



# Monthly Report

**May 2006**

**Rana Mukerji**

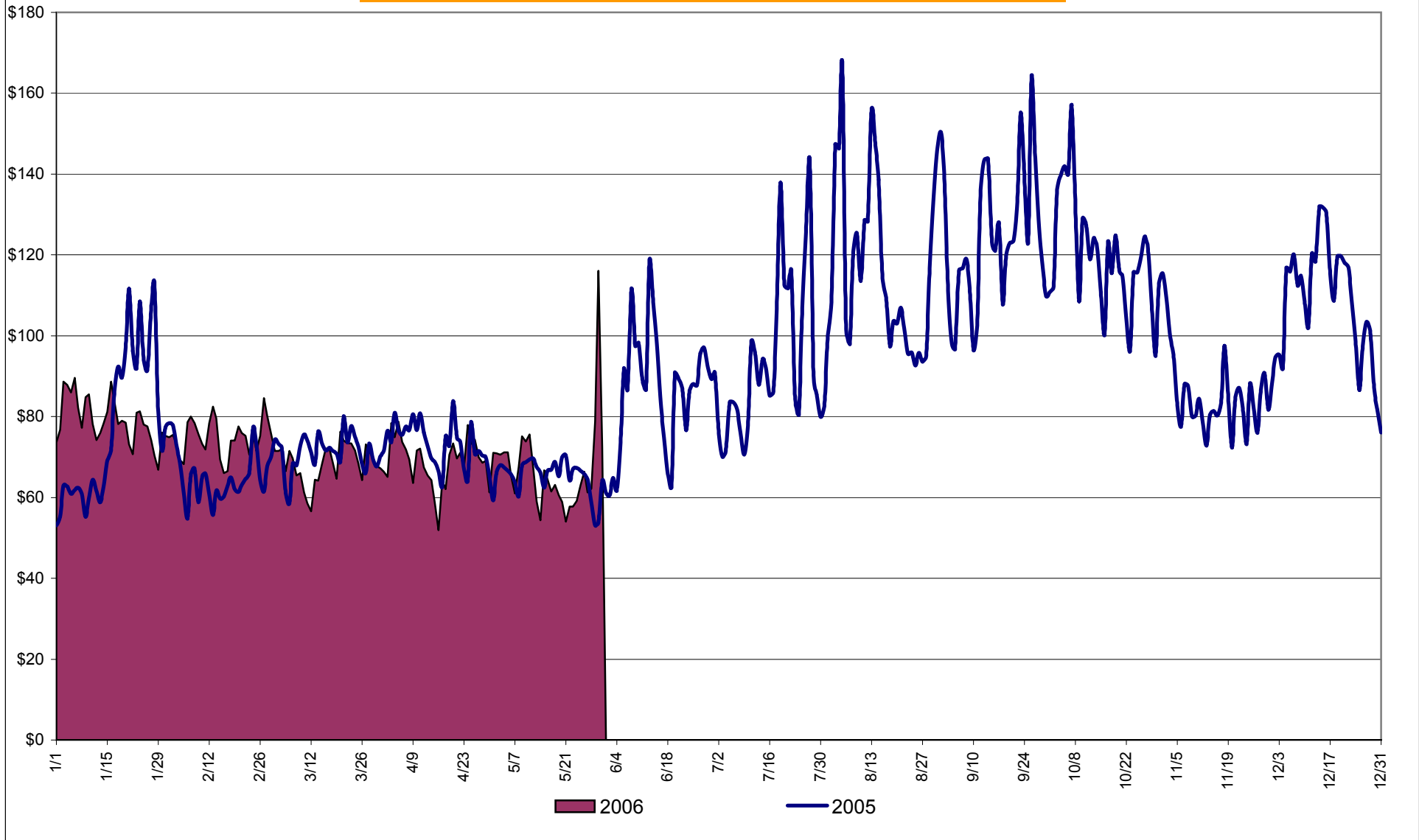
# TABLE OF CONTENTS

- 1. Market Operation's Report .....
- 2. Daily Loads .....
- 3. Budget Summary .....
- 4. Project Status Report.....
- 5. Regulatory Filings.....

# Market Performance Highlights for May 2006

- LBMP for May is \$65.54/MWh, down from \$66.24/MWh in April.
  - Average monthly cost is \$67.90/MWh, down from \$69.24/MWh in April.
  - Day Ahead LBMPs have decreased while Real Time LBMPs have increased from April.
- Fuel prices are predominately down this month.
  - Kerosene is \$15.77/mmBTU, up from \$15.62/mmBTU in April
  - No. 2 Fuel Oil is \$14.04/mmBTU, down from \$14.10/mmBTU in April
  - No. 6 Fuel Oil is \$8.28/mmBTU, down from \$8.40/mmBTU in April
  - Natural Gas is \$6.71/mmBTU, down from \$7.68/mmBTU in April
- Uplift has decreased this month relative to April 2006.
  - Uplift (not including NYISO cost of operations) is \$0.14/MWh, down from \$0.63/MWh in April. This is primarily due to an decrease in Balancing Residuals and Local Reliability Balancing.
- Real Time In-City Mitigation has decreased relative to April.
- Reserve costs have decreased relative to April.

**Daily NYISO Average Cost/MWh (Energy & Ancillary Services)\***  
**2005 Annual Average \$93.89/MWh**  
**May 2005 YTD Average \$71.56/MWh**  
**May 2006 YTD Average \$72.19/MWh**



\* Excludes ICAP payments.

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

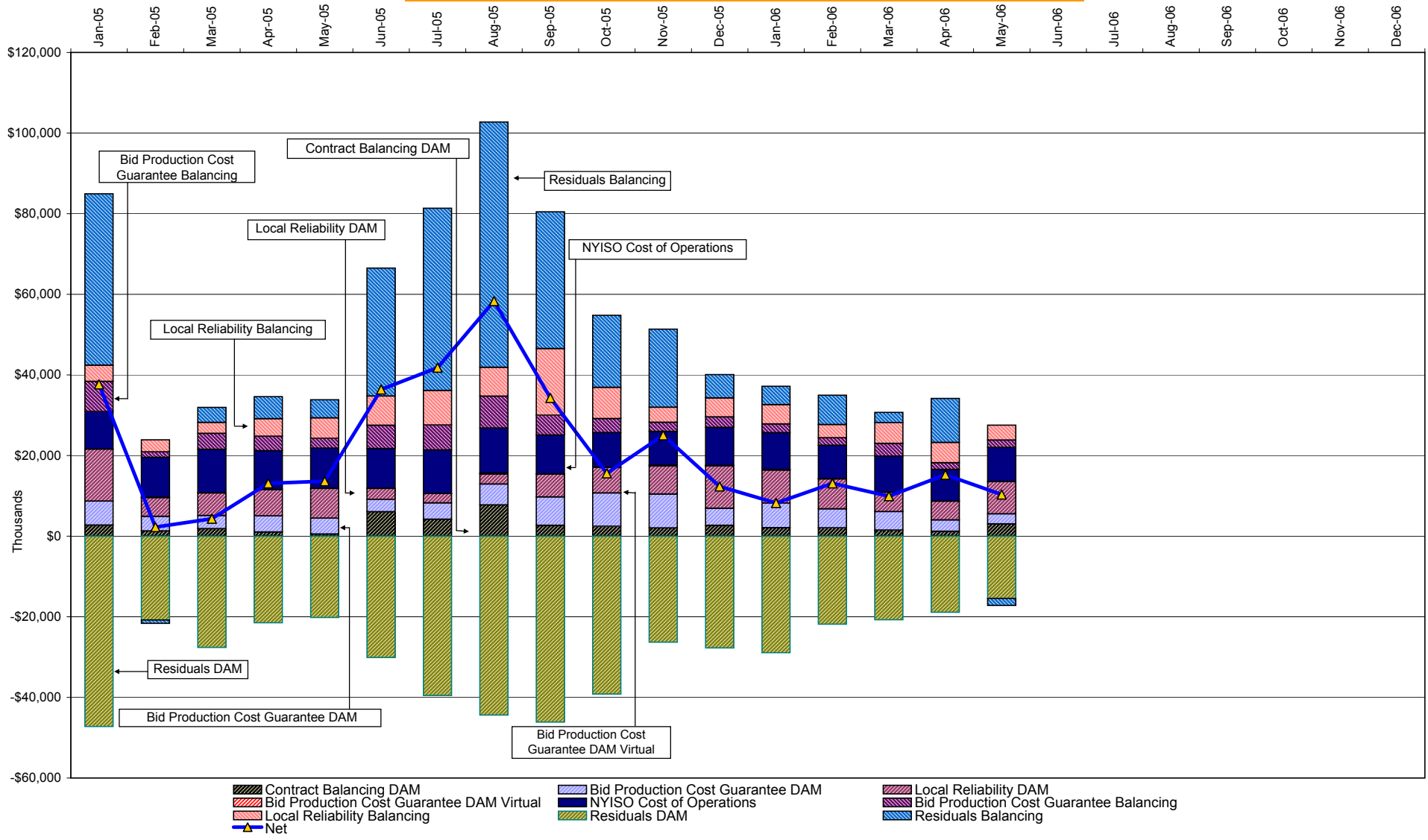
<b>2006</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	77.14	71.85	66.52	66.24	65.54							
NTAC	0.47	0.90	0.43	0.54	0.64							
Reserve	0.35	0.30	0.29	0.35	0.16							
Regulation	0.56	0.68	0.69	0.48	0.42							
NYISO Cost of Operations	0.64	0.64	0.64	0.64	0.64							
Uplift	(0.07)	0.37	0.09	0.63	0.14							
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>							
<b>Avg Monthly Cost</b>	79.46	75.10	69.02	69.24	67.90							
Avg YTD Cost	79.46	77.39	74.49	73.24	72.19							

<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	75.70	64.03	69.95	71.28	63.13	84.83	92.42	115.19	122.40	118.56	82.00	106.11
NTAC	0.42	0.36	0.23	0.49	0.40	0.58	0.46	0.25	0.10	0.03	0.39	0.64
Reserve	0.24	0.08	0.17	0.21	0.20	(0.01)	0.11	0.02	0.31	0.54	0.34	0.38
Regulation	0.32	0.40	0.34	0.22	0.25	0.20	0.15	0.06	0.41	0.64	0.70	0.53
NYISO Cost of Operations	0.63	0.79	0.79	0.79	0.79	0.63	0.63	0.63	0.63	0.63	0.63	0.63
Uplift	1.99	(0.59)	(0.47)	0.29	0.30	1.85	1.95	2.76	1.68	0.52	1.26	0.17
Voltage Support and Black Start	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>
<b>Avg Monthly Cost</b>	79.70	65.45	71.38	73.67	65.46	88.48	96.09	119.29	125.93	121.32	85.72	108.85
Avg YTD Cost	79.70	73.25	72.61	72.86	71.56	74.91	78.90	85.52	90.31	93.10	92.53	93.89

\* Excludes ICAP payments.

These numbers reflect the rebilling of prior periods.

### 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.

## NYISO Markets Transactions

<b>2006</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>	13,877,416	12,532,754	13,392,627	11,860,369	12,637,299							
DAM LSE Internal LBMP Energy Sales	46%	47%	48%	50%	46%							
DAM External TC LBMP Energy Sales	4%	3%	2%	2%	3%							
DAM Bilateral - Internal Bilaterals	47%	47%	45%	45%	47%							
DAM Bilateral - Import/Non-LBMP Market Bilaterals	2%	2%	2%	2%	2%							
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	2%	1%	1%							
DAM Bilateral - Wheel Through Bilaterals	0%	0%	0%	0%	0%							
<b>Balancing Energy Market MWh</b>	300,904	322,333	558,199	396,791	486,316							
Balancing Energy LSE Internal LBMP Energy Sales	3%	22%	31%	26%	45%							
Balancing Energy External TC LBMP Energy Sales	86%	74%	66%	68%	48%							
Balancing Energy Bilateral - Internal Bilaterals	5%	2%	2%	2%	2%							
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	2%	1%	0%	0%	3%							
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	0%							
Balancing Energy Bilateral - Wheel Through Bilaterals	4%	1%	0%	3%	2%							
<b>Transactions Summary</b>												
LBMP	51%	50%	52%	53%	51%							
Internal Bilaterals	46%	46%	43%	43%	45%							
Import Bilaterals	2%	2%	2%	2%	2%							
Export Bilaterals	1%	1%	2%	1%	1%							
Wheels Through	0%	0%	0%	0%	0%							
<b>Market Share of Total Load</b>												
Day Ahead Market	97.9%	97.5%	96.0%	96.8%	96.3%							
Balancing Energy †	2.1%	2.5%	4.0%	3.2%	3.7%							
Total MWh	14,178,320	12,855,086	13,950,825	12,257,160	13,123,615							
Average Daily Energy Sendout/Month GWh	439	444	428	395	407							
<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>	14,281,481	12,510,148	13,410,579	12,215,628	12,773,478	14,981,363	16,344,465	16,587,663	14,706,243	13,309,658	12,893,992	14,418,648
DAM LSE Internal LBMP Energy Sales	48%	49%	52%	52%	45%	50%	53%	52%	49%	46%	45%	46%
DAM External TC LBMP Energy Sales	3%	1%	1%	1%	3%	3%	3%	4%	6%	4%	4%	5%
DAM Bilateral - Internal Bilaterals	47%	48%	45%	44%	50%	44%	42%	42%	43%	47%	48%	46%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	1%	1%	1%	2%	2%	2%	2%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	0%	1%	0%	0%	1%	0%	0%	0%	0%	0%	0%
<b>Balancing Energy Market MWh</b>	414,096	123,162	329,431	58,175	-101,200	582,604	796,586	1,107,346	544,610	384,383	365,677	515,733
Balancing Energy LSE Internal LBMP Energy Sales	77%	-39%	22%	-336%	-307%	46%	73%	73%	33%	4%	-15%	41%
Balancing Energy External TC LBMP Energy Sales	43%	161%	77%	463%	208%	45%	23%	21%	51%	93%	100%	49%
Balancing Energy Bilateral - Internal Bilaterals	-13%	-9%	7%	-27%	5%	5%	6%	6%	13%	4%	13%	11%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	0%	0%	2%	2%	1%	1%	0%	0%	1%	1%	1%
Balancing Energy Bilateral - Wheel Through Bilaterals	-8%	-13%	-5%	-2%	-8%	3%	-2%	1%	3%	-1%	2%	-1%
<b>Transactions Summary</b>												
LBMP	53%	51%	54%	54%	47%	54%	58%	58%	56%	52%	50%	52%
Internal Bilaterals	45%	47%	44%	44%	50%	43%	40%	39%	42%	45%	47%	45%
Import Bilaterals	1%	1%	1%	0%	0%	1%	1%	1%	1%	2%	2%	2%
Export Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
<b>Market Share of Total Load</b>												
Day Ahead Market	97.2%	99.0%	97.6%	99.5%	100.8%	96.3%	95.4%	93.7%	96.4%	97.2%	97.2%	96.5%
Balancing Energy †	2.8%	1.0%	2.4%	0.5%	-0.8% *	3.7%	4.6%	6.3%	3.6%	2.8%	2.8%	3.5%
Total MWh	14,695,577	12,633,310	13,740,011	12,273,803	12,672,278	15,563,968	17,141,051	17,695,009	15,250,854	13,694,041	13,259,669	14,934,381
Average Daily Energy Sendout/Month GWh	462	447	433	399	395	501	536	549	478	418	419	454

† 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 2006 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 *	\$73.28	\$68.90	\$64.31	\$63.21	\$59.31							
Standard Deviation	\$15.03	\$12.95	\$11.95	\$13.28	\$13.70							
Load Weighted Price **	\$75.09	\$70.34	\$65.74	\$64.93	\$61.29							
<b><u>RTC *** LBMP</u></b>												
Price *	\$70.25	\$63.41	\$63.04	\$62.39	\$60.81							
Standard Deviation	\$26.63	\$15.86	\$20.50	\$18.82	\$37.26							
Load Weighted Price **	\$71.94	\$64.44	\$64.43	\$63.93	\$63.75							
<b><u>REAL TIME LBMP</u></b>												
Price *	\$70.91	\$63.96	\$63.66	\$62.35	\$63.29							
Standard Deviation	\$31.34	\$20.06	\$23.01	\$20.98	\$62.40							
Load Weighted Price **	\$73.18	\$65.38	\$65.38	\$64.13	\$68.66							
Average Daily Energy Sendout/Month GWh	439	444	428	395	407							

### 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	\$67.17	\$68.14	\$59.59	\$75.49	\$83.75	\$102.33	\$115.47	\$110.99	\$78.56	\$101.24
Standard Deviation	\$23.42	\$12.00	\$12.49	\$14.20	\$13.39	\$22.85	\$24.32	\$31.65	\$32.31	\$28.39	\$21.07	\$26.32
Load Weighted Price **	\$72.26	\$62.42	\$68.61	\$69.92	\$61.44	\$79.64	\$88.09	\$107.34	\$120.22	\$115.20	\$81.05	\$104.27
<b><u>RTC *** LBMP</u></b>												
Price *	\$74.47	\$55.93	\$70.40	\$69.92	\$61.59	\$85.42	\$94.96	\$129.60	\$116.00	\$108.53	\$74.02	\$94.86
Standard Deviation	\$44.64	\$16.80	\$26.13	\$23.51	\$59.20	\$62.91	\$68.35	\$116.09	\$44.35	\$42.95	\$33.43	\$40.18
Load Weighted Price **	\$77.48	\$57.10	\$72.12	\$71.72	\$64.16	\$90.25	\$100.76	\$138.00	\$120.72	\$112.25	\$76.57	\$97.73
<b><u>REAL TIME LBMP</u></b>												
Price *	\$70.25	\$57.57	\$68.04	\$64.95	\$57.20	\$77.75	\$90.48	\$122.21	\$114.94	\$110.90	\$74.62	\$94.16
Standard Deviation	\$31.79	\$20.48	\$32.50	\$26.06	\$42.34	\$55.70	\$72.95	\$103.00	\$42.92	\$55.35	\$36.61	\$40.67
Load Weighted Price **	\$73.26	\$58.86	\$69.88	\$66.77	\$59.04	\$83.96	\$96.82	\$130.69	\$120.36	\$115.69	\$77.51	\$97.64
Average Daily Energy Sendout/Month GWh	462	447	433	399	395	501	536	549	478	418	419	454

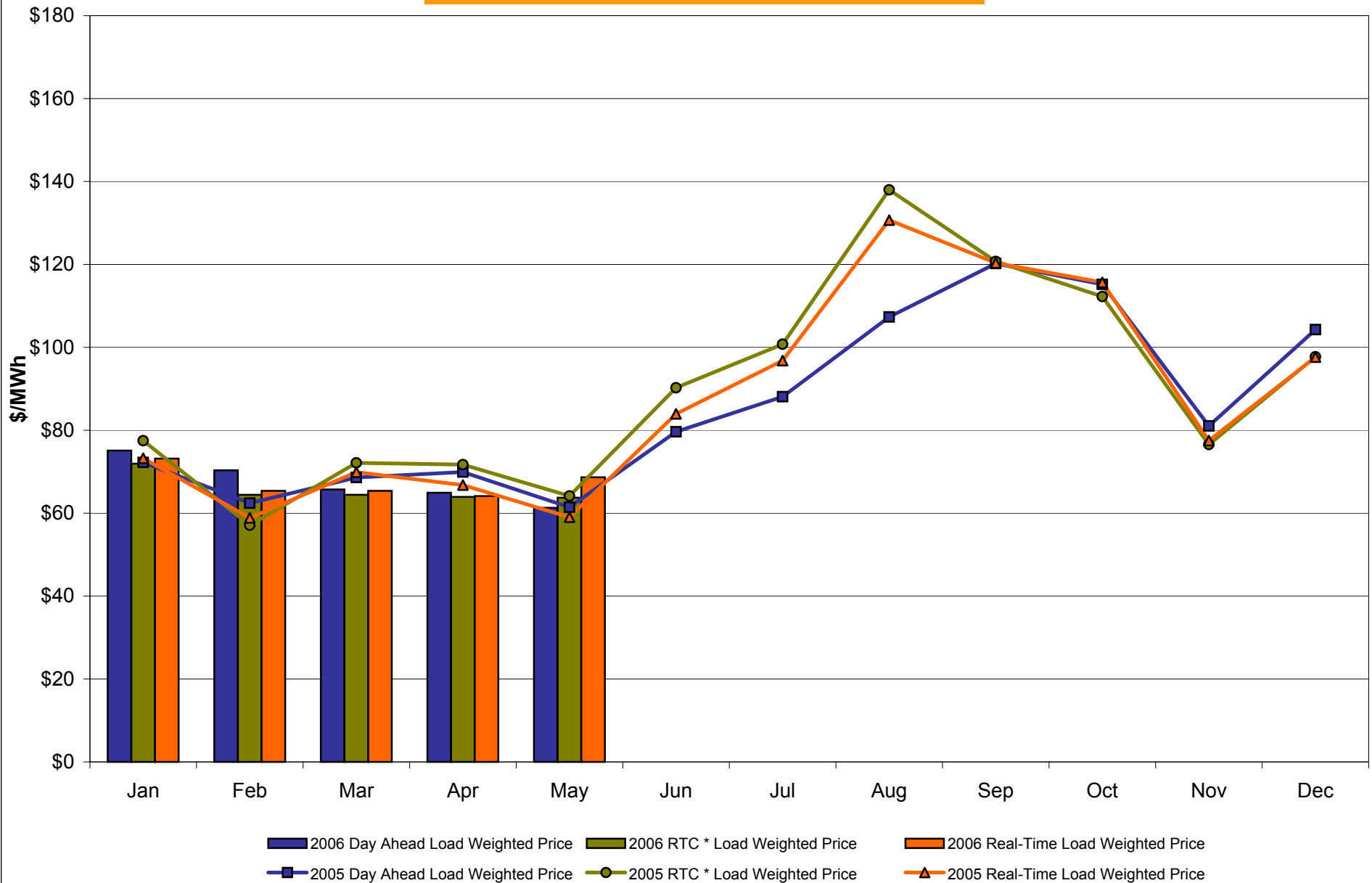
\* Average zonal load weighted prices.

\*\* 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 2005 - 2006



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

**May 2006 Zonal LBMP Statistics for NYISO (\$/MWh)**

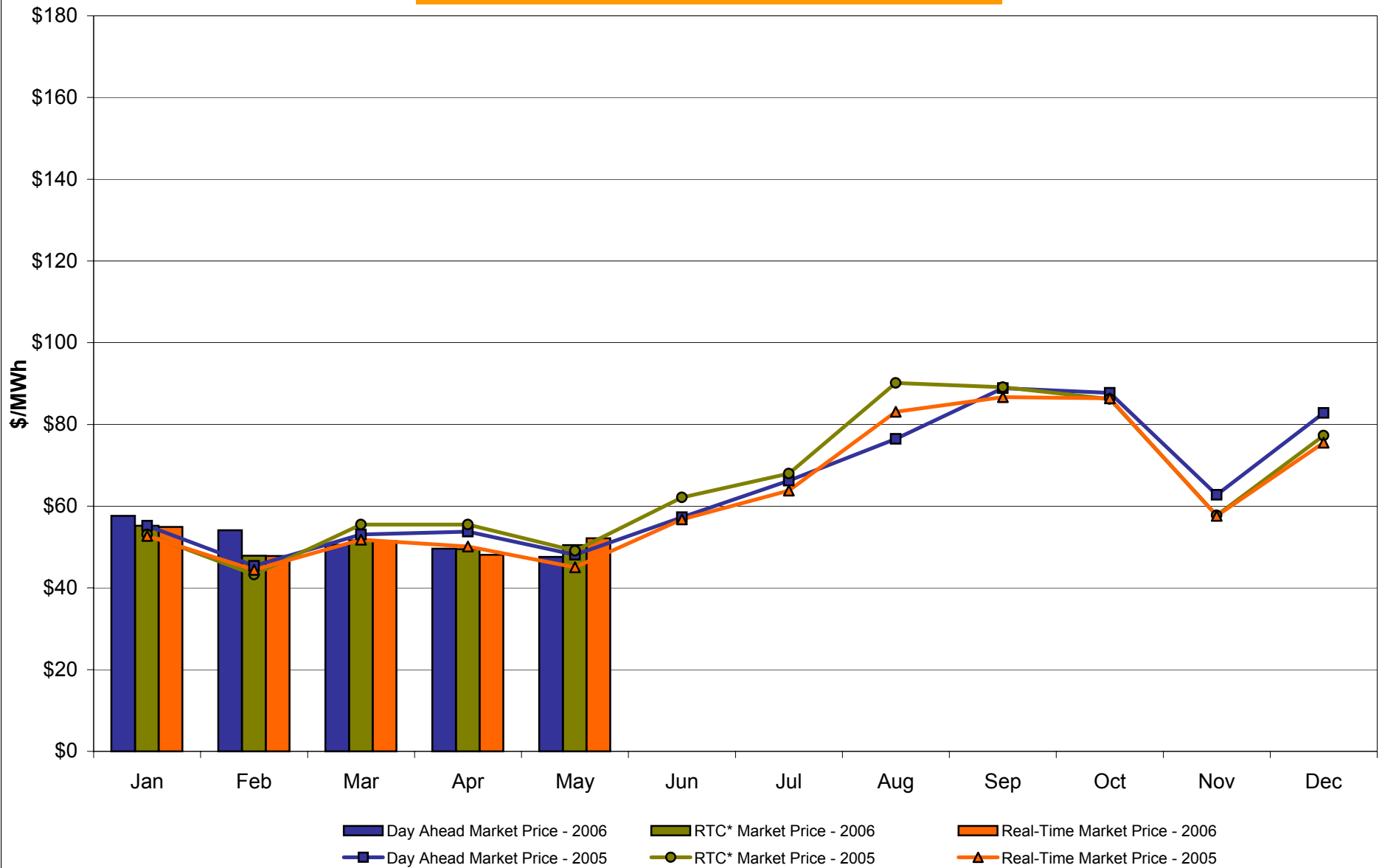
	<u>WEST Zone A</u>	<u>GENESEE Zone B</u>	<u>NORTH Zone D</u>	<u>CENTRAL Zone C</u>	<u>MOHAWK VALLEY Zone E</u>	<u>CAPITAL Zone F</u>	<u>HUDSON VALLEY Zone G</u>	<u>MILLWOOD Zone H</u>	<u>DUNWOODIE Zone I</u>	<u>NEW YORK CITY Zone J</u>	<u>LONG ISLAND Zone K</u>
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	47.61	50.21	51.49	51.29	53.24	55.49	59.69	60.54	60.74	62.23	75.98
Standard Deviation	10.05	10.93	10.47	10.87	11.34	11.73	15.33	16.04	16.12	16.83	16.33
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	50.45	53.09	53.97	54.36	56.36	58.33	61.83	62.31	62.44	62.94	74.59
Standard Deviation	33.29	34.29	32.18	33.56	34.53	34.34	39.12	40.10	40.22	40.48	45.86
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	52.13	54.77	55.34	55.91	57.93	60.11	64.40	65.01	65.14	65.29	80.40
Standard Deviation	58.14	60.28	57.36	59.14	60.94	60.54	68.50	70.18	70.31	66.38	73.35
	<u>ONTARIO IESO Zone O</u>	<u>HYDRO QUEBEC Zone M</u>	<u>PJM Zone P</u>	<u>NEW ENGLAND Zone N</u>	<u>CROSS SOUND CABLE Controllable Line</u>						
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	46.91	52.07	48.60	56.90	75.77						
Standard Deviation	9.95	10.61	10.86	12.94	16.42						
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	47.23	52.51	49.24	56.96	72.56						
Standard Deviation	17.90	17.13	17.62	17.96	35.92						
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	50.58	54.85	52.67	59.62	80.73						
Standard Deviation	55.89	53.09	55.34	52.79	73.58						

\* Straight zonal LBMP averages

\*\* Referred to as RTC beginning February 2005

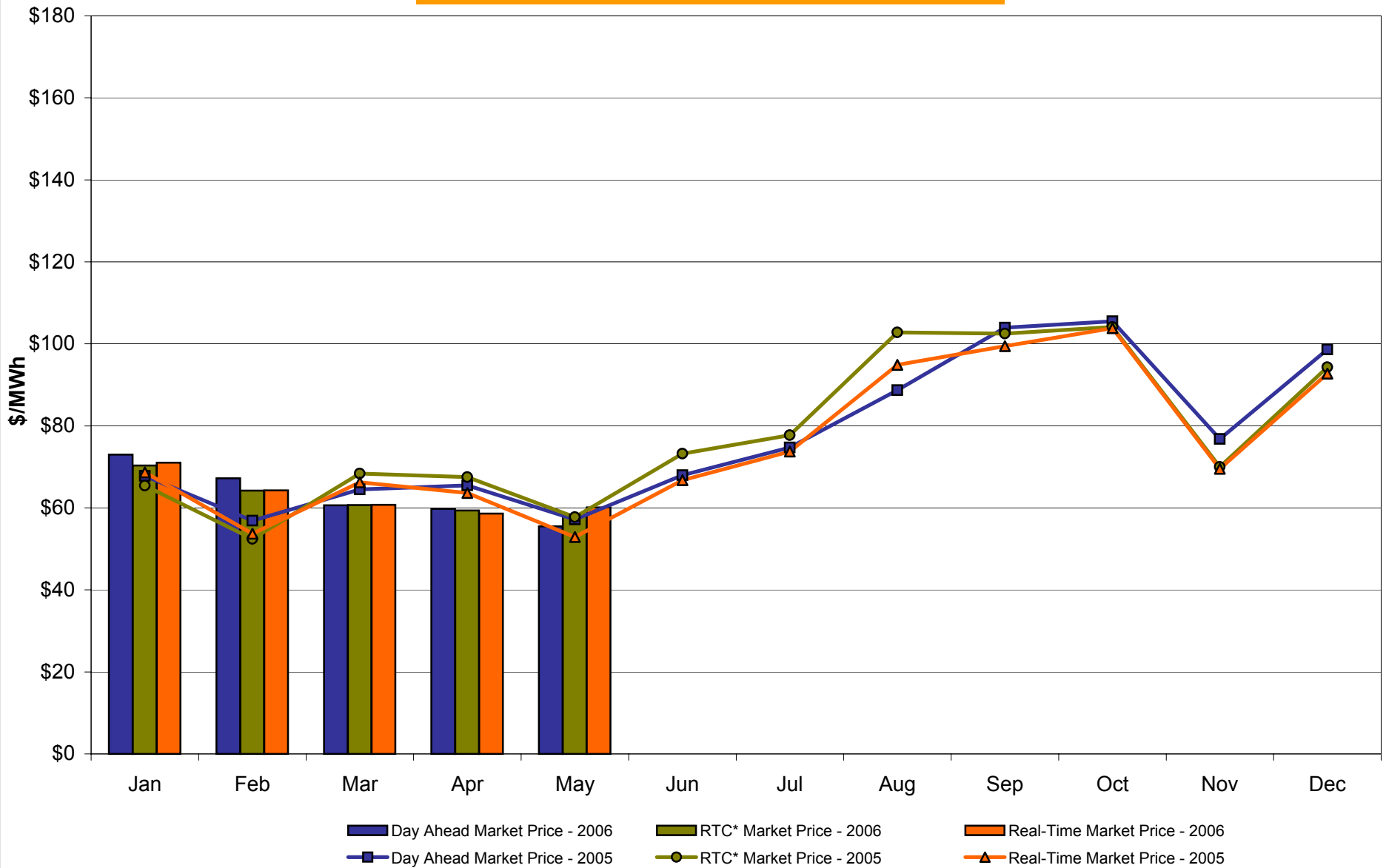
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## West Zone A Monthly Average LBMP Prices 2005 - 2006



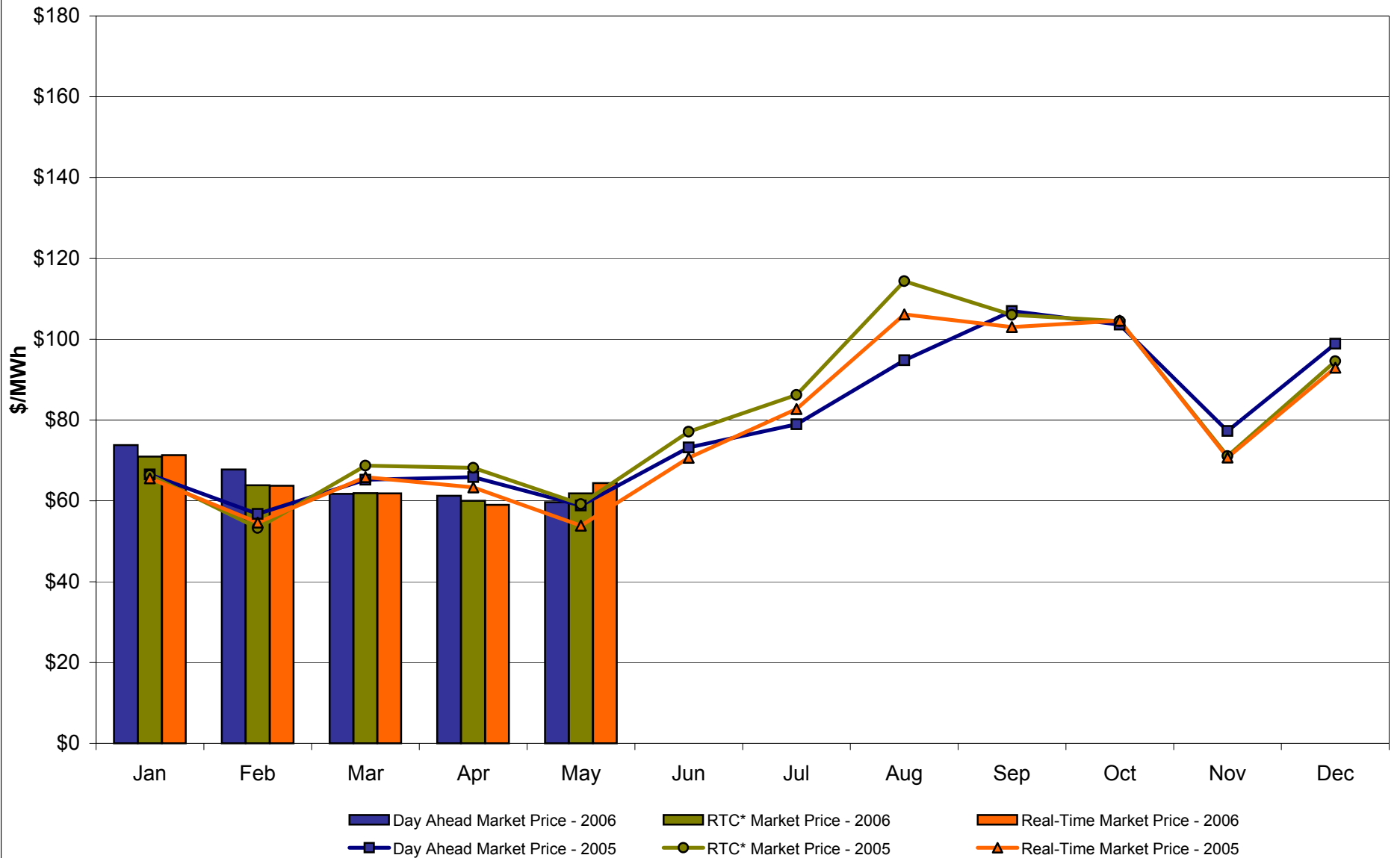
\* Referred to as RTC beginning February 2005.  
Prior to February 2005 known as BME or Hour Ahead Market (HAM).

## Capital Zone F Monthly Average LBMP Prices 2005 - 2006



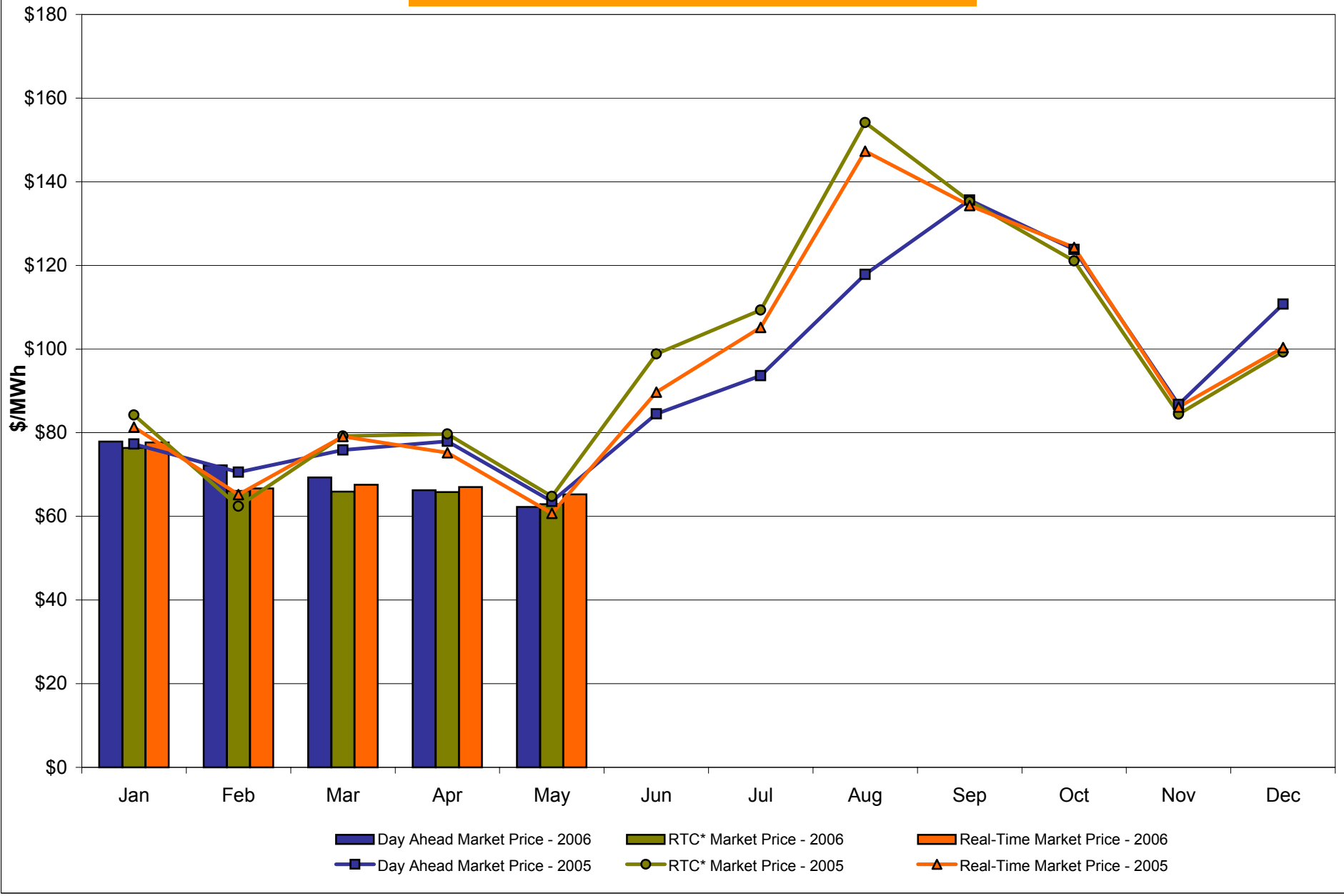
\* Referred to as RTC beginning February 2005.  
Prior to February 2005 known as BME or Hour Ahead Market (HAM).

## Hudson Valley Zone G Monthly Average LBMP Prices 2005 - 2006



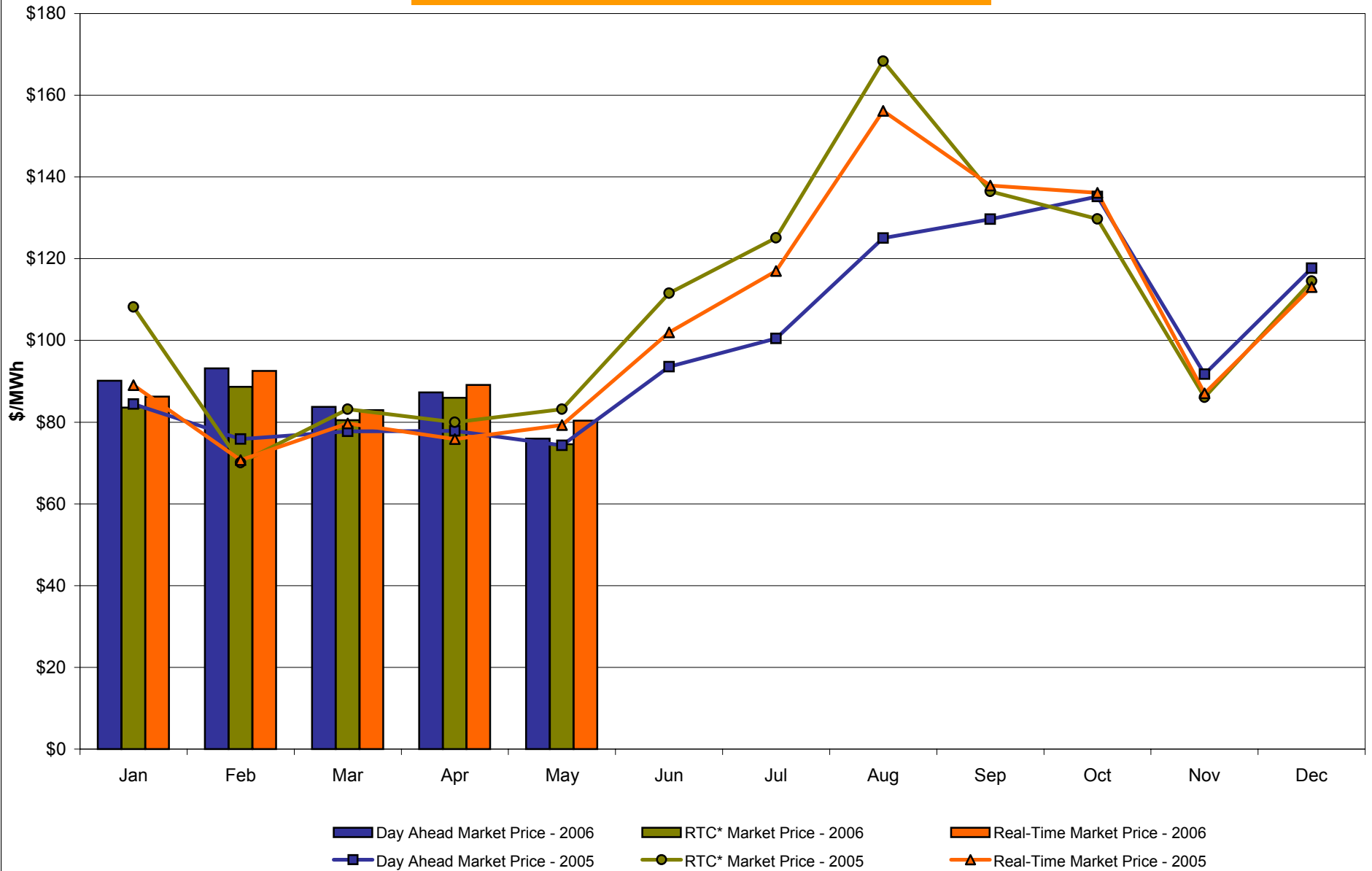
\* Referred to as RTC beginning February 2005.  
Prior to February 2005 known as BME or Hour Ahead Market (HAM).

## NYC Zone J Monthly Average LBMP Prices 2005 - 2006



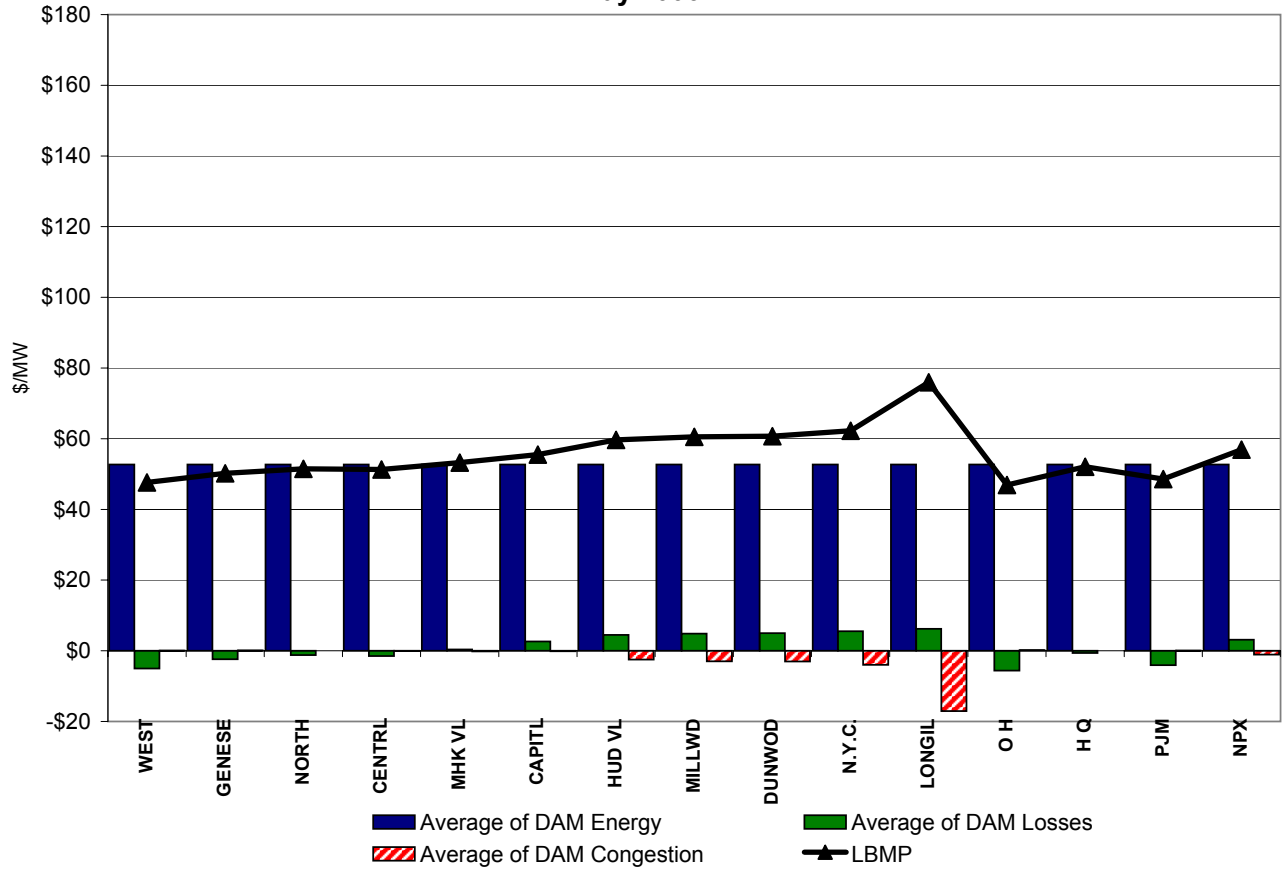
\* Referred to as RTC beginning February 2005.  
Prior to February 2005 known as BME or Hour Ahead Market (HAM).

## Long Island Zone K Monthly Average LBMP Prices 2005 - 2006

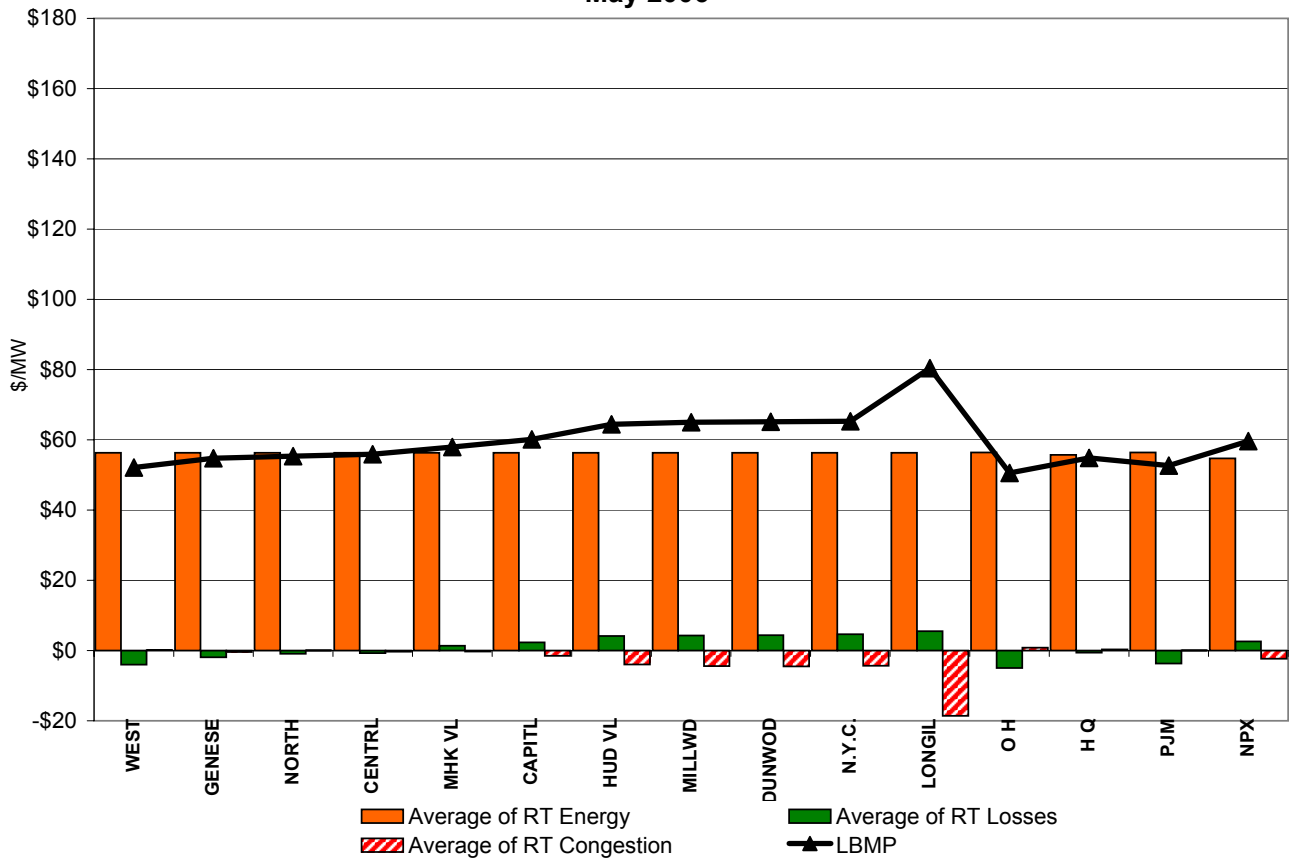


\* Referred to as RTC beginning February 2005.  
Prior to February 2005 known as BME or Hour Ahead Market (HAM).

**DAM Zonal Unweighted Monthly Average LBMP Components  
May 2006**



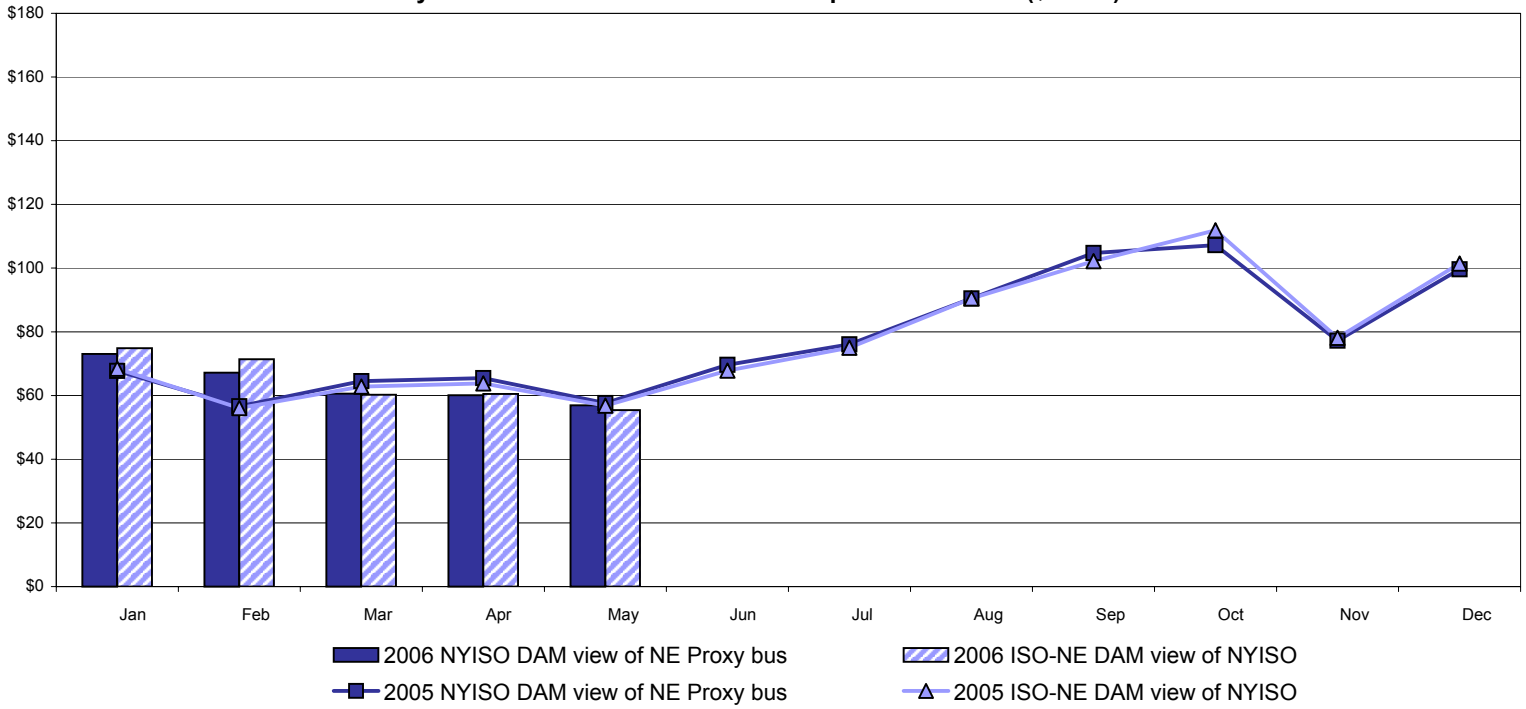
**RT Zonal Unweighted Monthly Average LBMP Components  
May 2006**



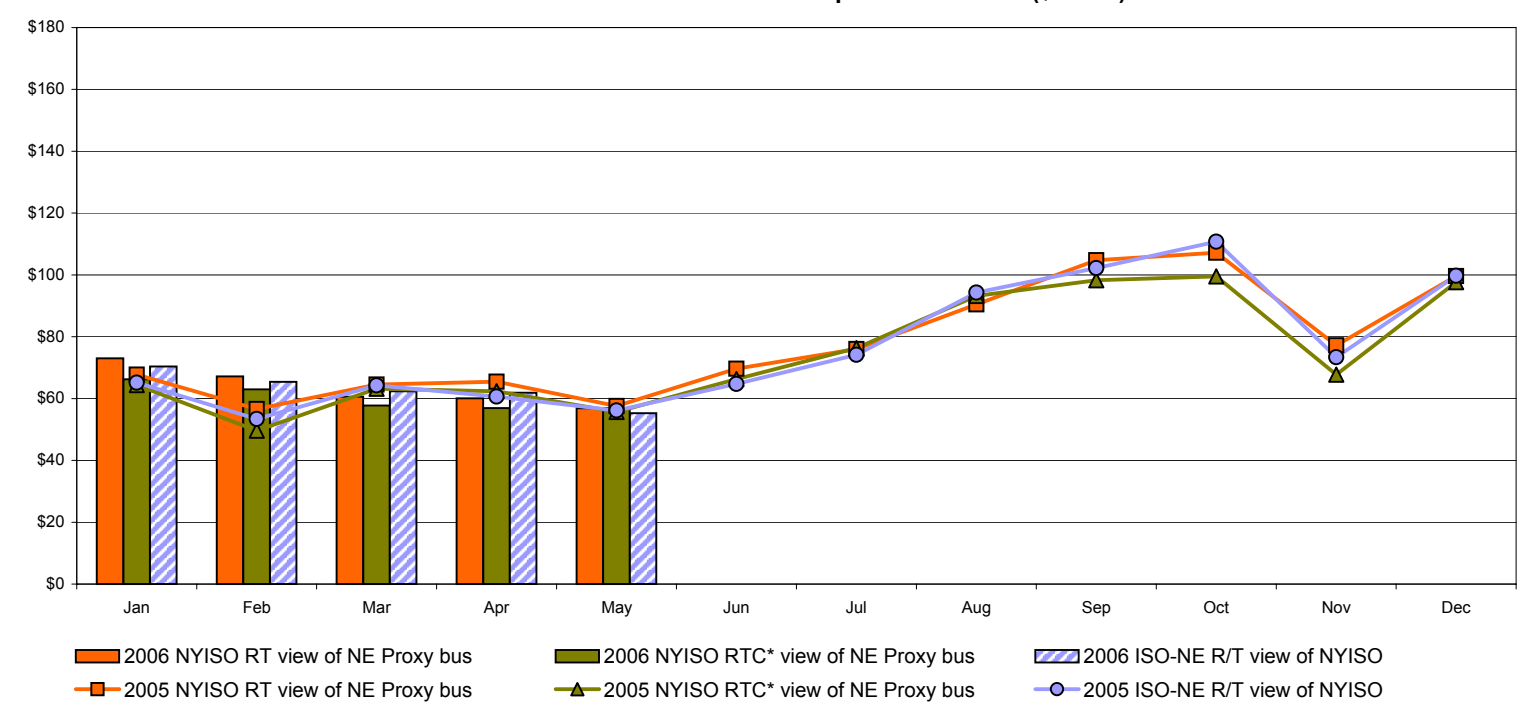


# External Comparison ISO-New England

## Day Ahead Market External Zone Comparison: ISO-NE (\$/MWh)



## Real Time Market External Zone Comparison: ISO-NE (\$/MWh)



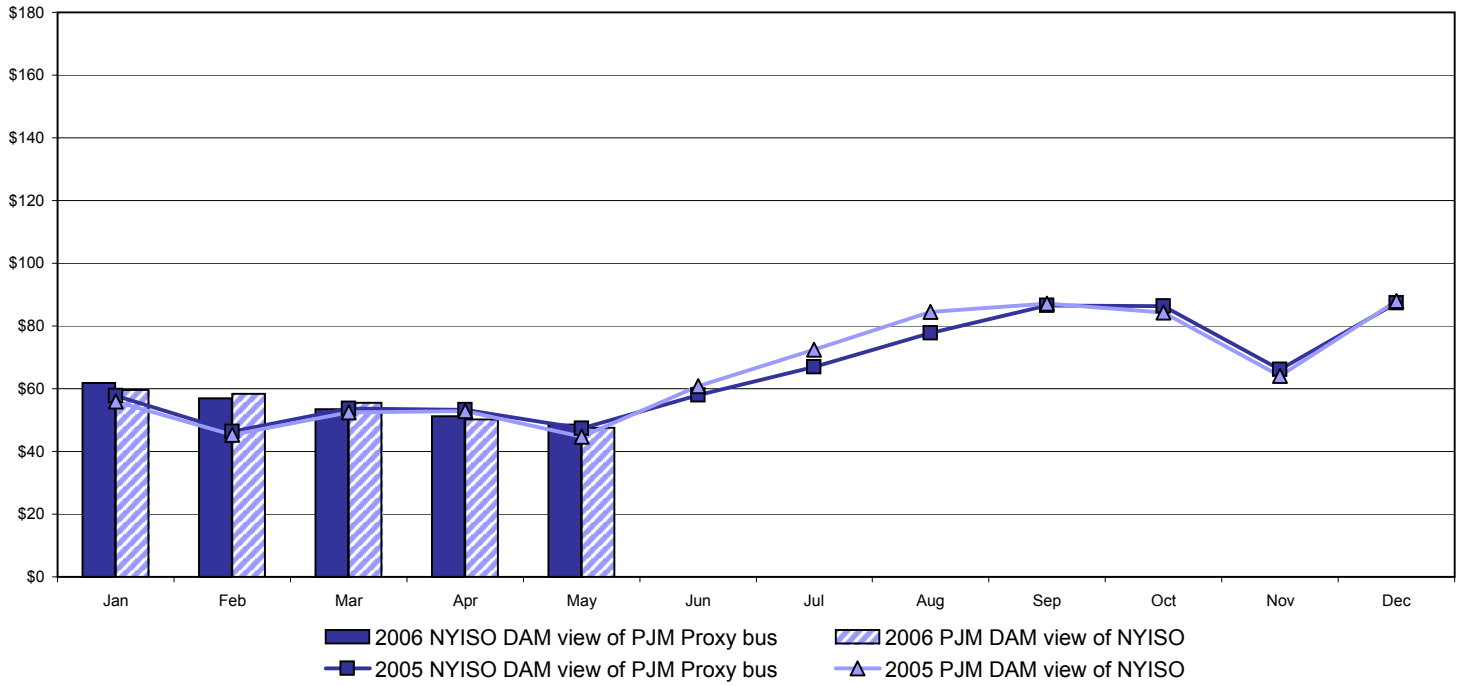
**Note:**

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.

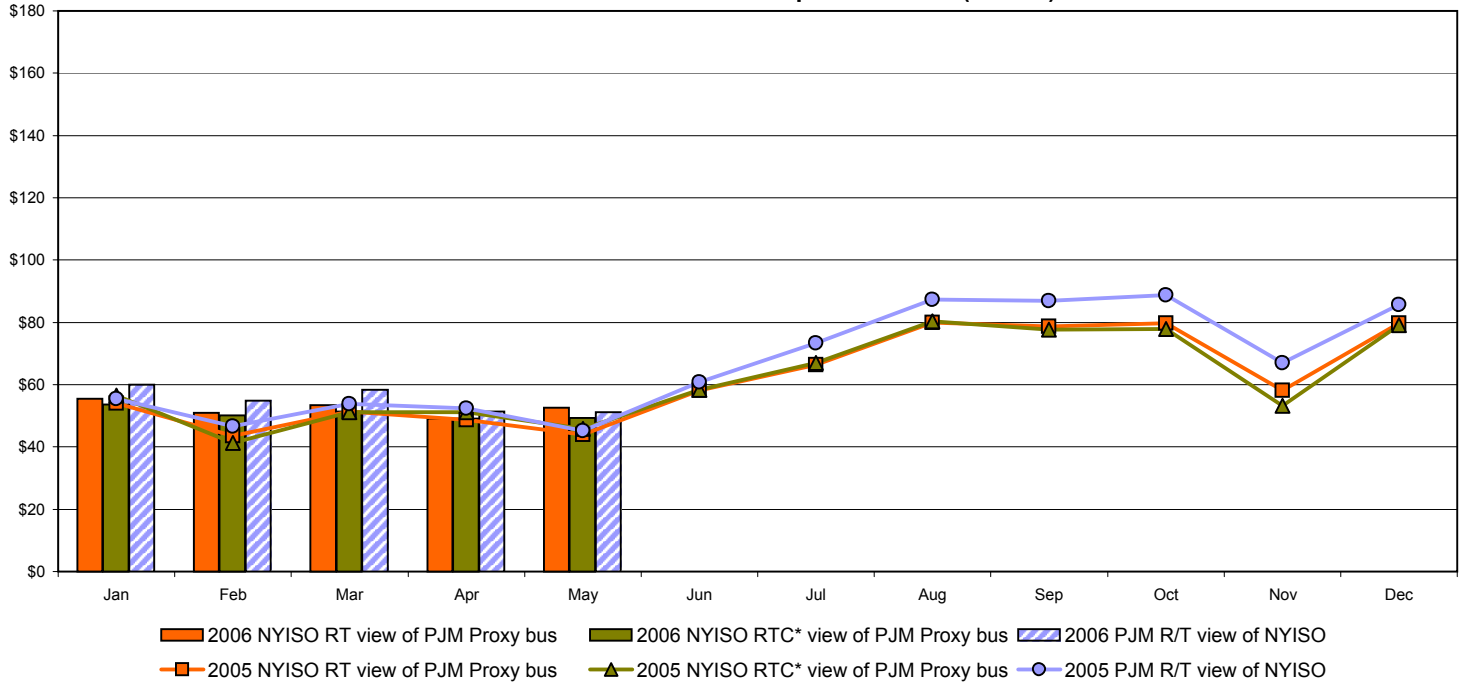
\* Referred to as RTC beginning February 2005.  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM).

# External Comparison PJM

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

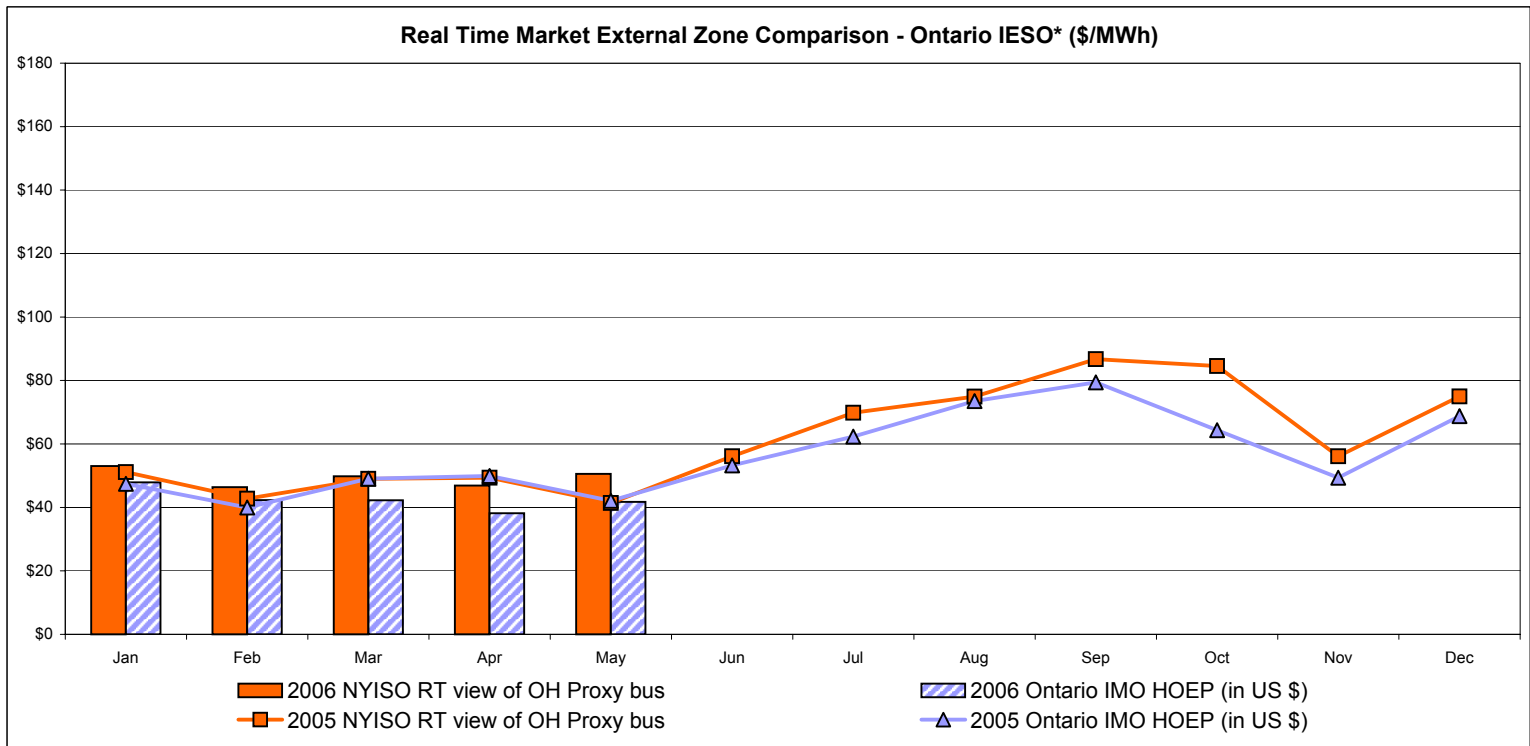
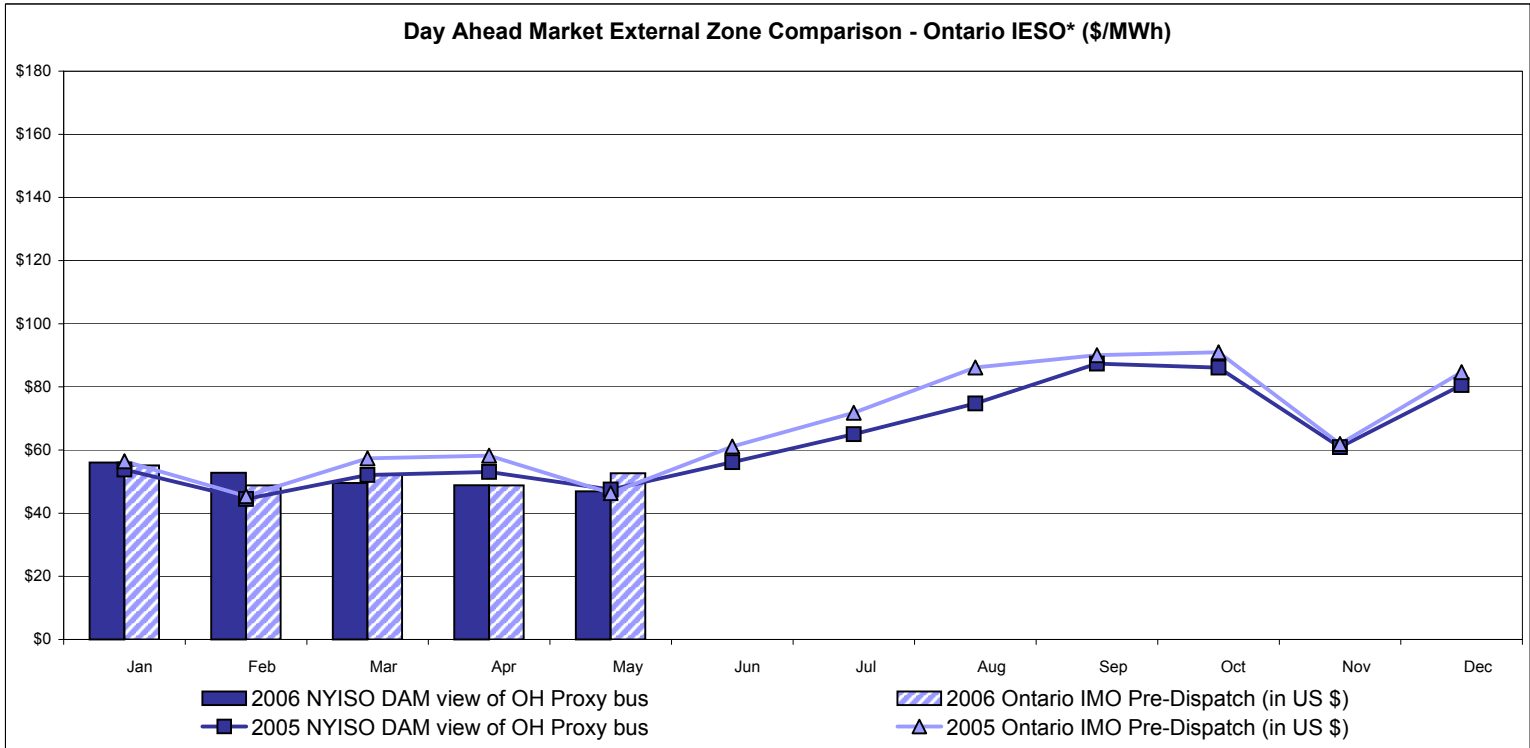


## Real Time Market External Zone Comparison - PJM (\$/MWh)



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

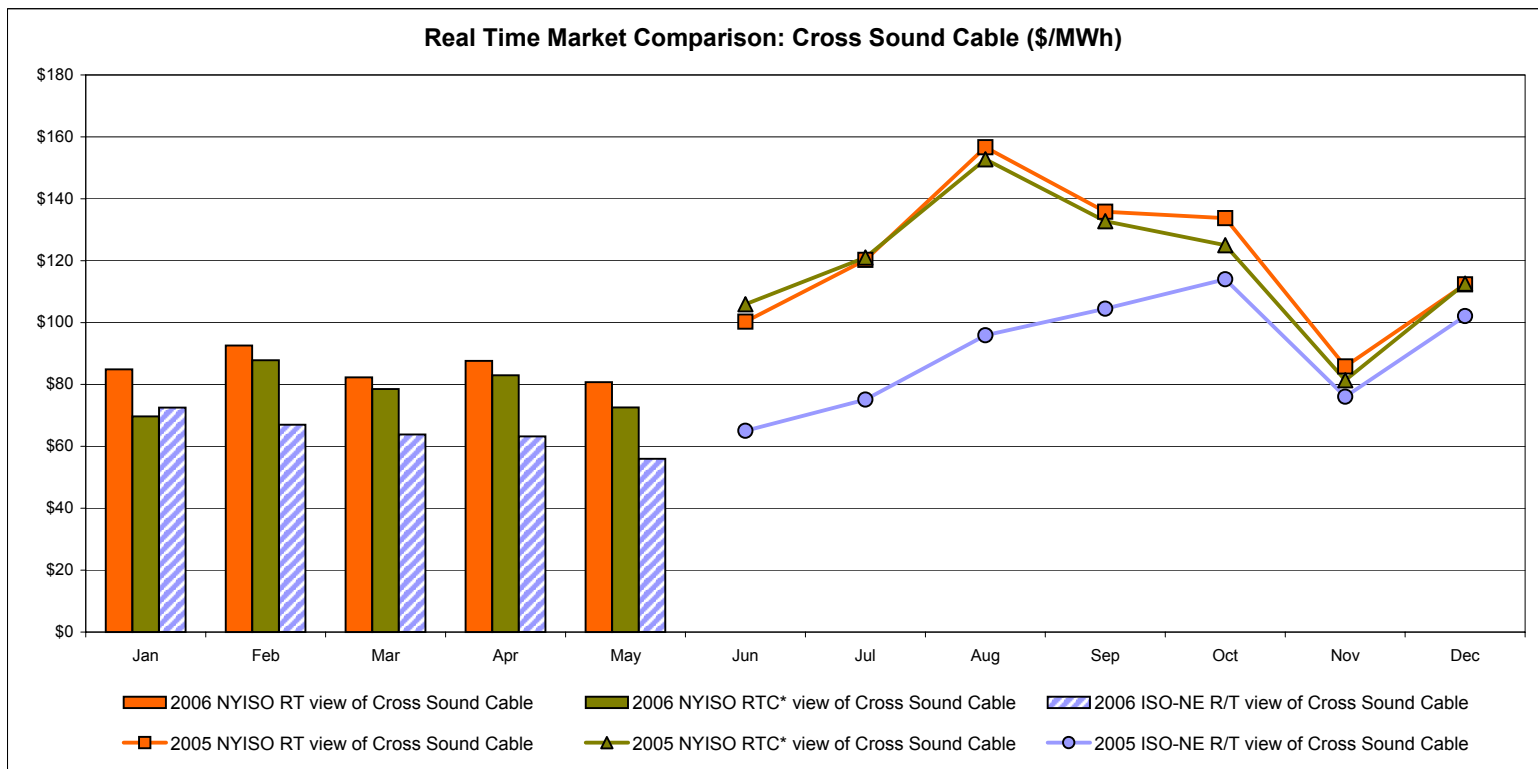
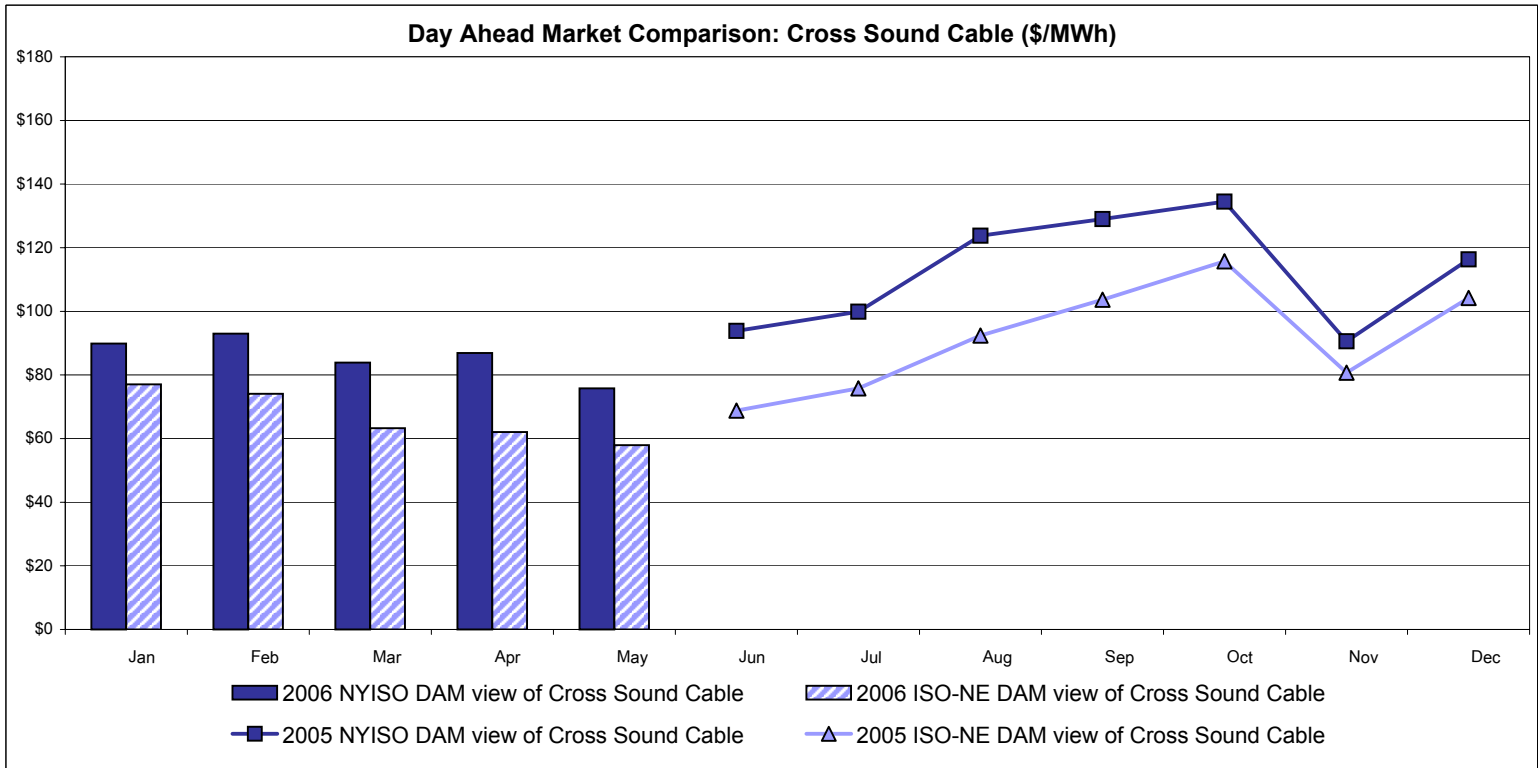
# External Comparison Ontario IESO\*



Notes: Exchange factor used for May 2006 was .90 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).

# 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.

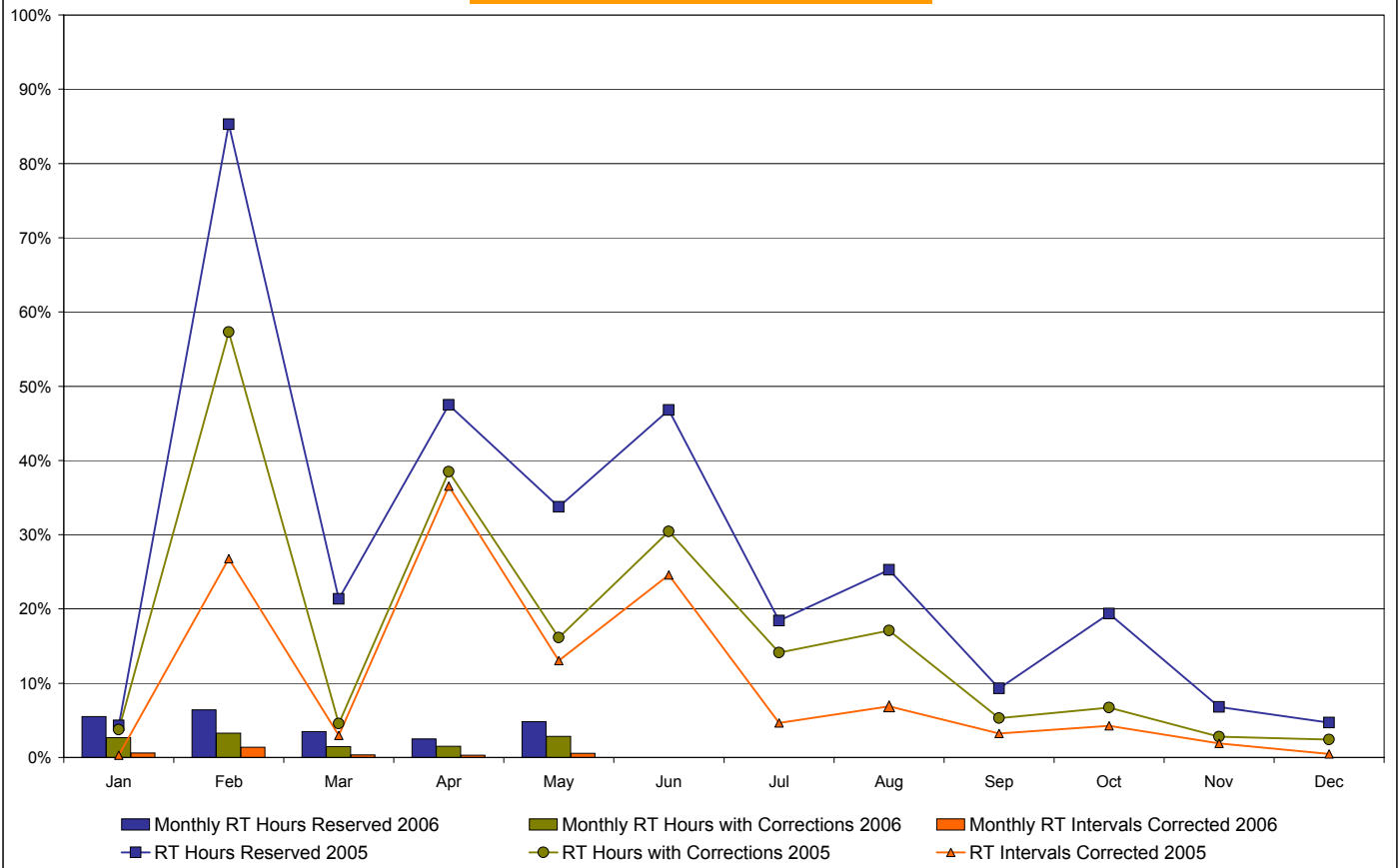
\* Referred to as RTC beginning February 2005.  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM).

**NYISO Real Time Price Correction Statistics**

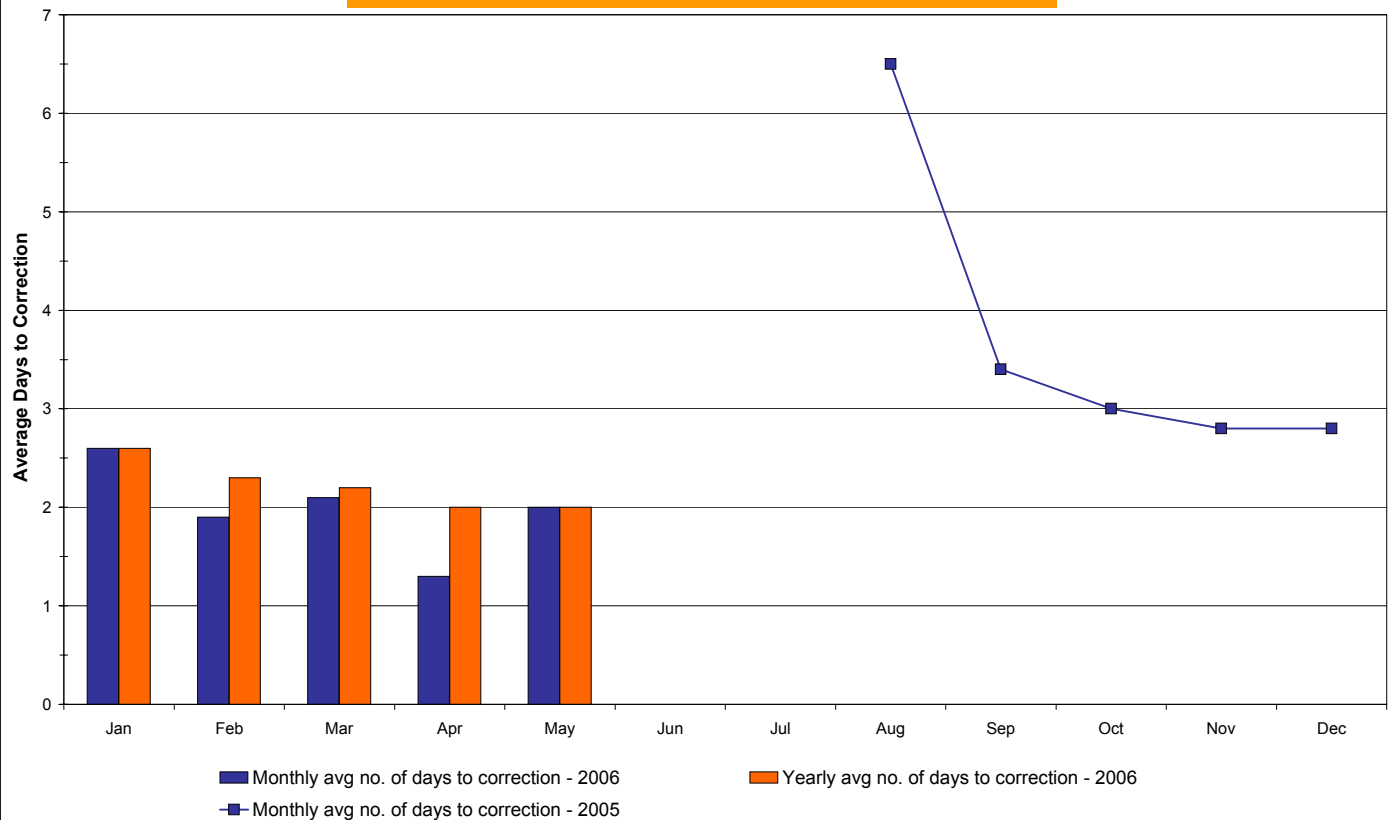
<b>2006</b>		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	20	22	11	11	21							
Number of hours	in the month	744	672	744	720	744							
% of hours with corrections	in the month	2.69%	3.27%	1.48%	1.53%	2.82%							
% of hours with corrections	year-to-date	2.69%	2.97%	2.45%	2.22%	2.35%							
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	54	112	33	27	51							
Number of intervals	in the month	9,004	8,129	9,035	8,779	9,037							
% of intervals corrected	in the month	0.60%	1.38%	0.37%	0.31%	0.56%							
% of intervals corrected	year-to-date	0.60%	0.97%	0.76%	0.65%	0.63%							
<b>Hours Reserved</b>													
Number of hours reserved	in the month	41	43	26	18	36							
Number of hours	in the month	744	672	744	720	744							
% of hours reserved	in the month	5.51%	6.40%	3.49%	2.50%	4.84%							
% of hours reserved	year-to-date	5.51%	5.93%	5.09%	4.44%	4.53%							
<b>Days to Correction *</b>													
Avg. number of days to correction	in the month	2.6	1.9	2.1	1.3	2.0							
Avg. number of days to correction	year-to-date	2.6	2.3	2.2	2.0	2.0							
<b>Days Without Corrections</b>													
Days without corrections	in the month	19	18	24	20	21							
Days without corrections	year-to-date	19	37	61	81	102							
<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>Hour Corrections</b>													
Number of hours with corrections	in the month	28	385	34	277	120	219	105	127	38	50	20	18
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	3.76%	57.29%	4.57%	38.47%	16.13%	30.42%	14.11%	17.07%	5.28%	6.72%	2.78%	2.42%
% of hours with corrections	year-to-date	3.76%	29.17%	20.69%	25.14%	23.29%	24.47%	22.96%	22.21%	20.34%	18.96%	17.50%	16.22%
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	37	2,177	266	3,182	1,170	2,145	421	625	281	386	167	43
Number of intervals	in the month	11,811	8,131	8,961	8,711	8,972	8,729	9,024	9,065	8,741	9,029	8,721	9,115
% of intervals corrected	in the month	0.31%	26.77%	2.97%	36.53%	13.04%	24.57%	4.67%	6.89%	3.21%	4.28%	1.91%	0.47%
% of intervals corrected	year-to-date	0.31%	11.10%	8.58%	15.05%	14.67%	16.23%	14.61%	13.65%	12.54%	11.72%	10.87%	10.00%
<b>Hours Reserved</b>													
Number of hours reserved	in the month	32	573	159	342	251	337	137	188	67	144	49	35
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	4.30%	85.27%	21.37%	47.50%	33.74%	46.81%	18.41%	25.27%	9.31%	19.35%	6.81%	4.70%
% of hours reserved	year-to-date	4.30%	42.73%	35.37%	38.40%	37.44%	39.00%	35.99%	34.62%	31.84%	30.56%	28.43%	26.42%
<b>Days to Correction *</b>													
Avg. number of days to correction	in the month	-	-	-	-	-	-	-	6.5	3.4	3.0	2.8	2.8
Avg. number of days to correction	year-to-date	-	-	-	-	-	-	-	-	-	-	-	-
<b>Days Without Corrections</b>													
Days without corrections	in the month	12	4	16	3	4	4	6	6	17	17	22	19
Days without corrections	year-to-date	12	16	32	35	39	43	49	55	72	89	111	130

\* Calendar days from reservation date. Data available from August 2005.

### Percentage of Real-Time Corrections

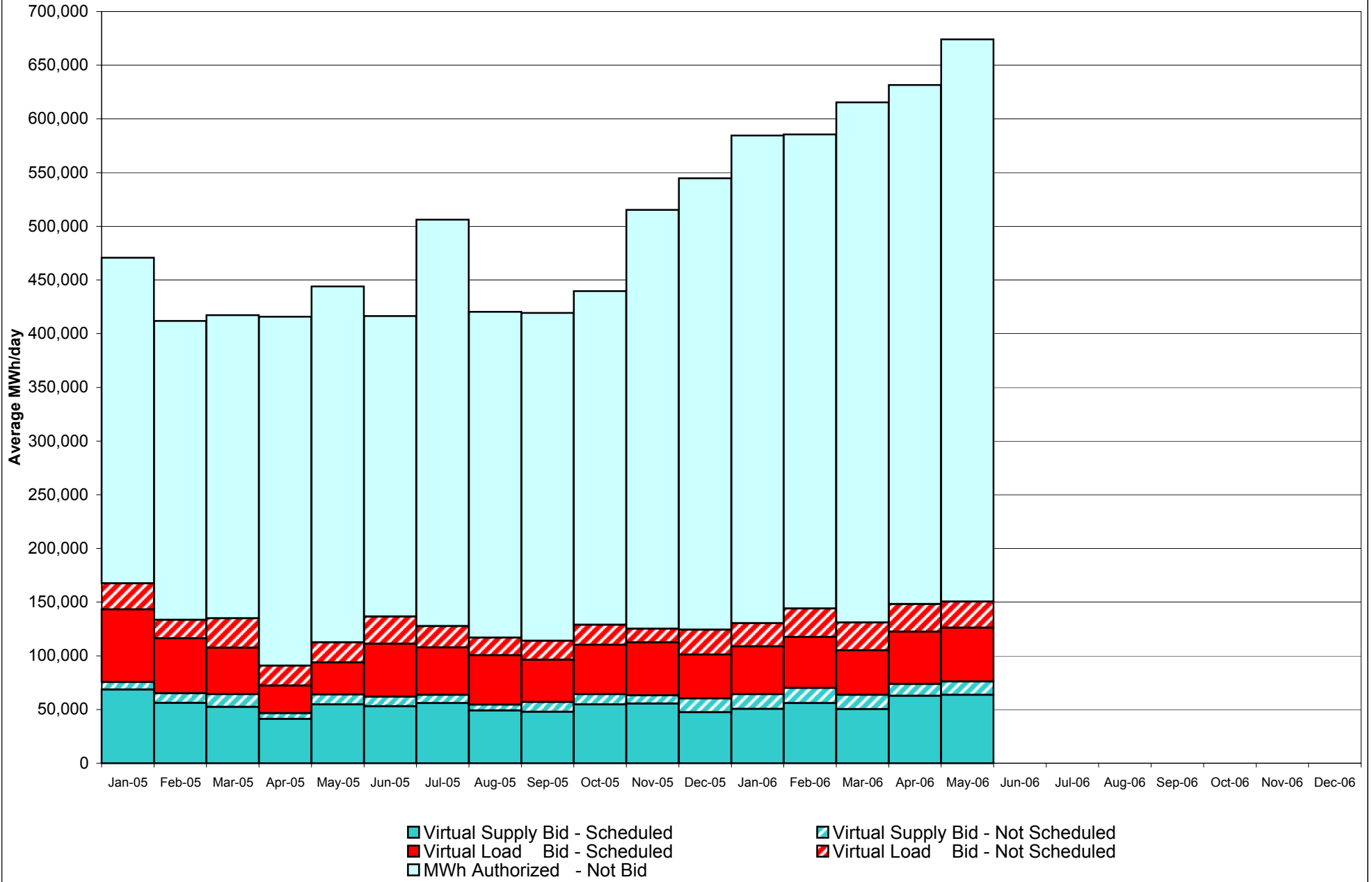


### Annual average time period for making Price Corrections (from reservation date) \*

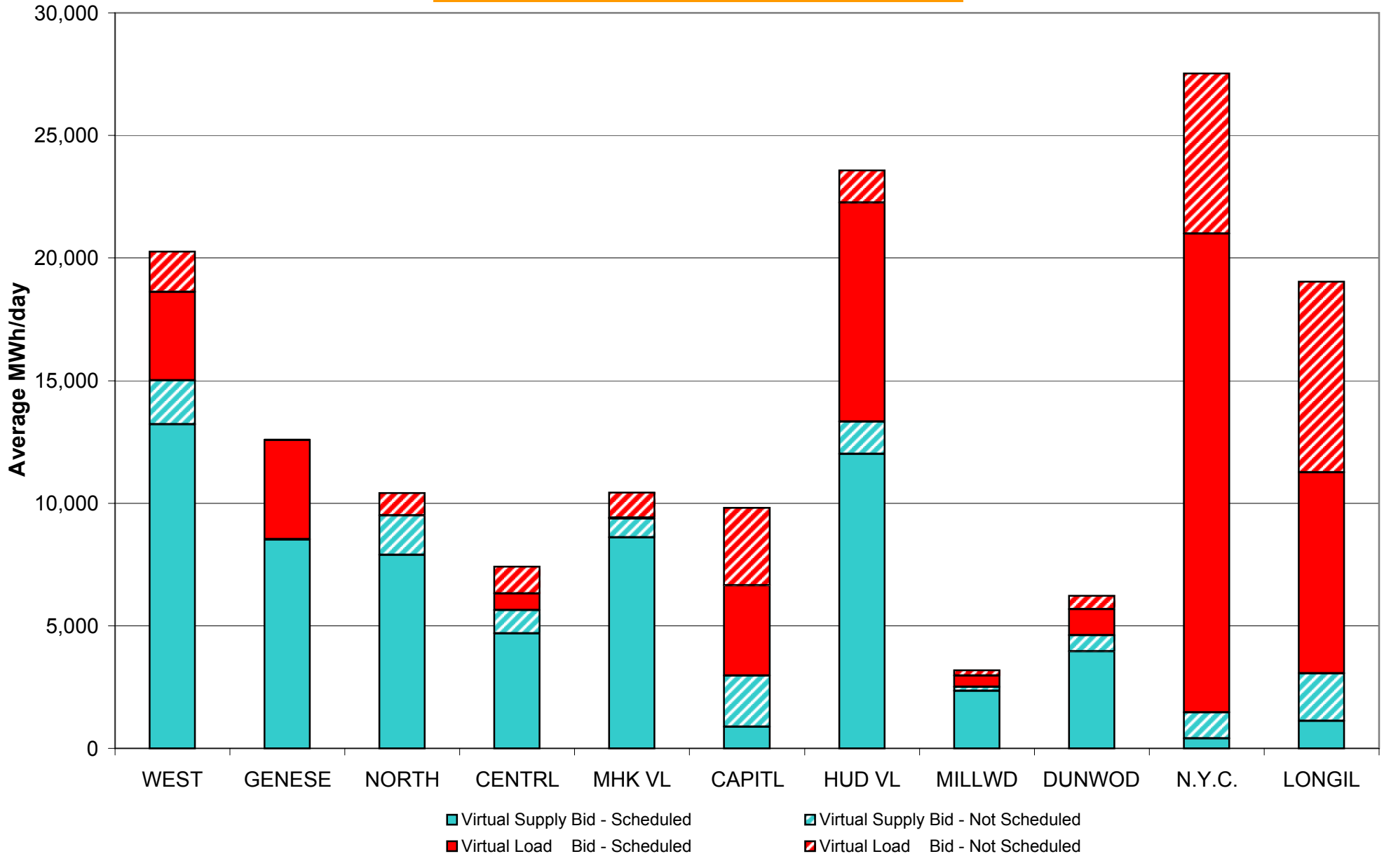


\* Calendar days from reservation date. Data available from August 2005.

**NYISO Virtual Trading  
Average MWh per day**



## Virtual Load and Supply Zonal Statistics May 2006

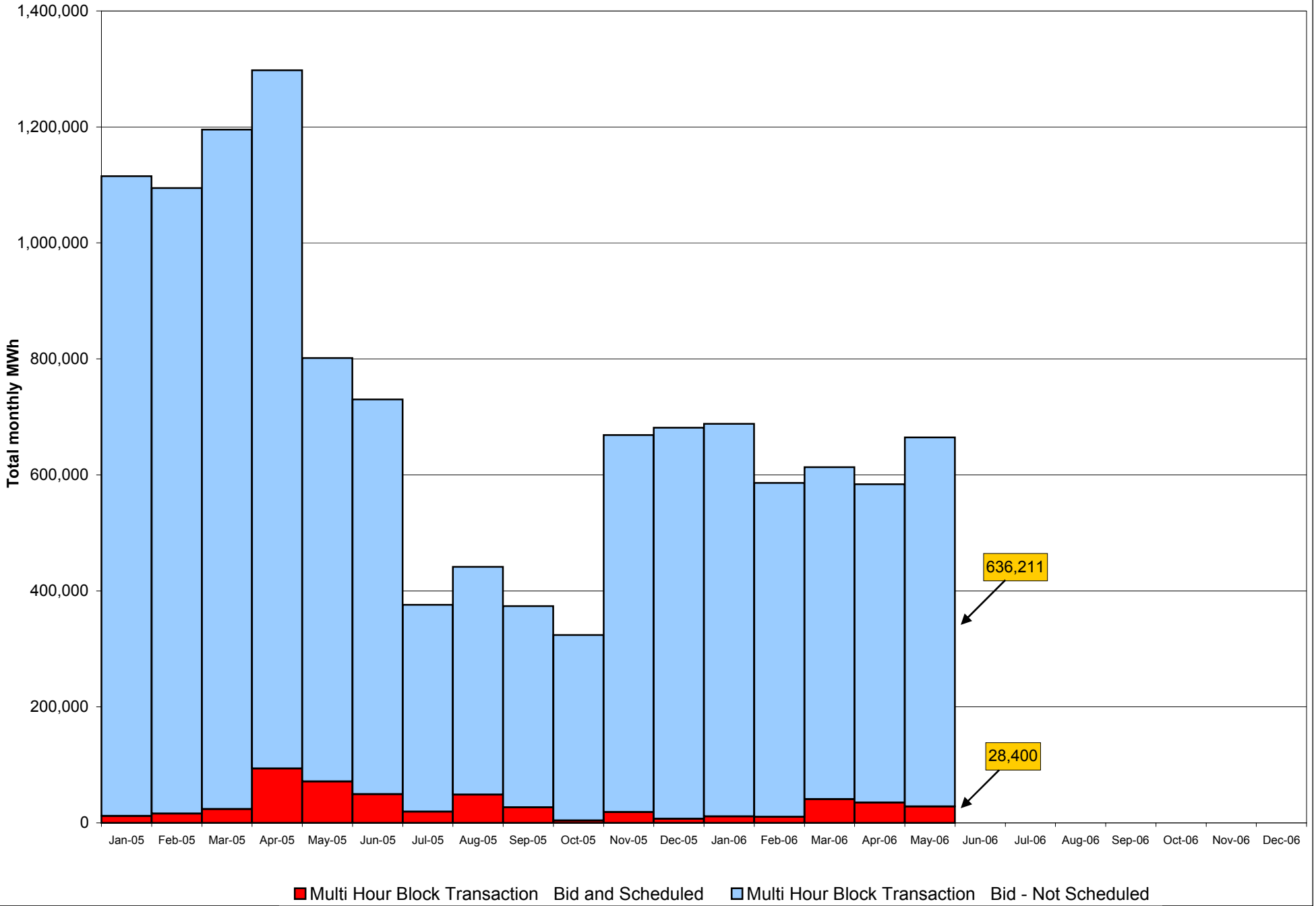




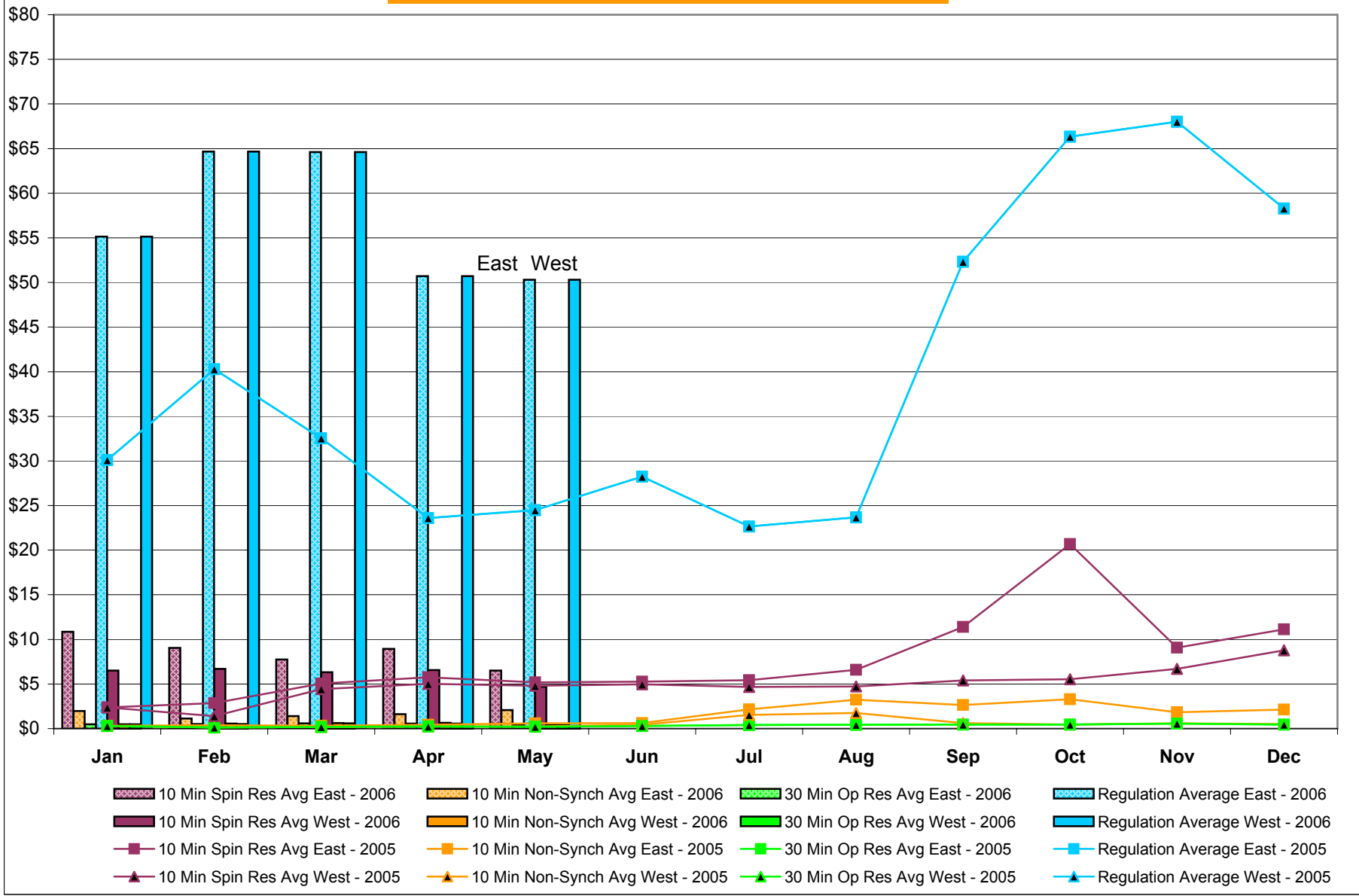
**Virtual Load and Supply Zonal Statistics (Average MWh/day) - 2006**

		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-06	5,890	2,304	11,610	3,141	MHK VL	Jan-06	46	902	5,884	1,636	DUNWOD	Jan-06	745	644	3,267	26			
	Feb-06	5,103	3,356	10,907	3,042		Feb-06	17	930	6,935	891		Feb-06	1,714	399	2,441	42			
	Mar-06	3,237	1,807	13,710	2,979		Mar-06	42	932	4,940	937		Mar-06	1,097	47	2,163	27			
	Apr-06	3,206	1,676	16,016	2,317		Apr-06	3	841	8,714	579		Apr-06	1,144	722	3,403	60			
	May-06	3,602	1,641	13,210	1,806		May-06	40	1,021	8,610	759		May-06	1,056	546	3,949	670			
	Jun-06						Jun-06						Jun-06							
	Jul-06						Jul-06						Jul-06							
	Aug-06						Aug-06						Aug-06							
	Sep-06						Sep-06						Sep-06							
	Oct-06						Oct-06						Oct-06							
	Nov-06						Nov-06						Nov-06							
	Dec-06						Dec-06						Dec-06							
GENESE	Jan-06	1,831	708	6,806	73	CAPITL	Jan-06	3,624	1,646	1,192	48	N.Y.C.	Jan-06	19,500	4,668	1,330	3,334			
	Feb-06	2,434	208	6,652	55		Feb-06	5,155	2,682	1,584	65		Feb-06	16,986	7,228	2,463	2,793			
	Mar-06	1,856	838	6,734	53		Mar-06	2,850	3,171	643	59		Mar-06	12,401	7,131	4,092	2,202			
	Apr-06	3,478	92	6,693	205		Apr-06	2,915	3,767	1,584	847		Apr-06	19,173	6,820	1,189	1,699			
	May-06	4,049	18	8,510	24		May-06	3,690	3,159	877	2,082		May-06	19,528	6,539	402	1,064			
	Jun-06						Jun-06						Jun-06							
	Jul-06						Jul-06						Jul-06							
	Aug-06						Aug-06						Aug-06							
	Sep-06						Sep-06						Sep-06							
	Oct-06						Oct-06						Oct-06							
	Nov-06						Nov-06						Nov-06							
	Dec-06						Dec-06						Dec-06							
NORTH	Jan-06	262	22	5,961	1,658	HUD VL	Jan-06	2,086	2,026	8,595	1,717	LONGIL	Jan-06	8,207	6,064	1,091	1,891			
	Feb-06	139	101	6,749	2,570		Feb-06	3,722	1,834	8,989	1,964		Feb-06	9,345	8,197	1,088	2,511			
	Mar-06	264	21	7,069	2,838		Mar-06	8,898	1,851	5,128	1,716		Mar-06	8,449	10,059	991	2,357			
	Apr-06	96	695	8,243	1,926		Apr-06	9,888	1,640	10,242	1,034		Apr-06	7,291	8,424	930	1,750			
	May-06	9	921	7,895	1,596		May-06	8,934	1,330	12,005	1,311		May-06	8,188	7,792	1,125	1,939			
	Jun-06						Jun-06						Jun-06							
	Jul-06						Jul-06						Jul-06							
	Aug-06						Aug-06						Aug-06							
	Sep-06						Sep-06						Sep-06							
	Oct-06						Oct-06						Oct-06							
	Nov-06						Nov-06						Nov-06							
	Dec-06						Dec-06						Dec-06							
CENTRL	Jan-06	713	28	3,870	103	MILLWD	Jan-06	1,531	2,596	1,065	11	NYISO	Jan-06	44,436	21,609	50,671	13,639			
	Feb-06	395	27	7,081	165		Feb-06	2,540	1,560	1,067	24		Feb-06	47,550	26,523	55,956	14,122			
	Mar-06	581	28	4,683	31		Mar-06	1,799	135	189	7		Mar-06	41,475	26,020	50,342	13,205			
	Apr-06	673	882	4,838	522		Apr-06	943	97	904	28		Apr-06	48,811	25,655	62,755	10,967			
	May-06	674	1,101	4,694	945		May-06	453	210	2,346	169		May-06	50,222	24,279	63,624	12,364			
	Jun-06						Jun-06						Jun-06							
	Jul-06						Jul-06						Jul-06							
	Aug-06						Aug-06						Aug-06							
	Sep-06						Sep-06						Sep-06							
	Oct-06						Oct-06						Oct-06							
	Nov-06						Nov-06						Nov-06							
	Dec-06						Dec-06						Dec-06							

# NYISO Multi Hour Block Transactions Monthly Total MWh



## NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2005 - 2006

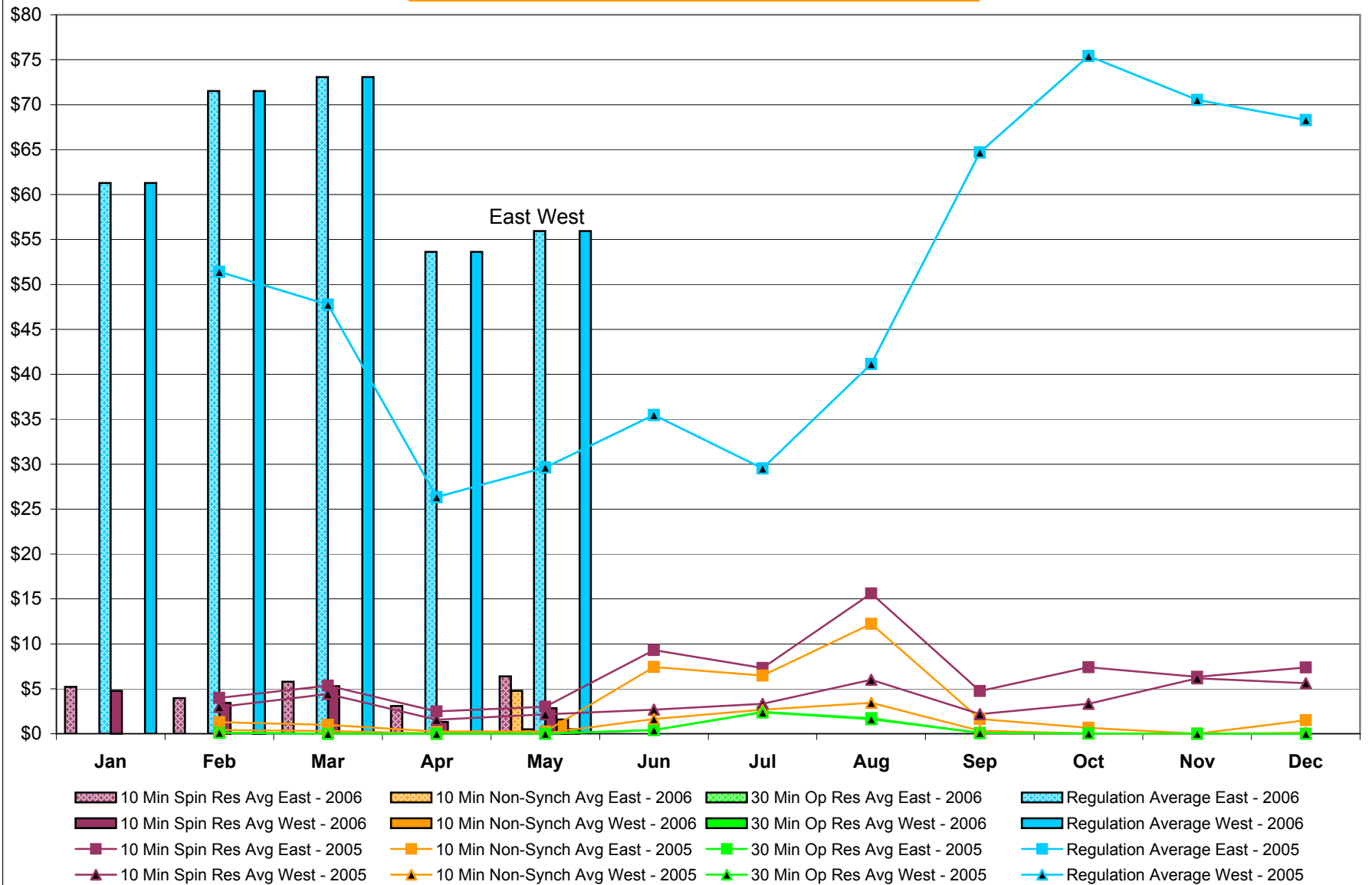


## NYISO Monthly Average Ancillary Service Prices RTC\* Market 2005 - 2006



\* 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\* 2005 - 2006



\* The Real Time Ancillary Market began in February 2005

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

<b>2006</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</b>												
10 Min Spin East	10.86	9.06	7.76	8.94	6.52							
10 Min Spin West	6.50	6.70	6.32	6.56	4.71							
10 Min Non Synch East	1.97	1.15	1.39	1.63	2.07							
10 Min Non Synch West	0.50	0.56	0.62	0.66	0.40							
30 Min East	0.48	0.52	0.59	0.58	0.38							
30 Min West	0.48	0.52	0.59	0.58	0.38							
Regulation East	55.13	64.65	64.62	50.71	50.30							
Regulation West	55.13	64.65	64.62	50.71	50.30							
<b>RTC* Market</b>												
10 Min Spin East	4.10	3.44	5.07	3.00	3.86							
10 Min Spin West	3.71	2.93	4.59	1.28	1.60							
10 Min Non Synch East	0.02	0.01	0.00	0.01	2.60							
10 Min Non Synch West	0.00	0.00	0.00	0.00	0.77							
30 Min East	0.00	0.00	0.00	0.00	0.19							
30 Min West	0.00	0.00	0.00	0.00	0.19							
Regulation East	60.46	70.79	72.76	53.37	54.76							
Regulation West	60.46	70.79	72.76	53.37	54.76							
<b>Real Time Market**</b>												
10 Min Spin East	5.20	3.96	5.78	3.07	6.38							
10 Min Spin West	4.78	3.43	5.30	1.32	2.82							
10 Min Non Synch East	0.01	0.00	0.00	0.01	4.79							
10 Min Non Synch West	0.00	0.00	0.00	0.00	1.58							
30 Min East	0.00	0.00	0.00	0.00	0.49							
30 Min West	0.00	0.00	0.00	0.00	0.49							
Regulation East	61.28	71.52	73.06	53.62	55.93							
Regulation West	61.28	71.52	73.06	53.62	55.93							
<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</b>												
10 Min Spin East	2.38	2.87	5.06	5.76	5.19	5.26	5.44	6.59	11.38	20.70	9.08	11.12
10 Min Spin West	2.37	1.39	4.43	5.03	4.80	4.96	4.68	4.73	5.41	5.54	6.68	8.77
10 Min Non Synch East	0.31	0.37	0.31	0.44	0.60	0.61	2.16	3.25	2.65	3.31	1.82	2.14
10 Min Non Synch West	0.31	0.13	0.20	0.24	0.23	0.43	1.54	1.75	0.63	0.47	0.59	0.52
30 Min East	0.31	0.13	0.19	0.24	0.22	0.29	0.41	0.44	0.47	0.46	0.57	0.47
30 Min West	0.31	0.13	0.19	0.24	0.22	0.29	0.41	0.44	0.47	0.46	0.57	0.47
Regulation East	30.10	40.28	32.53	23.61	24.49	28.23	22.66	23.67	52.33	66.33	68.02	58.28
Regulation West	30.10	40.28	32.53	23.61	24.49	28.23	22.66	23.67	52.33	66.33	68.02	58.28
<b>RTC* Market</b>												
10 Min Spin East	4.15	2.75	8.13	3.71	4.80	11.61	6.23	19.80	5.75	6.72	6.25	7.94
10 Min Spin West	4.20	2.23	6.90	2.46	3.58	3.84	1.24	7.72	2.50	2.69	6.06	6.45
10 Min Non Synch East	2.35	0.62	1.38	0.14	0.00	8.58	4.96	15.08	2.22	0.44	0.01	1.07
10 Min Non Synch West	2.72	0.21	0.47	0.03	0.00	1.96	0.25	4.09	0.37	0.00	0.00	0.06
30 Min East	0.83	0.05	0.00	0.00	0.00	0.62	0.08	2.22	0.12	0.00	0.00	0.00
30 Min West	0.83	0.05	0.00	0.00	0.00	0.61	0.00	2.15	0.12	0.00	0.00	0.00
Regulation East	19.23	50.66	50.65	27.85	32.87	37.80	30.07	45.47	65.10	74.90	70.23	69.23
Regulation West	19.23	50.66	50.65	27.85	32.87	37.80	30.07	45.47	65.10	74.90	70.23	69.23
<b>Real Time Market**</b>												
10 Min Spin East	-	3.99	5.34	2.47	3.00	9.30	7.30	15.60	4.75	7.40	6.32	7.36
10 Min Spin West	-	2.97	4.42	1.56	2.16	2.69	3.33	5.99	2.19	3.34	6.16	5.62
10 Min Non Synch East	-	1.27	0.98	0.25	0.24	7.43	6.46	12.22	1.63	0.65	0.00	1.49
10 Min Non Synch West	-	0.41	0.29	0.02	0.07	1.63	2.68	3.44	0.33	0.01	0.00	0.12
30 Min East	-	0.12	0.00	0.00	0.00	0.40	2.43	1.71	0.09	0.01	0.00	0.00
30 Min West	-	0.11	0.00	0.00	0.00	0.40	2.36	1.61	0.09	0.01	0.00	0.00
Regulation East	-	51.41	47.74	26.33	29.62	35.47	29.52	41.14	64.70	75.41	70.52	68.30
Regulation West	-	51.41	47.74	26.33	29.62	35.47	29.52	41.13	64.70	75.41	70.52	68.30

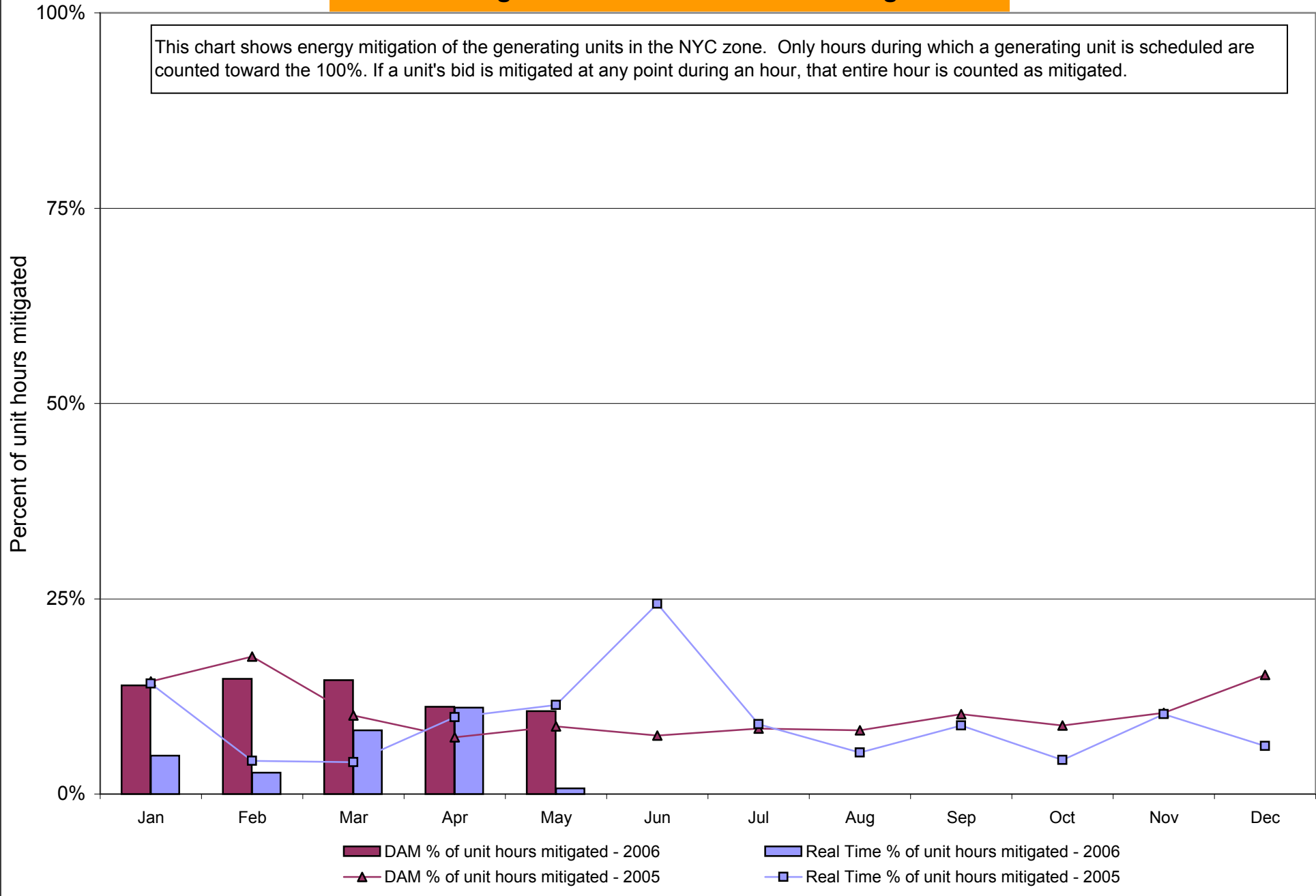
\* Referred to as RTC beginning February 2005. Prior to February 2005 known as BME or Hour Ahead Market (HAM).

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

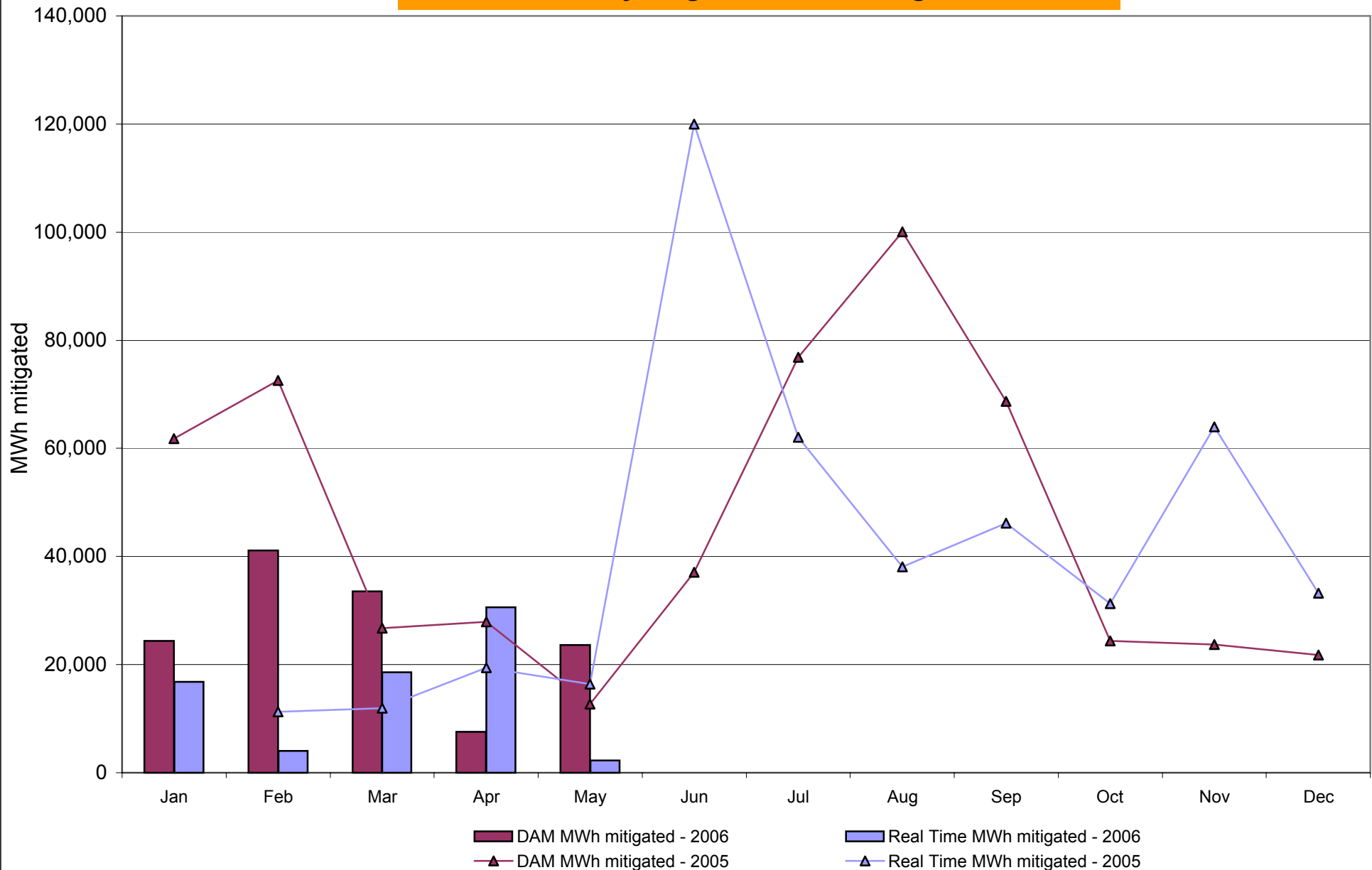
## NYISO In City Energy Mitigation (NYC Zone) 2005-2006

### 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.



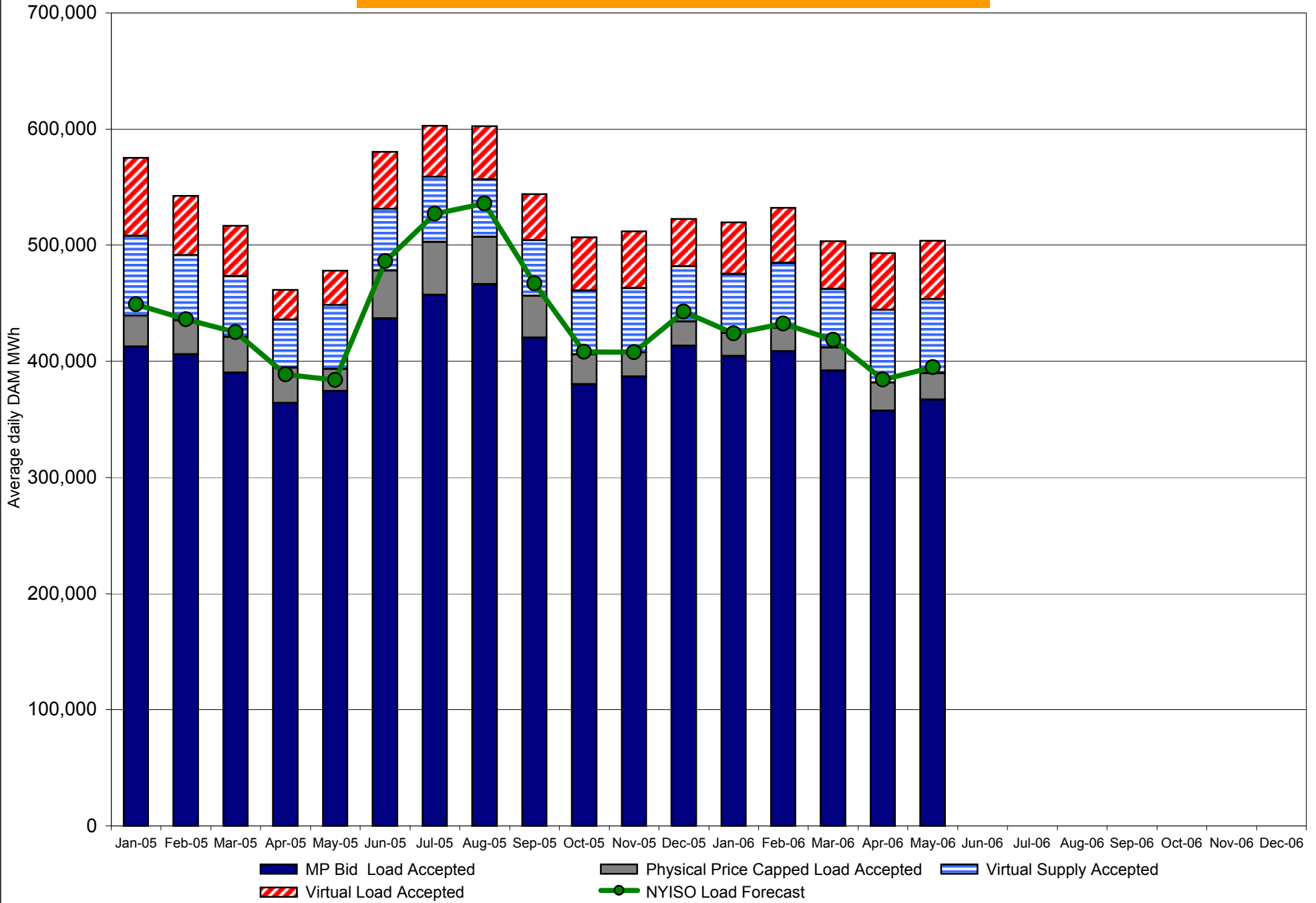
## NYISO In City Energy Mitigation (NYC Zone) 2005-2006 Monthly megawatt hours mitigated



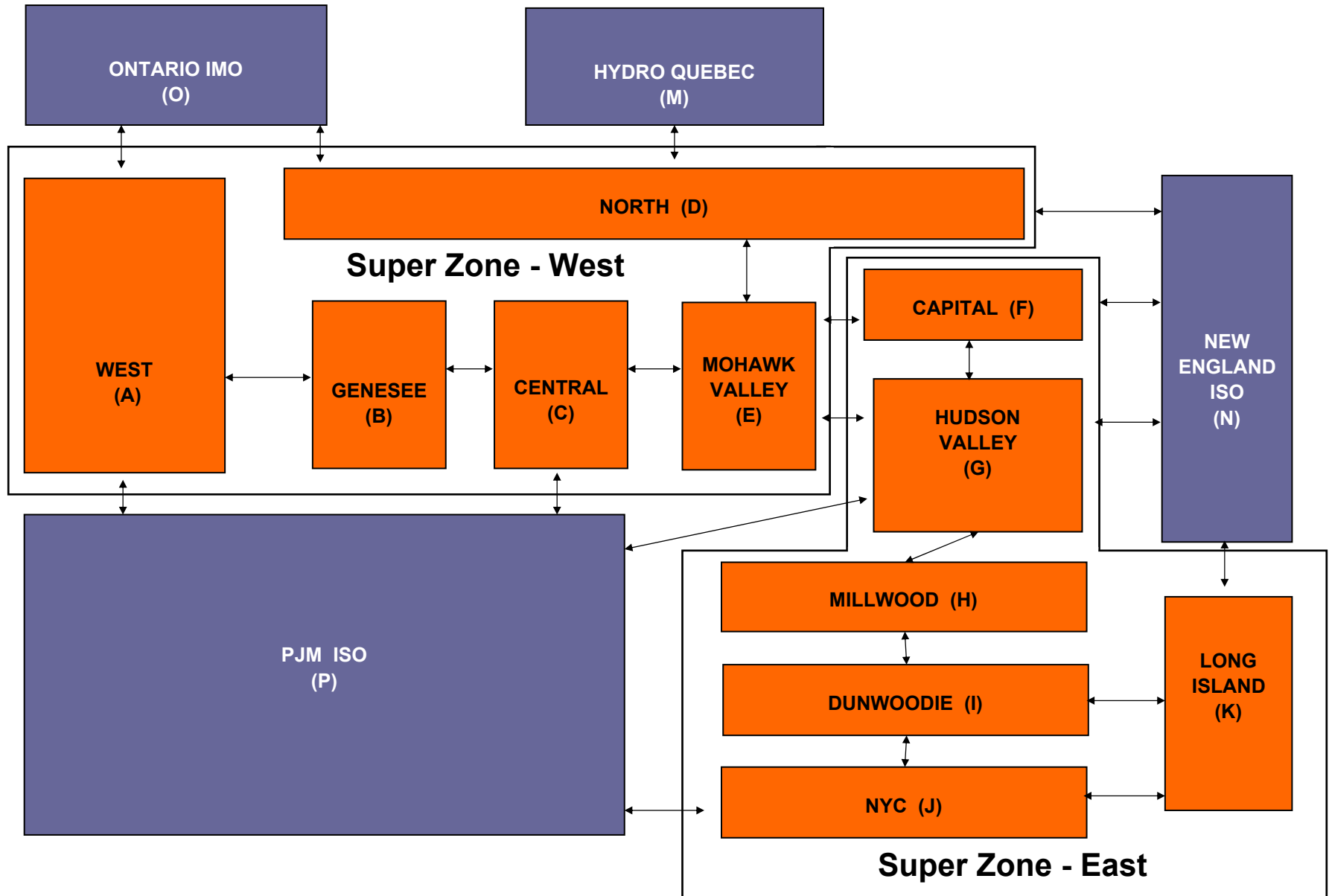
RT mitigation data available with SMD2 deployment in February 2005.



# NYISO Average Daily DAM Load Bid Summary



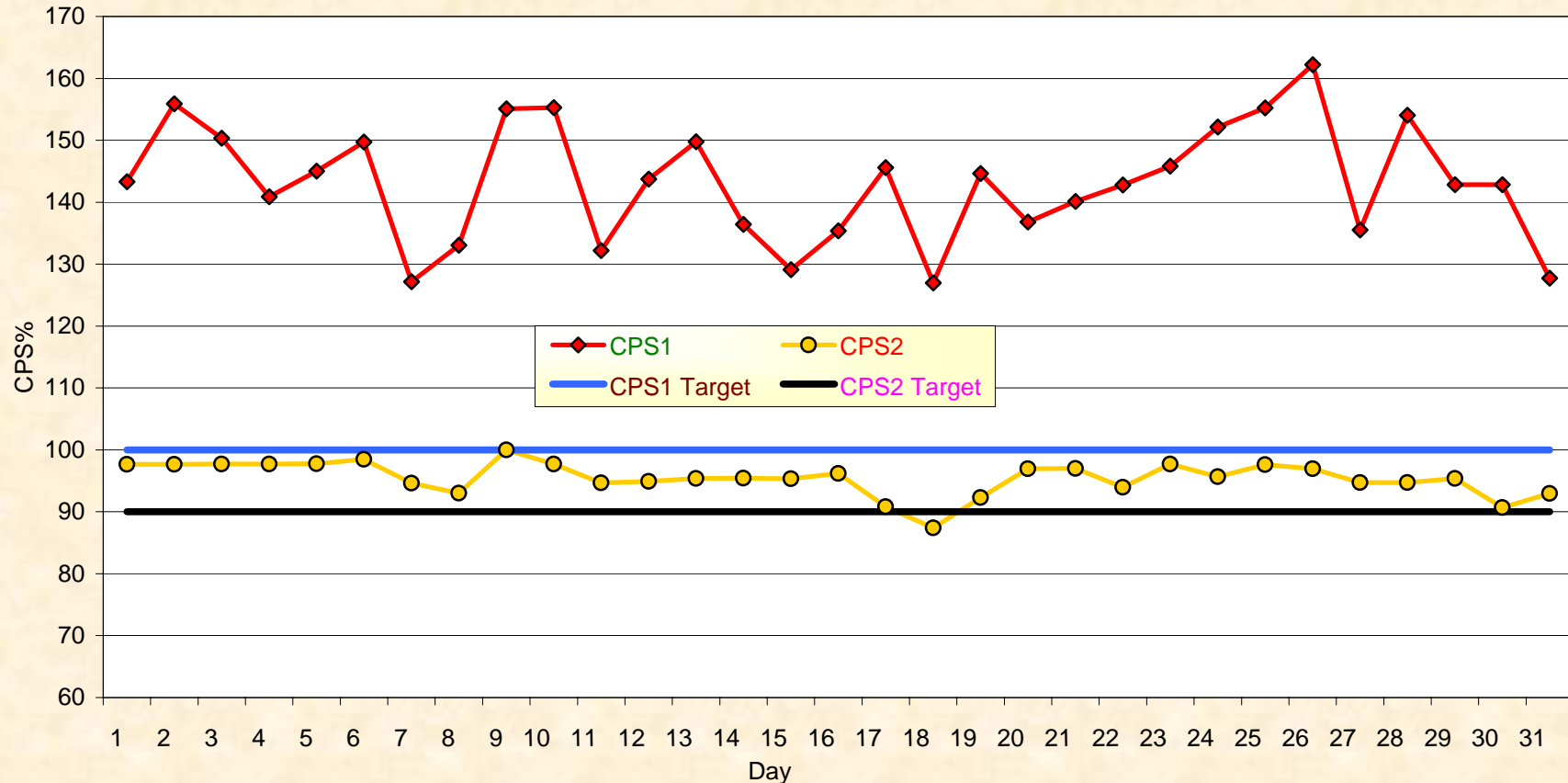
# NYISO LBMP ZONES



**Billing Codes for Chart 4-C**

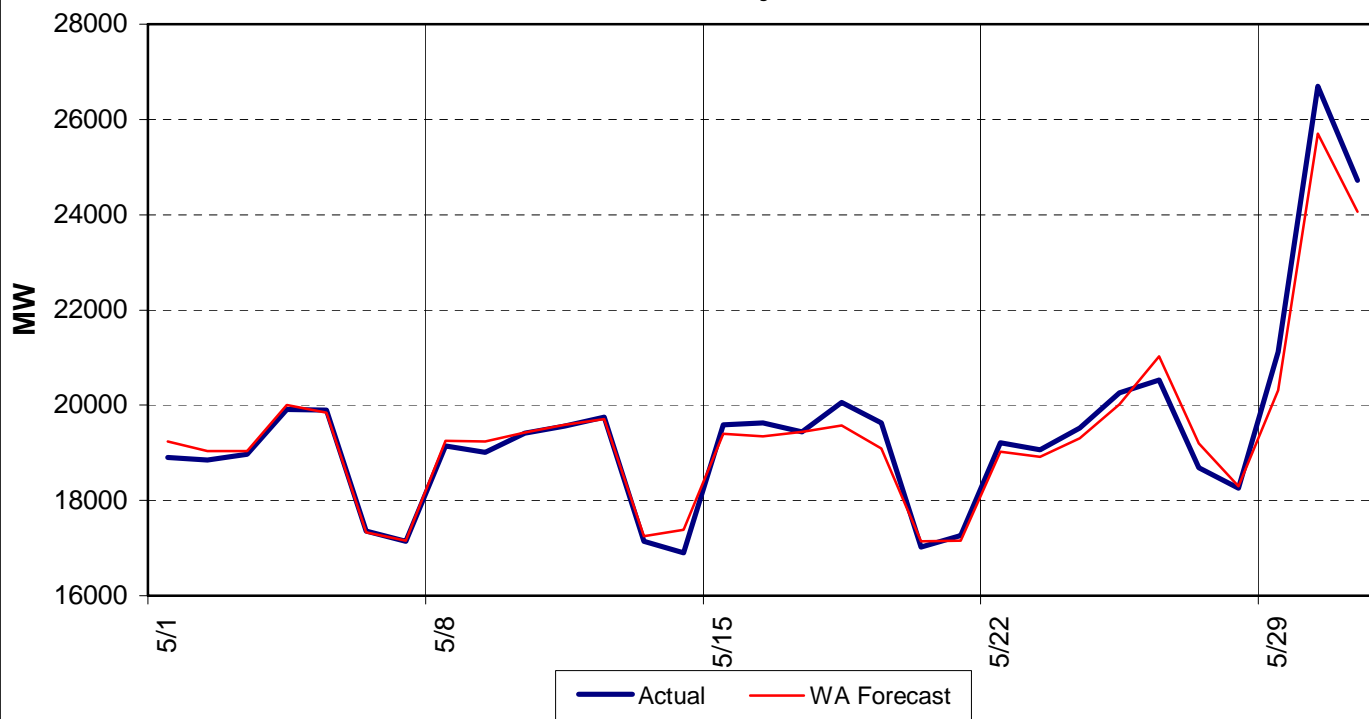
<b>Chart 4-C Category Name</b>	<b>Billing Code</b>	<b>Billing Category Name</b>
Bid Production Cost Guarantee Balancing	81203	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81204	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid 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

## NYCA Daily Control Performance May 2006

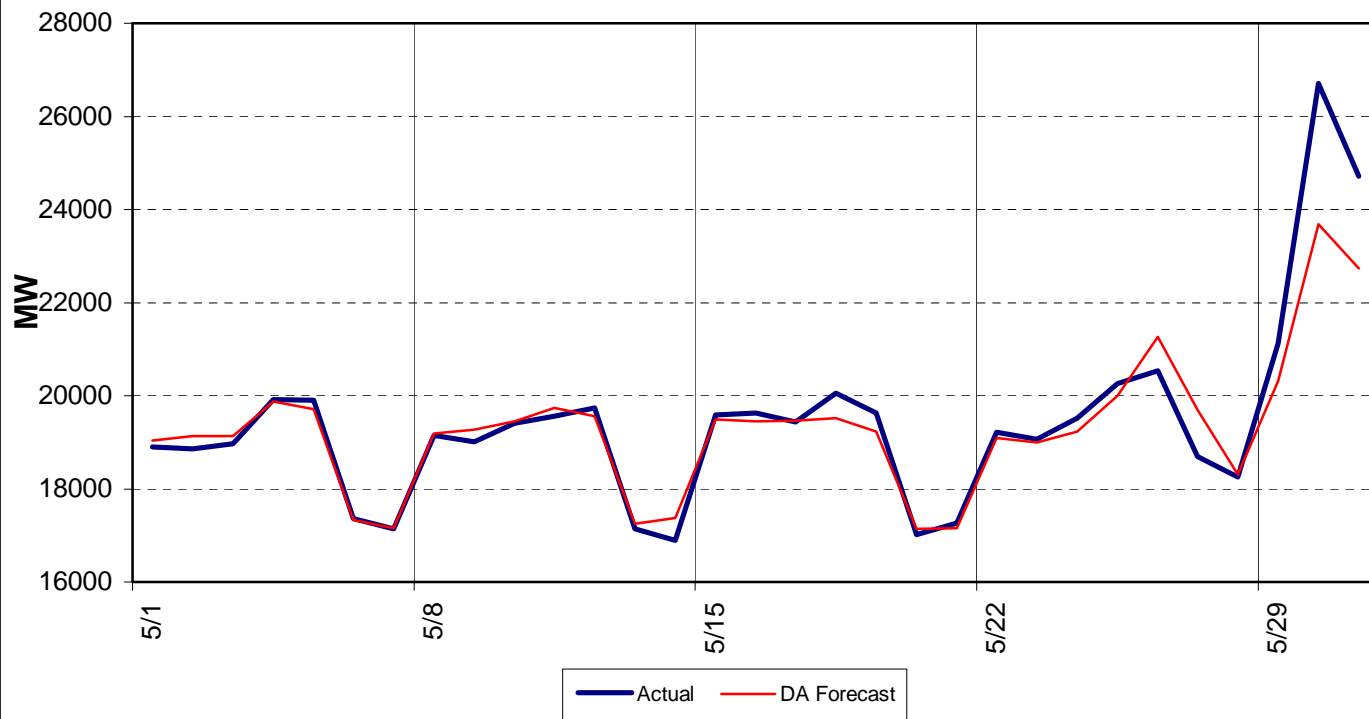


**CPS1 for May = 143.23% Compliance Threshold=100%**  
**CPS1 measures how well a Control Area meets its demand requirement**  
**CPS2 for May = 95.49% Compliance Threshold=90%**  
**CPS2 measures excessive unscheduled power flow resulting from large Area Control Error.**

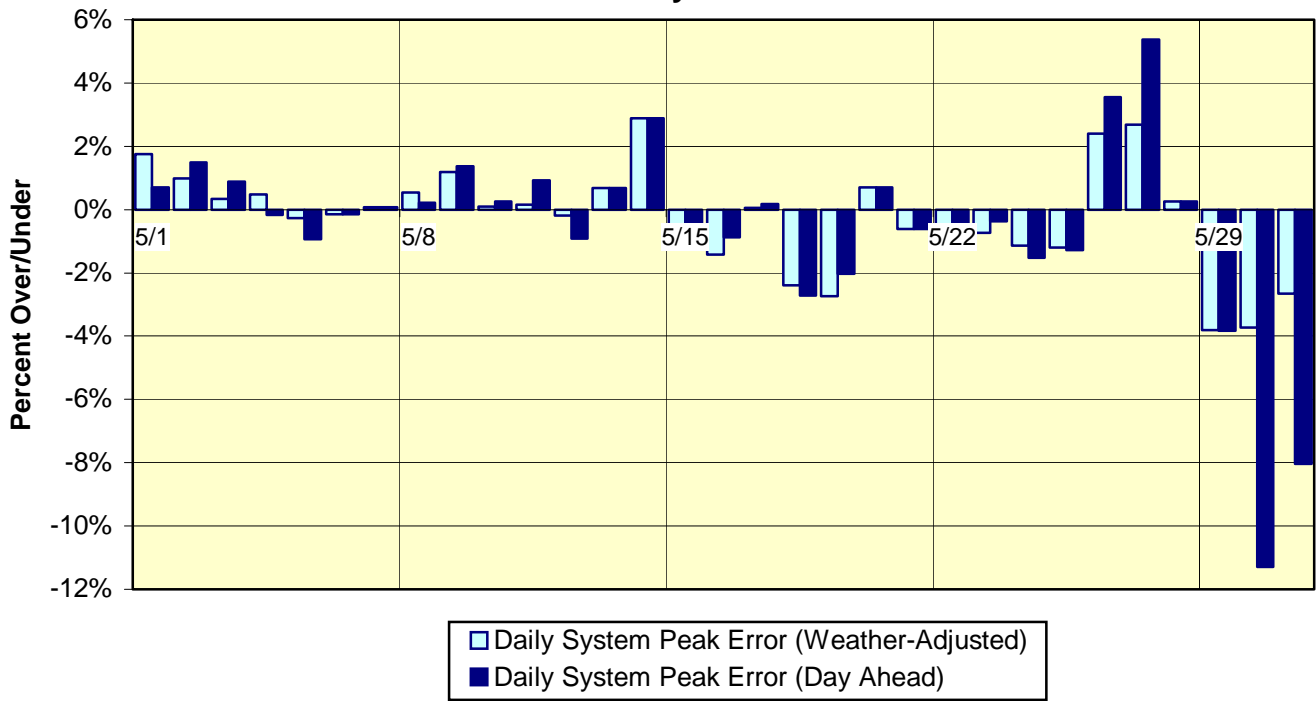
**NYISO Daily Peak Load - May 2006  
Actual vs. Weather-Adjusted Forecast**



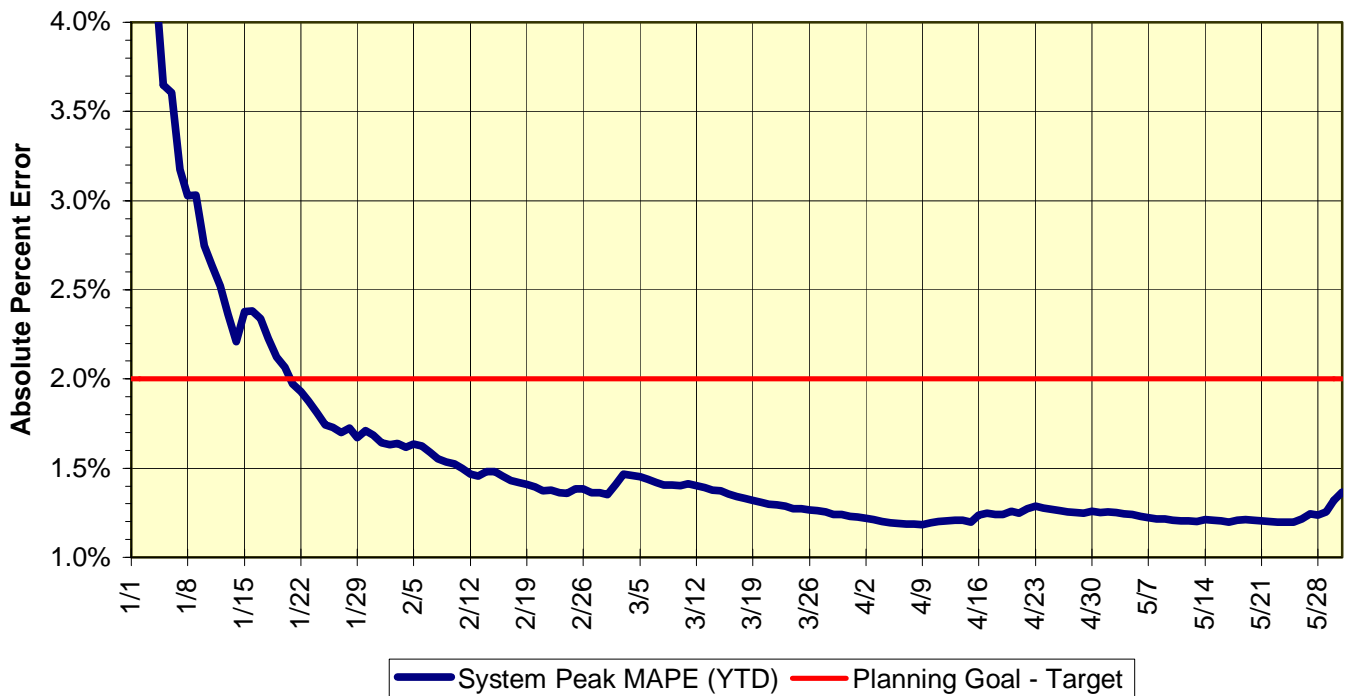
**NYISO Daily Peak Load - May 2006  
Actual vs. Forecast**



### Day-Ahead Forecast Daily Forecast Errors of System Peak May 2006



### Day-Ahead Forecast Cumulative Performance - Daily System Peak 2006 Year-to-Date



**NYISO**  
**2006 BUDGET VS. ACTUAL VARIANCES**  
(DOLLAR AMOUNTS IN MILLIONS)

<u>Cost Category</u>	<u>ANNUAL AMOUNTS</u>			<u>YTD AMOUNTS AS OF 4/30/06</u>		
	<u>Revised Budget</u>	<u>Year-End Projection</u>	<u>Variance</u>	<u>Revised Budget</u>	<u>Actuals</u>	<u>Variance</u>
Capital	\$ 21.0	\$ 20.4	\$ (0.6)	\$ 3.3	\$ 1.3	\$ (2.0)
Salaries & Benefits	\$ 49.3	\$ 47.2	\$ (2.1)	\$ 16.4	\$ 15.2	\$ (1.2)
Professional Fees (including Legal)	\$ 29.2	\$ 33.4	\$ 4.2	\$ 9.8	\$ 7.8	\$ (2.0)
Building Services	\$ 4.4	\$ 4.6	\$ 0.2	\$ 1.5	\$ 1.6	\$ 0.1
Computer Services	\$ 10.5	\$ 10.8	\$ 0.3	\$ 3.5	\$ 3.4	\$ (0.1)
Insurance	\$ 4.6	\$ 3.6	\$ (1.0)	\$ 1.5	\$ 1.4	\$ (0.1)
Telecommunications	\$ 5.1	\$ 5.1	\$ -	\$ 1.7	\$ 1.7	\$ -
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 6.0	\$ 6.1	\$ 0.1	\$ 2.1	\$ 1.6	\$ (0.5)
<b>Current Year Needs (excluding FERC Fees)</b>	<b>\$ 130.1</b>	<b>\$ 131.2</b>	<b>\$ 1.1</b>	<b>\$ 39.8</b>	<b>\$ 34.0</b>	<b>\$ (5.8)</b>
Debt Service from Prior Year Financings	\$ 31.2	\$ 31.2	\$ -	\$ 10.5	\$ 10.5	\$ -
<b>Cash Budget (excluding FERC Fees)</b>	<b>\$ 161.3</b>	<b>\$ 162.4</b>	<b>\$ 1.1</b>	<b>\$ 50.3</b>	<b>\$ 44.5</b>	<b>\$ (5.8)</b>
Less: Miscellaneous Revenues	\$ (2.5)	\$ (4.2)	\$ (1.7)	\$ (1.2)	\$ (1.6)	\$ (0.4)
Less: Proceeds from 2006 Budget Debt	\$ (15.5)	\$ (15.5)	\$ -	\$ (5.0)	\$ (5.0)	\$ -
Less: Proceeds from 2005 budget underrun and 2004/05 load overcollections	\$ (12.5)	\$ (12.5)	\$ -	\$ (4.2)	\$ (4.2)	\$ -
Less: Proceeds from Renovations Debt	\$ (8.5)	\$ (8.5)	\$ -	\$ -	\$ -	\$ -
Add: Interest on 2006 Budget Debt	\$ 0.5	\$ 0.4	\$ (0.1)	\$ 0.1	\$ -	\$ (0.1)
Add: Interest on Renovations Debt	\$ 0.4	\$ 0.4	\$ -	\$ -	\$ -	\$ -
<b>Net Budget Needs (excluding FERC Fees)</b>	<b>\$ 123.2</b>	<b>\$ 122.5</b>	<b>\$ (0.7)</b>	<b>\$ 40.0</b>	<b>\$ 33.7</b>	<b>\$ (6.3)</b>
FERC Fees	\$ 9.9	\$ 9.9	\$ -	\$ 3.3	\$ 3.3	\$ -
<b>Rate Schedule #1 Revenue Requirement</b>	<b>\$ 133.1</b>	<b>\$ 132.4</b>	<b>\$ (0.7)</b>	<b>\$ 43.3</b>	<b>\$ 37.0</b>	<b>\$ (6.3)</b>

Description	Status and Milestone Deliverables
<b>Energy Marketplace Product Enhancements</b>	
<p>A767 MIS Enhancements: Comprehensive Bid Management System</p>	<p><b>Status:</b> This project is in the concept development and requirements phase. Detailed requirements definition for first two (2) functional areas (Load Bidding and Virtual Bidding) has started. Technical requirements have initiated, but detailed business requirements documentation has not started.</p> <p><b>Deliverables:</b> 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 will lead to a replacement of the Market Information System (MIS) and related bidding and scheduling applications. This project will continue into 2008.</p>
<p>A871 Enhanced Price Validation</p>	<p><b>Status:</b> This project is in the concept development and requirements phase. Project scope documents have been developed and reviewed with business owner. An RFP process was performed to identify an external development partner to support the project. A total of six (6) vendors were solicited and three (3) responded. A cross functional staff team evaluated the responses and recommended a primary vendor; contract negotiations are underway. Development activities are schedule to start in July for the first phase of the project.</p> <p><b>Deliverables:</b> 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. This project will continue into 2007.</p>
<p>A769 Enhanced Scheduling of Combined Cycle Units</p>	<p><b>Status:</b> This project is in the concept development and requirements phase. NYISO staff has been working closely with owners of combined cycle plants to determine realistic solutions to solve known operational problems. Team is also monitoring developments in other markets (e.g. PJM) where attempts to provide solutions for combined cycle plants have not produced desired results. Certain incremental improvements already implemented in the NYISO have improved bidding flexibility.</p> <p><b>Deliverables:</b> Market Participants have historically expressed concern that NYISO does not model or schedule combined cycle generating units to their most efficient capabilities, thus impacting both real-time operations and market outcomes. This project will deliver a scheduling software solution and network modeling optimization for combined cycle generating units. Software may perform 15-minute economic dispatch scheduling for nominally off dispatch units during the real-time commitment execution and reflect those schedules into the real-time dispatch process.</p>



Description		Status and Milestone Deliverables
A706	Intra-Hour Transaction Scheduling (ITS)	<p><b>Status:</b> This project is in the concept development phase. Concept and design work will continue in 2006; development progress will be dictated by various factors including, regulatory process, technical feasibility, and resource constraints. Progress has been significantly slowed by limitations on the part of ISO-NE to support further development.</p> <p><b>Deliverables:</b> In 2005, the NYISO conducted a pilot project to assess the ability to evaluate and schedule intra-hour transactions and to identify any operational issues with scheduling. Additional work in 2006 will be based on the outcome of the pilot program; however, it is not assured that any significant software development will be completed in 2006.</p>
TBD	Wind Forecasting	<p><b>Status:</b> This project is in the concept development phase. Concept and design will continue in 2006; development progress will be dictated by various factors including, regulatory process, technical feasibility, and resources.</p> <p><b>Deliverables:</b> Design and implementation of the required forecasting systems that would be necessary to efficiently and reliably manage the introduction of significant amounts of intermittent energy sources in New York.</p>
<b>ICAP Marketplace Product Enhancements</b>		
A543	ICAP Market Automation – Phase I	<p><b>Status:</b> Software to automate the ICAP auction processes was deployed into production in late March and activated in April to conduct the Summer strip auction. No significant problems were encountered and the preliminary assessment is that the implementation was a success.</p> <p><b>Deliverable:</b> An automated application to run the ICAP market, also implementing a security model for single sign-on. Allow Market Participants to place bids and offers via the web or upload templates, execute the monthly and strip auctions, perform certification, run the spot auction and post the results and bills.</p>
TBD	ICAP Auction Automation – Phase II	<p><b>Status:</b> This project is in a preliminary planning phase and will be formally initiated in 2006, following the successful deployment of phase 1 and subsequent post-deployment review of ICAP market operations.</p> <p><b>Deliverables:</b> Following the implementation of the first phase of the ICAP Auction Automation software project, a certain subset of enhancements are planned to complete the full suite of planned features.</p>
<b>TCC Marketplace Product Enhancements</b>		
A541	TCC Auction Automation – Phase I	<p><b>Status:</b> Development, Quality Assurance testing, and User Acceptance Testing activities for Phase 1 are complete. Market trials started on schedule on June 1; full production operation for this phase targeted for July 1.</p> <p><b>Deliverables:</b> This project will take a phased approach to fully automate the TCC auction and data validation processes. The Awards processing is the planned first phase deliverable. Following phases will address the database and Bidding functions required to fully automate the auction processes.</p>

Description		Status and Milestone Deliverables
TBD	TCC Auction Automation – Phase II & III	<p><b>Status:</b> This project is in a preliminary planning phase and will be formally initiated later in 2006. This work has also included consideration of Phase 3 and other future market enhancement needs in the requirements definition for Phase 2. The draft report from that exercise was received from Nexant on April 26<sup>th</sup> and is currently out for review and comment by the project team; detailed project planning and budget allocation to be performed in June.</p> <p><b>Deliverables:</b> Following the implementation of the first phase of the TCC Auction Automation software project, following phases will deliver the Database and Bidding functionality required to fully automate the TCC markets.</p>
<b>Operations and Reliability Product Enhancements</b>		
A770	Outage Schedule Reporting	<p><b>Status:</b> This project is in a preliminary planning phase and is tentatively planned to be formally initiated in 2006. Addition of new quality and process control projects may delay the launch of this project.</p> <p><b>Deliverables:</b> As part of the SMD2 project, the Outage Scheduling software was moved entirely to the Ranger system for both Scheduling and Operations to provide consistency. However, the processes of creating the Outage Schedule reports remains on a secondary database. The creation of the required reports will be ported to the RANGER system.</p>
A843	Integration of OOM and SRE Applications	<p><b>Status:</b> This project is in a preliminary planning phase and is tentatively planned to be formally initiated in 2006. Addition of new quality and process control projects may delay the launch of this project.</p> <p><b>Deliverables:</b> 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>
<b>Financial Service Product Enhancements</b>		
A845	BAS Replacement / Billing Engine	<p><b>Status:</b> This project is in the development and testing phase. An iterative development approach is being employed where groups of the billing rules are being ported to the new engine in phases. The first four (4) sets of billing rules have passed the testing milestone, with the fifth group set to begin User Acceptance Testing (UAT) in July. The project is on schedule, but will likely not be ready for production deployment until after the first of the year due to additional billing rules that will be required as a result of changes being made to the current billing system in 2006. Additionally, Sarbanes-Oxley guidelines will limit billing software changes in the 4<sup>th</sup> quarter.</p> <p><b>Deliverables:</b> Implementation of a rules-based design as a replacement to the settlements engine in the Billing and Accounting System (BAS). Project will leverage technology investment made as part of the Billing Simulator and will lead to a higher performing calculation engine for billing, as well as a more flexible architecture for managing future changes to the settlements processes. This project is part of a multi-year effort to replace the entire billing system including, the invoicing components, web-based reconciliation, and integration of certain credit functions. This project is scheduled to continue into 2008.</p>

Description		Status and Milestone Deliverables
A836	Automation of Voltage Support Service (VSS) Payments	<p><b>Status:</b> Software to automate the calculation of the Voltage Support Service was successfully deployed to production on May 9, 2006.</p> <p><b>Deliverables:</b> Automation of a manual settlements' process. This effort is part of a larger effort to reduce and / or eliminate the need to perform manual billing adjustments on customer invoices. Opportunities will be explored through the year to determine additional automation features that can be implemented, and those projects will be individually presented as they are launched.</p>
<b>Business Intelligence Product Enhancements</b>		
A849	DSS Pricing and Operational Data Mart	<p><b>Status:</b> This project has completed the requirements phase and entered into the development phase. Project activities are on schedule with Market Participant deliveries scheduled for implementation in 3<sup>rd</sup> quarter of 2006.</p> <p><b>Deliverables:</b> During recent years, the NYISO has made a significant investment in data warehousing technology through the implementation of the Decision Support System (DSS) to support the NYISO settlements processes. This project will expand the DSS customer base by delivering pricing data that will support the price validation processes and provide greater transparency to the NYISO markets.</p>
TBD	Enhanced Portal Dashboards	<p><b>Status:</b> This project is in a preliminary planning phase and is tentatively planned to be formally initiated in 2006. Addition of new quality and process control projects may delay the launch of this project.</p> <p><b>Deliverables:</b> Enhancements made to the NYISO Portal platform to support the implementation of the new data elements available through the Decision Support System (DSS), as well as improved reporting functionality to augment a wide variety of data supplied through this mechanism. Initial focus will be applied to the pricing and operational data capabilities.</p>
<b>Other NYISO Key Projects</b>		
A775	Consolidate NYISO Offices	<p><b>Status:</b> Personnel relocation activities have completed that enabled the NYISO to vacate the Washington Avenue facility and fully occupy the 4<sup>th</sup> floor of the new Head Quarters facility. Demolition activities have started on the 2<sup>nd</sup> and 3<sup>rd</sup> floors; construction scheduled to start shortly thereafter. Detailed planning for the data center migration has started.</p> <p><b>Deliverables:</b> This project seeks to secure ~150,000 square feet of office space to include administrative offices, alternate control center and back-up IT/disaster recovery functionality. During 2006, this facility would replace the current NYISO locations at Washington Avenue, Wolf Road, and Western Turnpike.</p>

## **NYISO REGULATORY FILINGS – MAY 2006**

- May 2, 2006 NYISO filing of an answer to a third party protest regarding its proposed revisions concerning the review, challenge and correction of settlement information (ER06-783-000)
- May 3, 2006 Third party filing of application of rehearing of NYS Electric & Gas and Rochester Gas and Electric of commission's 4/3/06 order extending voltage support service rates and denying rehearing (EL06-57-000, ER06-291-000)
- May 4, 2006 NYISO filing of a motion to intervene regarding the NERC's application to become an Electric Reliability Organization (RR06-1-000)
- May 5, 2006 NYISO filing of answer and request expedited action in response to New York Transmission Owners request for clarification, extension, request for waiver regarding FERC response to its compliance filing (ER04-449-003/007/008)
- May 9, 2006 NYISO filing of its Seventh Quarterly Report regarding changes to software modeling requirements to improve the utilization of combined cycle units (ER04-230-006, ER01-3155-006, ER01-1385-015, EL01-45-014)
- May 15, 2006 PPL EnergyPlus filing of a complaint v NYISO regarding operation of the external rights auction (EL06-72-000)
- May 15, 2006 NYISO joint motion requesting expedited order-granting extension of time to file wheeling service status reports (EL02-23-008/009/010/011)
- May 15, 2006 NYISO filing of an administrative correction to the tariff filing regarding its proposed revisions concerning the review, challenge and correction of settlement information (ER06-783-000)
- May 16, 2006 NYISO filing of proposed tariff revisions to eliminate the temporary extraordinary procedures and establish a framework and time limits for non-TEP price corrections (ER06-1014-000)
- May 19, 2006 NYISO filing of response to the commission's 4/28/06 deficiency letter issued on NYISO's proposed changes to its tariff regarding the virtual transactions market credit policy (ER06-710-000)
- May 19, 2006 NYISO filing of a motion requesting an extension of time to answer the PPL EnergyPlus complaint regarding the External Rights Auction (EL06-72-000)
- May 19, 2006 NYISO filing of a motion requesting retention of originally filed effective date for tariff revisions regarding the review, challenge and correction of settlement information (ER06-783-000)
- May 22, 2006 PPL EnergyPlus filing of a motion opposing NYISO's request for an extension of time to answer the PPL EnergyPlus complaint V NYISO regarding the External Rights Auction (EL06-72-000)

- May 25, 2006 NYISO joint filing of stipulation and agreement of settlement resolving all disputed issues involving HQ Energy v. NYISO (EL01-19-000, EL02-16-000)
- May 26, 2006 Multiple third party comments filed regarding NYISO and NYSRC 4/28/06 joint informational report involving the setting of statewide installed capacity reserve margin and locational capacity requirements (EL06-1-000)
- May 31, 2006 NYISO annual filing of FERC Form No. 714 Annual Electric Control and Planning Area Report for the year ending December 31, 2005

This list is current as of 11:46 A.M. May 31, 2006.

## FERC ORDERS – MAY 2006

- May 3, 2006 FERC errata letter order correcting letter order tariff sheet designations and effective dates from those issued in a 4/14/06 letter order regarding congestion settlement methodologies  
(ER06-769-000)
- May 10, 2006 FERC letter order accepting NYISO's 7/27/05 informational filing regarding residual transmission congestion contract issues  
(EL05-137-000, EI04-110-003, EL04-1113-003, EL04-115-005)
- May 16, 2006 FERC letter order accepting NYISO's 2/8/06 sixth quarterly report regarding combine cycle modeling  
(ER01-3155-015, EL01-45-023, ER01-1385-024, ER04-230-022)
- May 17, 2006 FERC tolling order granting the joint NYISO and NYTO request for rehearing for further consideration of the 3/17/06 order concerning the reactive power requirements for wind generator interconnection  
(ER06-506-002)
- May 17, 2006 FERC notice granting the joint NYISO, PJM, PSEG and Con Ed request for an extension of time until 10/13/06 to file a status report regarding the operating protocol performance so as to include the 2006 summer peak period  
(EL02-23-008/009/010/011)
- May 18, 2006 FERC order accepting NYISO's ninth biannual informational report regarding its demand response programs and the addition of new generation  
(ER01-3001-013/014)

This list is current as of 11:45 A.M. May 18, 2006.