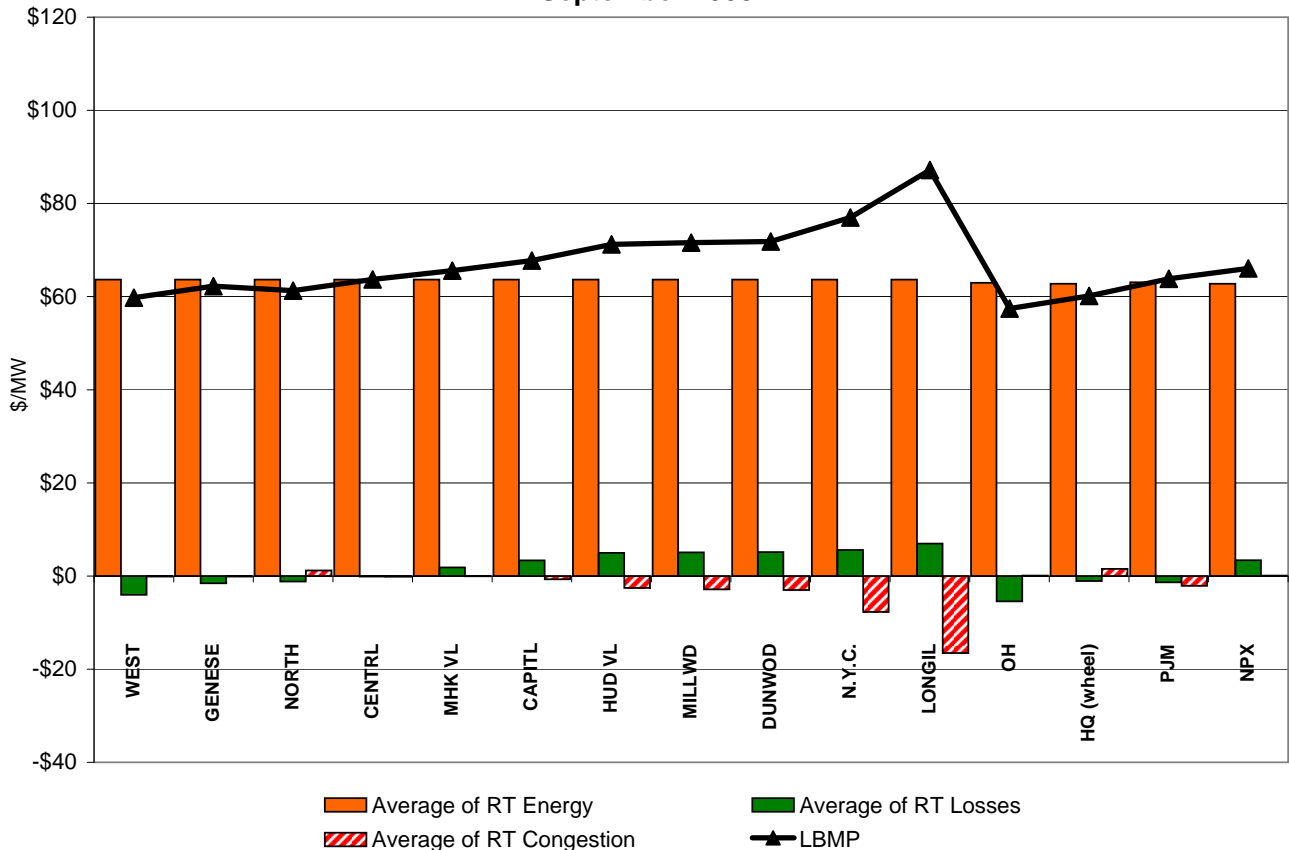
Long Island Zone K Monthly Average LBMP Prices 2007 - 2008



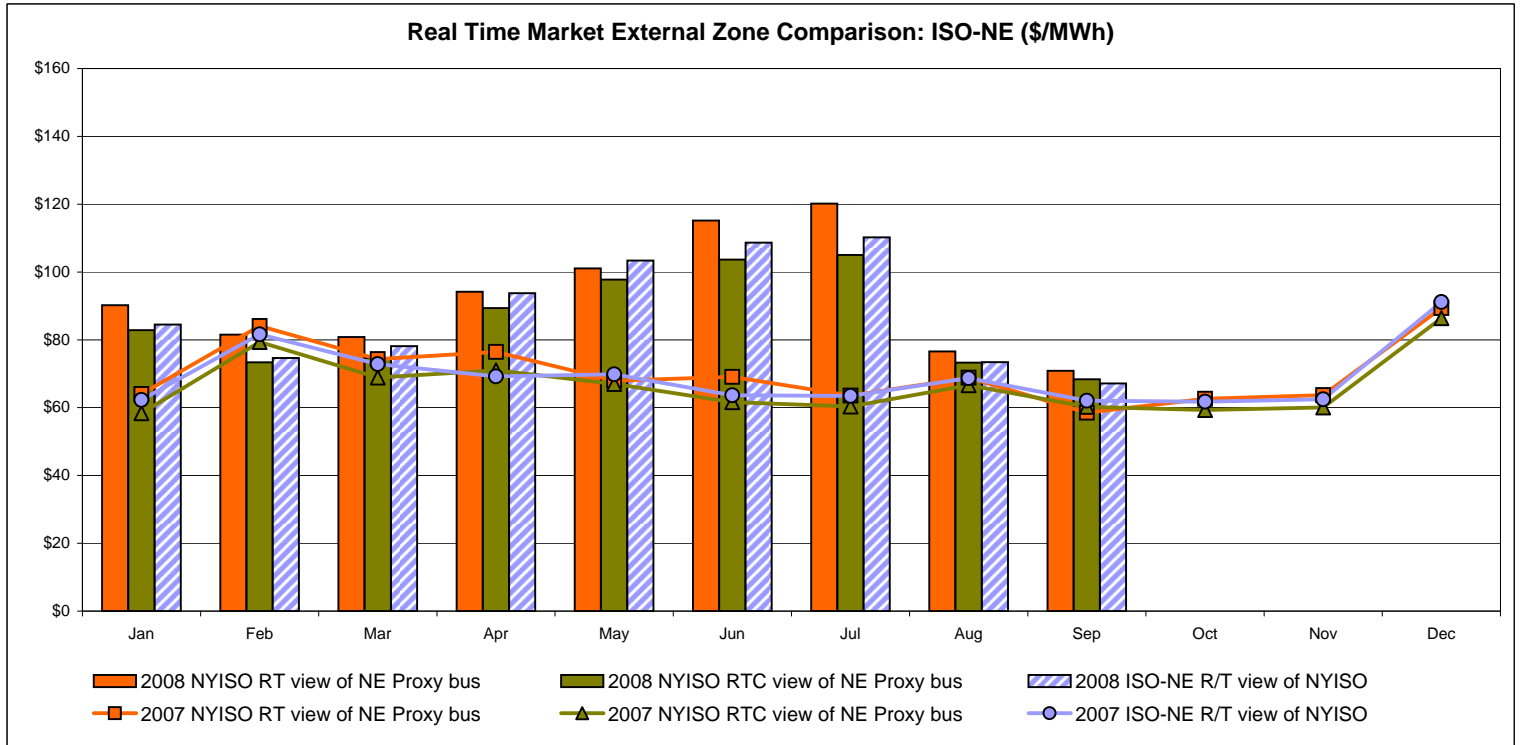
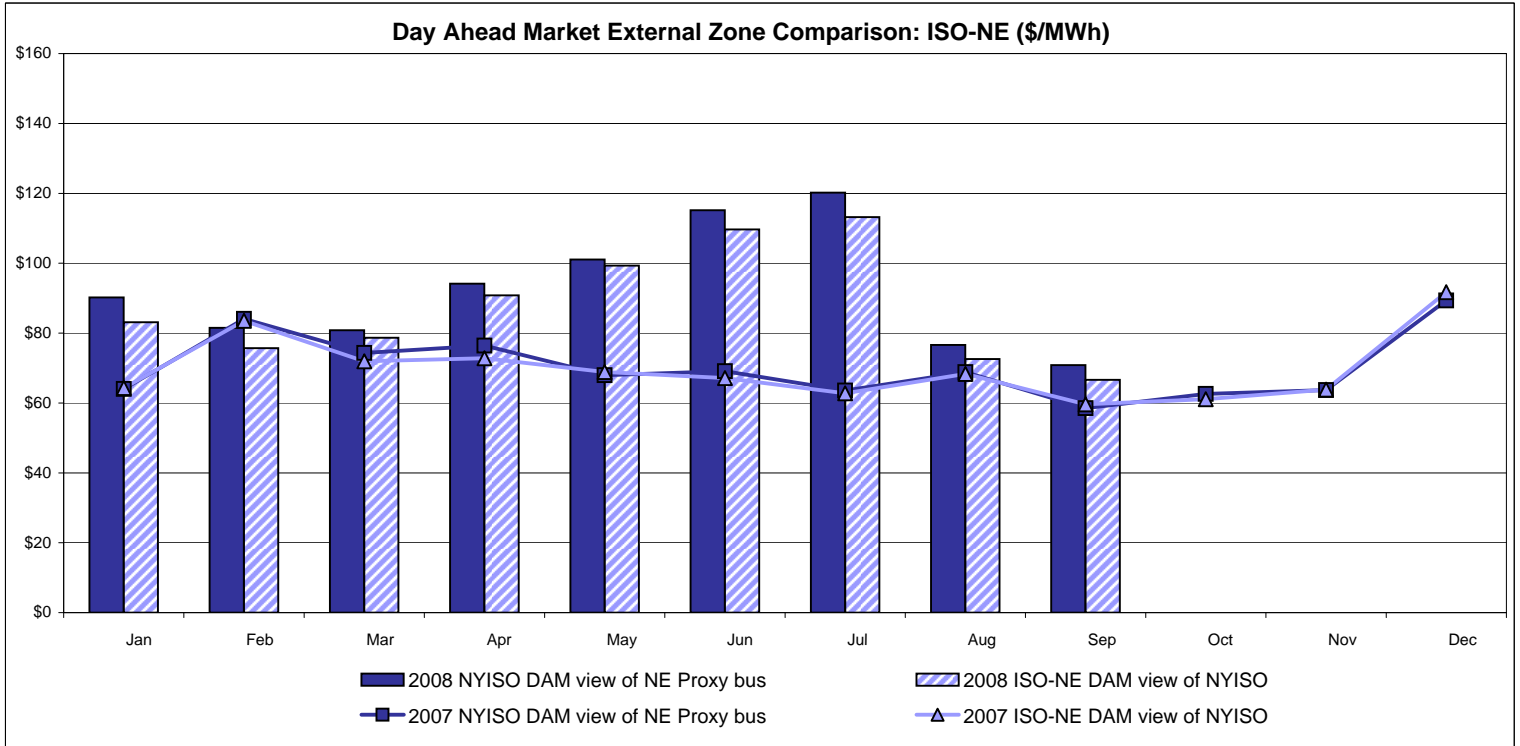
DAM Zonal Unweighted Monthly Average LBMP Components September 2008



RT Zonal Unweighted Monthly Average LBMP Components September 2008



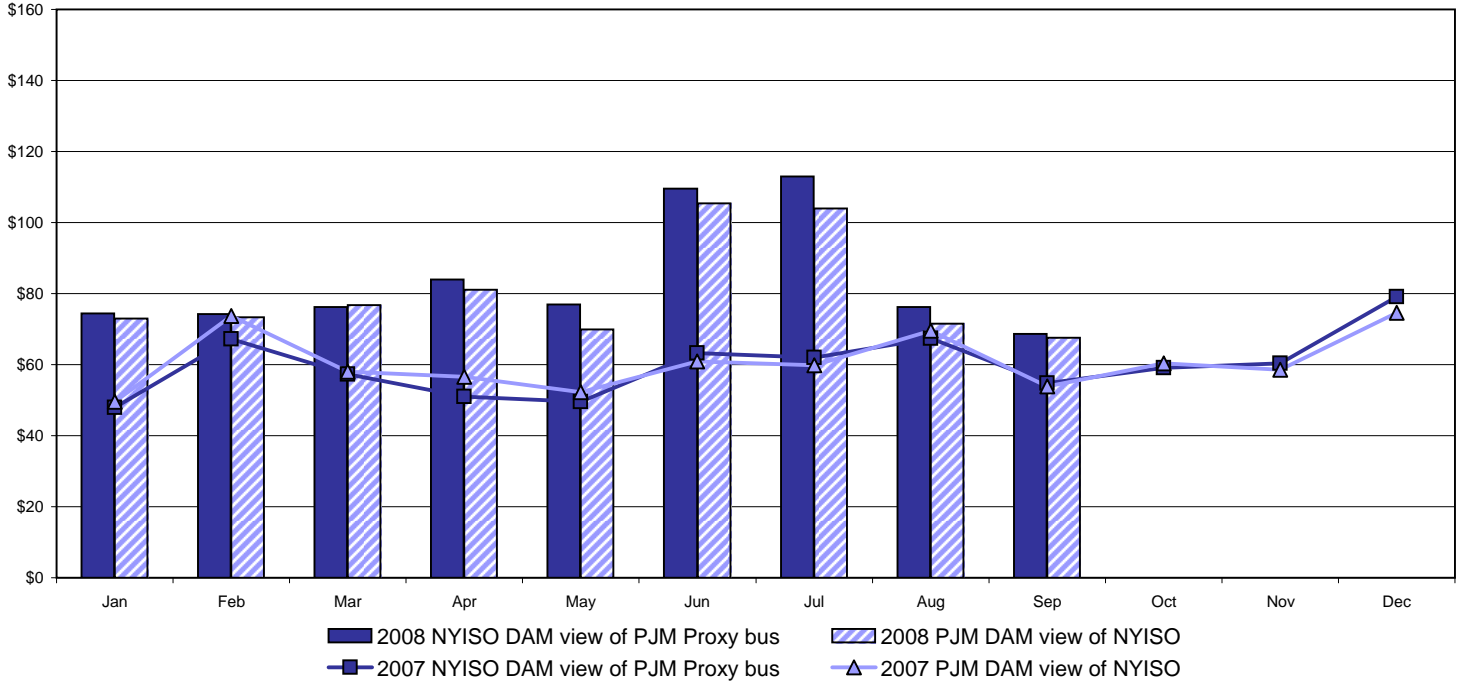
External Comparison ISO-New England



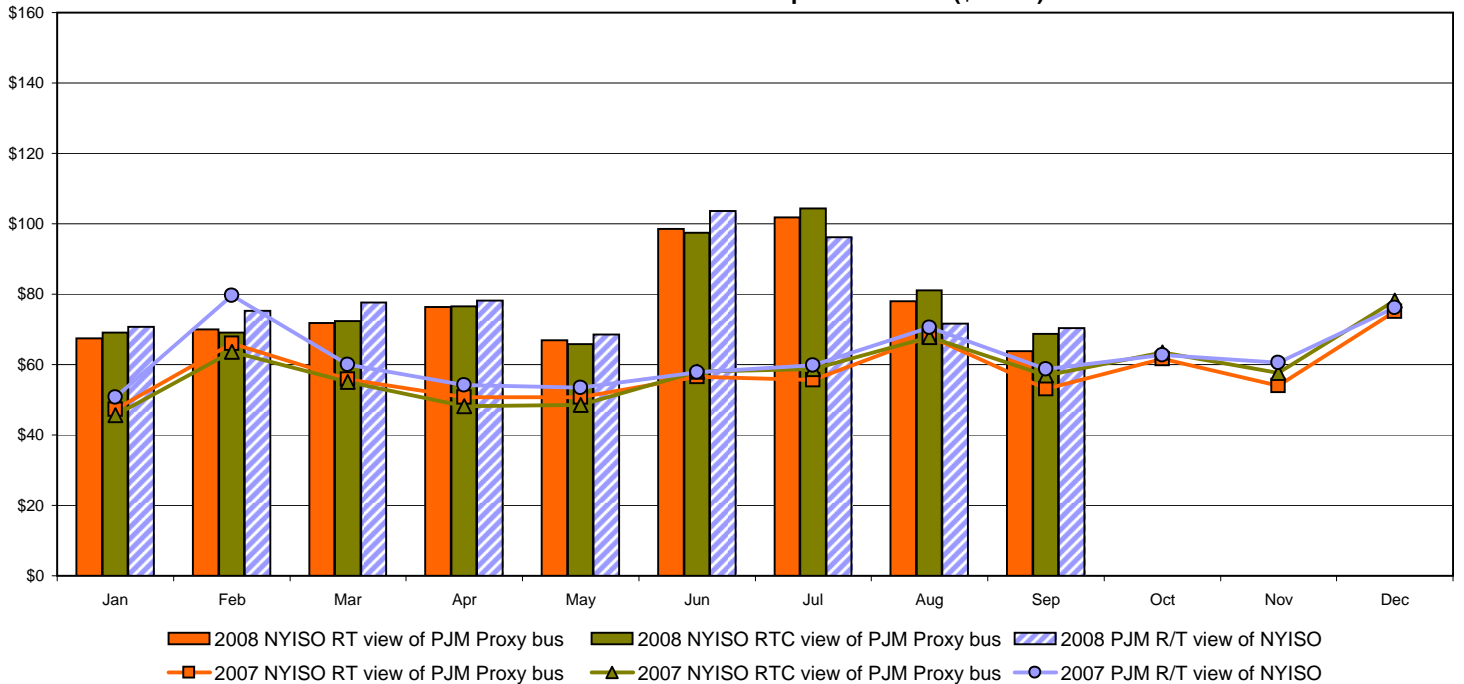
Note:
 ISO-NE Forecast is an advisory posting @ 18:00 day before.
 The DAM and R/T prices at the Roseton interface are used for ISO-NE.
 The DAM and R/T prices at the SandyPond interface are used for NYISO.

External Comparison PJM

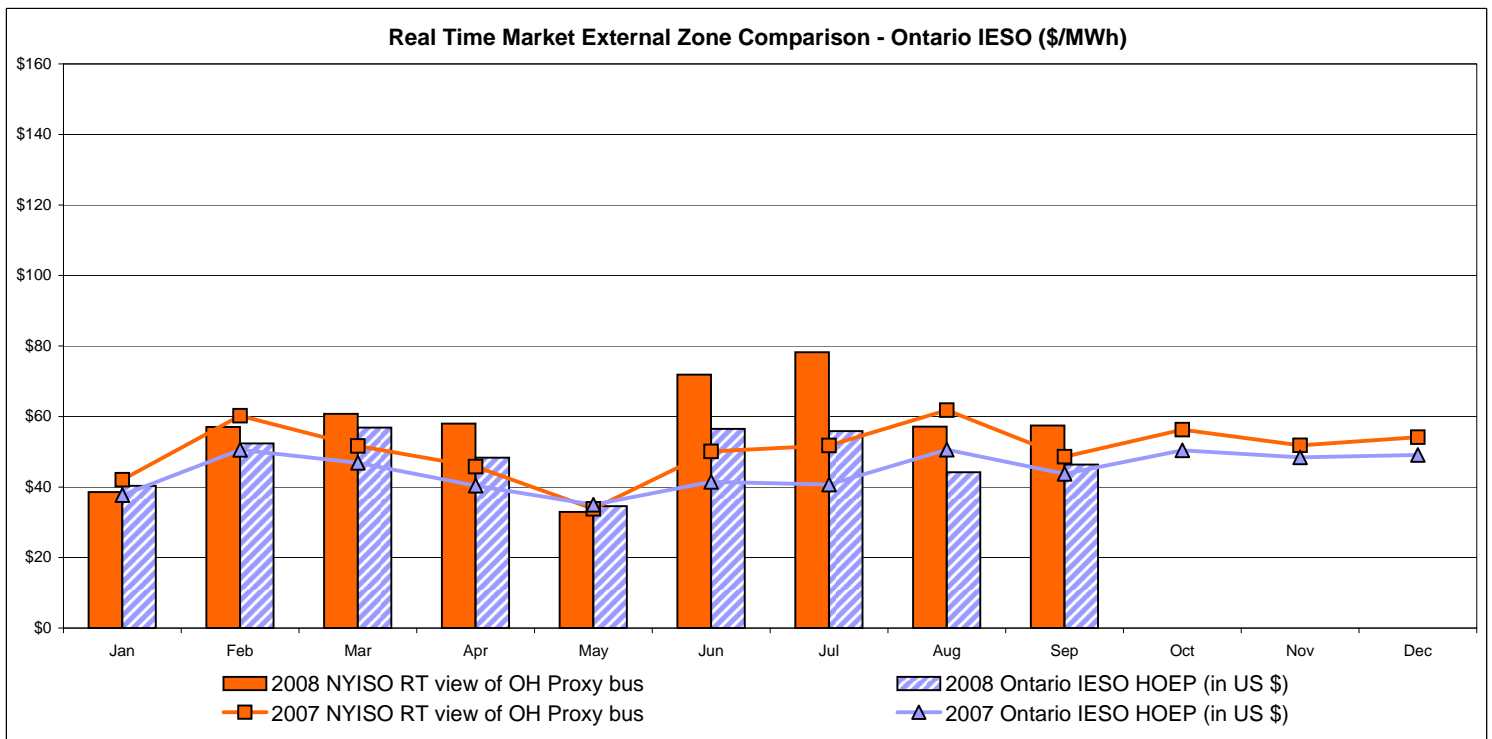
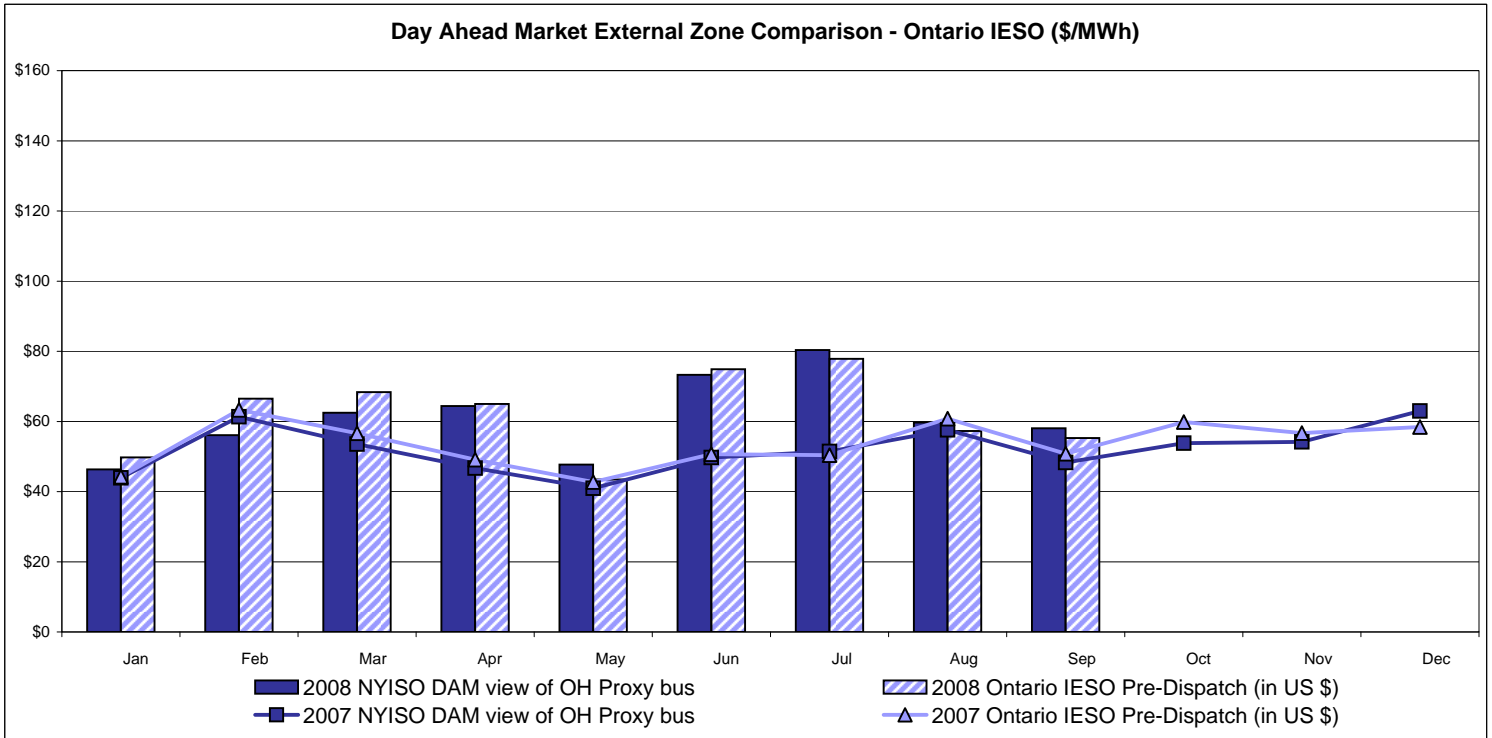
Day Ahead Market External Zone Comparison - PJM (\$/MWh)



Real Time Market External Zone Comparison - PJM (\$/MWh)

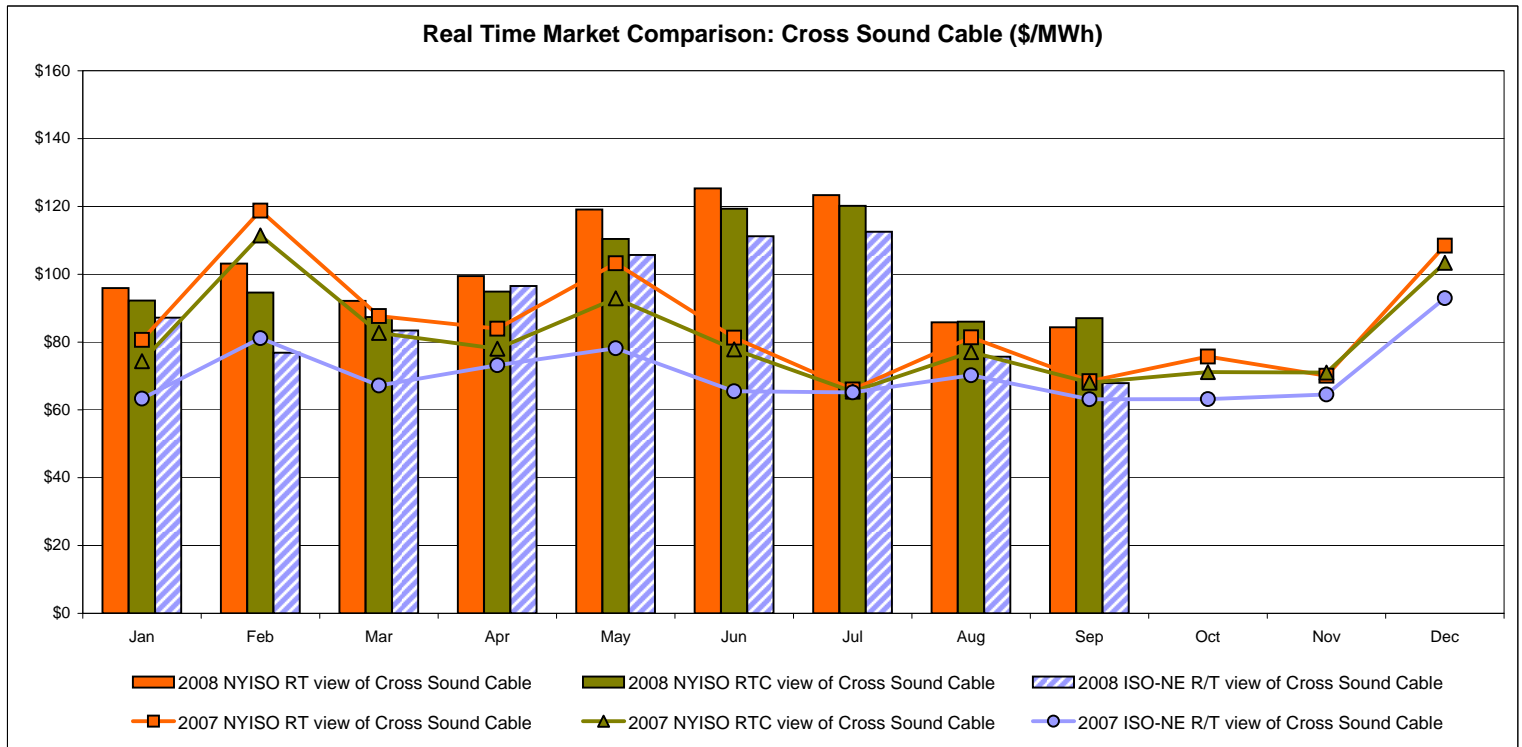
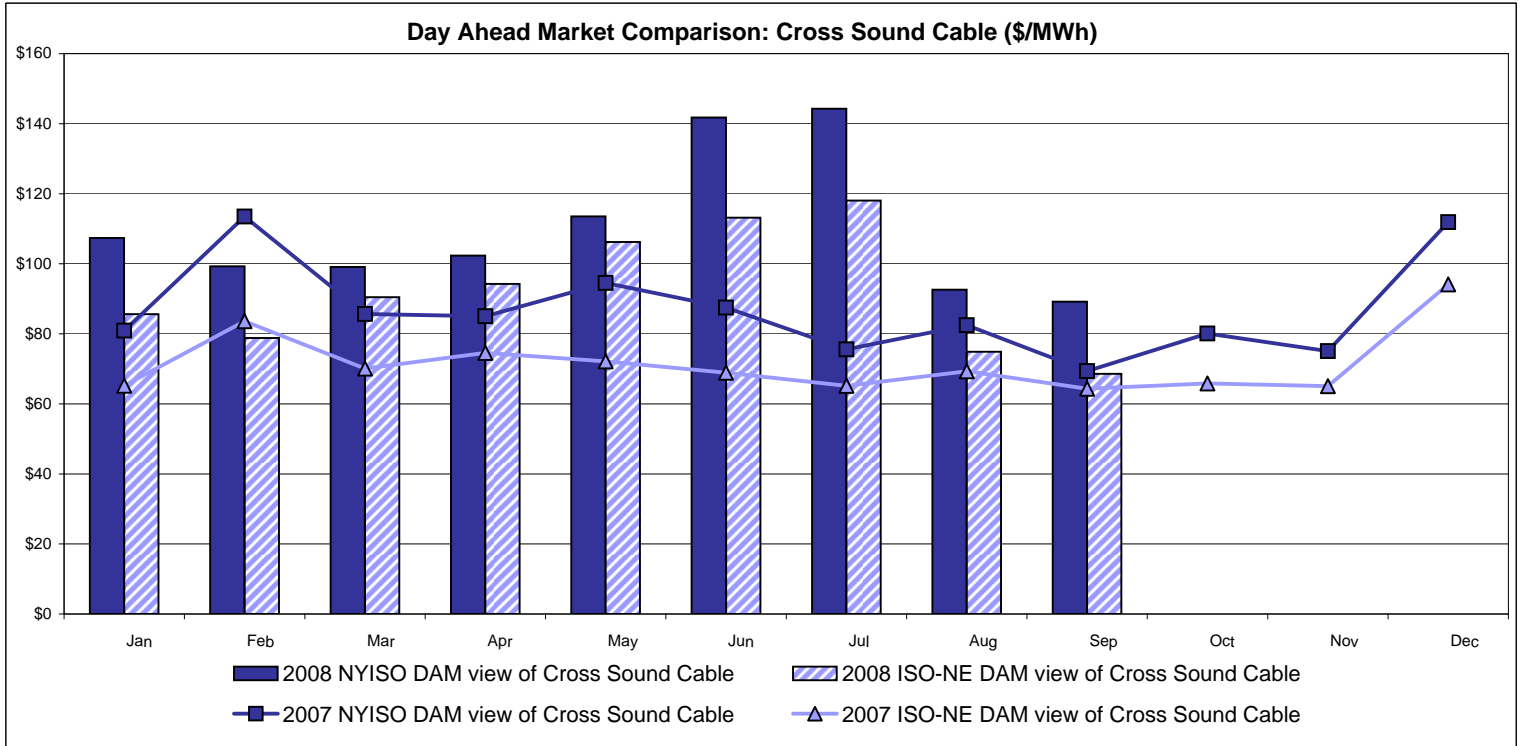


External Comparison Ontario IESO



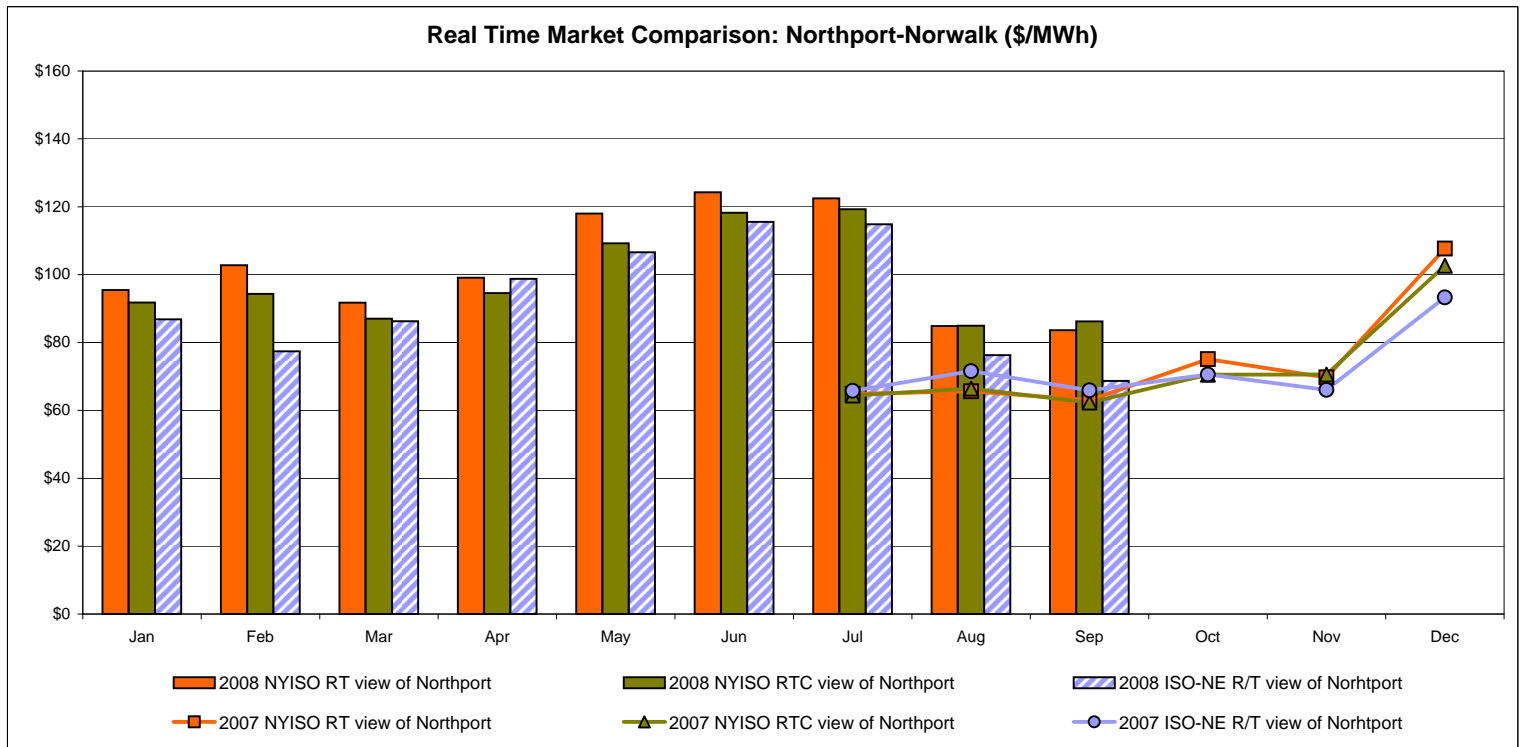
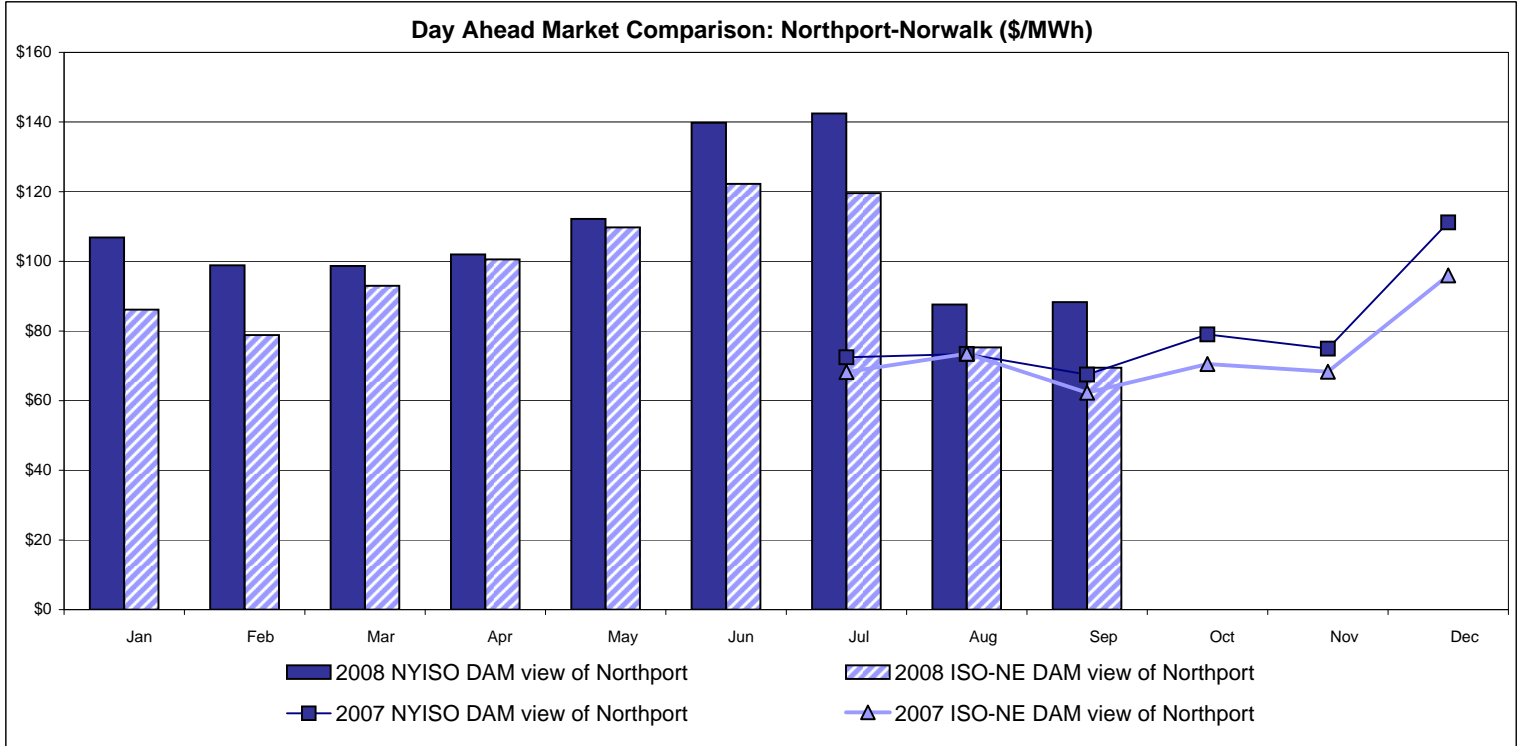
Notes: Exchange factor used for September 2008 was .94 to US \$
 HOEP: Hourly Ontario Energy Price
 Pre-Dispatch: Projected Energy Price

External Controllable Line: Cross Sound Cable (New England)



Note:
 ISO-NE Forecast is an advisory posting @ 18:00 day before.
 The DAM and R/T prices at the Shorham138 99 interface are used for ISO-NE.
 The DAM and R/T prices at the CSC interface are used for NYISO.

External Controllable Line: Northport - Norwalk (New England)

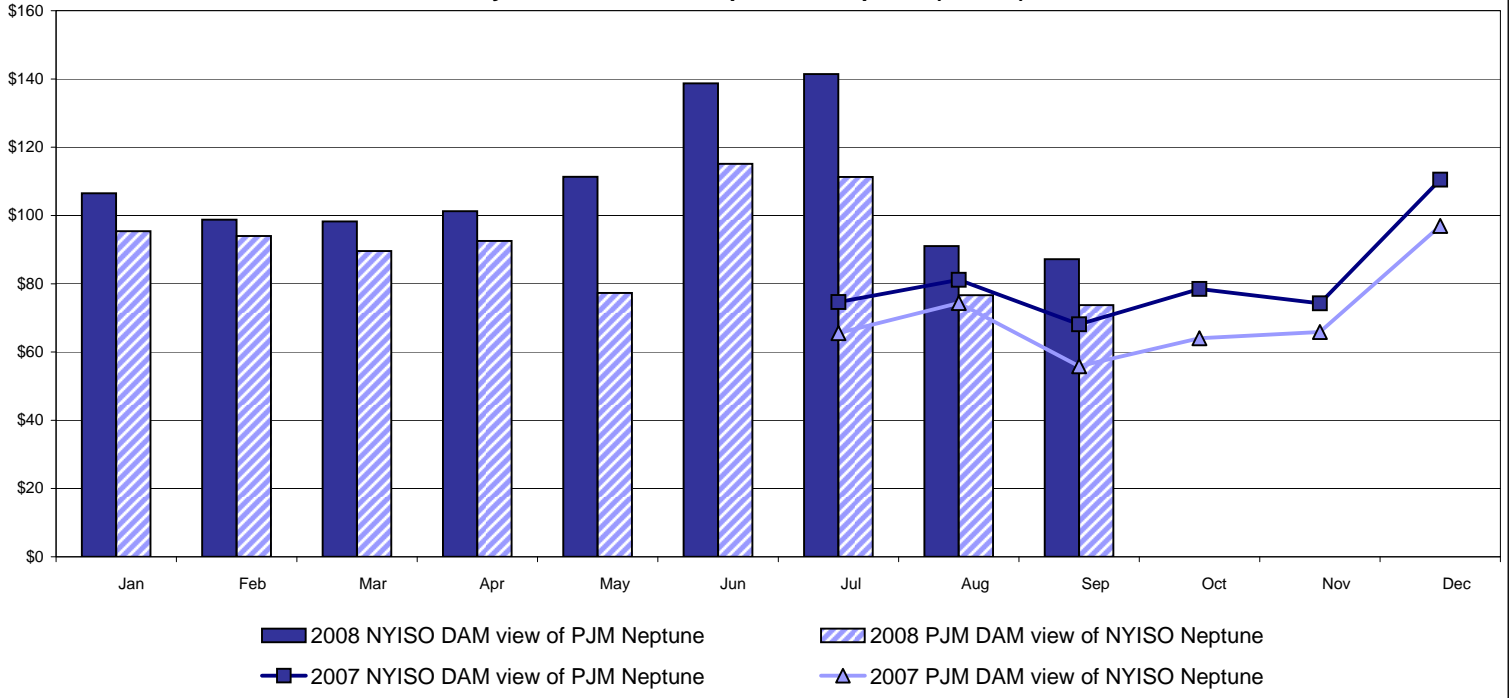


Note:

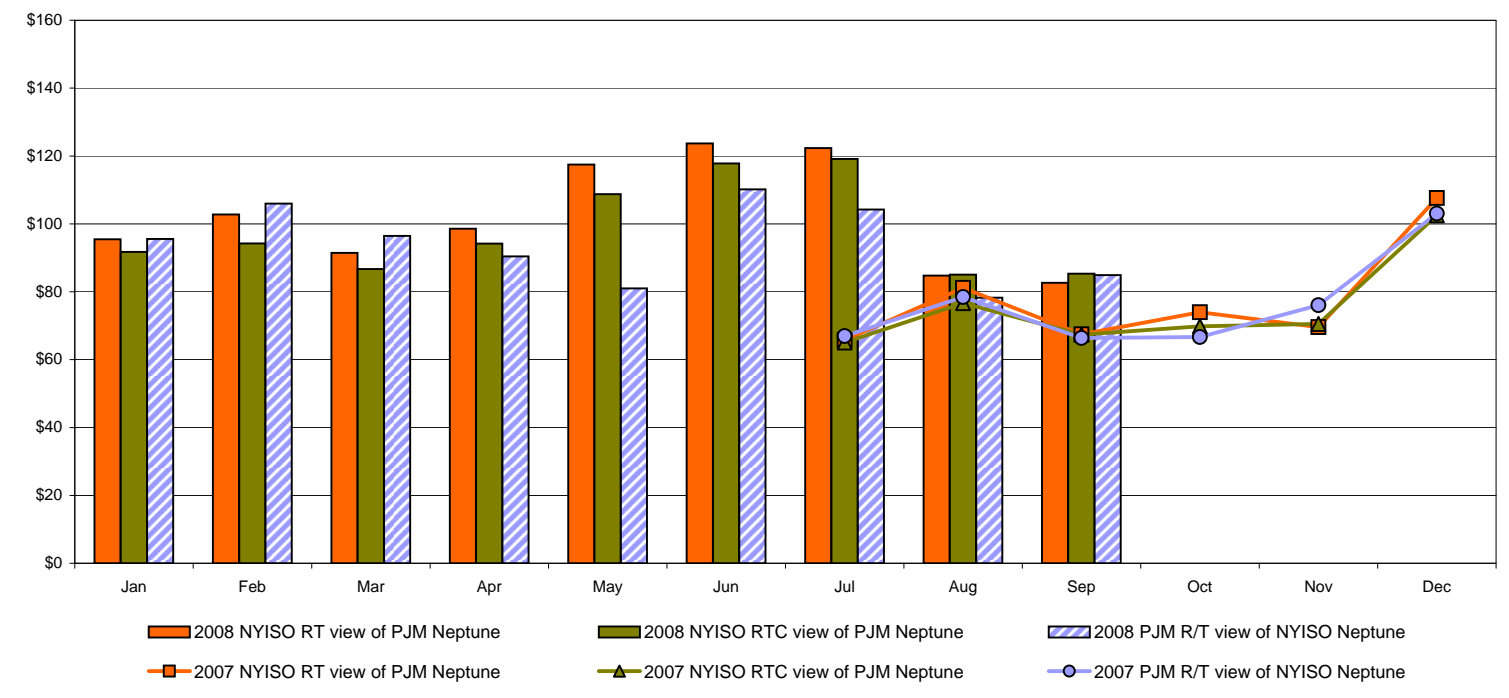
ISO-NE Forecast is an advisory posting @ 18:00 day before.
 The DAM and R/T prices at the Northport 138 interface are used for ISO-NE.
 The DAM and R/T prices at the 1385 interface are used for NYISO.
 Data available beginning 7/1/2007.

External Controllable Line: Neptune (PJM)

Day Ahead Market Comparison: Neptune (\$/MWh)



Real Time Market Comparison: Neptune (\$/MWh)



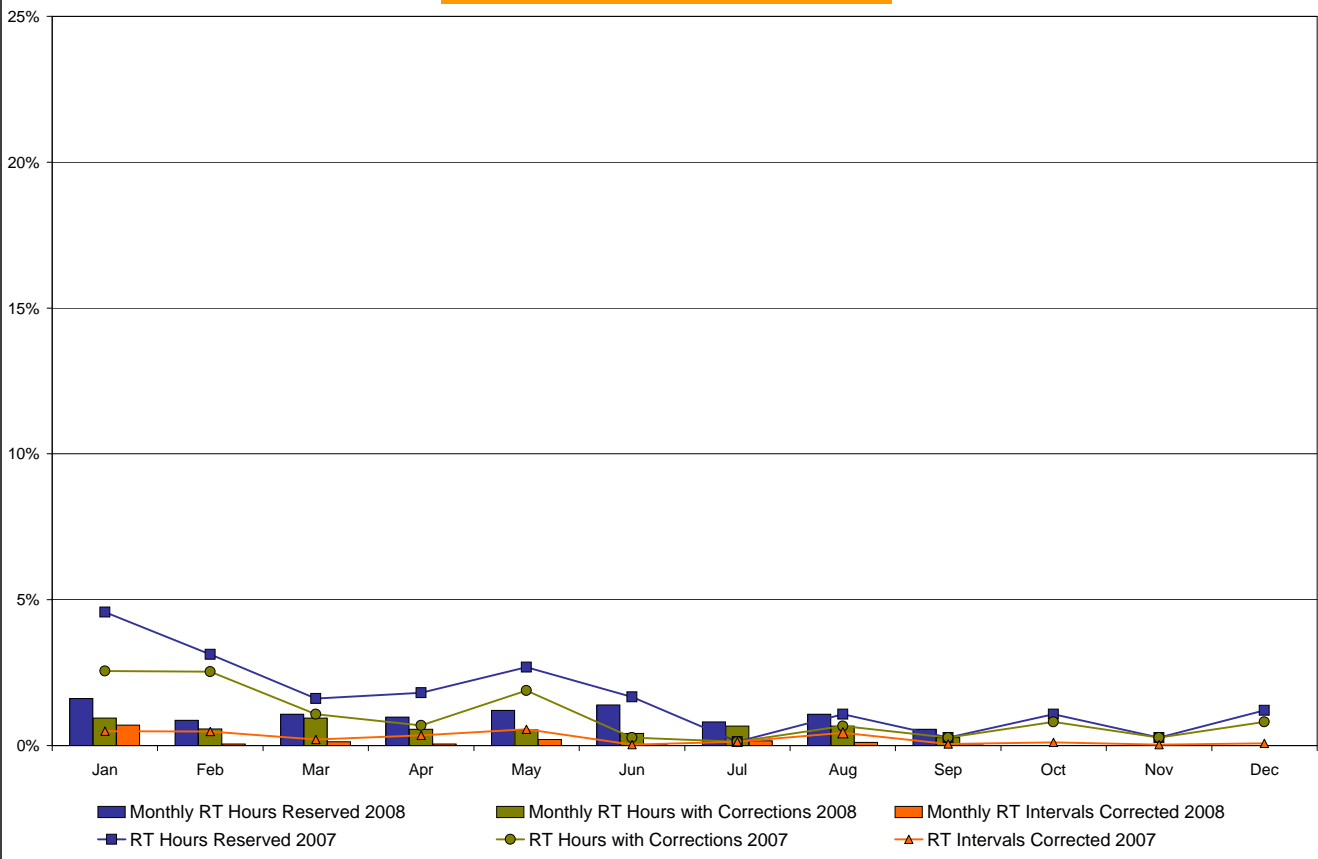
Note:
Data available beginning 7/1/2007.

NYISO Real Time Price Correction Statistics

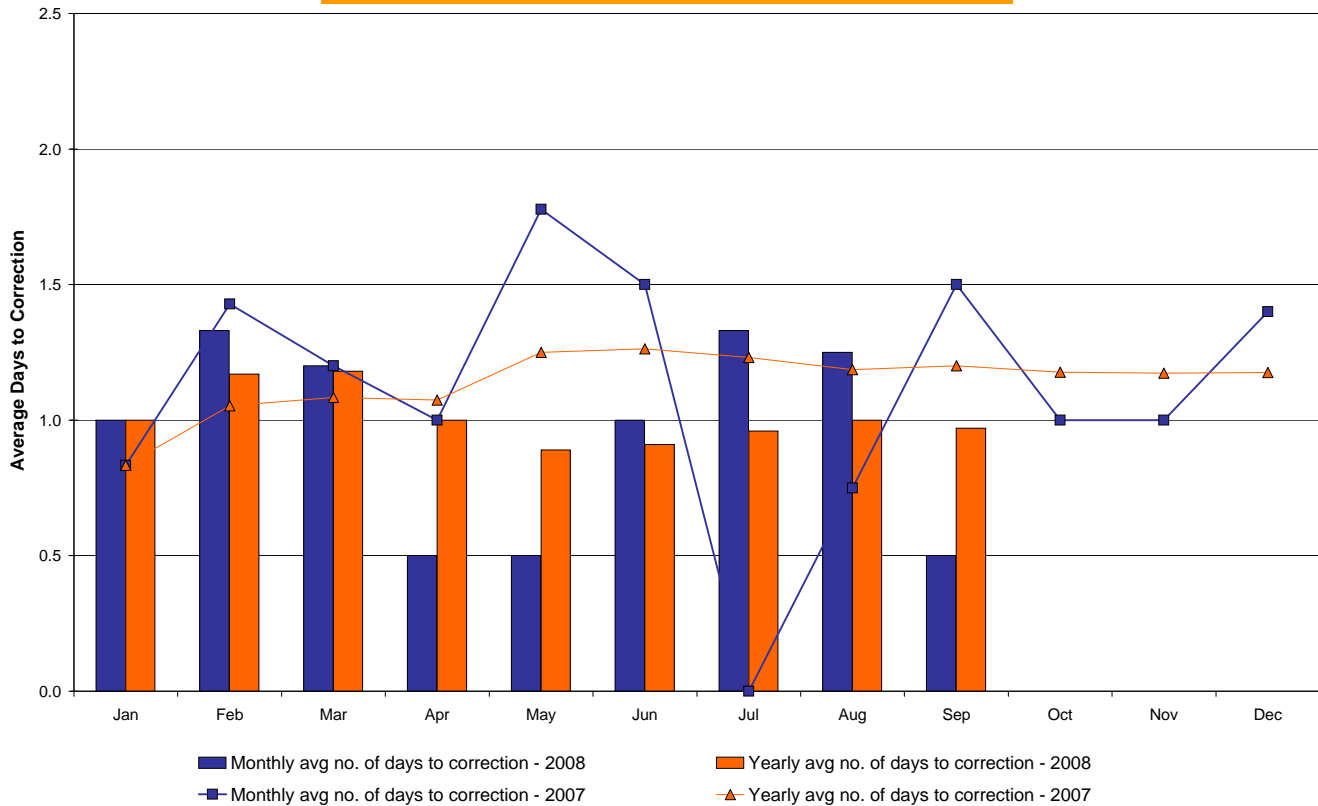
2008		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Hour Corrections													
Number of hours with corrections	in the month	7	4	7	4	4	3	5	5	2			
Number of hours	in the month	744	696	744	720	744	720	744	744	720			
% of hours with corrections	in the month	0.94%	0.57%	0.94%	0.56%	0.54%	0.42%	0.67%	0.67%	0.28%			
% of hours with corrections	year-to-date	0.94%	0.76%	0.82%	0.76%	0.71%	0.66%	0.67%	0.67%	0.62%			
Interval Corrections													
Number of intervals corrected	in the month	63	5	12	5	19	3	15	10	2			
Number of intervals	in the month	8,956	8,387	8,939	8,650	8,989	8,643	8,993	8,995	8,682			
% of intervals corrected	in the month	0.70%	0.06%	0.13%	0.06%	0.21%	0.03%	0.17%	0.11%	0.02%			
% of intervals corrected	year-to-date	0.70%	0.39%	0.30%	0.24%	0.24%	0.20%	0.20%	0.19%	0.17%			
Hours Reserved													
Number of hours reserved	in the month	12	6	8	7	9	10	6	8	4			
Number of hours	in the month	744	696	744	720	744	720	744	744	720			
% of hours reserved	in the month	1.61%	0.86%	1.08%	0.97%	1.21%	1.39%	0.81%	1.08%	0.56%			
% of hours reserved	year-to-date	1.61%	1.25%	1.19%	1.14%	1.15%	1.19%	1.13%	1.13%	1.06%			
Days to Correction *													
Avg. number of days to correction	in the month	1.00	1.33	1.20	0.50	0.50	1.00	1.33	1.25	0.50			
Avg. number of days to correction	year-to-date	1.00	1.17	1.18	1.00	0.89	0.91	0.96	1.00	0.97			
Days Without Corrections													
Days without corrections	in the month	28	26	26	26	27	27	28	27	28			
Days without corrections	year-to-date	28	54	80	106	133	160	188	215	243			
2007		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Hour Corrections													
Number of hours with corrections	in the month	19	17	8	5	14	2	1	5	2	6	2	6
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	2.55%	2.53%	1.08%	0.69%	1.88%	0.28%	0.13%	0.67%	0.28%	0.81%	0.28%	0.81%
% of hours with corrections	year-to-date	2.55%	2.54%	2.04%	1.70%	1.74%	1.50%	1.30%	1.22%	1.11%	1.08%	1.01%	0.99%
Interval Corrections													
Number of intervals corrected	in the month	44	39	19	31	50	3	12	39	5	10	3	7
Number of intervals	in the month	8,954	8,115	9,006	8,742	9,025	8,707	9,008	8,994	8,685	8,970	8,695	8,979
% of intervals corrected	in the month	0.49%	0.48%	0.21%	0.35%	0.55%	0.03%	0.13%	0.43%	0.06%	0.11%	0.03%	0.08%
% of intervals corrected	year-to-date	0.49%	0.49%	0.39%	0.38%	0.42%	0.35%	0.32%	0.34%	0.31%	0.29%	0.26%	0.25%
Hours Reserved													
Number of hours reserved	in the month	34	21	12	13	20	12	1	8	2	8	2	9
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	4.57%	3.13%	1.61%	1.81%	2.69%	1.67%	0.13%	1.08%	0.28%	1.08%	0.28%	1.21%
% of hours reserved	year-to-date	4.57%	3.88%	3.10%	2.78%	2.76%	2.58%	2.22%	2.07%	1.88%	1.80%	1.66%	1.62%
Days to Correction *													
Avg. number of days to correction	in the month	0.83	1.43	1.20	1.00	1.78	1.50	0.00	0.75	1.50	1.00	1.00	1.40
Avg. number of days to correction	year-to-date	0.83	1.05	1.08	1.07	1.25	1.26	1.23	1.19	1.20	1.18	1.17	1.18
Days Without Corrections													
Days without corrections	in the month	19	21	26	27	22	28	30	27	28	25	29	26
Days without corrections	year-to-date	19	40	66	93	115	143	173	200	228	253	282	308

* Calendar days from reservation date.

Percentage of Real-Time Corrections

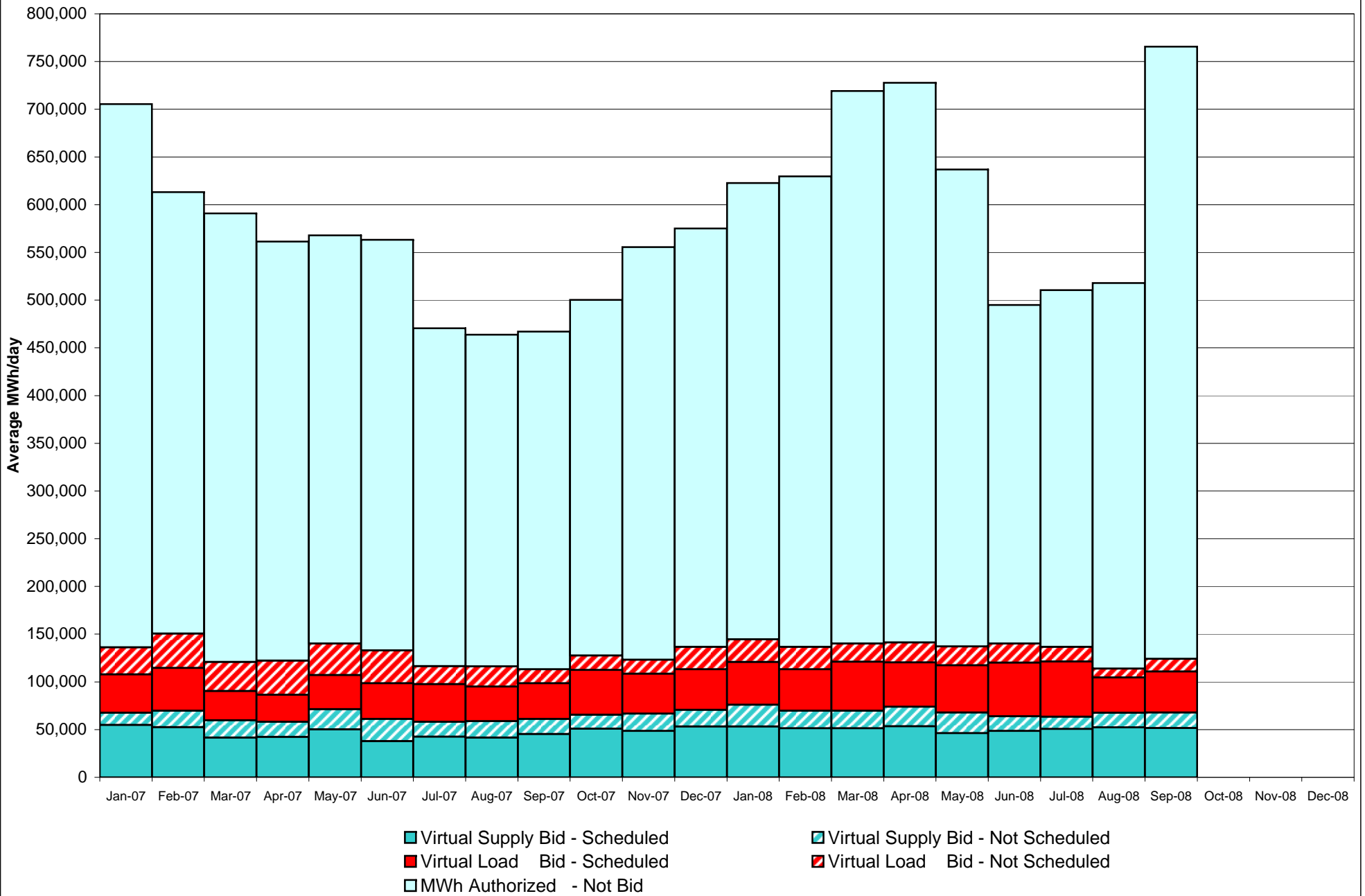


Annual average time period for making Price Corrections (from reservation date) *

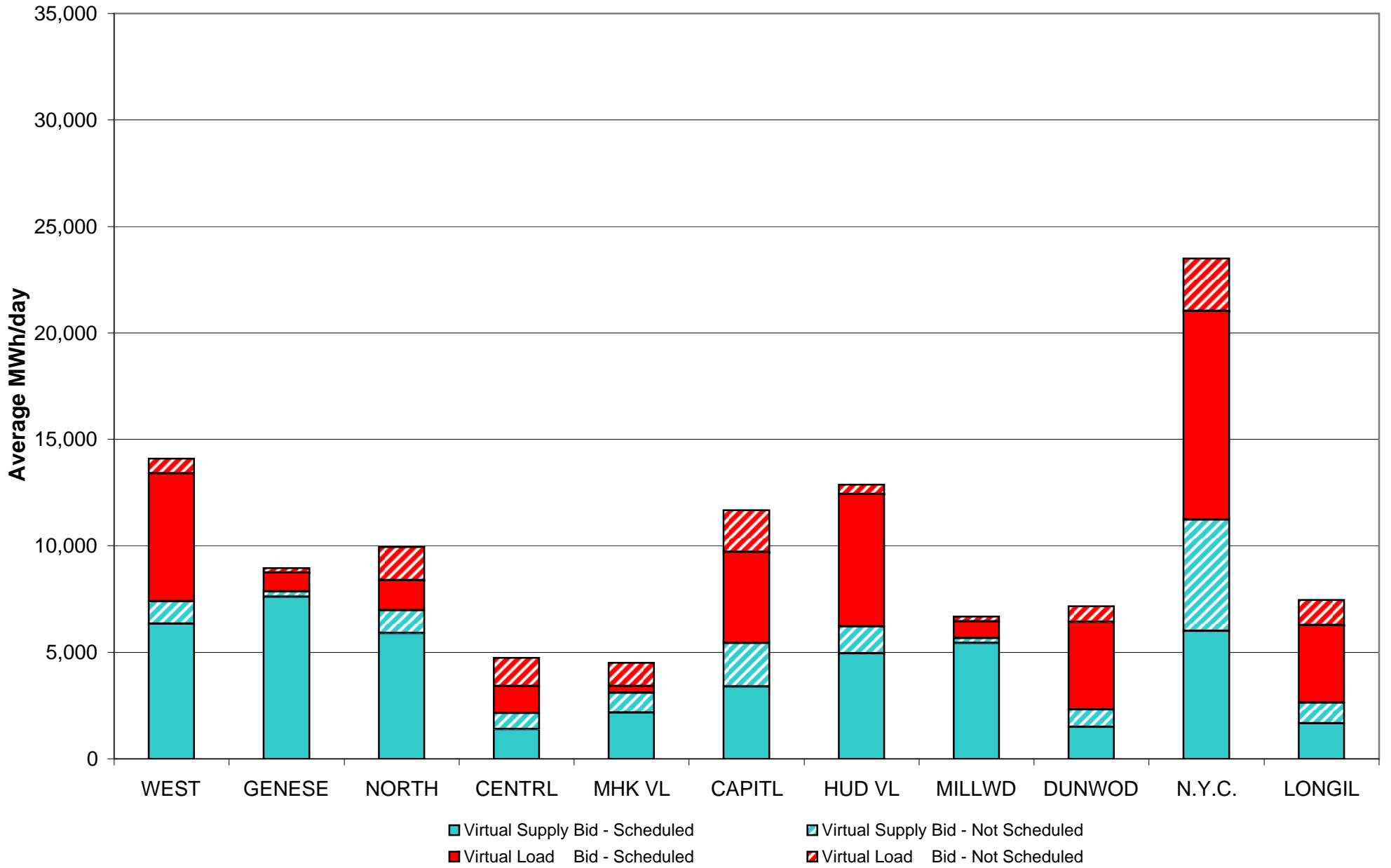


* Calendar days from reservation date.

NYISO Virtual Trading Average MWh per day



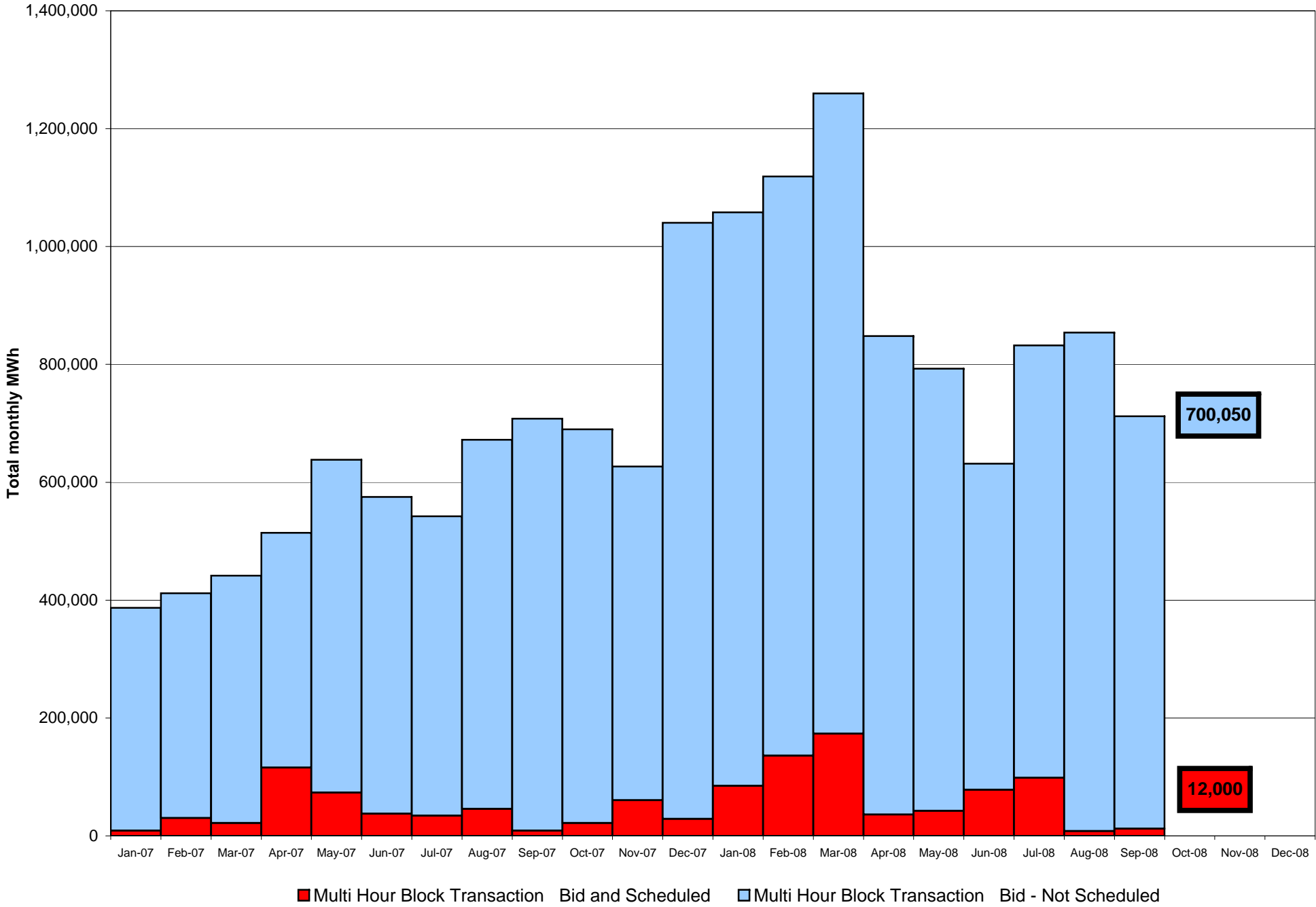
Virtual Load and Supply Zonal Statistics September 2008



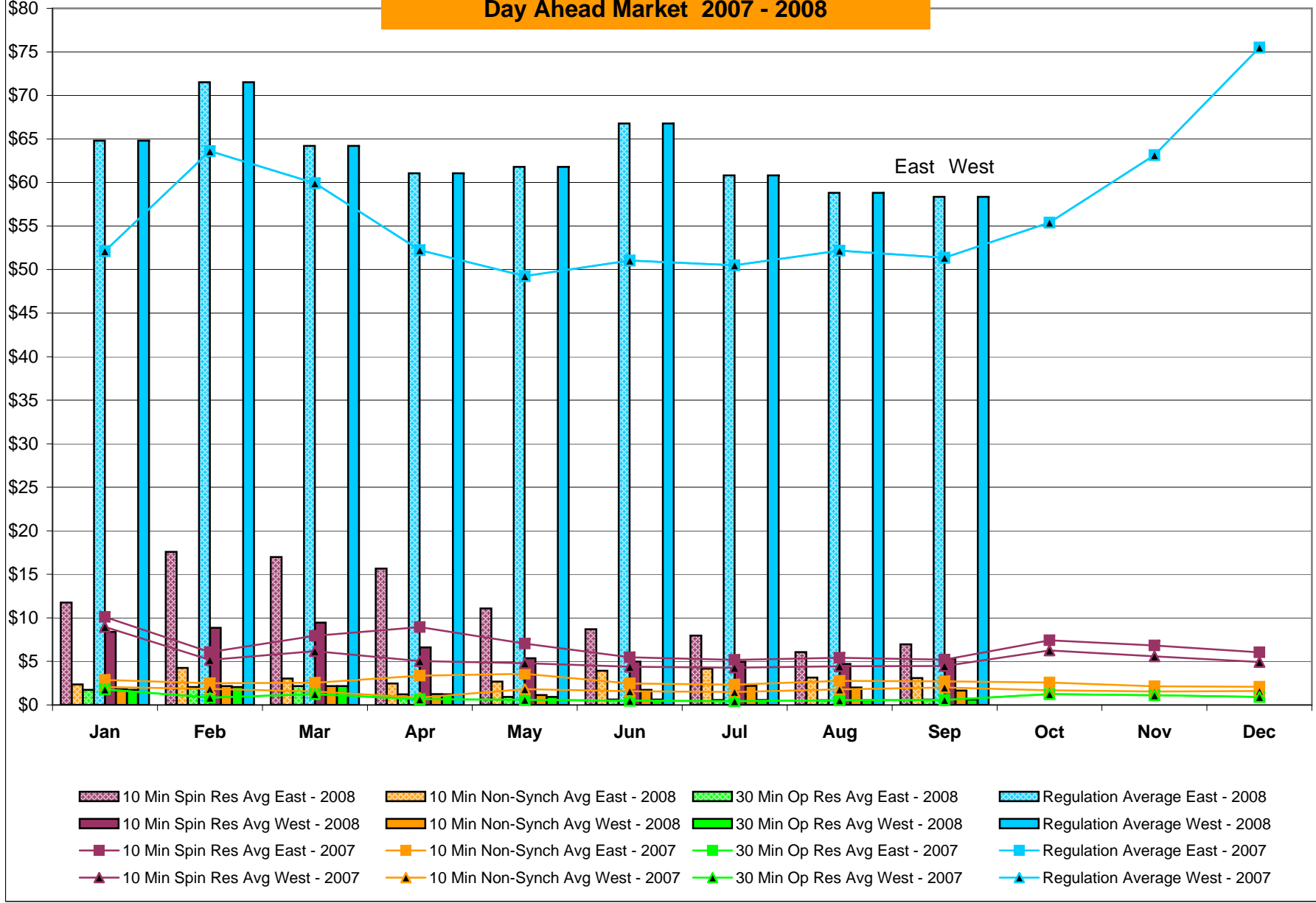
Virtual Load and Supply Zonal Statistics (Average MWh/day) - 2008

		Virtual Load Bid		Virtual Supply Bid				Virtual Load Bid		Virtual Supply Bid				Virtual Load Bid		Virtual Supply Bid	
Zone	Date	Scheduled	Not Scheduled	Scheduled	Not Scheduled	Zone	Date	Scheduled	Not Scheduled	Scheduled	Not Scheduled	Zone	Date	Scheduled	Not Scheduled	Scheduled	Not Scheduled
WEST	Jan-08	10,054	1,200	11,636	3,279	MHK VL	39,448	454	868	4,949	623	DUNWOD	39,448	215	287	519	175
	Feb-08	4,716	3,140	18,976	3,735		39,479	710	911	3,597	424		39,479	754	200	306	228
	Mar-08	10,105	2,000	7,686	1,870		39,508	611	918	5,237	391		39,508	10,146	405	1,119	84
	Apr-08	9,490	2,185	6,767	2,175		39,539	419	1,142	4,557	468		39,539	5,530	559	2,270	177
	May-08	5,936	2,460	8,722	3,188		39,569	987	1,011	3,674	648		39,569	4,526	521	1,091	129
	Jun-08	7,230	2,122	11,020	2,194		39,600	1,017	1,024	2,950	550		39,600	5,337	1,313	585	281
	Jul-08	11,933	750	12,254	1,691		39,630	360	976	3,165	540		39,630	4,979	1,373	878	487
	Aug-08	9,158	610	10,683	1,453		39,661	187	972	2,292	672		39,661	4,173	521	839	1,153
	Sep-08	6,012	684	6,337	1,059		39,692	327	1,094	2,176	919		39,692	4,099	738	1,505	816
	Oct-08						39,722						39,722				
	Nov-08						39,753						39,753				
	Dec-08						39,783						39,783				
	GENESE	Jan-08	1,115	136	12,158		1,807	CAPITL	39,448	7,278	5,128		1,203	1,968	N.Y.C.	39,448	11,271
Feb-08		1,409	33	7,931	602	39,479	4,964		4,055	1,592	1,405	39,479	9,855	6,111		2,620	5,794
Mar-08		2,382	60	8,175	928	39,508	4,880		4,158	2,120	1,518	39,508	10,460	4,375		1,546	8,273
Apr-08		1,800	235	5,680	1,324	39,539	3,831		4,648	3,080	1,694	39,539	12,968	5,245		1,621	8,151
May-08		1,319	218	6,061	1,036	39,569	4,848		3,650	2,621	2,341	39,569	12,279	4,985		1,180	6,881
Jun-08		864	171	6,703	144	39,600	2,973		1,013	4,419	2,355	39,600	17,231	6,414		817	5,943
Jul-08		578	102	5,329	80	39,630	4,215		3,007	3,283	1,741	39,630	17,405	3,708		3,591	5,856
Aug-08		1,224	85	6,407	105	39,661	2,365		1,281	5,195	1,823	39,661	7,031	1,894		5,048	5,954
Sep-08		877	227	7,614	247	39,692	4,283		1,962	3,400	2,030	39,692	9,800	2,468		6,000	5,237
Oct-08						39,722						39,722					
Nov-08						39,753						39,753					
Dec-08						39,783						39,783					
NORTH		Jan-08	502	1,536	5,617	2,663	HUD VL		39,448	7,667	911	10,378	2,385	LONGIL		39,448	2,333
	Feb-08	345	1,069	4,688	1,206	39,479		13,898	1,564	7,647	2,191	39,479	2,509		4,638	1,475	2,079
	Mar-08	402	961	7,771	1,534	39,508		5,814	1,079	8,918	1,164	39,508	2,459		2,736	1,550	2,103
	Apr-08	331	1,160	10,322	1,888	39,539		4,318	1,456	5,552	1,470	39,539	1,626		2,385	2,724	2,322
	May-08	1,227	1,346	6,625	2,780	39,569		3,838	1,458	4,391	2,230	39,569	3,481		2,563	1,698	1,487
	Jun-08	3,221	1,371	6,305	532	39,600		4,557	1,898	5,188	1,488	39,600	3,678		3,360	936	1,082
	Jul-08	2,426	1,720	9,543	852	39,630		5,971	442	2,390	212	39,630	2,058		1,560	955	745
	Aug-08	1,226	1,302	4,697	627	39,661		5,677	429	5,671	1,660	39,661	1,987		986	2,478	933
	Sep-08	1,420	1,559	5,905	1,060	39,692		6,213	445	4,947	1,267	39,692	3,635		1,192	1,674	960
	Oct-08					39,722						39,722					
	Nov-08					39,753						39,753					
	Dec-08					39,783						39,783					
	CENTRL	Jan-08	3,713	1,225	1,758	742		MILLWD	39,448	176	22	686	42		NYISO	39,448	44,779
Feb-08		3,975	1,768	2,046	531	39,479	343		46	562	3	39,479	43,478	23,534		51,441	18,198
Mar-08		2,835	2,088	2,516	418	39,508	1,468		67	4,662	21	39,508	51,561	18,848		51,300	18,305
Apr-08		2,078	1,782	2,398	437	39,539	4,107		276	8,576	156	39,539	46,497	21,073		53,547	20,261
May-08		2,526	1,114	2,231	693	39,569	8,458		553	8,003	107	39,569	49,424	19,880		46,297	21,519
Jun-08		1,630	1,220	1,668	548	39,600	8,415		150	8,075	163	39,600	56,153	20,056		48,666	15,280
Jul-08		746	1,233	1,847	552	39,630	7,064		473	7,370	109	39,630	57,735	15,344		50,605	12,867
Aug-08		540	1,193	2,317	726	39,661	3,474		132	6,664	121	39,661	37,044	9,406		52,291	15,226
Sep-08		1,267	1,325	1,389	750	39,692	785		225	5,426	243	39,692	38,717	11,920		46,373	14,588
Oct-08						39,722						39,722					
Nov-08						39,753						39,753					
Dec-08						39,783						39,783					

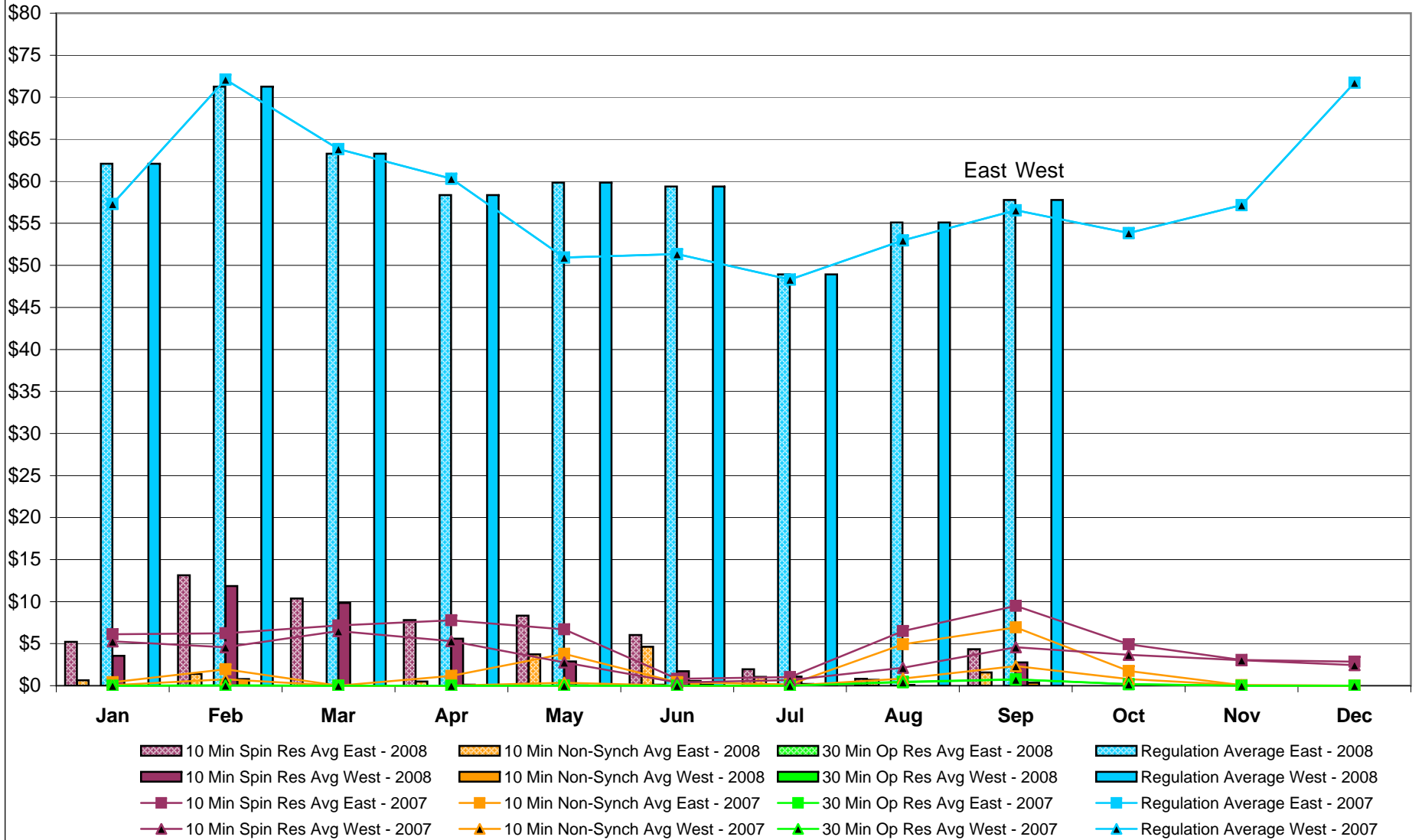
NYISO Multi Hour Block Transactions Monthly Total MWh



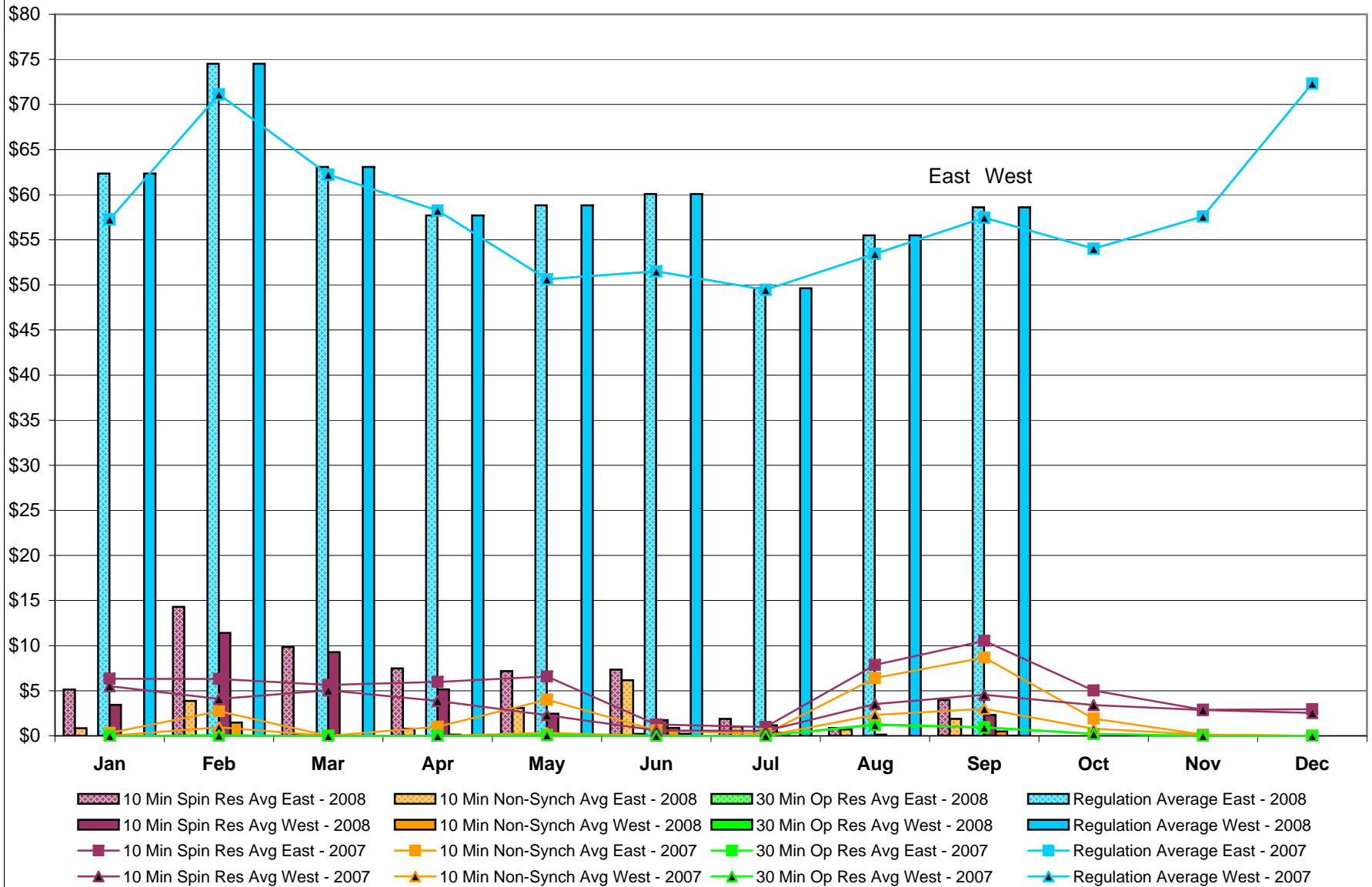
NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2007 - 2008



NYISO Monthly Average Ancillary Service Prices RTC Market 2007 - 2008



NYISO Monthly Average Ancillary Service Prices Real Time Market 2007 - 2008



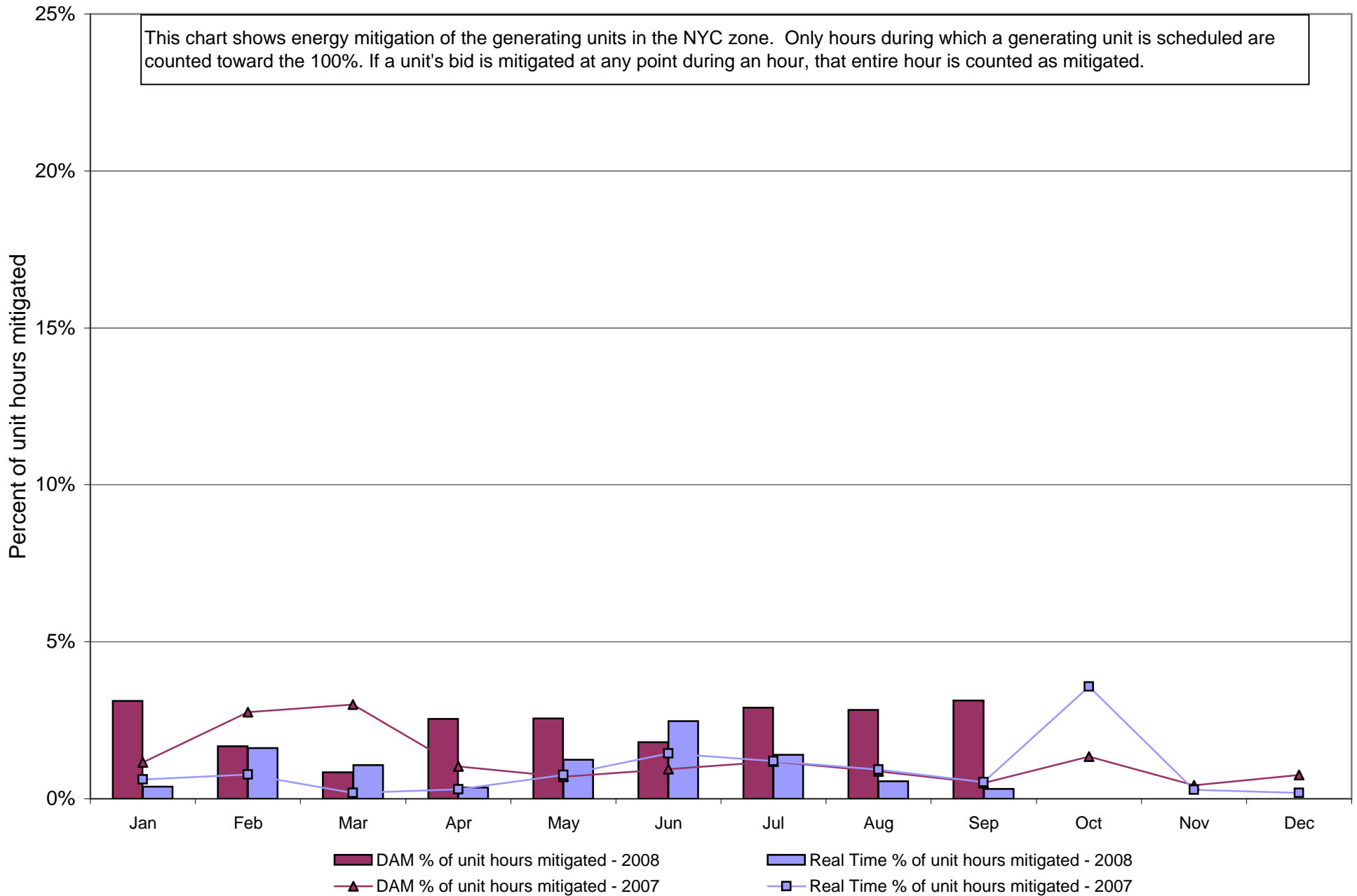
NYISO Markets Ancillary Services Statistics - Unweighted Price (\$/MWH)

2008	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Day Ahead Market												
10 Min Spin East	11.76	17.59	16.98	15.66	11.07	8.68	7.96	6.06	6.97			
10 Min Spin West	8.41	8.86	9.45	6.61	5.35	4.97	4.96	4.72	5.33			
10 Min Non Synch East	2.36	4.26	3.04	2.46	2.69	3.93	4.18	3.16	3.09			
10 Min Non Synch West	1.81	2.16	2.16	1.24	1.14	1.73	2.20	1.99	1.65			
30 Min East	1.73	2.07	2.16	1.21	0.93	0.61	0.57	0.54	0.62			
30 Min West	1.73	2.07	2.16	1.21	0.93	0.61	0.57	0.54	0.62			
Regulation East	64.81	71.51	64.19	61.08	61.80	66.77	60.83	58.82	58.34			
Regulation West	64.81	71.51	64.19	61.08	61.80	66.77	60.83	58.82	58.34			
RTC Market												
10 Min Spin East	5.22	13.13	10.37	7.80	8.34	6.04	1.95	0.80	4.33			
10 Min Spin West	3.55	11.86	9.83	5.61	2.89	1.71	1.09	0.09	2.76			
10 Min Non Synch East	0.65	1.40	0.02	0.49	3.74	4.62	1.05	0.70	1.56			
10 Min Non Synch West	0.00	0.79	0.00	0.12	0.04	0.56	0.21	0.00	0.35			
30 Min East	0.00	0.00	0.00	0.00	0.00	0.12	0.00	0.00	0.00			
30 Min West	0.00	0.00	0.00	0.00	0.00	0.12	0.00	0.00	0.00			
Regulation East	62.09	71.26	63.30	58.35	59.84	59.38	48.94	55.11	57.78			
Regulation West	62.09	71.26	63.30	58.35	59.84	59.38	48.94	55.11	57.78			
Real Time Market												
10 Min Spin East	5.12	14.30	9.86	7.48	7.19	7.35	1.88	0.87	3.99			
10 Min Spin West	3.45	11.40	9.27	5.16	2.45	1.73	1.19	0.15	2.33			
10 Min Non Synch East	0.83	3.86	0.10	0.79	3.07	6.17	1.05	0.70	1.89			
10 Min Non Synch West	0.02	1.49	0.00	0.13	0.01	0.88	0.37	0.00	0.49			
30 Min East	0.00	0.00	0.00	0.00	0.00	0.21	0.00	0.00	0.02			
30 Min West	0.00	0.00	0.00	0.00	0.00	0.21	0.00	0.00	0.02			
Regulation East	62.33	74.53	63.09	57.71	58.83	60.07	49.61	55.50	58.60			
Regulation West	62.33	74.53	63.09	57.71	58.83	60.07	49.61	55.50	58.60			
2007	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Day Ahead Market												
10 Min Spin East	10.10	6.08	7.94	8.95	7.06	5.47	5.18	5.42	5.20	7.42	6.82	6.05
10 Min Spin West	8.97	5.17	6.18	5.03	4.80	4.39	4.28	4.43	4.47	6.26	5.57	4.93
10 Min Non Synch East	2.87	2.49	2.56	3.35	3.59	2.47	2.34	2.77	2.70	2.56	2.14	2.08
10 Min Non Synch West	2.06	1.85	1.53	0.84	1.82	1.56	1.50	1.80	2.00	1.67	1.54	1.60
30 Min East	1.79	0.85	1.26	0.64	0.61	0.49	0.44	0.53	0.56	1.23	1.10	0.92
30 Min West	1.79	0.85	1.26	0.64	0.61	0.49	0.44	0.53	0.56	1.23	1.10	0.92
Regulation East	52.12	63.61	59.92	52.22	49.25	51.05	50.50	52.18	51.36	55.39	63.15	75.50
Regulation West	52.12	63.61	59.92	52.22	49.25	51.05	50.50	52.18	51.36	55.39	63.15	75.50
RTC Market												
10 Min Spin East	6.12	6.23	7.17	7.77	6.70	0.83	1.03	6.50	9.50	4.93	3.06	2.84
10 Min Spin West	5.26	4.57	6.49	5.29	2.78	0.38	0.66	2.14	4.57	3.67	3.04	2.43
10 Min Non Synch East	0.41	1.94	0.00	1.16	3.77	0.40	0.16	4.91	6.92	1.76	0.06	0.00
10 Min Non Synch West	0.05	0.75	0.00	0.00	0.36	0.00	0.00	0.84	2.32	0.80	0.06	0.00
30 Min East	0.00	0.04	0.00	0.00	0.03	0.00	0.00	0.47	0.76	0.18	0.00	0.00
30 Min West	0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.41	0.73	0.18	0.00	0.00
Regulation East	57.33	72.11	63.84	60.31	50.95	51.35	48.30	52.97	56.56	53.84	57.18	71.74
Regulation West	57.33	72.11	63.84	60.31	50.95	51.35	48.30	52.97	56.56	53.84	57.18	71.74
Real Time Market												
10 Min Spin East	6.32	6.30	5.66	5.98	6.57	1.24	0.99	7.86	10.54	5.02	2.90	2.95
10 Min Spin West	5.51	4.10	5.04	3.89	2.28	0.60	0.55	3.51	4.55	3.41	2.87	2.53
10 Min Non Synch East	0.34	2.72	0.00	1.01	4.00	0.61	0.23	6.40	8.68	1.90	0.14	0.00
10 Min Non Synch West	0.01	0.95	0.00	0.00	0.32	0.00	0.00	2.32	3.00	0.78	0.13	0.00
30 Min East	-	0.05	0.00	0.00	0.11	0.00	0.00	1.28	0.95	0.21	0.00	0.00
30 Min West	-	0.05	0.00	0.00	0.07	0.00	0.00	1.19	0.92	0.21	0.00	0.00
Regulation East	57.26	71.13	62.24	58.23	50.62	51.51	49.45	53.46	57.47	54.01	57.60	72.33
Regulation West	57.26	71.13	62.24	58.23	50.62	51.51	49.45	53.46	57.47	54.01	57.60	72.33

NYISO In City Energy Mitigation (NYC Zone) 2007 - 2008

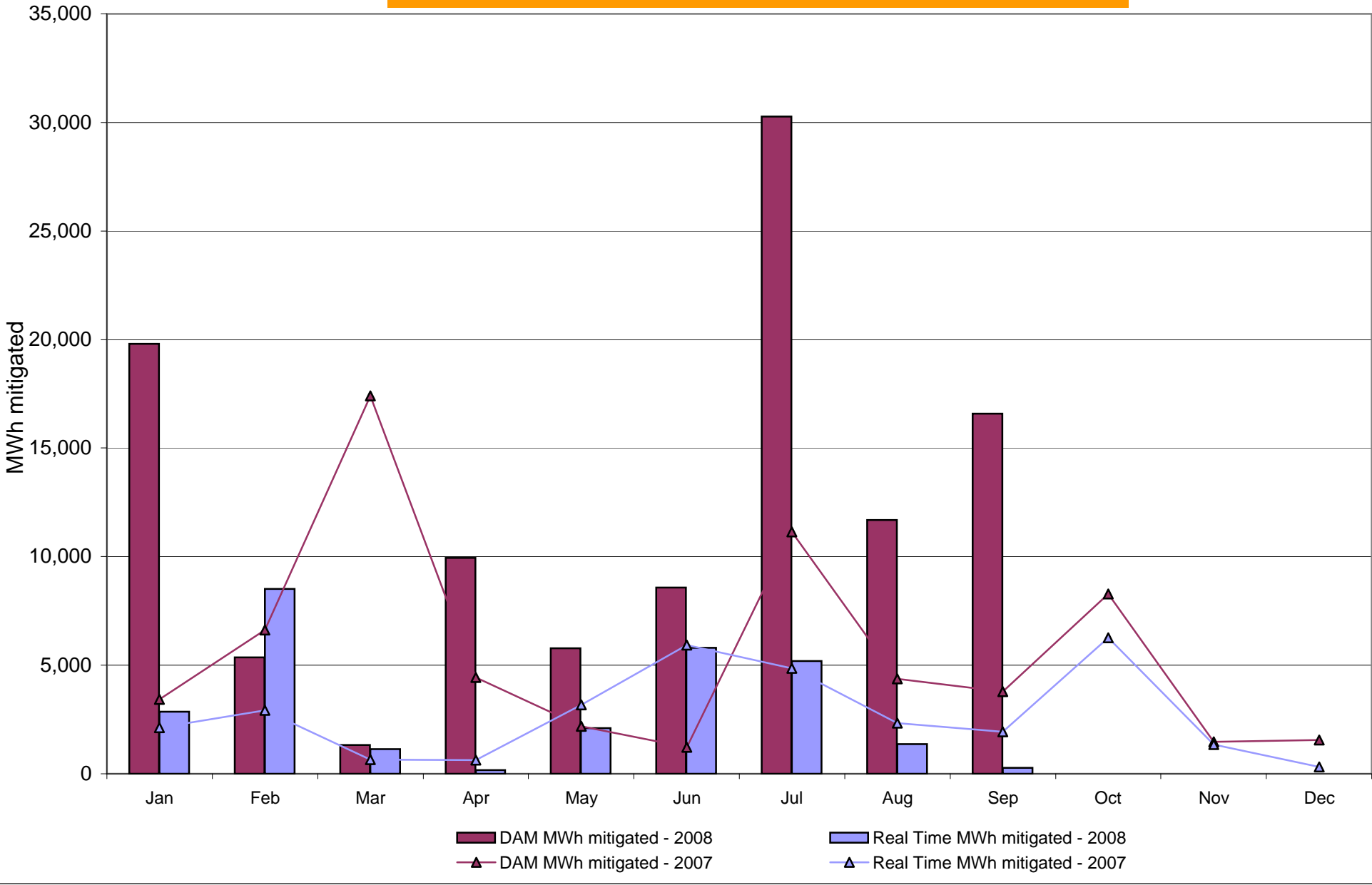
Percentage of committed unit-hours mitigated

This chart shows energy mitigation of the generating units in the NYC zone. Only hours during which a generating unit is scheduled are counted toward the 100%. If a unit's bid is mitigated at any point during an hour, that entire hour is counted as mitigated.

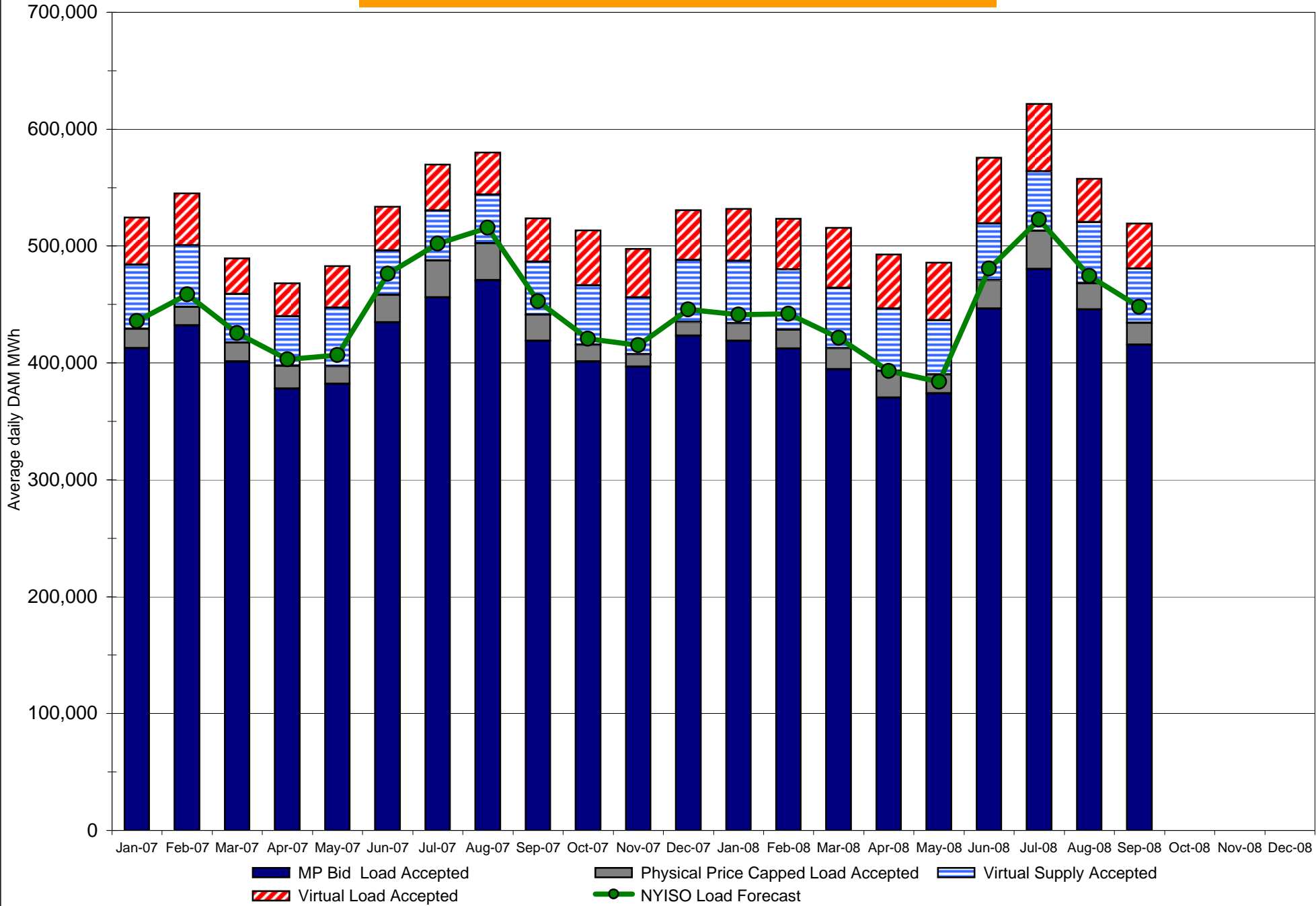


NYISO In City Energy Mitigation (NYC Zone) 2007 - 2008

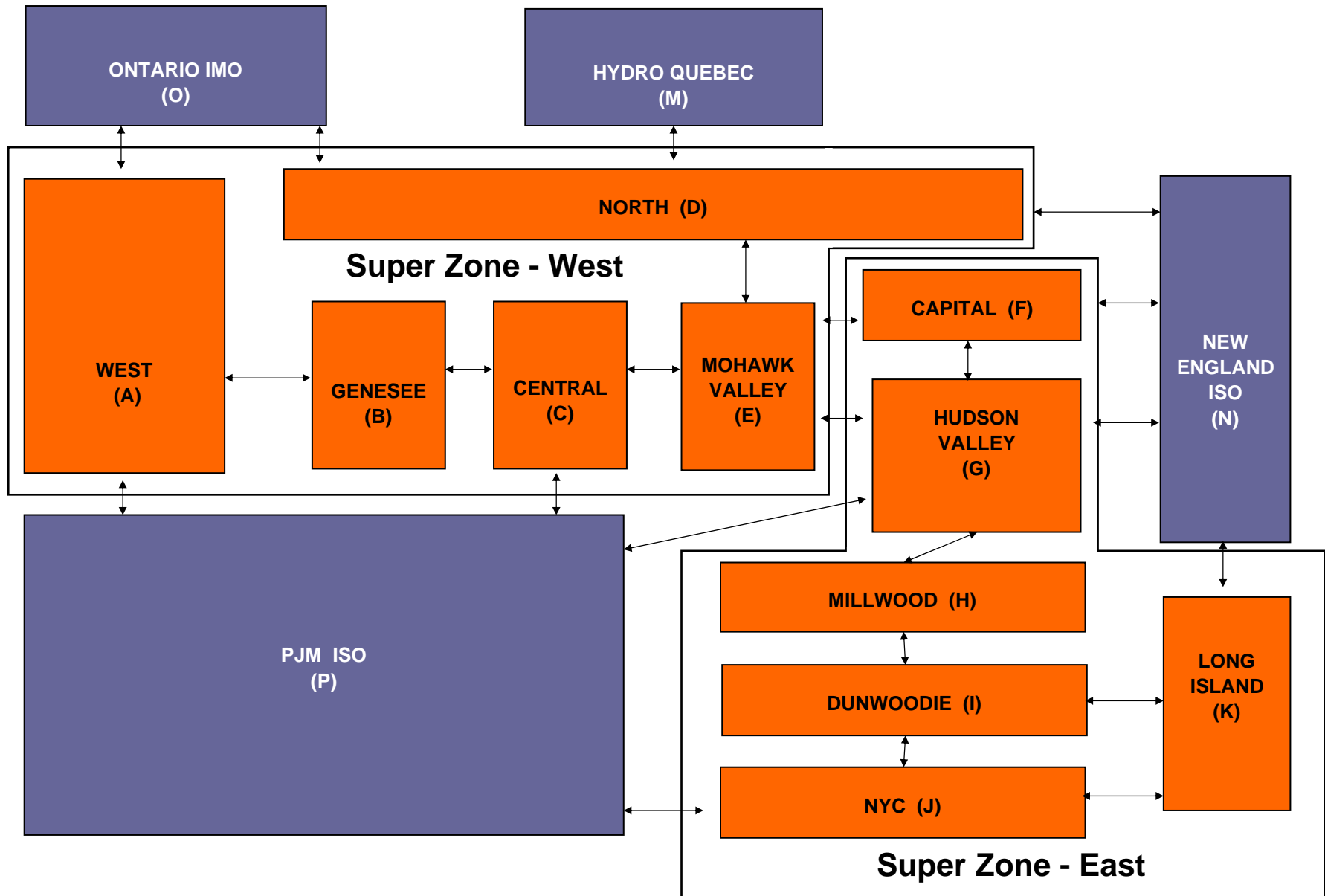
Monthly megawatt hours mitigated



NYISO Average Daily DAM Load Bid Summary



NYISO LBMP ZONES

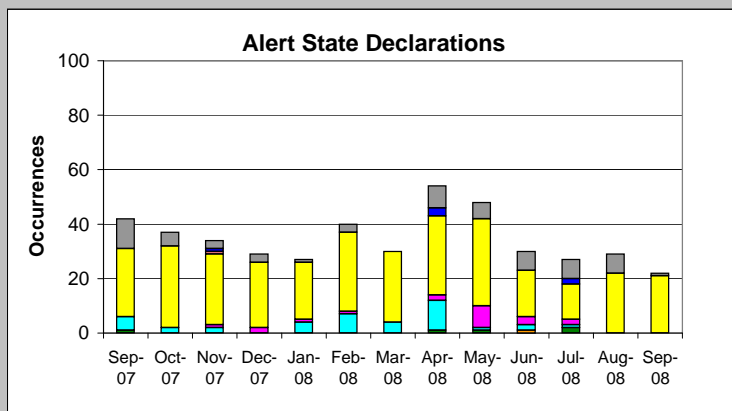


Billing Codes for Chart 4-C

Chart 4-C Category Name	Billing Code	Billing Category Name
Bid Production Cost Guarantee Balancing	81203	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81204	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81205	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee Balancing	81208	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81209	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81213	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee DAM	81201	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81202	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM	81206	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81207	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM Virtual	81501	DAM Virtual Bid Production Cost Guarantee
DAM Contract Balancing	81315	DAM Contract Balancing
DAM Contract Balancing	81317	DAM Contract Balancing
Local Reliability Balancing	81002	Balancing Local Reliability Bid Production Cost Guarantee
Local Reliability DAM	81001	DAM Local Reliability Bid Production Cost Guarantee
NYISO Cost of Operations	80901	NYISO Cost Of Operations
NYISO Cost of Operations	80902	NYISO Cost Of Operations
NYISO Cost of Operations	83501	NYISO Cost Of Operations
NYISO Cost of Operations	83502	NYISO Cost Of Operations
Residuals Balancing	81302	Balancing Market Energy Residual
Residuals Balancing	81304	Balancing Market Loss Residual
Residuals Balancing	81305	Balancing Market Congestion Balancing
Residuals Balancing	81306	Emergency Energy Purchases
Residuals Balancing	81307	Emergency Energy Sales
Residuals Balancing	81309	Balancing Market Energy Residual
Residuals Balancing	81311	Balancing Market Loss Residual
Residuals Balancing	81312	Balancing Market Congestion Balancing
Residuals Balancing	81313	Emergency Energy Purchases
Residuals Balancing	81314	Emergency Energy Sales
Residuals DAM	81301	Day Ahead Market Energy Residual
Residuals DAM	81303	Day Ahead Market Loss Residual
Residuals DAM	81308	Day Ahead Market Energy Residual
Residuals DAM	81310	Day Ahead Market Loss Residual

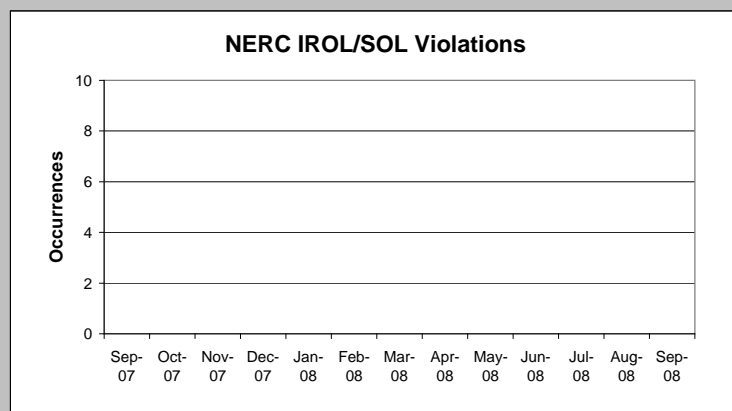
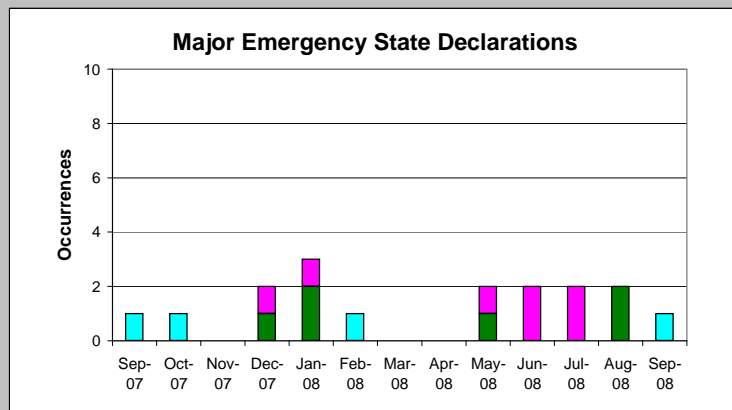
Report Overview

All reliability metric performances are normal. Frequency threshold exceedences primarily attributed to interconnection system events outside the NYISO.



System State Declarations

- ACE Threshold Exceedance
- Adverse Operating Conditions
- Communications Degradation
- Frequency Threshold Exceedance
- Interface Transfer Limit (IROL) Exceedance
- Neighboring System in Voltage Reduction
- Operating Reserve Deficiency
- Thermal Rating Limit (SOL) Exceedance
- Voltage Rating Limit (SOL) Exceedance



NERC IROL/SOL Violations

- NERC SOL - Thermal Rating Limit
- NERC SOL - Voltage Rating Limit
- NERC IROL - Interface Transfer Limit

Definitions

Alert State Declarations:

The number and causes of Alert State declarations reflect system operating conditions beyond thresholds associated with Normal and Warning States. Declaration of the Alert State allows the NYISO to take corrective actions not available in the Normal and Warning States.

Major Emergency State Declarations:

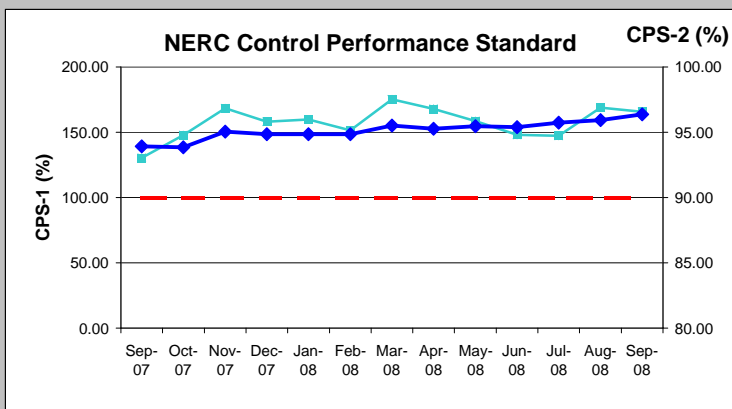
The number and causes of Major Emergency State declarations reflect system operating conditions beyond thresholds associated with the Alert State. Declaration of the Major Emergency State allows the NYISO to take aggressive corrective actions not available in the Alert State.

NERC IROL/SOL Violations:

The number and causes of NERC IROL/SOL violations reflect system operating conditions beyond thresholds associated with applicable NERC reliability standards. The NERC IROL/SOL violation thresholds are higher than those defined for the Major Emergency State.

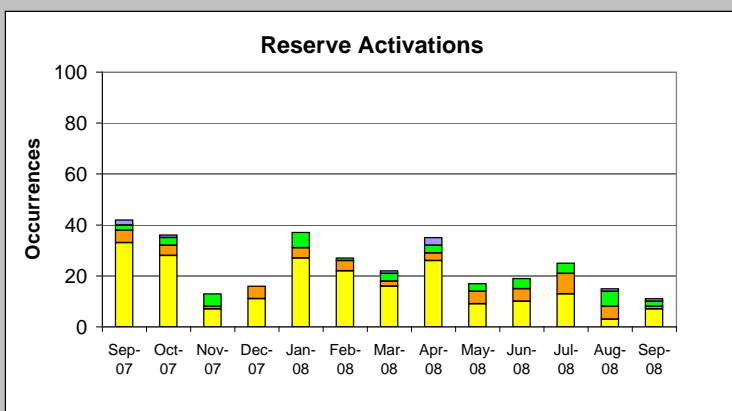
Report Overview

All reliability metric performances are normal.



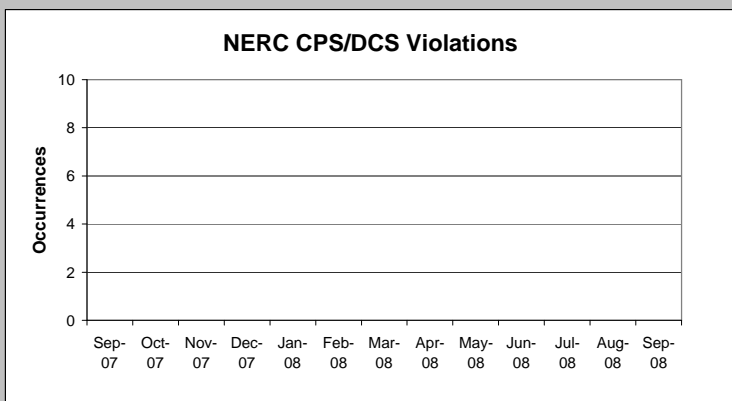
Control Performance

- CPS-1
- CPS-2
- - - CPS Limit



Reserve Activations

- ACE Not Normal
- NYCA Resource Loss < 500 MW
- NYCA Resource Loss > 500 MW
- Shared Activation of Reserves



NERC CPS/DCS Violations

- NERC CPS-1 - Balancing Standard
- NERC CPS-2 - Balancing Standard
- NERC DCS - ACE Recovery

Definitions

Control Performance Standards:

The values of NERC Control Performance Standards (CPS-1 and CPS-2) are indicators of the NYISO Area resource and demand balancing performance.

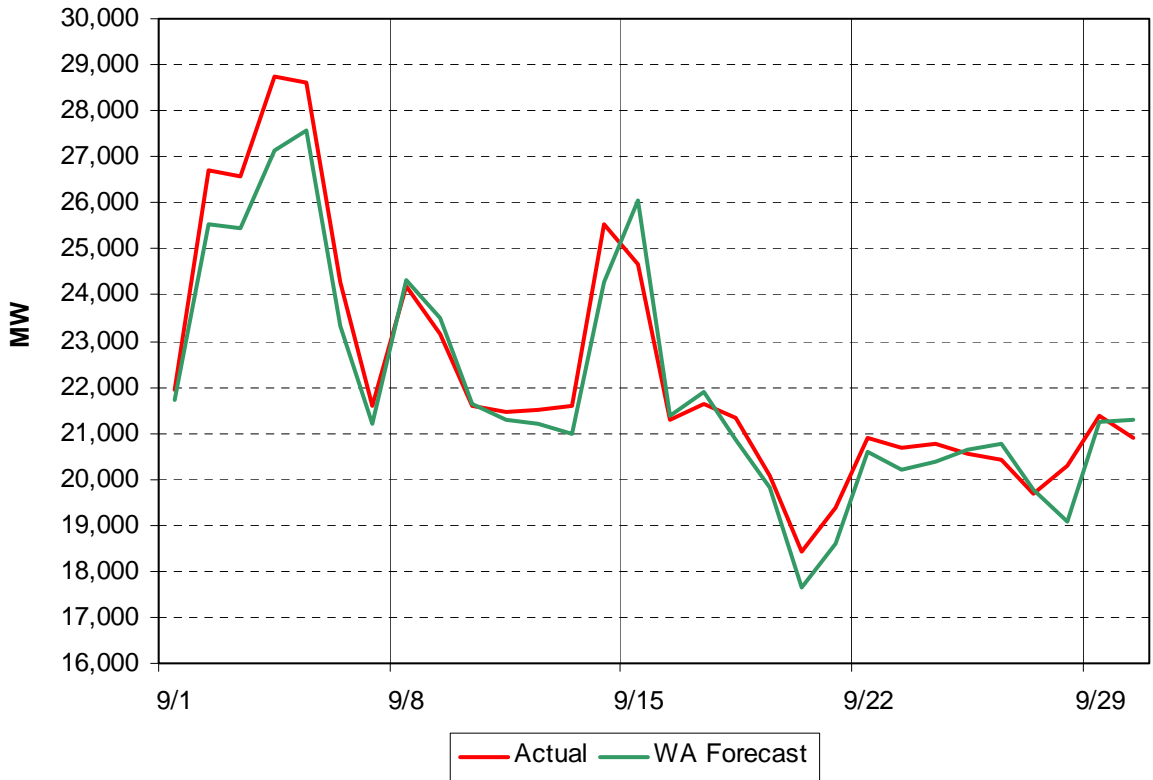
Reserve Activations:

The number and causes of NYISO Reserve Activations are indicators of the need to respond to unexpected operational conditions within the NYISO Area or to assist a neighboring Area (Shared Activation of Reserves) by activating an immediate resource and demand balancing operation.

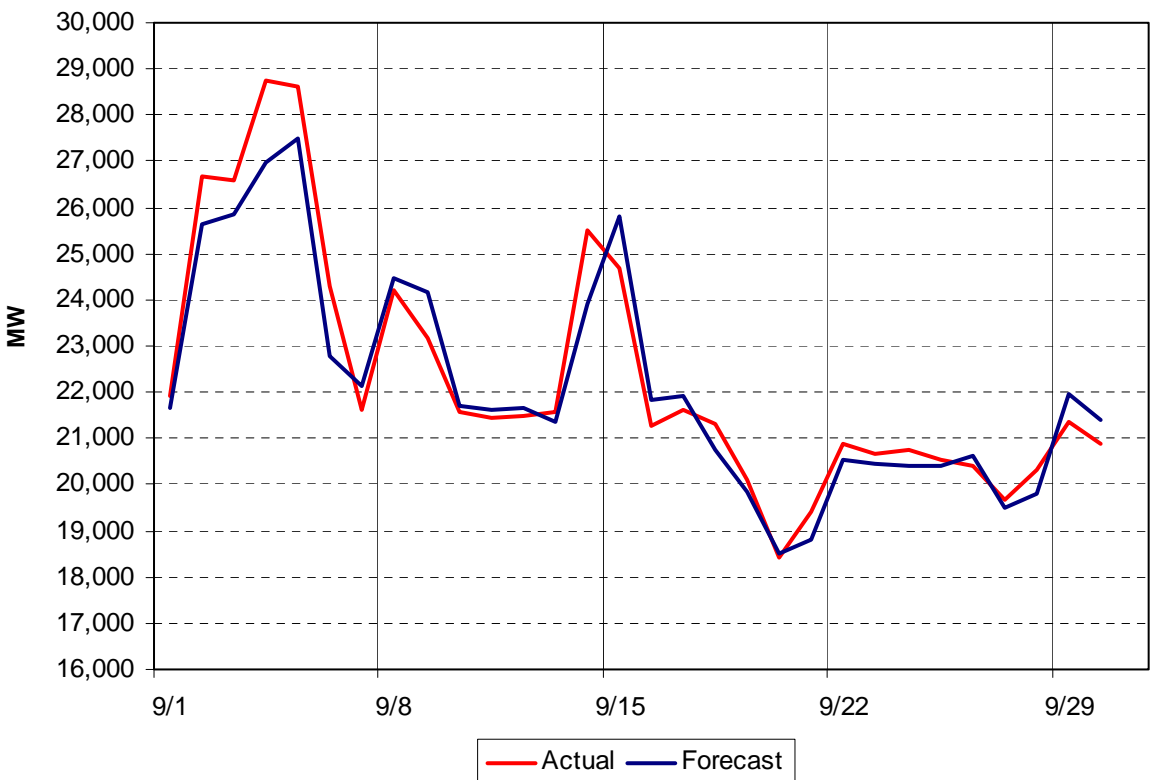
NERC Control Performance Standard/Disturbance Control Standard (CPS/DCS) Violations:

The number and causes of NERC CPS/DCS violations reflect system operating conditions beyond thresholds associated with applicable NERC reliability standards.

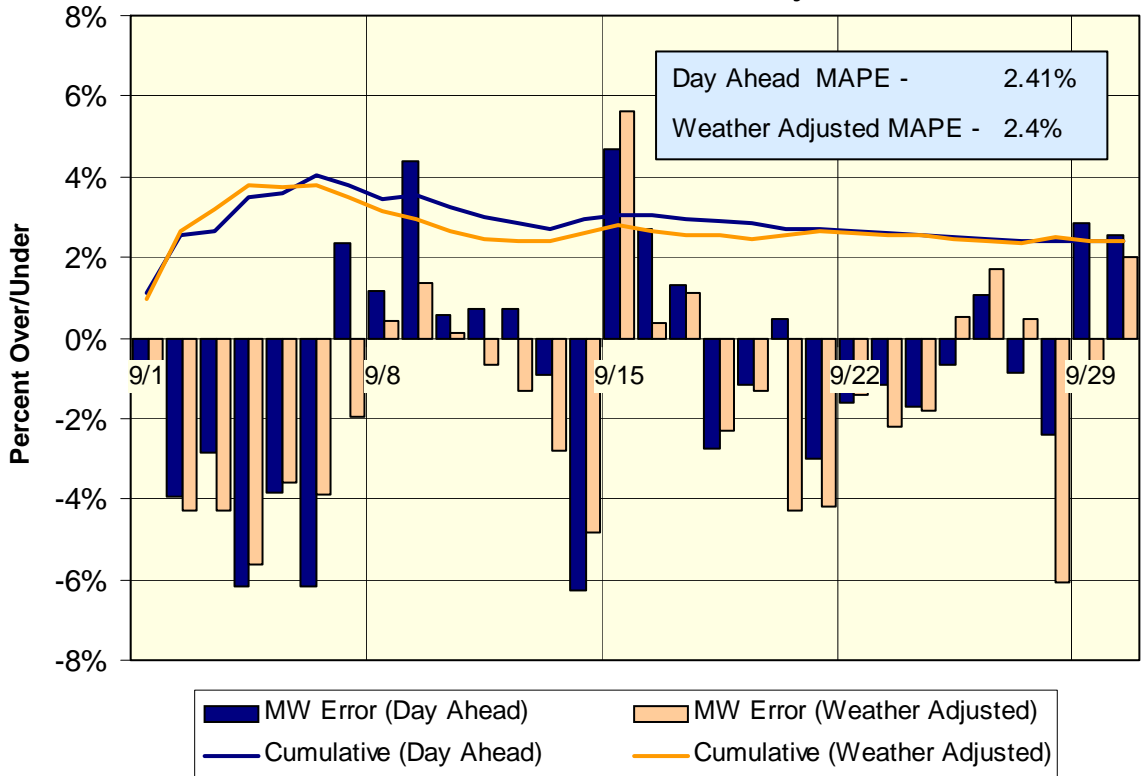
NYISO Daily Peak Load - September 2008
Actual vs Weather-Adjusted Forecast



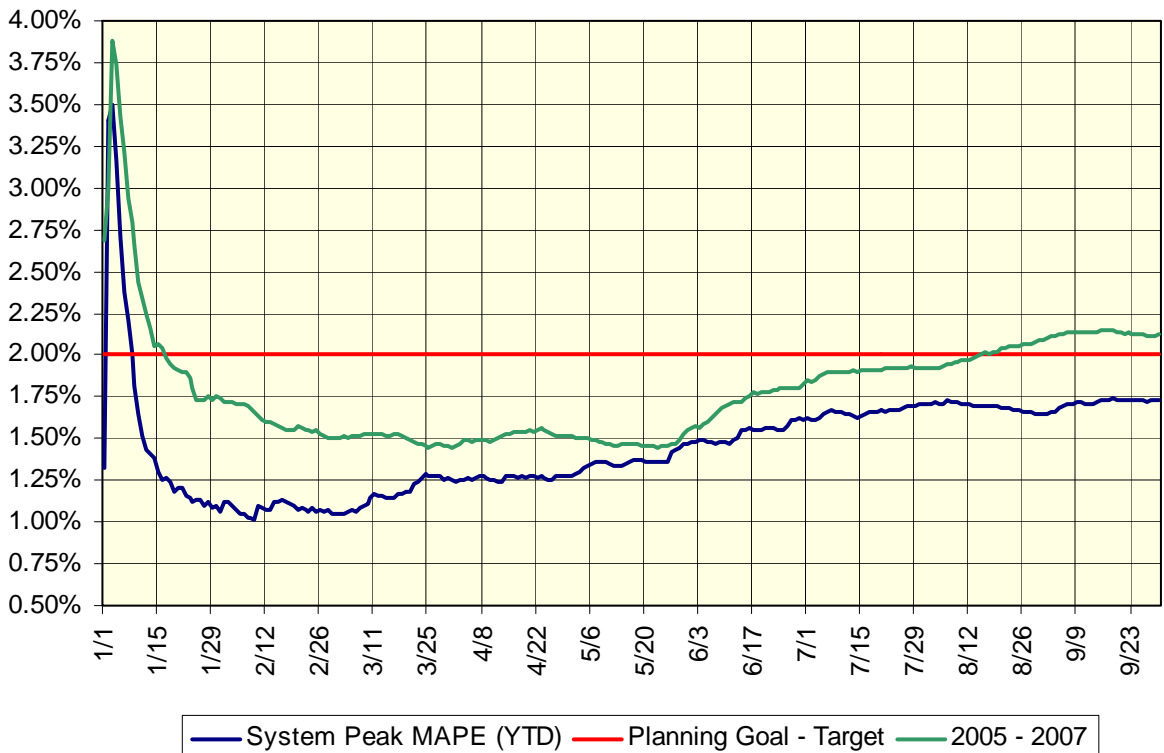
NYISO Daily Peak Load - September 2008
Actual vs Forecast



Day Ahead Forecast - September 2008 Percent Error - Actual & Weather Adjusted



Day-Ahead Forecast Accuracy - Cumulative Performance 2008 Year-to-Date



August 2008 Detailed Budget vs. Actual Results

<i>(\$ in millions)</i>	<u>ANNUAL AMOUNT</u>			<u>YTD AMOUNTS AS OF 8/31/08</u>		
<u>Cost Category</u>	<u>Original Budget</u>	<u>Year-End Projection</u>	<u>Variance</u>	<u>Original Budget</u>	<u>Actuals</u>	<u>Variance</u>
Capital	\$ 4.3	\$ 6.5	\$ 2.2	\$ 3.4	\$ 4.2	\$ 0.8
Salaries & Benefits	\$ 57.6	\$ 56.4	\$ (1.2)	\$ 38.3	\$ 36.9	\$ (1.4)
Professional Fees (including Legal)	\$ 34.7	\$ 36.5	\$ 1.8	\$ 23.1	\$ 22.4	\$ (0.7)
Building Services	\$ 4.3	\$ 4.6	\$ 0.3	\$ 2.9	\$ 3.0	\$ 0.1
Computer Services	\$ 12.5	\$ 12.5	\$ -	\$ 8.3	\$ 7.3	\$ (1.0)
Insurance	\$ 3.6	\$ 2.9	\$ (0.7)	\$ 2.4	\$ 2.0	\$ (0.4)
Telecommunications	\$ 4.3	\$ 3.9	\$ (0.4)	\$ 2.9	\$ 2.6	\$ (0.3)
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 4.0	\$ 3.9	\$ (0.1)	\$ 2.7	\$ 2.2	\$ (0.5)
Current Year Needs (excluding FERC Fees)	\$ 125.3	\$ 127.2	\$ 1.9	\$ 84.0	\$ 80.6	\$ (3.4)
Debt Service from Prior Year Financings	\$ 27.8	\$ 24.6	\$ (3.2)	\$ 18.7	\$ 18.5	\$ (0.2)
Cash Budget (excluding FERC Fees)	\$ 153.1	\$ 151.8	\$ (1.3)	\$ 102.7	\$ 99.1	\$ (3.6)
Less: Miscellaneous Revenues	\$ (3.8)	\$ (3.1)	\$ 0.7	\$ (2.6)	\$ (2.2)	\$ 0.4
Less: Proceeds from 2008 Budget Debt	\$ (16.7)	\$ (16.7)	\$ -	\$ (12.0)	\$ (12.0)	\$ -
Less: Proceeds from 2007 budget underrun and volume overcollections	\$ (5.0)	\$ (5.0)	\$ -	\$ (3.3)	\$ (3.3)	\$ -
Add: Interest on 2008 Budget Debt	\$ 0.4	\$ 0.4	\$ -	\$ 0.1	\$ 0.2	\$ 0.1
Net Budget Needs (excluding FERC Fees)	\$ 128.0	\$ 127.4	\$ (0.6)	\$ 84.9	\$ 81.8	\$ (3.1)
FERC Fees	\$ 8.3	\$ 8.9	\$ 0.6	\$ 5.5	\$ 5.9	\$ 0.4
Rate Schedule #1 Revenue Requirement	\$ 136.3	\$ 136.3	\$ -	\$ 90.4	\$ 87.7	\$ (2.7)

Description	Status and Milestone Deliverables
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Energy Marketplace Product Enhancements	
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A767	MIS Enhancements: Comprehensive Bid Management System	<p>Status: The first phase of this multi-phase project was successfully deployed into production in January 2007; the second phase was deployed on schedule in October 2007. The features that were deployed include the replacement of the load bidding and virtual bidding forms and upload / download templates. The next phase targets migration of the generation bidding pages and templates onto the new architecture. Phase 3 was successfully implemented in two deployments during 2008; the software for the first deployment was successfully deployed in early March, the second was successfully deployed in mid September. The 2008 version of this project is completed.</p> <p>Deliverables: This project will upgrade the web-based application structure to replace overlapping applications by allowing common components to support current application functionality and future application functional growth. One of the deliverables will be the implementation of a more flexible and reliable application infrastructure for the market applications. This project is part of a multi-year effort that is a necessary precursor for an eventual replacement of the Market Information System (MIS) and related bidding and scheduling applications.</p>
A871	Enhanced Price Validation	<p>Status: The first phase of this multi-phase project was successfully deployed into production in March 2007; a portion of the second phase was deployed in December 2007. One of the tracks from the second phase required additional testing and was combined with the third (and final) phase deployed in June of 2008. Software implementation for most of the remaining rules associated with the final phase 2 track was successfully deployed in late March; the software for the remaining phase 2 functionality, as well as all the phase 3 functionality, was successfully deployed in June. Process changes were completed in July to allow the transition of Price Validation functions to NYISO staff using new software.</p> <p>Deliverables: The NYISO has investigated all known causes of pricing errors, and has taken a systematic approach to determine features and functions that can significantly enhance the price validation process. Product enhancements are proposed to implement proactive price monitoring, improved price reservations, and enhanced price corrections. The project will entail a multi-phase, multi-year implementation of tools to enhance the price monitoring, reservation, and correction processes for the NYISO markets.</p>
A942	Wind Forecasting System	<p>Status: This project has completed all phases of the software development processes. AWS Truewind was selected as the supplier of this system from a pool of candidates. Implementation of the new software was completed in June.</p> <p>Deliverables: Specification and implementation of a third-party system to enable output from wind generators to be incorporated accurately in the NYISO market software. The addition of this capability will improve reliability and enhance the accuracy of market outcomes as influenced by wind resources.</p>
A857	Demand Response for Ancillary Services	<p>Status: This project has completed all phases of the software development processes. Technical design for the end-state solution had proven more difficult than expected, ultimately making meeting the commitment for a 4th quarter 2007 delivery impossible. The final design mitigated the political risk of missing the commitment by delivering more functionality than originally offered. Implementation of the new software was completed in June.</p> <p>Deliverables: As directed by the FERC, execution of software changes that will permit the integration of demand side resources (“DSRs”) into the NYISO real-time ancillary services and energy markets.</p>

Description		Status and Milestone Deliverables
B107	Scheduling and Pricing Improvements	<p>Status: This first phase of the project has dealt with assessments of each of the penalties assessed to generators to determine the effectiveness and fairness of each. A number of changes have been proposed, including the elimination of certain performance penalties for generators and grouped units during Start-up and Shut-down periods. Additional analysis is being performed to determine opportunities to improve dragging.</p> <p>Deliverables: Implementation of a series of market efficiency enhancements that have been requested by Market Participants. Each of the requested enhancements requires detailed analysis and study to determine the potential for market impact.</p>
Auxiliary Market Product Enhancements		
A990	ICAP Auction Redesign	<p>Status: This project has achieved an early delivery date of March 2008; ahead of the 2nd quarter 2008 commitment and ahead of the schedule for the Spring capacity auctions.</p> <p>Deliverables: In order to accommodate changes approved for the ICAP Demand Curve, and still maintain auction results compliant with applicable tariffs, changes were required to the ICAP auction engine, including an upgrade to the vendor software utilized in the design. This project implements the necessary changes, along with certain enhanced features that are available with the new version of the software.</p>
A910	ICAP In-City Mitigation	<p>Status: This project completed a multi-step software deployment in time for the Spring capacity auctions, and in line with an aggressive deployment schedule following a delayed FERC ruling on the NYISO proposal. Software deployments were successfully performed in March and April, ahead of a 2nd quarter corporate commitment. Production software continues to be monitored for accuracy and performance.</p> <p>Deliverables: As directed by FERC, changes to the ICAP In-City mitigation rules have been required. The software changes necessary to support these new rules are being developed and tested in conjunction with the ICAP auction redesign software; provisional accommodations will be made in the event of a delayed FERC ruling on the new rules.</p>
A907	Forward Capacity Market Design	<p>Status: This project is in the requirements and design phase. Preliminary straw proposals have been reviewed with stakeholders and are being evaluated through the governance process. A 4th quarter commitment was communicated to stakeholders for the finalization of a design, but efforts are being accelerated to provide an earlier solution.</p> <p>Deliverables: Design of a forward capacity market to supplement existing capacity market instruments. Following agreement on a design, and implementation plan and schedule will be developed and executed.</p>

Description	Status and Milestone Deliverables
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TCC Marketplace Product Enhancement	
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A925	TCC Auction Automation – Phase 2	<p>Status: This project is in the quality assurance and user acceptance testing phase. The software to implement the second phase of the TCC Auction Automation is planned to be ready in the third quarter of 2008, originally targeting a date prior to the start of the Fall 2008 round of auctions. Current project schedules will not yield a deliverable until after the start of the Fall auctions; risk assessment has yielded the business recommendation to defer activation of the new software until after the last Fall auction round in October.</p> <p>Deliverables: Following the implementation of the first phase of the TCC Auction Automation software project (Automation of the Awards Process), following phases will deliver the Database / Inventory Automation (Phase 2) and Bidding (Phase 3) functionality required to fully automate the TCC markets.</p>
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A993	TCC Auction Automation – Phase 3	<p>Status: This project is in the requirements and early development phases. The software to implement the third phase of the TCC Auction Automation is planned to be ready by the end of 2008, with a planned implementation early in 2009.</p> <p>Deliverables: Following the implementation of the first phase of the TCC Auction Automation software project (Automation of the Awards Process), following phases will deliver the Database / Inventory Automation (Phase 2) and Bidding (Phase 3) functionality required to fully automate the TCC markets.</p>
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Operations and Reliability Product Enhancements	
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B101	MMP Compliance Issues	<p>Status: This project entails multiple phases of delivery in order to achieve all stated objectives; certain items are being developed on the internal NYISO systems, while other components are being provided by Potomac Economics. Project milestones were achieved on time in March and June in order to support the schedule to meet the second quarter commitment for Phase 1. The second phase is in the detailed requirements phase, and is on schedule for a 4th quarter 2008 deliverable.</p> <p>Deliverables: A compliance review performed by Potomac Economics in 2007 identified certain issues with MMP systems and processes. A two-phase project has been identified to implement corrections to the known issues. The first phase (high-priority items) is scheduled for deployment in the 2nd quarter. A follow-up phase is scheduled for the 4th quarter of 2008.</p>
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A858	Integration of OOM and SRE Applications	<p>Status: This project is in the software design phase; detailed requirements specification has been completed on schedule to meet the 2nd quarter 2007 commitment; software development has started with two planned implementations in 2008. The first phase (SRE) was successfully deployed in mid September; the second phase (OOM) is scheduled for October.</p> <p>Deliverables: Replacement of the Out of Merit (OOM) and Supplemental Resource Evaluation (SRE) applications used by the control room floor. These applications are currently built upon an unsupported platform (Oracle Forms) and can be design to be more efficient and error prone if they are consolidated into a single suite of application functions.</p>
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Description	Status and Milestone Deliverables
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A859	Outage Scheduler Automation	<p>Status: A number of commercial software vendors were reviewed and assessed as candidates to integrate into the NYISO architecture. A cross-functional team has selected the product from Sun-Net Solutions as the preferred package; contract negotiations have been finalized and software receipt of the base product has occurred. A late September target for the first deliverable has been delayed as testing has uncovered several issues related to environmental configuration that are being addressed by NYISO staff and Sun-Net. The team is focused on resolving these issues and is in the process of developing a revised scheduled.</p> <p>Deliverables: The NYISO operations outage scheduling function is a largely manual process with opportunities for error and inefficiency. This multi-phase project will deliver an automated tool to allow Market Participants to request outages electronically, as well as automated tools for the NYISO to evaluate, manage, and report outages. A later phase will improve integration between the outage scheduling functions and the NYISO market software.</p>
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Financial Service Product Enhancements	
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A949	Credit Management System	<p>Status: This project is in the discovery and detailed requirements phase. A Request for Proposal (RFP) had been issued to a number of companies that may have viable commercial off-the-shelf products that could be integrated with the NYISO market software platforms. The multi-phase project will provide credit automation capabilities for each of the NYISO markets in a phased delivery fashion. Following review of the proposals, the cross-functional team selected the software product from the ROME Corporation as the platform on which to build the new system. Contract negotiations were finalized in late March; the project team has launched the discovery / detailed planning activities.</p> <p>Deliverables: Implementation of a rules-based system to integrate with the various NYISO market platforms for the purposes of providing a comprehensive Credit Management System for the NYISO enterprise. This multi-phase project will provide the tools necessary for the Credit Department to manage MP credit and collateral limits, provide Market Participants with tools and reports to manage their own credit, and provide integration to all NYISO market functions such that customer credit obligations are met. A multi-phased approach will be employed to target integration for the TCC markets first, with other market components to follow.</p>
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A904	Billing Process Automation (Ramapo PAR / Station 80 / Local Black Start)	<p>Status: This project to automate the manual processes associated with these charges was deployed ahead of schedule in late March. This project is completed.</p> <p>Deliverables: The NYISO is continuing to dedicate resources to identify automated solutions to the most prevalent manual billing adjustments; this program has been identified as critical and valuable by settlements stakeholders. This project will provide automated data processing solutions for the Ramapo PAR, Station 80, and Local Black Start charges.</p>
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A996	Billing Process Automation (Min Oil Burn)	<p>Status: This project has initiated and is in the requirements phase. The documentation of the functional requirements is scheduled to be complete in the third quarter; a 4th quarter delivery of the software had been targeted.</p> <p>Deliverables: The NYISO is continuing to dedicate resources to identify automated solutions to the most prevalent manual billing adjustments; this program has been identified as critical and valuable by settlements stakeholders. This project will provide automated data processing solutions for Minimum Oil Burn charges.</p>
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Description	Status and Milestone Deliverables
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Business Intelligence Product Enhancements	
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A938	MMP Data Mart	<p>Status: A scoping analysis was performed in 2007 that identified approximately seven (7) functional areas that could be addressed through the implementation of a Market Monitoring Data Mart. A multi-phase project has been defined with the target to deliver the infrastructure and core data set in 2008. The first phase of this effort has completed the requirements and design phase. A 4th quarter implementation of the first phase is planned; design and requirements for the second phase will start once the first phase enters development and test.</p> <p>Deliverables: Process and system reviews performed for the Market Monitoring and Performance unit during 2007 highlighted deficiencies in the tool-set available to the MMP team for performing certain monitoring and analysis functions. This project is a multi-phase, multi-year effort to provide and integrated and robust set of tools to augment existing processes and manual tools in place. Additional analysis capabilities beyond compliance requirements will be identified and provided.</p>
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Infrastructure Product Enhancements	
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A926	Customer Issue Tracking System Replacement	<p>Status: Software development, product configuration, testing, and UAT activities for this project has been completed. Deployment of the new application was completed on schedule in March 2008. This project is completed.</p> <p>Deliverables: The NYISO Customer Relations Group has been using an outdated toolset to manage MP issues and trouble tickets since the inception of the NYISO. In order to achieve required service levels, a more robust application is required. This project will implement new functionality on top of the Service Desk architecture in place for managing internal tickets for the Information Technology group.</p>
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A928	Oracle Forms Replacement	<p>Status: The project has been defined to multiple phases according to the individual business owner / functional area impacted. The first phase was completed in 2007 and involved the usage analysis and elimination of unnecessary forms. The second phase is directed at the Operations department functions and was successfully deployed in mid September. Parallel tracks of work are already addressing the other functional areas of the platform.</p> <p>Deliverables: A number of the internal use applications are developed on the Oracle Forms development platform. This technology is no longer supported by the vendor, and the replacement of this platform represents a gating factor for the upgrade of the Oracle database version. Oracle Forms applications are in use by almost every internal NYISO department for managing market data and supporting various NYISO business processes.</p>
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NYISO REGULATORY FILINGS – September 2008

- Sept. 2, 2008 NYISO Filing of fifteenth quarterly report on the progress of certain technologies within the NYISO markets
(ER04-230 et al.)
- Sept. 4, 2008 NYISO filing of its 2007 state of the market report
(ZZ08-4-000)
- Sept. 8, 2008 NYISO filing of an executed standard large generator interconnection agreement among the NYISO, NYPA, and Noble Chateaugay Windpark, LLC and request for waiver of the prior notice requirements
- Sept. 11, 2008 NYISO filing of motion for leave to answer comments and protest on the amendments to the OATT and Services Tariffs regarding FERC's 3/2/08 guidance order on consensus deliverability plans
(ER4-449-017)
- Sept. 12, 2008 NYISO filing of status report on stakeholder ratification of temporary tariff revisions
(ER8-1281-000)
- Sept. 12, 2008 NYISO joint Section 205 filing of proposed tariff revisions to wholesale transmission service charge rate of National Grid
(ER08-552-003)
- Sept. 12, 2008 NYISO Section 205 filing of proposed tariff revisions to adopt transmission study deadlines
(ER08-1527-000)
- Sept. 17, 2008 NYISO notice of implementation of the Dennison Scheduled Line
(ER07-570-000)
- Sept. 19, 2008 NYISO filing of response to requests of rehearing of FERC's 8/21/08 order accepting the NYISO's tariff revisions regarding the Lake Erie Loop Flow proceeding
(ER08-1281-000)
- Sept. 25, 2008 NYISO compliance filing of Schedule C Joint Operating Agreement with the PJM
(ER08-867-001)
- Sept. 29, 2008 NYISO Section 205 filing of executed standard small generator interconnection agreement among the NYIOS, Rochester Gas and Electric and Casella Waste Systems and request for waiver of the prior notice
- Sept. 29, 2008 NYISO errata to its 9/29/08 standard small generator interconnection agreement filing

This list is current as of 9:04 A.M. September 30, 2008.

FERC ORDERS – September 2008

- Sept. 2, 2008 FERC notice granting the joint NYISO and NYTO request for an extension of time to file a LTFTR compliance filing (ER07-521-000 and 001)

- Sept. 5, 2008 FERC letter order accepting compliance filing regarding the prevention of double compensation in bid production cost guarantee payments to demand side resources and revised provisions describing the use of Section 205 filings in NYISO's market power mitigation measures (ER04-230-037 and 038)

- Sept. 8, 2008 FERC letter order accepting NYISO's annual compliance report regarding distribution of penalty revenues (OA08-109-000)

- Sept. 12, 2008 FERC order accepting and rejecting certain tariff revisions regarding procedures for the interconnection of large facilities to the transmission system and the method for allocating associated costs (ER08-1272-000)

- Sept. 18, 2008 FERC letter order accepting tariff revisions to implement situation specific resource settlement rules (ER08-1438-000)

- Sept. 18, 2008 FERC letter order accepting tariff revisions to the Day-Ahead Security Constrained Unit Commitment process (ER08-1422-000)

- Sept. 24, 2008 FERC letter order accepting a large generator interconnection agreement between NYISO, NYPA and Noble Altona Windpark (ER08-1361-000)

- Sept. 25, 2008 FERC letter order accepting tariff revisions regarding implementation of NYISO's margin restoration payment rules (ER08-1411-000)

- Sept. 30, 2008 FERC order granting and denying in part rehearing of its 3/7/08 order regarding revisions to the market mitigation provisions of the NYISO's in-City ICAP market and accepting, subject to further compliance, various tariff changes (EL07-39-002, ER08-695-000 and 001)

This list is current as of 2:59 P.M. September 30, 2008.