

OPEN ACCESS TRANSMISSION & MARKET ADMINISTRATION AND CONTROL AREA SERVICES TARIFFS

SCHEDULE 1 RATES FOR 2008

The intent of this posting is to describe the 2008 Schedule 1 rates that will be charged under the Open Access Transmission [OATT] and Market Administration and Control Area Services Tariffs [MST]. This notice is based upon the presentation materials accompanying the Management Committee's October 24, 2007 motion recommending the approval of the proposed 2008 NYISO Budget by the Board of Directors.

It should be duly noted that Market Participants have directed the NYISO to administer the Schedule 1 rates for both tariffs to provide for a fixed monthly rate of \$0.787 per megawatt-hour for 2008; however, each tariff provides for monthly variances to address seasonal volume variations. As a result of the fixed rate mandate, there is the potential to over-/under-collect for these costs. The NYISO will monitor the cost recovery of Schedule 1 and will report such trends to market participants periodically throughout the year.

Total NYISO Costs to be Recovered

A. NYISO Cost of Operations	\$128,073,794
B. NYISO Start-Up Cost	\$0
C. FERC Fees	\$8,265,707
D. Forecasted MWh Volumes	173,240,000
E. OATT Rate Schedule 1 Revenue Requirement (\$/MWh) $\{(A + C + [B \div 2]) \div D\}$	\$0.787 per MWh
F. MST Rate Schedule 1 Revenue Requirement (\$/MWh) $\{B \div 2 \div D\}$	\$0.000 per MWh

Rate Schedule 1 for Withdrawals

OATT Rate Schedule 1 Charge for Withdrawals $\{.8 * E\}$	\$0.630 per MWh
MST Rate Schedule 1 Charge for Withdrawals $\{.8 * F\}$	<u>\$0.000 per MWh</u>
Combined Rate Schedule 1 for Withdrawals	\$0.630 per MWh

Rate Schedule 1 for Injections

OATT Rate Schedule 1 Charge for Injections $\{.2 * E\}$	\$0.157 per MWh
MST Rate Schedule 1 Charge for Injections $\{.2 * F\}$	<u>\$0.000 per MWh</u>
Combined Rate Schedule 1 for Injections	\$0.157 per MWh

FERC Accounting (Withdrawals)

575.7	Market Administration, Monitoring & Compliance Services:	\$0.36414 per MWh	57.8%
561.4	Scheduling, System Control & Dispatching Services:	\$0.21294 per MWh	33.8%
561.8	Reliability Planning and Standards Development Services:	<u>\$0.05292 per MWh</u>	<u>8.4%</u>
	Combined Schedule 1 Rate for Withdrawals:	\$0.63000 per MWh	100.0%

FERC Accounting (Injections)

575.7	Market Administration, Monitoring & Compliance Services:	\$0.090746 per MWh	57.8%
561.4	Scheduling, System Control & Dispatching Services:	\$0.053066 per MWh	33.8%
561.8	Reliability Planning and Standards Development Services:	<u>\$0.013188 per MWh</u>	<u>8.4%</u>
	Combined Schedule 1 Rate for Injections:	\$0.157000 per MWh	100.0%

Combined Withdrawal and Injection Rate

Combined Schedule 1 Rate for Withdrawals:	\$0.630 per MWh
OATT Schedule 1 Rate for Injections:	<u>\$0.157 per MWh</u>
Tariff Rate:	\$0.787 per MWh