



# Monthly Report

**September 2007**

**Rana Mukerji**

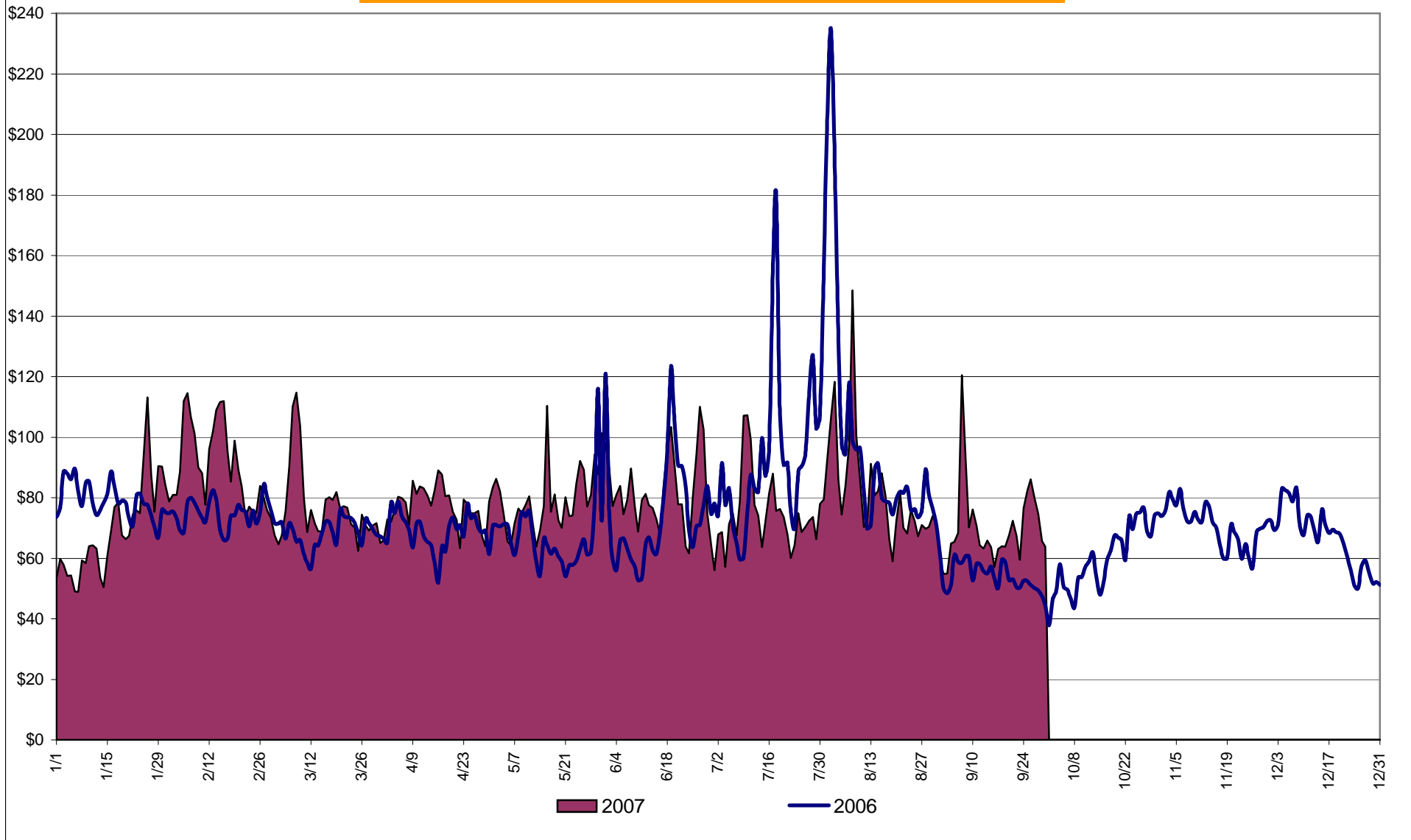
# TABLE OF CONTENTS

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

# Market Performance Highlights for September 2007

- LBMP for September is \$68.22/MWh, down from \$81.50/MWh in August 2007.
  - Average monthly cost is \$71.43/MWh, down from \$84.62/MWh in August 2007.
  - Day Ahead and Real Time LBMPs have decreased from August 2007.
- Average daily sendout is 468GWh/day in September, down from 523GWh/day in August 2007 and higher than the September 2006 amount of 430GWh/day.
- Fuel prices are mixed this month.
  - Kerosene is \$17.25/mmBTU, up from \$15.76/mmBTU in August.
  - No. 2 Fuel Oil is \$15.43/mmBTU, up from \$14.11/mmBTU in August.
  - No. 6 Fuel Oil is \$10.26/mmBTU, up from \$10.03/mmBTU in August.
  - Natural Gas is \$6.39/mmBTU, down from \$6.90/mmBTU in August.
- Uplift is comparable this month relative to August 2007.
  - Uplift (not including NYISO cost of operations) is \$1.26/MWh, slightly down from \$1.29/MWh in August 2007.
  - Total uplift (Schedule 1 components including NYISO Cost of Operations) decreased from \$32.3 million in August 2007 to \$28.2 million in September 2007.
- Price corrections continue to be at low levels.

**Daily NYISO Average Cost/MWh (Energy & Ancillary Services)\***  
**2006 Annual Average \$76.45/MWh**  
**September 2006 YTD Average \$79.45/MWh**  
**September 2007 YTD Average \$79.57/MWh**



\* Excludes ICAP payments.

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

<b>2007</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	67.23	89.14	75.09	73.14	75.28	79.28	73.10	81.50	68.22			
NTAC	0.46	0.56	0.57	0.53	0.58	0.74	0.51	0.34	0.44			
Reserve	0.43	0.23	0.34	0.36	0.28	0.23	0.21	0.13	0.11			
Regulation	0.46	0.47	0.55	0.35	0.37	0.43	0.39	0.36	0.41			
NYISO Cost of Operations	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66			
Uplift	1.00	0.88	0.29	2.14	3.08	1.96	1.21	1.29	1.26			
Voltage Support and Black Start	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34			
<b>Avg Monthly Cost</b>	<b>70.57</b>	<b>92.29</b>	<b>77.85</b>	<b>77.52</b>	<b>80.59</b>	<b>83.65</b>	<b>76.41</b>	<b>84.62</b>	<b>71.43</b>			
Avg YTD Cost	70.57	81.65	80.36	79.68	79.86	80.51	79.84	80.55	79.57			

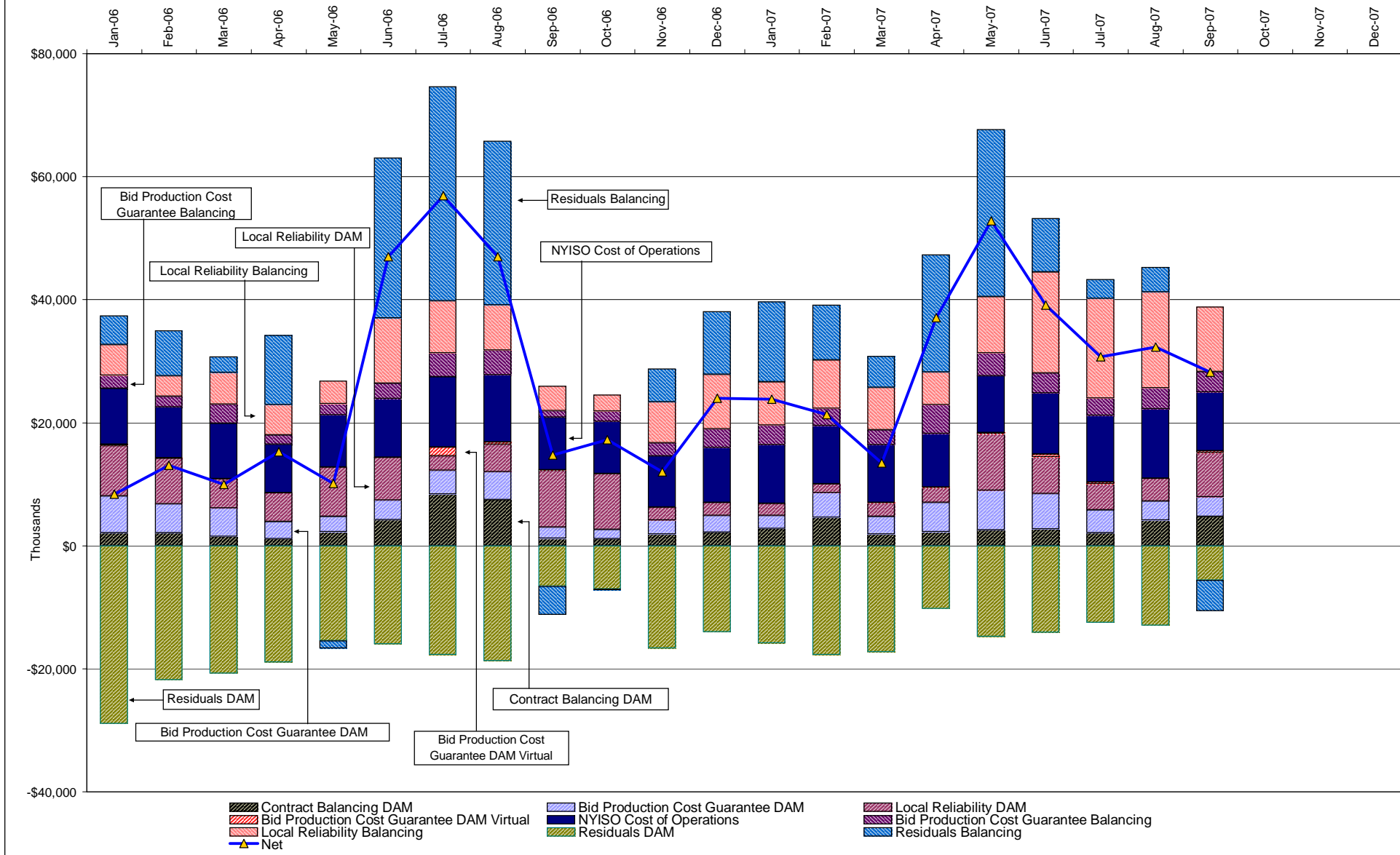
---

<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	77.13	71.86	66.52	66.24	65.54	71.94	93.41	101.33	51.89	57.60	68.44	63.97
NTAC	0.46	0.90	0.43	0.54	0.64	0.69	0.47	0.39	0.33	0.38	0.42	0.48
Reserve	0.35	0.30	0.29	0.35	0.16	0.22	0.30	0.13	0.29	0.29	0.46	0.43
Regulation	0.56	0.68	0.69	0.47	0.42	0.39	0.30	0.28	0.41	0.43	0.49	0.52
NYISO Cost of Operations	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64	0.64
Uplift	(0.06)	0.37	0.09	0.63	0.12	2.63	2.42	2.28	0.46	0.68	0.29	1.12
Voltage Support and Black Start	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
<b>Avg Monthly Cost</b>	<b>79.46</b>	<b>75.11</b>	<b>69.03</b>	<b>69.24</b>	<b>67.88</b>	<b>76.87</b>	<b>97.90</b>	<b>105.42</b>	<b>54.38</b>	<b>60.38</b>	<b>71.11</b>	<b>67.52</b>
Avg YTD Cost	79.46	77.40	74.49	73.24	72.19	73.07	77.90	82.11	79.45	77.72	77.21	76.45

\* 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

2007	January	February	March	April	May	June	July	August	September	October	November	December
<b>Day Ahead Market MWh</b>												
DAM LSE Internal LBMP Energy Sales	14,164,585	13,771,553	13,677,039	12,880,994	13,514,244	14,692,700	16,038,367	16,703,812	14,127,144			
DAM External TC LBMP Energy Sales	45%	44%	48%	46%	44%	46%	48%	48%	46%			
DAM Bilateral - Internal Bilaterals	4%	7%	4%	6%	6%	4%	4%	5%	4%			
DAM Bilateral - Import/Non-LBMP Market Bilaterals	47%	45%	44%	44%	45%	45%	42%	41%	43%			
DAM Bilateral - Export/Non-LBMP Market Bilaterals	2%	2%	2%	2%	2%	3%	4%	4%	5%			
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%			
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%			
<b>Balancing Energy Market MWh</b>												
Balancing Energy LSE Internal LBMP Energy Sales	436,345	630,212	626,488	471,340	563,349	443,615	515,326	469,749	506,866			
Balancing Energy External TC LBMP Energy Sales	51%	49%	43%	33%	71%	85%	58%	47%	84%			
Balancing Energy Bilateral - Internal Bilaterals	56%	59%	58%	68%	33%	25%	58%	62%	34%			
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	-1%	-4%	1%	0%	8%	6%	4%	8%	3%			
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	4%	6%	1%	0%	0%			
Balancing Energy Bilateral - Wheel Through Bilaterals	0%	0%	0%	0%	0%	1%	1%	1%	1%			
Balancing Energy Bilateral - Wheel Through Bilaterals	-7%	-4%	-2%	-1%	-15%	-23%	-22%	-18%	-21%			
<b>Transactions Summary</b>												
LBMP	51%	54%	54%	54%	52%	51%	53%	55%	52%			
Internal Bilaterals	45%	42%	42%	42%	44%	43%	41%	40%	41%			
Import Bilaterals	2%	2%	2%	2%	2%	3%	4%	4%	5%			
Export Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%			
Wheels Through	1%	1%	1%	1%	1%	1%	0%	0%	0%			
<b>Market Share of Total Load</b>												
Day Ahead Market	97.0%	95.6%	95.6%	96.5%	96.0%	97.1%	96.9%	97.3%	96.5%			
Balancing Energy +	3.0%	4.4%	4.4%	3.5%	4.0%	2.9%	3.1%	2.7%	3.5%			
Total MWh	14,600,930	14,401,765	14,303,527	13,352,334	14,077,594	15,136,315	16,553,693	17,173,561	14,634,010			
Average Daily Energy Sendout/Month GWh	449	471	438	414	423	484	510	523	468			
<b>2006</b>												
<b>Day Ahead Market MWh</b>												
DAM LSE Internal LBMP Energy Sales	13,877,416	12,532,754	13,392,627	11,860,369	12,637,299	14,251,897	17,302,066	16,604,505	13,110,510	12,648,358	12,827,462	13,423,412
DAM External TC LBMP Energy Sales	46%	47%	48%	50%	46%	48%	51%	50%	46%	47%	44%	47%
DAM Bilateral - Internal Bilaterals	4%	3%	2%	2%	3%	3%	5%	5%	3%	3%	4%	2%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	47%	47%	45%	45%	47%	45%	41%	42%	48%	47%	49%	47%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	2%	2%	2%	2%	2%	2%	1%	2%	2%	2%	2%	2%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	2%	1%	1%	1%	2%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Balancing Energy Market MWh</b>												
Balancing Energy LSE Internal LBMP Energy Sales	299,347	312,712	555,364	396,752	486,039	559,821	471,866	339,367	233,201	512,098	169,737	374,567
Balancing Energy External TC LBMP Energy Sales	2%	20%	31%	26%	45%	32%	49%	38%	-16%	51%	-45%	35%
Balancing Energy Bilateral - Internal Bilaterals	87%	76%	66%	68%	48%	60%	62%	63%	89%	45%	132%	61%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	5%	2%	2%	2%	2%	5%	1%	2%	-1%	1%	13%	4%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	2%	1%	0%	0%	3%	0%	0%	0%	3%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	0%	0%	-12%	1%	1%	1%	1%	1%
Balancing Energy Bilateral - Wheel Through Bilaterals	4%	1%	0%	3%	2%	3%	0%	-3%	24%	2%	-1%	-1%
<b>Transactions Summary</b>												
LBMP	51%	50%	52%	53%	51%	53%	57%	56%	49%	52%	48%	50%
Internal Bilaterals	46%	46%	43%	43%	45%	44%	40%	42%	47%	45%	48%	46%
Import Bilaterals	2%	2%	2%	2%	2%	2%	1%	1%	2%	2%	2%	2%
Export Bilaterals	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Market Share of Total Load</b>												
Day Ahead Market	97.9%	97.6%	96.0%	96.8%	96.3%	96.2%	97.3%	98.0%	98.3%	96.1%	98.7%	97.3%
Balancing Energy +	2.1%	2.4%	4.0%	3.2%	3.7% *	3.8%	2.7%	2.0%	1.7%	3.9%	1.3%	2.7%
Total MWh	14,176,763	12,845,466	13,947,991	12,257,122	13,123,339	14,811,719	17,773,932	16,943,872	13,343,711	13,160,456	12,997,199	13,797,979
Average Daily Energy Sendout/Month GWh	439	444	428	395	407	471	528	518	430	409	416	435

+ 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 2007 Energy Statistics

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

### NYISO Markets 2006 Energy Statistics

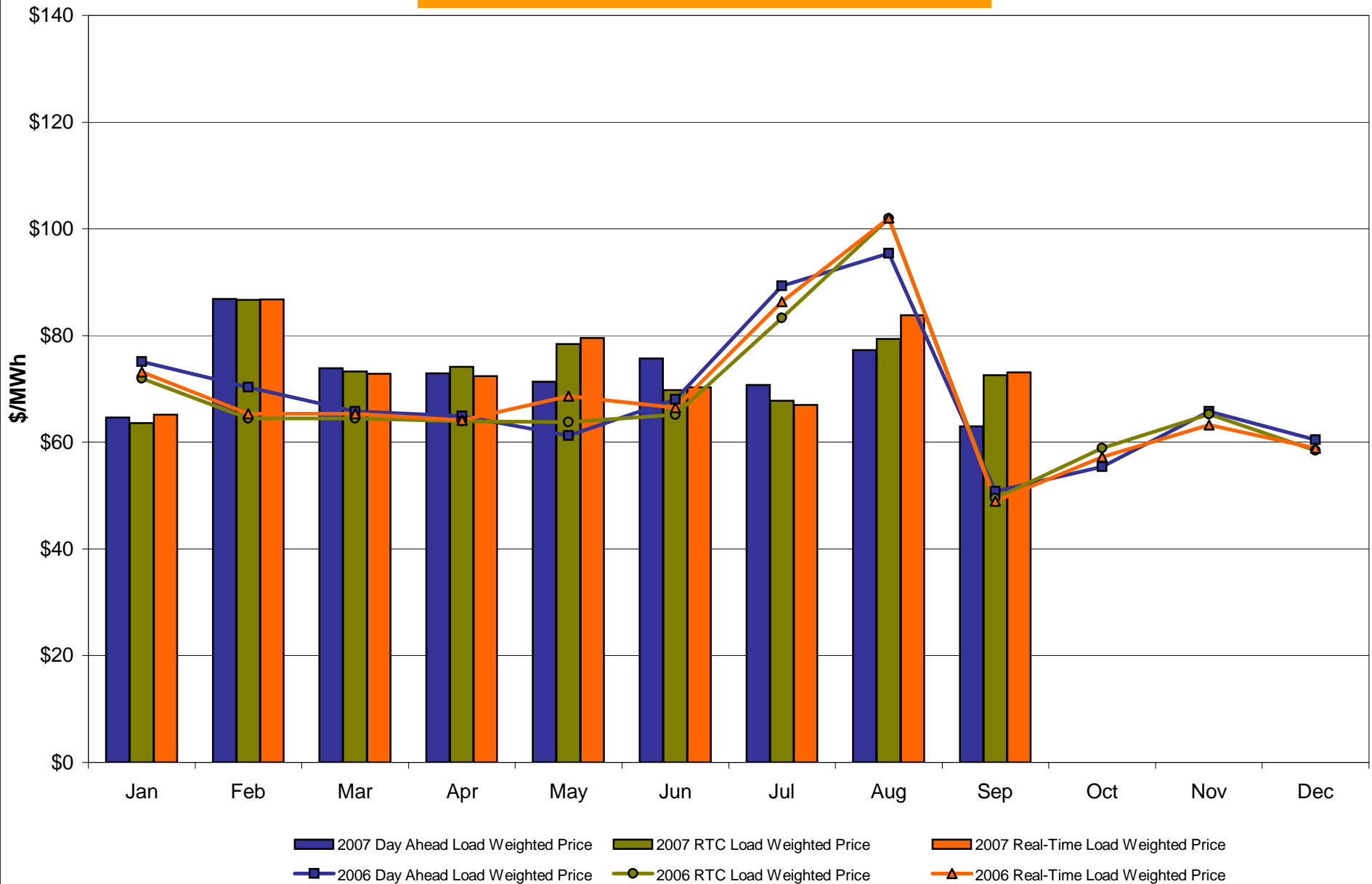
	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b><u>DAY AHEAD LBMP</u></b>												
Price *	\$73.28	\$68.90	\$64.31	\$63.21	\$59.31	\$64.40	\$83.27	\$88.13	\$48.97	\$53.46	\$63.47	\$58.14
Standard Deviation	\$15.03	\$12.95	\$11.95	\$13.28	\$13.70	\$22.66	\$40.24	\$50.58	\$12.19	\$16.54	\$18.80	\$19.65
Load Weighted Price **	\$75.09	\$70.34	\$65.74	\$64.93	\$61.29	\$68.02	\$89.27	\$95.39	\$50.76	\$55.39	\$65.78	\$60.45
<b><u>RTC LBMP</u></b>												
Price *	\$70.25	\$63.41	\$63.04	\$62.39	\$60.81	\$61.60	\$77.27	\$91.21	\$47.92	\$56.36	\$62.79	\$56.22
Standard Deviation	\$26.63	\$15.86	\$20.50	\$18.82	\$37.26	\$39.82	\$56.30	\$107.73	\$16.64	\$33.37	\$32.34	\$29.15
Load Weighted Price **	\$71.94	\$64.44	\$64.43	\$63.93	\$63.75	\$65.15	\$83.30	\$101.89	\$49.51	\$58.87	\$65.30	\$58.49
<b><u>REAL TIME LBMP</u></b>												
Price *	\$70.91	\$63.96	\$63.66	\$62.35	\$63.29	\$61.23	\$78.58	\$89.95	\$47.09	\$54.66	\$60.65	\$55.94
Standard Deviation	\$31.34	\$20.06	\$23.01	\$20.98	\$62.40	\$52.63	\$66.83	\$97.29	\$17.93	\$27.32	\$28.71	\$29.79
Load Weighted Price **	\$73.18	\$65.38	\$65.38	\$64.13	\$68.66	\$66.47	\$86.37	\$102.03	\$48.95	\$57.21	\$63.26	\$58.87
Average Daily Energy Sendout/Month GWh	439	444	428	395	407	471	528	518	430	409	416	435

\* Average zonal load weighted prices.

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



## NYISO Monthly Average Internal LBMPs 2006 - 2007

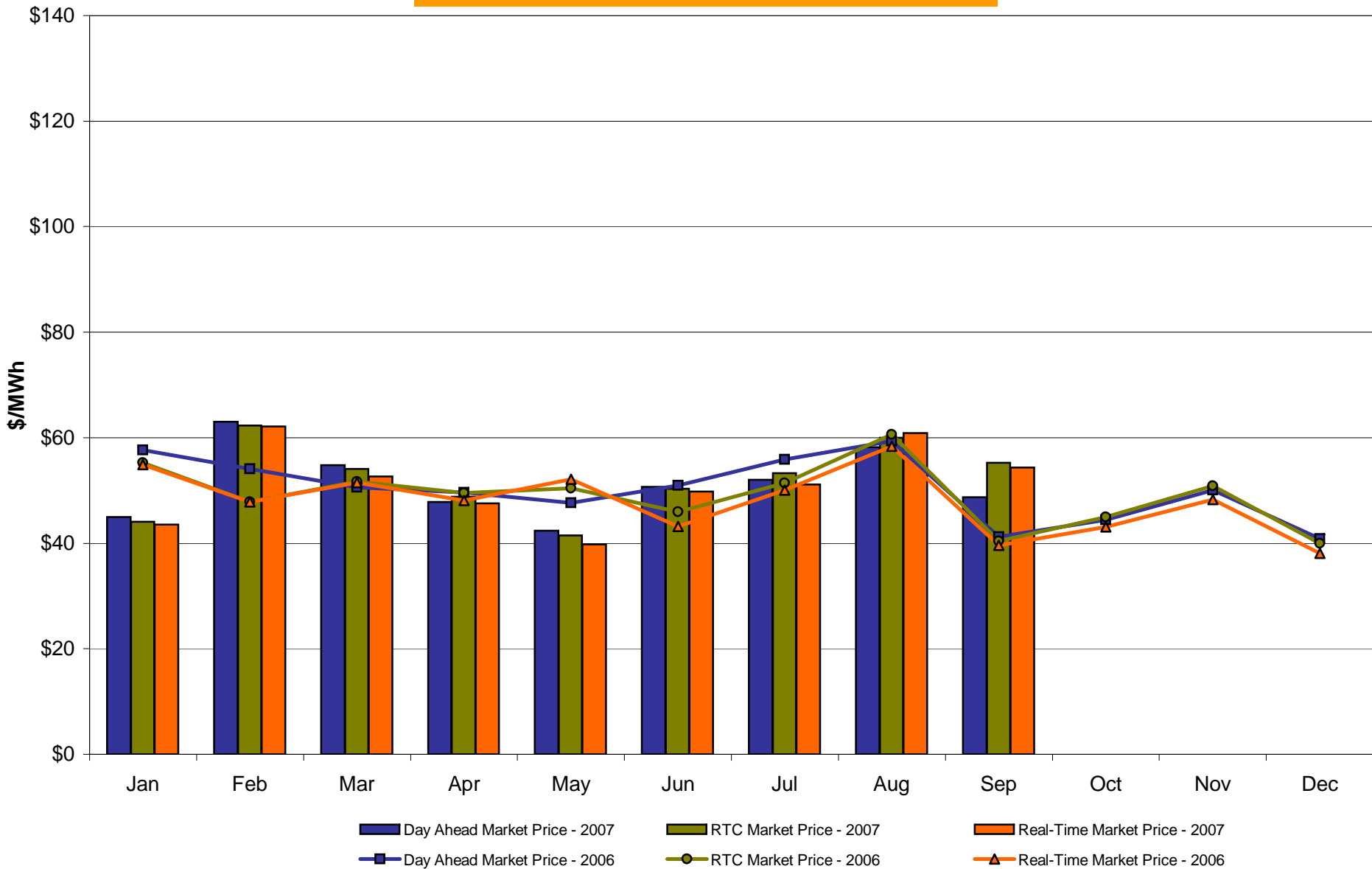


**September 2007 Zonal LBMP Statistics for NYISO (\$/MWh)**

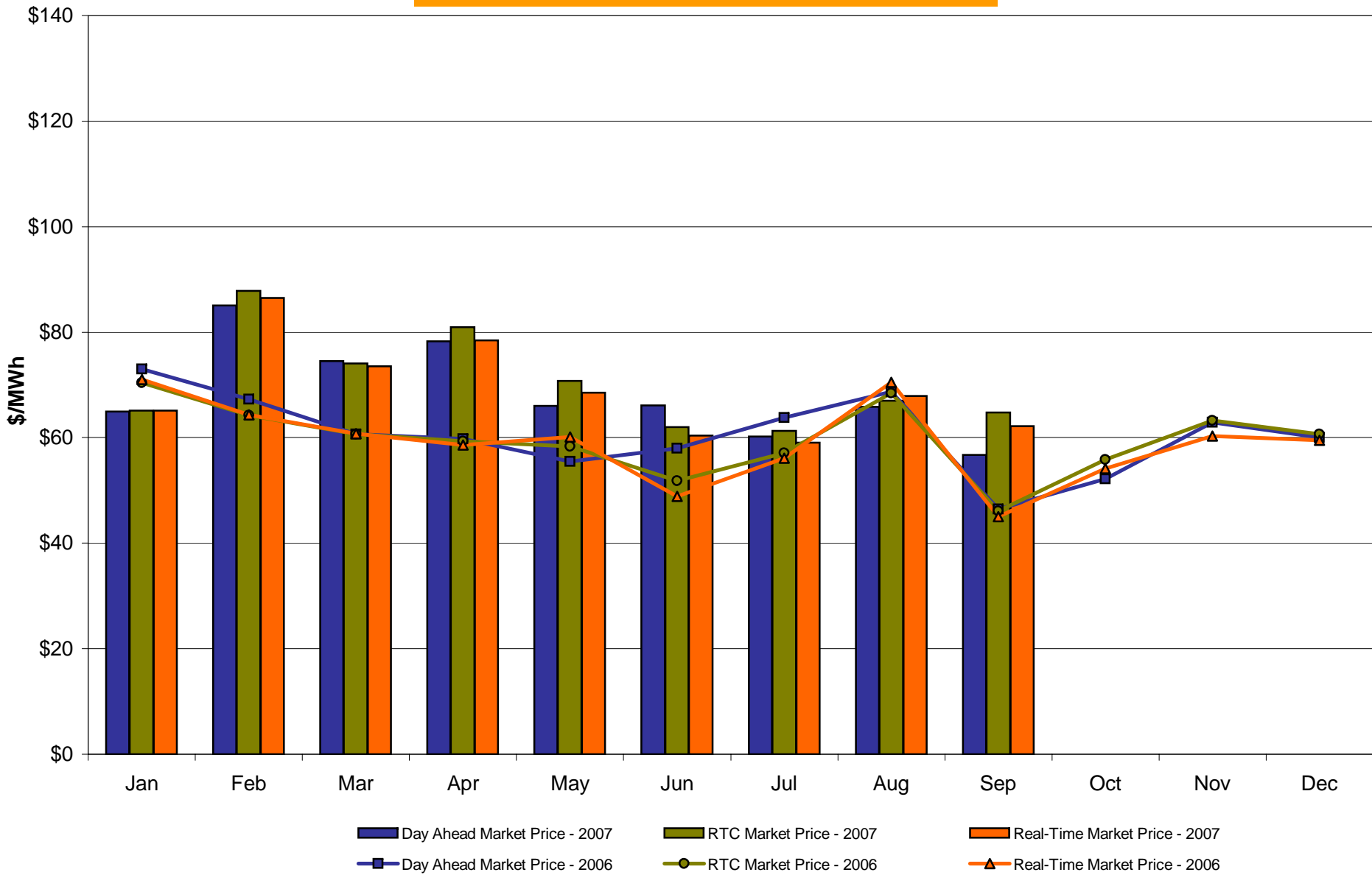
	<u>WEST</u> <u>Zone A</u>	<u>GENESEE</u> <u>Zone B</u>	<u>NORTH</u> <u>Zone D</u>	<u>CENTRAL</u> <u>Zone C</u>	<u>MOHAWK</u> <u>VALLEY</u> <u>Zone E</u>	<u>CAPITAL</u> <u>Zone F</u>	<u>HUDSON</u> <u>VALLEY</u> <u>Zone G</u>	<u>MILLWOOD</u> <u>Zone H</u>	<u>DUNWOODIE</u> <u>Zone I</u>	<u>NEW YORK</u> <u>CITY</u> <u>Zone J</u>	<u>LONG</u> <u>ISLAND</u> <u>Zone K</u>
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	48.71	50.65	53.17	52.31	55.03	56.75	61.55	62.59	62.79	64.25	69.32
Standard Deviation	14.21	14.40	14.31	14.35	15.08	14.93	18.90	20.18	20.31	20.75	21.70
<b><u>RTC LBMP</u></b>											
Unweighted Price *	55.29	57.22	61.47	60.60	63.51	64.74	69.94	70.82	71.05	71.68	74.54
Standard Deviation	76.73	78.82	70.03	71.49	73.21	73.82	84.22	86.71	87.07	78.85	86.86
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	54.36	56.27	59.19	58.36	61.22	62.15	68.10	69.16	69.39	70.41	73.19
Standard Deviation	69.98	71.78	69.82	70.88	72.78	73.65	86.86	90.45	90.91	86.94	90.23
	<u>ONTARIO</u> <u>IESO</u> <u>Zone O</u>	<u>HYDRO</u> <u>QUEBEC</u> <u>(Wheel)</u> <u>Zone M</u>	<u>HYDRO</u> <u>QUEBEC</u> <u>(Import/Export)</u> <u>Zone M</u>	<u>PJM</u> <u>Zone P</u>	<u>NEW</u> <u>ENGLAND</u> <u>Zone N</u>	<u>CROSS</u> <u>SOUND</u> <u>CABLE</u> <u>Controllable</u> <u>Line</u>	<u>NORTHPORT-</u> <u>NORWALK</u> <u>Controllable</u> <u>Line</u>	<u>NEPTUNE</u> <u>Controllable</u> <u>Line</u>			
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	48.32	53.52	53.52	54.82	58.52	69.36	67.49	68.13			
Standard Deviation	13.82	14.15	14.14	16.89	16.13	21.61	22.51	21.52			
<b><u>RTC LBMP</u></b>											
Unweighted Price *	50.59	80.29	78.17	56.83	60.27	68.02	62.32	67.37			
Standard Deviation	19.35	136.92	146.56	22.21	20.58	31.16	61.32	31.20			
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	48.62	55.30	54.98	53.02	59.68	68.46	63.03	67.46			
Standard Deviation	35.20	35.09	32.71	36.84	40.75	66.52	93.90	65.97			

\* Straight LBMP averages

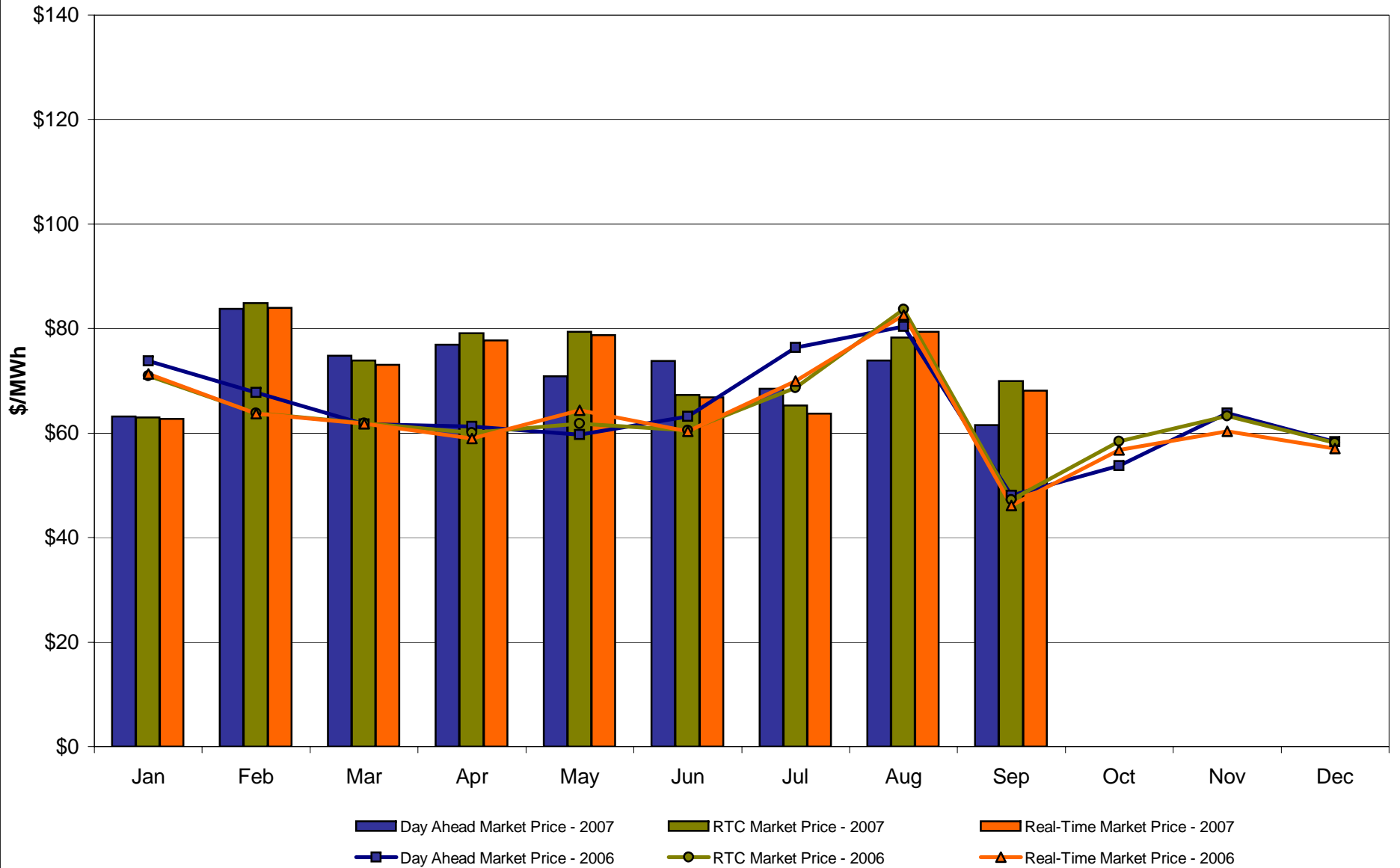
## West Zone A Monthly Average LBMP Prices 2006 - 2007



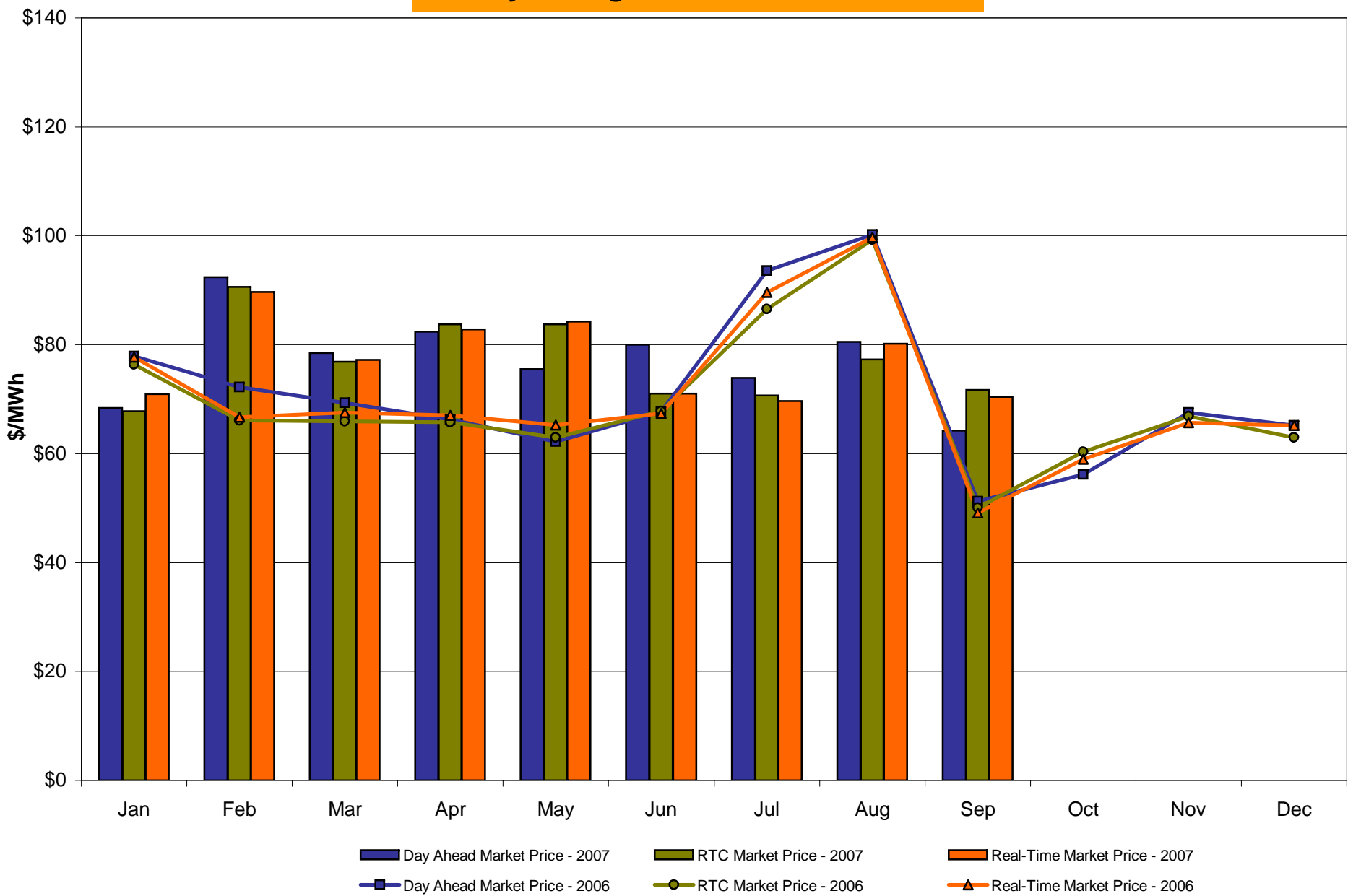
## Capital Zone F Monthly Average LBMP Prices 2006 - 2007



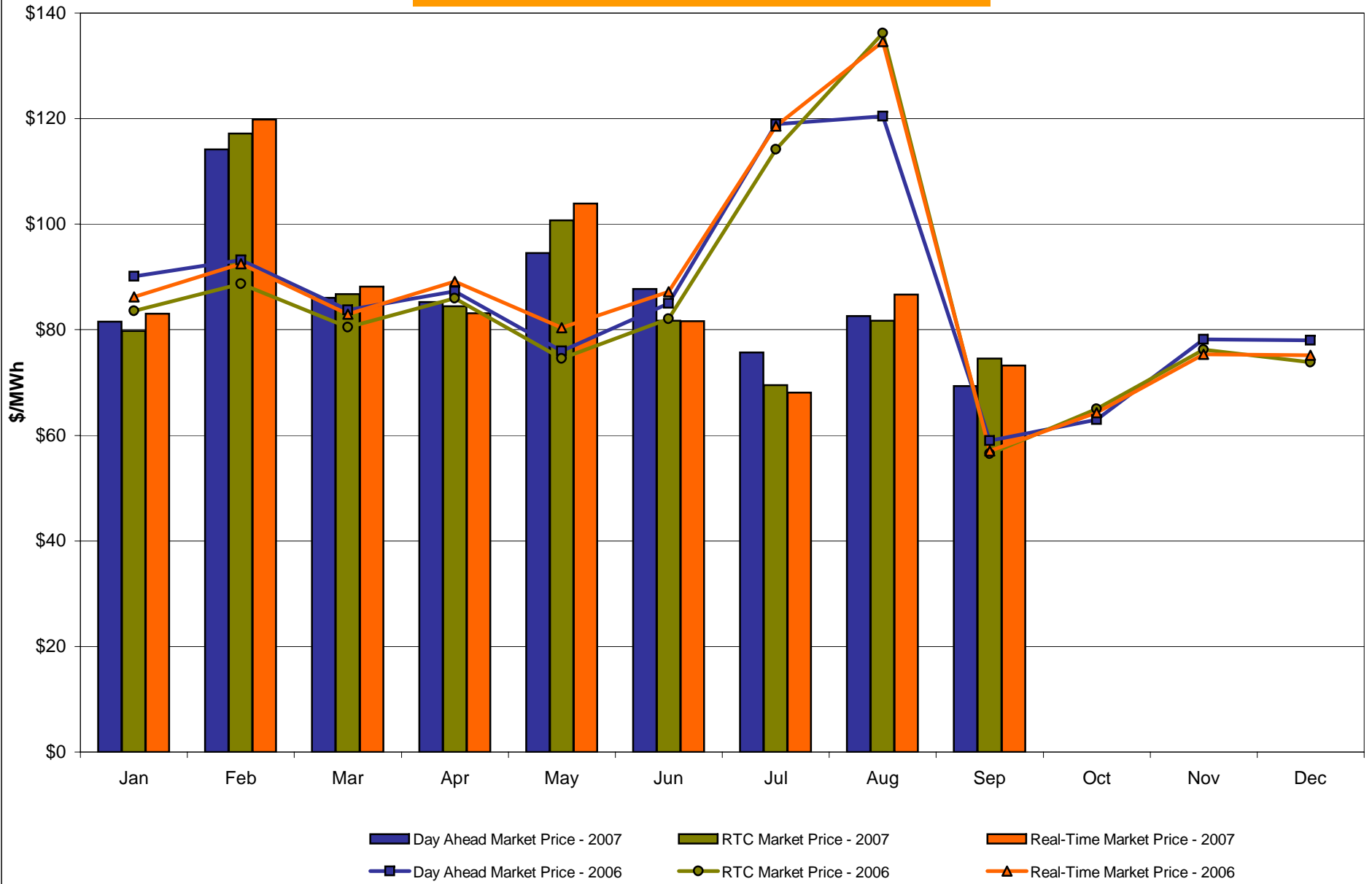
## Hudson Valley Zone G Monthly Average LBMP Prices 2006 - 2007



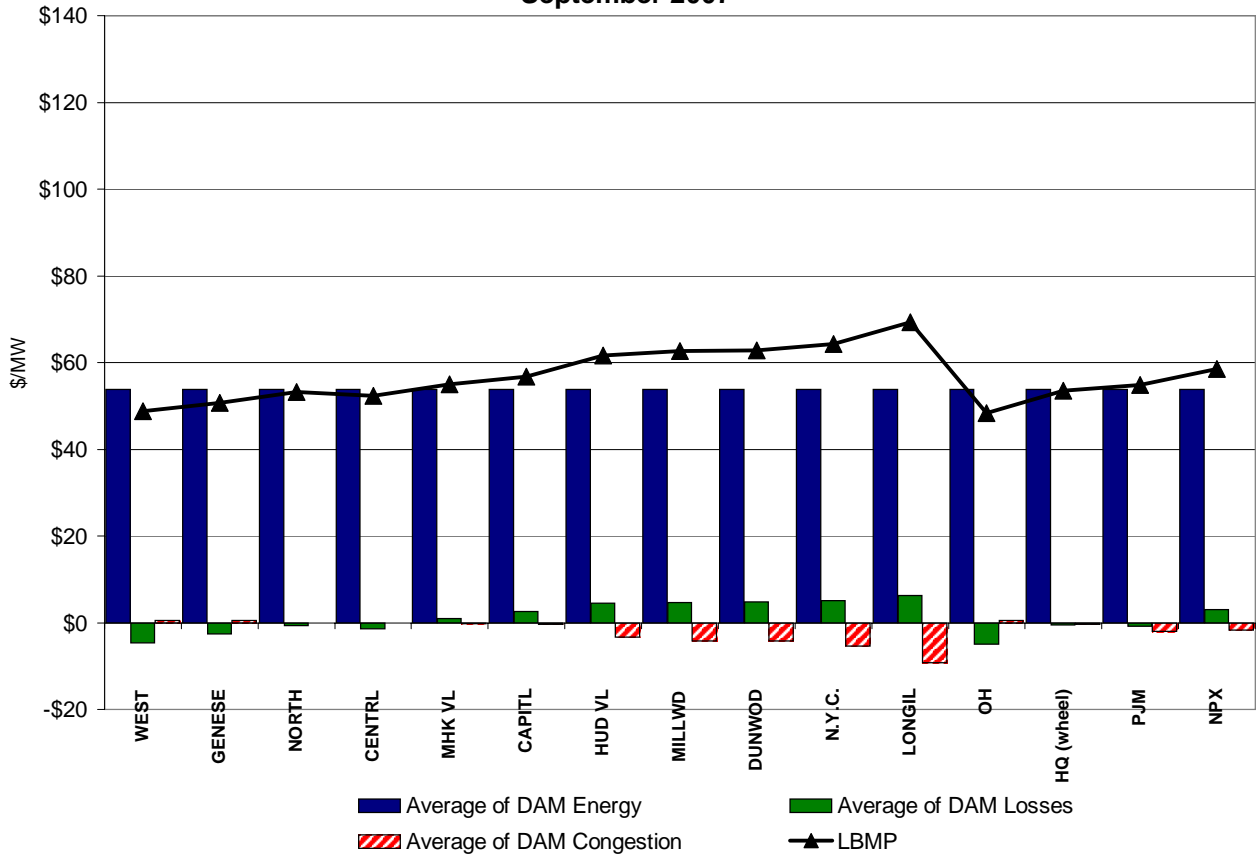
## NYC Zone J Monthly Average LBMP Prices 2006 - 2007



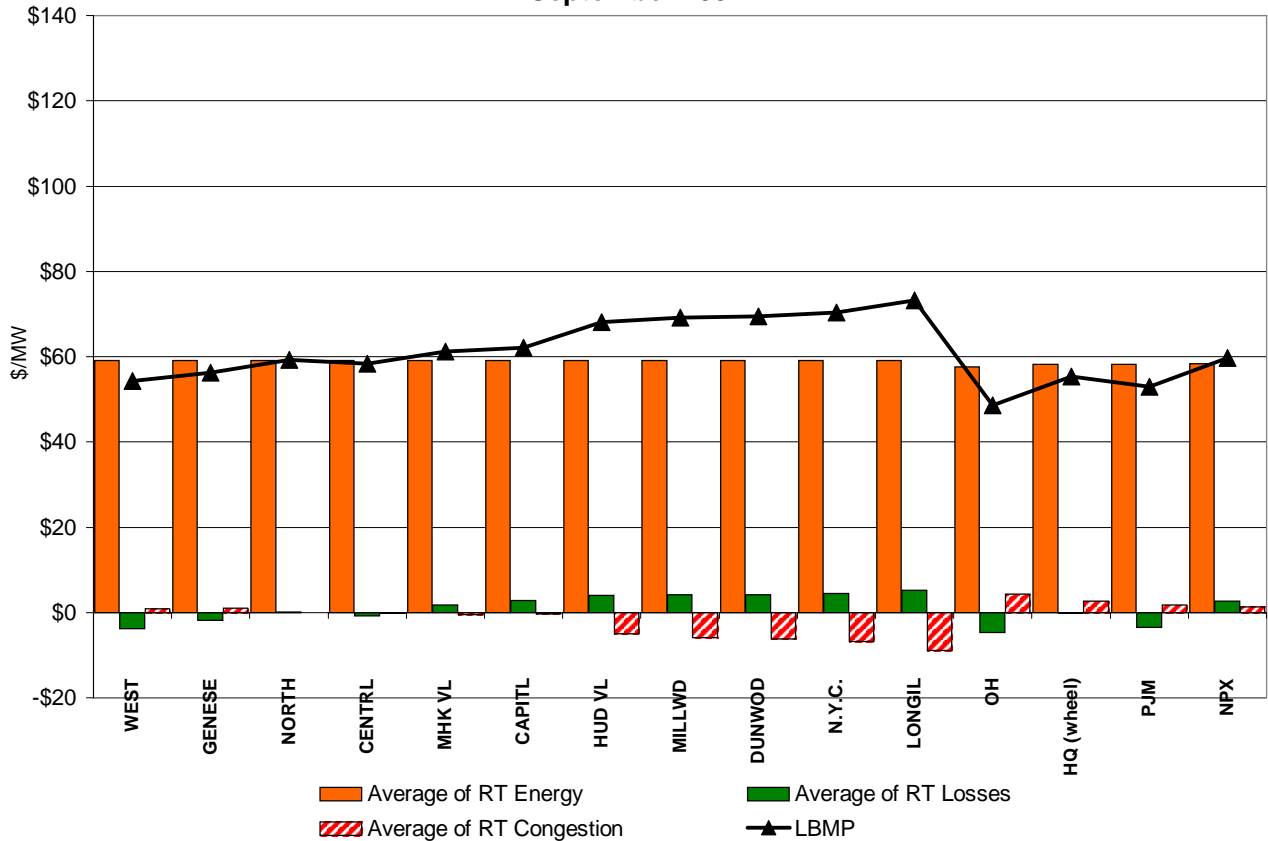
## Long Island Zone K Monthly Average LBMP Prices 2006 - 2007



**DAM Zonal Unweighted Monthly Average LBMP Components  
September 2007**

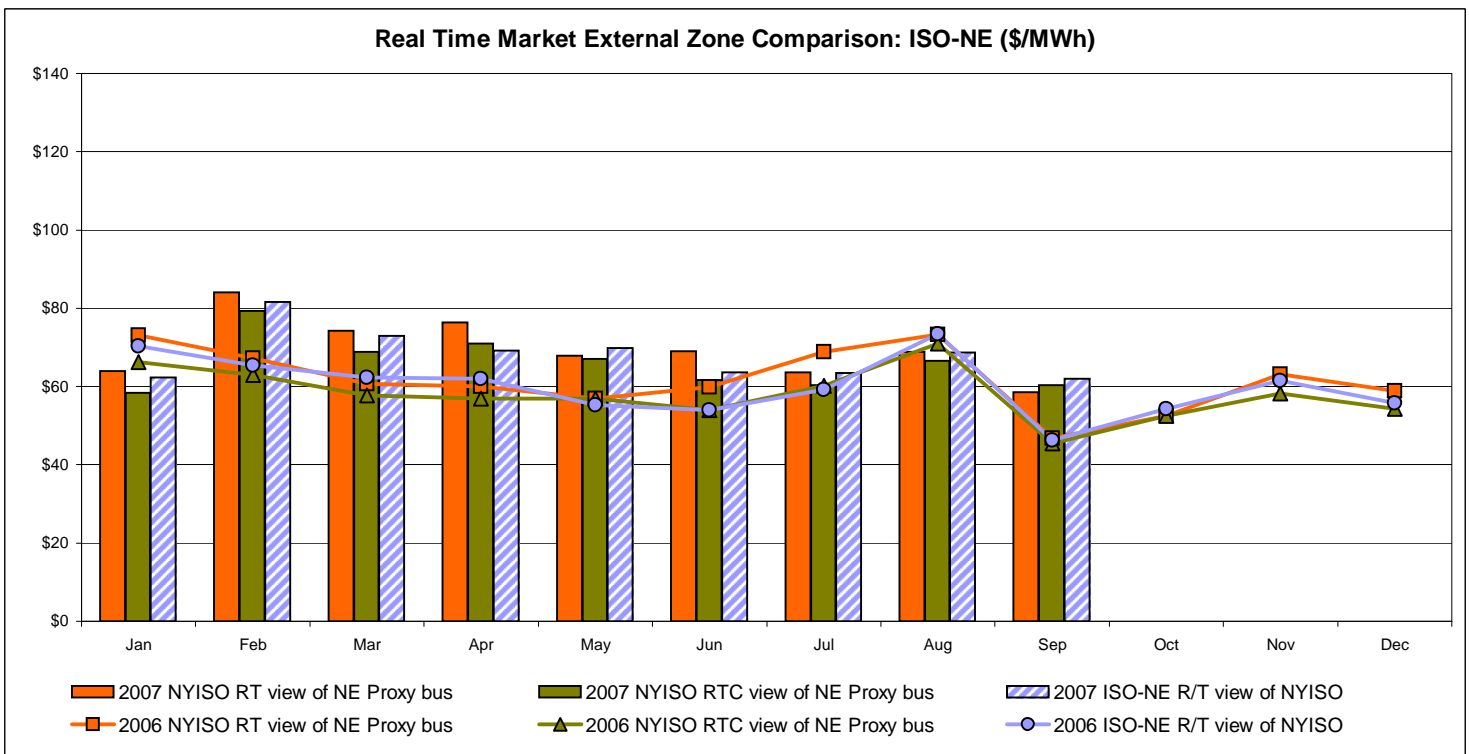
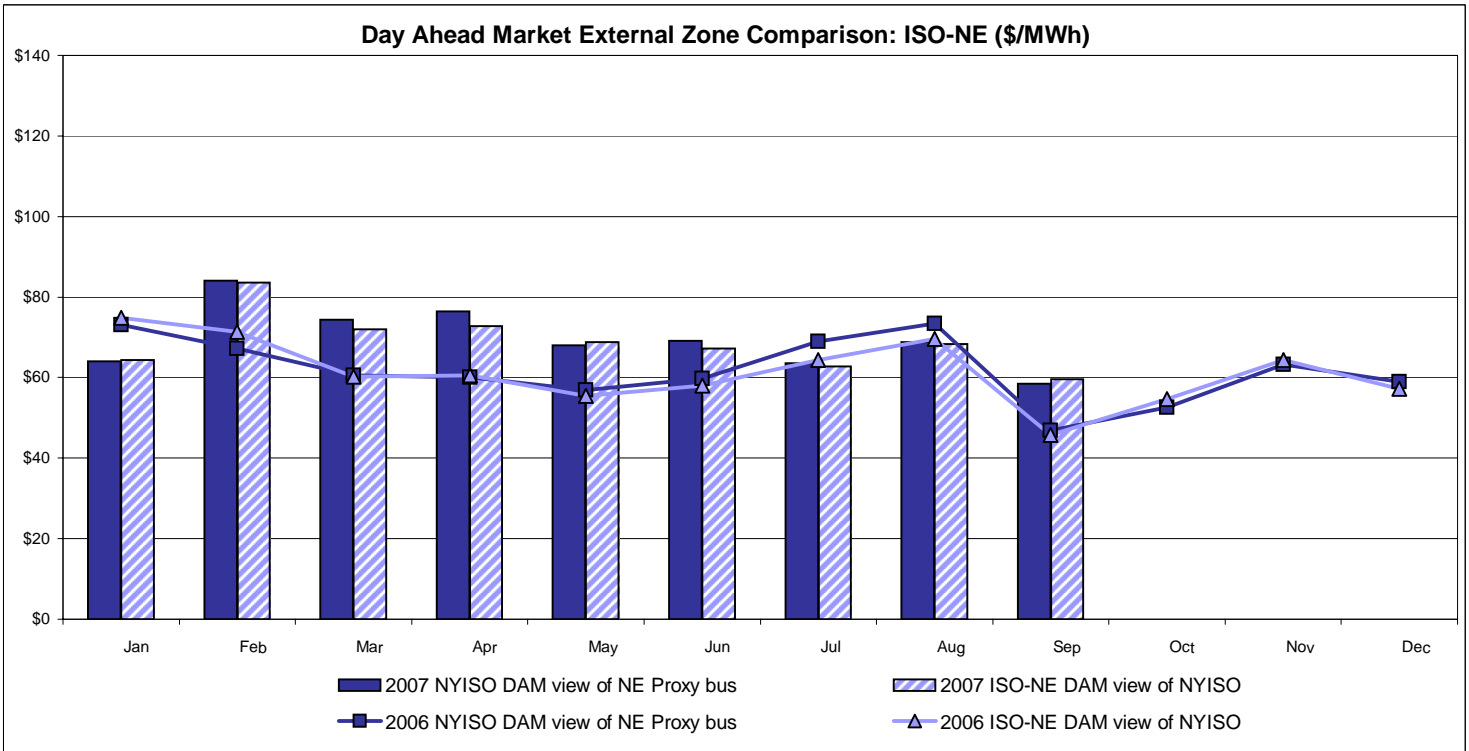


**RT Zonal Unweighted Monthly Average LBMP Components  
September 2007**





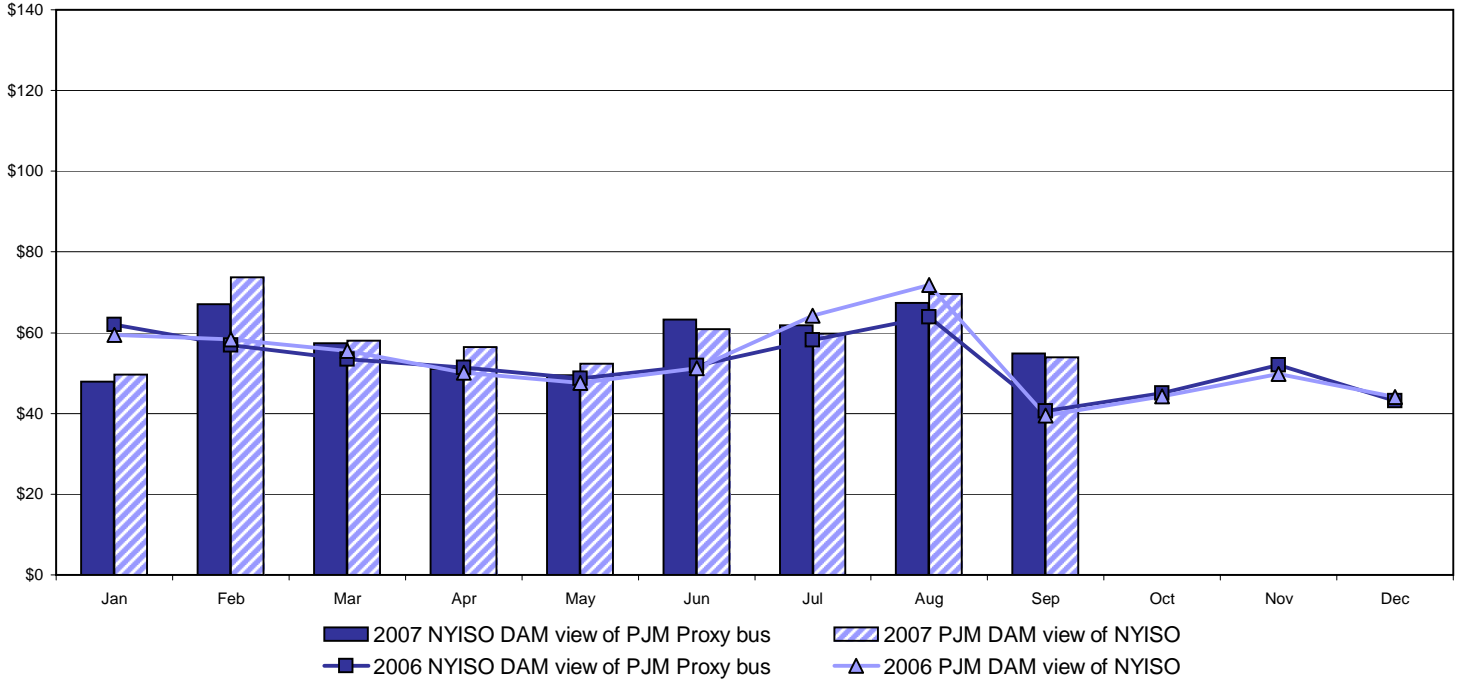
# External Comparison ISO-New England



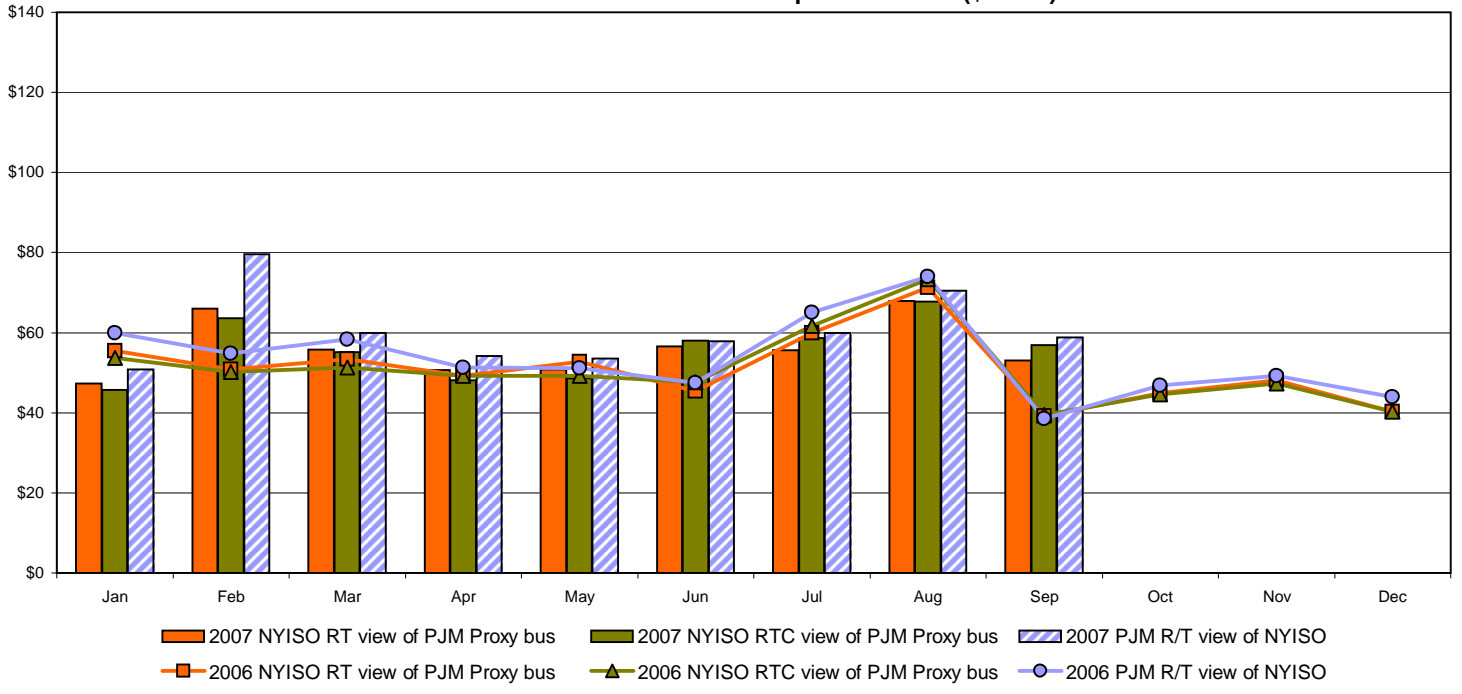
Note:  
 ISO-NE Forecast is an advisory posting @ 18:00 day before.  
 The DAM and R/T prices at the Roseton interface are used for ISO-NE.  
 The DAM and R/T prices at the SandyPond interface are used for NYISO.

## External Comparison PJM

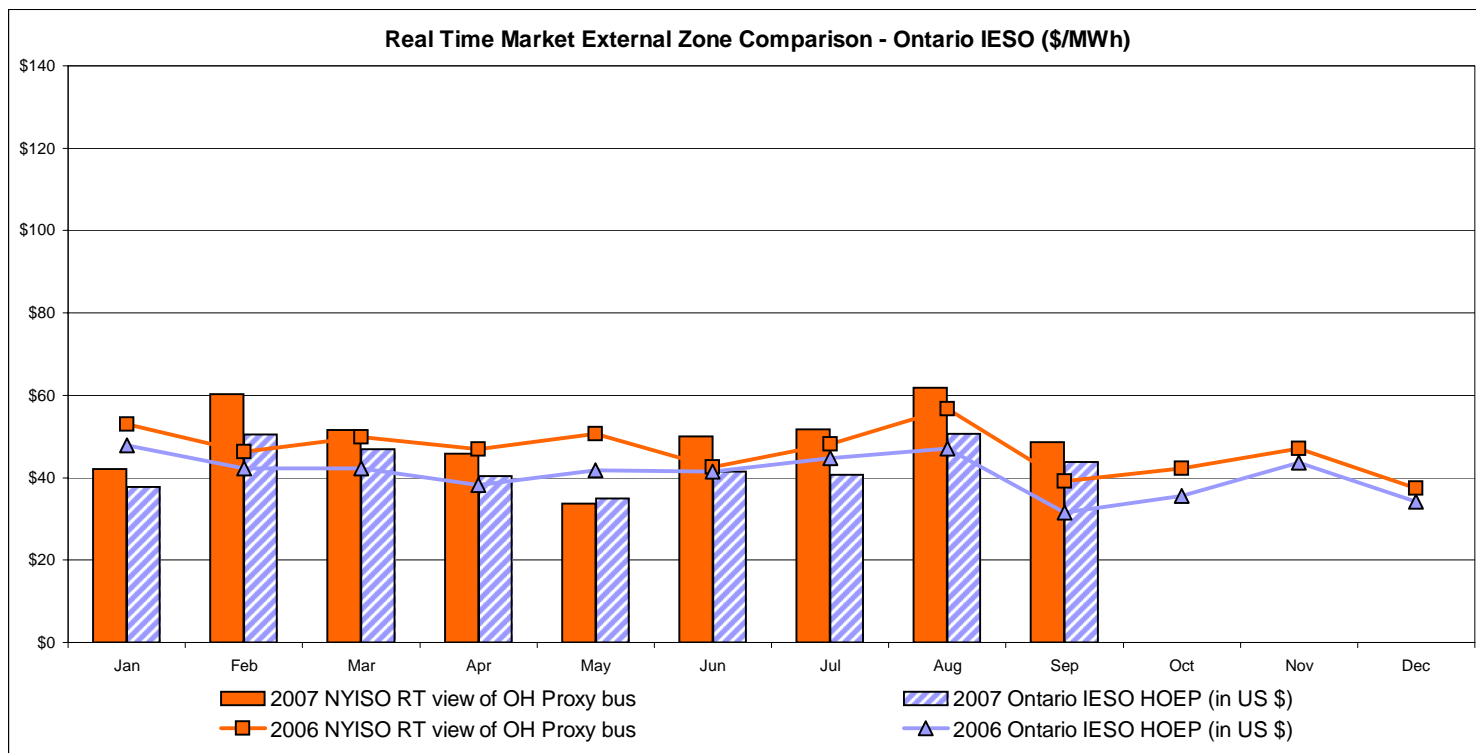
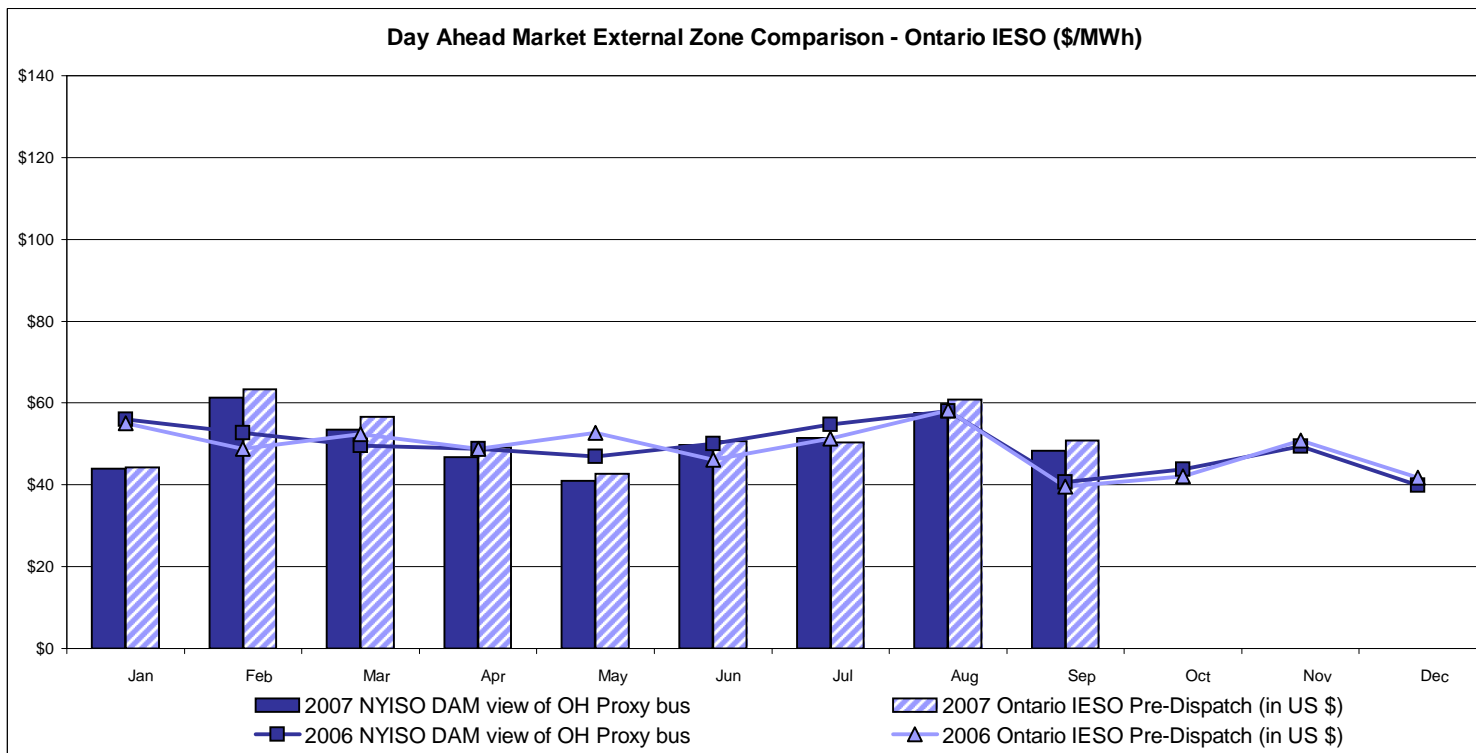
### Day Ahead Market External Zone Comparison - PJM (\$/MWh)



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

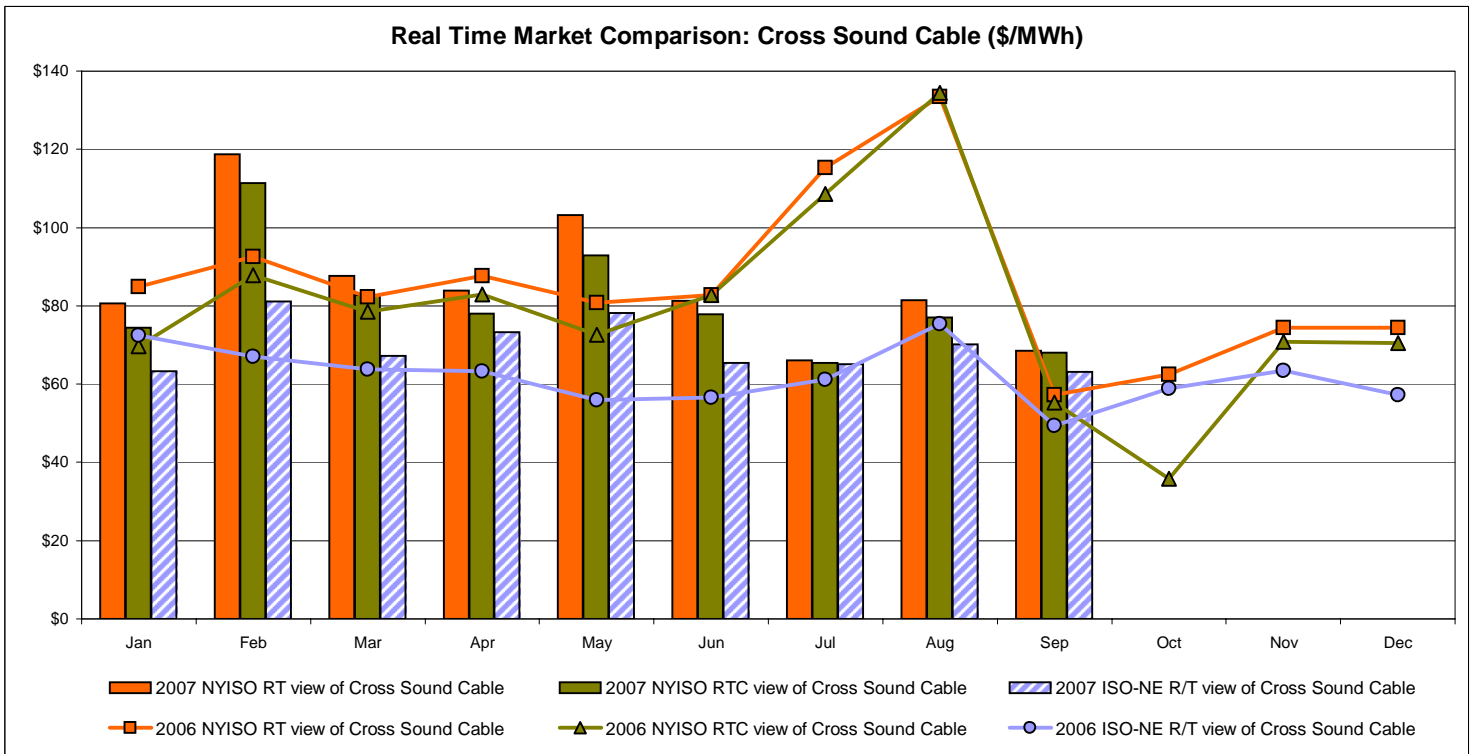
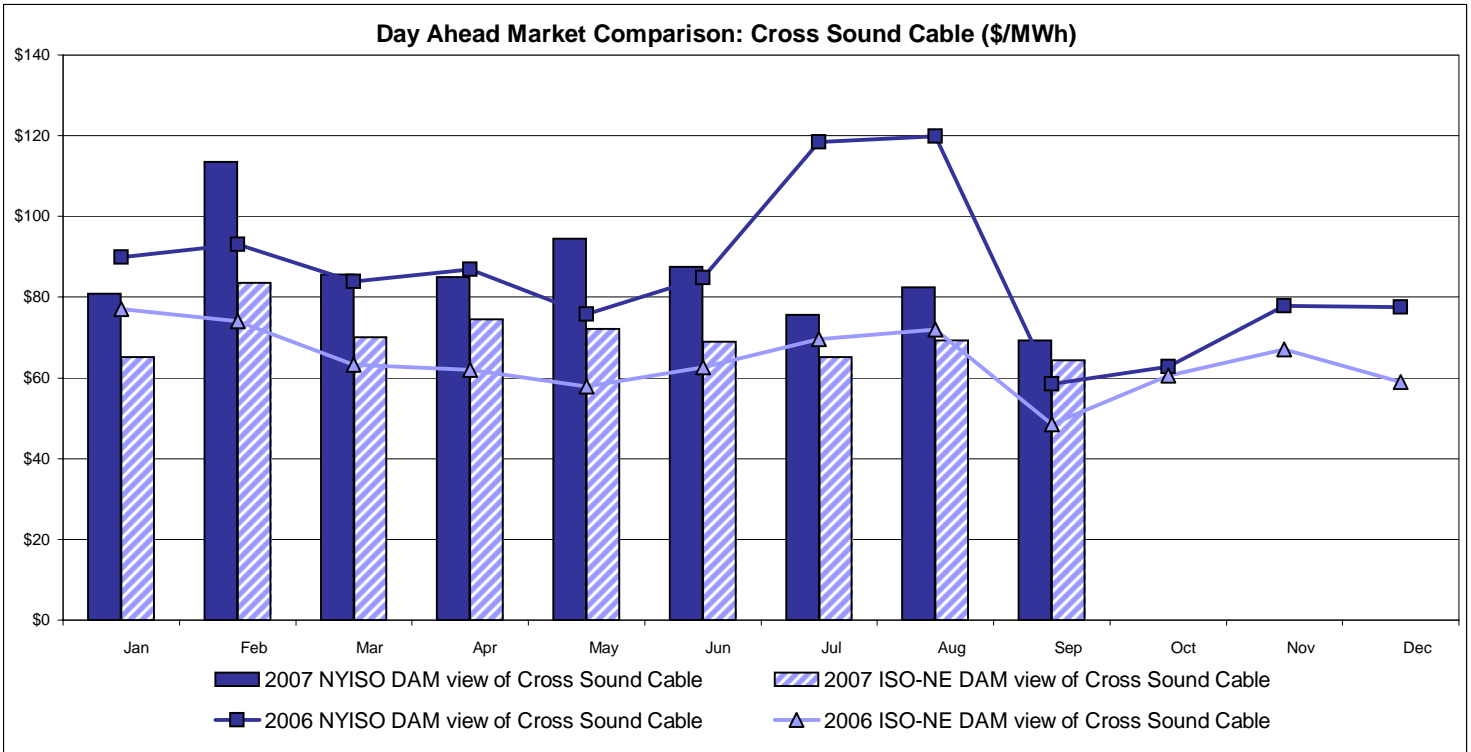


## External Comparison Ontario IESO



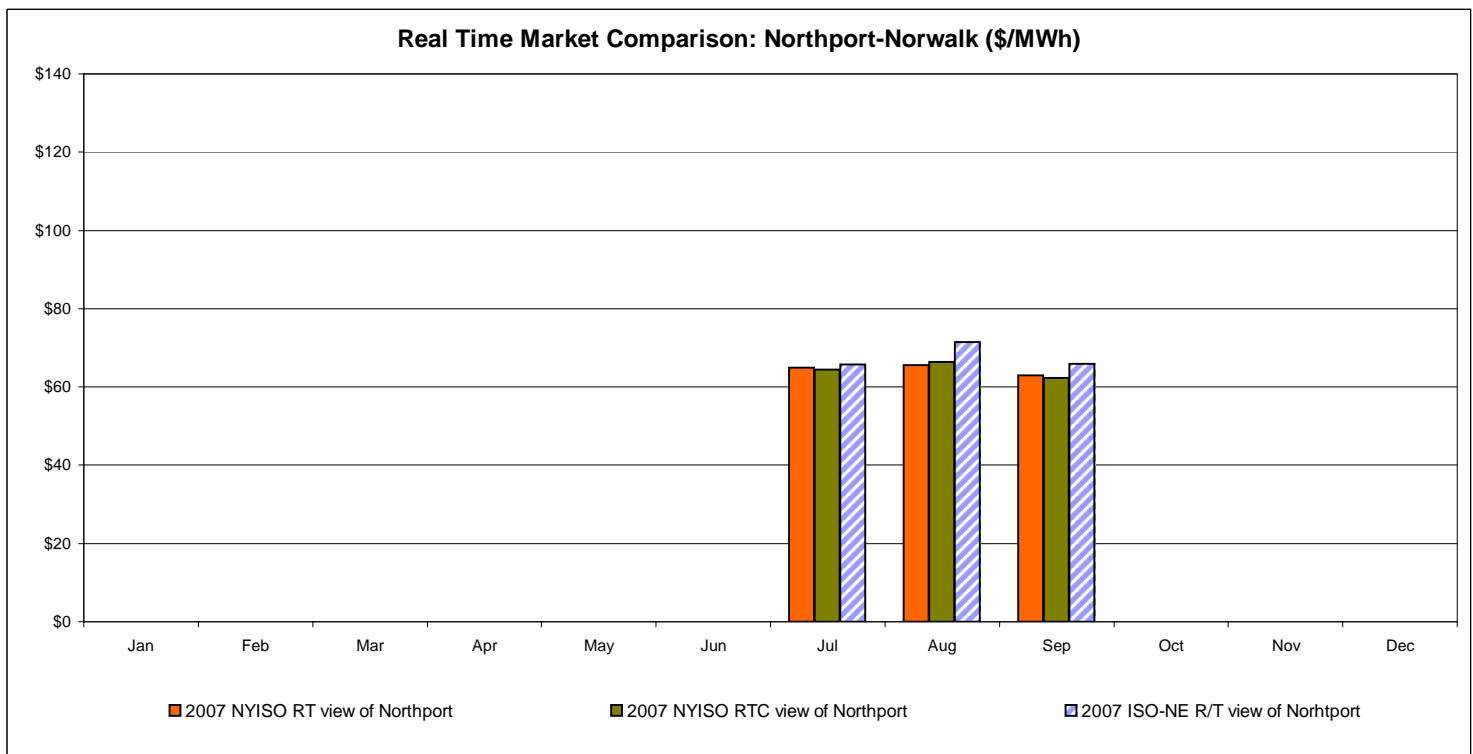
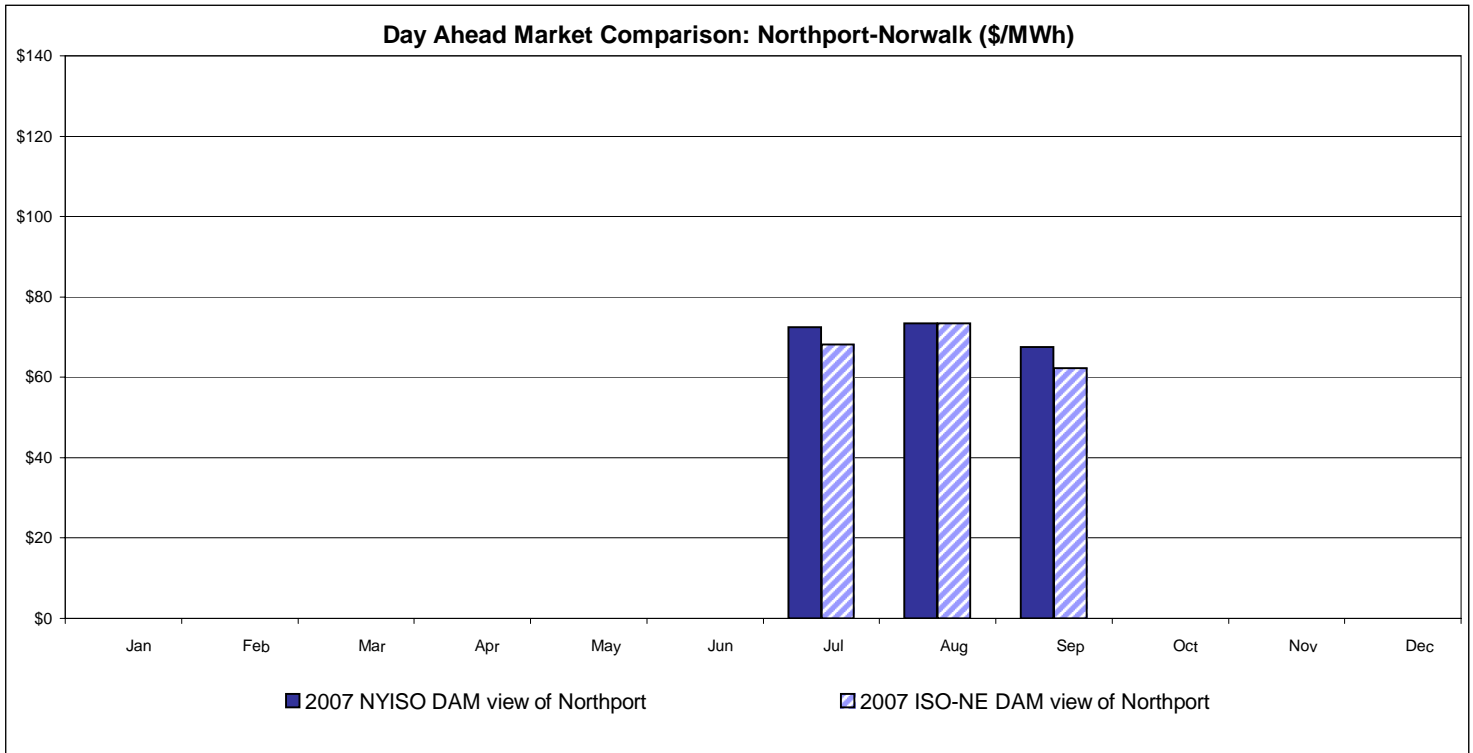
Notes: Exchange factor used for September 2007 was .98 to US \$  
 HOEP: Hourly Ontario Energy Price  
 Pre-Dispatch: Projected Energy Price

# External Controllable Line: Cross Sound Cable (New England)



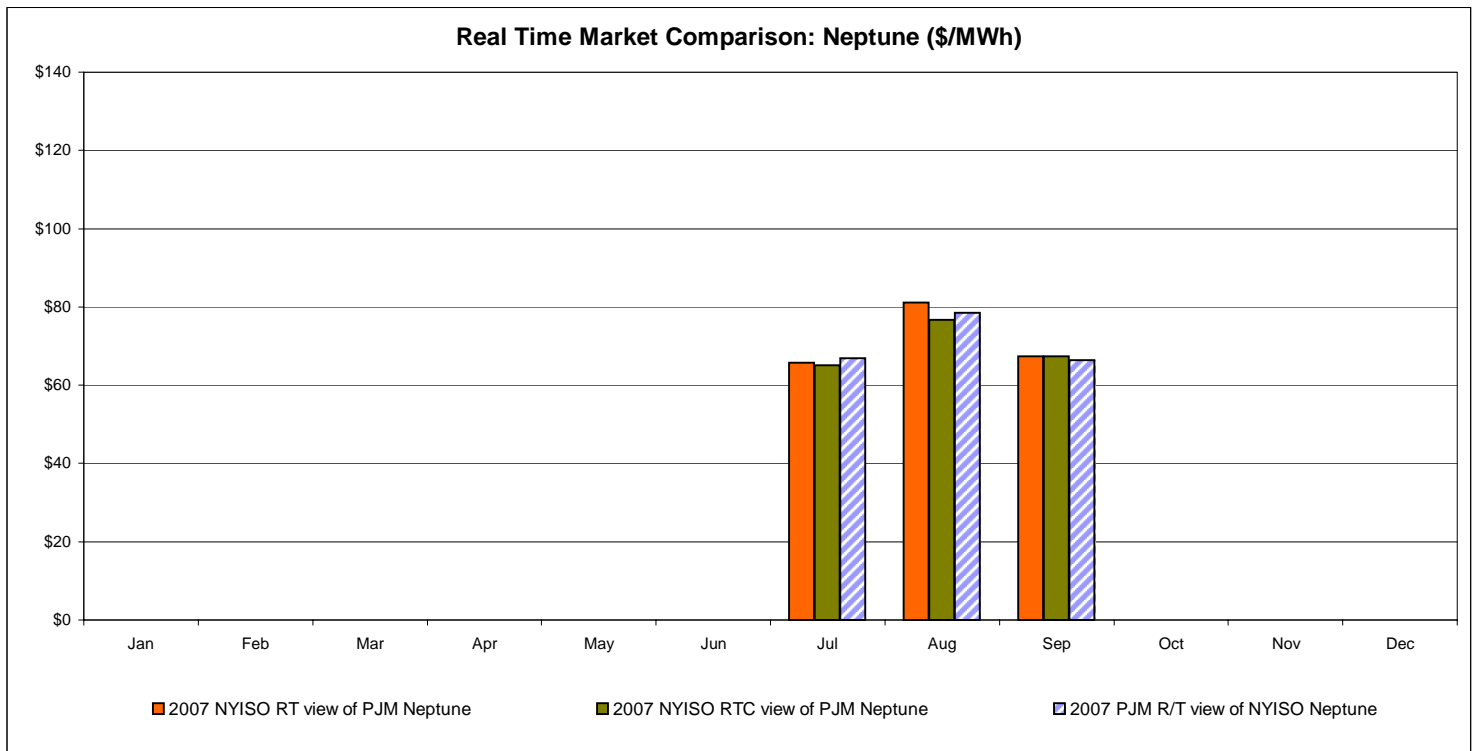
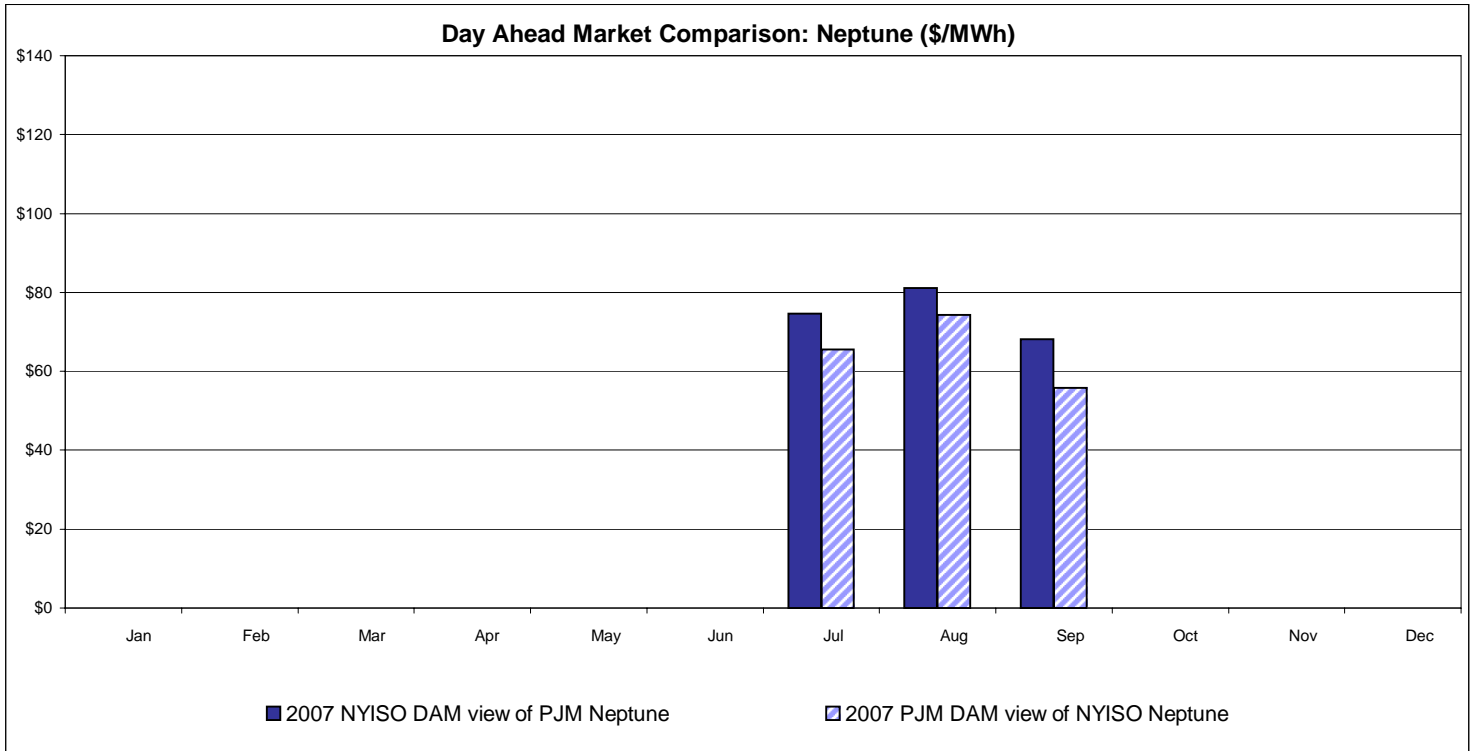
Note:  
 ISO-NE Forecast is an advisory posting @ 18:00 day before.  
 The DAM and R/T prices at the Shorham138 99 interface are used for ISO-NE.  
 The DAM and R/T prices at the CSC interface are used for NYISO.

## External Controllable Line: Northport - Norwalk (New England)



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

## External Controllable Line: Neptune (PJM)

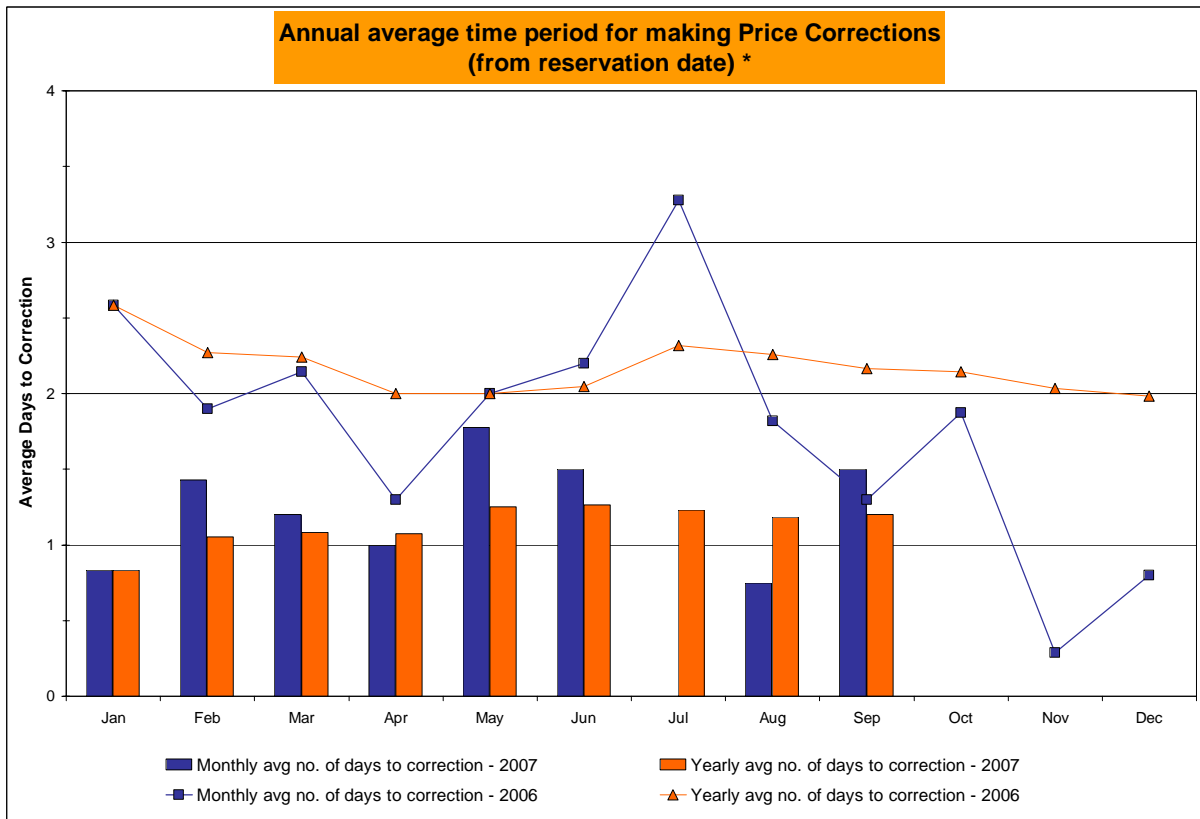
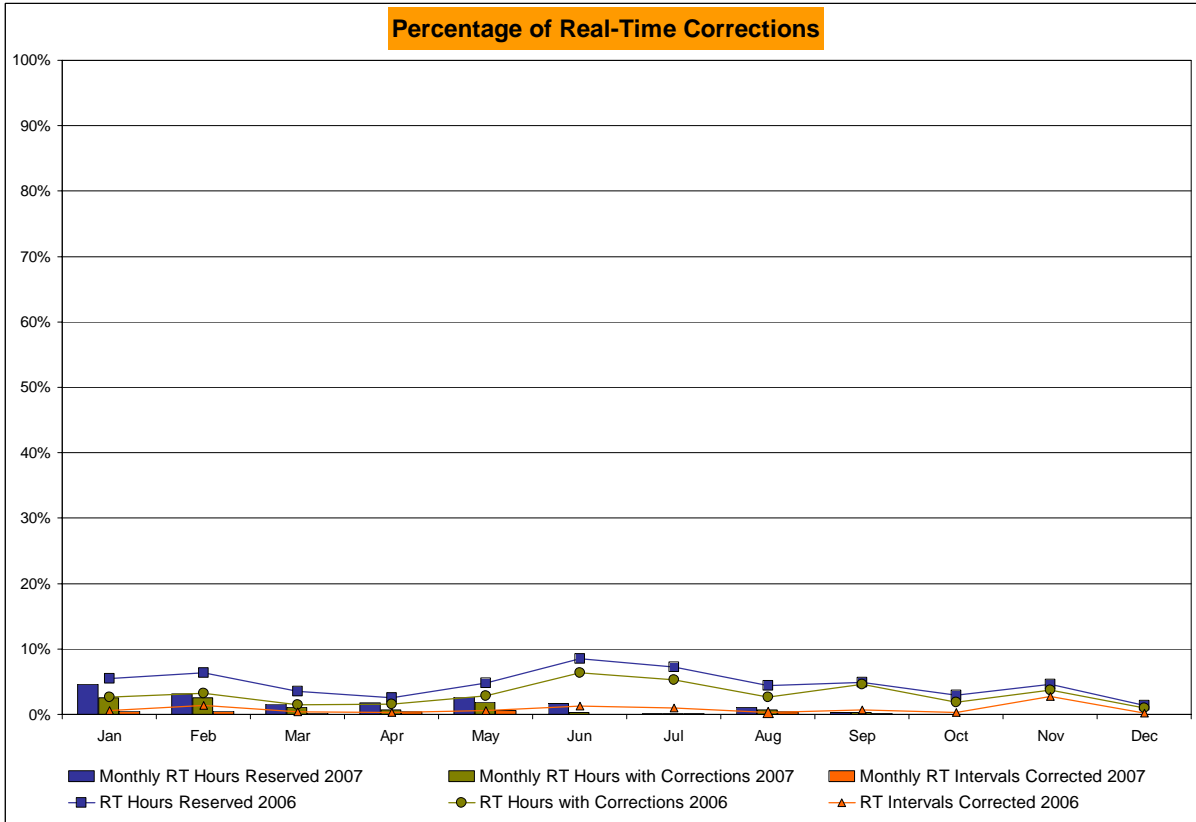


Note:  
Data available beginning 7/1/2007.

### NYISO Real Time Price Correction Statistics

<b>2007</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	19	17	8	5	14	2	1	5	2			
Number of hours	in the month	744	672	744	720	744	720	744	744	720			
% of hours with corrections	in the month	2.55%	2.53%	1.08%	0.69%	1.88%	0.28%	0.13%	0.67%	0.28%			
% of hours with corrections	year-to-date	2.55%	2.54%	2.04%	1.70%	1.74%	1.50%	1.30%	1.22%	1.11%			
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	44	39	19	31	50	3	12	39	5			
Number of intervals	in the month	8,954	8,115	9,006	8,742	9,025	8,707	9,008	8,994	8,685			
% of intervals corrected	in the month	0.49%	0.48%	0.21%	0.35%	0.55%	0.03%	0.13%	0.43%	0.06%			
% of intervals corrected	year-to-date	0.49%	0.49%	0.39%	0.38%	0.42%	0.35%	0.32%	0.34%	0.31%			
<b>Hours Reserved</b>													
Number of hours reserved	in the month	34	21	12	13	20	12	1	8	2			
Number of hours	in the month	744	672	744	720	744	720	744	744	720			
% of hours reserved	in the month	4.57%	3.13%	1.61%	1.81%	2.69%	1.67%	0.13%	1.08%	0.28%			
% of hours reserved	year-to-date	4.57%	3.88%	3.10%	2.78%	2.76%	2.58%	2.22%	2.07%	1.88%			
<b>Days to Correction *</b>													
Avg. number of days to correction	in the month	0.83	1.43	1.20	1.00	1.78	1.50	0.00	0.75	1.50			
Avg. number of days to correction	year-to-date	0.83	1.05	1.08	1.07	1.25	1.26	1.23	1.19	1.20			
<b>Days Without Corrections</b>													
Days without corrections	in the month	19	21	26	27	22	28	30	27	28			
Days without corrections	year-to-date	19	40	66	93	115	143	173	200	228			
<b>2006</b>													
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	20	22	11	11	21	46	39	20	33	14	27	7
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	2.69%	3.27%	1.48%	1.53%	2.82%	6.39%	5.24%	2.69%	4.58%	1.88%	3.75%	0.94%
% of hours with corrections	year-to-date	2.69%	2.97%	2.45%	2.22%	2.35%	3.02%	3.34%	3.26%	3.40%	3.25%	3.29%	3.09%
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	54	112	33	27	51	107	92	31	63	30	235	14
Number of intervals	in the month	9,004	8,129	9,035	8,779	9,037	8,742	9,083	9,088	8,776	9,021	8,700	8,916
% of intervals corrected	in the month	0.60%	1.38%	0.37%	0.31%	0.56%	1.22%	1.01%	0.34%	0.72%	0.33%	2.70%	0.16%
% of intervals corrected	year-to-date	0.60%	0.97%	0.76%	0.65%	0.63%	0.73%	0.77%	0.72%	0.72%	0.68%	0.86%	0.80%
<b>Hours Reserved</b>													
Number of hours reserved	in the month	41	43	26	18	36	61	54	33	35	22	33	10
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	5.51%	6.40%	3.49%	2.50%	4.84%	8.47%	7.26%	4.44%	4.86%	2.96%	4.58%	1.34%
% of hours reserved	year-to-date	5.51%	5.93%	5.09%	4.44%	4.53%	5.18%	5.48%	5.35%	5.30%	5.06%	5.01%	4.70%
<b>Days to Correction *</b>													
Avg. number of days to correction	in the month	2.58	1.90	2.14	1.30	2.00	2.20	3.28	1.82	1.30	1.88	0.29	0.80
Avg. number of days to correction	year-to-date	2.58	2.27	2.24	2.00	2.00	2.05	2.32	2.26	2.17	2.14	2.03	1.98
<b>Days Without Corrections</b>													
Days without corrections	in the month	19	18	24	20	21	15	13	20	20	23	23	26
Days without corrections	year-to-date	19	37	61	81	102	117	130	150	170	193	216	242

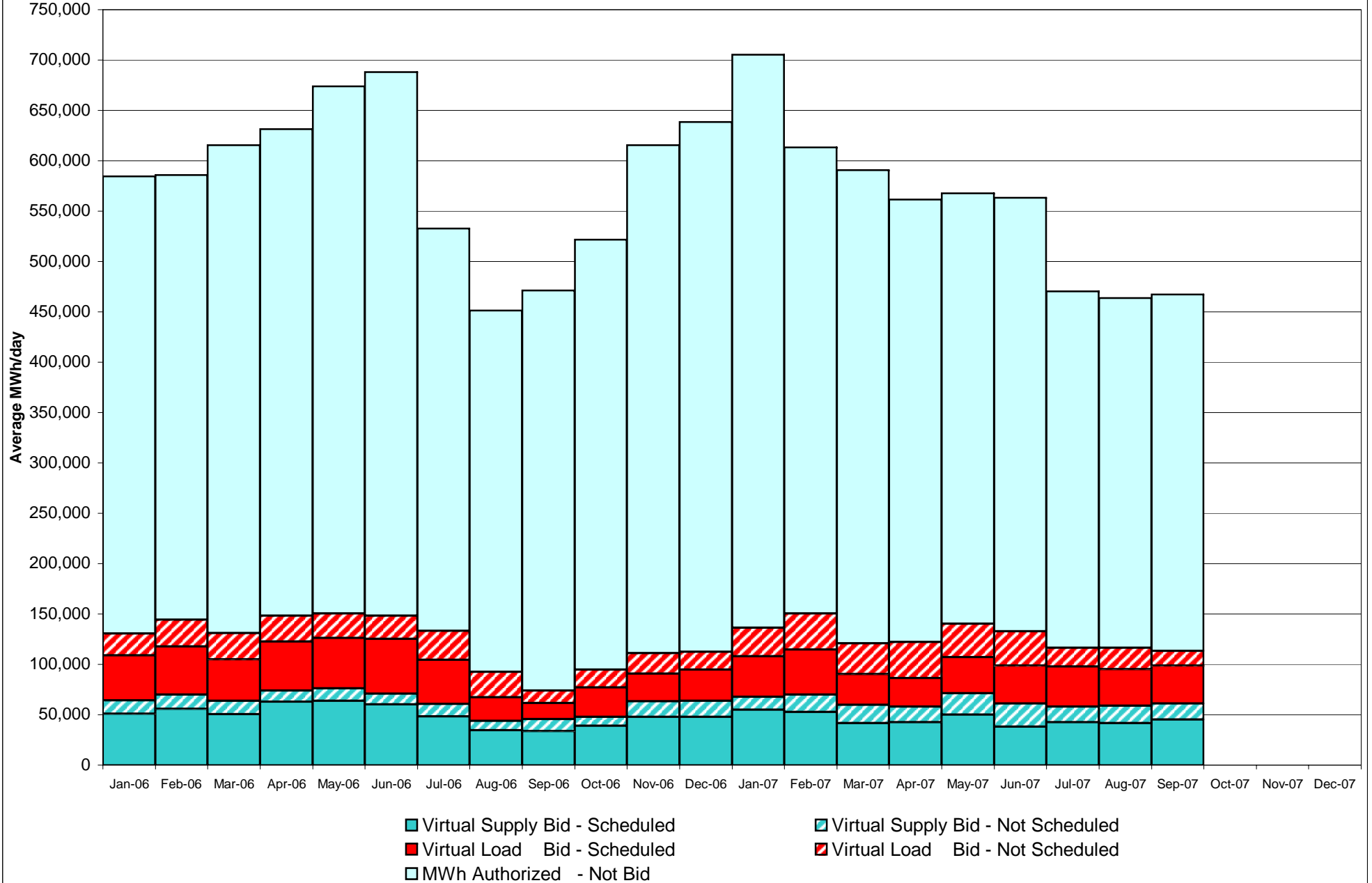
\* Calendar days from reservation date.



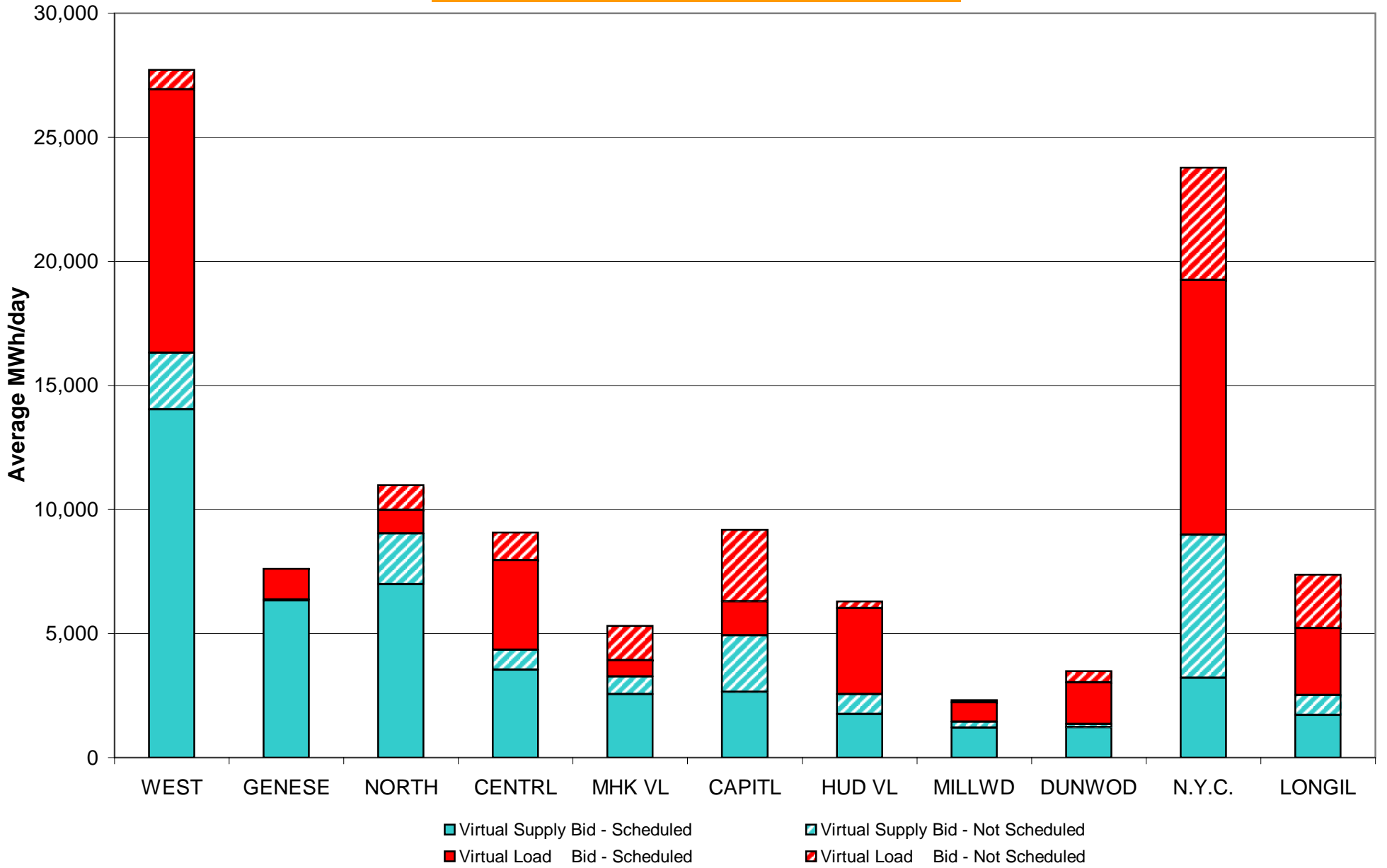
\* Calendar days from reservation date.



**NYISO Virtual Trading  
Average MWh per day**



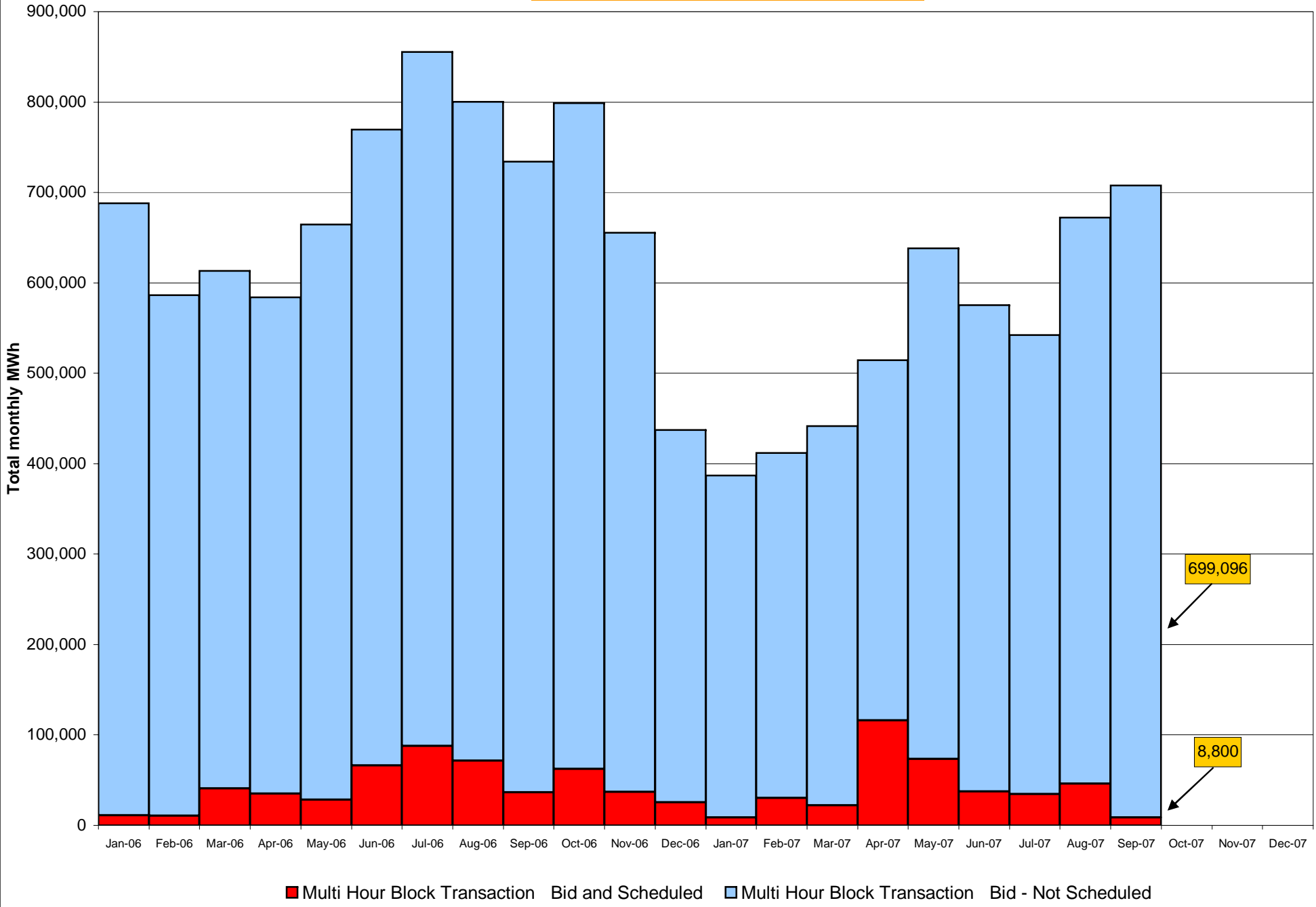
## Virtual Load and Supply Zonal Statistics September 2007



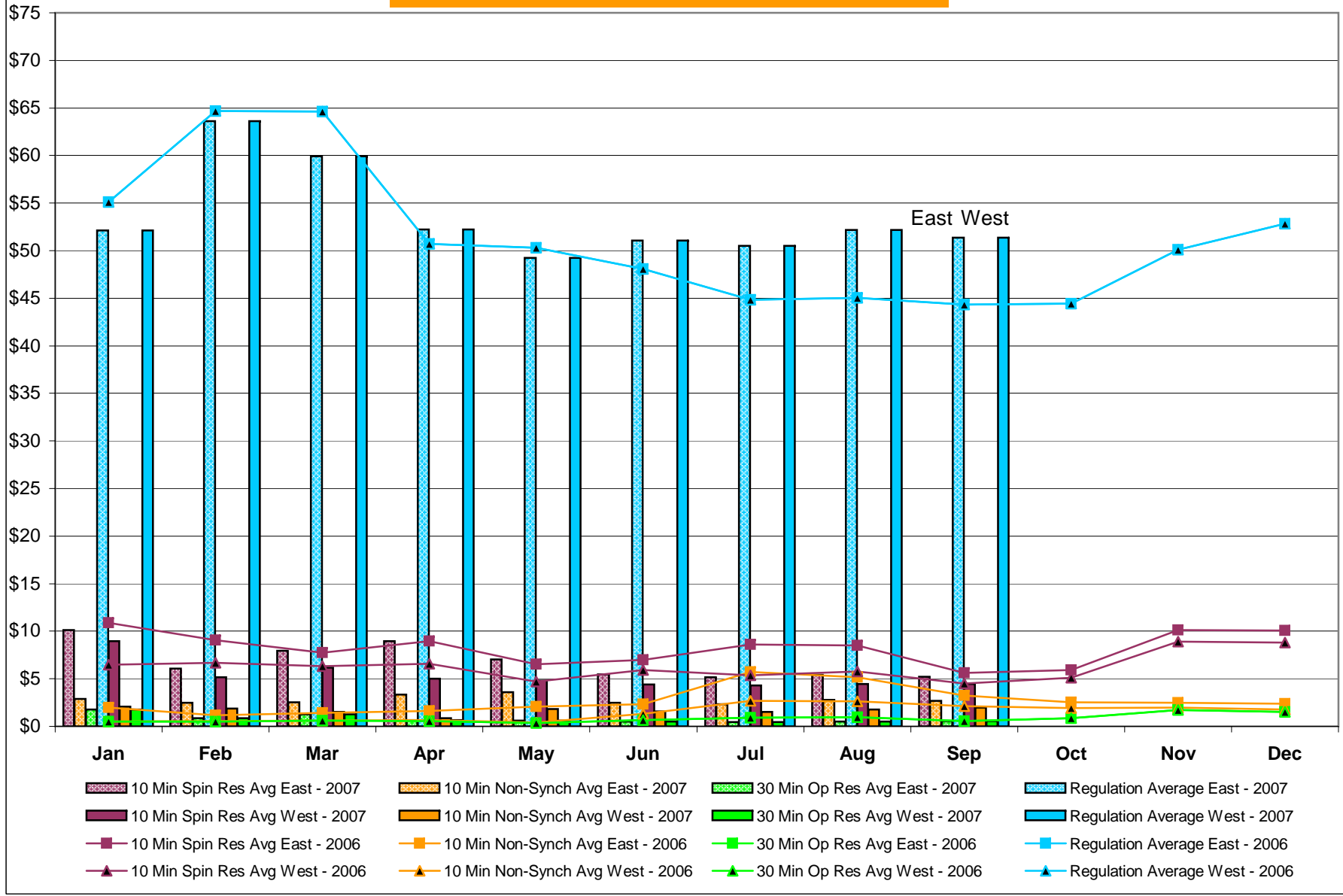
**Virtual Load and Supply Zonal Statistics (Average MWh/day) - 2007**

		Virtual Load Bid		Virtual Supply Bid				Virtual Load Bid		Virtual Supply Bid				Virtual Load Bid		Virtual Supply Bid	
Zone	Date	Scheduled	Not	Scheduled	Not	Zone	Date	Scheduled	Not	Scheduled	Not	Zone	Date	Scheduled	Not	Scheduled	Not
<b>WEST</b>	Jan-07	5,737	974	9,006	1,063	<b>MHK VL</b>	Jan-07	125	952	7,872	450	<b>DUNWOD</b>	Jan-07	838	728	2,560	131
	Feb-07	6,545	2,261	8,207	2,278		Feb-07	120	951	8,339	452		Feb-07	431	59	2,222	292
	Mar-07	4,370	947	6,751	3,223		Mar-07	50	905	6,386	653		Mar-07	632	20	1,168	92
	Apr-07	2,928	1,952	10,240	2,743		Apr-07	152	912	4,990	572		Apr-07	195	351	1,416	209
	May-07	1,695	2,329	17,643	4,981		May-07	1,111	1,818	3,170	1,726		May-07	1,378	494	1,369	504
	Jun-07	4,596	3,181	11,199	4,857		Jun-07	1,014	2,121	4,200	1,159		Jun-07	2,508	1,724	393	51
	Jul-07	9,981	1,587	11,026	1,329		Jul-07	645	2,390	3,562	603		Jul-07	1,415	906	2,289	591
	Aug-07	6,424	2,668	10,306	1,709		Aug-07	649	2,292	4,034	665		Aug-07	1,237	394	1,078	513
	Sep-07	10,622	772	14,040	2,277		Sep-07	664	1,392	2,556	707		Sep-07	1,672	466	1,223	132
	Oct-07						Oct-07						Oct-07				
	Nov-07						Nov-07						Nov-07				
	Dec-07						Dec-07						Dec-07				
	<b>GENESE</b>	Jan-07	1,034	109	8,201		68	<b>CAPITL</b>	Jan-07	4,704	5,082		2,189	2,757	<b>N.Y.C.</b>	Jan-07	18,957
Feb-07		1,264	45	8,050	113	Feb-07	5,507		6,247	1,636	1,785	Feb-07	20,717	12,000		1,243	4,469
Mar-07		787	107	7,282	48	Mar-07	3,735		6,111	1,886	1,601	Mar-07	10,921	10,386		2,369	4,287
Apr-07		631	96	9,131	36	Apr-07	3,735		7,457	1,585	2,168	Apr-07	11,159	11,688		1,519	3,640
May-07		234	15	10,286	204	May-07	1,580		3,560	1,728	3,061	May-07	11,723	9,977		2,599	3,827
Jun-07		199	10	6,655	136	Jun-07	1,256		3,189	2,388	3,490	Jun-07	12,485	10,533		1,920	6,614
Jul-07		1,039	43	5,352	120	Jul-07	712		2,948	4,371	3,185	Jul-07	12,864	4,687		1,369	6,071
Aug-07		1,684	66	4,572	72	Aug-07	869		2,982	3,899	2,739	Aug-07	12,074	5,347		2,798	6,018
Sep-07		1,230	11	6,329	46	Sep-07	1,365		2,893	2,646	2,283	Sep-07	10,282	4,511		3,207	5,769
Oct-07						Oct-07						Oct-07					
Nov-07						Nov-07						Nov-07					
Dec-07						Dec-07						Dec-07					
<b>NORTH</b>		Jan-07	176	2,309	5,826	1,619	<b>HUD VL</b>		Jan-07	1,714	668	9,364	440	<b>LONGIL</b>		Jan-07	5,703
	Feb-07	103	2,381	5,185	2,539	Feb-07		1,302	889	11,559	1,461	Feb-07	6,854		9,983	757	3,293
	Mar-07	110	2,339	5,994	3,760	Mar-07		2,492	725	5,372	500	Mar-07	5,924		7,765	1,029	3,059
	Apr-07	173	2,224	6,158	3,047	Apr-07		2,624	509	4,137	239	Apr-07	5,414		9,393	1,121	2,364
	May-07	184	1,727	3,377	2,490	May-07		4,907	1,588	6,160	1,075	May-07	5,441		9,760	1,306	2,283
	Jun-07	163	2,414	3,775	2,685	Jun-07		3,517	1,321	3,999	1,100	Jun-07	8,024		8,321	576	2,127
	Jul-07	594	1,064	5,114	910	Jul-07		3,783	337	5,234	446	Jul-07	3,215		3,553	493	1,508
	Aug-07	314	931	5,230	724	Aug-07		5,066	2,305	5,149	2,243	Aug-07	3,434		3,147	1,054	1,584
	Sep-07	947	998	6,983	2,055	Sep-07		3,459	268	1,747	816	Sep-07	2,702		2,149	1,723	803
	Oct-07					Oct-07						Oct-07					
	Nov-07					Nov-07						Nov-07					
	Dec-07					Dec-07						Dec-07					
	<b>CENTRL</b>	Jan-07	1,085	1,116	3,185	568		<b>MILLWD</b>	Jan-07	313	17	1,787	2		<b>NYISO</b>	Jan-07	40,385
Feb-07		1,539	1,214	4,350	450	Feb-07	344		4	1,032	7	Feb-07	44,727	36,035		52,580	17,137
Mar-07		1,211	1,139	2,746	888	Mar-07	328		16	660	11	Mar-07	30,559	30,460		41,644	18,122
Apr-07		1,377	1,120	1,803	597	Apr-07	89		21	301	1	Apr-07	28,476	35,722		42,401	15,616
May-07		6,443	1,502	2,317	951	May-07	1,164		73	190	105	May-07	35,861	32,842		50,145	21,207
Jun-07		1,886	1,047	2,349	996	Jun-07	1,725		495	464	64	Jun-07	37,371	34,357		37,918	23,279
Jul-07		2,753	1,209	2,524	807	Jul-07	2,444		191	1,227	21	Jul-07	39,445	18,914		42,559	15,588
Aug-07		3,187	1,093	2,473	720	Aug-07	1,280		41	1,031	122	Aug-07	36,218	21,267		41,623	17,109
Sep-07		3,607	1,110	3,545	804	Sep-07	789		93	1,203	234	Sep-07	37,338	14,662		45,201	15,927
Oct-07						Oct-07						Oct-07					
Nov-07						Nov-07						Nov-07					
Dec-07						Dec-07						Dec-07					

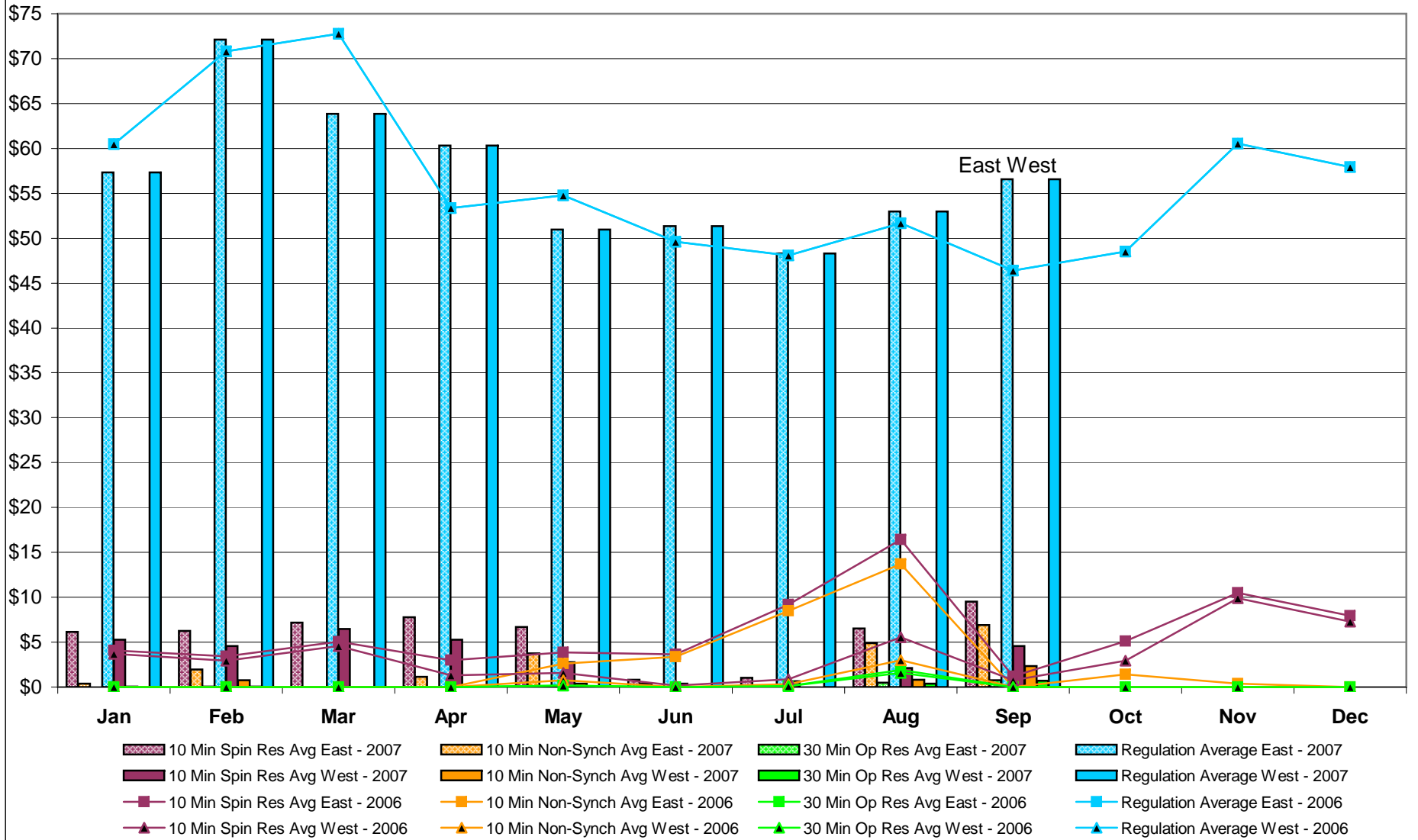
# NYISO Multi Hour Block Transactions Monthly Total MWh



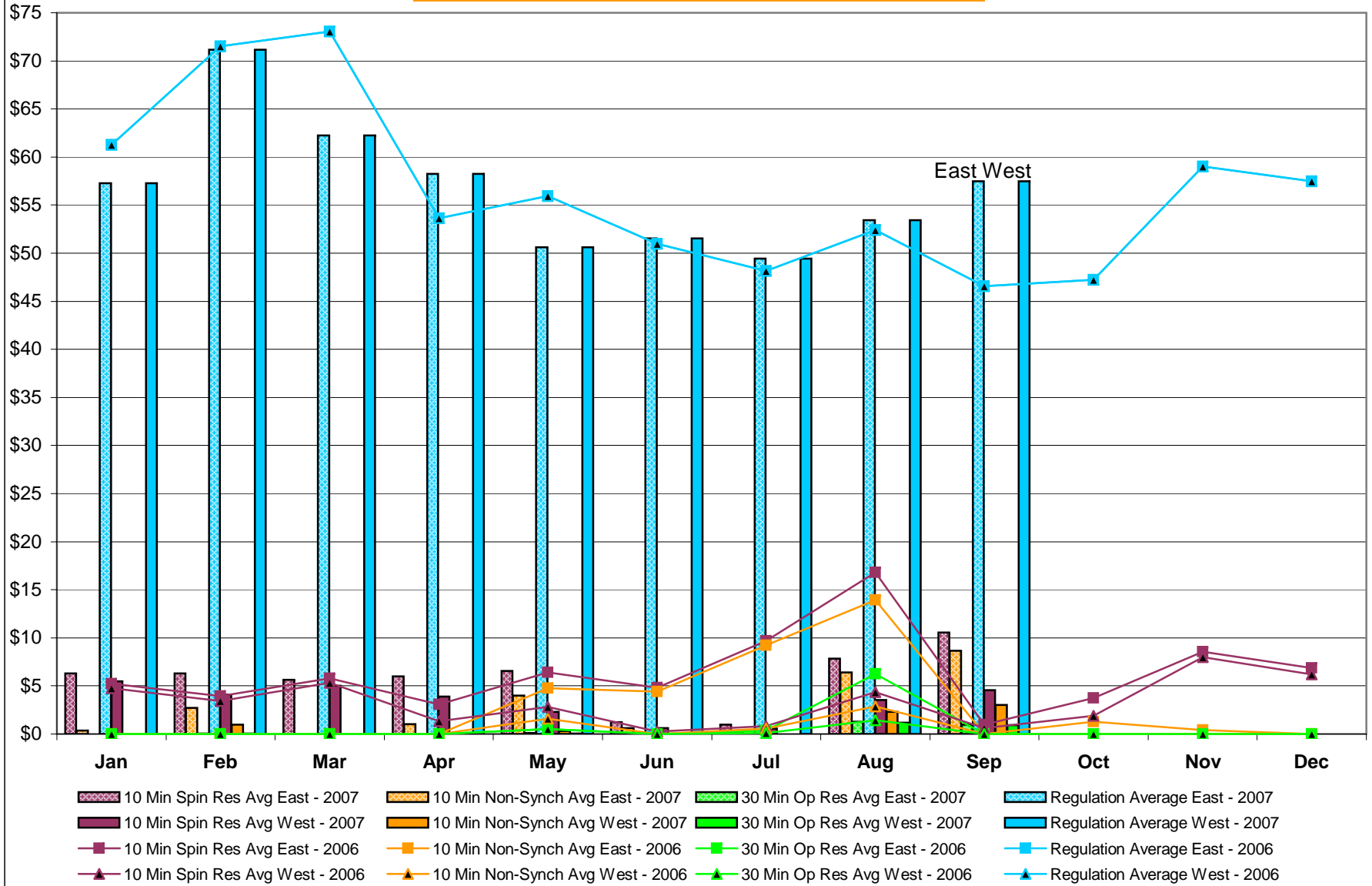
### NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2006 - 2007



## NYISO Monthly Average Ancillary Service Prices RTC Market 2006 - 2007



## NYISO Monthly Average Ancillary Service Prices Real Time Market 2006 - 2007



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

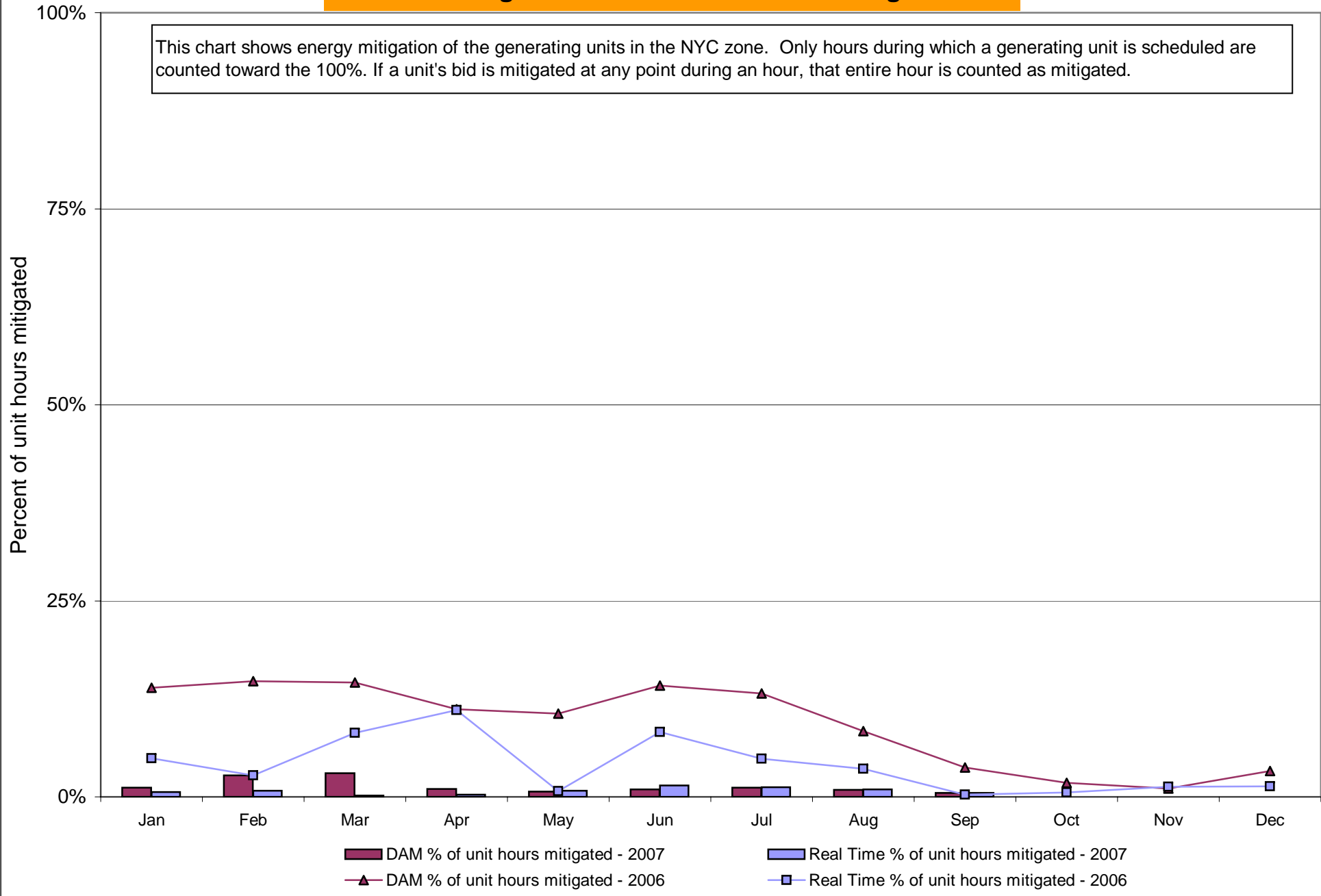
<b>2007</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Day Ahead Market</b>												
10 Min Spin East	10.10	6.08	7.94	8.95	7.06	5.47	5.18	5.42	5.20			
10 Min Spin West	8.97	5.17	6.18	5.03	4.80	4.39	4.28	4.43	4.47			
10 Min Non Synch East	2.87	2.49	2.56	3.35	3.59	2.47	2.34	2.77	2.70			
10 Min Non Synch West	2.06	1.85	1.53	0.84	1.82	1.56	1.50	1.80	2.00			
30 Min East	1.79	0.85	1.26	0.64	0.61	0.49	0.44	0.53	0.56			
30 Min West	1.79	0.85	1.26	0.64	0.61	0.49	0.44	0.53	0.56			
Regulation East	52.12	63.61	59.92	52.22	49.25	51.05	50.50	52.18	51.36			
Regulation West	52.12	63.61	59.92	52.22	49.25	51.05	50.50	52.18	51.36			
<b>RTC Market</b>												
10 Min Spin East	6.12	6.23	7.17	7.77	6.70	0.83	1.03	6.50	9.50			
10 Min Spin West	5.26	4.57	6.49	5.29	2.78	0.38	0.66	2.14	4.57			
10 Min Non Synch East	0.41	1.94	0.00	1.16	3.77	0.40	0.16	4.91	6.92			
10 Min Non Synch West	0.05	0.75	0.00	0.00	0.36	0.00	0.00	0.84	2.32			
30 Min East	0.00	0.04	0.00	0.00	0.03	0.00	0.00	0.47	0.76			
30 Min West	0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.41	0.73			
Regulation East	57.33	72.11	63.84	60.31	50.95	51.35	48.30	52.97	56.56			
Regulation West	57.33	72.11	63.84	60.31	50.95	51.35	48.30	52.97	56.56			
<b>Real Time Market</b>												
10 Min Spin East	6.32	6.30	5.66	5.98	6.57	1.24	0.99	7.86	10.54			
10 Min Spin West	5.51	4.10	5.04	3.89	2.28	0.60	0.55	3.51	4.55			
10 Min Non Synch East	0.34	2.72	0.00	1.01	4.00	0.61	0.23	6.40	8.68			
10 Min Non Synch West	0.01	0.95	0.00	0.00	0.32	0.00	0.00	2.32	3.00			
30 Min East	0.00	0.05	0.00	0.00	0.11	0.00	0.00	1.28	0.95			
30 Min West	0.00	0.05	0.00	0.00	0.07	0.00	0.00	1.19	0.92			
Regulation East	57.26	71.13	62.24	58.23	50.62	51.51	49.45	53.46	57.47			
Regulation West	57.26	71.13	62.24	58.23	50.62	51.51	49.45	53.46	57.47			
<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	6.98	8.60	8.50	5.62	5.90	10.14	10.07
10 Min Spin West	6.50	6.70	6.32	6.56	4.71	5.92	5.37	5.76	4.49	5.11	8.89	8.82
10 Min Non Synch East	1.97	1.15	1.39	1.63	2.07	2.31	5.71	5.19	3.25	2.55	2.48	2.38
10 Min Non Synch West	0.50	0.56	0.62	0.66	0.40	1.34	2.69	2.64	2.13	1.90	1.97	1.76
30 Min East	0.48	0.52	0.59	0.58	0.38	0.66	0.89	0.95	0.56	0.87	1.74	1.49
30 Min West	0.48	0.52	0.59	0.58	0.38	0.66	0.89	0.95	0.56	0.87	1.74	1.49
Regulation East	55.13	64.65	64.62	50.71	50.30	48.10	44.83	45.04	44.34	44.43	50.11	52.81
Regulation West	55.13	64.65	64.62	50.71	50.30	48.10	44.83	45.04	44.34	44.43	50.11	52.81
<b>RTC Market</b>												
10 Min Spin East	4.10	3.44	5.07	3.00	3.86	3.65	9.19	16.44	1.17	5.12	10.52	7.93
10 Min Spin West	3.71	2.93	4.59	1.28	1.60	0.18	0.85	5.56	0.79	2.96	9.87	7.30
10 Min Non Synch East	0.02	0.01	0.00	0.01	2.60	3.36	8.48	13.68	0.00	1.43	0.40	0.01
10 Min Non Synch West	0.00	0.00	0.00	0.00	0.77	0.00	0.32	3.01	0.00	0.01	0.00	0.00
30 Min East	0.00	0.00	0.00	0.00	0.19	0.00	0.11	1.90	0.00	0.00	0.00	0.00
30 Min West	0.00	0.00	0.00	0.00	0.19	0.00	0.11	1.57	0.00	0.00	0.00	0.00
Regulation East	60.46	70.79	72.76	53.37	54.76	49.60	48.08	51.68	46.42	48.49	60.52	57.91
Regulation West	60.46	70.79	72.76	53.37	54.76	49.60	48.08	51.68	46.42	48.49	60.52	57.91
<b>Real Time Market</b>												
10 Min Spin East	5.20	3.96	5.78	3.07	6.38	4.84	9.66	16.81	0.98	3.76	8.55	6.86
10 Min Spin West	4.78	3.43	5.30	1.32	2.82	0.28	0.81	4.37	0.63	1.89	7.98	6.21
10 Min Non Synch East	0.01	0.00	0.00	0.01	4.79	4.40	9.20	13.94	0.00	1.30	0.39	0.02
10 Min Non Synch West	0.00	0.00	0.00	0.00	1.58	0.02	0.54	2.86	0.00	0.01	0.00	0.00
30 Min East	0.00	0.00	0.00	0.00	0.49	0.02	0.37	6.24	0.00	0.00	0.00	0.00
30 Min West	0.00	0.00	0.00	0.00	0.49	0.01	0.12	1.41	0.00	0.00	0.00	0.00
Regulation East	61.28	71.52	73.06	53.62	55.93	50.95	48.17	52.42	46.56	47.21	59.03	57.50
Regulation West	61.28	71.52	73.06	53.62	55.93	50.95	48.17	52.42	46.56	47.21	59.03	57.50



## NYISO In City Energy Mitigation (NYC Zone) 2006 - 2007

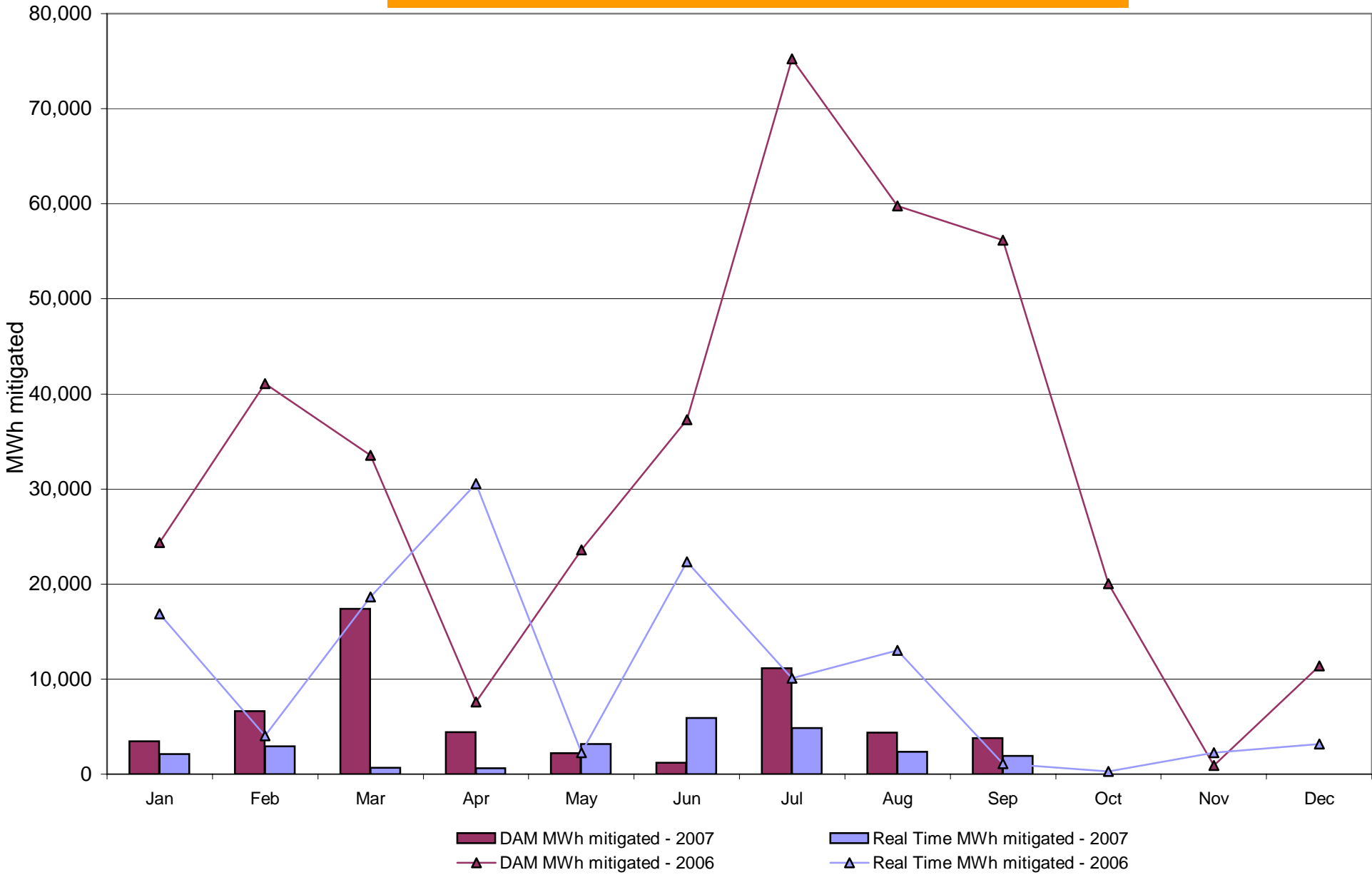
### Percentage of committed unit-hours mitigated

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.

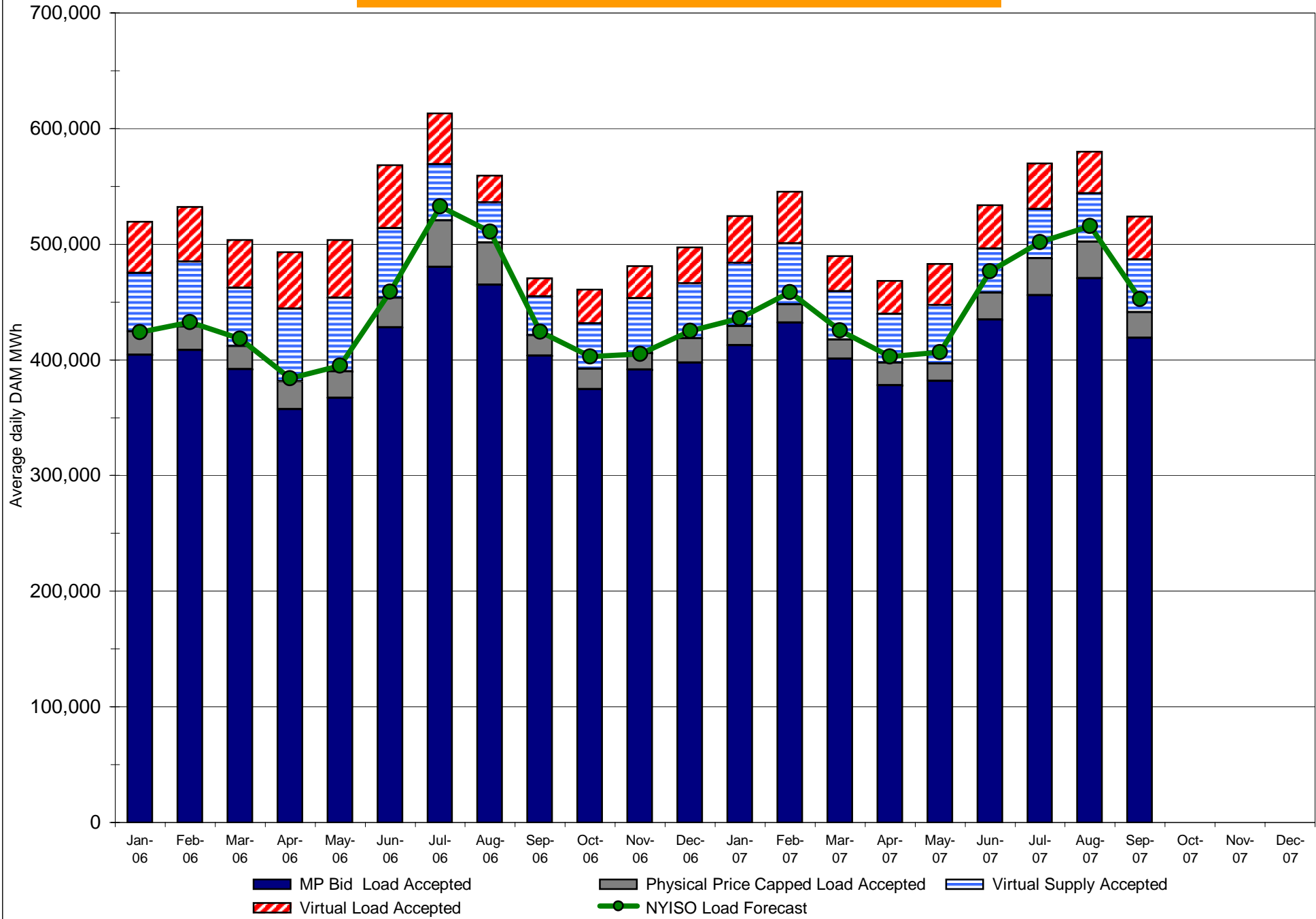


# NYISO In City Energy Mitigation (NYC Zone) 2006 - 2007

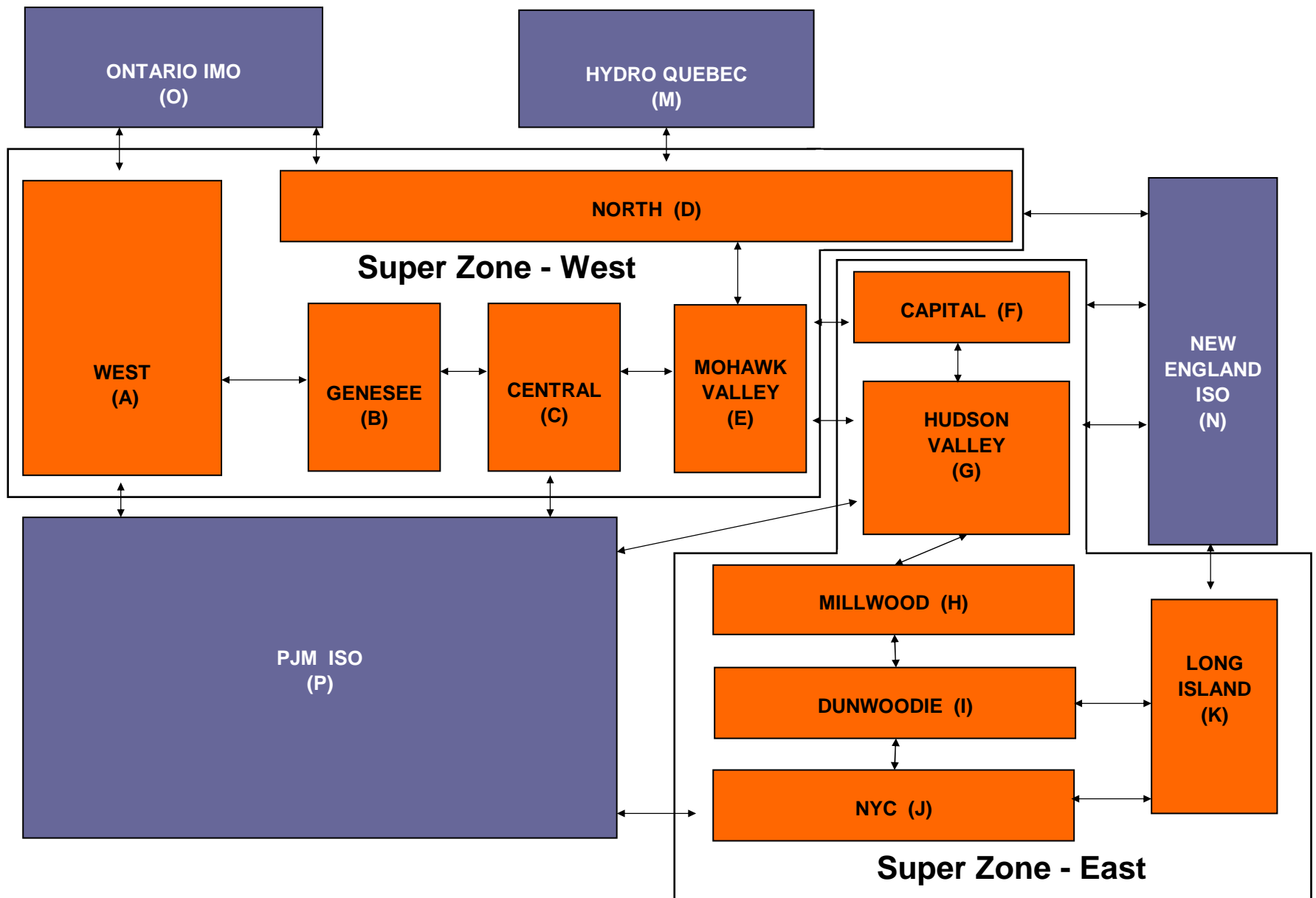
## Monthly megawatt hours mitigated



# NYISO Average Daily DAM Load Bid Summary



# NYISO LBMP ZONES

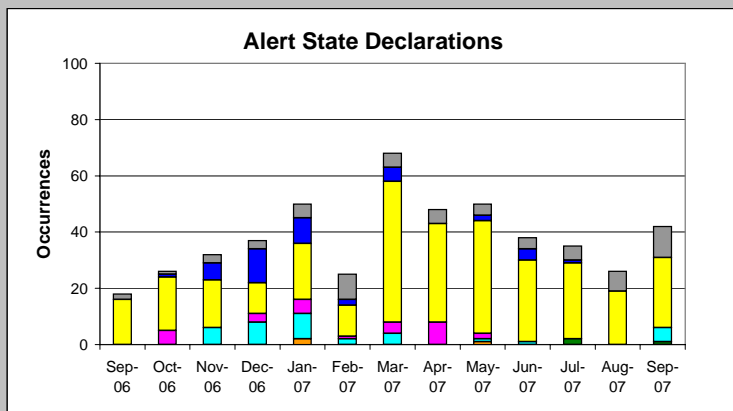


**Billing Codes for Chart 4-C**










<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

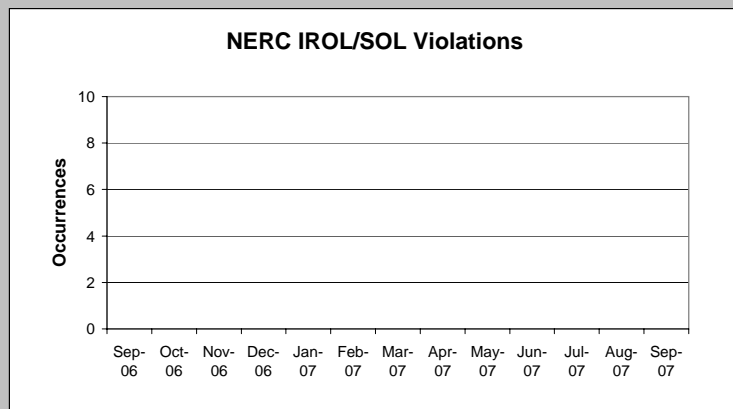
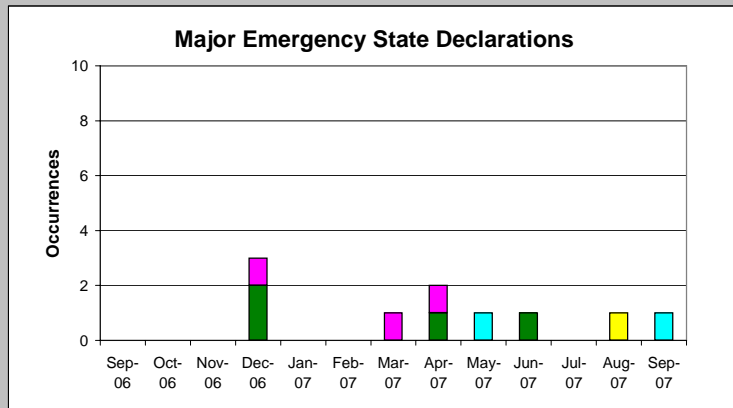
Report Overview

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






### System State Declarations

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



### NERC IROL/SOL Violations

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

Definitions

**Alert State Declarations:**

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

**Major Emergency State Declarations:**

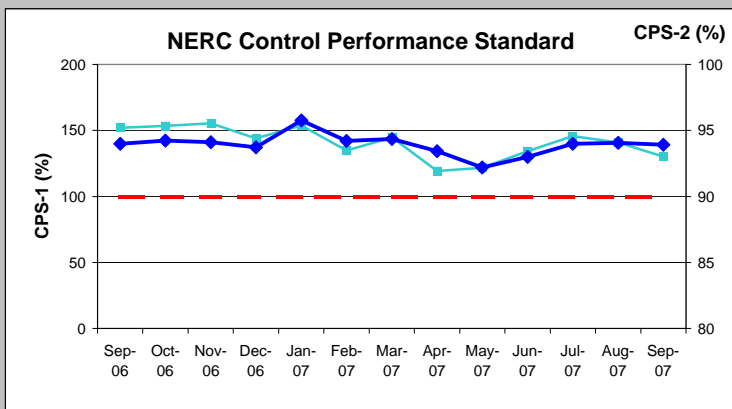
The number and causes of Major Emergency State declarations reflect system operating conditions beyond thresholds associated with the Alert State. Declaration of the Major Emergency State allows the NYISO to take aggressive corrective actions not available in the Alert State.

**NERC IROL/SOL Violations:**

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

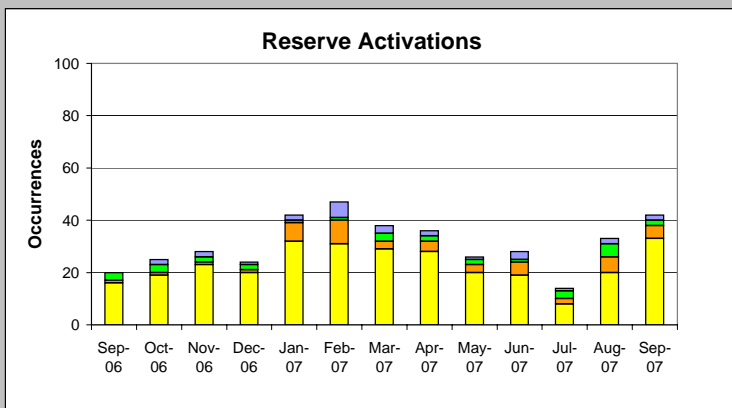
Report Overview

All reliability metric performances are normal.



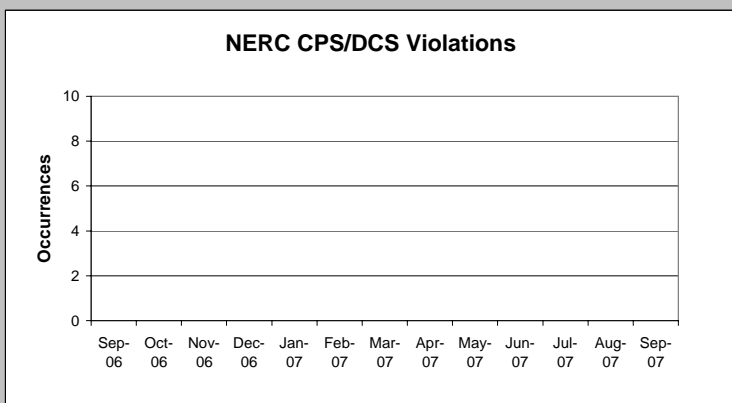
**Control Performance**

- CPS-1
- CPS-2
- CPS Limit



**Reserve Activations**

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



**NERC CPS/DCS Violations**

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

Definitions

**Control Performance Standards:**

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

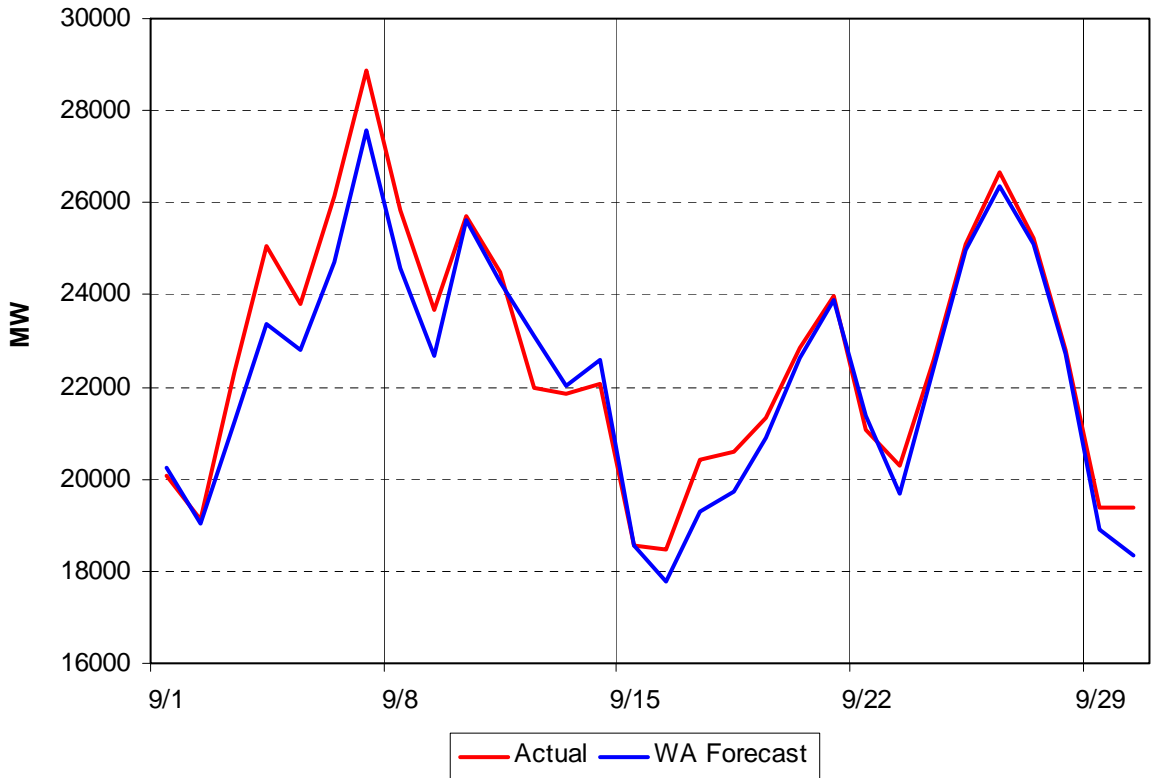
**Reserve Activations:**

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

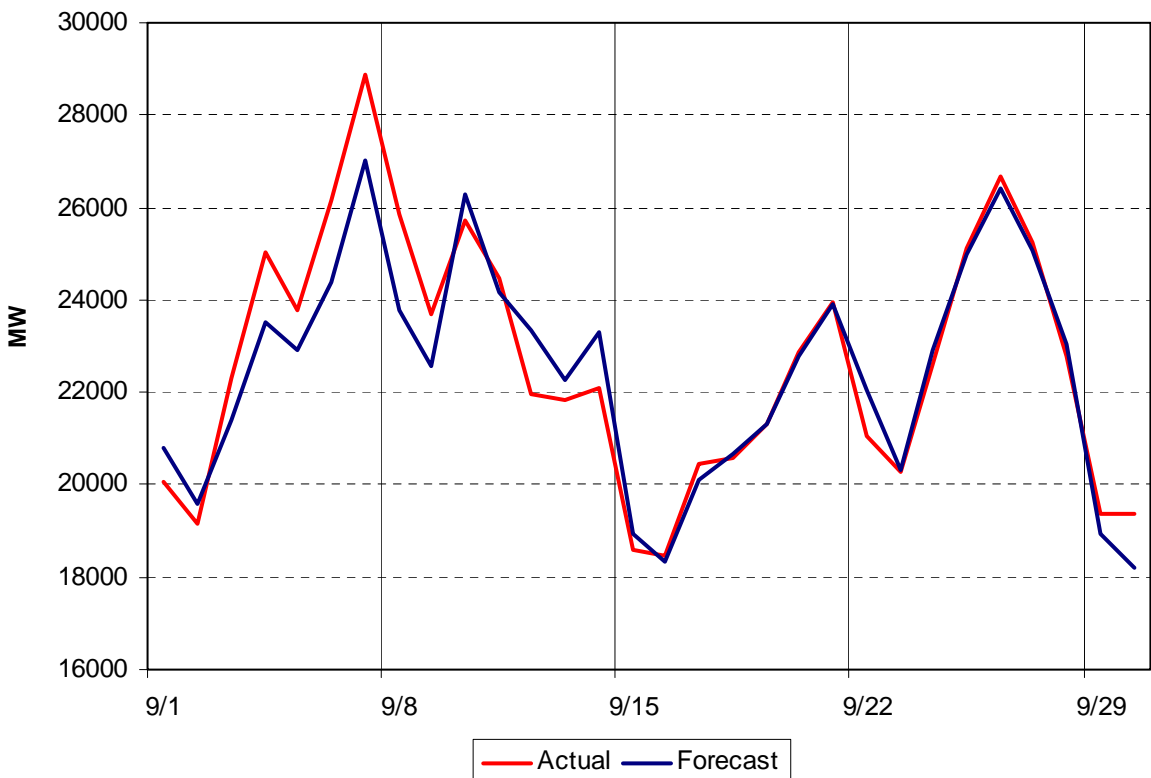
**NERC Control Performance Standard/Disturbance Control Standard (CPS/DCS) Violations:**

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

**NYISO Daily Peak Load - September 2007**  
**Actual vs Weather-Adjusted Forecast**

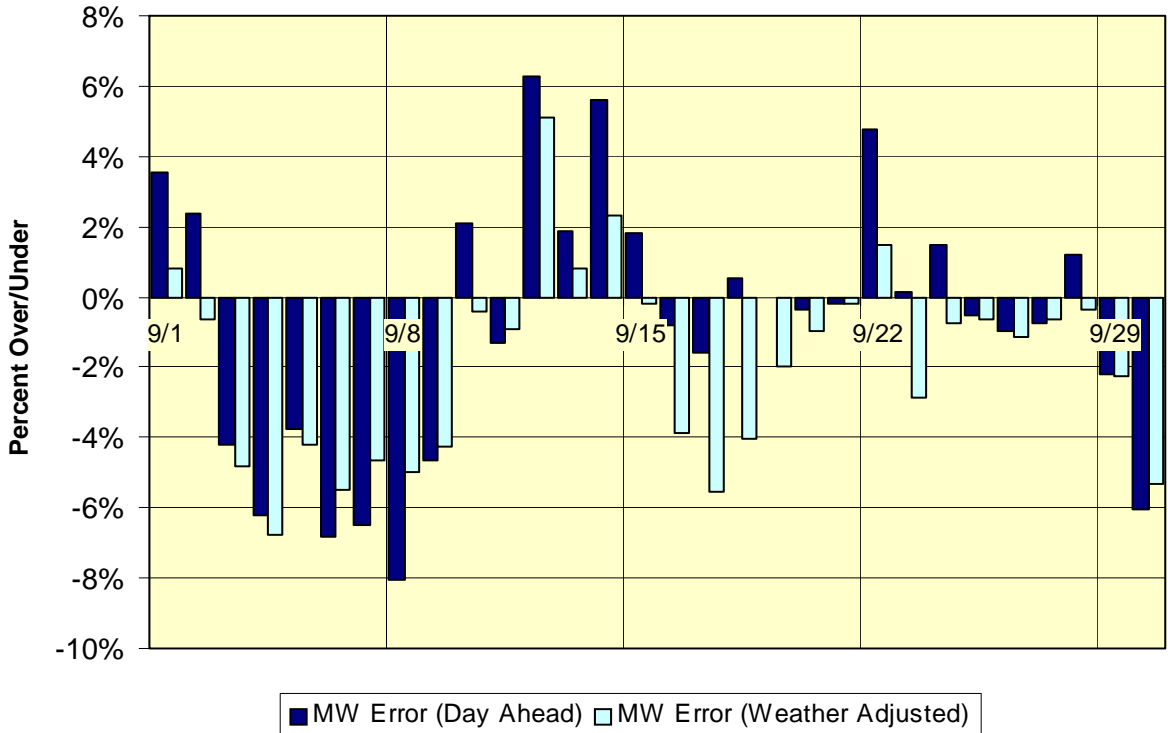


**NYISO Daily Peak Load - September 2007**  
**Actual vs Forecast**

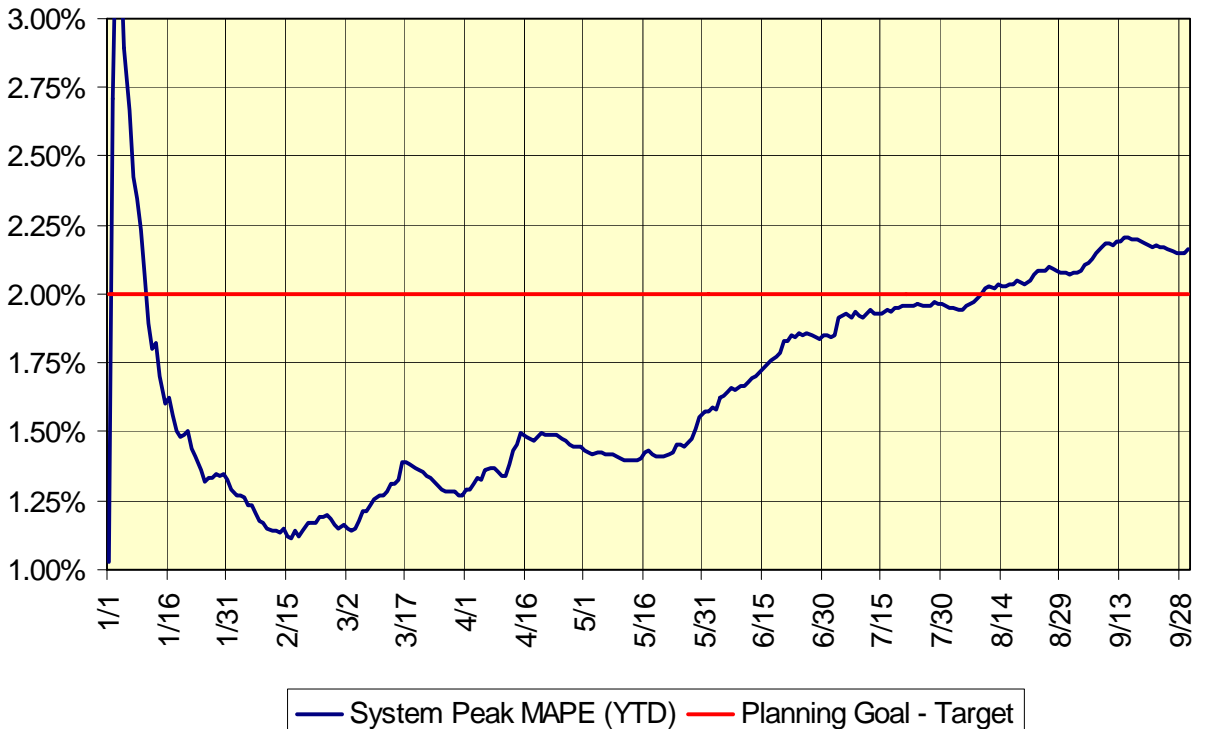




### Day Ahead Forecast - September 2007 Percent Error - Actual & Weather Adjusted



### Day-Ahead Forecast Accuracy - Cumulative Performance 2007 Year-to-Date



# August 2007 Detailed Budget vs. Actual Results

<u>Cost Category</u>	<u>ANNUAL AMOUNTS</u>			<u>YTD AMOUNTS AS OF 08/31/07</u>		
	<u>Original Budget</u>	<u>Year-End Projection</u>	<u>Variance</u>	<u>Original Budget</u>	<u>Actuals</u>	<u>Variance</u>
Capital	\$ 4.4	\$ 6.6	\$ 2.2	\$ 2.9	\$ 2.0	\$ (0.9)
Salaries & Benefits	\$ 50.6	\$ 49.8	\$ (0.8)	\$ 33.7	\$ 32.5	\$ (1.2)
Professional Fees (including Legal)	\$ 32.2	\$ 36.0	\$ 3.8	\$ 21.5	\$ 22.5	\$ 1.0
Building Services	\$ 4.0	\$ 4.6	\$ 0.6	\$ 2.7	\$ 3.0	\$ 0.3
Computer Services	\$ 13.0	\$ 13.3	\$ 0.3	\$ 8.7	\$ 8.7	\$ 0.0
Insurance	\$ 3.7	\$ 3.4	\$ (0.3)	\$ 2.5	\$ 2.3	\$ (0.2)
Telecommunications	\$ 5.0	\$ 4.3	\$ (0.7)	\$ 3.3	\$ 2.8	\$ (0.5)
Other Expenses (BOD, Travel/Trng, NPCC Fees)	\$ 5.0	\$ 4.1	\$ (0.9)	\$ 3.3	\$ 2.5	\$ (0.8)
<b>Current Year Needs (excluding FERC Fees)</b>	<b>\$ 117.9</b>	<b>\$ 122.1</b>	<b>\$ 4.2</b>	<b>\$ 78.6</b>	<b>\$ 76.3</b>	<b>\$ (2.3)</b>
Debt Service from Prior Year Financings	\$ 35.4	\$ 33.0	\$ (2.4)	\$ 23.7	\$ 23.6	\$ (0.1)
<b>Cash Budget (excluding FERC Fees)</b>	<b>\$ 153.3</b>	<b>\$ 155.1</b>	<b>\$ 1.8</b>	<b>\$ 102.3</b>	<b>\$ 99.9</b>	<b>\$ (2.4)</b>
Less: Miscellaneous Revenues	\$ (2.3)	\$ (4.7)	\$ (2.4)	\$ (1.6)	\$ (3.5)	\$ (1.9)
Less: Proceeds from 2007 Budget Debt	\$ (15.0)	\$ (15.0)	\$ -	\$ (15.0)	\$ (15.0)	\$ -
Less: Proceeds from 2006 budget underrun and load overcollections	\$ (5.0)	\$ (5.0)	\$ -	\$ (3.3)	\$ (3.3)	\$ -
Add: Interest on 2007 Budget Debt	\$ 0.5	\$ 0.6	\$ 0.1	\$ 0.3	\$ 0.3	\$ (0.0)
<b>Net Budget Needs (excluding FERC Fees)</b>	<b>\$ 131.5</b>	<b>\$ 131.0</b>	<b>\$ (0.5)</b>	<b>\$ 82.7</b>	<b>\$ 78.4</b>	<b>\$ (4.3)</b>
FERC Fees	\$ 8.2	\$ 7.8	\$ (0.4)	\$ 5.5	\$ 5.2	\$ (0.3)
<b>Rate Schedule #1 Revenue Requirement</b>	<b>\$ 139.7</b>	<b>\$ 138.8</b>	<b>\$ (0.9)</b>	<b>\$ 88.2</b>	<b>\$ 83.6</b>	<b>\$ (4.6)</b>

Description		Status and Milestone Deliverables
<b>Energy Marketplace Product Enhancements</b>		
A767	MIS Enhancements: Comprehensive Bid Management System	<p><b>Status:</b> The first phase of this multi-phase project was successfully deployed into production on January 16, 2007. The features that were deployed was the replacement of the new load and virtual bidding forms on the new architecture; performance assessment and post-production monitoring is ongoing to ensure desired results were achieved. The team is proceeding on schedule with development and testing activities for the next phase of the project, with a scope of replacing the transaction bidding interfaces as well as the Upload / Download mechanisms for both load and transactions. Deployment of the next phase is targeted for the October 10, 2007. Successful MP testing sessions were held in May and August.</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>
A871	Enhanced Price Validation	<p><b>Status:</b> The first phase of this multi-phase project was successfully deployed into production on March 1, 2007. The features deployed will enable the Price Validation team to more effectively track, report, and manage price corrections and reservations. The next phase of the project is in the development and testing phases and moving towards a December 2007 deployment under a very tight schedule.</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 through 2007.</p>
A922	PJM Proxy Bus Pricing	<p><b>Status:</b> This project has completed the requirements, design, development, and testing phases. Software deployment was made in May 2007 with the features deactivated pending regulatory approval. FERC approval was received in early June and the final configuration steps were taken to complete the implementation.</p> <p><b>Deliverables:</b> Design and implementation of changes to the price calculation methodology at the PJM proxy. The change is anticipated to make the pricing at the PJM interface more consistent with actual system operation and is design to increase trading at that proxy.</p>
A921	Transmission Constraint Pricing	<p><b>Status:</b> This project has completed the requirements, design, development, and testing phases. Software deployment was made in May 2007 with the features deactivated pending regulatory approval. FERC approval was received in early June and the final configuration steps were taken to complete the implementation.</p> <p><b>Deliverables:</b> Design and implementation of a Transmission Demand Curve methodology that would limit the impact on prices due to severe shadow costs as a result of transmission constraints. The change is anticipated to eliminate a certain form of price corrections.</p>

Description		Status and Milestone Deliverables
<b>Auxiliary Market Product Enhancements</b>		
A906	ICAP Auction Automation – Phase II	<p><b>Status:</b> This project is in the development phase, and is proceeding according to the project schedule. Software deployment is targeted for October 10, 2007.</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. The scope of the next phase of the ICAP Auction Automation project will target the automation of certain administrative functions.</p>
A857	Demand Response for Ancillary Services	<p><b>Status:</b> This project is in the detailed requirements phase. Initial planning and requirements documentation is underway; development is expected to initiate in 2007, with implementation targeted for early 2008. A draft functional requirements document has been produced and is being circulated internally for review. Technical design for the end-state solution has proven more difficult than expected, and this point makes meeting the commitment for a 4<sup>th</sup> quarter 2007 delivery unlikely. The current proposal would help mitigate the political risk of missing the commitment by delivering more functionality than originally offered.</p> <p><b>Deliverables:</b> As directed by the FERC, execution of software changes that will permit the integration of demand side resources (“DSRs”) into the NYISO real-time ancillary services and energy markets.</p>
<b>TCC Marketplace Product Enhancement</b>		
A796	TCC Auction Automation – Phase 2	<p><b>Status:</b> This project is in a detailed requirements and design phase. An inter-departmental team has been formed to document the detailed use cases necessary to automate the database management functions. The design milestone defined by completion and approval of the detailed use cases was achieved on schedule in August 2007. Recent resource constraints on the part of the business owner (Aux. Market Operations) had caused significant schedule risk, but mitigation steps have enabled the project to get back on schedule.</p> <p><b>Deliverables:</b> Following the implementation of the first phase of the TCC Auction Automation software project (Automation of the Awards Process), following phases will deliver the Database / Inventory Automation (Phase 2) and Bidding (Phase 3) functionality required to fully automate the TCC markets. An iterative development approach will be utilized to provide incremental functional deliverables starting in the second half of 2007, but full development of this phase will not be complete until third quarter 2008. Phase 3 is scheduled to follow in late 2008.</p>
<b>Operations and Reliability Product Enhancements</b>		
A916	HQ Netting	<p><b>Status:</b> This project has been completed. Approval has been achieved from Market Participants on the necessary rule changes. Final software deployment and activation was performed on schedule at the end of June 2007.</p> <p><b>Deliverables:</b> Implementation of a second proxy bus definition at the Hydro Quebec interface. The software would establish a separate proxy bus for imports and wheel through transactions. This feature is expected to increase the volume of trades at the HQ interface.</p>

Description		Status and Milestone Deliverables
A843	Integration of OOM and SRE Applications	<p><b>Status:</b> This project is in the software design phase; detailed requirements specification has been completed on schedule to meet the 2<sup>nd</sup> quarter commitment; software design to has started with a planned implementation in 2008.</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>
A862	Controllable Tie Line Additions: Dennison-Cedars Line	<p><b>Status:</b> This project is an application of the Generic Controllable Tie Line logic deployed for the Cross Sound Cable n 2005. ABB Ranger and MIS model maintenance tasks required for deployment were successfully deployed, on schedule, in October 2006. Approval has been achieved from Market Participants on the necessary rule changes. Operational protocols have been developed for implementation, and all necessary regulatory approvals have been received. Commencement of operations as a controllable line is on hold pending resolution of facility owner concerns regarding DOE obligations / liabilities from the export permit.</p> <p><b>Deliverables:</b> The Dennison-Cedars Line is a controllable tie line between Zone D in NY and HQT. The project, when implemented, will support both import and export transactions independent of the existing NY/HQT interconnection.</p>
A862	Controllable Tie Line Additions: 1385 Line	<p><b>Status:</b> This project is an application of the Generic Controllable Tie Line logic deployed in 2005. ABB Ranger and MIS model maintenance tasks required for deployment were successfully deployed, on schedule, in October. Final implementation steps were performed in June.</p> <p><b>Deliverables:</b> The 1385 Line is a controllable tie line between Long Island and New England. The project, when implemented, will support both import and export transactions independent of the existing NY/NE interconnections.</p>
A862	Controllable Tie Line Additions: Project Neptune Line	<p><b>Status:</b> This project has been completed. ABB Ranger and MIS model maintenance tasks required for deployment were successfully deployed, on schedule, in October. Approval has been achieved from Market Participants on the necessary rule changes, and regulatory approval has been received from FERC. Final implementation steps were performed in June.</p> <p><b>Deliverables:</b> The Neptune Line is an HVDC line between Long Island and New Jersey. The project, when implemented, will provide an additional external proxy bus on Long Island that is scheduled and priced independent of other external proxies. As a merchant transmission facility, the Neptune Line may require special bidding protocols similar to those that apply to the Cross Sound Cable. Actual requirements beyond the Generic Controllable Tie lines logic are being defined through the concept development effort.</p>

Description	Status and Milestone Deliverables
-------------	-----------------------------------

Financial Service Product Enhancements	
--	--

A845	Settlement System Replacement (SSR) / Billing Engine	<p><b>Status:</b> This project has completed the final testing phases. An iterative development approach has been employed where groups of the billing rules are being ported to the new engine in phases. The project schedule had slipped from the original schedule due to a longer than expected development cycle for the system framework and infrastructure build-out, as well as planned scope expansion resulting from settlements modifications driven by other business critical projects. Certification of the billing software (Project A885) was a necessary prerequisite for deployment of this project, but was performed on schedule. The software changes necessary to operate the new billing engine was deployed to production in June, but activation had been delayed in order to allow MP system changes required to adapt to minor data formatting changes in the Decision Support System (DSS). The software was activated successfully on August 9.</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>
A885	Settlements Rules Engine Certification	<p><b>Status:</b> The joint NYISO and PA Consulting project team has finalized settlement tariff rule certification. The process entailed the development of a reduced model against which the settlement rules are being tested. A limited number of variances had been identified, but significant schedule / compliance risks were not detected. A detailed internal review of all settlement use cases identified the need to make certain tariff clarifications in order to remove any ambiguity between the language in the tariff and rules implemented in software. Regulatory processes to support this certification have been completed; the certification of the settlements engine has been received. This project is completed.</p> <p><b>Deliverables:</b> Third party certification (PA Consulting) of the implementation of the rules in the new settlements engine is full compliant with all applicable tariffs. Project is a prerequisite for the Settlements Sys Repl. (SSR) project.</p>
A893	Web Based Reconciliation Replacement	<p><b>Status:</b> This software for the first production deliverable of this project was successfully deployed into production in May. A series of technical conferences had previously been held with Market Participants to capture of the highest priority features needed in the new application, as well as understand the desired feature additions. The schedule for this project was accelerated from the original commitment in order to meet Market Participant expectations. A phased delivery schedule is being proposed that will enable delivery of critical performance functions in mid-2007, followed by lower priority features later. Market Trails were conducted in late August for the second set of deliverables. MP feedback on the early deliverable has been extremely positive. An October 10, 2007 software deployment is planned.</p> <p><b>Deliverables:</b> Following a successful replacement of the settlements engine of the Billing and Accounting System (BAS), the NYISO will continue to leverage the technology investment made as part of that project by replacing the Web Based Reconciliation (WBR) application used to facilitate meter data input to the settlements process. The capabilities of the WBR application are criticized due to their performance as well as query and reporting capabilities. Enhancements to this capability will help support shorter settlement cycles.</p>

Description		Status and Milestone Deliverables
<b>Business Intelligence Product Enhancements</b>		
A849	DSS Pricing and Operational Data Mart	<p><b>Status:</b> This software for delivery of the DSS Pricing Datamart was successfully deployed into product during the last week of March 2007. Market Participant utilization and performance metrics of the new system are being monitored, and user adoption has been very good.</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>
<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 and Wolf Road facilities and fully occupy the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> floors of the new Krey Corporate Center (KCC) facility. The migration of the data center to the KCC 2<sup>nd</sup> floor has completed, and the activation of the Alternate Control Center functions at the KCC was completed, on schedule.</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. Once ready, this facility would enable the migration from former / existing NYISO facilities at Washington Avenue, Wolf Road, and Western Turnpike.</p>

## **NYISO REGULATORY FILINGS – September 2007**

- Sept. 7, 2007 NYISO filing of supplemental response and correction of the 8/24/07 compliance filing concerning the NYISO's long-term firm transmission rights (ER07-521-000)
- Sept. 7, 2007 NYISO filing response to comments regarding NYISO's 7/17/07 compliance report on the implementation of the ICAP demand curves (ER03-647-010)
- Sept. 7, 2007 Black Oak Energy filing of a complaint v NYISO regarding alleged failure to properly administer its energy markets on at least 3 occasions in 2005 resulting in financial losses to Black Oak (EL07-95-000)
- Sept. 12, 2007 NYISO filing of a request for extension to file comments and expedited action (ER07-521-000)
- Sept. 13, 2007 NYISO compliance filing of changes to the market service and open access tariffs regarding the value of the transmission shortage cost (ER07-720-000)
- Sept. 14, 2007 NYISO and PJM filing of joint operating agreement (ER07-1369-000)
- Sept 14, 2007 NYISO filing of comments in response to the commission's 6/22/07 advance notice of proposed rulemaking regarding wholesale competition in regions with organized electric markets (RM07-19-000, AD-7-000)
- Sept. 18, 2007 NYISO motion for extension and expedited action to answer complaint of Black Oak against the NYISO (EL07-95-000)
- Sept. 19, 2007 NYISO and NYSRC joint comments on the commission's notice of proposed rulemaking on facilities design connections maintenance mandatory reliability standards (RM07-3-000)
- Sept. 19, 2007 NYISO and ISO/RTO Council joint comments on the commission's notice of proposed rulemaking on facilities design connections maintenance mandatory reliability standards (RM07-3-000)
- Sept. 19, 2007 NYISO and the Independent Electricity System Operator of Ontario filing of joint comments on the commission's notice of proposed rulemaking regarding reliability standards (RM07-3-000)
- Sept. 21, 2007 NYISO filing of request for rehearing and alternative request for clarification of the 8/22/07 order granting a complaint against the NYISO (EL07-70-001)
- Sept. 27, 2007 NYISO filing of tariff revisions to remove outdated language regarding payments for voltage support service (ER07-1405-000)

This list is current as of 1:38 P.M. October 1, 2007.



## **FERC ORDERS – September 2007**

- Sept. 4, 2007 FERC letter order accepting previously accepted revised definition of “NERC”  
(ER07-1181-000)
- Sept. 25, 07 FERC letter order accepting NYISO’s informational report regarding the causes of pricing errors and associated corrections used during the previous six months  
(ER06-1014-003)
- Sept. 27, 07 FERC order granting in part and denying in part NYISO’s request for waiver of certain OASIS posting regulations and related requirements to revise its OATT pursuant to Order No. 890  
(OA07-76-000)

This list is current as of 1:42 P.M. September 27, 2007.