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# **NYISO President's Report**

*Management Committee Meeting  
April 06, 2005*

*Agenda #3*

# Report Items

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- Market Performance Highlights
- New Facility Update
- FERC/ISO Board Roundtable
- TCC Issue Update

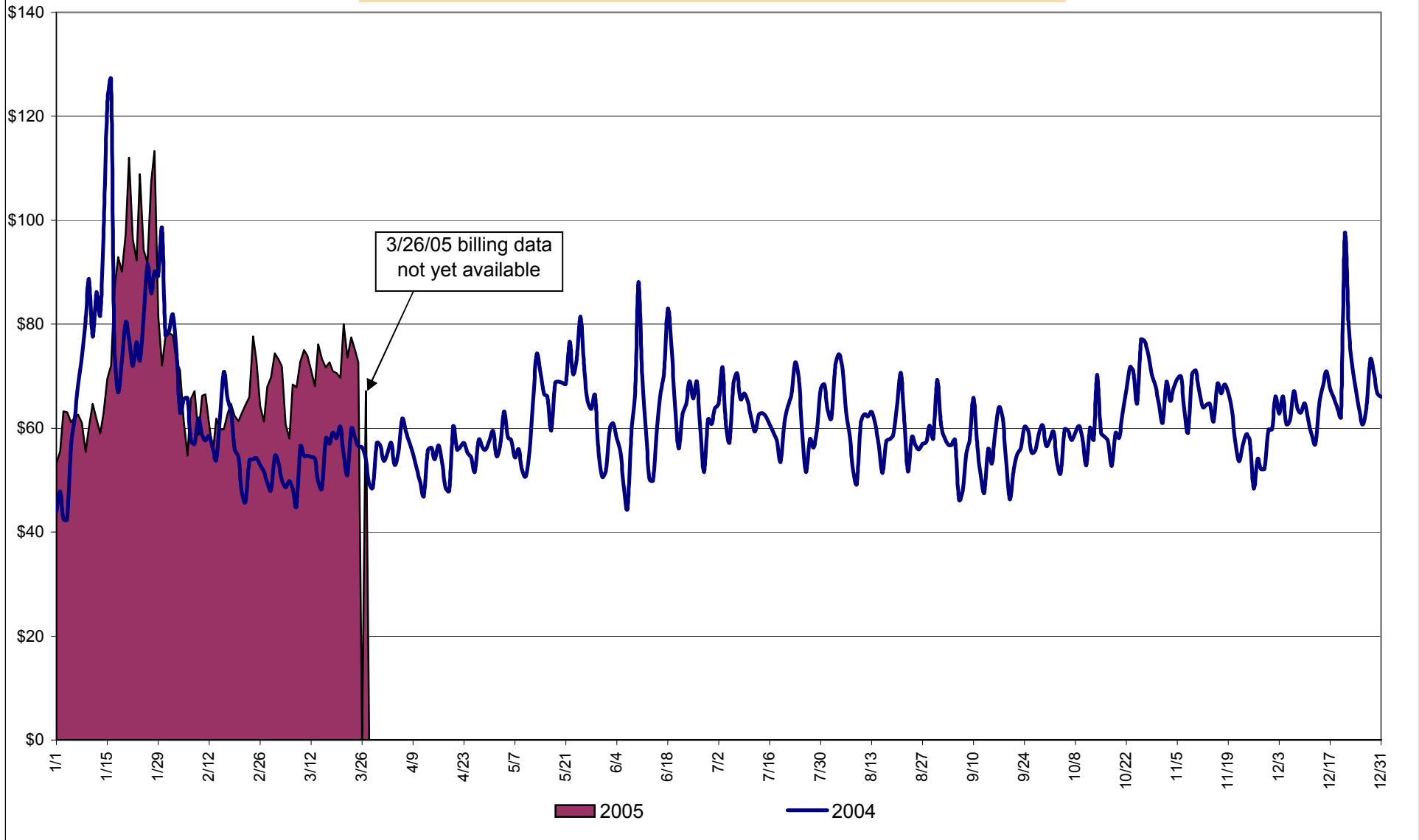
# Proposed Market Performance Highlights for March

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(Note: All numbers are preliminary and most are through 3/25)

- NYISO Average Cost and LBMPs are up this month relative to February.
  - *Average cost is \$71.61/MWh, up from \$65.57/MWh in February*
- All fuel prices are up this month relative to January
  - *Kerosene is \$11.72/mmBTU, up from \$10.24/mmBTU;*
  - *No. 2 Fuel Oil is \$11.01/mmBTU, up from \$9.58/mmBTU;*
  - *Natural Gas is \$7.69/mmBTU, up from \$7.06/mmBTU;*
  - *No. 6 Fuel Oil is \$6.57/mmBTU, up from \$6.12/mmBTU.*
- Evidence to date suggests that some costs previously captured in uplift are now reflected directly in the LBMP.
  - *Uplift is -\$0.56/MWh, down from -\$0.32/MWh in February;*
  - *LBMP cost component increases driven by both higher fuel costs and costs shifted from uplift.*

**Daily NYISO Average Cost/MWh (Energy & Ancillary Services)\***  
**2004 Annual Average \$62.89/MWh**  
**March 2004 YTD Average \$65.51/MWh**  
**March 2005 YTD Average \$72.91/MWh**



\* Excludes ICAP payments

4-A  
Preliminary thru 3/27/05

Market Monitoring  
Prepared: 3/29/2005 14:15

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

<b>2005</b>	<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	75.69	63.91	70.28									
NTAC	0.43	0.36	0.23									
Reserve	0.24	0.06	0.16									
Regulation	0.32	0.39	0.33									
NYISO Cost of Operations	0.79	0.79	0.79									
Uplift	2.14	(0.32)	(0.56)									
Voltage Support and Black Start	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>									
<b>Avg Monthly Cost</b>	80.00	65.57	71.61									
Avg YTD Cost	80.00	73.48	72.91									

<b>2004</b>	<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	76.13	57.13	50.56	52.48	61.24	59.79	59.59	57.20	53.01	58.66	59.80	62.96
NTAC	0.47	0.42	0.55	0.51	0.42	0.53	0.34	0.43	0.23	0.29	0.46	0.69
Reserve	0.27	0.14	0.20	0.17	0.14	0.09	0.07	0.05	0.06	0.12	0.15	0.21
Regulation	0.23	0.34	0.28	0.15	0.13	0.14	0.13	0.17	0.32	0.43	0.45	0.28
NYISO Cost of Operations	0.73	0.73	0.73	0.72	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73
Uplift	1.85	0.59	1.44	0.85	1.15	2.35	2.14	2.49	1.79	2.11	0.91	1.65
Voltage Support and Black Start	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>
<b>Avg Monthly Cost</b>	80.05	59.71	54.12	55.25	64.15	63.99	63.36	61.43	56.51	62.70	62.85	66.88
Avg YTD Cost	80.05	70.93	65.51	63.21	63.39	63.50	63.48	63.19	62.48	62.50	62.53	62.89

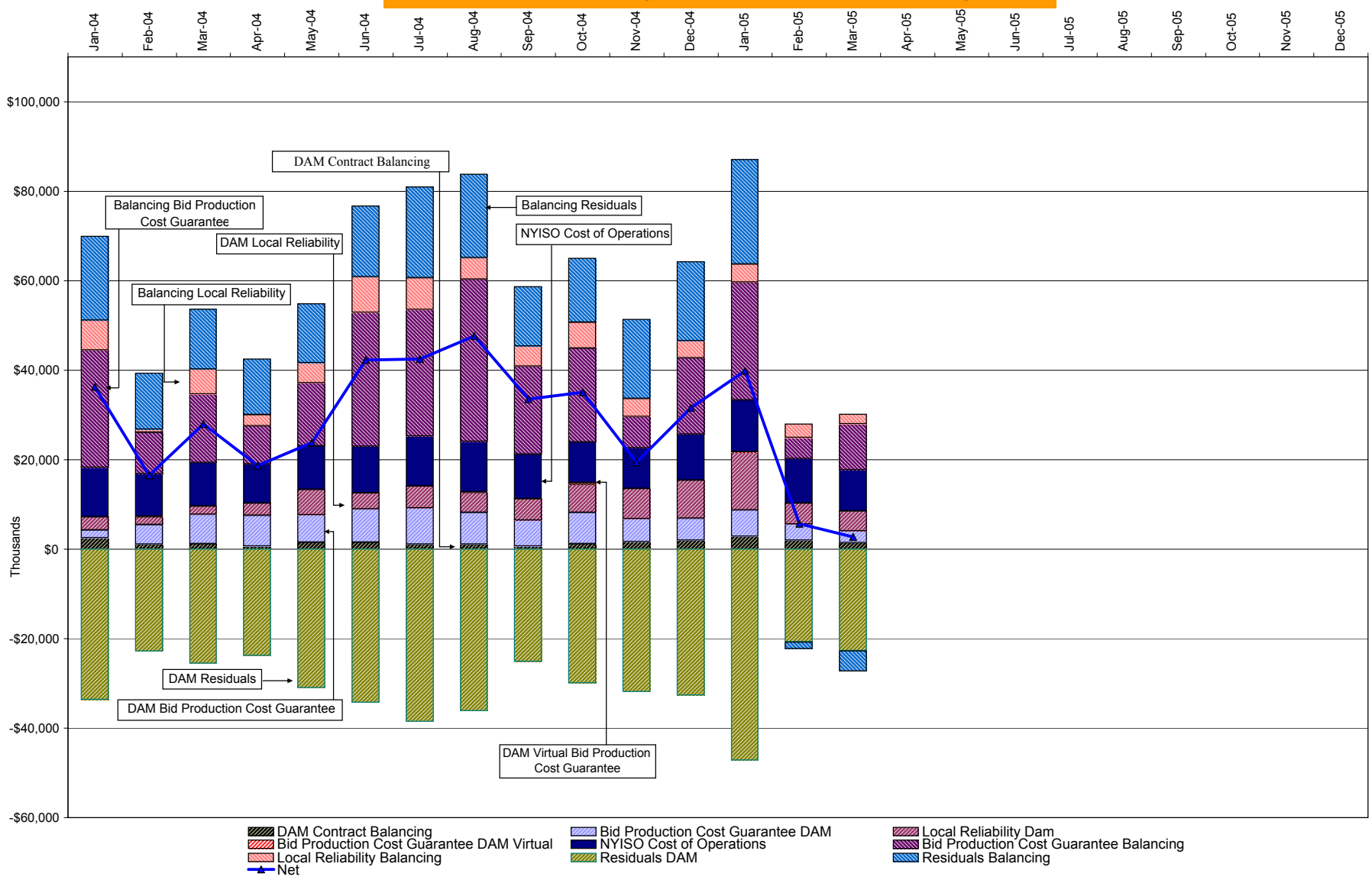
\* Excludes ICAP payments

These numbers reflect the rebilling of prior periods

Market Monitoring  
 Prepared: 3/29/2005 14:15

4-B  
 Preliminary thru 3/27/05  
 (3/26 billing data not yet available)

## NYISO Dollar Flows - Uplift - OATT Schedule 1 components



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 are revenue charged or returned to customers due to the under or over collection of funds. On this chart, negative values represent funds returned to Transmission Customers (through Transmission Owners' Transmission Service Charges).

**NYISO Markets Transactions**

<b>2005</b>	<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>
<b>Day Ahead Market MWh</b>	13,808,688	12,510,148	11,332,098									
DAM LSE Internal LBMP Energy Sales	48%	49%	52%									
DAM External TC LBMP Energy Sales	3%	1%	1%									
DAM Bilateral - Internal Bilaterals	47%	48%	45%									
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%									
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%									
DAM Bilateral - Wheel Through Bilaterals	1%	0%	0%									
<b>Balancing Energy Market MWh</b>	409,695	127,124	289,760									
Balancing Energy LSE Internal LBMP Energy Sales	77%	-35%	28%									
Balancing Energy External TC LBMP Energy Sales	42%	156%	73%									
Balancing Energy Bilateral - Internal Bilaterals	-13%	-9%	3%									
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%									
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	0%	0%									
Balancing Energy Bilateral - Wheel Through Bilaterals	-7%	-13%	-4%									
<b>Transactions Summary</b>												
LBMP	53%	51%	54%									
Internal Bilaterals	45%	47%	44%									
Import Bilaterals	1%	1%	1%									
Export Bilaterals	1%	1%	1%									
Wheels Through	0%	0%	0%									
<b>Market Share of Total Load</b>												
Day Ahead Market	97.1%	99.0%	97.5%									
Balancing Energy †	2.9%	1.0%	2.5%									
Total MWh	14,218,383	12,637,272	11,621,858									
Average Daily Energy Sendout/Month GWh	462	447	441									
<b>2004</b>	<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>
<b>Day Ahead Market MWh</b>	14,614,304	12,806,346	12,836,889	11,818,317	13,026,160	13,737,390	15,071,422	14,939,105	13,228,022	12,375,053	12,214,936	13,471,387
DAM LSE Internal LBMP Energy Sales	52%	50%	51%	51%	47%	49%	53%	54%	53%	52%	53%	49%
DAM External TC LBMP Energy Sales	4%	2%	3%	3%	4%	3%	2%	1%	1%	0%	0%	2%
DAM Bilateral - Internal Bilaterals	41%	45%	44%	44%	46%	45%	43%	43%	44%	45%	44%	48%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	1%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%
<b>Balancing Energy Market MWh</b>	367,460	269,220	508,837	238,876	379,159	424,726	139,472	297,506	322,983	68,554	275,972	574,623
Balancing Energy LSE Internal LBMP Energy Sales	66%	31%	61%	84%	30%	29%	-46%	35%	19%	-9%	24%	70%
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%	38%	77%	74%	170%	73%	50%	125%	69%	30%
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%	-9%	3%	5%	13%	5%	39%	23%	11%	3%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	1%	1%	0%	1%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%	-14%	-11%	-8%	-39%	-13%	-8%	-40%	-5%	-3%
<b>Transactions Summary</b>												
LBMP	58%	54%	56%	55%	53%	54%	55%	56%	54%	53%	55%	52%
Internal Bilaterals	40%	44%	42%	43%	45%	44%	43%	43%	44%	45%	44%	46%
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	0%	1%	0%	1%	1%	0%	1%	1%	0%	0%	0%
<b>Market Share of Total Load</b>												
Day Ahead Market	97.5%	97.9%	96.2%	98.0%	97.2%	97.0%	99.1%	98.0%	97.6%	99.4%	97.8%	95.9%
Balancing Energy †	2.5%	2.1%	3.8%	2.0%	2.8%	3.0%	0.9%	2.0%	2.4%	0.6%	2.2%	4.1%
Total MWh	14,981,764	13,075,566	13,345,726	12,057,193	13,405,319	14,162,116	15,210,894	15,236,611	13,551,005	12,443,607	12,490,908	14,046,010
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485	447	403	415	447

† 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 2005 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>
<b><u>DAY AHEAD LBMP</u></b>												
Price *	\$69.55	\$61.04	\$67.75									
Standard Deviation	\$23.42	\$12.00	\$12.49									
Load Wtg.Price **	\$72.26	\$62.42	\$69.14									
<b><u>RTC *** LBMP</u></b>												
Price *	\$74.47	\$56.21	\$70.91									
Standard Deviation	\$44.64	\$17.81	\$24.89									
Load Wtg.Price **	\$77.48	\$57.10	\$72.62									
<b><u>REAL TIME LBMP</u></b>												
Price *	\$70.25	\$55.92	\$65.77									
Standard Deviation	\$31.79	\$45.90	\$45.05									
Load Wtg.Price **	\$73.26	\$57.23	\$67.24									
Average Daily Energy Sendout/Month GWh	462	447	441									

### NYISO Markets 2004 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>
<b><u>DAY AHEAD LBMP</u></b>												
Price *	\$72.12	\$55.31	\$49.08	\$51.01	\$57.25	\$55.03	\$55.33	\$52.59	\$49.03	\$55.32	\$55.89	\$58.70
Standard Deviation	\$25.99	\$14.40	\$10.90	\$11.42	\$16.72	\$17.82	\$12.68	\$12.49	\$11.17	\$12.89	\$14.62	\$14.44
Load Wtg.Price **	\$75.01	\$56.90	\$50.44	\$52.50	\$59.89	\$58.29	\$57.32	\$54.60	\$50.78	\$56.93	\$57.80	\$60.52
<b><u>RTC *** LBMP</u></b>												
Price *	\$77.51	\$54.41	\$53.01	\$56.94	\$60.98	\$59.15	\$60.43	\$58.27	\$58.01	\$57.59	\$56.91	\$62.28
Standard Deviation	\$37.54	\$15.73	\$16.25	\$18.41	\$23.58	\$24.50	\$20.60	\$19.57	\$25.82	\$16.11	\$19.63	\$21.85
Load Wtg.Price **	\$80.51	\$55.89	\$54.71	\$58.89	\$64.14	\$63.17	\$62.81	\$61.02	\$60.75	\$59.27	\$59.12	\$64.24
<b><u>REAL TIME LBMP</u></b>												
Price *	\$73.72	\$52.95	\$49.56	\$50.83	\$56.20	\$54.03	\$55.08	\$52.89	\$51.06	\$54.00	\$55.46	\$61.76
Standard Deviation	\$32.61	\$15.04	\$17.75	\$14.15	\$25.74	\$23.42	\$17.07	\$19.56	\$15.59	\$17.42	\$20.32	\$37.79
Load Wtg.Price **	\$76.85	\$54.33	\$51.27	\$52.36	\$59.61	\$58.01	\$57.44	\$55.75	\$53.06	\$55.57	\$57.67	\$64.65
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485	447	403	415	447

\* Average zonal load weighted prices

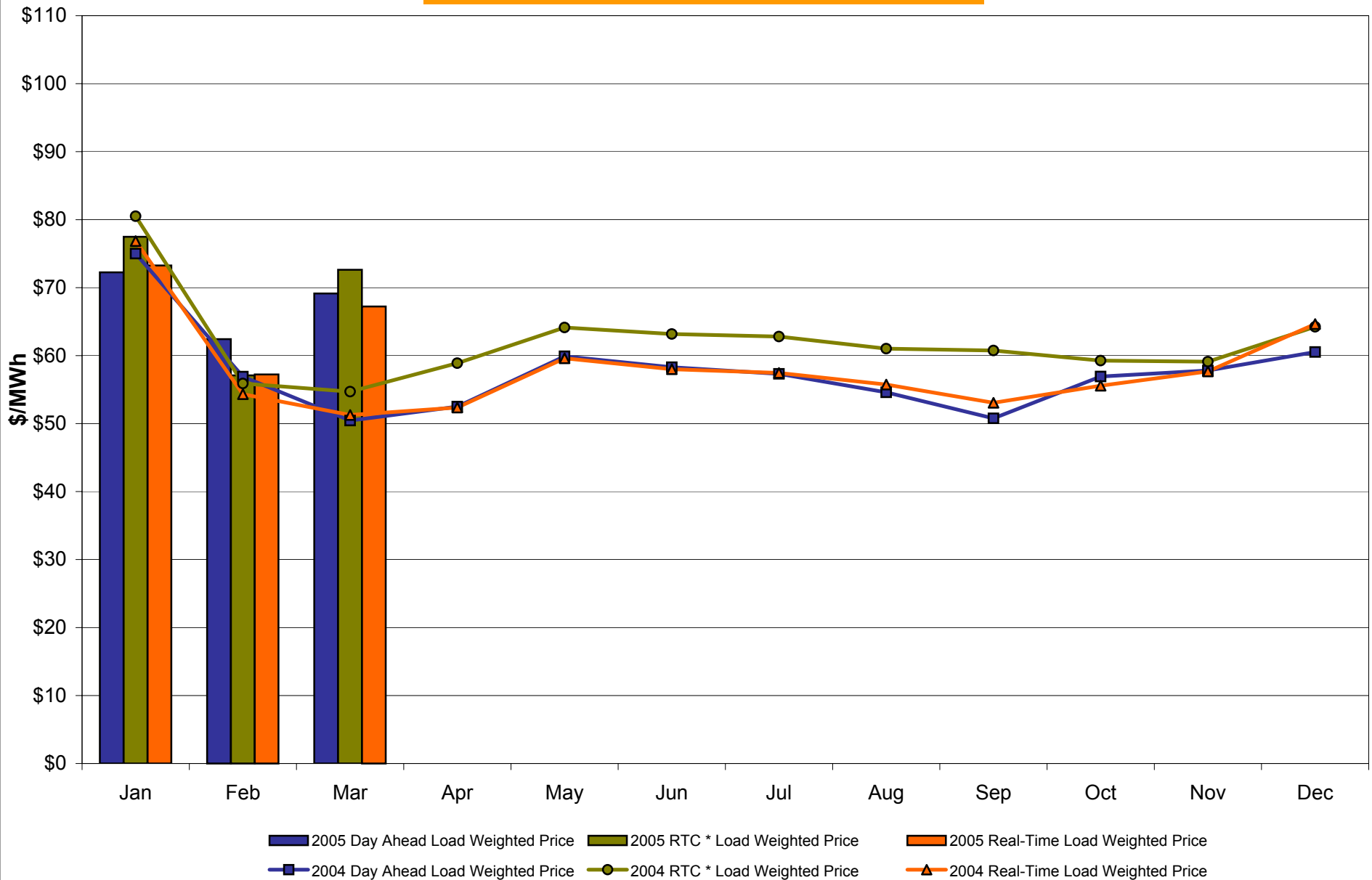
\*\* Average zonal load weighted prices, load weighted in each hour

\*\*\* Referred to as RTC beginning February 2005

Prior to February 2005 known as BME or Hour Ahead Market (HAM)



## NYISO Monthly Average Internal LBMPs 2004 - 2005



\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

**March 2005 Zonal Statistics for NYISO (\$/MWh)**

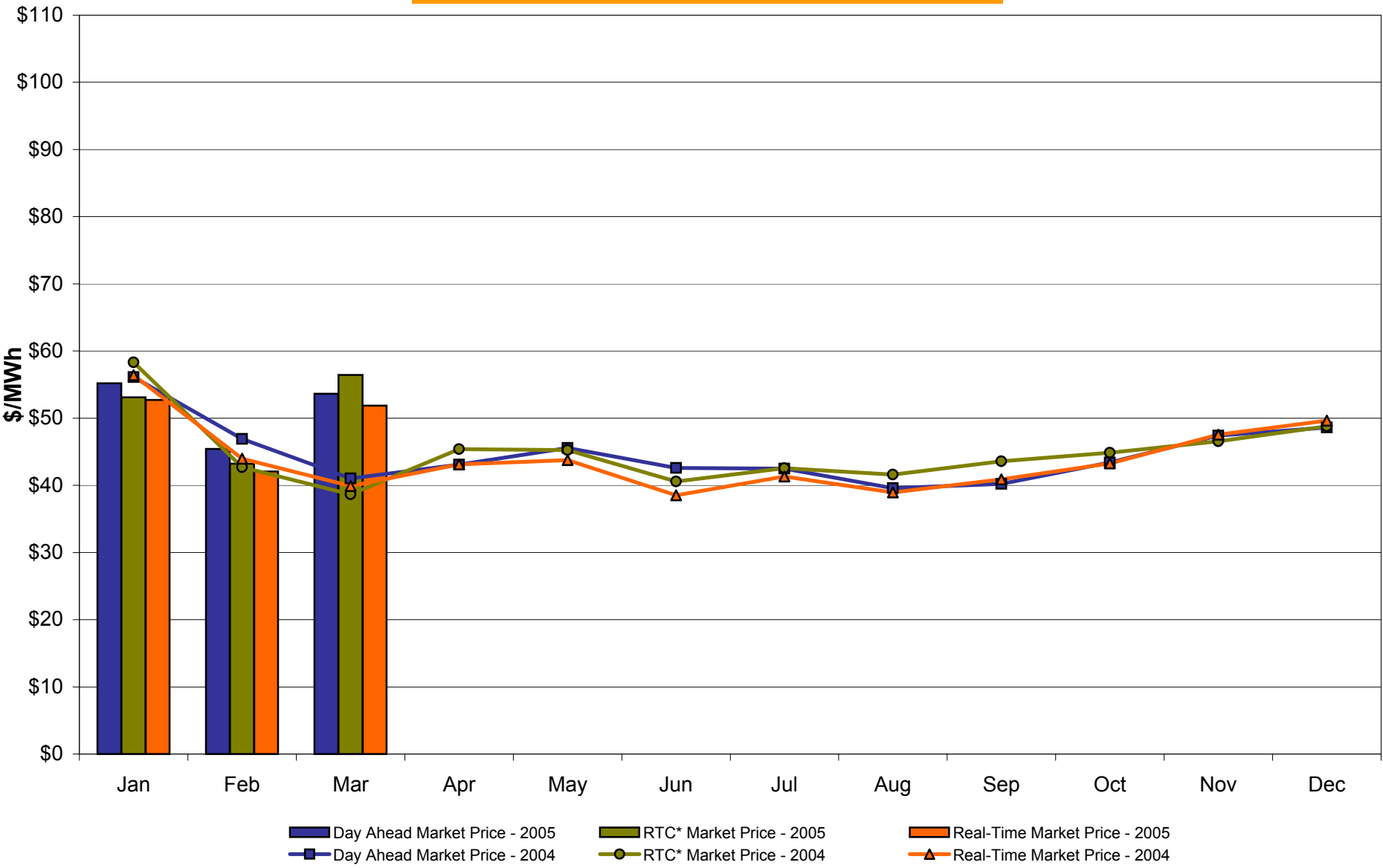
	<u>WEST Zone A</u>	<u>GENESEE Zone B</u>	<u>NORTH Zone D</u>	<u>CENTRAL Zone C</u>	<u>MOHAWK VALLEY Zone E</u>	<u>CAPITAL Zone F</u>	<u>HUDSON VALLEY Zone G</u>	<u>MILLWOOD Zone H</u>	<u>DUNWOODIE Zone I</u>	<u>NEW YORK CITY Zone J</u>	<u>LONG ISLAND Zone K</u>
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	53.65	56.96	57.98	58.38	60.32	64.40	65.16	66.15	66.54	77.00	78.75
Standard Deviation	9.89	10.68	9.99	10.73	10.86	12.31	12.63	13.33	13.02	18.10	12.66
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	56.45	59.64	60.75	61.01	63.12	67.38	68.34	68.87	68.96	80.05	83.57
Standard Deviation	22.28	23.10	22.33	23.06	23.55	24.48	24.84	24.93	24.95	29.39	35.30
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	51.86	54.69	55.33	56.10	57.85	66.06	65.77	66.35	66.42	80.94	80.20
Standard Deviation	16.40	17.61	19.50	17.44	18.32	61.75	45.05	46.41	46.20	54.57	47.04
	<u>ONTARIO IESO Zone O</u>	<u>HYDRO QUEBEC Zone M</u>	<u>PJM Zone P</u>	<u>NEW ENGLAND Zone N</u>							
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	52.56	58.16	54.56	64.46							
Standard Deviation	9.50	10.13	11.04	12.25							
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	49.96	56.69	52.71	63.08							
Standard Deviation	45.03	12.43	13.24	14.02							
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	49.04	55.29	52.50	65.54							
Standard Deviation	45.70	18.92	16.48	54.83							

\* Straight zonal LBMP averages

\*\* Referred to as RTC beginning February 2005

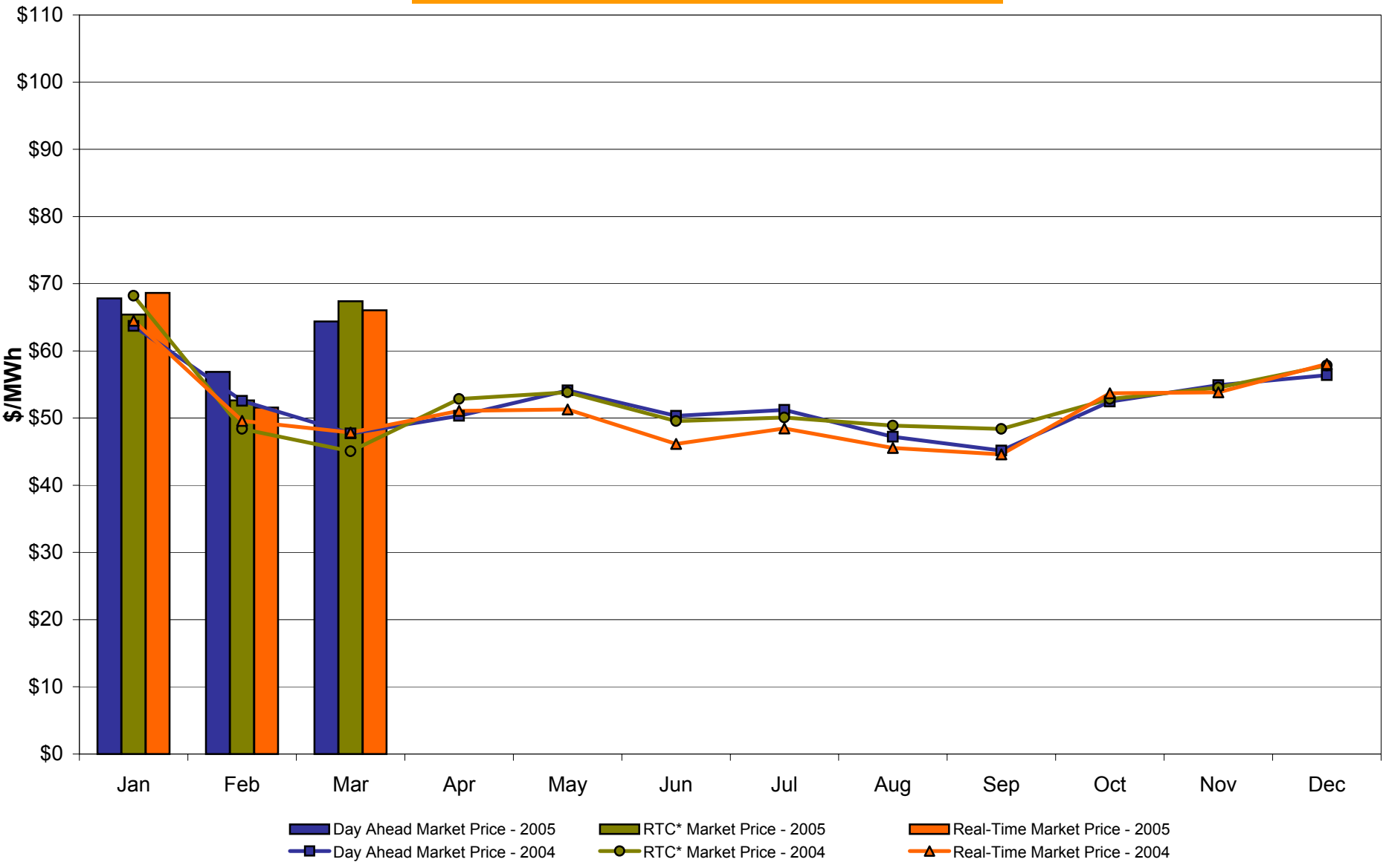
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## West Zone A Monthly Average LBMP Prices 2004 - 2005



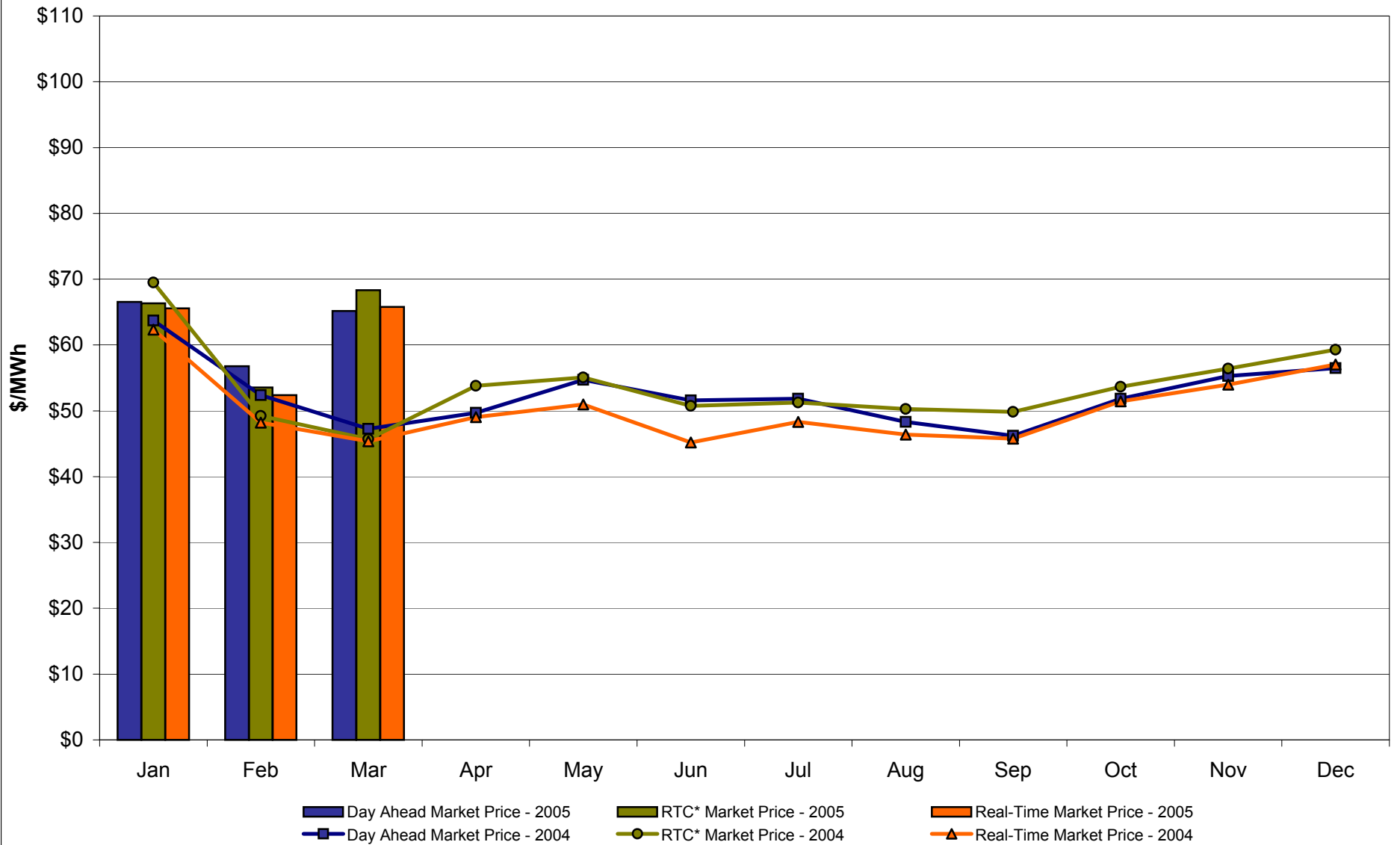
\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## Capital Zone F Monthly Average LBMP Prices 2004 - 2005



\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

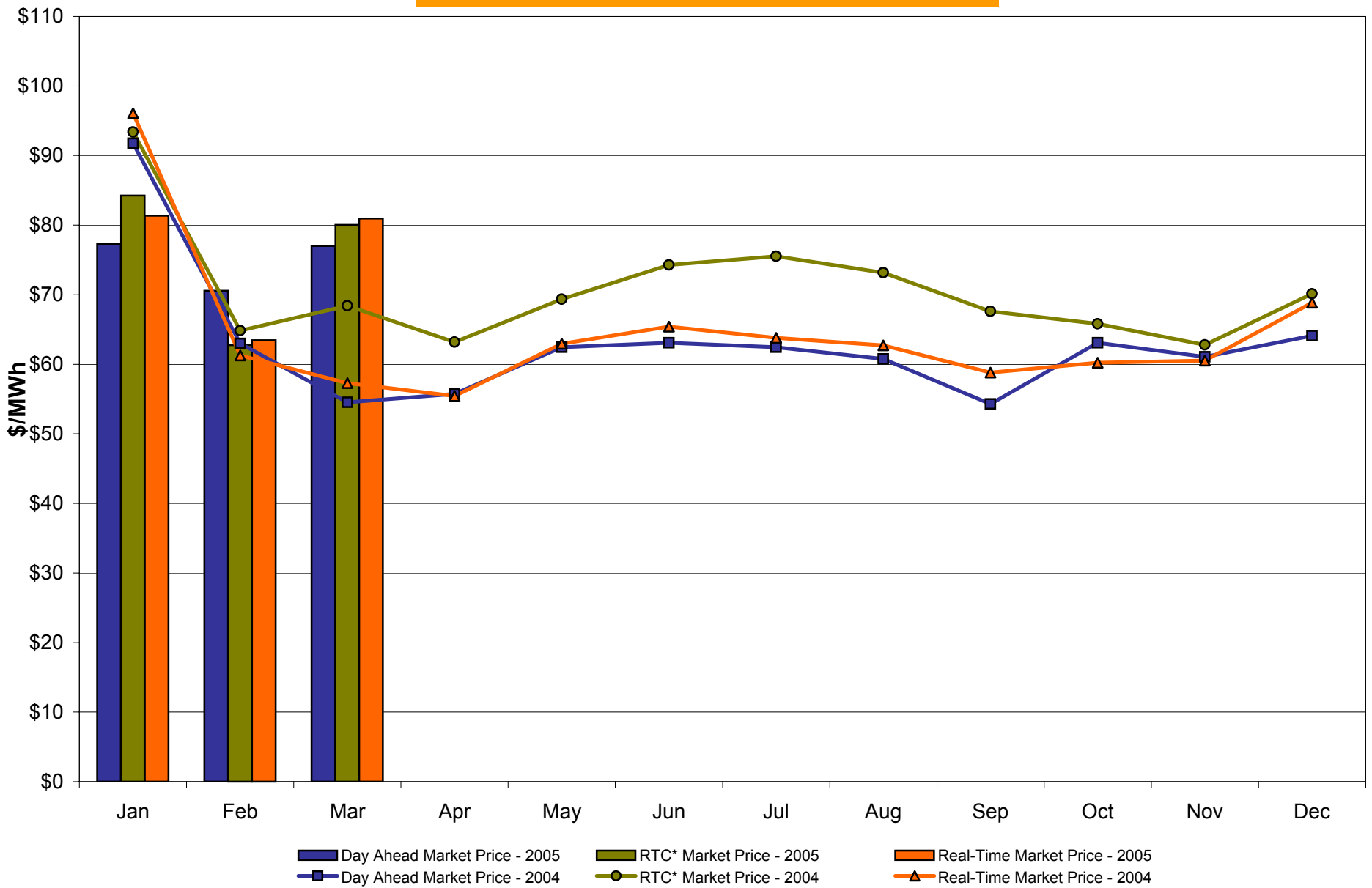
## Hudson Valley Zone G Monthly Average LBMP Prices 2004 - 2005



\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

4-J  
Preliminary thru 3/25/05

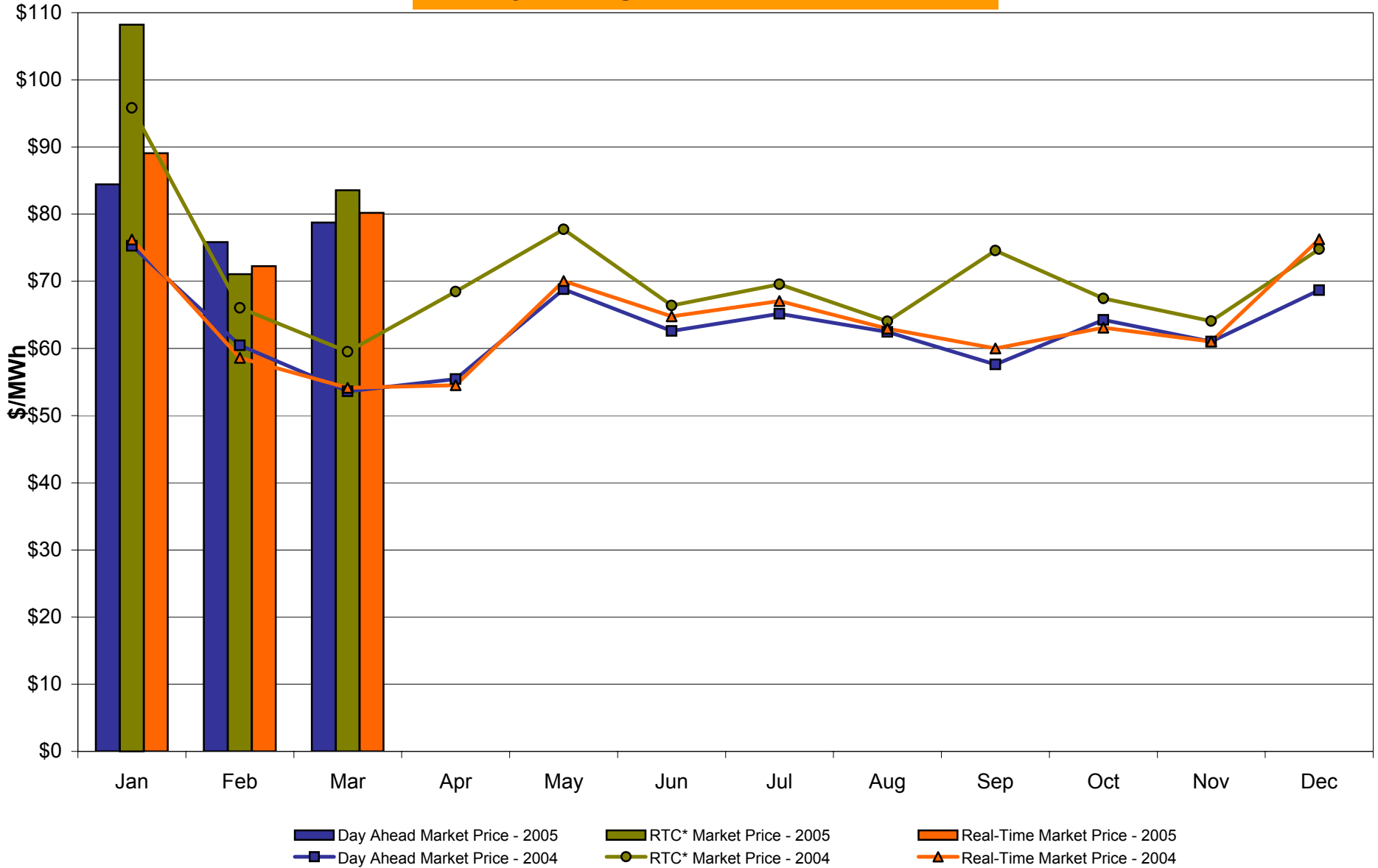
## NYC Zone J Monthly Average LBMP Prices 2004 - 2005



\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

4-K  
 Preliminary thru 3/25/05

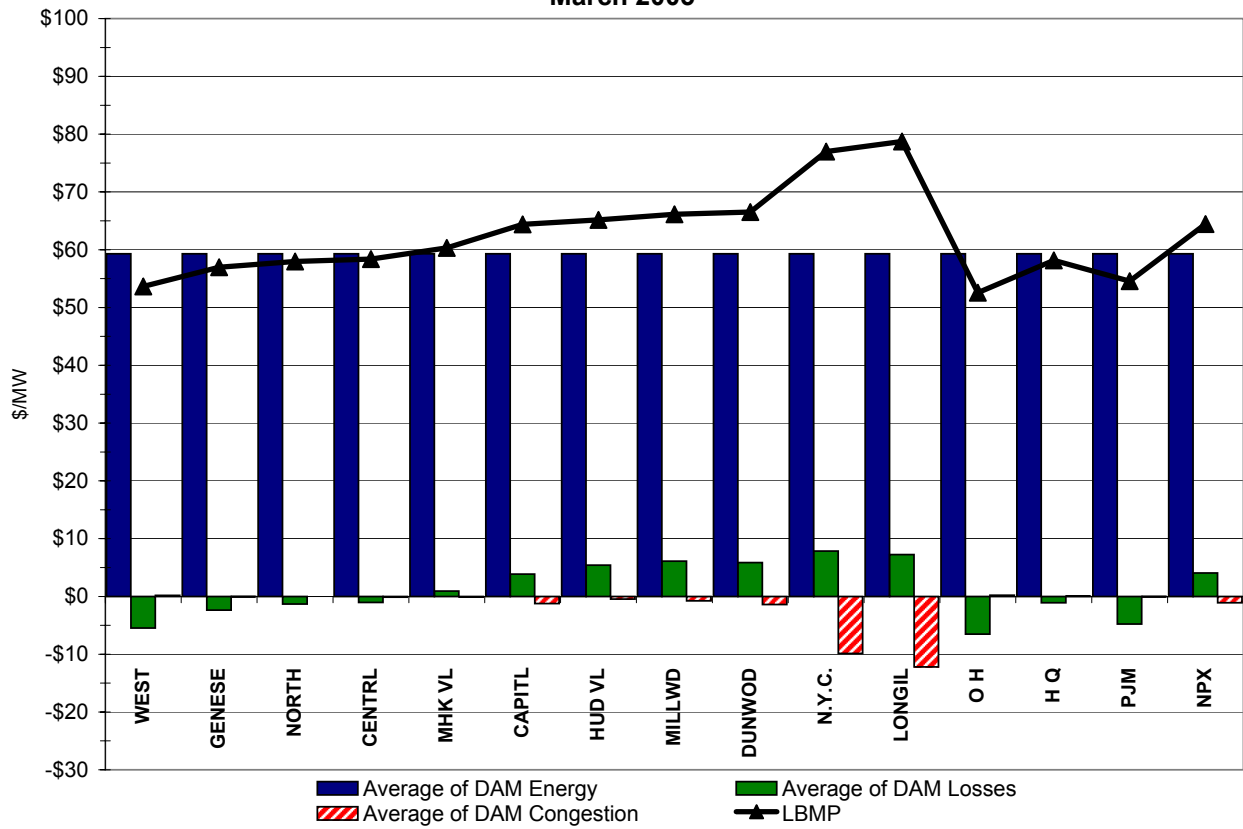
## Long Island Zone K Monthly Average LBMP Prices 2004 - 2005



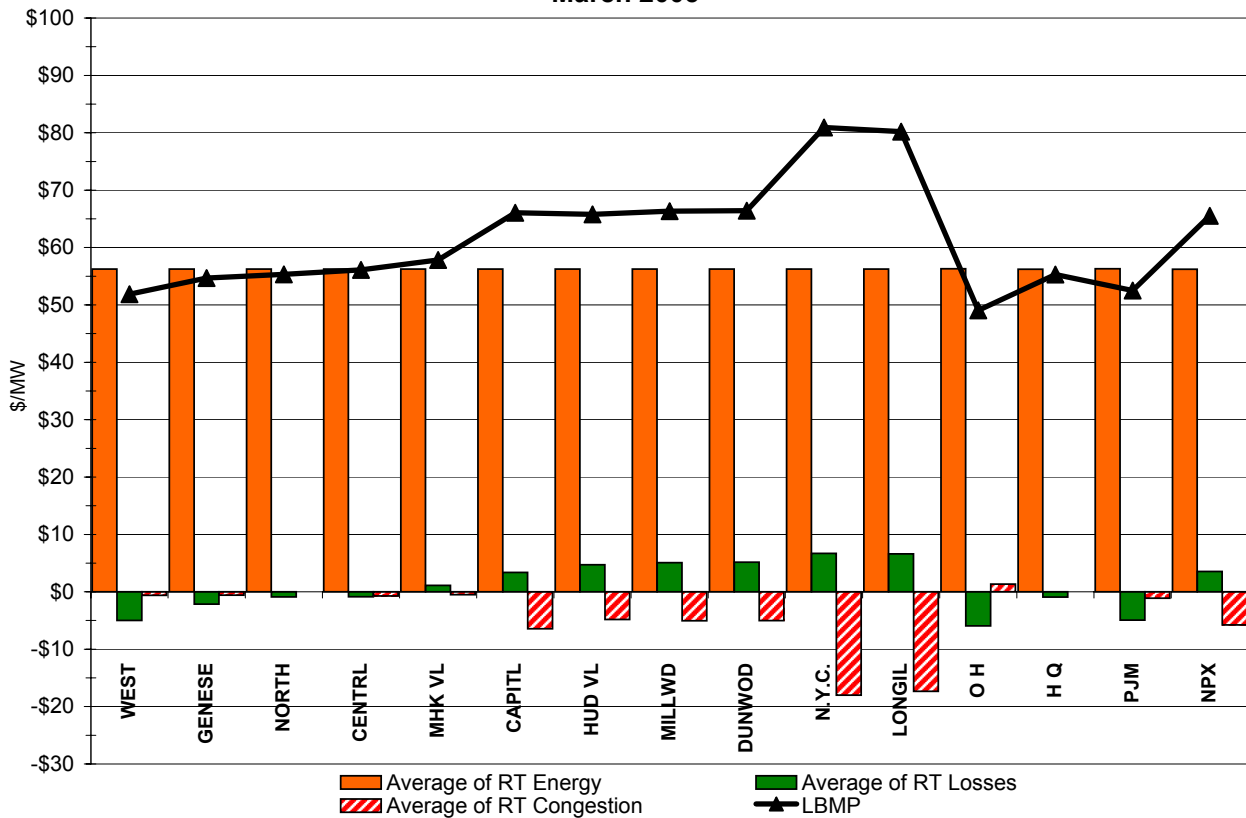
\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

4-L  
Preliminary thru 3/25/05

**DAM Zonal Unweighted Monthly Average LBMP Components  
March 2005**

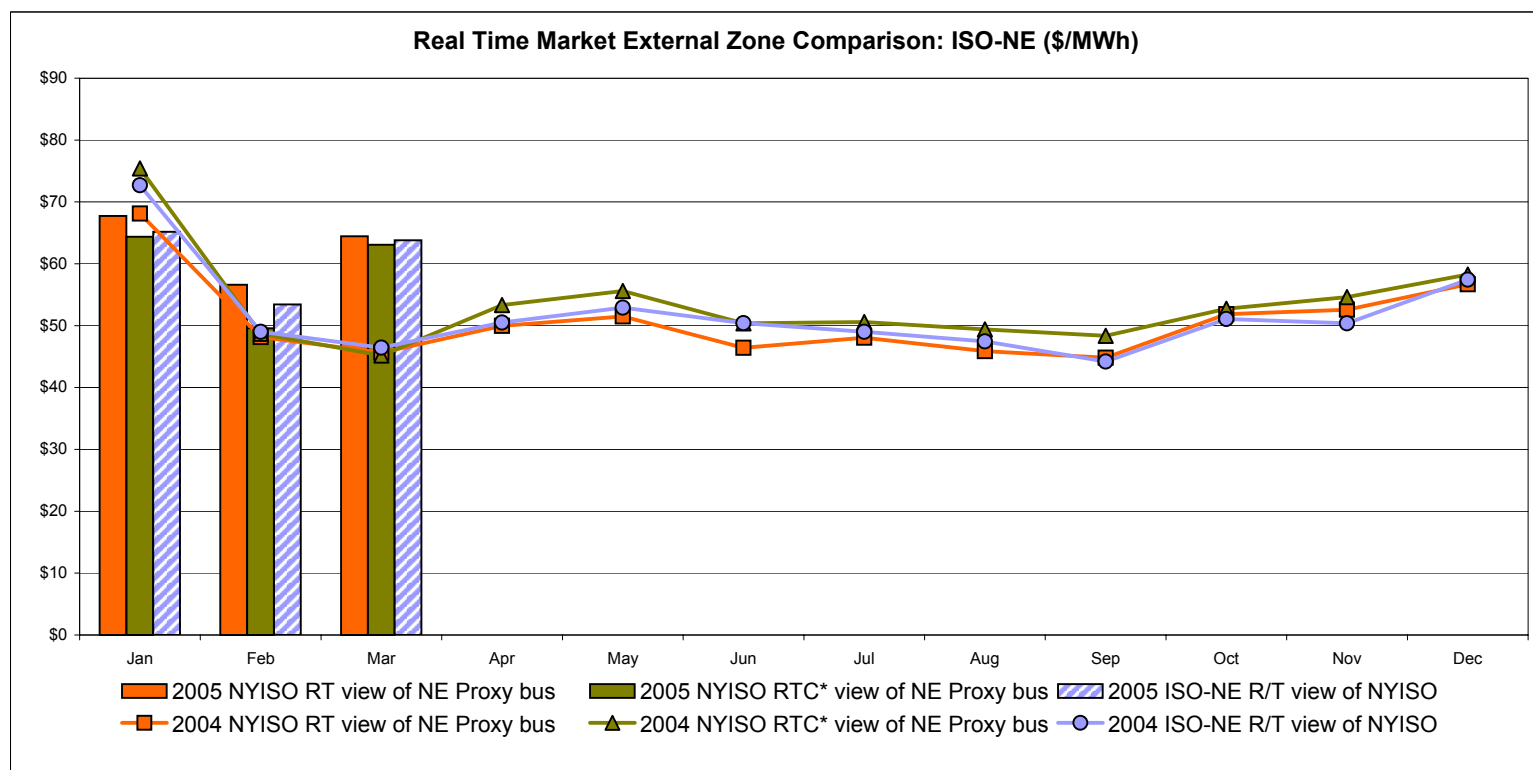
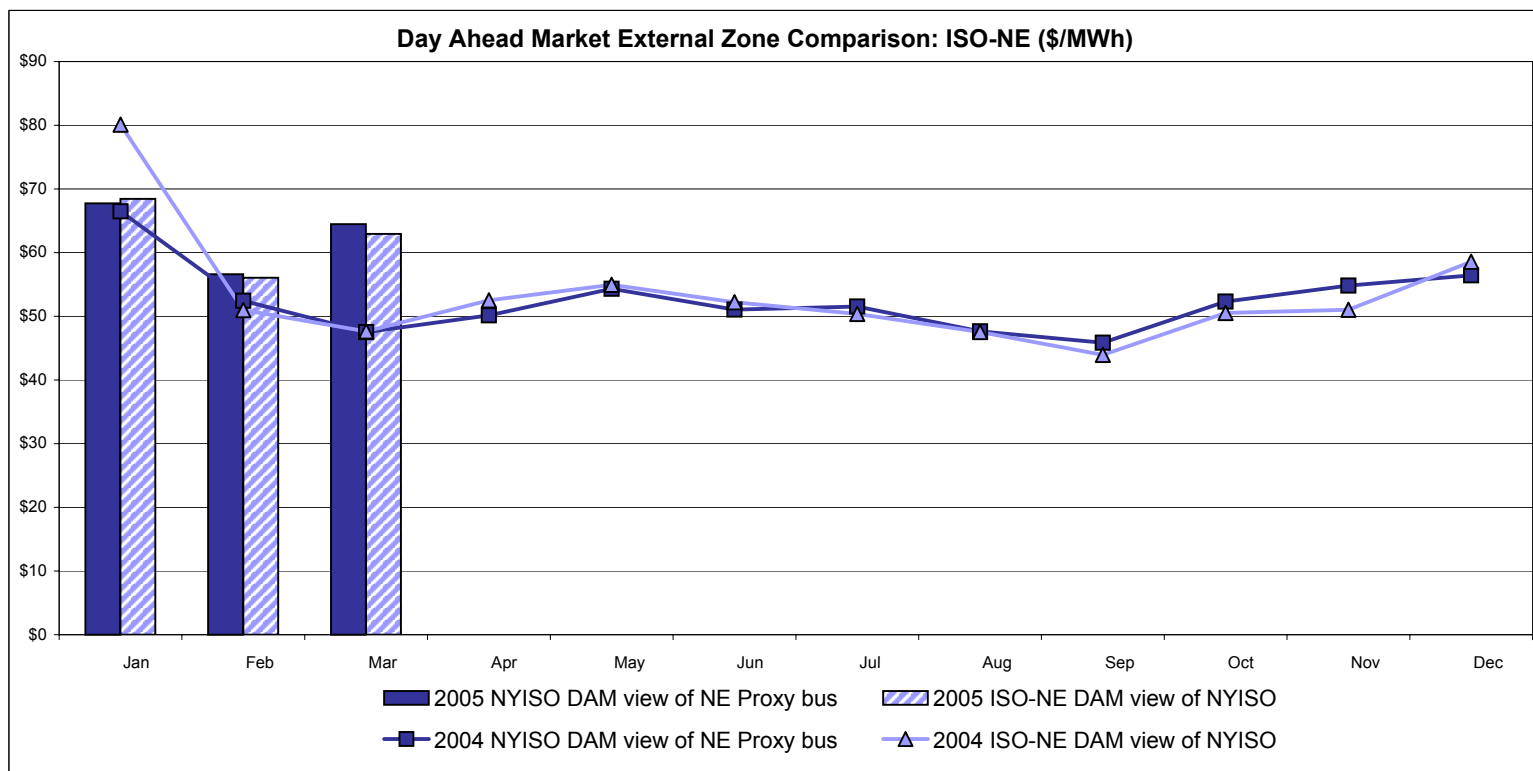


**RT Zonal Unweighted Monthly Average LBMP Components  
March 2005**





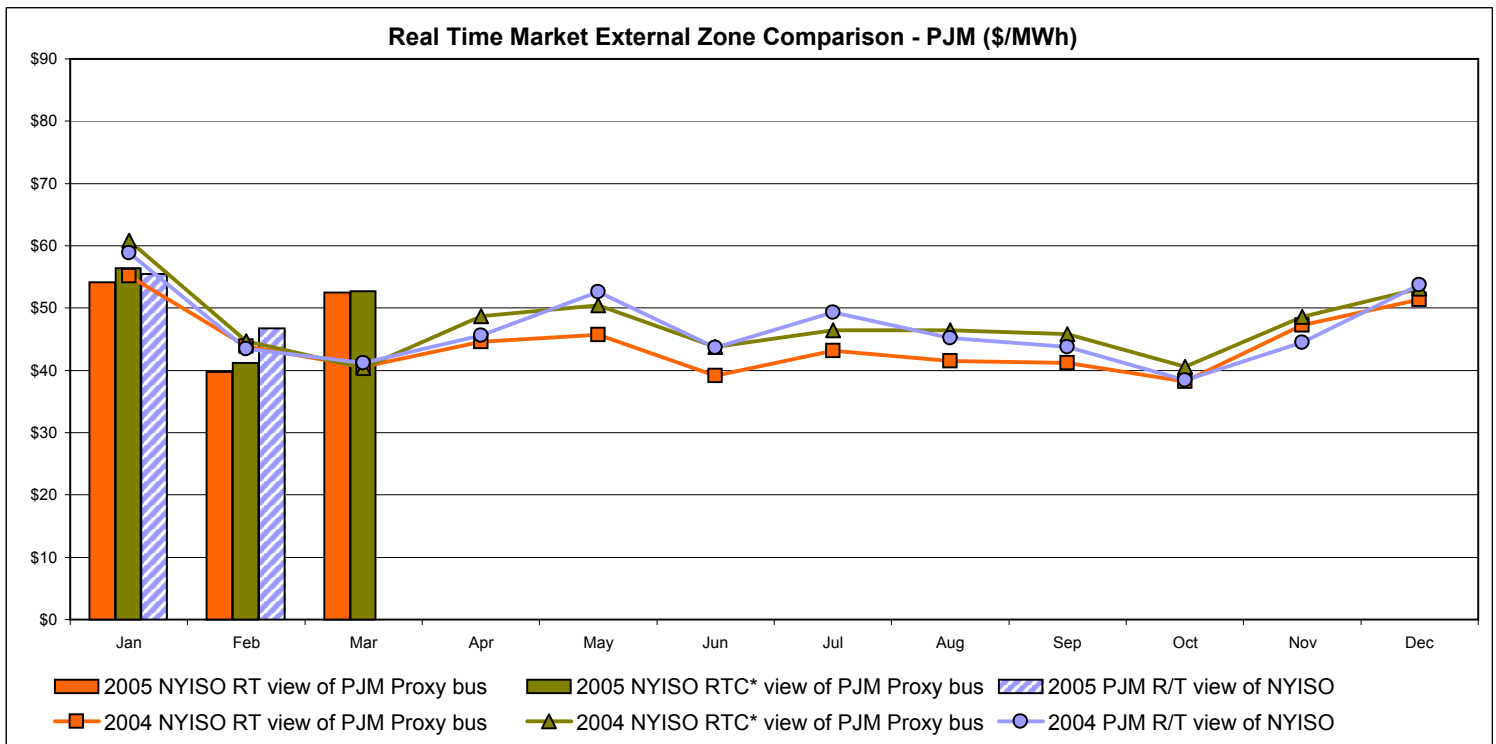
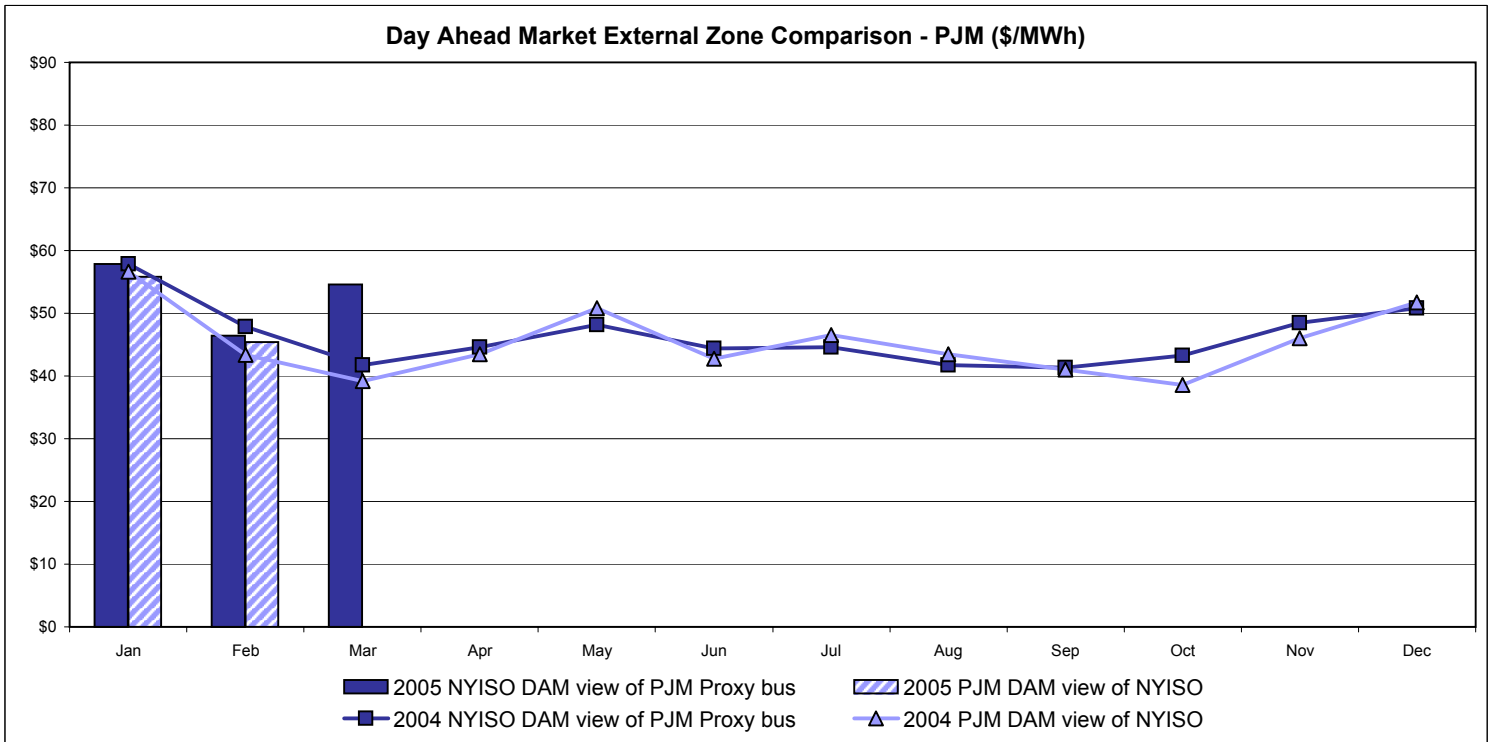
## External Comparison ISO-New England



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

\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

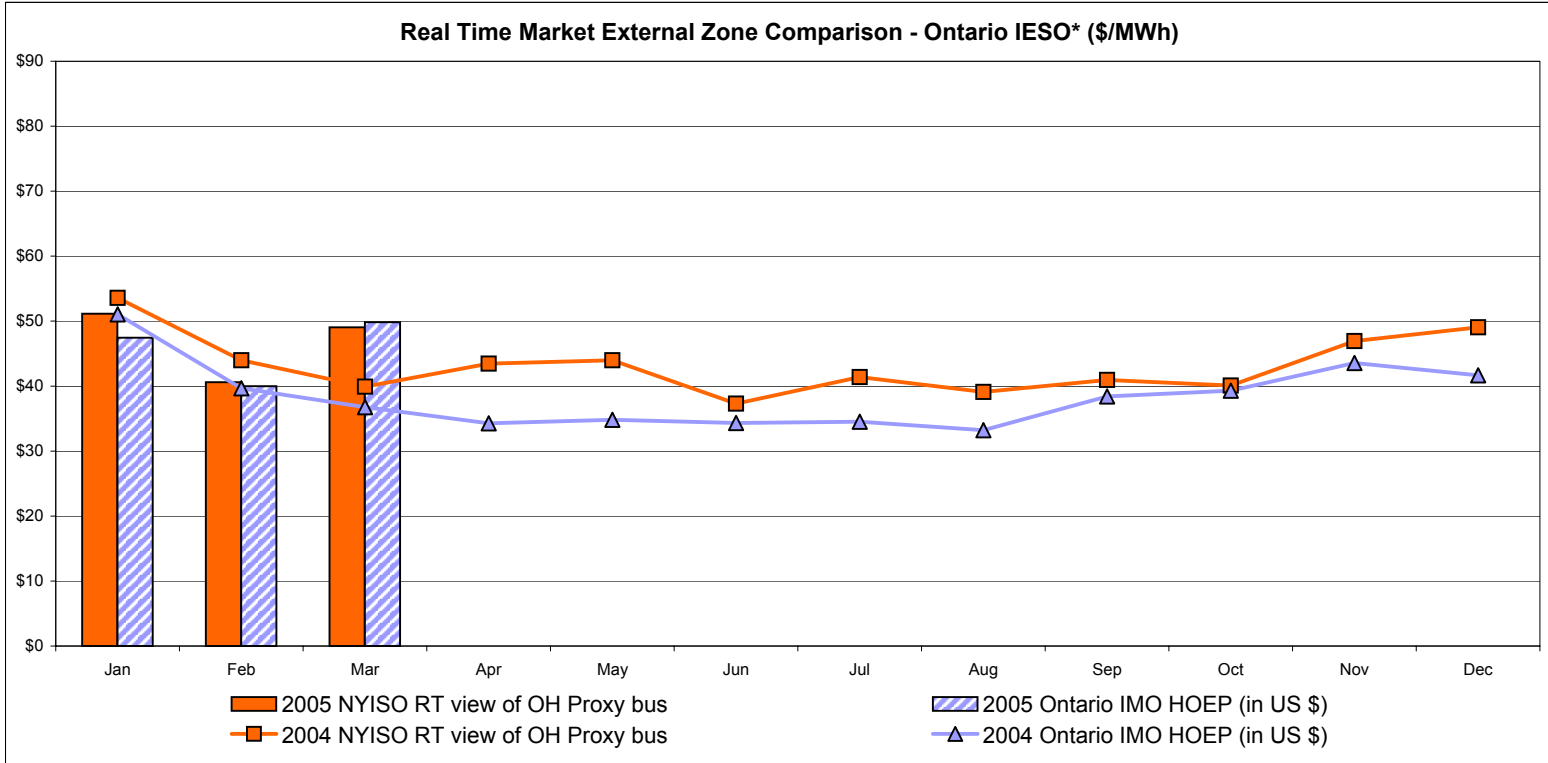
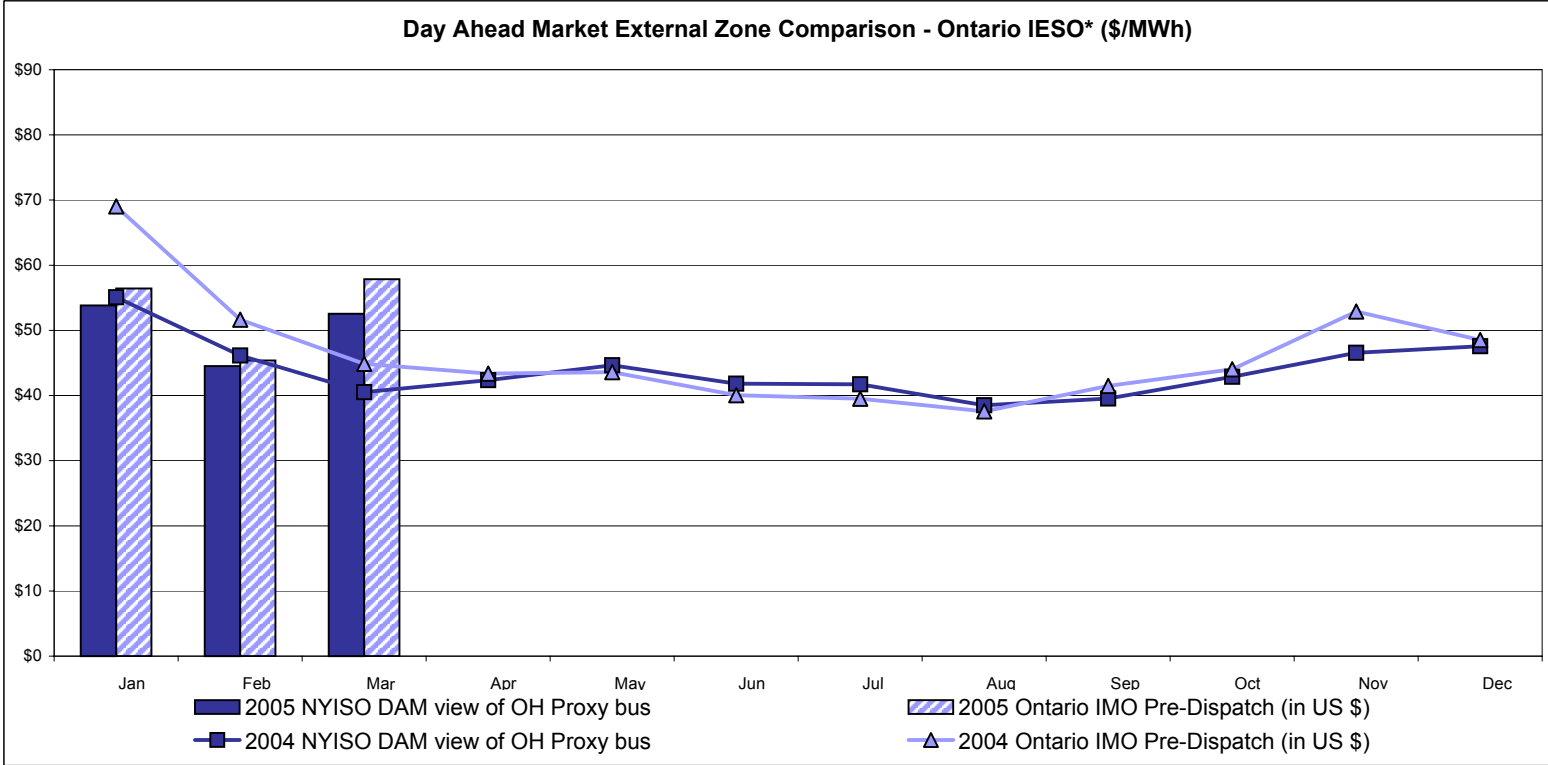
# External Comparison PJM



\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

March 2005 data not yet posted by PJM

# External Comparison Ontario IESO\*



Notes: Exchange factor used for March 2005 was .82 to US \$  
 HOEP: Hourly Ontario Energy Price  
 Pre-Dispatch: Projected Energy Price

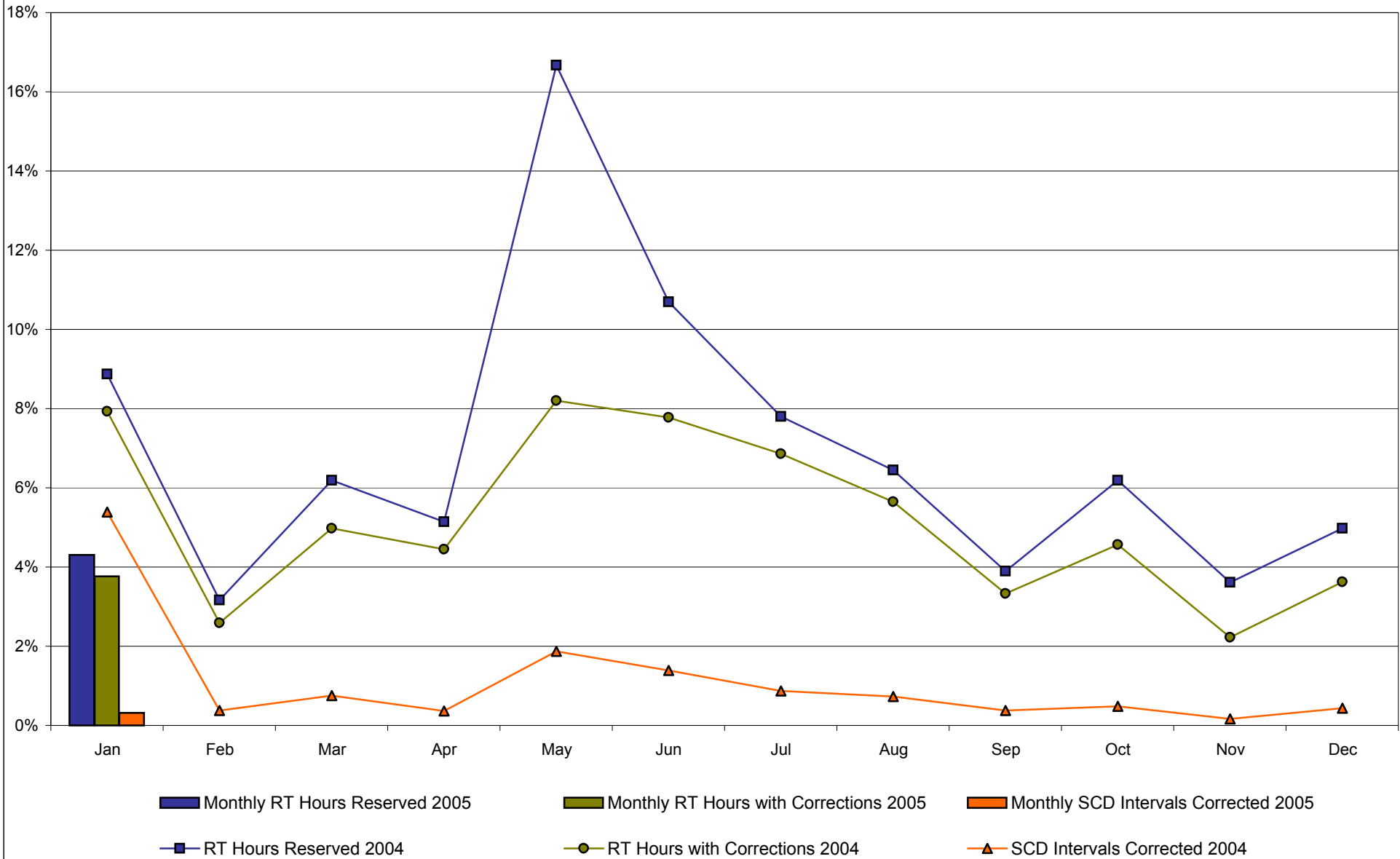
\* Independent Electricity System Operator formerly known as the Independent Electricity Market Operator (IMO)

## NYISO Price Correction Statistics

		January	February *	March *	April	May	June	July	August	September	October	November	December
<b>2005</b>													
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	28											
Number of hours	in the month	744											
% of hours with corrections	in the month	3.76%											
Number of hours with corrections	year-to-date	28											
Number of hours	year-to-date	744											
% of hours with corrections	year-to-date	3.76%											
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	37											
Number of intervals	in the month	11,811											
% of intervals corrected	in the month	0.31%											
Number of intervals corrected	year-to-date	37											
Number of intervals	year-to-date	11,811											
% of intervals corrected	year-to-date	0.31%											
<b>Hours Reserved</b>													
Number of hours reserved	in the month	32											
Number of hours	in the month	744											
% of hours reserved	in the month	4.30%											
Number of hours reserved	year-to-date	32											
Number of hours	year-to-date	744											
% of hours reserved	year-to-date	4.30%											
<b>Days Without Corrections</b>													
Days without corrections	in the month	12											
Days without corrections	year-to-date	12											
<b>2004</b>													
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	59	18	37	32	61	56	51	42	24	34	16	27
Number of hours	in the month	744	696	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	7.93%	2.59%	4.97%	4.44%	8.20%	7.78%	6.85%	5.65%	3.33%	4.57%	2.22%	3.63%
Number of hours with corrections	year-to-date	59	77	114	146	207	263	314	356	380	414	430	457
Number of hours	year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	8,784
% of hours with corrections	year-to-date	7.93%	5.35%	5.22%	5.03%	5.67%	6.02%	6.14%	6.08%	5.78%	5.66%	5.35%	5.20%
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	597	40	83	40	220	156	100	84	42	56	19	52
Number of intervals	in the month	11,089	10,495	11,085	10,805	11,740	11,234	11,467	11,552	11,178	11,515	11,217	11,790
% of intervals corrected	in the month	5.38%	0.38%	0.75%	0.37%	1.87%	1.39%	0.87%	0.73%	0.38%	0.49%	0.17%	0.44%
Number of intervals corrected	year-to-date	597	637	720	760	980	1,136	1,236	1,320	1,362	1,418	1,437	1,489
Number of intervals	year-to-date	11,089	21,584	32,669	43,474	55,214	66,448	77,915	89,467	100,645	112,160	123,377	135,167
% of intervals corrected	year-to-date	5.38%	2.95%	2.20%	1.75%	1.77%	1.71%	1.59%	1.48%	1.35%	1.26%	1.16%	1.10%
<b>Hours Reserved</b>													
Number of hours reserved	in the month	66	22	46	37	124	77	58	48	28	46	26	37
Number of hours	in the month	744	696	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	8.87%	3.16%	6.18%	5.14%	16.67%	10.69%	7.80%	6.45%	3.89%	6.18%	3.61%	4.97%
Number of hours reserved	year-to-date	66	88	134	171	295	372	430	478	506	552	578	615
Number of hours	year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	8,784
% of hours reserved	year-to-date	8.87%	6.11%	6.14%	5.89%	8.09%	8.52%	8.41%	8.16%	7.69%	7.54%	7.19%	7.00%
<b>Days Without Corrections</b>													
Days without corrections	in the month	14	20	11	9	8	6	9	12	12	14	19	15
Days without corrections	year-to-date	14	34	45	54	62	68	77	89	101	115	134	149

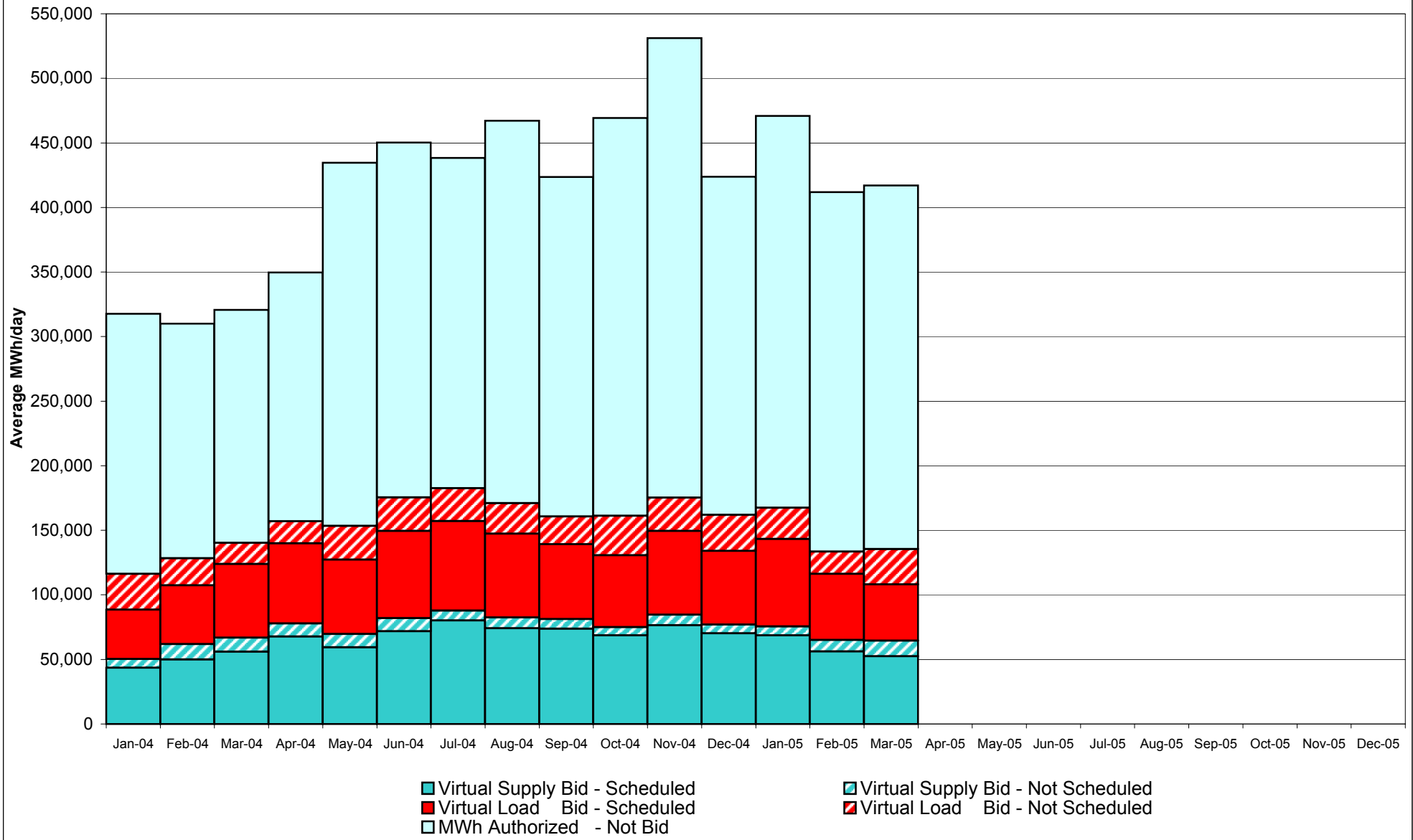
\* Price Reservations and Corrections for February and March 2005 are still under review.  
Market Monitoring  
Prepared 3/30/2005 13:45

## Percentage of Real-Time Corrections



Note: Price Corrections and Reservations for February and March 2005 are still under review.

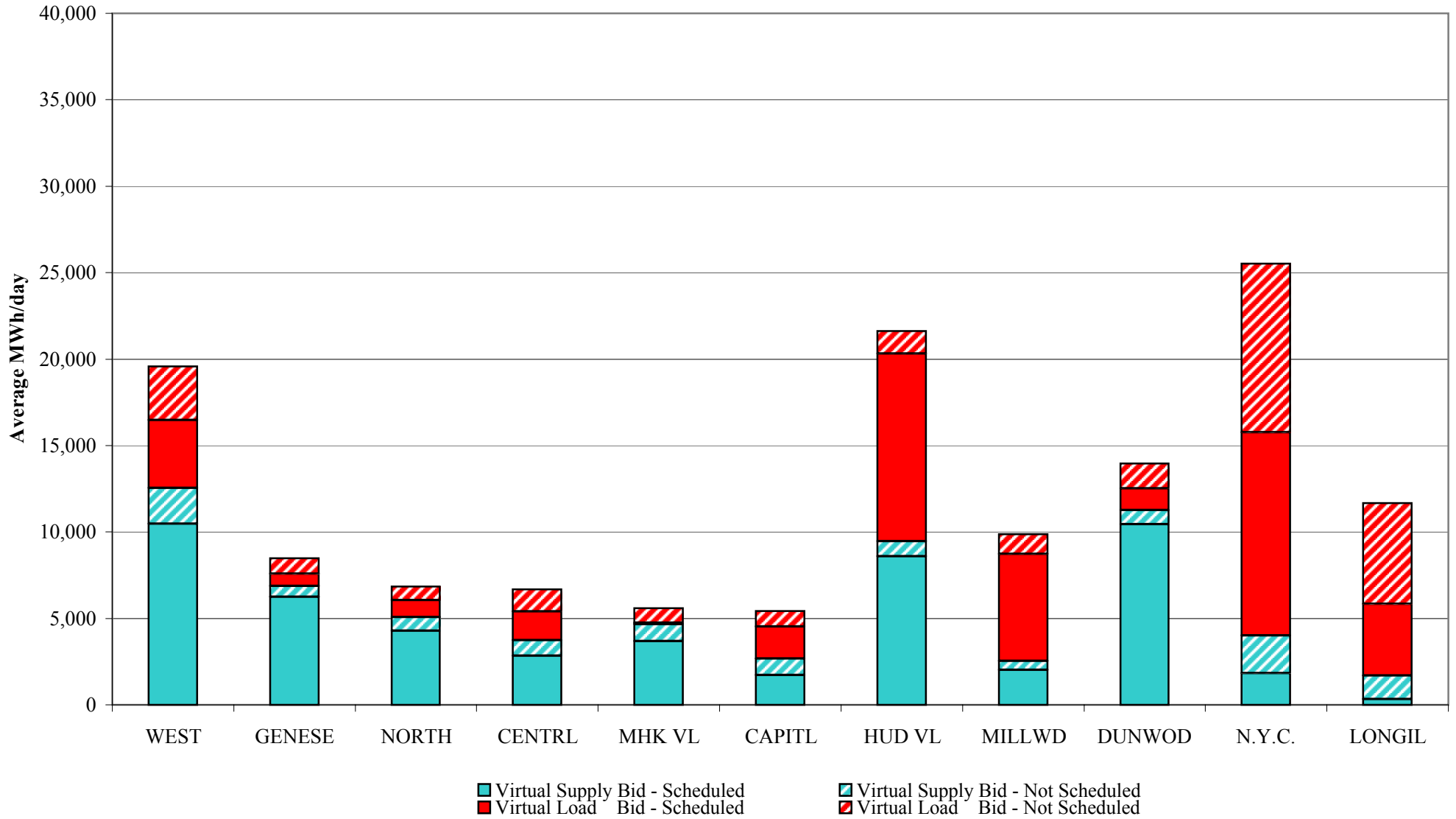
**NYISO Virtual Trading  
Average MWh per day**



4-S

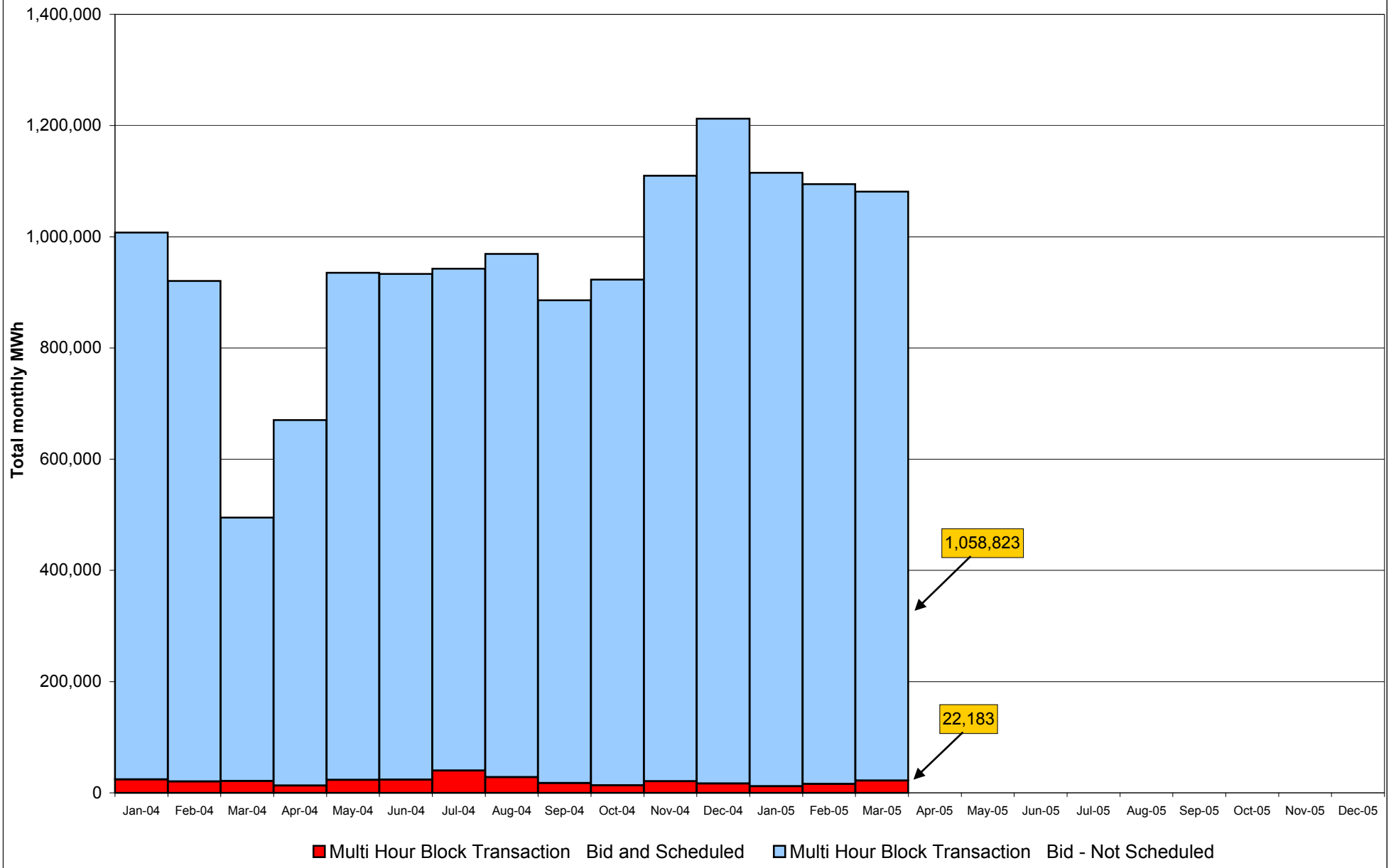
Preliminary thru 3/28/05

**Virtual Load and Supply Zonal Statistics  
March 2005**



4-T  
Preliminary thru 3/28/05

## NYISO Multi Hour Block Transactions Monthly Total MWh

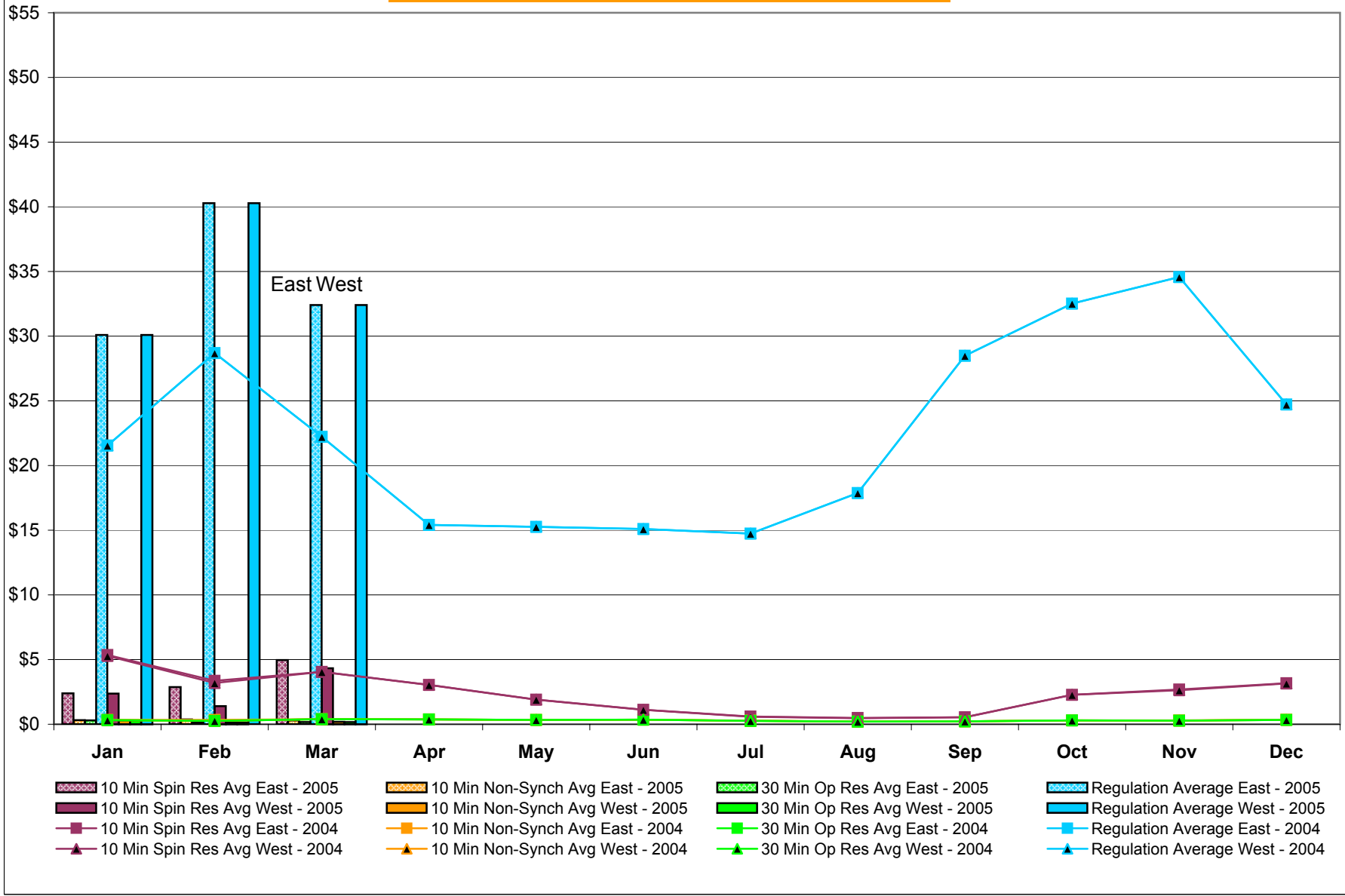


4-U

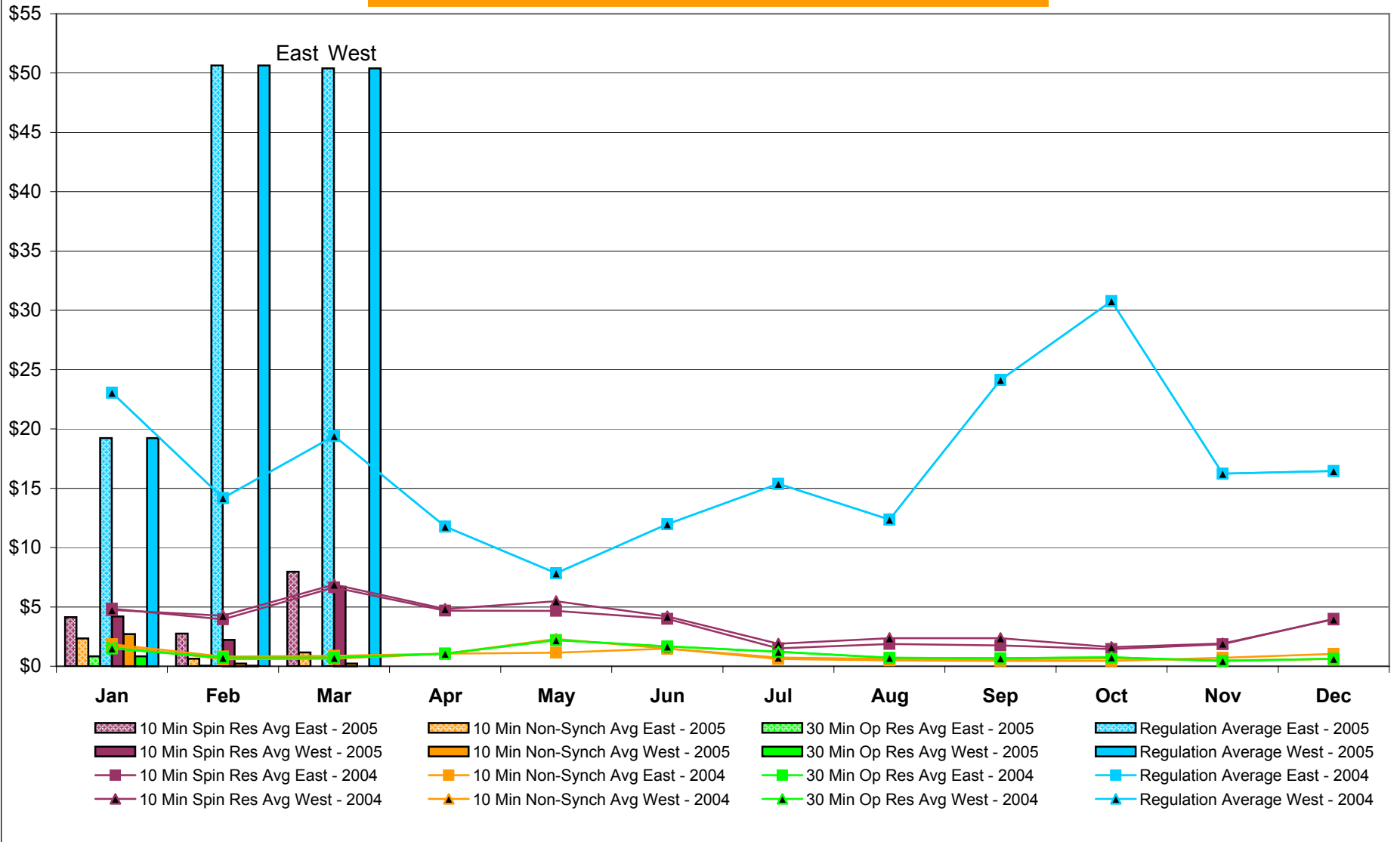
Preliminary thru 3/28/05



## NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2004 - 2005

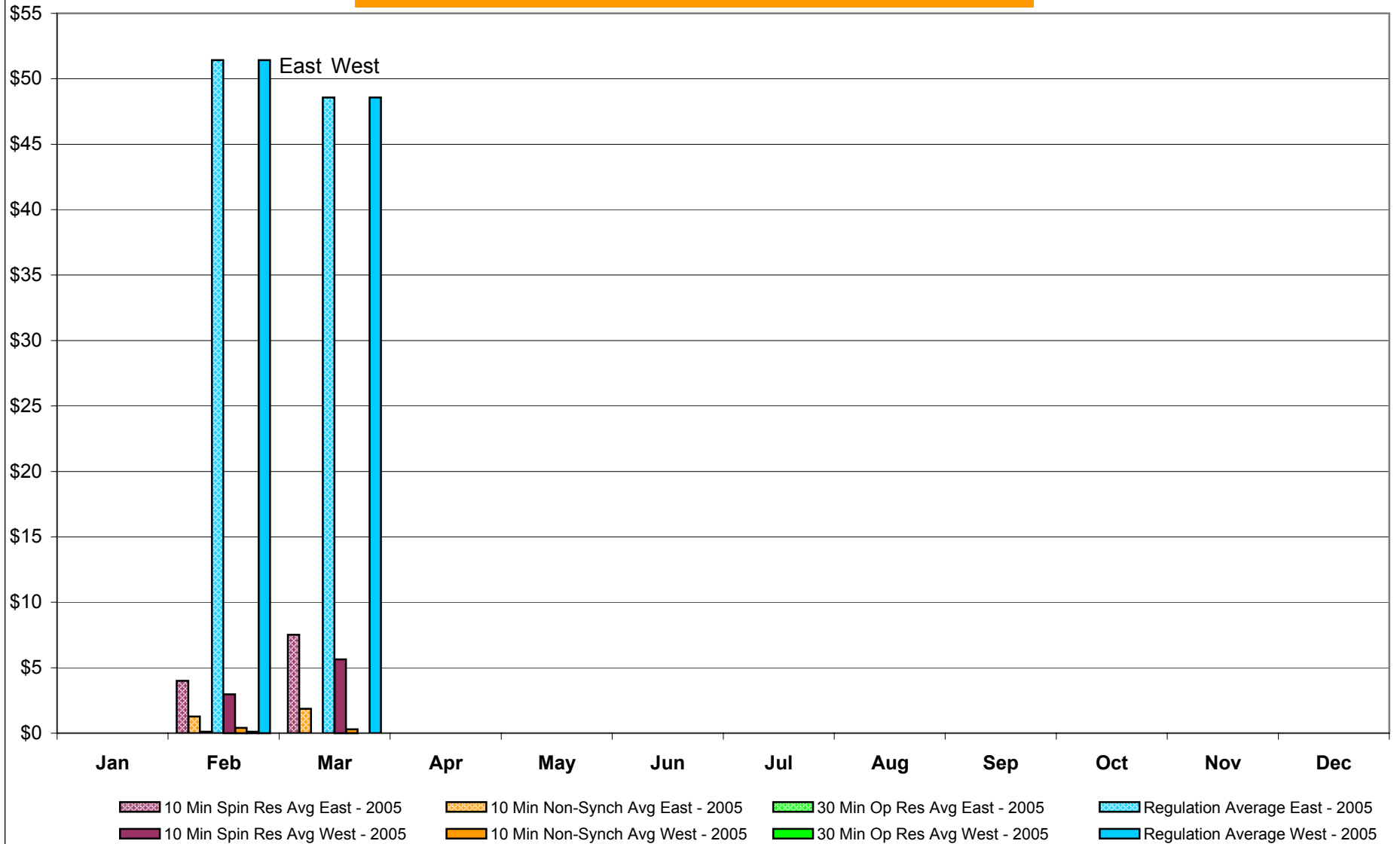


## NYISO Monthly Average Ancillary Service Prices RTC\* Market 2004 - 2005



\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## NYISO Monthly Average Ancillary Service Prices Real Time Market\* 2004 - 2005



\* The Real Time Ancillary Market began in February 2005

## NYISO Markets Ancillary Services Statistics

### ANCILLARY SERVICES Unweighted Price (\$/MWH) 2005

	<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>
<b><u>Day Ahead Market</u></b>												
10 Min Spin East	2.38	2.87	4.97									
10 Min Spin West	2.37	1.39	4.32									
10 Min Non Synch East	0.31	0.37	0.29									
10 Min Non Synch West	0.31	0.13	0.18									
30 Min East	0.31	0.13	0.18									
30 Min West	0.31	0.13	0.18									
Regulation East	30.10	40.28	32.41									
Regulation West	30.10	40.28	32.41									
<b><u>RTC* Market</u></b>												
10 Min Spin East	4.15	2.75	7.96									
10 Min Spin West	4.20	2.23	6.71									
10 Min Non Synch East	2.35	0.62	1.16									
10 Min Non Synch West	2.72	0.21	0.23									
30 Min East	0.83	0.05	0.00									
30 Min West	0.83	0.05	0.00									
Regulation East	19.23	50.65	50.39									
Regulation West	19.23	50.65	50.39									
<b><u>Real Time Market**</u></b>												
10 Min Spin East	-	3.99	7.51									
10 Min Spin West	-	2.97	5.64									
10 Min Non Synch East	-	1.27	1.85									
10 Min Non Synch West	-	0.41	0.29									
30 Min East	-	0.12	0.00									
30 Min West	-	0.11	0.00									
Regulation East	-	51.42	48.56									
Regulation West	-	51.42	48.56									

### ANCILLARY SERVICES Unweighted Price (\$/MWH) 2004

	<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>
<b><u>Day Ahead Market</u></b>												
10 Min Spin East	5.35	3.36	4.05	3.04	1.91	1.11	0.60	0.49	0.55	2.28	2.69	3.17
10 Min Spin West	5.29	3.20	4.05	3.04	1.90	1.11	0.58	0.47	0.54	2.27	2.63	3.16
10 Min Non Synch East	0.33	0.33	0.39	0.38	0.34	0.35	0.27	0.21	0.23	0.30	0.30	0.35
10 Min Non Synch West	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20	0.22	0.29	0.29	0.34
30 Min East	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20	0.22	0.29	0.29	0.34
30 Min West	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20	0.22	0.29	0.29	0.34
Regulation East	21.54	28.69	22.23	15.41	15.26	15.10	14.74	17.88	28.50	32.51	34.56	24.71
Regulation West	21.54	28.69	22.23	15.41	15.26	15.10	14.74	17.88	28.50	32.51	34.56	24.71
<b><u>RTC* Market</u></b>												
10 Min Spin East	4.84	3.96	6.65	4.69	4.67	3.99	1.51	1.87	1.75	1.45	1.86	3.99
10 Min Spin West	4.75	4.27	6.89	4.82	5.48	4.20	1.90	2.36	2.36	1.60	1.92	3.95
10 Min Non Synch East	1.85	0.81	0.87	1.05	1.14	1.49	0.62	0.49	0.45	0.45	0.71	1.03
10 Min Non Synch West	1.71	0.60	0.64	1.06	2.31	1.49	0.73	0.61	0.60	0.66	0.50	0.62
30 Min East	1.51	0.70	0.72	1.06	2.20	1.67	1.23	0.71	0.67	0.76	0.45	0.63
30 Min West	1.51	0.70	0.72	1.06	2.20	1.67	1.23	0.71	0.67	0.76	0.45	0.63
Regulation East	23.07	14.18	19.41	11.78	7.85	11.98	15.38	12.36	24.14	30.79	16.24	16.45
Regulation West	23.07	14.18	19.41	11.78	7.85	11.98	15.38	12.36	24.14	30.79	16.24	16.45

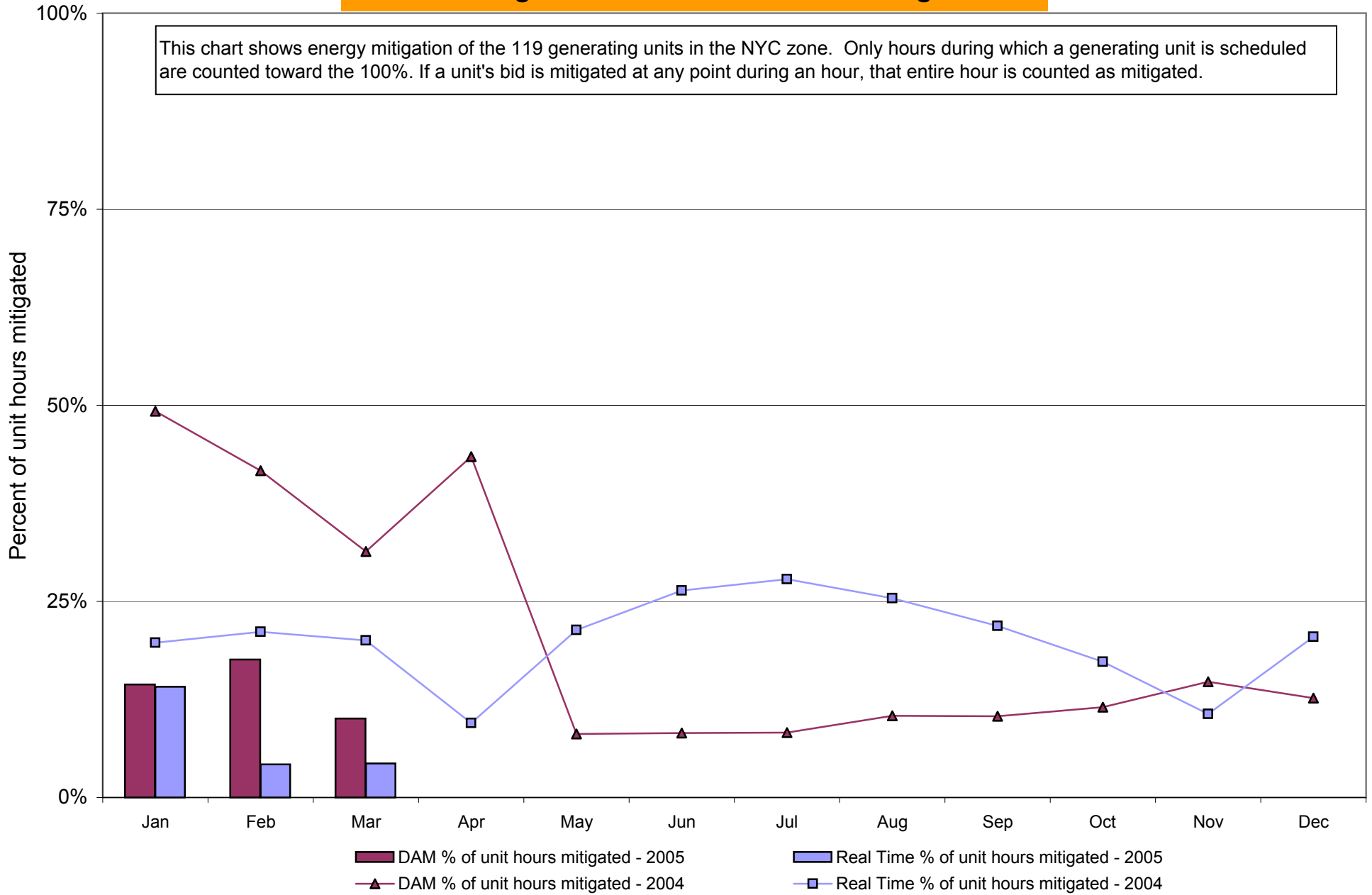
\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

\*\* The Real Time Ancillary Market began in February 2005

## NYISO In City Energy Mitigation (NYC Zone) 2004-2005

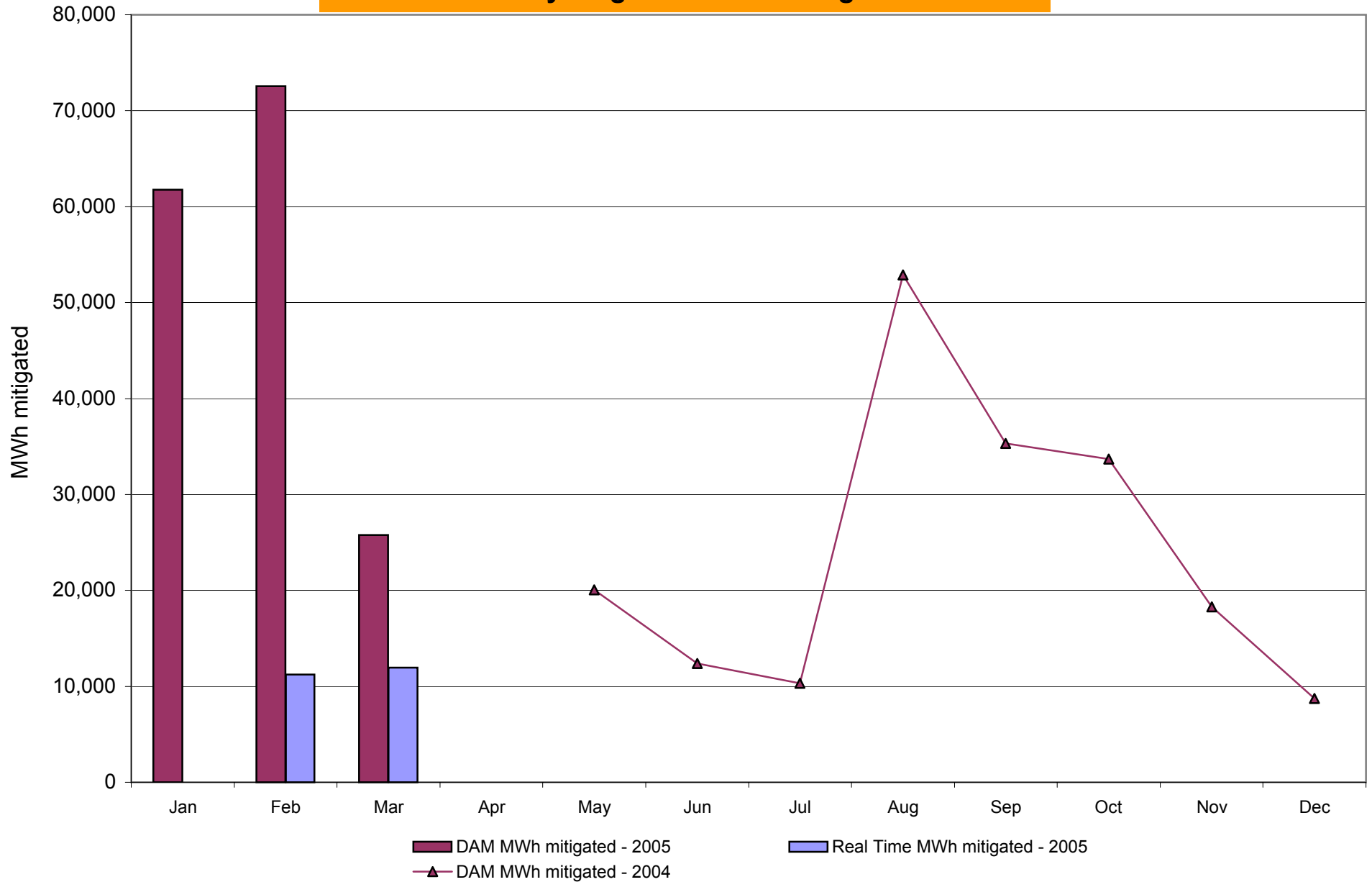
### Percentage of committed unit-hours mitigated

This chart shows energy mitigation of the 119 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.



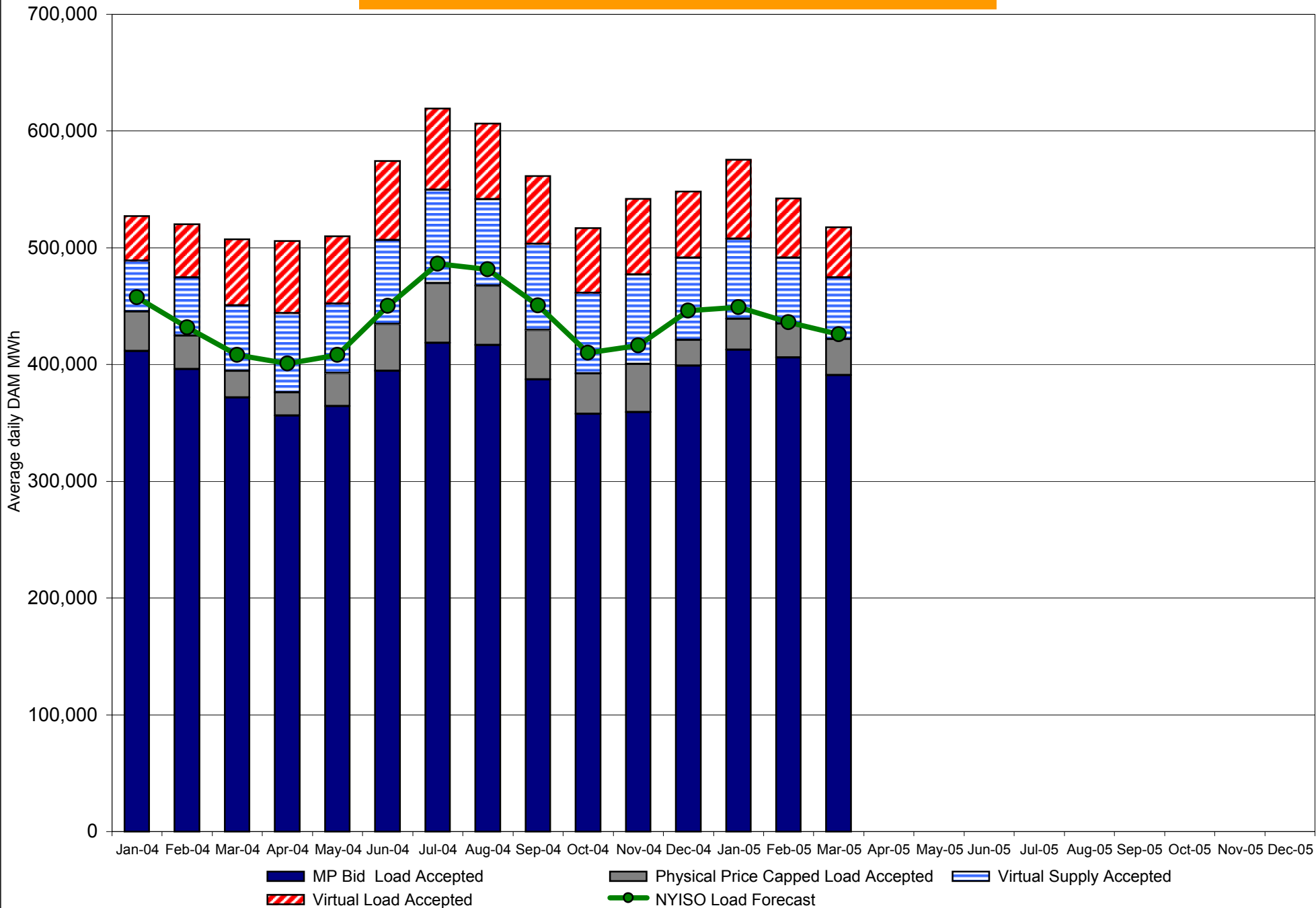
DAM Mitigation software change deployed on 5/1/2004

## NYISO In City Energy Mitigation (NYC Zone) 2004-2005 Monthly megawatt hours mitigated

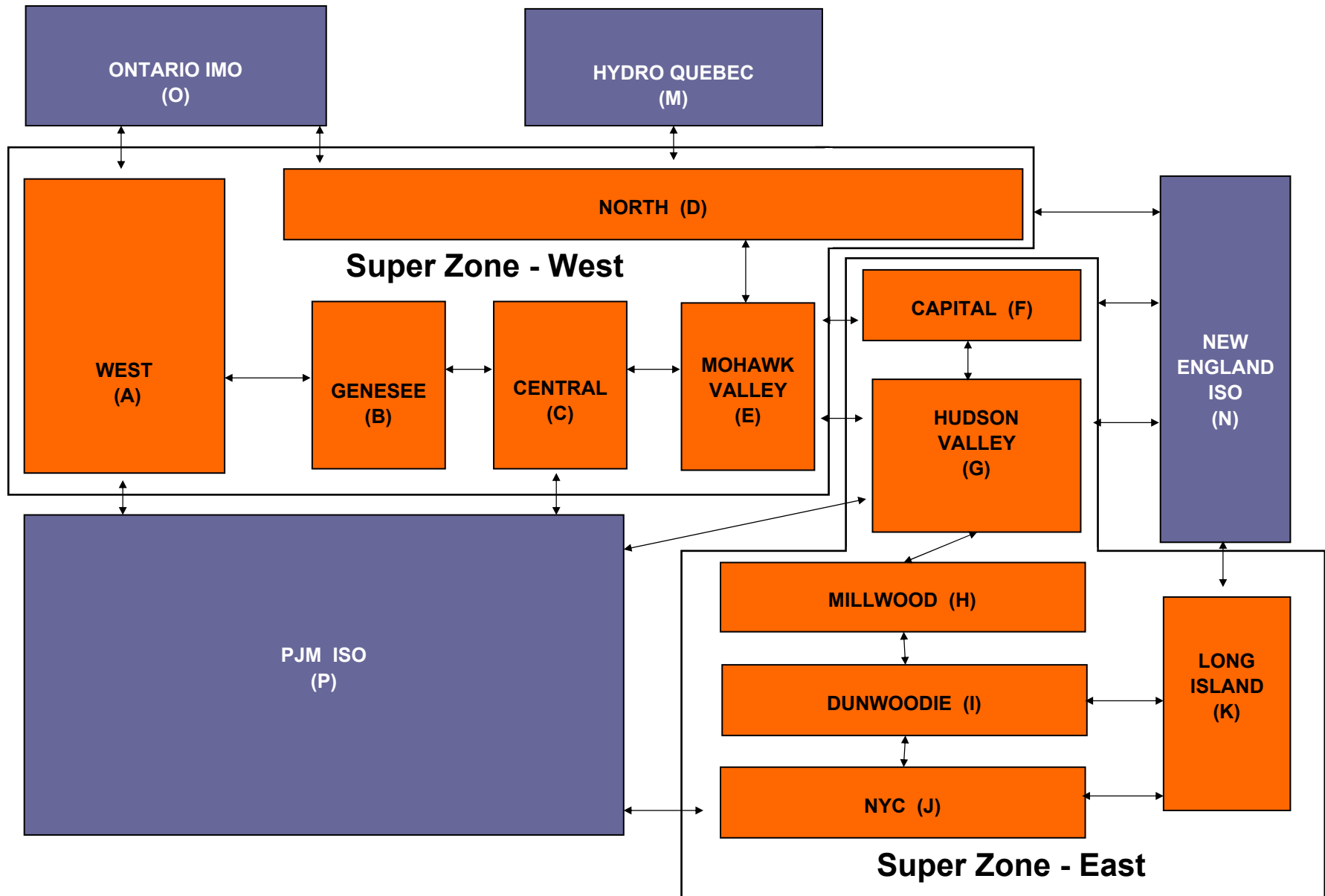


RT mitigation data available with SMD2 deployment  
 DAM mitigation software change deployed on 5/1/2004

# NYISO Average Daily DAM Load Bid Summary



# NYISO LBMP ZONES





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# TCC Issues Update

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- **Residual TCC Issues**
- **Measures Taken to Prevent Reoccurrence of Errors**

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## Residual TCC Issues

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- **Residual TCC issues impact settlements from May 2000 through October 2002**
  - *Group 1 – Revenue allocation issues*
  - *Group 2 – Auction modeling issues*
- **A proposed resolution plan was discussed with Market Participants on April 1**
  - *Correct Group 1 issues as part of ongoing close-out settlement process*
  - *Seek necessary waiver to not correct for Group 2 issues*
- **Market Participants provided comments on the NYISO proposal**
- **A meeting is scheduled for this afternoon to discuss next steps**

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# Measures To Prevent Reoccurrence

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- **Significant actions have been taken since the discovery of the database transcription error to ensure the accuracy of future auctions**
  - *Database validations and process reviews*
  - *Auction validation tools*
  - *Organizational restructuring*
  - *Ongoing self-assessment*
- **Specific actions have been reviewed with the Market Participant Audit Advisory Subcommittee (MPAAS) and all Market Participants**