
NYISO President's Report

Management Committee Meeting

April 14, 2003

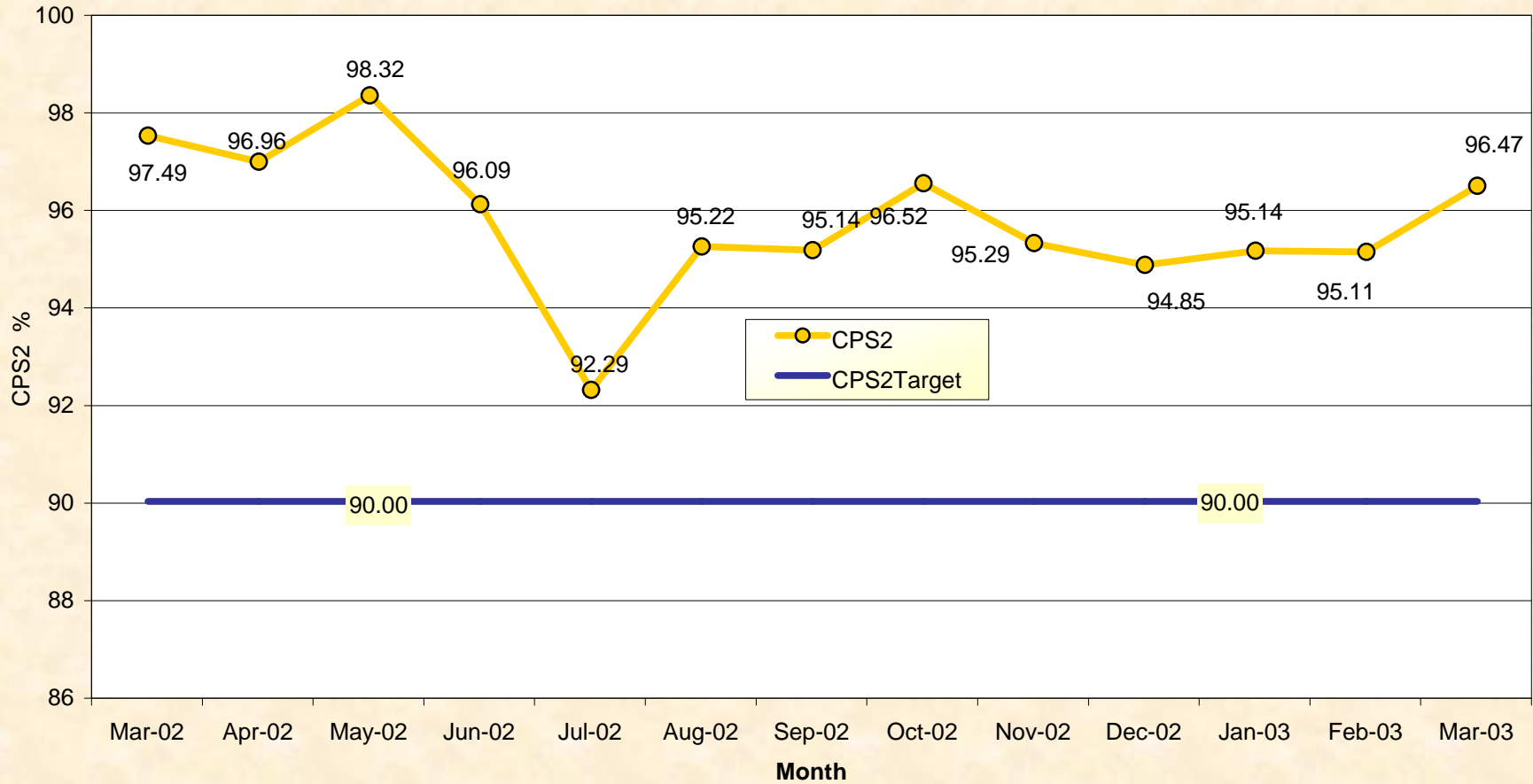
Agenda #3

Report Items

1. Reliability Indicators
 - *NERC Criteria (CPS-2 Curve)*
2. Market Performance Highlights
3. ABB Status
4. House Energy Committee Bill
5. Schedules for Summer 2003 Projects

NERC Control Performance Standard

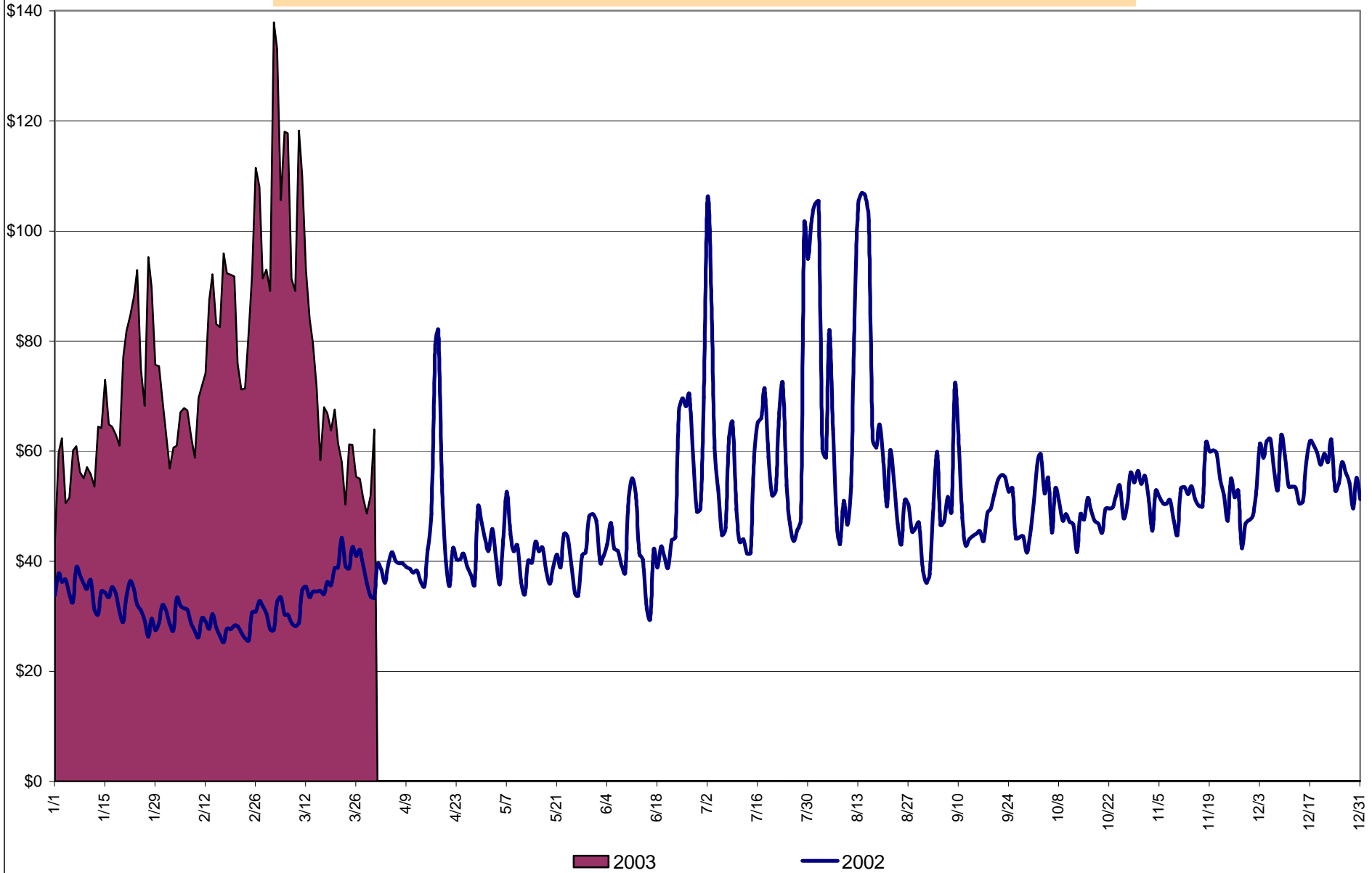
NYISO Compliance
Year 2002/2003



CPS2 for March = 96.47% Compliance Threshold = 90%
CPS2 measures excessive unscheduled power flow resulting from large Area Control Error (ACE)

Average Daily NYISO - Administered Total Price (Energy & Ancillary Services)

2002 Annual Average \$49.77/MWH
March 2002 YTD Average \$32.69/MWH
March 2003 YTD Average \$76.57/MWH



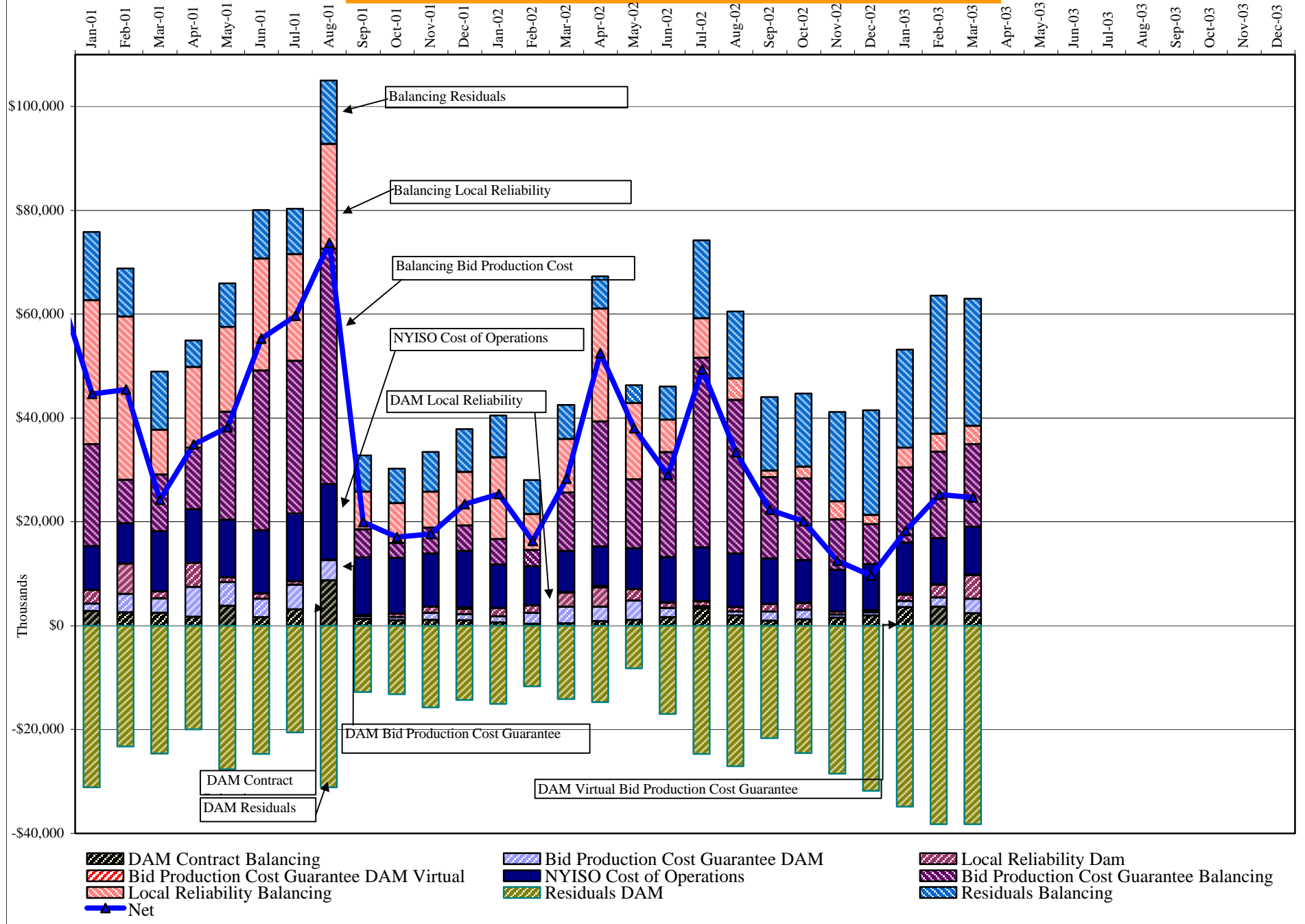
4-A

NYISO Administered Total Price (Energy and Ancillary Services)

from the LBMP Customer point of view

2003		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	66.36	76.58	78.36									
	NTAC	0.41	0.35	0.66									
	Reserve	0.48	0.36	0.47									
	Regulation	0.26	0.27	0.38									
	NYISO Cost of Operations	0.68	0.68	0.68									
	Uplift	0.34	1.02	0.97									
	Voltage Support and Black Start	0.33	0.33	0.33									
	Avg Monthly Price	68.86	79.60	81.84									
	Avg YTD Price	68.86	73.99	76.57									
2002		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	30.32	26.58	32.02	39.03	37.48	45.59	60.80	65.60	46.88	48.07	50.05	54.73
	NTAC	0.53	0.48	0.45	0.43	0.47	0.61	1.04	0.52	0.49	0.63	0.39	0.35
	Reserve	0.19	0.19	0.24	0.29	0.21	0.19	0.30	0.33	0.22	0.22	0.31	0.41
	Regulation	0.19	0.19	0.17	0.16	0.26	0.24	0.18	0.20	0.27	0.26	0.25	0.25
	NYISO Cost of Operations	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.63	0.62	0.63
	Uplift	1.19	0.67	1.36	3.70	2.34	1.35	2.28	1.32	0.86	0.74	0.23	(0.08)
	Voltage Support and Black Start	0.34	0.33	0.33	0.34	0.34	0.33	0.33	0.33	0.33	0.33	0.33	0.33
	Avg Monthly Price	33.39	29.08	35.21	44.58	41.72	48.94	65.56	68.94	49.68	50.88	52.19	56.63
	Avg YTD Price	33.39	31.37	32.69	35.71	36.83	39.06	44.35	48.39	48.54	48.77	49.09	49.77
2001		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	61.52	44.29	49.98	48.60	52.84	50.31	46.58	71.97	35.33	31.05	31.53	29.23
	NTAC	0.39	0.21	0.59	0.35	0.51	0.41	0.30	0.35	0.38	0.39	0.40	0.61
	Reserve	0.47	0.29	0.42	0.43	0.59	0.44	0.55	1.40	0.43	0.25	0.27	0.25
	Regulation	0.07	0.07	0.10	0.10	0.13	0.08	0.08	0.06	0.14	0.18	0.15	0.18
	NYISO Cost of Operations	0.65	0.59	0.89	0.89	0.88	0.88	0.88	0.88	0.88	0.83	0.88	0.88
	Uplift	2.62	2.85	0.88	2.04	2.98	3.12	3.71	4.27	0.67	0.54	0.52	0.94
	Voltage Support and Black Start	0.34	0.34	0.34	0.34	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
	Avg Monthly Price	66.05	48.64	53.20	52.75	58.27	55.58	52.44	79.28	38.17	33.57	34.10	32.44
	Avg YTD Price	66.05	58.08	56.55	55.72	56.21	56.09	55.41	59.68	57.12	54.63	52.99	51.42
2000		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	46.01	41.33	32.62	32.05	50.39	79.35	51.46	63.48	54.29	53.84	52.16	62.85
	NTAC	0.47	0.20	0.25	0.65	0.60	0.46	0.39	0.42	0.22	0.32	0.30	0.20
	Reserve	1.44	5.64	2.68	0.27	0.68	0.66	0.31	0.49	0.64	0.44	0.33	0.37
	Regulation	0.19	0.35	0.42	0.33	0.14	0.01	0.10	0.04	0.07	0.09	0.08	0.07
	NYISO Cost of Operations	1.14	(0.46)	(0.61)	0.47	0.76	0.89	0.88	1.81	1.89	0.43	0.48	0.49
	Uplift	0.16	0.05	(0.29)	0.27	3.37	3.31	1.13	3.80	2.85	0.96	0.38	3.70
	Voltage Support and Black Start	0.38	0.37	0.37	0.37	0.38	0.38	0.38	0.37	0.39	0.40	0.40	0.40
	Avg Monthly Price	49.78	47.49	35.45	34.40	56.33	85.06	54.64	70.43	60.36	56.48	54.13	68.07
	Avg YTD Price	49.78	48.70	44.05	41.62	45.14	53.74	53.91	56.57	57.09	57.02	56.75	57.90

NYISO Dollar Flows - Uplift - OATT Schedule 1 components



NYISO Markets 2003 Transactions

	January	February	March	April	May	June	July	August	September	October	November	December
Transactions by Market												
DAM LSE Internal LBMP Energy Sales	46%	48%	46%									
DAM External TC LBMP Energy Sales	1%	1%	1%									
DAM Bilateral - Internal Bilaterals	50%	49%	50%									
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%									
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	2%									
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%									
Day Ahead Market	100%	100%	100%									
Balancing Energy LSE Internal LBMP Energy Sales	61%	42%	52%									
Balancing Energy External TC LBMP Energy Sales	54%	73%	95%									
Balancing Energy Bilateral - Internal Bilaterals	-6%	-9%	-2%									
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	4%	1%	1%									
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	-38%									
Balancing Energy Bilateral - Wheel Through Bilaterals	-13%	-6%	-8%									
Balancing Energy +	100%	100%	100%									
Transactions Summary												
LBMP	49%	50%	49%									
Internal Bilaterals	48%	47%	48%									
Import Bilaterals	1%	1%	1%									
Export Bilaterals	1%	1%	1%									
Wheels Through	1%	1%	1%									
Market Share of Total Load												
Day Ahead Market	97.46%	97.58%	97.21%									
Balancing Energy +	2.54%	2.42%	2.79%									
Total MWH	14,557,243	13,010,139	13,502,785									

NYISO Markets 2002 Transactions

	January	February	March	April	May	June	July	August	September	October	November	December
Transactions by Market												
DAM LSE Internal LBMP Energy Sales	44%	42%	43%	45%	40%	43%	50%	51%	46%	46%	49%	47%
DAM External TC LBMP Energy Sales	0%	1%	1%	1%	1%	2%	3%	1%	2%	1%	1%	2%
DAM Bilateral - Internal Bilaterals	51%	52%	51%	49%	55%	51%	45%	45%	49%	50%	46%	49%
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	3%	3%	3%	3%	2%	2%	1%	2%	2%	1%	1%	1%
Day Ahead Market	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Balancing Energy LSE Internal LBMP Energy Sales	-17%	410%	821%	182%	-10%	148%	311%	18%	-77%	61%	52%	59%
Balancing Energy External TC LBMP Energy Sales	5%	39%	-36%	-15%	44%	-95%	-165%	89%	189%	37%	44%	30%
Balancing Energy Bilateral - Internal Bilaterals	1%	-51%	8%	12%	10%	14%	-19%	27%	17%	-2%	3%	3%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	13%	27%	24%	3%	8%	15%	24%	19%	14%	8%	9%	9%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	1%	2%	0%	1%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-103%	-524%	-717%	-84%	-154%	-183%	-52%	-55%	-42%	-4%	-8%	-2%
Balancing Energy +	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Transactions Summary												
LBMP	45%	44%	46%	48%	42%	46%	53%	52%	49%	49%	52%	50%
Internal Bilaterals	52%	52%	51%	49%	55%	51%	45%	45%	48%	48%	45%	47%
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	1%	1%	1%
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	2%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%
Market Share of Total Load												
Day Ahead Market	101.60%	100.25%	99.75%	98.14%	100.79%	100.50%	99.46%	99.51%	99.20%	97.34%	97.35%	96.35%
Balancing Energy +	-1.60%#	-0.25%#	0.25%	1.86%	-0.79%#	-0.50%#	0.54%	0.49%	0.80%	2.66%	2.65%	3.65%
Total MWH	13,366,052	11,986,216	12,792,696	12,088,196	12,462,759	13,974,041	16,385,032	16,245,862	14,035,422	13,210,317	12,809,561	14,094,395

#The sign convention has changed for the detail of Balancing Energy when the total monthly Balancing Energy is negative. The signs for the detail section more intuitively reflect the direction of power flow eliminating the use of double negatives. This affects Jan., Feb., May, and June 2002.

+ Balancing Energy: Load(MW) purchased at Real Time LBMP.
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NYISO Markets 2003 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Unweighted Price	\$61.33	\$72.81	\$73.18									
Standard Deviation	\$20.09	\$21.12	\$29.70									
Load Wtg.Price	\$63.81	\$75.03	\$76.25									
<u>BME * LBMP</u>												
Unweighted Price	\$63.19	\$80.25	\$74.27									
Standard Deviation	\$25.43	\$41.53	\$32.77									
Load Wtg.Price	\$65.54	\$82.65	\$77.33									
<u>REAL TIME LBMP</u>												
Unweighted Price	\$61.53	\$74.03	\$70.54									
Standard Deviation	\$30.16	\$37.46	\$37.97									
Load Wtg.Price	\$64.43	\$76.41	\$74.02									
Average Daily Energy Sendout/Month GWh	458	450	418									

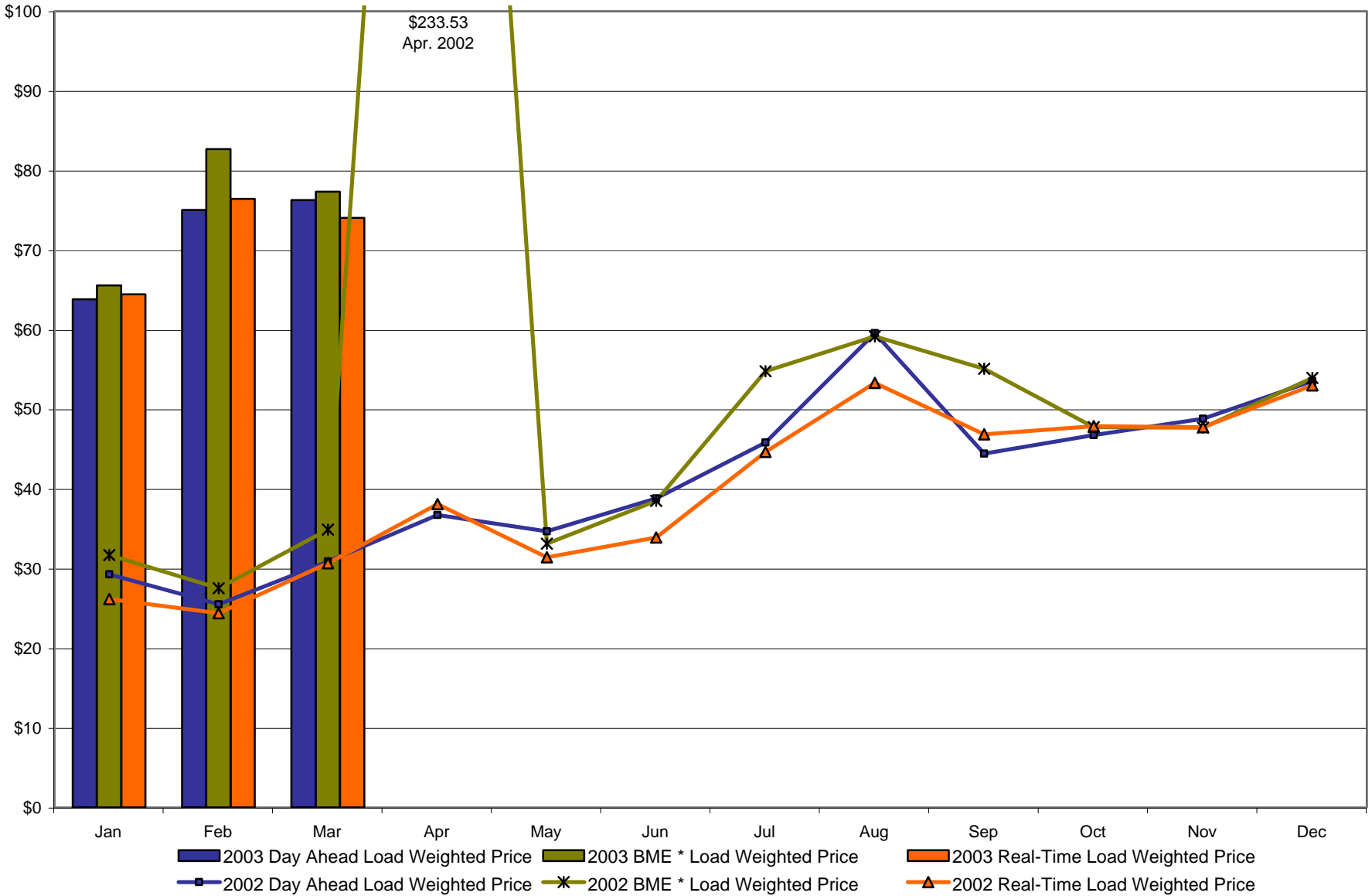
NYISO Markets 2002 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Unweighted Price	\$28.39	\$24.93	\$30.07	\$35.25	\$33.36	\$38.96	\$51.07	\$54.86	\$42.58	\$45.16	\$47.30	\$52.01
Standard Deviation	\$7.26	\$4.61	\$7.28	\$11.57	\$8.76	\$15.32	\$23.15	\$29.88	\$11.72	\$11.61	\$11.72	\$12.28
Load Wtg.Price	\$29.25	\$25.50	\$30.88	\$36.72	\$34.66	\$38.81	\$45.81	\$59.54	\$44.43	\$46.76	\$48.79	\$53.54
<u>BME * LBMP</u>												
Unweighted Price	\$30.66	\$26.84	\$33.53	\$191.03	\$31.43	\$38.57	\$63.19	\$55.27	\$51.96	\$45.90	\$46.53	\$52.44
Standard Deviation	\$11.22	\$7.60	\$13.84	\$1,020.88	\$13.91	\$54.74	\$181.17	\$29.34	\$147.55	\$12.10	\$11.07	\$14.74
Load Wtg.Price	\$31.67	\$27.54	\$34.88	\$233.53	\$33.12	\$38.49	\$54.76	\$59.15	\$55.08	\$47.76	\$47.70	\$53.95
<u>REAL TIME LBMP</u>												
Unweighted Price	\$25.36	\$23.73	\$29.78	\$35.44	\$29.80	\$33.98	\$53.70	\$49.74	\$44.08	\$46.16	\$46.13	\$51.04
Standard Deviation	\$8.27	\$8.83	\$10.97	\$25.85	\$13.32	\$16.92	\$66.25	\$24.86	\$34.24	\$17.61	\$18.25	\$22.41
Load Wtg.Price	\$26.17	\$24.39	\$30.67	\$38.10	\$31.42	\$33.91	\$44.63	\$53.32	\$46.85	\$47.88	\$47.75	\$53.01
Average Daily Energy Sendout/Month GWh	427	418	403	397	388	449	513	511	444	412	413	440

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* Commonly referred as Hour Ahead Market (HAM)

**NYISO Monthly Average Internal LBMPs
2002 - 2003**



4 - F

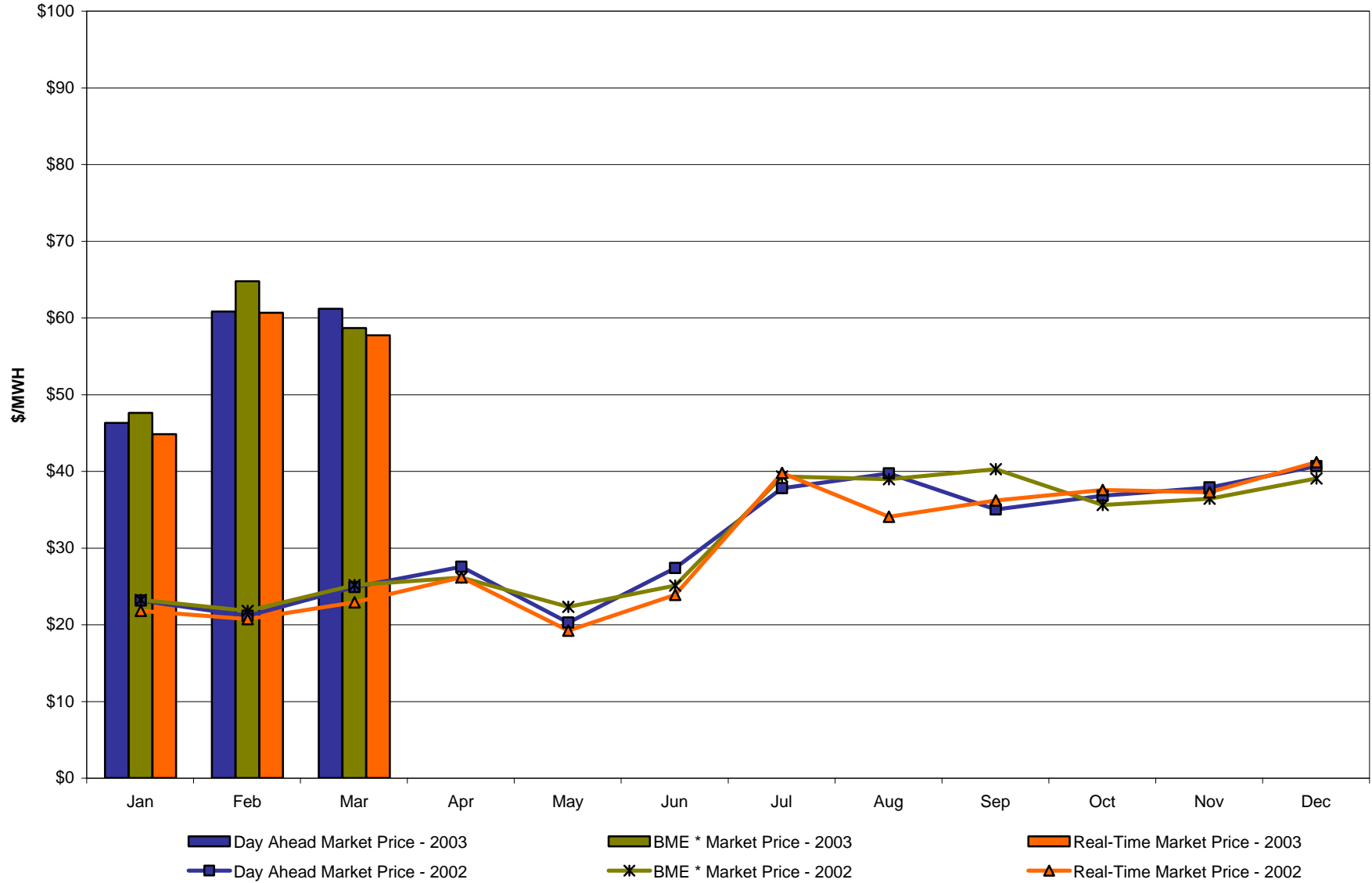
* Commonly referred to as Hour Ahead Market (HAM)

March, 2003 Zonal Statistics for NYISO (\$/MWH)

	WEST Zone A	CENTRAL Zone C	MOHAWK VALLEY Zone E	CAPITAL Zone F	HUDSON VALLEY Zone G	GENESEE Zone B	LONG ISLAND Zone K	NORTH Zone D	NEW YORK CITY Zone J	MILLWOOD Zone H	DUNWOODIE Zone I
<u>DAY AHEAD LBMP</u>											
Unweighted Price	61.18	65.54	67.71	70.70	70.94	64.71	86.67	65.87	79.28	70.31	71.02
Standard Deviation	24.86	26.31	27.06	27.41	27.03	26.32	33.71	26.11	37.06	26.62	26.98
<u>BME * LBMP</u>											
Unweighted Price	58.67	63.65	65.91	67.72	68.79	60.74	85.40	64.67	86.96	68.52	69.42
Standard Deviation	25.57	26.79	27.48	28.45	28.29	26.11	42.66	26.74	47.79	28.22	28.66
<u>REAL TIME LBMP</u>											
Unweighted Price	57.72	60.25	62.61	66.92	64.78	61.05	80.85	61.41	81.74	65.34	66.33
Standard Deviation	30.20	31.55	32.65	34.93	33.24	32.00	41.75	32.17	56.37	33.49	34.03
	HYDRO QUEBEC Zone M	NEW ENGLAND Zone N	ONTARIO HYDRO Zone O	PJM Zone P							
<u>DAY AHEAD LBMP</u>											
Unweighted Price	65.94	70.78	59.87	62.19							
Standard Deviation	26.46	27.77	24.66	26.35							
<u>BME * LBMP</u>											
Unweighted Price	62.25	67.97	57.83	58.10							
Standard Deviation	39.28	29.57	26.62	27.77							
<u>REAL TIME LBMP</u>											
Unweighted Price	59.54	65.10	52.47	57.45							
Standard Deviation	42.49	33.95	28.29	30.96							

*Commonly Referred as Hour Ahead Market (HAM)

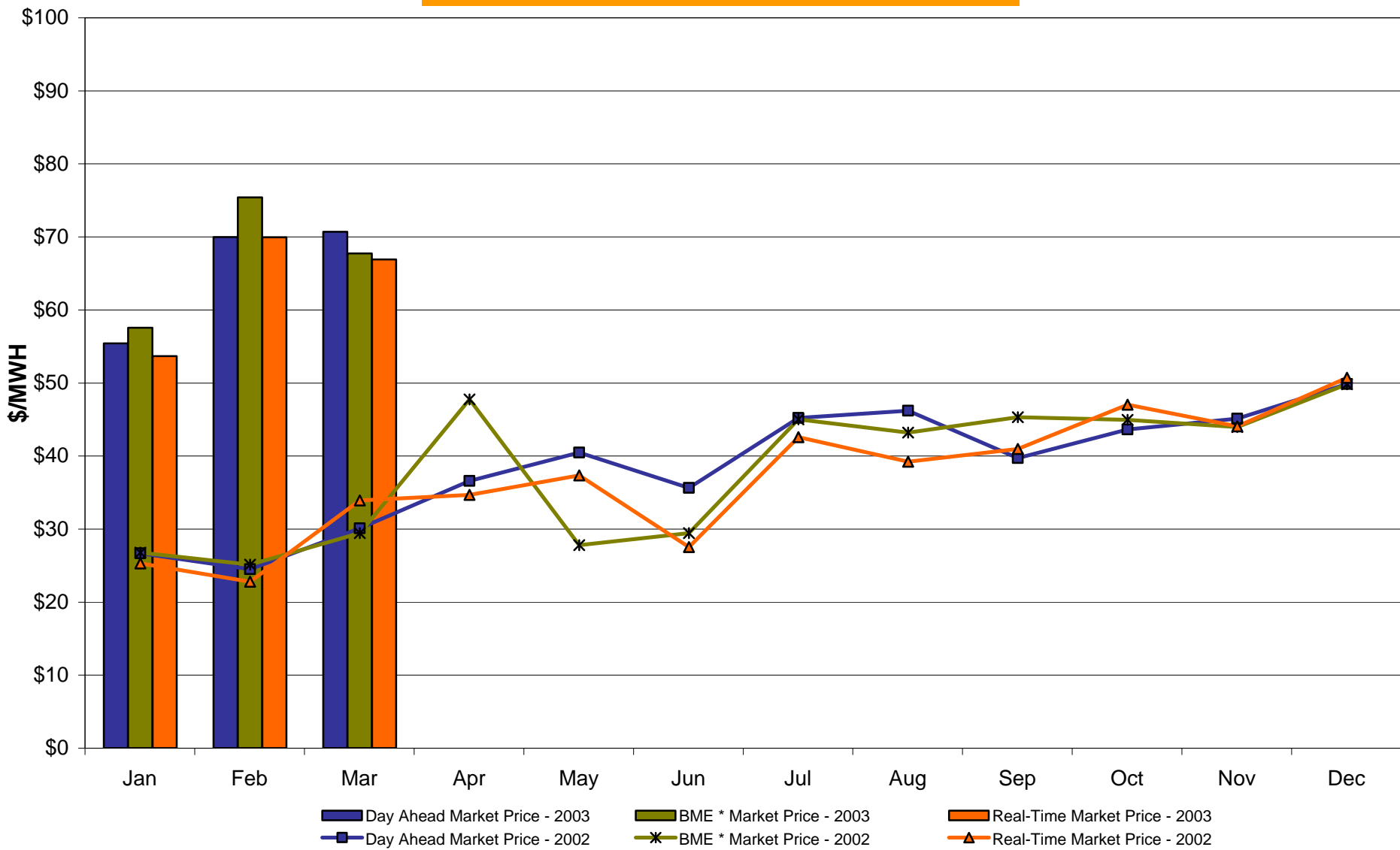
**West Zone A
Monthly Average LBMP Prices 2002 - 2003**



* Commonly referred to as Hour Ahead Market (HAM)

4-H

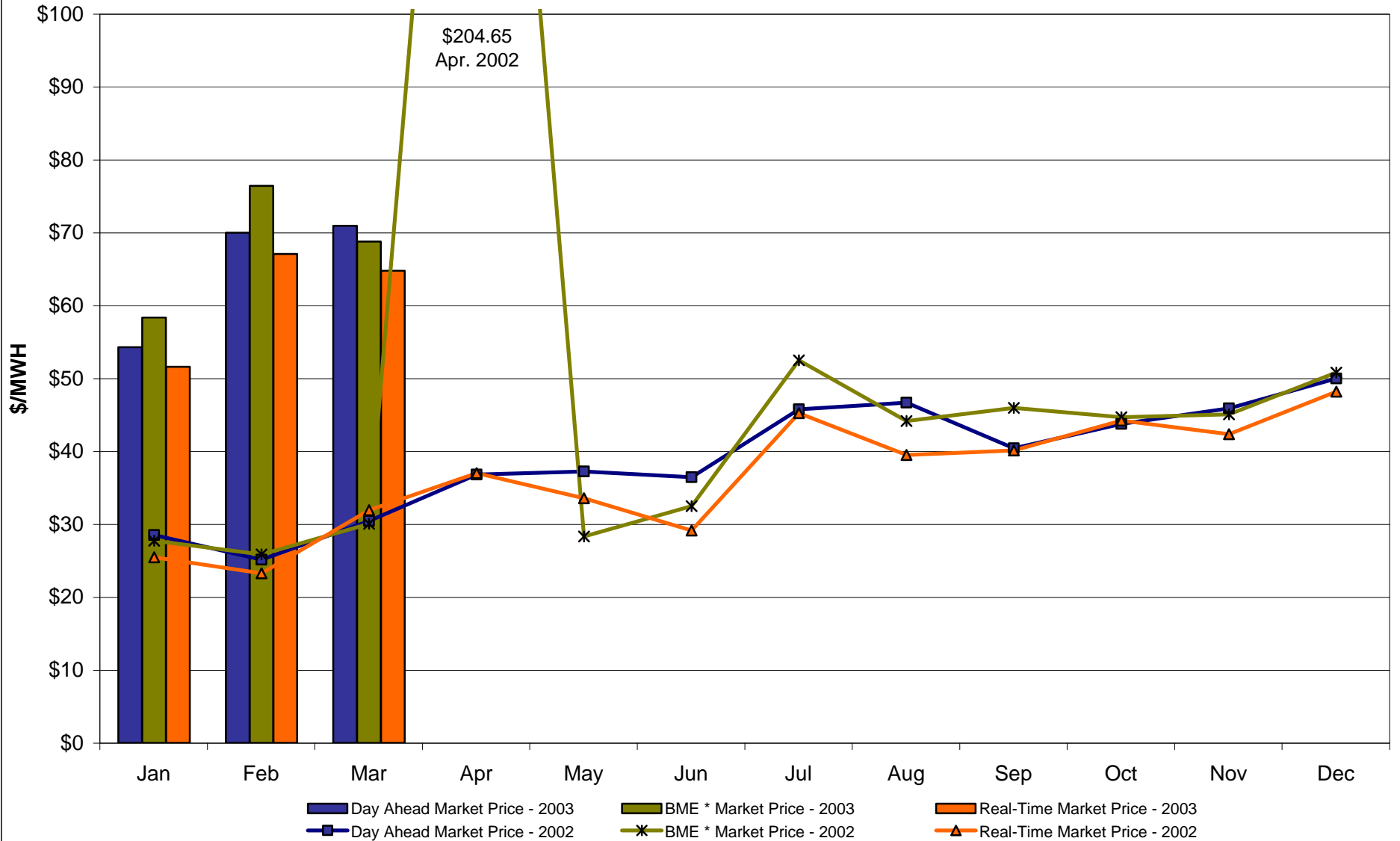
Capital Zone F Monthly Average LBMP Prices 2002 - 2003



4 - I

* Commonly referred to as Hour Ahead Market (HAM)

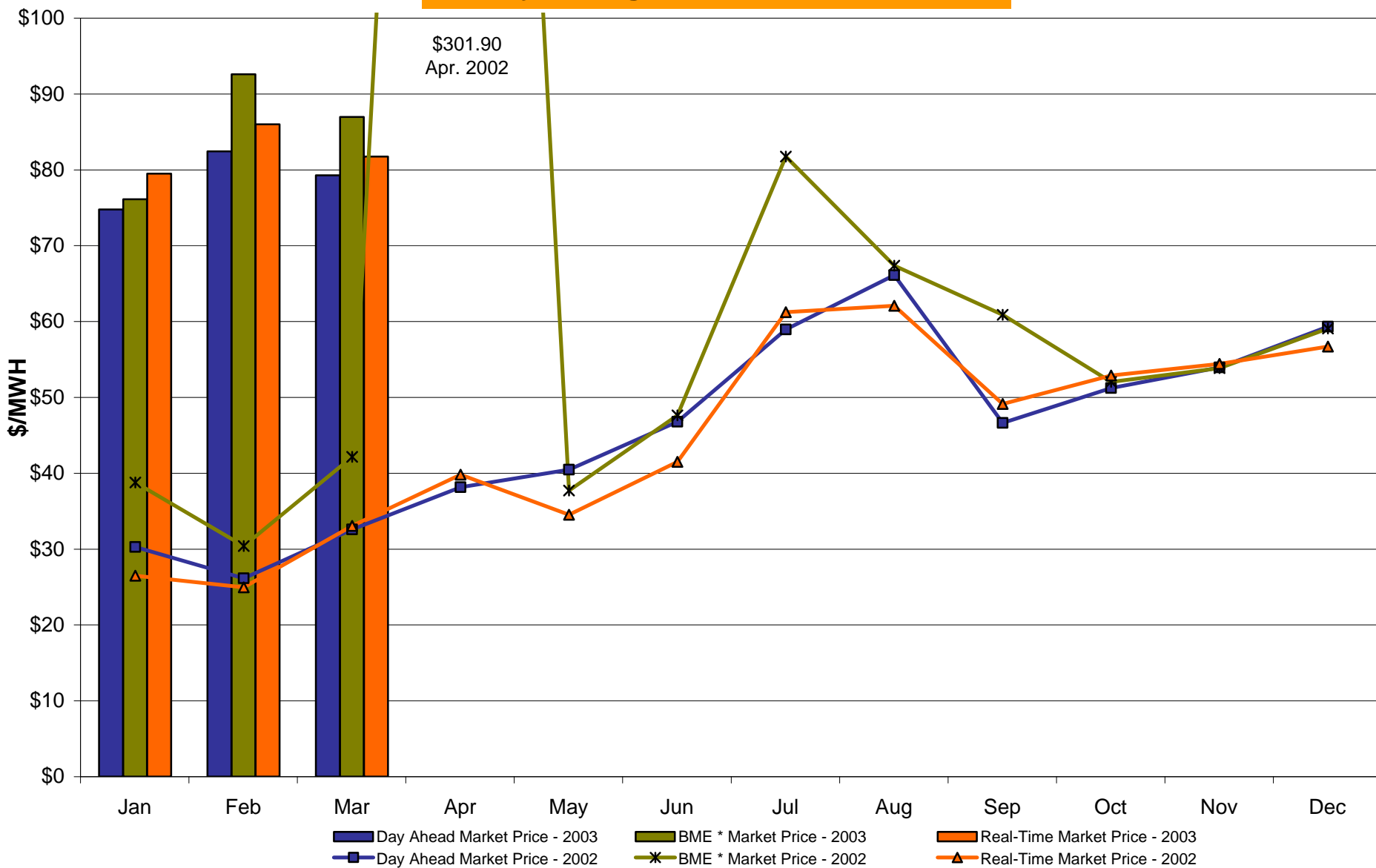
Hudson Valley Zone G Monthly Average LBMP Prices 2002 - 2003



4 - J

* Commonly referred to as Hour Ahead Market (HAM)

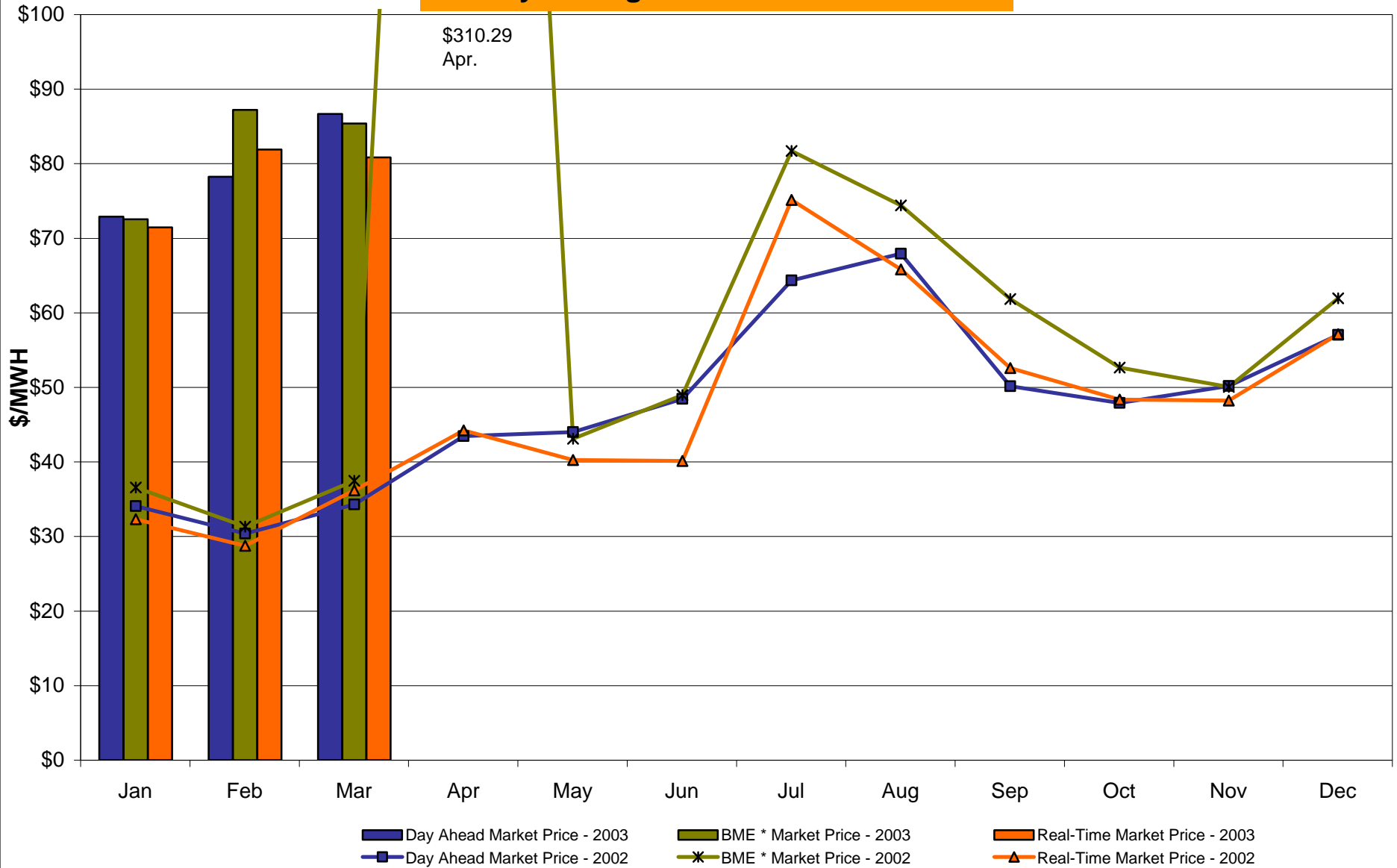
NYC Zone J Monthly Average LBMP Prices 2002 - 2003



4 - K

* Commonly referred to as Hour Ahead Market (HAM)

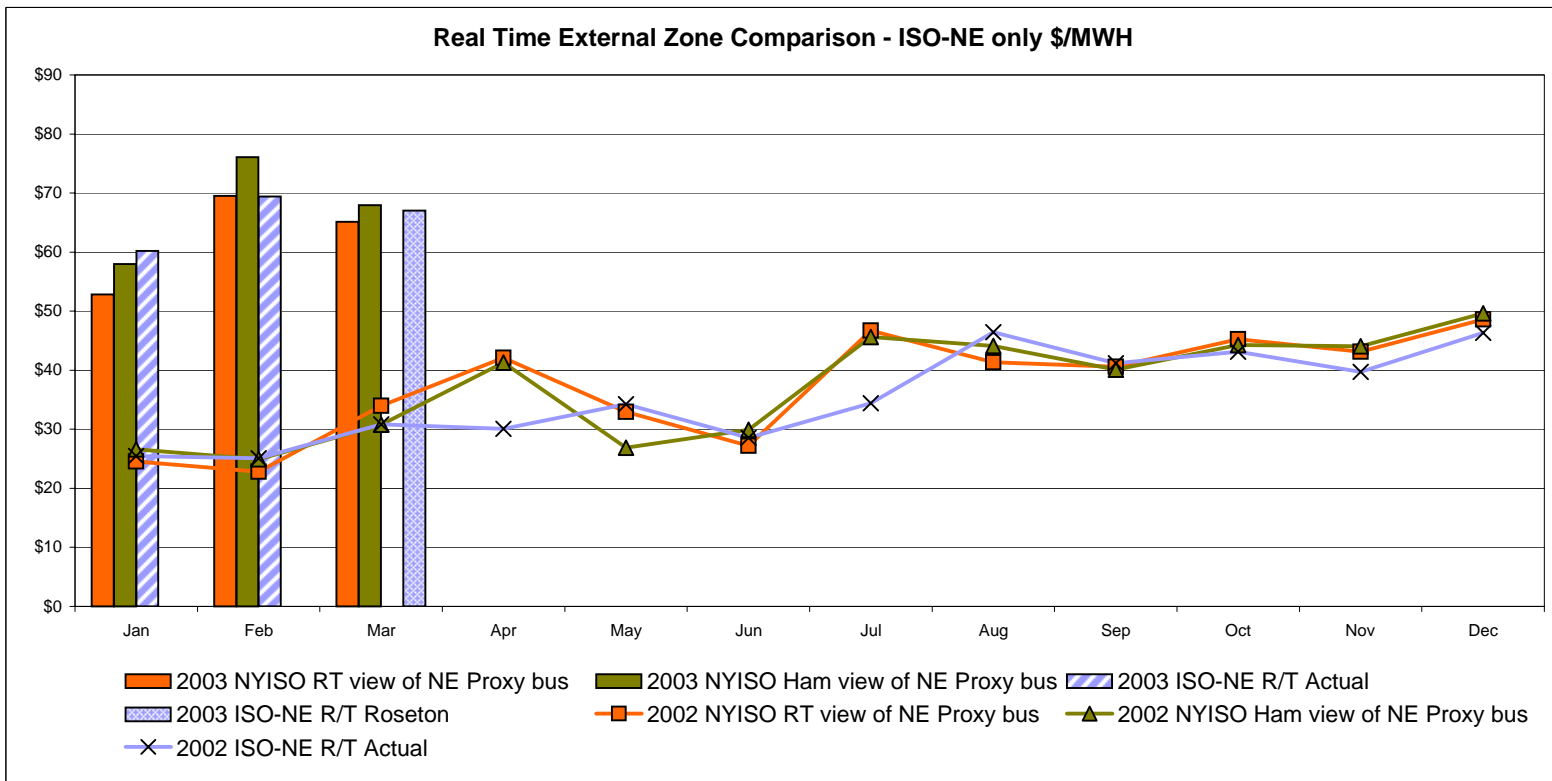
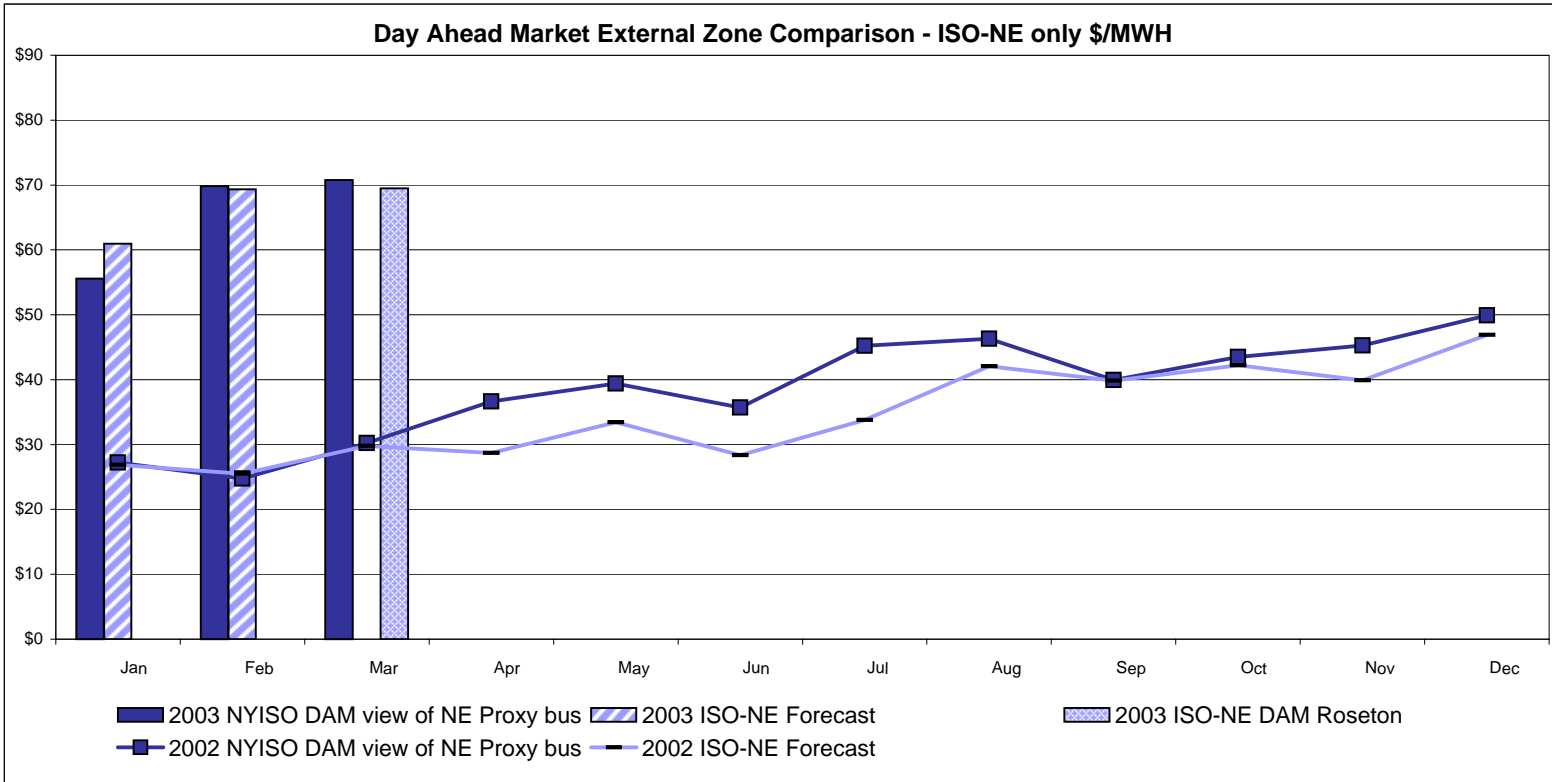
Long Island Zone K Monthly Average LBMP Prices 2002 - 2003



4 - L

* Commonly referred to as Hour Ahead Market (HAM)

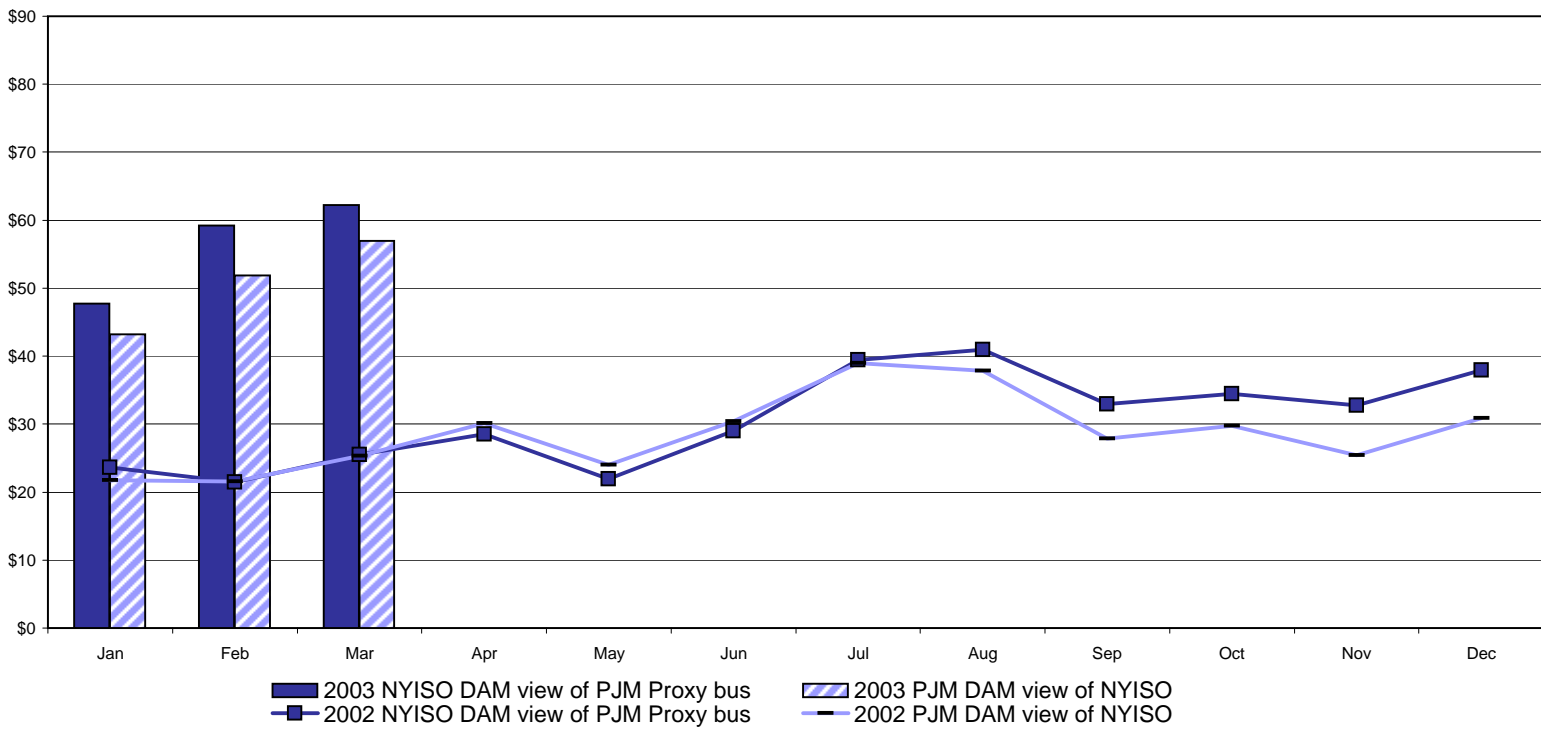
External Comparison ISO-NE



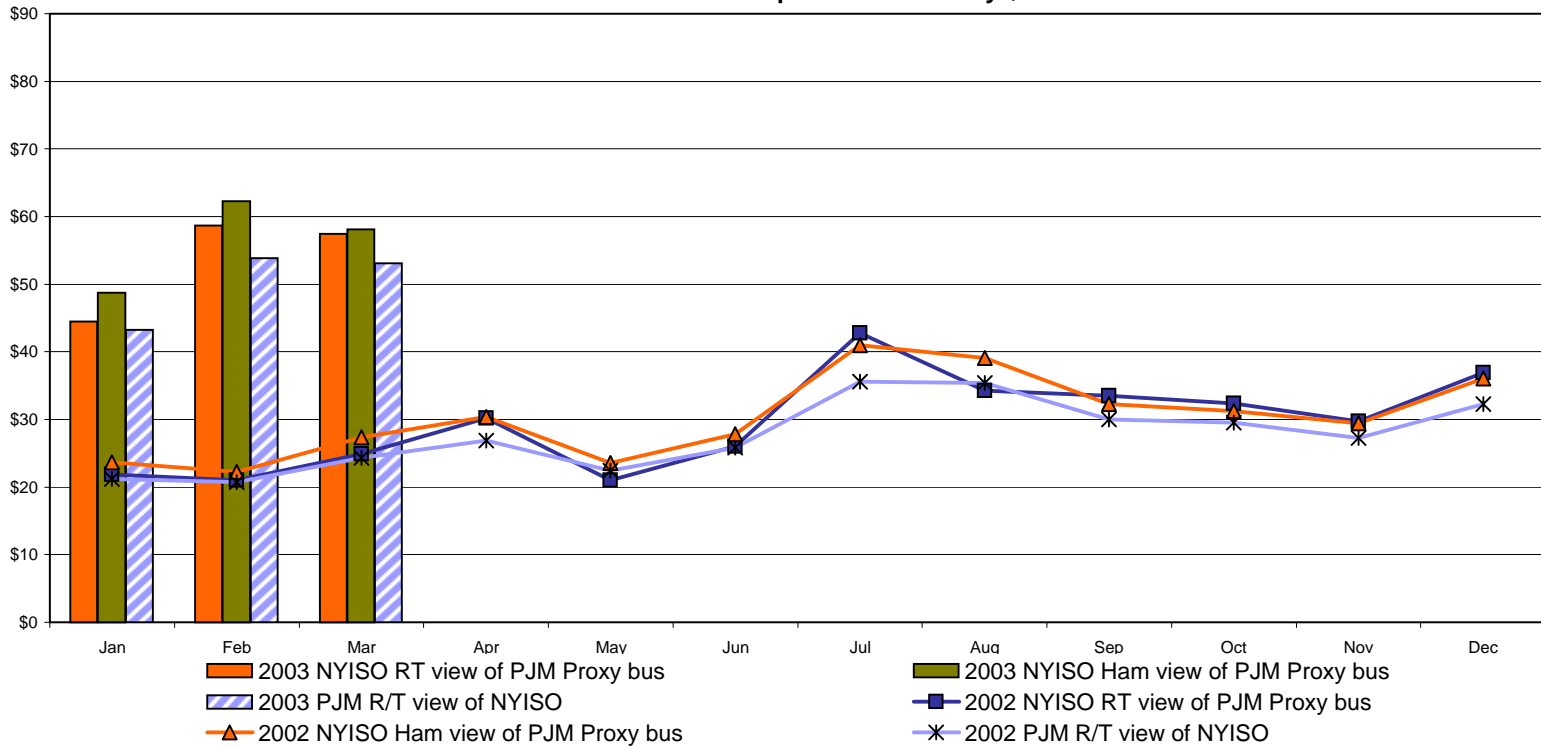
Note:
 ISO-NE Forecast is an advisory posting @ 18:00 day before
 Effective 3/1/2003 SMD implemented by ISO-NE. The DAM and R/T prices at the Roseton interface are now used.

External Comparison PJM

Day Ahead Market External Zone Comparison - PJM only \$/MWH

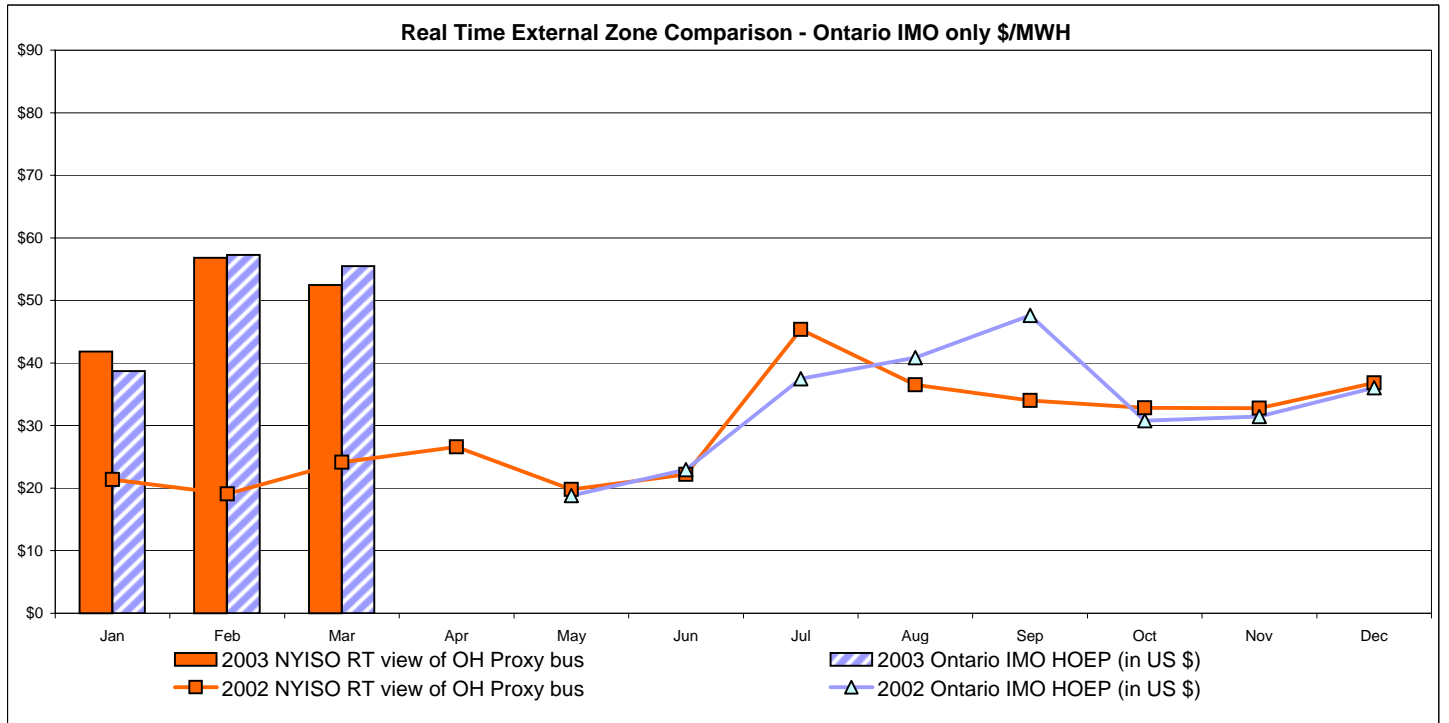
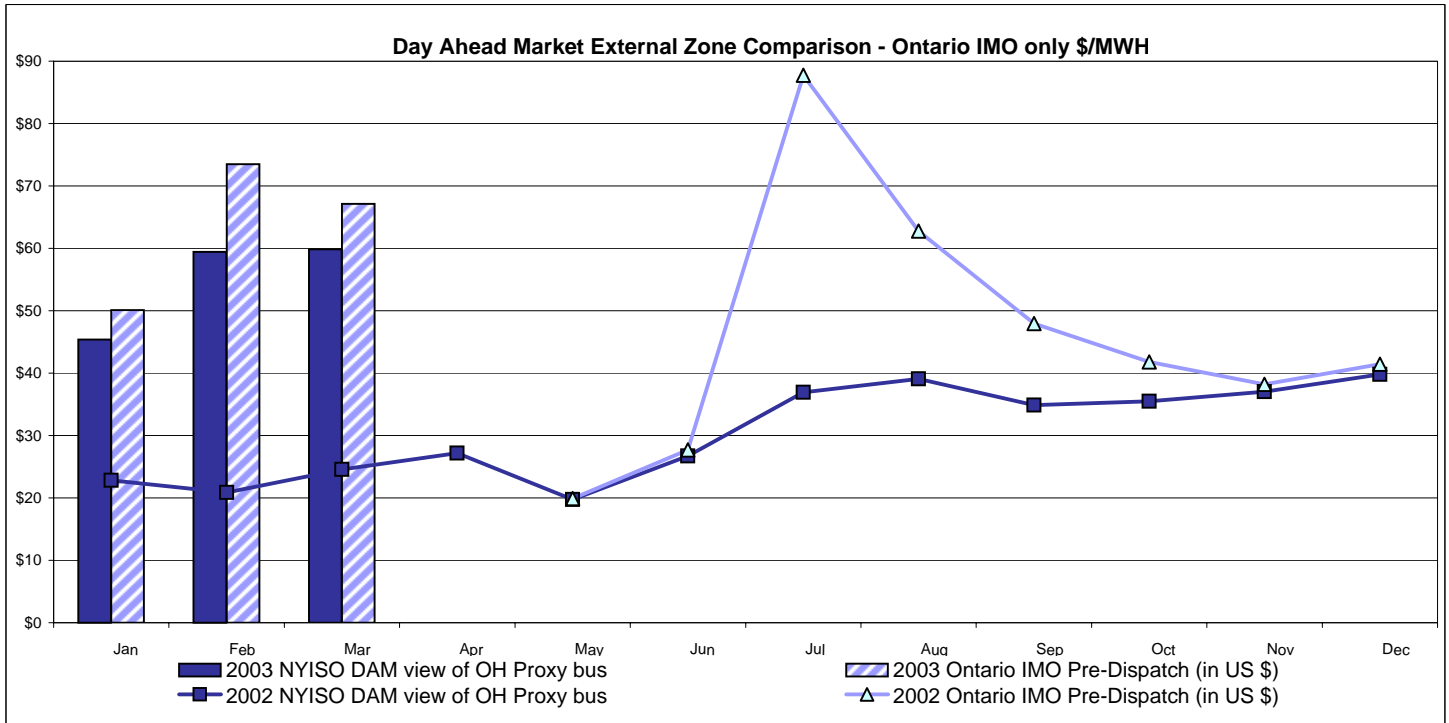


Real Time External Zone Comparison - PJM only \$/MWH



Note:
After 5/1/02 PJM lists only one interface as NYIS

External Comparison Ontario IMO



Notes: Exchange factor used for March 2003 was .68 to US \$
 HOEP: Hourly Ontario Energy Price
 Pre-Dispatch: Projected Energy Price

NYISO Price Correction Statistics

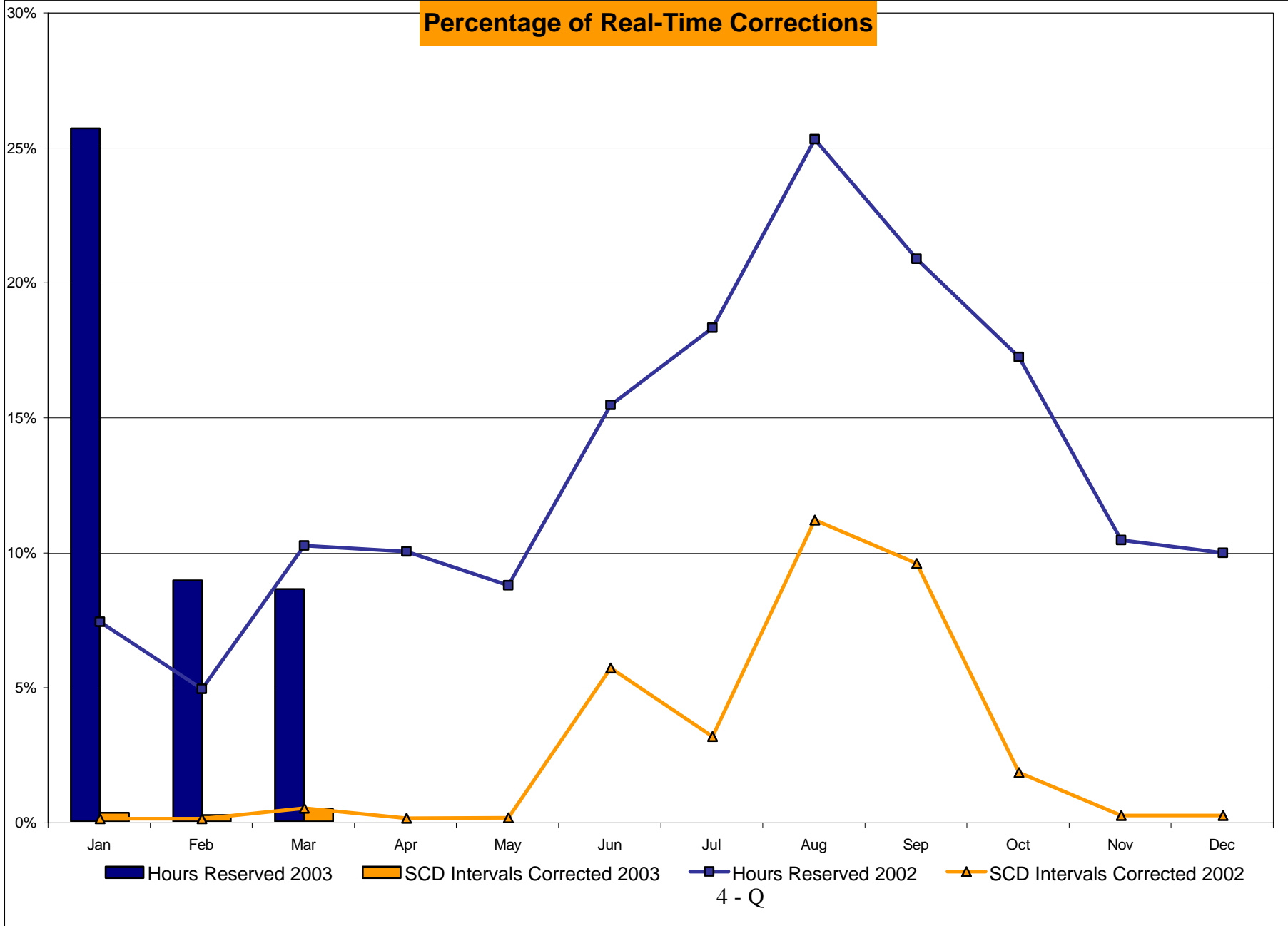
NYISO Price Corrections 2003

<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	35	25	49									
Number of Intervals in the month	10,986	10,197	10,918									
Percentage of intervals corrected in the month	0.32%	0.25%	0.45%									
Number of Intervals corrected Year-to-date	35	60	109									
Number of Intervals Year-to-date	10,986	21,183	32,101									
Percentage of intervals corrected Year-to-date	0.32%	0.28%	0.34%									
<u>Hours Reserved</u>												
Number of hours reserved in the month	191	60	64									
Number of hours in the month	744	672	744									
Percentage of hours reserved in the month	25.67%	8.93%	8.60%									
Number of hours reserved Year-to-date	191	251	315									
Number of hours Year-to-date	744	1,416	2,160									
Percentage of hours reserved Year-to-date	25.67%	15.74%	14.58%									
<u>Days Without Corrections</u>												
Days without price corrections in the month	18	15	14									
Days without price corrections Year-to-date	18	33	47									

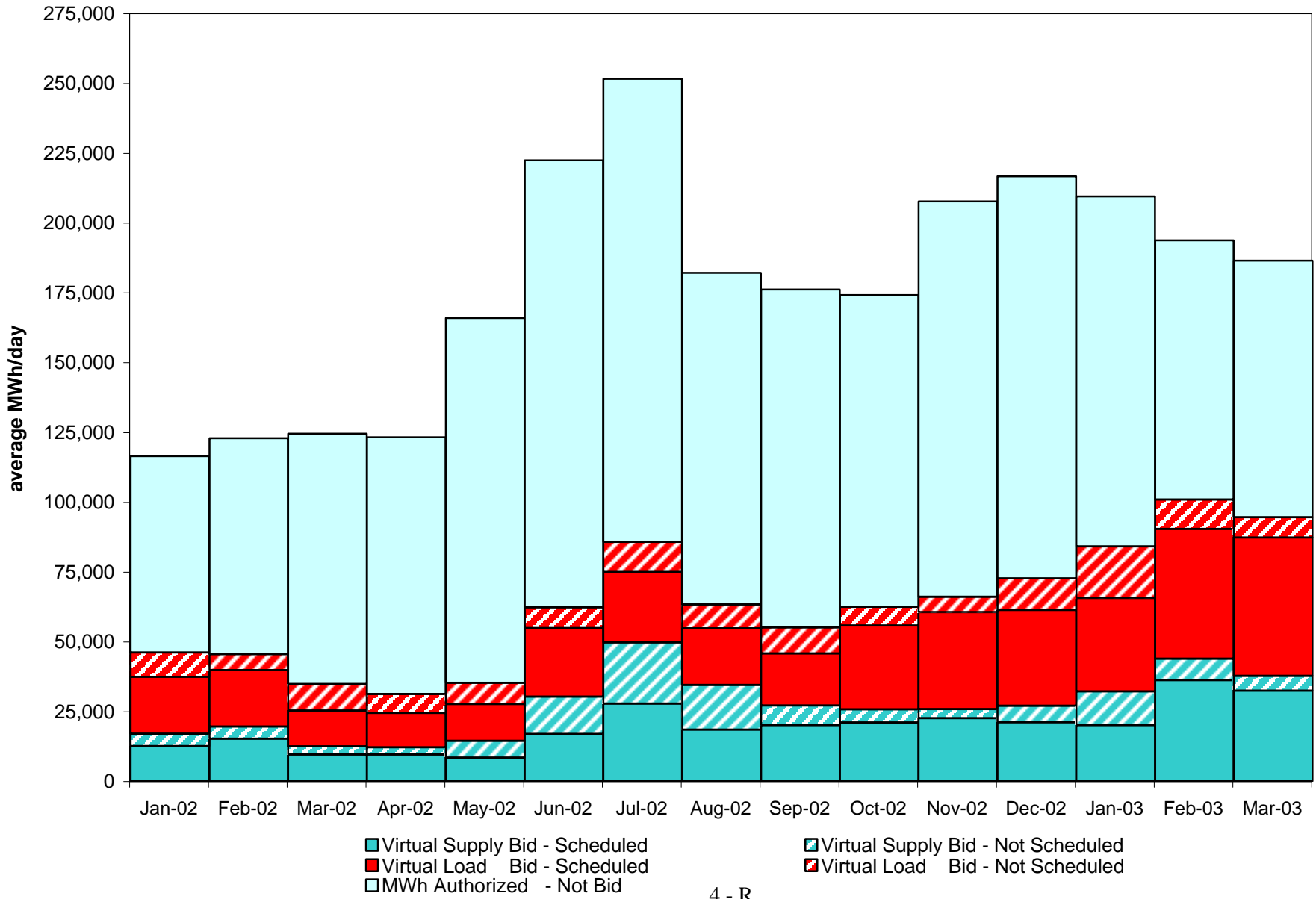
NYISO Price Corrections 2002

<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	12	11	55	13	16	616	346	1,261	1,016	201	23	24
Number of Intervals in the month	11,129	10,111	11,231	11,075	11,330	10,845	11,014	11,291	10,632	11,068	10,568	11,043
Percentage of intervals corrected in the month	0.11%	0.11%	0.49%	0.12%	0.14%	5.68%	2.28%	11.17%	9.56%	1.82%	0.22%	0.22%
Number of Intervals corrected Year-to-date	12	23	78	91	107	723	1,069	2,330	3,346	3,547	3,570	3,594
Number of Intervals Year-to-date	11,129	21,240	32,471	43,546	54,876	65,721	76,735	88,026	98,658	109,726	120,294	131,337
Percentage of intervals corrected Year-to-date	0.11%	0.11%	0.24%	0.21%	0.19%	1.10%	1.27%	2.65%	3.39%	3.23%	2.97%	2.74%
<u>Hours Reserved</u>												
Number of hours reserved in the month	55	33	76	72	65	111	136	188	150	128	75	74
Number of hours in the month	744	672	744	720	744	720	744	744	720	744	720	744
Percentage of hours reserved in the month	7.3%	4.9%	10.2%	10.0%	8.7%	15.4%	18.3%	25.3%	20.8%	17.2%	10.4%	10.0%
Number of hours reserved Year-to-date	7	15	27	35	49	124	194	331	438	474	491	511
Number of hours Year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,832	6,552	7,296	8,016	8,760
Percentage of hours reserved Year-to-date	7.3%	6.1%	7.6%	8.2%	8.3%	9.5%	10.8%	12.6%	13.5%	13.9%	13.6%	13.3%
<u>Days Without Corrections</u>												
Days without price corrections in the month	25	20	27	23	20	12	11	5	10	15	19	17
Days without price corrections Year-to-date	25	45	72	95	115	127	138	143	153	168	187	204

Percentage of Real-Time Corrections

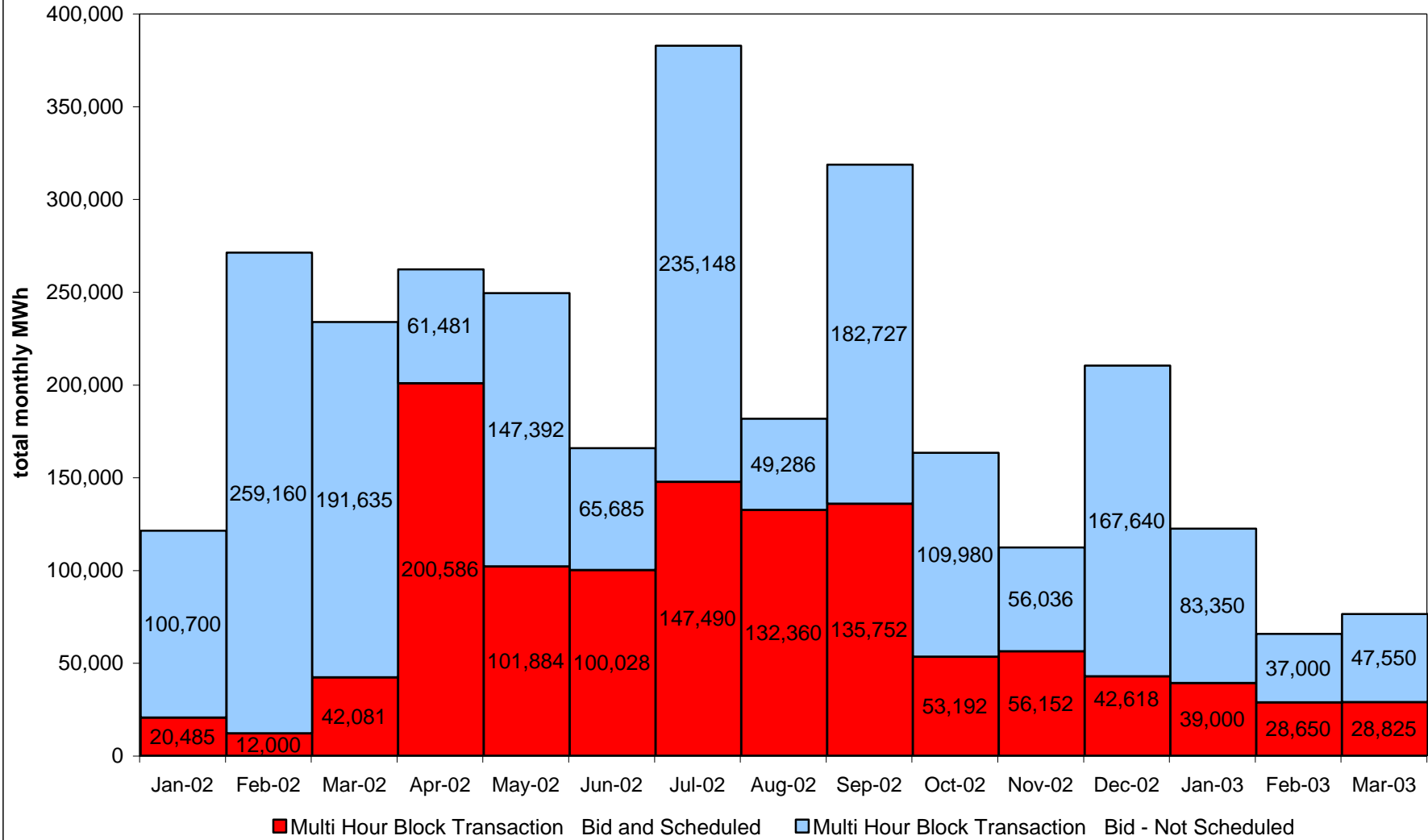


**NYISO Virtual Trading
Average MWh per day**

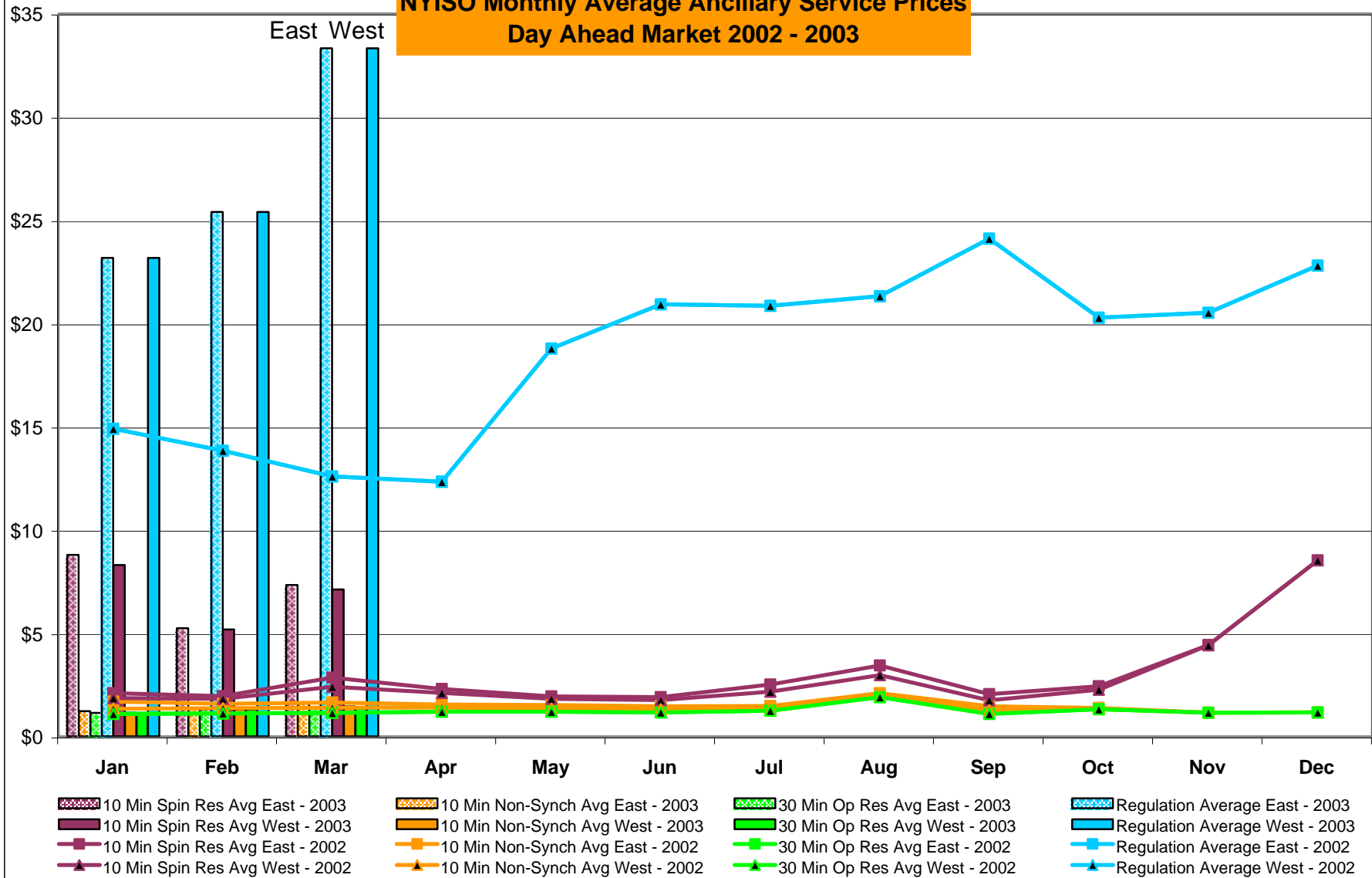


4 - R

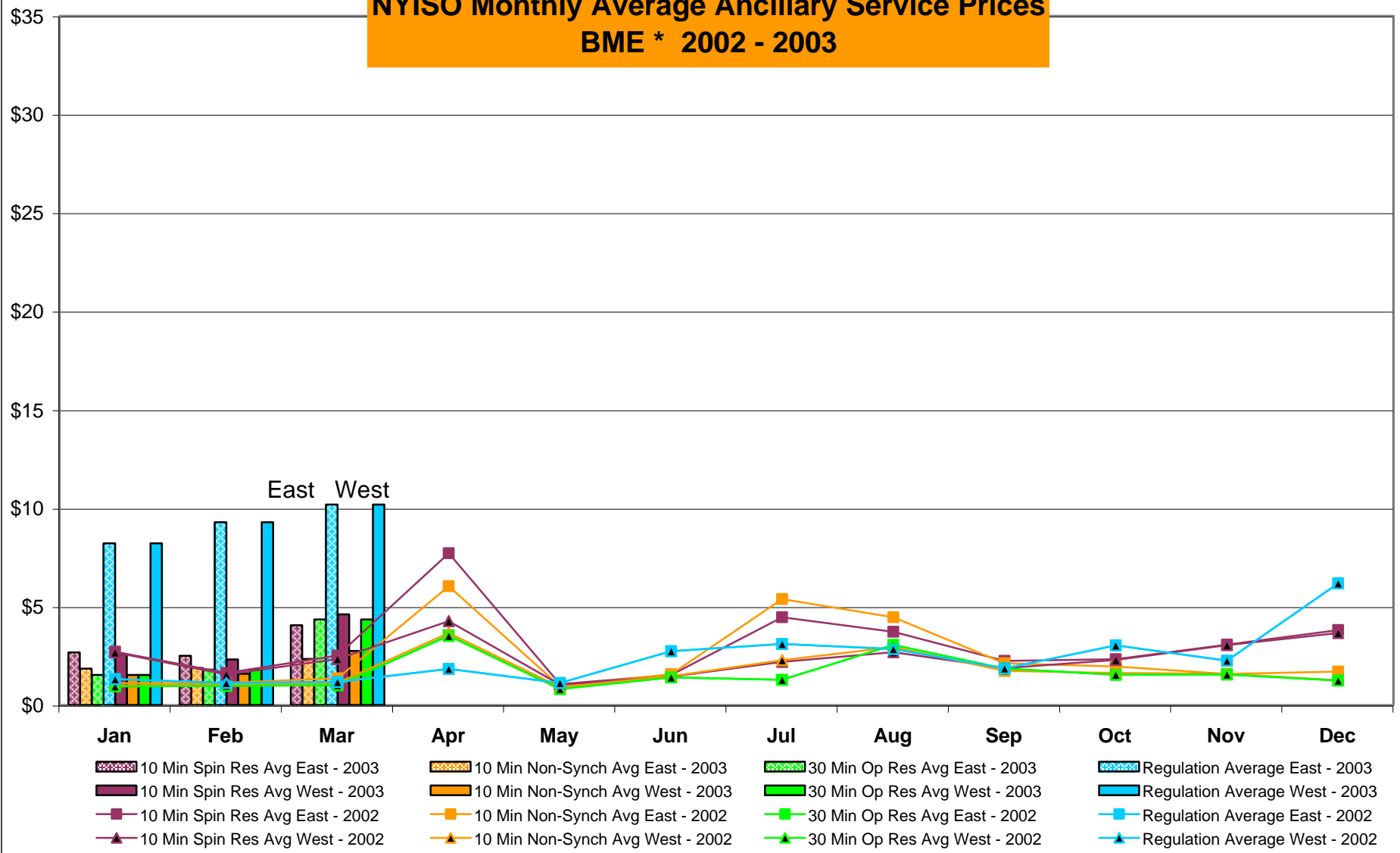
NYISO Multi Hour Block Transactions Monthly Total MWh



**NYISO Monthly Average Ancillary Service Prices
Day Ahead Market 2002 - 2003**



NYISO Monthly Average Ancillary Service Prices BME * 2002 - 2003



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* Commonly referred to as Hour Ahead Market (HAM)

NYISO Markets Ancillary Services Statistics

January February March April May June July August September October November December

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2003

Day Ahead Market

10 Min Spin East	8.78	5.24	7.33
10 Min Spin West	8.30	5.17	7.12
10 Min Non Synch East	1.22	1.36	1.60
10 Min Non Synch West	1.15	1.32	1.45
30 Min East	1.14	1.30	1.41
30 Min West	1.14	1.30	1.41
Regulation East	23.17	25.39	33.31
Regulation West	23.17	25.39	33.31

BME* Market

10 Min Spin East	2.67	2.50	4.05
10 Min Spin West	2.59	2.32	4.61
10 Min Non Synch East	1.85	1.89	2.34
10 Min Non Synch West	1.53	1.59	2.75
30 Min East	1.52	1.80	4.34
30 Min West	1.52	1.80	4.34
Regulation East	8.21	9.28	10.19
Regulation West	8.21	9.28	10.19

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2002

Day Ahead Market

10 Min Spin East	2.09	1.95	2.85	2.29	1.93	1.90	2.51	3.43	2.04	2.43	4.42	8.52
10 Min Spin West	1.85	1.81	2.40	2.11	1.81	1.75	2.16	2.96	1.74	2.26	4.41	8.52
10 Min Non Synch East	1.68	1.58	1.64	1.55	1.52	1.46	1.47	2.09	1.46	1.37	1.15	1.16
10 Min Non Synch West	1.34	1.36	1.39	1.40	1.34	1.32	1.35	1.96	1.27	1.33	1.15	1.16
30 Min East	1.09	1.11	1.13	1.19	1.20	1.17	1.24	1.90	1.09	1.32	1.15	1.16
30 Min West	1.09	1.11	1.13	1.19	1.20	1.17	1.24	1.90	1.09	1.32	1.15	1.16
Regulation East	14.90	13.83	12.59	12.33	18.78	20.92	20.85	21.31	24.10	20.27	20.51	22.80
Regulation West	14.90	13.83	12.59	12.33	18.78	20.92	20.85	21.31	24.10	20.27	20.51	22.80

BME* Market

10 Min Spin East	2.70	1.62	2.51	7.71	1.06	1.53	4.45	3.71	2.25	2.32	3.07	3.81
10 Min Spin West	2.67	1.55	2.34	4.26	1.03	1.43	2.19	2.69	1.88	2.29	3.04	3.66
10 Min Non Synch East	1.11	1.13	1.35	6.03	0.94	1.56	5.38	4.45	2.12	1.96	1.58	1.70
10 Min Non Synch West	0.99	1.05	1.12	3.65	0.91	1.46	2.27	2.94	1.74	1.63	1.58	1.26
30 Min East	0.95	0.97	1.01	3.54	0.82	1.41	1.28	3.05	1.85	1.54	1.55	1.24
30 Min West	0.95	0.97	1.01	3.51	0.82	1.41	1.28	3.05	1.85	1.54	1.55	1.24
Regulation East	1.32	1.12	1.17	1.84	1.12	2.73	3.11	2.85	1.86	3.03	2.25	6.18
Regulation West	1.32	1.12	1.17	1.84	1.12	2.73	3.11	2.85	1.86	3.03	2.25	6.18

* Commonly Referred to as Hour Ahead Market (HAM)

NYISO LBMP ZONES

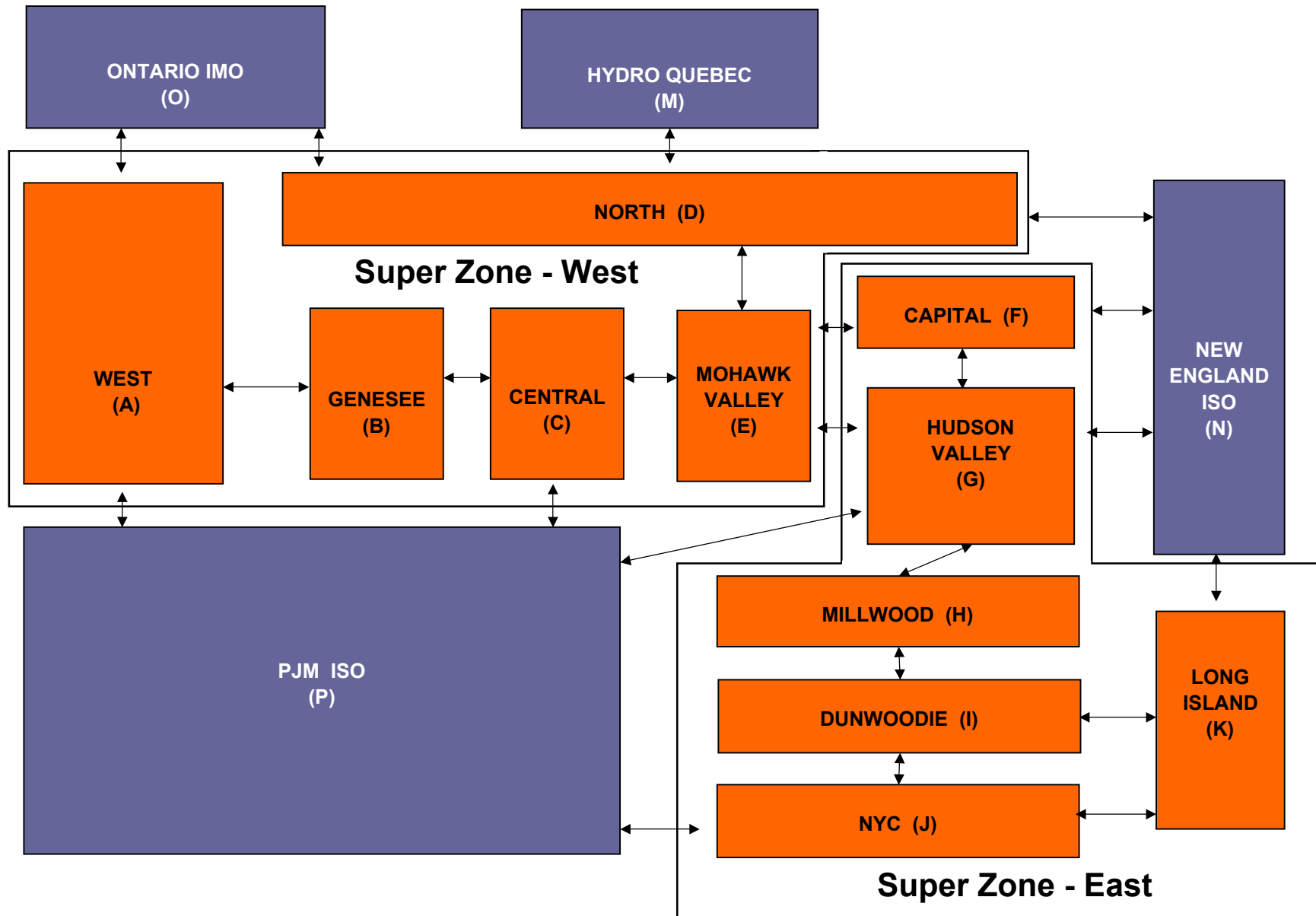


ABB Status

- **Initial HP Hardware Delivered and Configured in Houston**
- **NYISO Review and Approval of Functional Design Specs – On Target**
- **Port of SCUC to New EMS Platform – On Target**
- **NYISO Review and Approval of RTS Functional Design Spec – On Target**
- **SMD 2.0 Integration Design Complete**
- **Security Architecture Design – On Target**
- **Factory Acceptance Test Plans Under Development**
- **New Tariff Language Under Development**
- **Overall, SMD 2.0 is Tracking On Schedule**

Legislative Update

➤ House

- *Comprehensive Energy Bill reported to the floor by the House Energy and Commerce Committee*
- *Considered on House floor April 10*

➤ Senate

- *Markup underway by Senate Energy Committee*
 - ▶ *Electricity Title likely to be addressed on April 30*

Key House Bill Highlights

- **Provides for an industry led reliability organization that would establish and enforce mandatory rules, subject to FERC oversight**
 - *New York may establish greater reliability rules*
- **Provides native load protection when transmission capacity is allocated**
 - *Savings clause exempts existing ISO/RTO areas*

Key House Bill Highlights

- Grants FERC backstop transmission siting authority
- Directs FERC to encourage transmission construction through incentive rate policy and participant funding
- Provides for voluntary participation in RTOs using an incentive-based approach

Summer 2003 Projects Update

Project	Deployment Date
Settlement Rules at Non-Competitive Proxy Bus	5/28/03 <i>Filed 4/1/03, requesting 5/31/03 effective date</i>
Scarcity Pricing	6/10/03 <i>Filing targeted for 4/15/03</i>
DADRP Modifications	6/28/03 <i>Filing targeted for 5/1/03</i>

Summer 2003 Projects Update

Project	Deployment Date
GT Reserve/Mgt and Persistent Dragging	TBD <i>FRS under development</i>
AMP III – Temporal Selectivity	TBD <i>Awaiting approvals</i>
SCUC Over Commitment /SCUC Redesign	TBD <i>Awaiting approvals</i>