



Monthly Report

August 2004

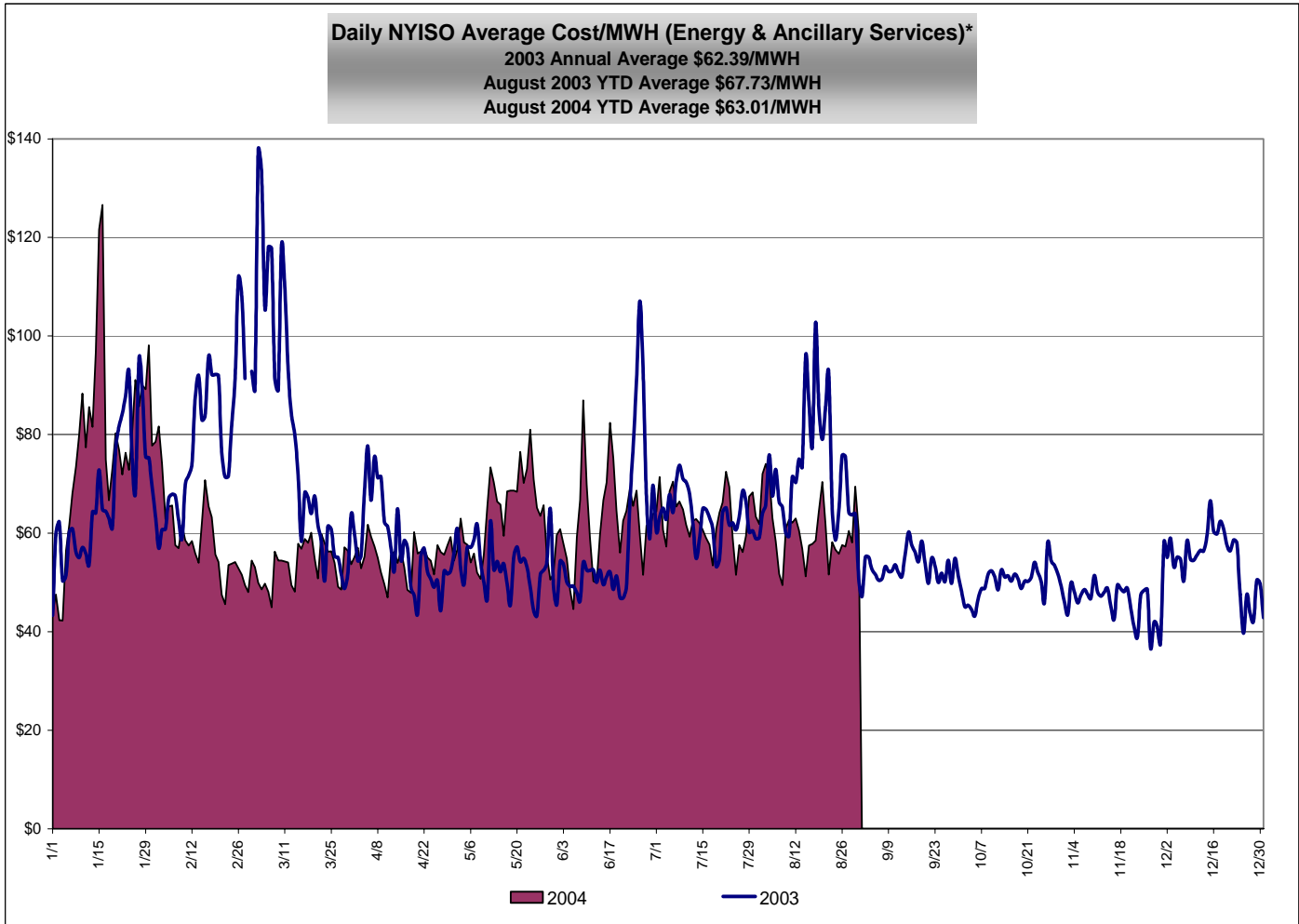
Rob Fernandez

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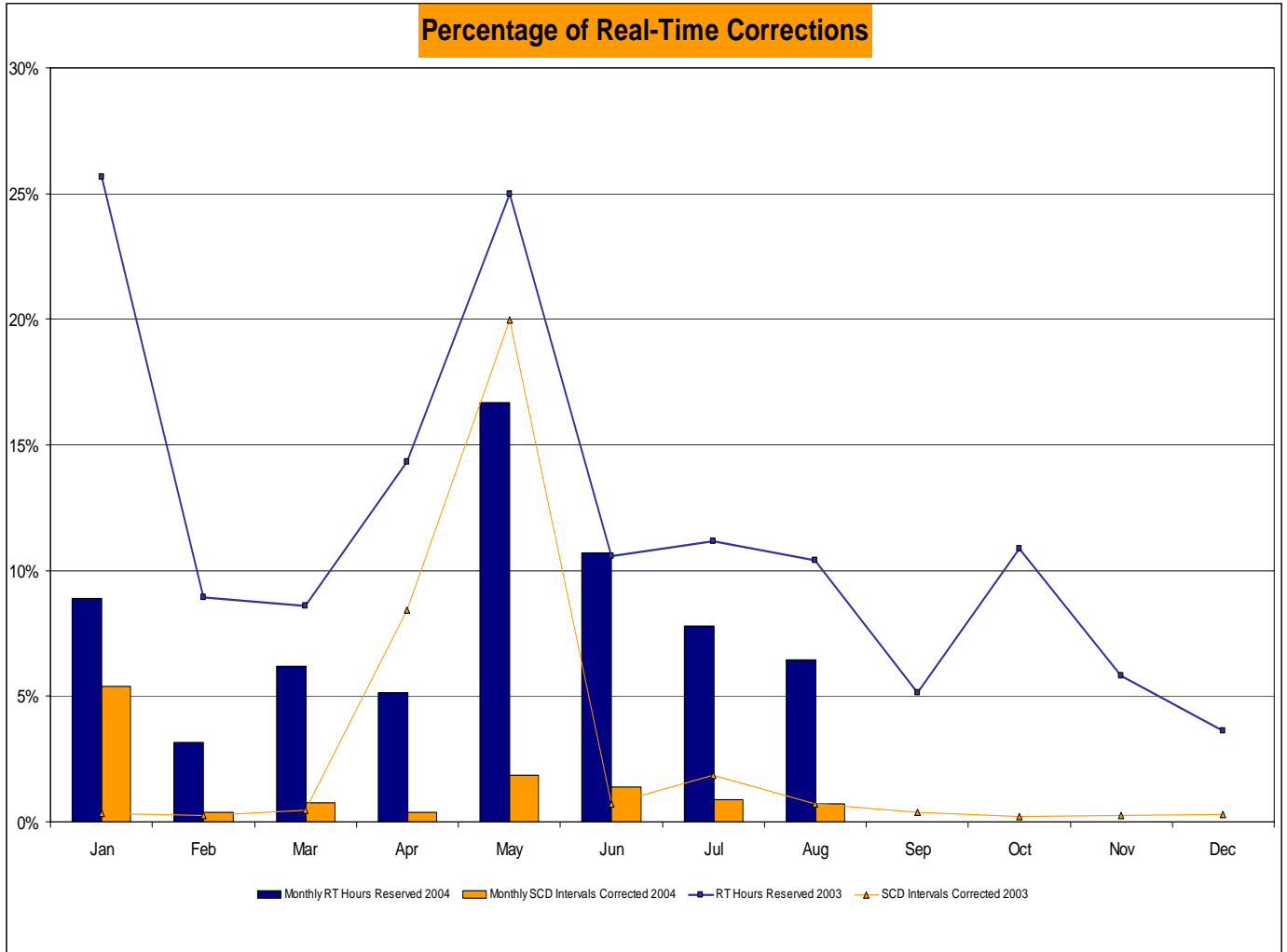
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1. Executive Summary

Lower load and a continued decline in natural gas prices resulted in lower LBMPs, leading to a decrease in the monthly average cost for energy from \$63.21/MWh in July to \$61.77 in August. However, oil-based fuels rose in price in August, and both oil and natural gas are up relative to last year.

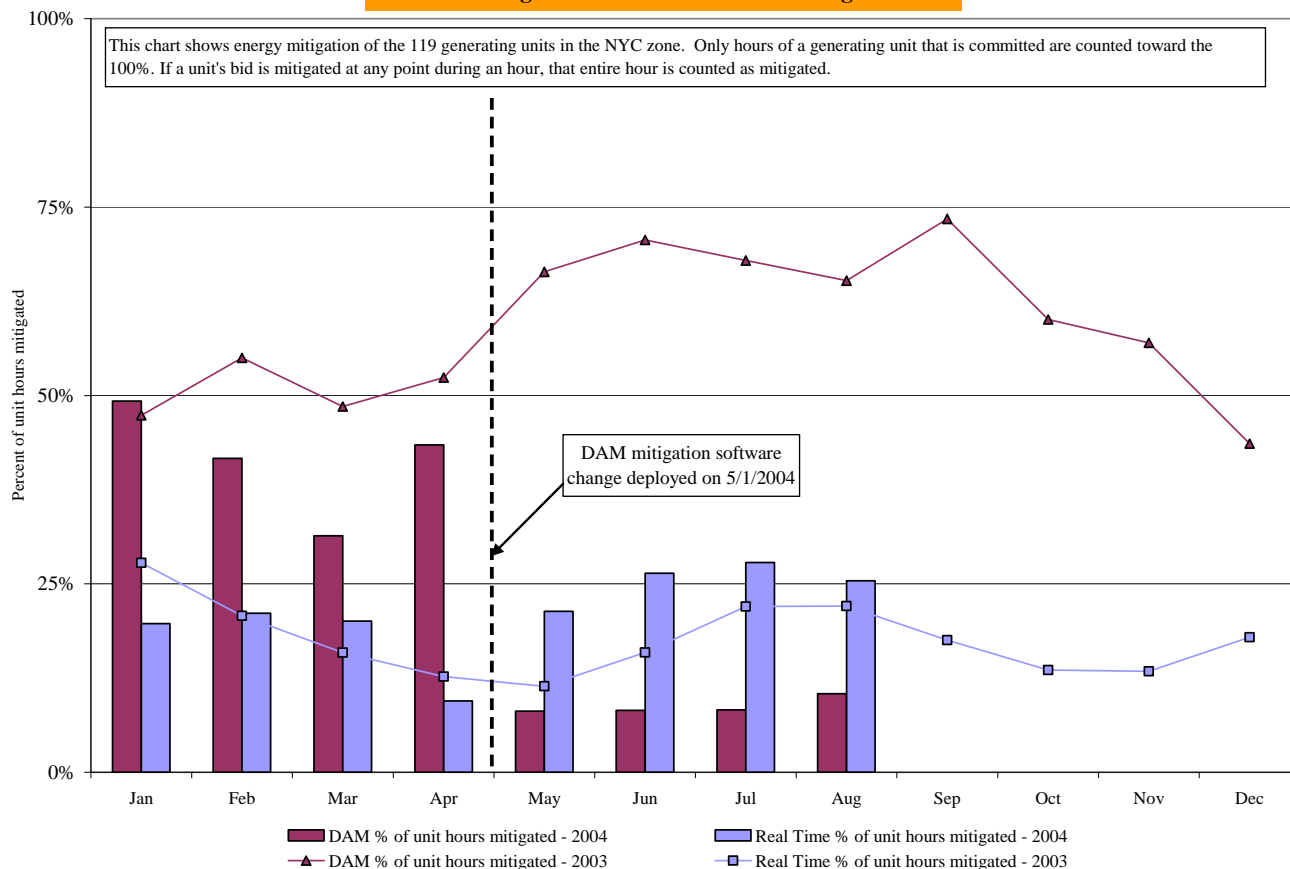


Price reservations and corrections continued to be low.



Net uplift has held steady since June and is markedly lower than in August 2003.

NYISO In City Energy Mitigation (NYC Zone) 2003-2004
Percentage of committed unit-hours mitigated



On August 20, the NYISO filed both the proposed Comprehensive Reliability Planning Process that was approved by the Management Committee in July and the related agreement between the NYISO and the Transmission Owners.

Progress continues on track for deployment of SMD2/RTS this fall. Factory Acceptance Testing is complete and internal quality assurance, system and data integration, and business owner/user testing are all on target. Five interactive market trials have been held and a market simulation comparing results from legacy systems and RTS suggested by Market Participants will be conducted in September. LECG continues to review the results of the market trials.

The NYISO has been engaged in developing new parameters for the ICAP demand curve effective May 1, 2005. Levitan & Associates, Inc. was contracted to provide an independent evaluation of the capital and operating costs of hypothetical gas turbine peaking unit additions located in the three regions in the 2005, 2006, and 2007 capacity years. Their report was delivered on August 16, with a supplement issued on September 1 that modified the capital costs of peaking units that would be located upstate. The NYISO is using the Levitan report and additional information received from the ICAP Working Group, the PSC and the Independent Market Advisor to develop recommended demand curves.

2. System Operations

Management Summary

Peak load for the month was 27,710 MW on Tuesday, August 3. There were no Major Emergencies during the month. Alert states were declared on nine occasions, with four attributable to system frequency excursions. There were 13 occasions when reserve energy was activated during August with four activations due to large control area errors and six due to activation of shared reserves. CPS1 was 169% and CPS2 was 96.6%. There was one reportable event. On August 30, 2004, NMP-1 tripped for a loss of 585 MW. Shared Activation of Reserve was initiated and the NYCA crossed zero at 08:43 in full compliance.

Training in August included preparing and conducting hands-on SMD2 training for NYISO Operators. While it is not yet possible to conduct "through-time" simulations to maintain the system in a "Normal" operating state, many applications are functional. As the month ended, the training environment improved. A Pi database was constructed on August 19 and the MIS was available for Training and populated with realistic bid and outage data on August 31. On August 31, it appeared that both the SMD2 State Estimation and Contingency Analysis were functioning on par with Market Trial #5.

Staff has received documentation from most facility owners' protection departments in response to NERC Board of Trustees Recommendation #8a (remediation of Zone 3 protections). During the month, staff exercised several opportunities to test the functionality of the secured file server when transferring data for NYISO operating studies. A secure file transfer site was established within the NYISO MDEX website to allow designated working group members (the OSTF and LPF working groups) to download the power flow cases and study reports. This resolves issues with the transmittal of large case data files via email. Access to the site is limited to the Operating Studies Task Force or the Load Power Factor Working Group members as designated by SOAS (and authenticated by NYISO). Staff completed the sensitivity analyses requested by the SOAS, and issued a final draft of Phase 1 Load Power Factor Assessment Report. Staff also completed a summary status report encompassing all of the major issues addressed in the Operations Reactive Studies. Both reports were posted for SOAS discussion at its August meeting. Subsequent to the meeting, a revised LPF final report was posted addressing questions raised at the meeting. A summary of the Voltage Support Service issues was presented to the Market Structures Working Group at its August 31 meeting. Operations Engineering staff reviewed the VSS providers test reports that were submitted during the month and provided summaries from NYISO real-time data for confirmation. Reports for 23 generator tests were reviewed and the results forwarded to Grid Accounting. Staff also provided Customer Relations with an updated list of units that have not completed testing for 2004 and updated monthly testing status reports for Grid Accounting. NOAA/SEC reported one Kp=6 and six Kp=5 events during the month; there were no actual observations of Kp=5 or greater during the period. During the month, three events resulted in excursions of more than 30 MHz or a loss of greater than 1,000 MW.

Staff continues testing of the SMD2 hardware platform for implementation of the ISO state estimator function and other operational tools. Staff has determined the requirements for completion prior to having the SMD2 system "Go-Live". These requirements include BMS functional testing, Network modeling updates, and conversion of daily processes and procedures. Staff conducted the fourth and fifth session of the SMD2 Day-Ahead Market Trials. Both tests proceeded well, with mainly smaller issues being identified. The one major issue in the DAM Market Trials was failure of the "Post all passes" subroutine to function, which caused the process to run longer and for the fifth session to exceed the expected post time.

Staff continues to work with the NY Transmissions Owners, the Operating and Business Committees, and Market Participants to develop revisions to transmission outage scheduling rules that should improve the liquidity of the TCC markets and enhance the ISO's oversight of scheduling and cancellation of outages. Staff is working with PJM, Con Edison, and PSEG staff to develop principles for the joint ISO operating protocol to address the Con Edison-PSEG transmission wheel in response to FERC's recent order. In August, Scheduling staff processed 228 requests for generating unit DMNC testing and unit maintenance outages, confirmed 2,786 external control area transactions in the Day-Ahead Market checkout, and scheduled 602 NYS transmission facility maintenance outages.

The following table shows the number of reserve activations and the number that did not result in crossing zero, and the number of alert states in the current and past two years.

	2002			2003			2004		
	No. of Reserve Activations	No. of Alert States	Non-Zero Crossing	No. of Reserve Activations	No. of Alert States	Non-Zero Crossing	No. of Reserve Activations	No. of Alert States	Non-Zero Crossing
January	5	9	0	30	24	10	36	21	6
February	20	24	3	23	21	5	15	7	3
March	24	31	6	24	10	7	25	24	2
April	25	25	9	16	24	2	17	9	1
May	11	19	2	10	13	2	29	15	4
June	13	14	3	15	12	2	24	8	5
July	66	33	41	12	18	1	14	13	1
August	25	10	12	24	22	4	13	9	1
September	23	20	9	12	6	0			
October	28	24	11	25	21	3			
November	25	26	4	17	12	3			
December	32	27	8	40	16	4			
Totals	297	262	108	248	199	43	173	106	23

Attachments

Attachment 2-A, NERC Control Performance Standard

3. Market Services

Management Summary

Customer Relations:

During the month of August, four new customers were added, making the total number of NYISO Customers 236 as of August 31.

As part of our Customer support efforts, the NYISO is tracking responsiveness to Customer inquiries. Customer Relations' 2004 goal has been set at 95%. For August, the Customer Resolution Survey was sent out with 53 answers to Customers inquiries, no responses were received. Therefore, a 100% rate was achieved for the month. (See attachment 3-A.)

Another Customer Relations goal is to trend the backlog of open inquiries. Attachment 3-B is a graph of open and closed tracking tickets. Attachment 3-C shows the length of time that tickets have been open, and Attachment 3-D shows the number of days that inquiries have been open as of the end of August.

During the month, Customer Relations continued meeting with Customer organizations as part of efforts to learn more about our Customers' businesses and their objectives for interactions with the NYISO. Three Customer visits took place in August.

Customer Technical Services:

Market Services – Communications to Market Participants:

This month's significant communications to Market Participants included announcements of the fourth and fifth SMD2 market trial exercises and subsequent review sessions for each exercise; a notification for the final SMD2 one-day transition class; a communication regarding limitations on the New England to New York transfer from approximately September 8 to November 1; a letter from Bill Museler regarding the one-year anniversary of the Blackout of 2003; a copy of the NYISO Comprehensive Reliability Planning Process and Related Agreement that was filed with FERC; a dissemination of the NYISO Committee Sector Meetings schedule from October 25th through November 5th; a notice of revision of the "Rules, Procedures and Guidelines For Initial Auctions and Reconfiguration Auctions of TCCs (Rules)"; distribution of the August 25, 2004 issue of the NYISO's Market Participant Newsletter; distribution of a NYISO Bulletin regarding the TCC settlement; deployment of new market data graphs on OASIS; release of Technical Bulletin 130.

Technical Bulletin 130 was distributed to Market Participants, which describes the commitment process for Supplemental Resource Evaluations.

Technical Documentation and the Guide to Market Rules:

CTS revised Technical Bulletins 28, 57, and 127.

CTS continued work on the ICAP Market Automation User's Guide.

CTS continued work on version 2.0 of the DSS User's Guide.

CTS continued to work on revising the Technical Bulletins for RTS deployment.

CTS participated in knowledge transfer sessions with NYISO's Documentum vendors and assisted IT in configuring the software. CTS prepared test scripts for QA testing and prepped the Technical Bulletins for data-loading into the Documentum system.

Surveys and Business Intelligence:

CTS met with NYISO Operations and ISO-NE on Virtual Regional Dispatch (VRD) and contributed towards a white paper about VRD.

CTS completed and issued two separate web traffic reports – a weekly analysis posted on our intranet site, and a monthly, in-depth analysis.

CTS completed and issued a Key Stakeholder Survey report.

CTS staff developed and deployed a survey on the *NYISO Insider* in conjunction with Committee Support.

Research and Development Activities:

CTS staff attended the PSERC IAB meeting in Monterey, CA.

CTS completed its R&D intranet site and released the site for internal review.

CTS staff consulted with MMP on price convergence issues.

Committee and Working Group Participation:

CTS staff participated in the Issue Management Committee (IMC), the Issue Resolution Team (IRT), and the Committee Coordination Team (CCT).

CTS participated in the Market Structures Working Group and the Scheduling & Pricing Working Group, and the Generator Issues Task Force.

CTS took minutes at the August BIC.

Product Development

Market Issues:

Product Development (PD) staff (Lawrence) attended ISO Inter-Regional Council Markets Committee meeting.

Demand Response Programs:

PD assisted Legal in developing tariff language in support of DADRP filing at FERC.

SMD2:

PD staff (Lemme) participated in exercise review sessions for Market Participants following each market trial exercise. PD staff also developed and posted a list of Market Participant reported SMD2 issues, along with the NYISO responses, on the SMD2 web page, and began assembling a consolidated document that defines SMD2 test and readiness activities.

Resource Adequacy/ICAP:

The Levitan Demand Curve GT Cost Study Report was presented at the August 2, ICAP WG meeting. Deliberations were begun with stakeholders at meetings on August 20 and August 27 to develop NYISO-proposed Installed Capacity Demand Curves. A prior timeline was amended to reflect the planned Board Approval in November, a FERC Filing in December, and an anticipated FERC decision early in 2005.

PD staff (Charlton) attended the August 5 PJM-RAM Stakeholders Working Group, which is continuing a rollout of the new Reliability Pricing Model for Resource Adequacy.

PD staff (Charlton) participated in several conference calls with California entities (California Public Utility Commission, Silicon Valley Manufacturers Group, and EUCI conference planner) with respect to Resource Adequacy in California and upcoming conferences.

2005 Project Reviews & Cost/Benefit Activity:

PD staff (Lawrence, Goepf) has been involved in developing the final list of projects to be considered for inclusion in the 2005 projects budget. We are also developing the detailed requirements for a comprehensive market benefits simulation tool that will be reasonably accurate in market and settlement modeling.

Resource Adequacy

◆ Resource Reliability:

Staff completed the September 2004 monthly ICAP and Spot Market Auctions. Defects continue to be found in the UCAP Automation application during the QA and user acceptance testing. The vendor is making significant progress in fixing these defects. Market Participant training and market trials have been slipped until after the first of the year. The "go live" date for this application remains as March 31, 2005. Staff worked with Bearing Point to develop process flows of the ICAP market procedures.

◆ Transmission Congestion Contracts:

Staff completed the September Reconfiguration Auction. Staff worked with Bearing Point to develop process flows of the TCC market procedures. The Autumn 2004 TCC Auction schedule was slipped one week to allow staff additional time to verify the completeness and accuracy of the auction inputs. LECG is on target to complete the calculation of net shortfalls due to Transmission Owners for the oversale of TCCs by September 1.

Look Ahead

Customer Technical Services:

CTS will release new Technical Bulletins regarding the TCC surcharge and external transaction settlement rules. CTS will begin posting Technical Bulletins that now incorporate RTS-related revisions.

CTS will continue to provide documentation for the UCAP Automation project.

CTS will continue work on version 2.0 of the DSS User's Guide.

CTS will attend EPRI meeting on Intelligent Alarming and an EPRI Technology Delivery Meeting.

CTS will present VRD at NSF meeting regarding seams issues.

CTS will take minutes at the September BIC and attend the CCT, IMC, and IRT.

CTS will continue Fall 2004 survey preparations and meetings.

CTS will deliver findings on the *Insider* survey.

CTS, in conjunction with Internal Audit, will develop and conduct an employee survey on the NYISO Code of Conduct.

CTS will attend Documentum training and will participate in User Acceptance testing of Documentum.

Product Development:

PD staff (Breidenbaugh) will be making presentations at the upcoming Peak Load Management Alliance meeting and Wind Energy and Power Markets Conference. Staff will also participate in the International Energy Agency Demand Side Management (IEA/DSM) program in October.

PD staff will be involved in completing the SMD2 test and readiness document to-date and managing the Market Participant activities related to the upcoming SMD2 market simulation exercise.

Resource Adequacy

- ◆ Resource Reliability:

Complete the regular monthly ICAP auctions for October, including the Spot Market Auction. Work with the UCAP Automation project vendor and NYISO Quality Assurance Department to test the UCAP automation application.

- ◆ Transmission Congestion Contracts:

Complete the October Reconfiguration auction and rounds 1 through 3 of the Autumn 2004 TCC Auction. Assist in the verification of the calculations of the net shortfalls due to the Transmission Owners for the oversale of TCCs. Once verified, the individual calculations will be provided to each Transmission Owner and aggregate numbers will be shared with all Market Participants. Implement the TCC process flow controls recommended by Bearing Point in their report regarding the validation of the BAS and TCC databases.

Attachments

- Attachment 3-A, Customer Resolution Survey
- Attachment 3-B, Tickets Open, Tickets Closed as of End of August 2004
- Attachment 3-C, Open Tickets by Month 2004
- Attachment 3-D, Number of Tickets Open by Days August 2004

4. Corporate and Market Risk Management

Management Summary

Risk Assessment:

The Enterprise Risk Management (ERM) department continued to provide reports to the CEO and Board Audit and Compliance Committee. Staff continued the process of monthly risk assessment reports and prepared accompanying recommendations. The internal risk committee met in August to review the progress of the program, assess risk exposure, and measure the effectiveness of mitigation efforts. The annual risk assessment interview process began in July. Staff met with Insurance underwriters in August to discuss policy renewals. Staff completed interviews for the annual risk assessment.

Industry Affairs:

- ISO/RTO Council:

The ISO/RTO Council ("IRC") met in August in Saratoga Springs. Key issues discussed included NERC activities and standards development and NAESB coordination and support. The IRC also met with FERC Commissioner Nora Brownell and DOE acting Director William Parks to discuss current issues and activities.

- NAESB Seams Issues:

NAESB's Seams Subcommittee met in August to review formal requests for standards for interchange scheduling standardized protocols and energy and transmission market product definitions. Some initial proposals for firm and non-firm energy were included. NAESB posted draft requests for industry comment on Energy Market Product Definitions, Transmission Market Definitions and Priorities, and standards on the replacement of contract paths with flow-based transmission service. NYISO staff reviewed these drafts and will participate with IRC to submit joint ISO/RTO comments to NAESB.

- Future Role of the Regional Reliability Councils:

The IRC developed and submitted joint comments to the NERC Regional Managers Committee regarding the future role of the Regional Reliability Councils ("RRCs"). In principle, IRC supports RRCs being organizationally distinct from NERC in order to maintain regional perspectives and recognizes that individual RRC processes for developing and enforcing standards need not be uniform. Although the process for developing standards should accommodate and encourage input from other regions that may be impacted by a proposed regional standard.

- NERC Standards Development and Review:

NYISO coordinated consensus positions and comments with the ISO/RTO and NPCC groups on the first draft of NERC's Version 0 standards, which was posted for industry comments on July 9. In the first round of comments, NERC is seeking inputs on the transition from existing NERC operating policies, planning standards, and compliance templates. The consensus comments covered several key issues, including; general agreement on the tact of assigning existing Reliability Coordinator requirements to the Reliability Authority function, however, there are deep concerns on delegation of authority; identification of potential "Version 0" business practice standards for assignment to the NAESB; and, whether measures from the Phase III and Phase IV planning standards have been sufficiently field tested or implemented by the industry. Our comments suggest that these should not be included as a current practice in Version 0.

At its August 16 meeting, the NERC-NAESB-IRC Joint Interface Committee ("JIC") accepted the recommendation of the NERC-NAESB joint task force for assignment of Version 0 business practice standards. The division of Version 0 into reliability standards and business practices has only one proposed duplicate standard, the Transmission Loading Relief (TLR) Procedure. NERC and NAESB agreed to adopt an identical TLR procedure document in their respective Version 0 standards and immediately begin a joint project to

develop replacement Version 1 standards distinguishing reliability requirements and business practices by the end of 2005.

NERC's Version 0 Standards Drafting team met in August to review industry comments and prepare the second draft for posting on September 1st. The NYISO is actively engaged in the development and review of these standards.

- DOE Request for Comments on National Interest Electric Transmission Bottlenecks:

The Department of Energy (DOE) published a request for comments on the identification and possible mitigation of transmission bottlenecks in the *Federal Register* in July. The DOE posed three criteria to identify "national interest electric transmission bottlenecks." Among other things, the DOE is seeking comments on how to define bottlenecks, how bottlenecks can be identified in areas (such as those outside established ISOs/RTOs) without a regional transmission expansion plan, and the role of DOE in monitoring progress toward mitigating bottlenecks. The NYISO will participate with the IRC in preparing a joint response.

Internal Audit:

During August, audit reports were issued for:

- MIS Application Security
- NY State Reliability Council

A Project Process Scorecard was issued for:

- SMD2.0 (Standard Market Design) – Project Process (continuing review)

Draft reports and/or report reviews were in progress for:

- ICAP Commitment and Monitoring
- IT – External Penetration
- IT – Internal Penetration
- Price Validation
- Reliability Cost Allocation – account accuracy
- Web-Based Reconciliation – stress testing – focused review

Fieldwork and/or planning were in process for reviews of:

- Cash Management
- Code of Conduct
- Enterprise Risk Management
- Follow-Up – Customer Settlements
- ICAP Market
- Issues Management
- KPMG Billing Issues Recommendations
- LBMP
- Monthly Billing

The January through November 2004 SAS 70 Type 2 audit scope period is underway, all subject to review by KPMG, the SAS 70 external auditors.

The annual risk assessment was initiated, jointly with Enterprise Risk Management.

IA time was spent supporting the TCC validation effort.

Monitoring of Year 2004 Corporate Incentive Goals continued during August.

Market Monitoring:

- Market Review for August 2004:

DAM Reserve prices continue to decline and once again reached their lowest levels since the inception of the NYISO. Price reservations and corrections continue to decrease.

Prices:

The August 2004 Average Monthly MWh cost was \$61.34/MWh, down from \$63.21/MWh last month. The Year-to-Date (YTD) Average Cost of \$63.01/MWh in August 2004 is lower than the August 2003 YTD price of \$67.73 (Attachment 4, Table 4-B).

Prices in the NYCA decreased in all markets from July 2004 to August 2004 and all prices are also lower compared to August 2003. The load weighted average DAM price dropped from \$57.32/MWh in July 2004 to \$54.60/MWh in August 2004, a decrease of 4.8%. The load-weighted RT price decreased from \$57.44/MWh in July 2004 to \$55.75/MWh in August 2004, a decrease of 3.0%. (Table 4.1 below and Attachment 4, Table 4-E).

Table 4.1 Monthly Price Summary

	August 2004		
	DAM LBMP	HAM LBMP	RT LBMP
Price	\$52.59/MWh	\$58.27/MWh	\$52.89/MWh
Standard Deviation	\$12.49/MWh	\$19.57/MWh	\$19.56/MWh
Load-weighted Price	\$54.60/MWh	\$61.02/MWh	\$55.75/MWh
Percent change over July 2004	- 4.8%	- 2.9%	- 3.0%
Percent change over August 2003	- 19.4%	- 14.1%	- 17.1%

Uplift increased this month from \$42,235,986 in July 2004 to \$47,414,888 in August 2004. Although many of the categories have changed from last month, the largest changes come from Bid Production Cost Guarantee Balancing, Residuals DAM and Local Reliability Balancing (Attachment 4, Chart 4-C).

Transactions:

Most energy transactions were either bilaterals (43% this month, as it was last month) or LBMP purchases (56% this month, up from 55% last month). The percentage of DAM transactions decreased from 99.1% in July 2004 to 98.0% in August 2004 (Attachment 4, Table 4-D).

Sendout:

The August 2004 sendout was 15,045 GWh. The August 2004 average daily sendout of 485 GWh/day was slightly higher than the July 2004 daily average sendout of 481 GWh/day (Table 4.2 below). The August 2004 Monthly Peak of 27,711 MW is slightly lower than the July 2004 Monthly Peak of 27,779 MW (Attachment 4, Table 4-D).

Table 4.2 Monthly Summary Comparisons

	August 2004	July 2004	June 2004	May 2004	April 2004
Monthly Peak (Hourly Load): MW	27,711	27,779	28,433	24,061	20,370
Average Daily Sendout: GWh	485	481	451	408	393
Percent change over the previous year	-2.6%	-3.2%	+4.4%	+6.8%	0.0%
Monthly Sendout: GWh	15,045	14,910	13,535	12,649	11,796

Fuel Costs:

Fuel prices were mixed for the month, with Natural Gas decreasing and all of the fuels increasing relative to the prices last month. Kerosene and No. 2 Fuel Oil prices saw the largest change with an increase 6.9% relative to July 2004 while No. 6 Fuel Oil saw an increase of 3.9%. Natural Gas prices decreased 8.4% relative to last month.

All fuel prices are higher relative to prices in August 2003. Kerosene has the largest price increase relative to August 2003 (an increase of 47.6%), followed by No. 2 Fuel Oil, Natural Gas and No. 6 Fuel Oil (increases of 42.2%, 7.4%, and 3.8% respectively). All fuel prices are stated in \$/MMBtu (Table 4.3 below).

Table 4.3 Summary of Fuel Costs for August 2004

	No. 6 Fuel Oil	Natural Gas	No. 2 Fuel Oil	Kerosene
Price:\$/MMBtu	\$5.13	\$5.79	\$8.30	\$9.30
Change from July 2004	+3.9%	-8.4%	+6.9%	+6.9%
Change from August 2003	+3.8%	+7.4%	+42.2%	+47.6%

Ancillary Services:

DAM Ancillary prices are mixed this month. Reserve prices continue to decrease this month and reached their lowest prices since the inception of the NYISO (November 1999) while Regulation prices increased.

DAM 10 Min Spinning Reserves decreased by 18.1% in the East and 18.7% in the West from July 2004 to August 2004. On a year-to-year comparison, DAM 10 Min Spinning Reserves have decreased 78.5% in the East and 78.2% (compared to August 2003). Other reserve prices decreased in the East and the West both relative to July 2004 and relative to August 2003.

DAM Regulation prices are up by 21.3% this month compared to July 2004. Compared to August 2003, the DAM Regulation prices are down by 11.4%. (Attachment 4, Chart 4-W and Table 4-X).

- Price Reservations and Corrections:

The percentage of hours reserved decreased this month, as did the percentage of intervals corrected. The percentage of hours reserved this month was 6.45%, down from 7.80% in July 2004. The percentage of intervals corrected decreased from 0.87% in July 2004 to 0.73% this month. There were twelve days without price corrections during August (Attachment 4, Table 4-Q and Chart 4-R).

- Investigation and Physical Audit:

During the month of August 2004, no investigations were requested, one investigation was closed and posted to the public website, three new audits were conducted, and two past audits were completed. The table below presents the audits conducted by the investigation unit since inception.

Table 4.4 MMP Historical Audit Summaries

	2001	2002	2003	2004	Total
Topics					
Derates & Outages	1	16	7	8	32
Reporting Verifications		1	4	6	11
Parameter Verifications		1	4	10	15
Reserve Shutdowns			8		8
Scheduling			1		1
Other	0	0	0	1	1
Total	1	18	24	25	68
Business Type					
Generator	1	14	19	16	50
Transmission Owner		4	1	3	8
Load w/curtailment			4	6	10
Total	1	18	24	25	68

- Mitigations and Penalties:

The statewide DAM Automated Mitigation Procedure (AMP) did not arm this month, however, the In-City DAM AMP was triggered on 24 days in August 2004. Attachment 4, Chart 4-Y shows the levels of committed unit hours mitigated In-City. The percent of DAM unit hours mitigated slightly to 10.4% in August from 8.3% in July 2004. The percent of RT unit hours decreased from 27.8% in July to 25.4% in August 2004.

In-City RT Mitigation applied in all days this month. There were no other mitigations during August 2004.

Look Ahead

Risk Assessment:

Staff continues to develop methodologies for including more prospective analysis risk reports. Insurance policies will be bound for renewal in September.

Market Monitoring:

Responses to the request for Updated Reference Level and Related Data are due on September 15. Please note the request for on-site fuel storage and emissions data.

Attachments

- Attachment 4-A: Daily NYISO Average Cost/MWH (Energy & Ancillary Services)
- Attachment 4-B: NYISO Average Cost/MWH (Energy and Ancillary Services)
- Attachment 4-C: NYISO Dollar Flows – Uplift -OATT Schedule 1 components
- Attachment 4-D: NYISO Market Transactions
- Attachment 4-E: NYISO Markets 2003-2004 Energy Statistics
- Attachment 4-F: NYISO Monthly Average Internal LBMPs
- Attachment 4-G: Zonal Statistics for NYISO (\$/MWH)
- Attachment 4-H: West Zone A Monthly Average LBMP Prices 2003-2004
- Attachment 4-I: Capital Zone F Monthly Average LBMP Prices 2003-2004
- Attachment 4-J: Hudson Valley Zone G Monthly Average LBMP Prices 2003-2004
- Attachment 4-K: NYC Zone J Monthly Average LBMP Prices 2003-2004
- Attachment 4-L: Long Island Zone K Monthly Average LBMP Prices 2003-2004
- Attachment 4-M: DAM and RT Zonal Unweighted Monthly Average LBMP Components
- Attachment 4-N: External Comparison ISO-NE
- Attachment 4-O: External Comparison PJM
- Attachment 4-P: External Comparison Ontario IMO
- Attachment 4-Q: NYISO Price Correction Statistics
- Attachment 4-R: Percentage of Real-Time Corrections
- Attachment 4-S: NYISO Virtual Trading Average MWh per day
- Attachment 4-T: Virtual Load and Supply Zonal Statistics
- Attachment 4-U: NYISO Multi-Hour Block Transactions Monthly Total MWh
- Attachment 4-V: NYISO Monthly Average Ancillary Service Prices, DAM 2003-2004
- Attachment 4-W: NYISO Monthly Average Ancillary Service Prices, BME 2003-2004
- Attachment 4-X: NYISO Markets 2003-2004 Ancillary Service Statistics
- Attachment 4-Y: NYISO In City Mitigation (NYC Zone) 2003-2004 Percentage of committed unit-hours mitigated
- Attachment 4-Z: NYISO Average Daily Load Bid Summary
- Attachment 4-AA: NYISO LBMP Zone Map with Super-zones
- Attachment 4-AB: 2004 Corporate Goals and Objectives

5. Strategic Development

Management Summary

Business Planning

- ◆ Business Plan and Incentive Goals:

The 2004 Business Plan and Incentive Goals are being implemented and monitored, with progress reports going to Senior Management. Development of the 2005 Business Plan is underway, with the internal business planning team meeting weekly. In addition, the Senior Management Strategic Committee is engaged in providing guidance on the development of the plan and incentive goals.

- ◆ Strategic Plan:

The Five-Year Strategic Plan is being implemented; monitoring and analysis of 2004 activities is continuing. The Senior Management Strategic Committee (SMSC) continues to review progress on the plan and discuss 2005 activities.

System & Resource Planning

- ◆ Resource Adequacy:

- ◆ The base case MARS runs for the 2005 Installed Reserve Margin study have been started.

- ◆ Transmission Planning:

A revision of the Initial System Planning Study Report was completed and issued to TPAS and ESPWG. Development of the proposed Comprehensive Reliability Planning Process was completed and filed with FERC. FERC conditionally approved the new NYISO Standard Large Facility Interconnection Procedures and Interconnection Agreement. A form and instructions were posted on the web site for developers to submit an Interconnection Request to the NYISO under the new procedures. FERC also approved the Class 2001 cost allocation settlement. Staff is revising the Class 2002 cost allocation report in accordance with the Class 2001 settlement. Work continues on the 2004 New York Area Transmission Review, the NPCC Overall Transmission Study, the NPCC TFSS Blackout Study, follow up on the NERC blackout recommendations, and Phase 2 of the NYISO/NYSERDA Wind Generation Integration Study. Work continues on the scope and plans for the Deliverability Impact Study.

- ◆ Load Forecasting:

The August Day-Ahead forecast average absolute error for the NYCA peak was 2.53%; the weather-adjusted error was 2.59%. Corresponding year-to-date numbers are 2.35% and 2.08%. Revised models were sent to Market Operations for evaluation. The test models have been performing better than the production models on a weather-normalized basis, while the production models have been performing better on an actual basis.

Tracking of the ISO-New England and PJM day-ahead forecast errors was begun.

Staff is participating in the evaluation of the RTS forecasting components.

Staff is participating on the 2005 Incentive Goals Committee.

Work continues on revising the Load Forecasting Manual. The Load Forecasting Task Force is providing comments on the draft version.

A series of weather-normalized sendout and summer and winter peaks are being developed for super zones. Zones A – E will be the West, F – I, the East. J and K will remain separate.

Look Ahead

Business and Strategic Planning

Drafts of the 2005 Incentive Goals and 2005 implementation of the Strategic Plan will be presented to senior management in September. Staff will meet with the BS&P in mid-September to discuss the 2005 Incentive Goals drafts.

System & Resource Planning

- ◆ **Resource Adequacy:**

Continue to perform 2005 IRM study base case MARS runs. Work with ICS on 2006 study methodology (joint with locational study) and assumptions. Begin sensitivity cases for IRM study.

- ◆ **Transmission Planning:**

Presentation of the Initial System Planning Study Report to TPAS, ESPWG, and the Operating Committee. Develop plans for conducting the first study under the Comprehensive Reliability Planning Process. Transition of pre-existing projects to the new NYISO interconnection procedures. Begin implementation of the Class 2001 settlement, including completion of the Class 2002 cost allocation report for presentation to TPAS and the Operating Committee. Complete analysis and prepare a draft report for the 2004 New York Area Transmission Review. Continue work on the NPCC Overall Transmission Study, the NPCC TFSS Blackout Study, follow up on the NERC blackout recommendations, and Phase 2 of the NYISO-NYSERDA Wind Generation Integration Study. Finalize the scope and begin work on the Deliverability Impact Study.

- ◆ **Load Forecasting:**

Production and test models will continue to be tracked.

Revision of the Load Forecasting Manual will continue with participation by the Load Forecasting Task Force and ICAP Working Group.

A workstation to run the RTS forecaster will be obtained and installed.

Development of regional weather normalized send-out and peak will be completed.

Attachments

- Attachment 5-A, NYISO Daily Peak Load
- Attachment 5-B, Day-Ahead Forecast (Weather-Adjusted) Performance Tracking
- Attachment 5-C, Plot of 12-Month Moving Total of NYCA Weather Adjusted Energy Sendout
- Attachment 5-D, Plot of Weather-Adjusted 12 Month Moving Total Energy Sendout Annual Percent Change
- Attachment 5-E, Plot of 12 Month Moving Total of NYCA Energy Sendout and Effective Degree Days for 10 years
- Attachment 5-F, Plot of 12 Month Total Energy Sendout Annual Percent Change for 10 Years

6. Regulatory Affairs and General Counsel

Management Summary

The NYISO made 10 FERC filings and one joint filing with the NY Transmission Owners in August 2004. Market Participants made 6 NYISO-related filings (or groups of filings). FERC issued four substantive orders, two letter orders, two administrative orders and one third party order regarding NYISO dockets. Listings of the NYISO-related regulatory filings and FERC orders issued in August are included as Attachments 6-A and 6-B.

FERC order reaffirming the ALJ's initial decision regarding a complaint between Con Ed, PSE&G, NYISO and PJM concerning two transmission service contracts (EL02-23-000 Phase II) – Issued August 2, 2004

FERC ordered Con Ed, PSE&G, NYISO and PJM to hold meetings to determine how two transmission service contracts set to expire in 2020 will be administered in the future. Although FERC ruled that PSE&G had curtailed Con Ed's receipt of contract power, it stated that PJM and NYISO are responsible for transferring the contract power and avoiding curtailments. The NYISO and PJM market monitoring units should investigate as needed to ensure that no instances of market power occur in the future under the contracts. Further, within 30 days, all parties must meet and develop specific protocols for future service curtailments under the contracts. Finally, from an operational perspective, control of all applicable Phase Angle Regulators should be the responsibility of the ISOs.

FERC order conditionally accepting the joint NYISO/NYTO large generator interconnection procedures ("LGIP") and interconnection agreement (ER04-449-000/001/002) – Issued August 6, 2004

The primary order components requiring a compliance filing or status report are summarized as follows:

(1) The stakeholder process should be used to determine how to integrate a deliverability component into the interconnection service and a tariff filing made to show such a deliverability standard; (2) a report should be made regarding the progress of the cost allocation proceedings and any outstanding issues; (3) modifications made to the LGIP appendices to show liability protection for all parties; (4) how to incorporate and implement the confidentiality provisions of Order 2003-A; (5) reinsertion of language requiring written notification of emergency interruptions in service and (6) editorial corrections to include missing words in certain definitions.

NYISO compliance filing to implement the TCC shortfall reimbursement surcharge ("SRS") (ER04-983-003, et. al.) – Filed August 6, 2004

The filing provides for the SRS to: (1) help fund payments for current shortfalls attributable to oversales of Transmission Congestion Contracts during the Summer 2004 Capability Period; (2) help fund refunds for historic shortfalls attributable to oversales prior to the Summer 2004 Capability Period; and (3) replenish the NYISO's Working Capital Fund.

NYISO tariff filing to update the exception from special balancing rules for certain generators (ER04-1138-000) – Filed August 18, 2004

The NYISO proposed to broaden the exception to the special balancing rules to encompass exempt generators that are actually scheduled to supply Operating Reserves or Regulation Service so that it will apply instead, to any exempt generator that voluntarily bids in a mode that makes it available to provide those products.

NYISO tariff filing regarding the comprehensive reliability planning process (ER04-1144-000) – Filed August 20, 2004

This filing provides a mechanism whereby the NYISO, its Market Participants, and the New York State Public Service Commission will cooperate in planning for the long-term reliability needs of the New York bulk power system. The essential steps in the planning process include the identification of system needs, the development of proposals for both market-based and regulated solutions to those needs, the evaluation of

these proposed solutions by the NYISO, and the implementation of regulated solutions by the New York Transmission Owners ("NYTOs") as a backstop when market-based projects do not resolve anticipated reliability deficiencies. In addition, the NYISO will analyze and report historical congestion costs so that Market Participants and other stakeholders can make appropriately informed decisions in the context of the planning process. The NYISO also submitted an agreement to be executed by the NYISO and the NYTOs that specified the rights and obligations of the NYTOs associated with their participation in the NYISO's Planning Process.

FERC Order conditionally accepting settlement agreements regarding cost allocation for new generator interconnection (EL02-125-000/001) - Issued August 20, 2004

The Financial Settlement resolved the financial issues arising out of Keyspan V. NYISO case involving the interconnection of new generating facilities to the NY transmission system. The Settlement Agreement resolved the non-financial issues for future cost allocations for upgrades related to new generator interconnection. However, FERC denied the Settling Parties request to vacate the initial decision. FERC stated that it does not serve the public interest to vacate the decision simply because the parties have settled. In addition, FERC stated that an initial decision pending before FERC on exceptions is not a final Commission decision, and as such, does not create binding precedent.

Letter Orders: During August 2004, FERC issued two letter orders. The first order approved NYISO's filing of tariff revisions regarding LIPA's transmission service charge (ER04-958-000) and the other accepted a substitute compliance tariff sheet regarding the incentivized day-ahead economic load curtailment program (ER03-810-001).

Litigation

On August 20, 2004, the FERC issued an Order Conditionally Accepting Settlements in *KeySpan Energy Development Corporation v. NYISO*, docket numbers EL02-125-000 and EL02-125-001. This order and the related settlement agreements resolve various disputes concerning the allocation of interconnection upgrade costs for the Class Years 2001 and 2002.

Look Ahead

The NYISO is preparing FERC filings regarding: an RTS rehearing request involving combined cycle modeling; Rate Schedule 1 unbundling; operating protocols for future service curtailments under specific Con Ed/PSEG transmission service contracts; and a virtual regional dispatch pilot program.

Attachments

- Attachment 6-A, NYISO Regulatory Filings – August 2004
- Attachment 6-B, NYISO Related FERC Orders – August 2004

7. Committee Activities

Management Summary

Management Committee (MC): The MC met by teleconference on August 3, 2004.

- The committee unanimously approved tariff amendments related to Bid Production Cost Guarantees for Reserve and Maximum Generation Pickups in SMD2, to forgive Gas Turbine Penalties both going forward and retroactive to June 1, 2003, and changes related to the treatment of PURPA Units in RTS.

Business Issues Committee (BIC): The BIC met on August 18, 2004.

- The committee voted to approve a proposal regarding a pilot program for Virtual Regional Dispatch and further to engage in development discussions on a Market Participant-based option as a potential solution for future consideration by the committee.

Operating Committee (OC): The OC met on August 19, 2004.

- The OC approved, with one abstention, both the Invenergy Stamford Wind Project Study Scope and the revised Mott Haven Substation Study Scope.

New York State Reliability Council (NYSRC):

- Preparation for 2005-2006 Statewide IRM Study:

The base case modeling assumptions for 2005-06 NYCA IRM Requirement Study, which included an estimate (high, medium or low) of the impact of recommended changes on last years' IRM requirements was presented at the August NYSRC Executive Committee (EC) meeting by the ICS. The overall impact of the new assumptions would result in an increase in the base case results. Based on the NYISO's white paper on DMNC deratings, the assumptions for this years' study have been modified to include a 711 Mw forced outage derating. The modeling assumptions were unanimously approved by the EC (13-0).

It was also reported that the ICS had worked out a probabilistic approach to determine an expected IRM which is based on the probability of the sensitivity cases. It was acknowledged that the approach is as much art as science given the subjectivity involved in specifying the probability of each sensitivity case.

Finally, it was reported that, in addition to the IRM Report, the ICS intended to provide the EC with a second short report supporting an ICS consensus IRM recommendation. The EC Chairman indicated that he wanted to complete the discussion on the IRM Report at the November 12, 2004 meeting as well as reaching an agreement on the process for balloting. The actual ballot would take place at the December 10, 2004 EC meeting.

Look Ahead

Management Committee:

- On September 1, the MC is scheduled to vote on the proposal approved by BIC in August and there will be presentations on SMD2 Readiness and Billing Issues in addition to the regular reports.

New York State Reliability Council (NYSRC):

- The next two EC meetings are scheduled for October 8, 2004 and November 12, 2004 respectively.

Attachments

Attachment 7-A, MC Motions

8. Information Technology

Management Summary

The SMD2 project team conducted two (2) Real-time Market Trial exercises during the month of August; both exercises involved the simulation of a Day-Ahead Market, followed by a 24-hour real-time simulation. The bids and offers for both exercises were supplied by Market Participants, and system conditions were supplied by the power system simulator. These events mark the completion of the five (5) planned Market Trials (two Day Ahead Trials and three Real-time Trials). The issues uncovered during the trial events were manageable, and decreasing in both frequency and severity with each successive trial. Independent analysis reported on the accuracy of the market results for the first four trials indicate generally correct operation of the new SMD2 market rules; results of the fifth trial are still pending.

SMD2 software development activities on the NYISO software have been largely reduced to bug fix/retest and cleanup items. The number of known defects is considered to be manageable, and integration efforts with the late legacy development are on schedule.

ABB delivered a new software release at the end of August that contained the balance of the Phase 2b development features and a number of fixes to previously identified software defects. The delivery of the Phase 2b software is almost four (4) weeks ahead of the revised ABB software development schedule.

Legacy Software development activities have been limited to emergency/bug fixes. Code merging continues into SMD2 code base. Significant Regression Testing activities continue.

Look Ahead

The SMD2 team is in preparation for an additional Market Trial exercise to be conducted in September. The design for the additional trial is partially based on a number of requests from Market Participants, and is intended to show a side by side comparison of a legacy and SMD solution for the same operating day.

The production of detailed cut-over and fail-back plans is well underway, and should be finalized in September. The current strategy includes enabling a period of parallel operation between the legacy and SMD2 systems before, and after, cut-over of the new system in order to maximize flexibility and minimize system disruption.

9. Human Resources

Management Summary

Six new employees and no new contractors were hired in August.

Total new employees hired for 2004 is 41; total new contractors hired is ten.

There was one termination in August.

A total of 34 interviews (for both employee and contractor positions) were conducted in August. From these interviews, seven offers were made for direct hire and all were accepted.

Thirty Power Plus Awards were awarded to employees in Corporate and Risk Management, IT, Market Services, Finance, and Administration & Compliance.

The following training activities took place during the month of July:

- ◆ An SMD2 transition acclimation session was conducted on August 11.
- ◆ One DSS introductory course was conducted via Webex as were two "ADD Pullout" sessions.
- ◆ A full-day DSS "Hands On" intermediate session was conducted for Market Participants in August.
- ◆ One "Super-Vision" training module to new supervisors was delivered during August which dealt with laws surrounding the hiring process
- ◆ Course development was completed for the 2004 employee/manager Organizational Excellence program. This training will be instructed this fall.

Look Ahead

The following programs are planned for the near future:

- ◆ The next NYMOC (New York Market Orientation Courses) session will be conducted on September 28 – October 1 in Saratoga Springs.
- ◆ An SMD2 transition acclimation session will be conducted on September 22 in Albany. Additional sessions will be repeated, if necessary.

DEPARTMENT	Current Staff 08/31/2004	Current Openings	Total Budgeted Employees 12/31/2004
Executive	2	1	3
Finance	24	4	28
Human Resources	15	1	16
Information Systems	117	14	131
Market Services	45	2	47
Operations	77	5	82
Strategic Development	13	2	15
Corporate & Market Risk	41	3	44
Government Affairs & Comm.	6	0	6
General Counsel	8	0	8
Regulatory Affairs	5	0	5
Administration & Compliance	21	0	21
Total	374	32	406

10. Government Affairs and Communications

Management Summary

Media Inquires and News Releases:

- The NYISO managed 85 inquiries
- Blackout 2003 Anniversary Inquires

<u>Print</u>	<u>Radio</u>	<u>TV</u>	<u>Phone</u>
Albany Times Union	WABC	ABC World News	Bernie McGeary
AP News	WABC - Buffalo	BBC	Con Edison
Bloomberg Business News	WAMC	Channel 10 - Albany, NY	LIPA
Buffalo News	WBEN - Buffalo	Channel 12 - Westchester, NY	NYPSC
Co-Operator Magazine	WCBS	Channel 18 - Elmira, NY (phone)	NY Senator Clinton's Office
Dow Jones	WGY - Albany	Channel 6 - Albany, NY	NY Senator Shumer's Office
Information Week Magazine	WNYC -NPR NYC	CNBC	Steven Bogess
NY Daily News	WWOR - NYC	CNN	Paul Tonko, Chair
NY Newsday		CNN - "The Flip Side" Show	Assembly Energy Committee
NY Post		Fox 23 - Albany, NY	
NYTimes		NBC Nightly News	
Poughkeepsie Journal		NY1 News - NYC	
Reuters		Rochester News (Time-Warner)	
Staten Island Advance		WNBC - NYC	
The Economist		CBS Evening News	
The Journal News			
The Saratogian			
The Street.com			
Times Herald Record - Middletown			
Washington Post			

The NYISO issued 1 news release:

Aug 23 "The NYISO and Market Participants Agree on Comprehensive Planning Process to Meet Reliability

Interviews & Presentations:

Jeff Sobel "Computer World"
 Dave Lawrence & Aaron Breidenbaugh "Facilities Manager Today"
 Ken Fell "Forbes"
 Aug 2, 9, 16, 23, 30 New England/DOE Summer Operational Conference Call each Tuesday.
 Aug 11 ISO/RTO Committee Presentation

Interviews with Bill Museler

Aug. 5 NY Post (phone)
Aug. 5 Times Union (in person)
Aug. 5 KCNBC
Aug. 13 WABC - (in NYC)
Aug. 13 NY Times
Aug. 13 BBC (NYC)

Tours:

Aug 2 Unified Energy System of Russia
Aug 20 Yunnan Electric Power Group, China

Internal Communications:

Web Site: 217 postings were added to the site, and 38 Webmaster/portal requests were resolved.
Aug 31 "The Independent" was published and issued.

Look Ahead

Sep 16 Tour, NYS Office of Homeland Security
Sep 27 Tour, FBI
Sep 28 Tour, New Employees
Oct 6 Tour, Skidmore College Environmental Class
Oct 28 Tour, Utility Wind Interest Group (UWIG)

11. Finance

Management Summary

Budget:

2004 spending is tracking within budget. Detailed projections of spending to December 31, 2004 indicate a potential underrun of approximately \$6 million, due primarily to underruns on insurance, debt service, and FERC Fees. The NYISO's 2005 budget process has begun, and presentations will be made to Market Participants in September - October.

On August 4, a meeting of the Budget, Standards & Performance subcommittee ("BSP") was held to review 2004 budget vs. actual results year-to-date, and to continue discussions with NYISO officers regarding future year budget projections. The next BSP meeting is scheduled for September 20.

Credit Department:

Credit staff is working with a Load Serving Entity (LSE) to collect an arrearage and correct a collateral deficiency that resulted from the failure of the LSE to submit the required monthly load forecast. The estimated arrearage exposure is approximately \$1.2 million. The NYISO entered into an agreement with Moody's to perform the annual portfolio risk (default) analysis.

Market Settlements Activities:

The consolidated invoice issued in August 2004 represented the July 2004 Energy and ICAP charges, the July 2003, and March 2004 settlement adjustments, and the July 2002 final settlement.

Other Matters:

At its August meeting, the Board of Directors denied two appeals of a prior Management Committee motion to amend the current 85%/15% Rate Schedule 1 recovery mechanism to an 80%/20% allocation, effective January 1, 2005. Accordingly, the NYISO anticipates making a Rate Schedule tariff filing with FERC by September 15.

The NYISO's 2003 tax return, IRS Form 990, was filed by the August 15 deadline. During August, the NYISO also filed the first FERC quarterly financial report, Form 3-Q, for the first quarter of 2004. The filing covering the second quarter of 2004 is due on September 23.

Look Ahead

Attachments

- Attachment 11-A, NYISO Budget vs. Actual Analysis
- Attachment 11-B, Gross Revenue – Energy Market
- Attachment 11-C, Market Participant Energy Billings – Receivables
- Attachment 11-D, Market Participant Energy Billings – Payables

12. Administration and Compliance

Management Summary

Facilities and Security:

- Continued support of HVAC/UPS upgrades at the PCC, Wolf Road and Western Turnpike Facilities.
- Assistance with planning of diesel generator upgrades at Wolf Road and PCC.
- Support study of PCC building roof systems to develop action plan for replacement
- The security enhancements at the PCC building continue as Phase 2 work has begun. Final design work for Phase 3 is completed and bids are to be solicited.
- Security Staff met separately with the Town of Guilderland Police and the Albany County Sheriff department to discuss roles and responsibilities of our respective organizations. Memorandums of Understanding have been agreed to by each organization.

Contract Administration:

- Continued support for consulting and equipment efforts to upgrade the critical infrastructure and redundancy needs at PCC, Wolf Rd., and the Annex. Efforts include the location, purchase, and shipment of a discounted "hardly used" 1,000kW generator for a swap-out of the 600 kW unit at WR.
- Review of processes and procedures to identify potential risk avoidance in the contract and purchase order areas to avoid a similar ERCOT experience.
- Informational and planning support in the due diligence new facility search.
- Continued proactive updating of insurance certificates, conflicts of interest statements and Master Consulting Agreements, as necessary, across all departments.
- Critical RFP and analysis activity in support of the review of NYISO work processes.

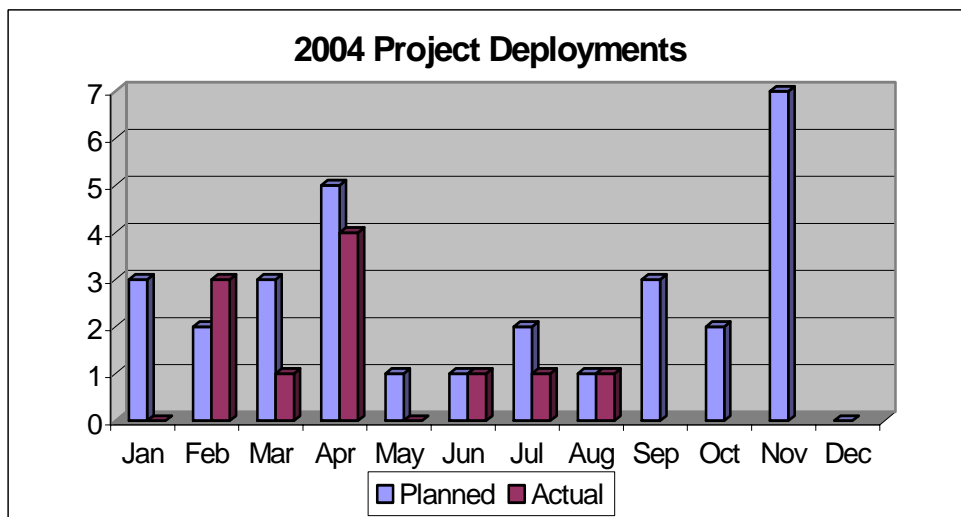
Project Management:

Project Deployments:

During the month of July, one project was deployed.

A664 DSS - Alternate Data Delivery (ADD) Enhancements - This deployment included a number of Market Participant requested enhancements to ADD Phase 1 including bug fixes and enhancements to universes, reports, and ETL processes.

The following graph summarizes planned versus actual project deployments for the year.

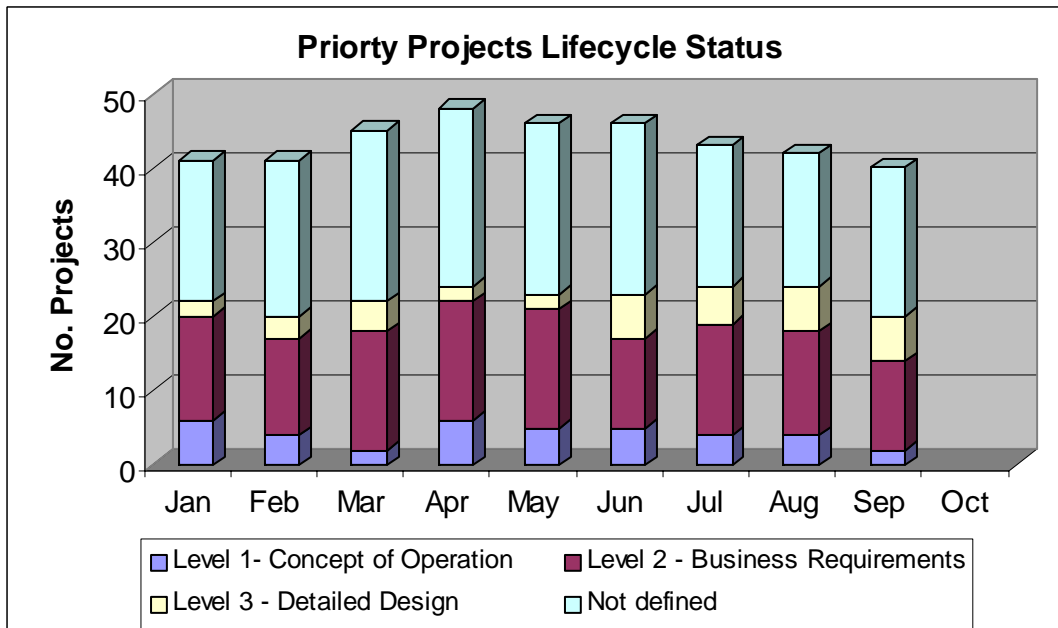


The table below lists the completed project deployments for each month:

Month:	Completed Deployments:
February	A649 Oracle 9i - BAS A686 Allocations Adjustments (EDRP, TSA, QSR) A713 Creating New Meter Authorities
March	A556 Documentum
April	A647 Station Power A660 E-Tagging Integration A620 AMP IV A664 DSS - Reports and Nov 99 Release
May	No Deployments
June	A688 Inadvertent Package Replacement
July	A664 DSS - ADD Features
August	A664 DSS - ADD Enhancements

Priority Project Lifecycle Status:

The graph below illustrates the status of Priority Projects within the project lifecycle.



- Level 1 indicates a project in its preliminary or conceptual stage with a completed Issue Discovery or Concept of Operation document. Class 100 estimates for resources, schedule and cost are prepared at this time (assumed to have +/- 100% accuracy).

- Level 2 is achieved when the Business Requirements document (aka FRS) is completed and the project scope is more clearly defined. Class 50 estimates for resources, schedule and cost are prepared at this point in the project lifecycle (assumed to have +/- 50% accuracy).
- Level 3 is reached when a System Design Specification (SDS), defining the detailed software design requirements, is completed. Class 10 estimates for resources, schedule and cost are prepared at this point in the project lifecycle (assumed to have +/- 10% accuracy).
- Not Defined means the project is still in the initial conceptualization phase.

The estimate levels defined above are also shown for each project on the Projects Portfolio Gantt chart. As a project progresses through these levels the resource, schedule and cost estimates become more accurate.

Look Ahead

Project Management:

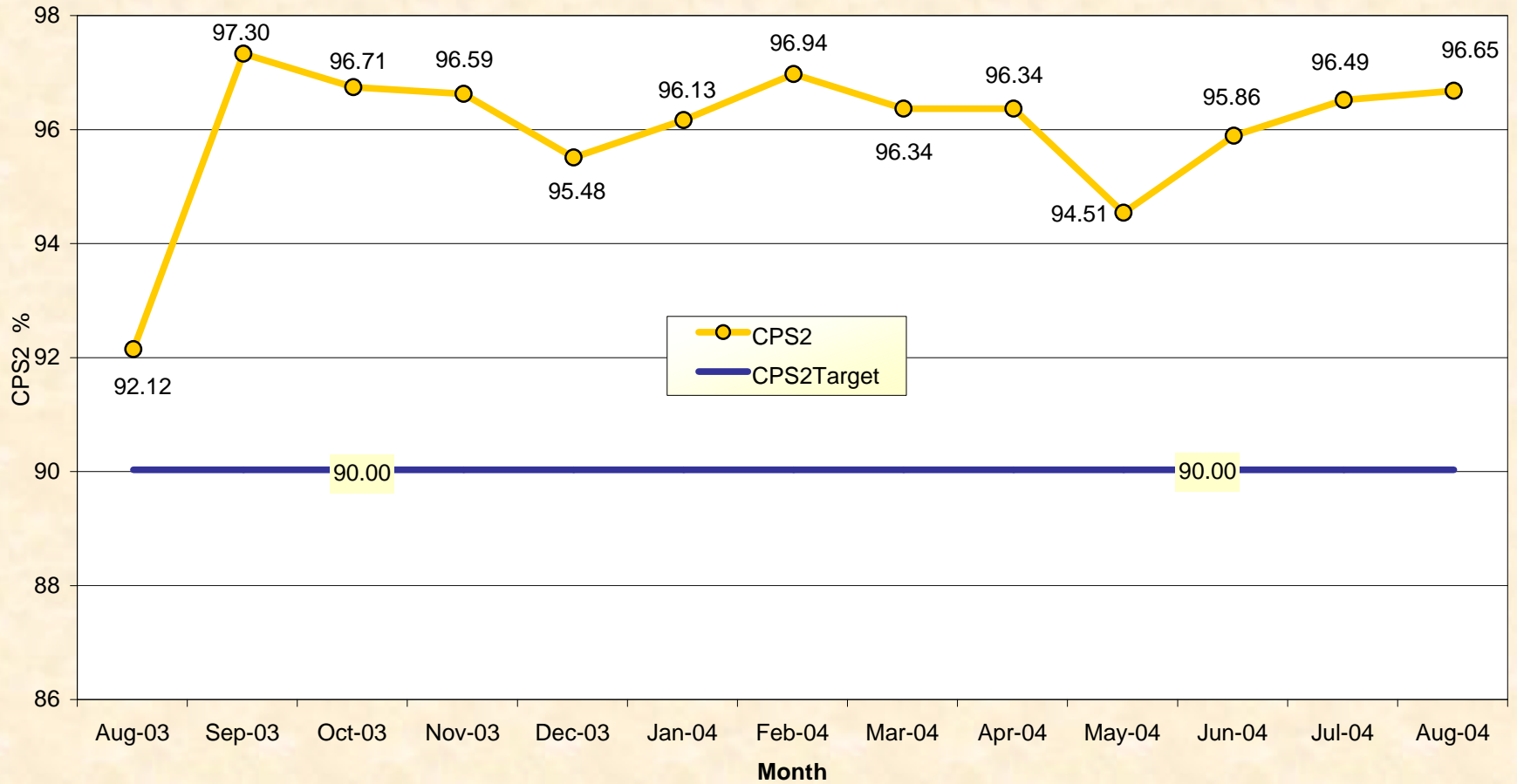
Next month the internal process for identification, evaluation and prioritization of 2005 projects will be completed and presented to the Project Prioritization Team (PPT) for review and comment.

Attachments

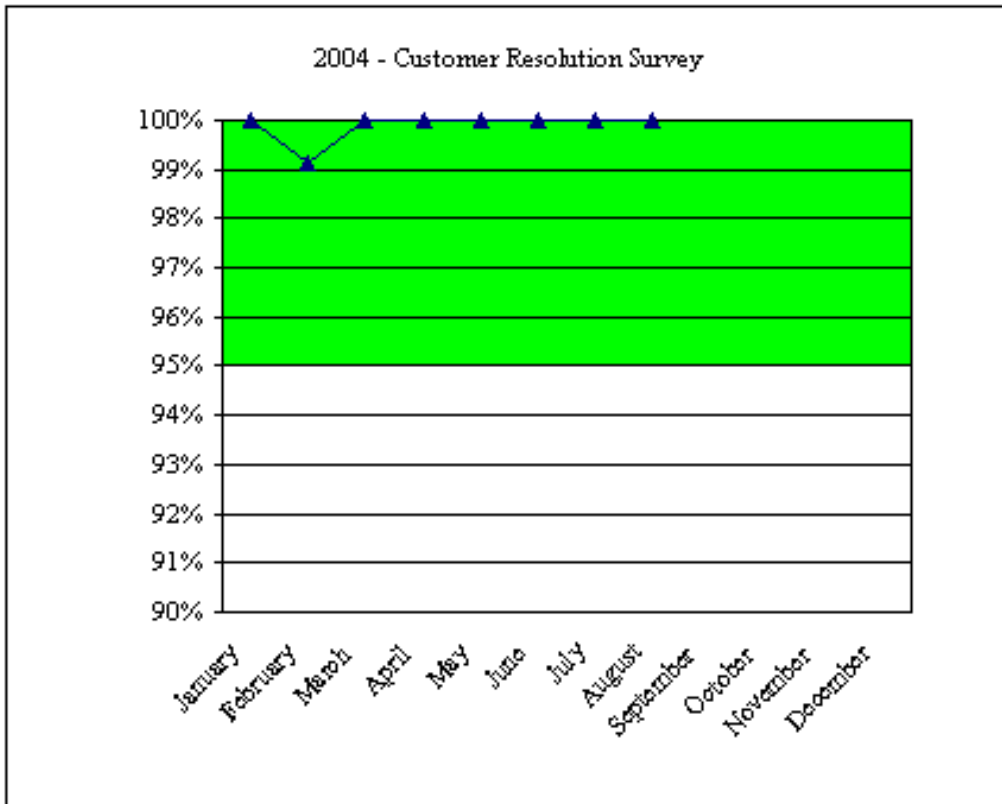
- Attachment 12-A, Summary Report - Status of Priority Projects
- Attachment 12-B, Projects Portfolio

NERC Control Performance Standard

NYISO Compliance
Year 2003/2004

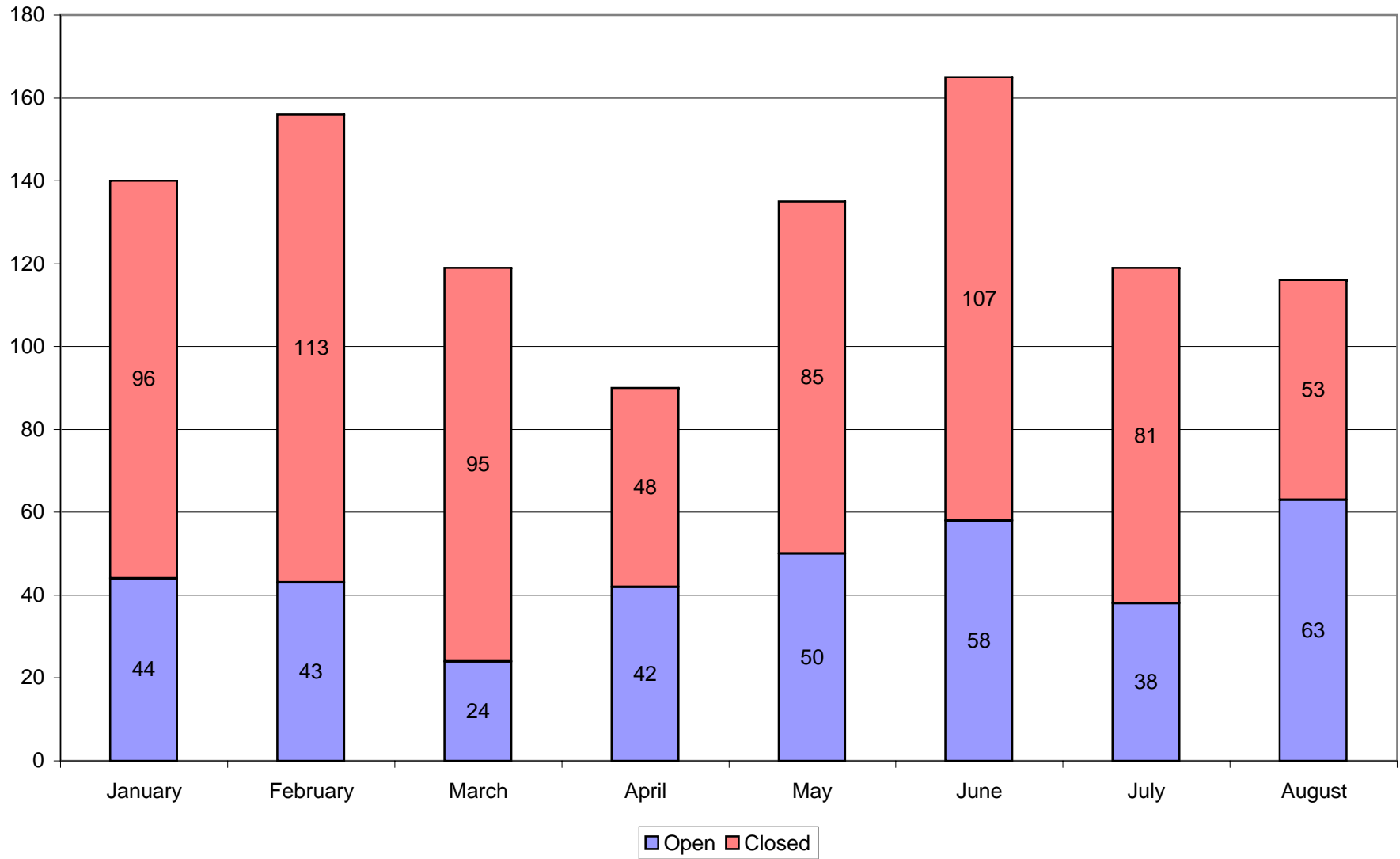


CPS2 for August = 96.65% Compliance Threshold = 90%
CPS2 measures excessive unscheduled power flow resulting from large Area Control Error (ACE)

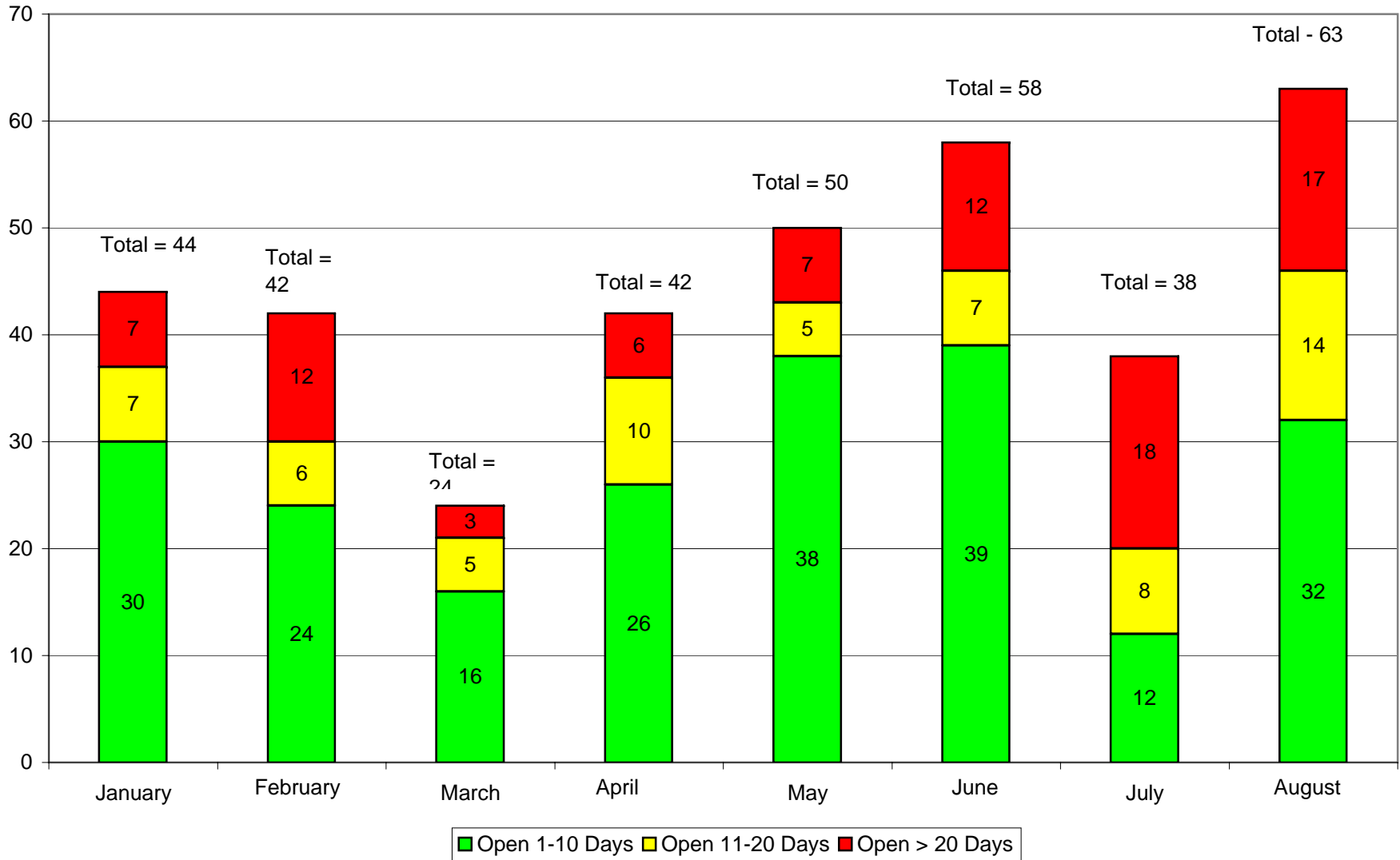


The Customer Resolution Survey Goal for 2004, has been set at 95%. For the month of August, 53 inquiries were sent out. No replies were received that the response was not timely. A 100% (superior) level was achieved for the month. For the period January-August, a total of 678 inquiries were sent out, one (1) customer indicated that the response was not timely. A 99.9% level was achieved.

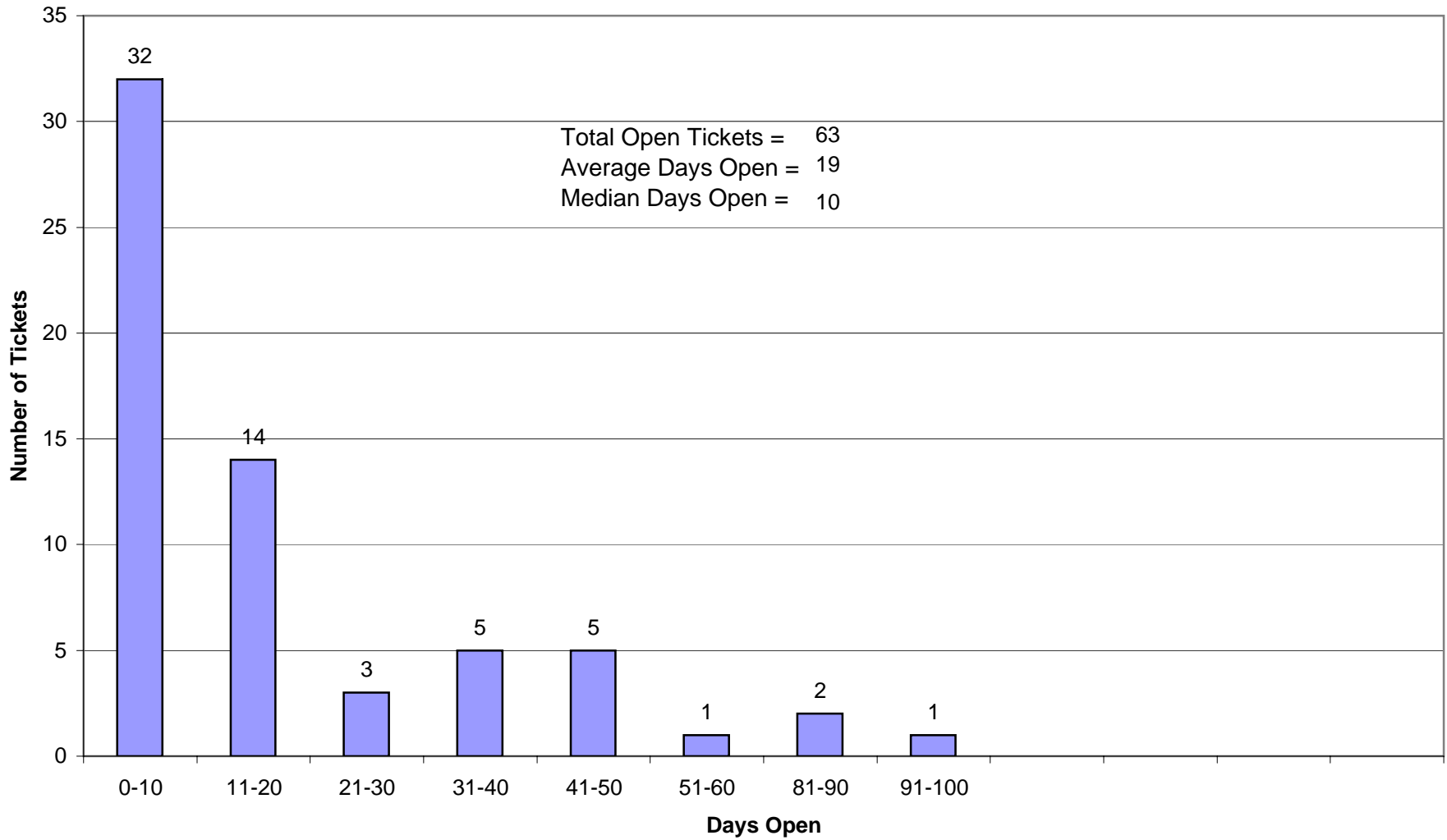
Tickets Open, Tickets Closed as of End of August, 2004



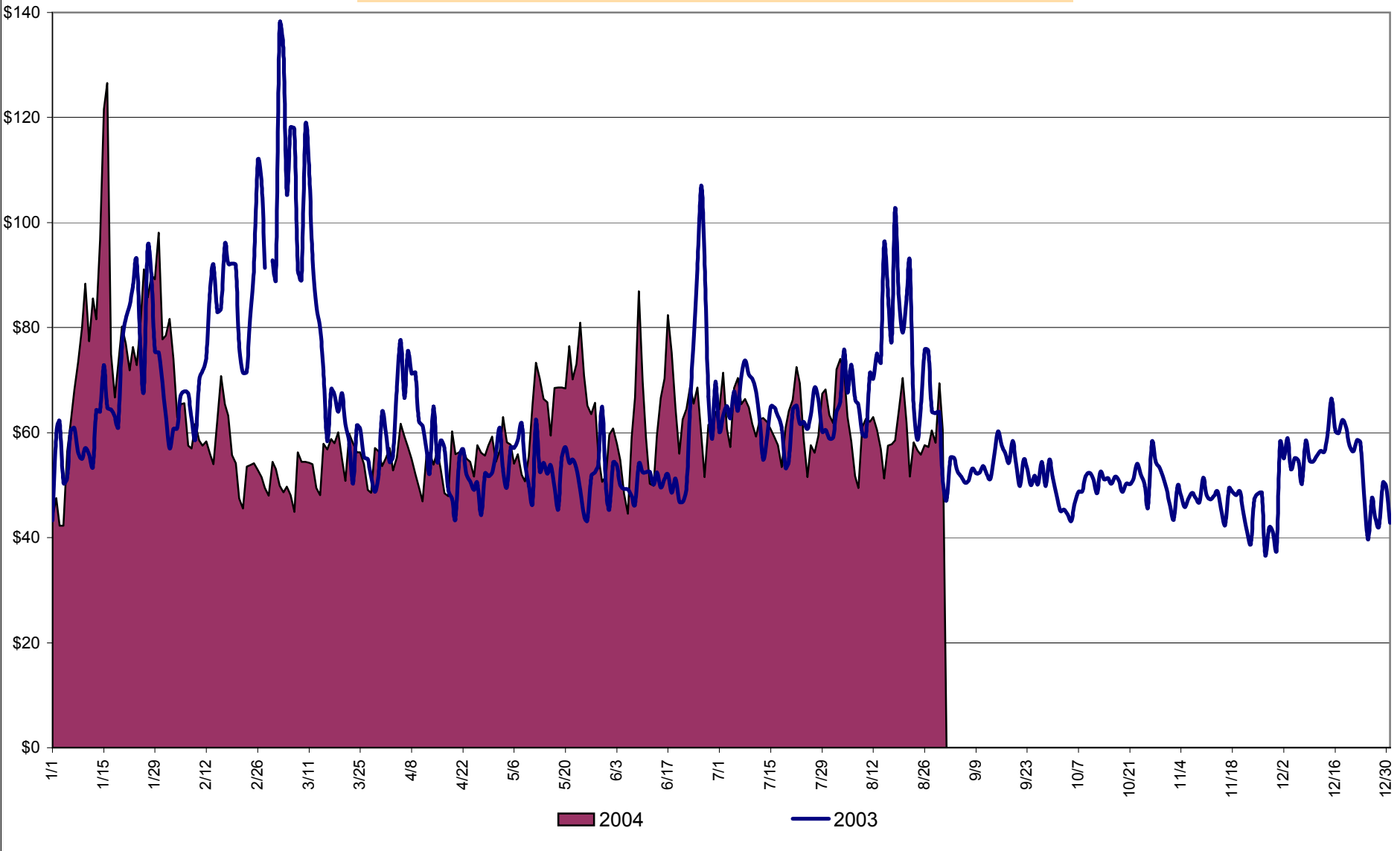
Open Tickets by Month August 2004



**Number of Tickets Open By Days
August 2004**



Daily NYISO Average Cost/MWH (Energy & Ancillary Services)*
2003 Annual Average \$62.39/MWH
August 2003 YTD Average \$67.73/MWH
August 2004 YTD Average \$63.01/MWH



4-A

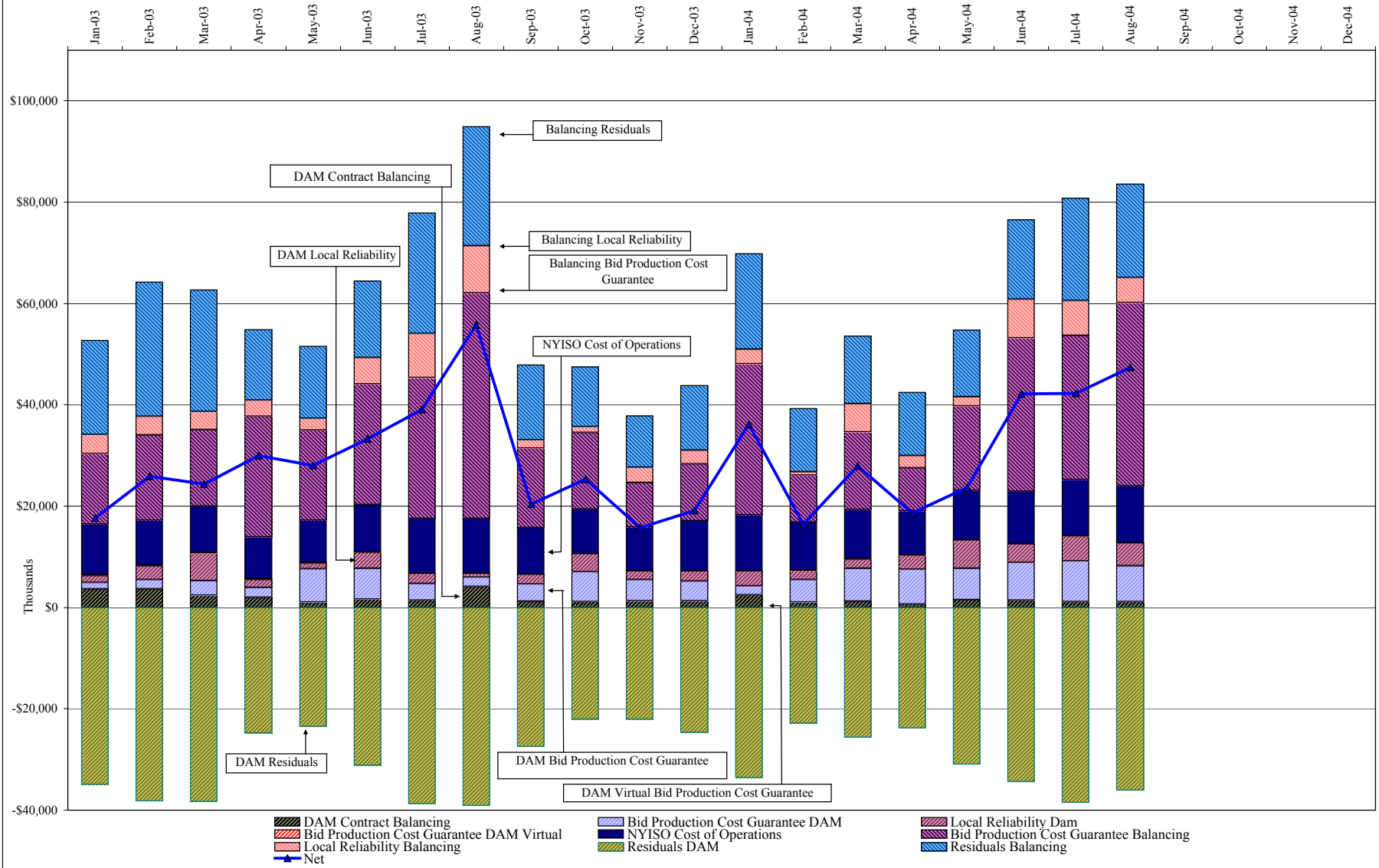
**NYISO Average Cost/MWH (Energy and Ancillary Services)*
from the LBMP Customer point of view**

2004		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	76.13	57.13	50.56	52.48	61.23	59.78	59.59	57.23				
	NTAC	0.47	0.42	0.55	0.51	0.42	0.53	0.34	0.43				
	Reserve	0.27	0.14	0.20	0.17	0.14	0.09	0.06	0.05				
	Regulation	0.18	0.34	0.28	0.15	0.11	0.11	0.13	0.17				
	NYISO Cost of Operations	0.73	0.73	0.73	0.72	0.73	0.73	0.74	0.74				
	Uplift	1.57	0.44	1.27	0.76	0.92	2.15	1.99	2.36				
	Voltage Support and Black Start	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>				
	Avg Monthly Cost	79.72	59.56	53.96	55.16	63.92	63.75	63.21	61.34				
	 Avg YTD Cost	79.72	70.68	65.29	63.02	63.19	63.29	63.28	63.01				

2003		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	66.34	76.59	78.31	54.28	49.77	57.46	60.10	68.23	50.82	47.05	43.37	52.19
	NTAC	0.42	0.36	0.67	0.46	0.45	0.40	0.54	0.37	0.25	0.29	0.52	0.37
	Reserve	0.47	0.35	0.45	0.40	0.47	0.25	0.15	0.22	0.13	0.10	0.18	0.16
	Regulation	0.27	0.28	0.39	0.32	0.65	0.34	0.22	0.21	0.33	0.51	0.46	0.25
	NYISO Cost of Operations	0.70	0.69	0.69	0.69	0.69	0.70	0.70	0.70	0.70	0.70	0.69	0.70
	Uplift	0.30	1.09	0.95	1.69	1.51	1.67	1.78	2.57	0.77	1.21	0.45	0.57
	Voltage Support and Black Start	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>
	Avg Monthly Cost	68.83	79.71	81.81	58.18	53.89	61.16	63.83	72.65	53.35	50.20	46.01	54.58
	 Avg YTD Cost	68.83	74.02	76.58	72.21	68.83	67.47	66.81	67.73	66.19	64.70	63.15	62.39

* Excludes ICAP payments

NYISO Dollar Flows - Uplift - OATT Schedule 1 components



DAM Contract Balancing amounts are for payments made to generating units to make them whole for being dispatched below their Day-Ahead schedule, as a result of out-of-merit dispatches.

DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.

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

NYISO Markets Transactions

Transactions by Market 2004	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWH	14,614,304	12,806,346	12,836,889	11,818,317	13,026,160	13,737,390	15,071,422	14,939,105				
DAM LSE Internal LBMP Energy Sales	52%	50%	51%	51%	47%	49%	53%	54%				
DAM External TC LBMP Energy Sales	4%	2%	3%	3%	4%	3%	2%	1%				
DAM Bilateral - Internal Bilaterals	41%	45%	44%	44%	46%	45%	43%	43%				
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%				
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%				
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%				
Balancing Energy Market MWH	367,460	269,220	508,837	238,876	379,159	424,726	139,472	297,506				
Balancing Energy LSE Internal LBMP Energy Sales	66%	31%	61%	84%	30%	29%	-46%	35%				
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%	38%	77%	74%	170%	73%				
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%	-9%	3%	5%	13%	5%				
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%	0%	0%	0%	0%	0%				
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	1%	1%	0%	1%	0%				
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%	-14%	-11%	-8%	-39%	-13%				
Transactions Summary												
LBMP	58%	54%	56%	55%	53%	54%	55%	56%				
Internal Bilaterals	40%	44%	42%	43%	45%	44%	43%	43%				
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%				
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%				
Wheels Through	1%	0%	1%	0%	1%	1%	0%	1%				
Market Share of Total Load												
Day Ahead Market	97.5%	97.9%	96.2%	98.0%	97.2%	97.0%	99.1%	98.0%				
Balancing Energy †	2.5%	2.1%	3.8%	2.0%	2.8%	3.0%	0.9%	2.0%				
Total MWH	14,981,764	13,075,566	13,345,726	12,057,193	13,405,319	14,162,116	15,210,894	15,236,611				
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485				

Transactions by Market 2003

Day Ahead Market MWH	14,187,752	12,695,868	13,126,563	11,997,655	12,029,453	13,341,831	15,444,857	15,759,082	13,003,309	12,507,780	12,332,456	13,973,266
DAM LSE Internal LBMP Energy Sales	46%	48%	46%	49%	46%	48%	55%	57%	49%	48%	47%	48%
DAM External TC LBMP Energy Sales	1%	1%	1%	1%	2%	2%	1%	0%	1%	2%	2%	2%
DAM Bilateral - Internal Bilaterals	50%	49%	50%	46%	49%	46%	43%	40%	48%	47%	48%	46%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	2%	2%	2%	1%	1%	1%	1%	1%	2%
Balancing Energy Market MWH	347,539	285,381	376,222	235,800	278,939	291,519	208,142	-55,913	394,363	338,562	319,065	385,707
Balancing Energy LSE Internal LBMP Energy Sales	58%	35%	52%	72%	48%	39%	53%	-146%	65%	53%	26%	43%
Balancing Energy External TC LBMP Energy Sales	58%	80%	95%	73%	69%	78%	79%	242%	44%	61%	77%	68%
Balancing Energy Bilateral - Internal Bilaterals	-6%	-10%	-2%	0%	-5%	5%	-2%	-75%	1%	3%	0%	-2%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	4%	1%	1%	1%	1%	0%	0%	2%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	-38%	0%	0%	0%	0%	-14%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-14%	-7%	-8%	-46%	-14%	-23%	-31%	-109%	-10%	-16%	-3%	-9%
Transactions Summary												
LBMP	49%	50%	49%	52%	49%	52%	56%	58%	51%	52%	51%	52%
Internal Bilaterals	48%	47%	48%	45%	48%	46%	42%	40%	46%	46%	47%	45%
Import Bilaterals	1%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	1%	1%	1%	1%	1%	1%	1%	0%	1%	1%	2%
Market Share of Total Load												
Day Ahead Market	97.6%	97.8%	97.2%	98.1%	97.7%	97.9%	98.7%	100.4%	97.1%	97.4%	97.5%	97.3%
Balancing Energy †	2.4%	2.2%	2.8%	1.9%	2.3%	2.1%	1.3%	-0.4% *	2.9%	2.6%	2.5%	2.7%
Total MWH	14,535,291	12,981,249	13,502,785	12,233,455	12,308,392	13,633,350	15,652,999	15,703,169	13,397,672	12,846,342	12,651,521	14,358,973
Average Daily Energy Sendout/Month GWh	458	450	418	393	382	432	497	498	433	397	402	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 2004 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Price *	\$72.12	\$55.31	\$49.08	\$51.01	\$57.25	\$55.03	\$55.33	\$52.59				
Standard Deviation	\$25.99	\$14.40	\$10.90	\$11.42	\$16.72	\$17.82	\$12.68	\$12.49				
Load Wtg.Price **	\$75.01	\$56.90	\$50.44	\$52.50	\$59.89	\$58.29	\$57.32	\$54.60				
<u>BME *** LBMP</u>												
Price *	\$77.51	\$54.41	\$53.01	\$56.94	\$60.98	\$59.15	\$60.43	\$58.27				
Standard Deviation	\$37.54	\$15.73	\$16.25	\$18.41	\$23.58	\$24.50	\$20.60	\$19.57				
Load Wtg.Price **	\$80.51	\$55.89	\$54.71	\$58.89	\$64.14	\$63.17	\$62.81	\$61.02				
<u>REAL TIME LBMP</u>												
Price *	\$73.72	\$52.95	\$49.56	\$50.83	\$56.20	\$54.03	\$55.08	\$52.89				
Standard Deviation	\$32.61	\$15.04	\$17.75	\$14.15	\$25.74	\$23.42	\$17.07	\$19.56				
Load Wtg.Price **	\$76.85	\$54.33	\$51.27	\$52.36	\$59.61	\$58.01	\$57.44	\$55.75				
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485				

NYISO Markets 2003 Energy Statistics

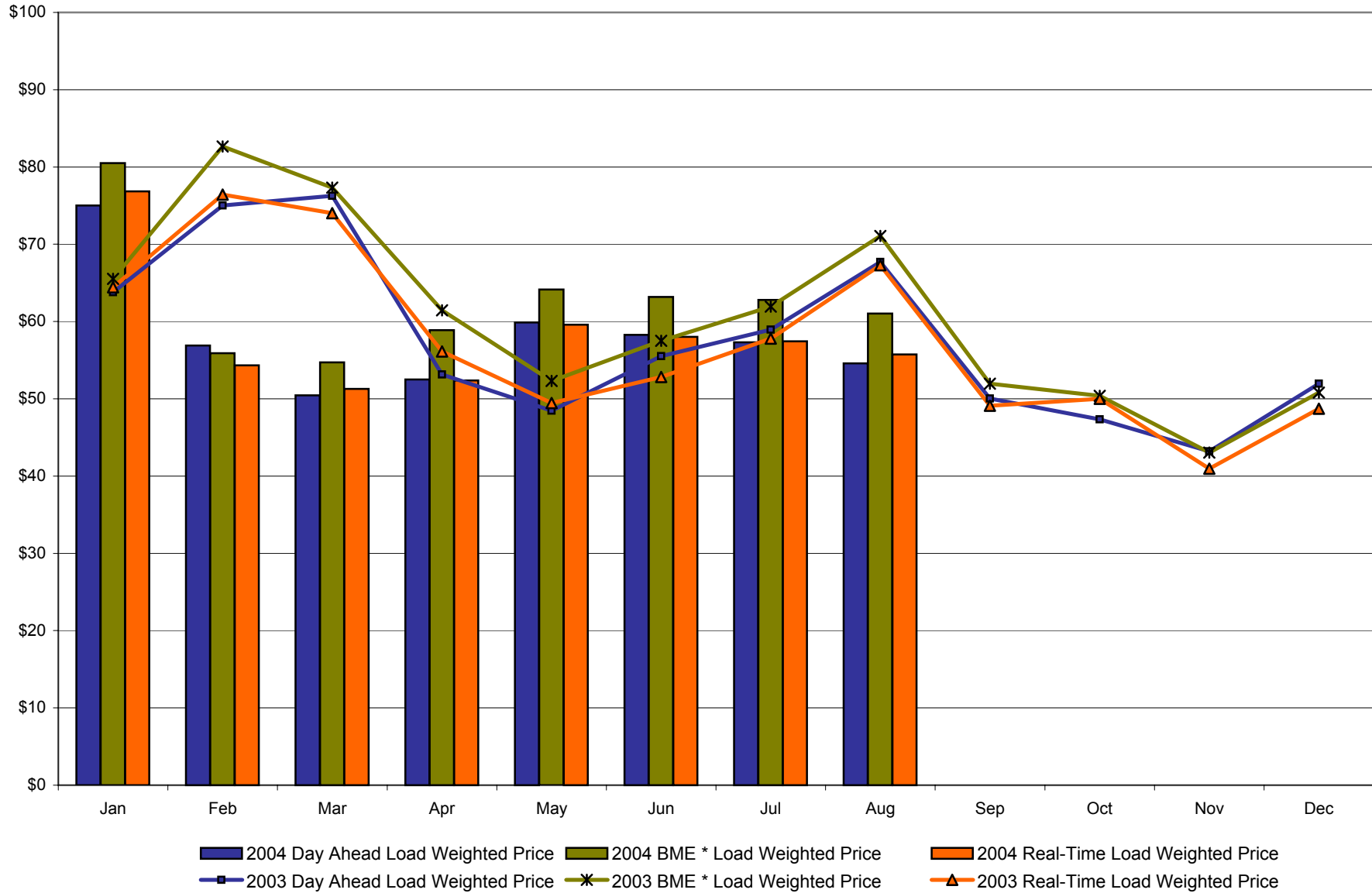
	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Price *	\$61.33	\$72.81	\$73.18	\$51.58	\$46.43	\$51.45	\$57.10	\$64.94	\$48.29	\$45.81	\$41.58	\$50.07
Standard Deviation	\$20.09	\$21.12	\$29.70	\$12.47	\$14.03	\$21.27	\$11.88	\$18.06	\$11.04	\$10.91	\$12.06	\$14.92
Load Wtg.Price **	\$63.81	\$75.03	\$76.25	\$53.14	\$48.47	\$55.52	\$58.93	\$67.71	\$50.02	\$47.34	\$43.21	\$51.95
<u>BME *** LBMP</u>												
Price *	\$63.19	\$80.25	\$74.27	\$59.22	\$50.27	\$53.84	\$59.99	\$67.63	\$50.34	\$48.74	\$41.01	\$48.73
Standard Deviation	\$25.43	\$41.53	\$32.77	\$25.00	\$16.37	\$22.27	\$14.82	\$72.20	\$14.01	\$15.35	\$18.51	\$18.89
Load Wtg.Price **	\$65.54	\$82.65	\$77.33	\$61.45	\$52.31	\$57.49	\$61.94	\$71.07	\$51.96	\$50.39	\$43.05	\$50.81
<u>REAL TIME LBMP</u>												
Price *	\$61.53	\$74.03	\$70.54	\$53.94	\$46.74	\$48.96	\$55.94	\$64.32	\$47.24	\$48.57	\$38.72	\$46.45
Standard Deviation	\$30.16	\$37.46	\$37.97	\$28.70	\$23.03	\$21.57	\$13.68	\$34.91	\$15.52	\$25.74	\$22.35	\$20.55
Load Wtg.Price **	\$64.43	\$76.41	\$74.02	\$56.14	\$49.44	\$52.82	\$57.79	\$67.27	\$49.12	\$49.98	\$40.96	\$48.73
Average Daily Energy Sendout/Month GWh	458	450	418	393	382	432	497	498	433	397	402	435

* Average zonal load weighted prices

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

*** Commonly referred to as Hour Ahead Market (HAM)

**NYISO Monthly Average Internal LBMPs
2003 - 2004**



* Commonly referred to as Hour Ahead Market (HAM)

4-F

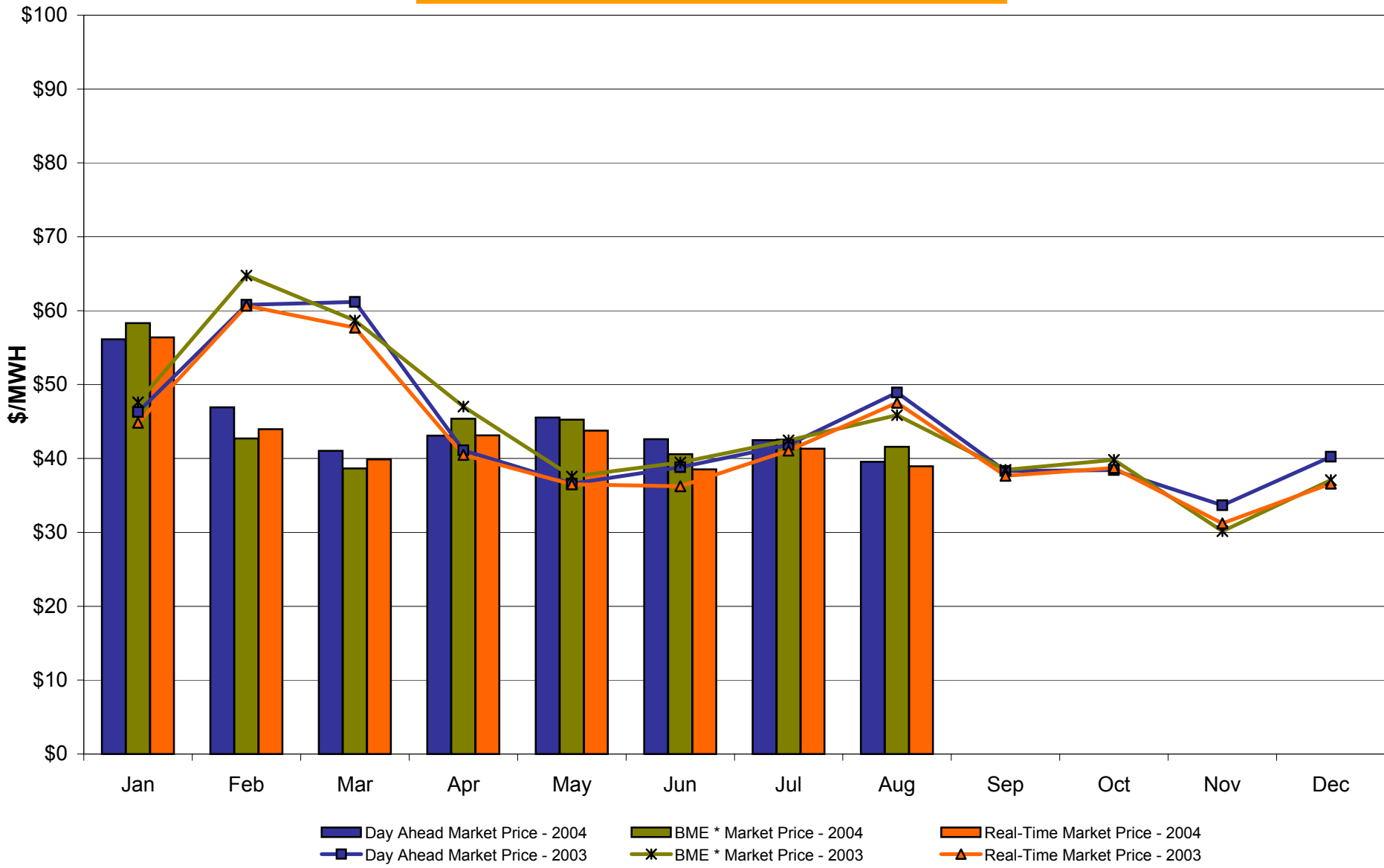
August 2004 Zonal Statistics for NYISO (\$/MWH)

	WEST Zone A	GENESEE Zone B	NORTH Zone D	CENTRAL Zone C	MOHAWK VALLEY Zone E	CAPITAL Zone F	HUDSON VALLEY Zone G	MILLWOOD Zone H	DUNWOODIE Zone I	NEW YORK CITY Zone J	LONG ISLAND Zone K
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	39.57	41.92	42.02	42.71	44.13	47.21	48.30	48.98	49.71	60.75	62.47
Standard Deviation	9.97	10.12	9.67	10.49	10.58	11.59	12.62	12.96	13.16	16.26	10.67
<u>BME ** LBMP</u>											
Unweighted Price *	41.59	43.15	45.37	46.47	47.51	48.89	50.27	50.24	50.91	73.17	64.03
Standard Deviation	15.10	15.42	15.15	16.41	16.46	16.83	17.32	17.31	17.55	27.32	24.19
<u>REAL TIME LBMP</u>											
Unweighted Price *	38.95	40.95	41.17	41.24	42.63	42.63	46.38	48.53	49.30	62.70	62.96
Standard Deviation	16.24	16.72	16.90	17.01	17.49	18.35	19.87	23.30	23.75	23.37	25.89
	ONTARIO IMO Zone O	HYDRO QUEBEC Zone M	PJM Zone P	NEW ENGLAND Zone N							
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	38.49	42.59	41.78	47.65							
Standard Deviation	9.72	9.95	11.75	12.09							
<u>BME ** LBMP</u>											
Unweighted Price *	39.59	44.84	46.44	49.41							
Standard Deviation	15.03	15.65	19.28	17.61							
<u>REAL TIME LBMP</u>											
Unweighted Price *	39.10	41.20	41.47	45.89							
Standard Deviation	17.01	17.49	19.16	19.30							

* Straight zonal LBMP averages

** Commonly referred to as Hour Ahead Market (HAM)

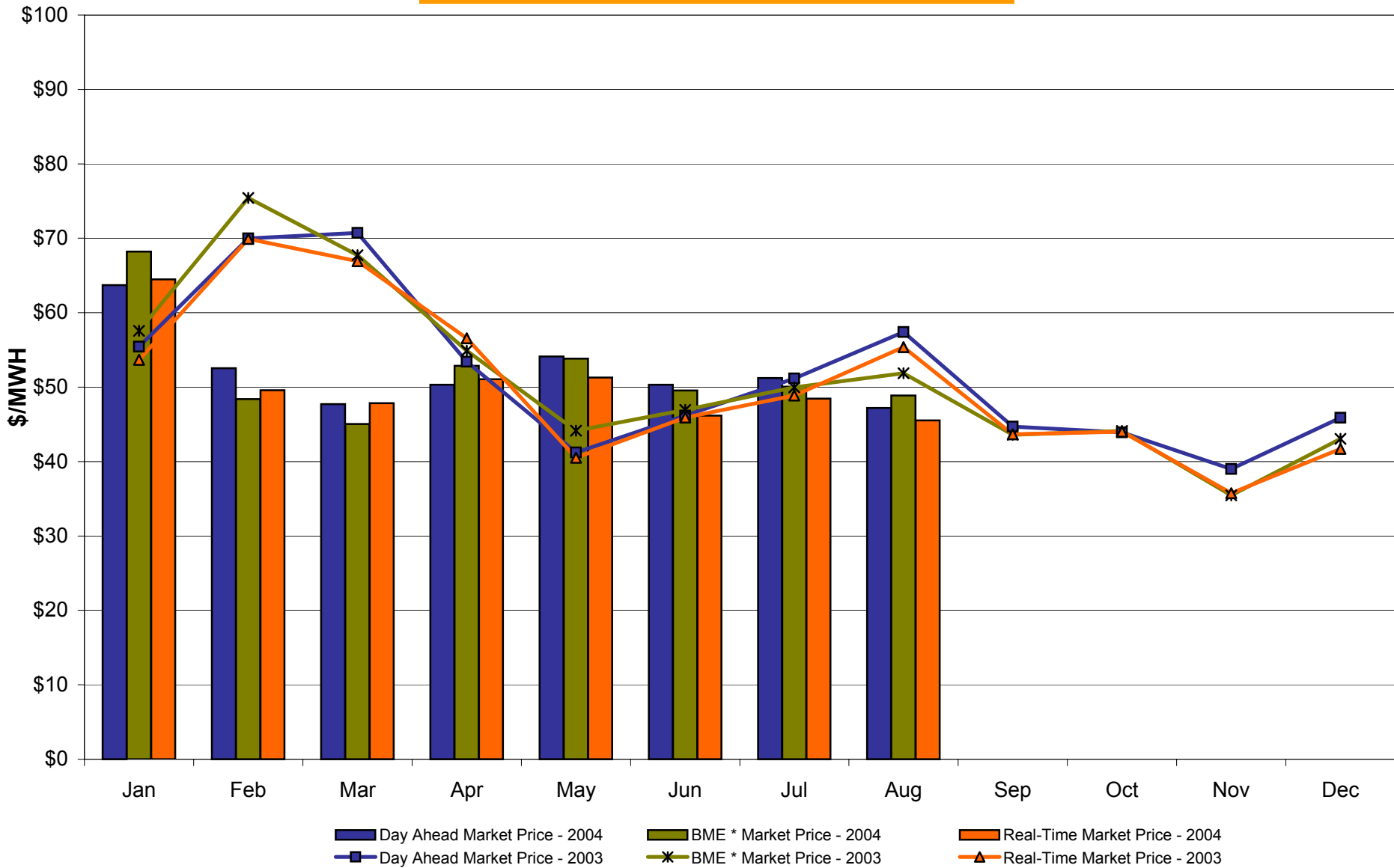
West Zone A Monthly Average LBMP Prices 2003 - 2004



4-H

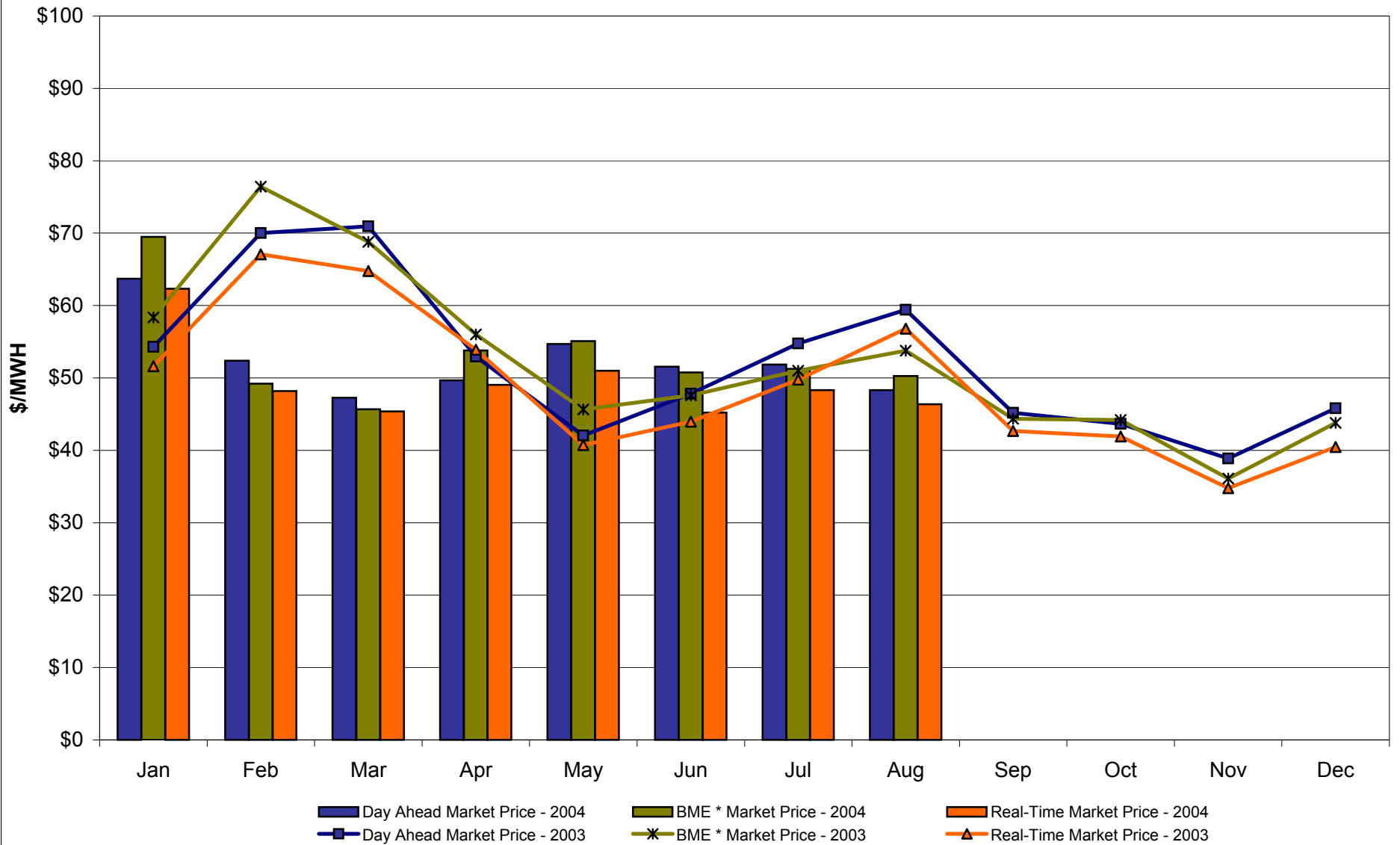
* Commonly referred to as Hour Ahead Market (HAM)

Capital Zone F Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

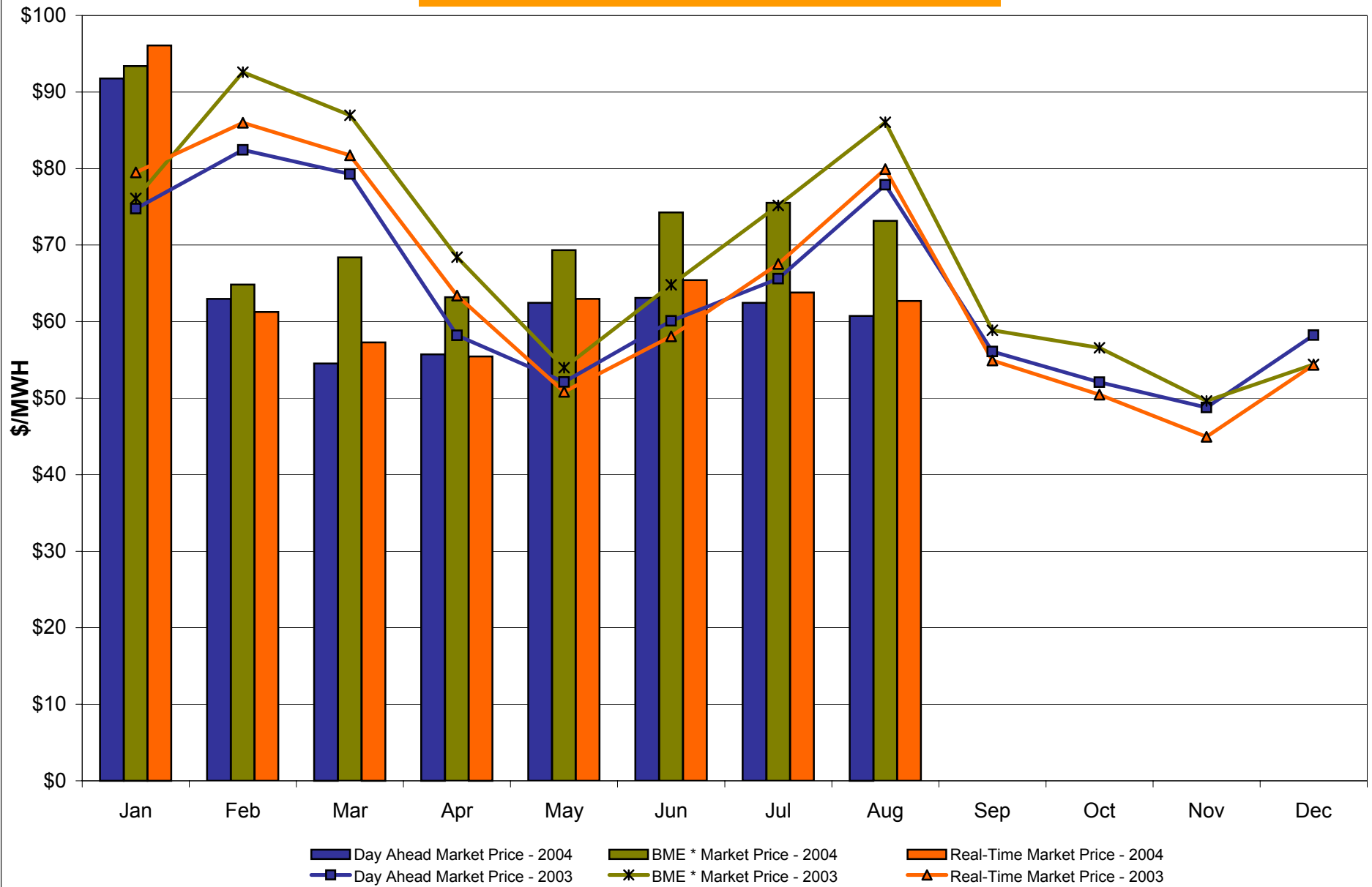
Hudson Valley Zone G Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

4-J

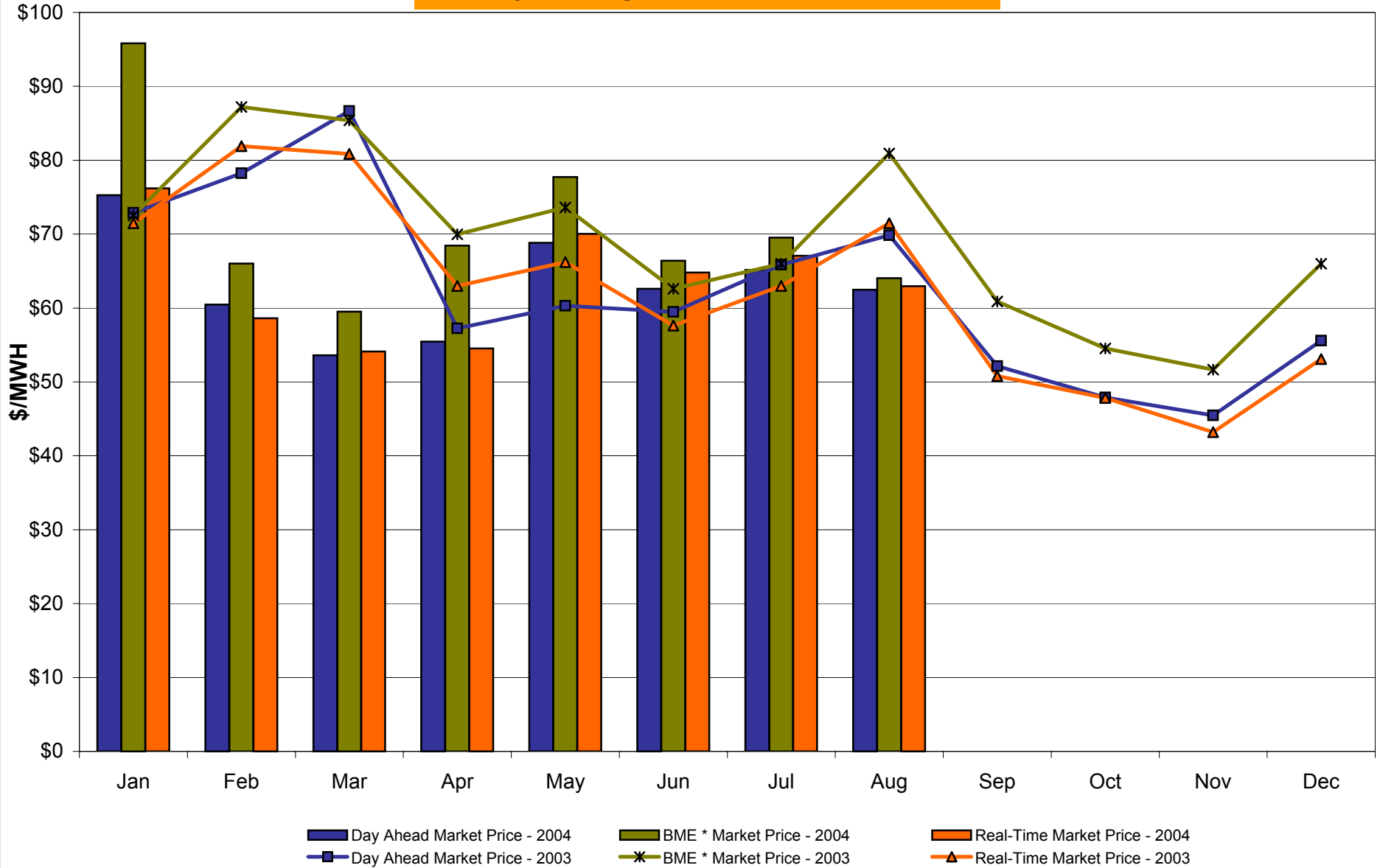
NYC Zone J Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

4-K

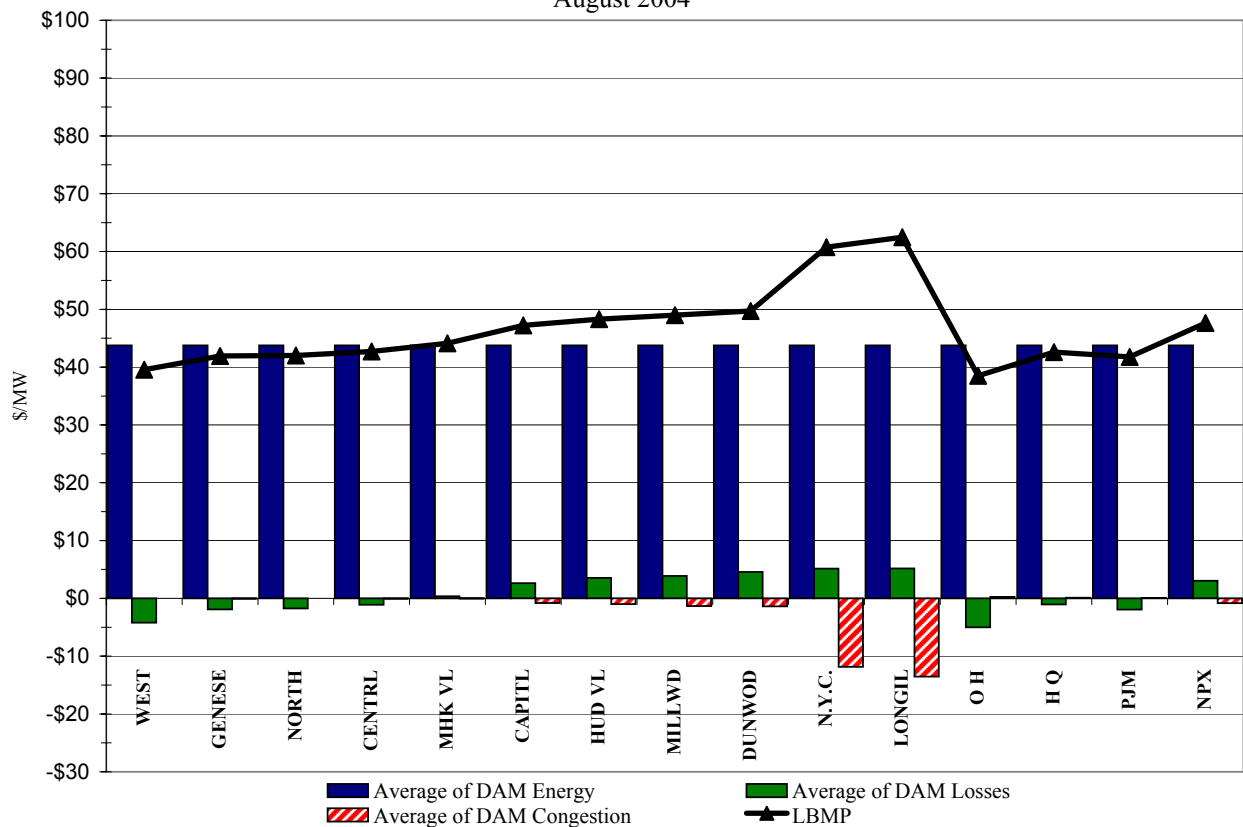
Long Island Zone K Monthly Average LBMP Prices 2003 - 2004



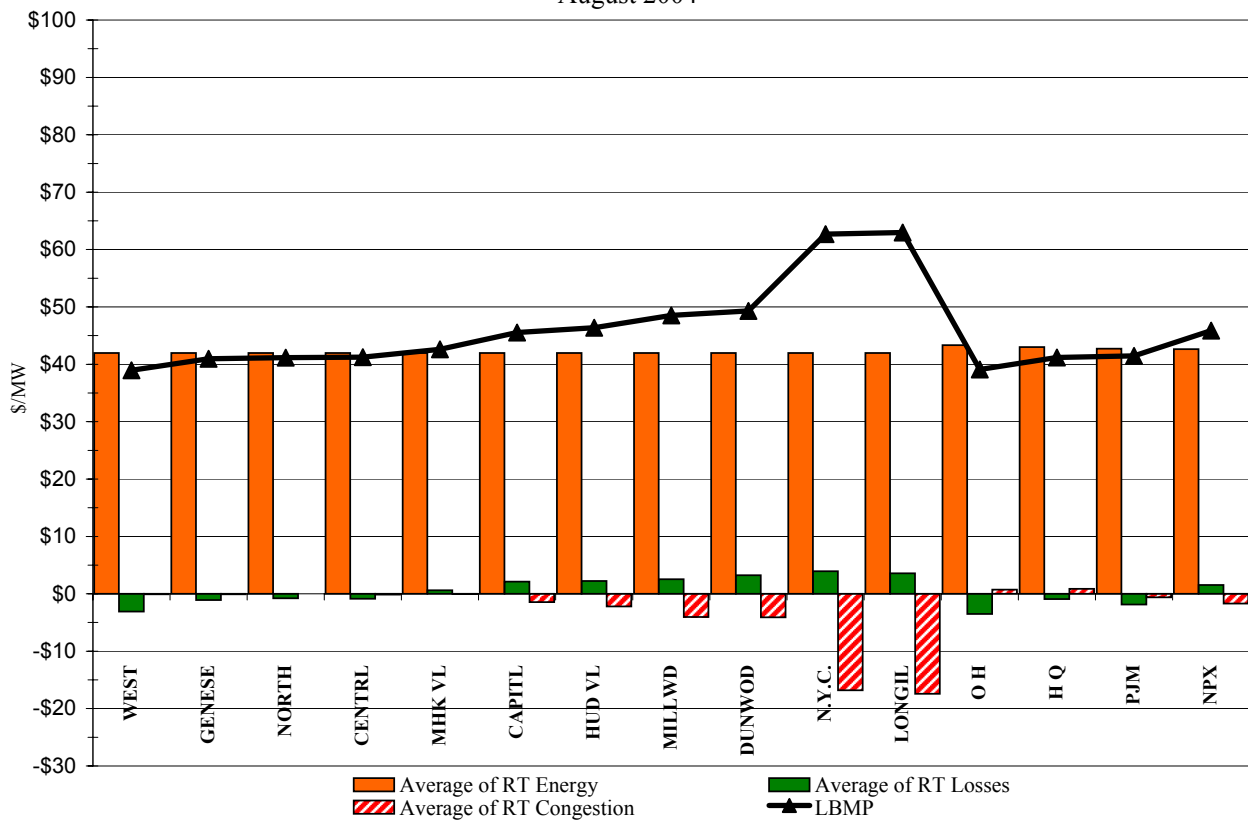
4-L

* Commonly referred to as Hour Ahead Market (HAM)

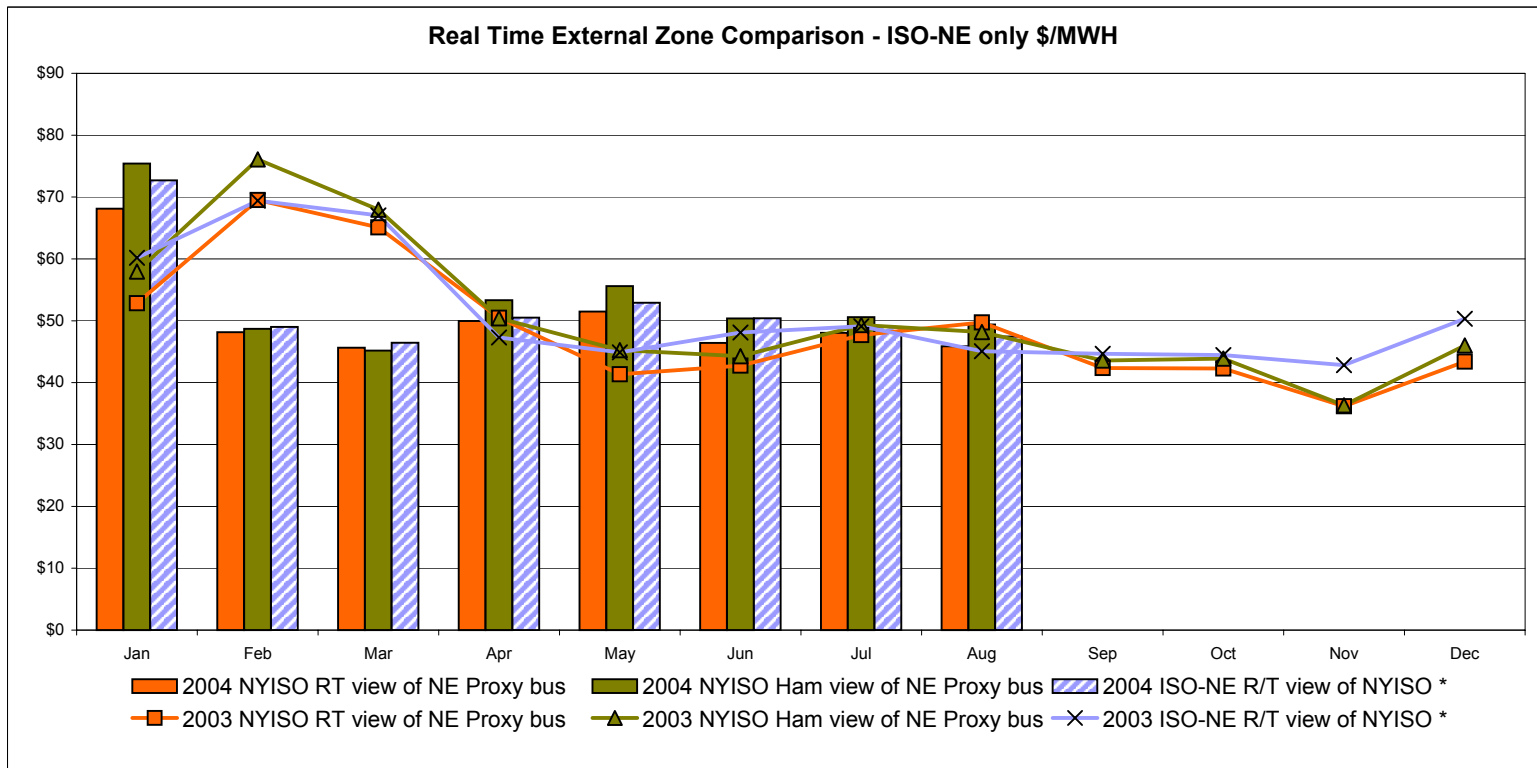
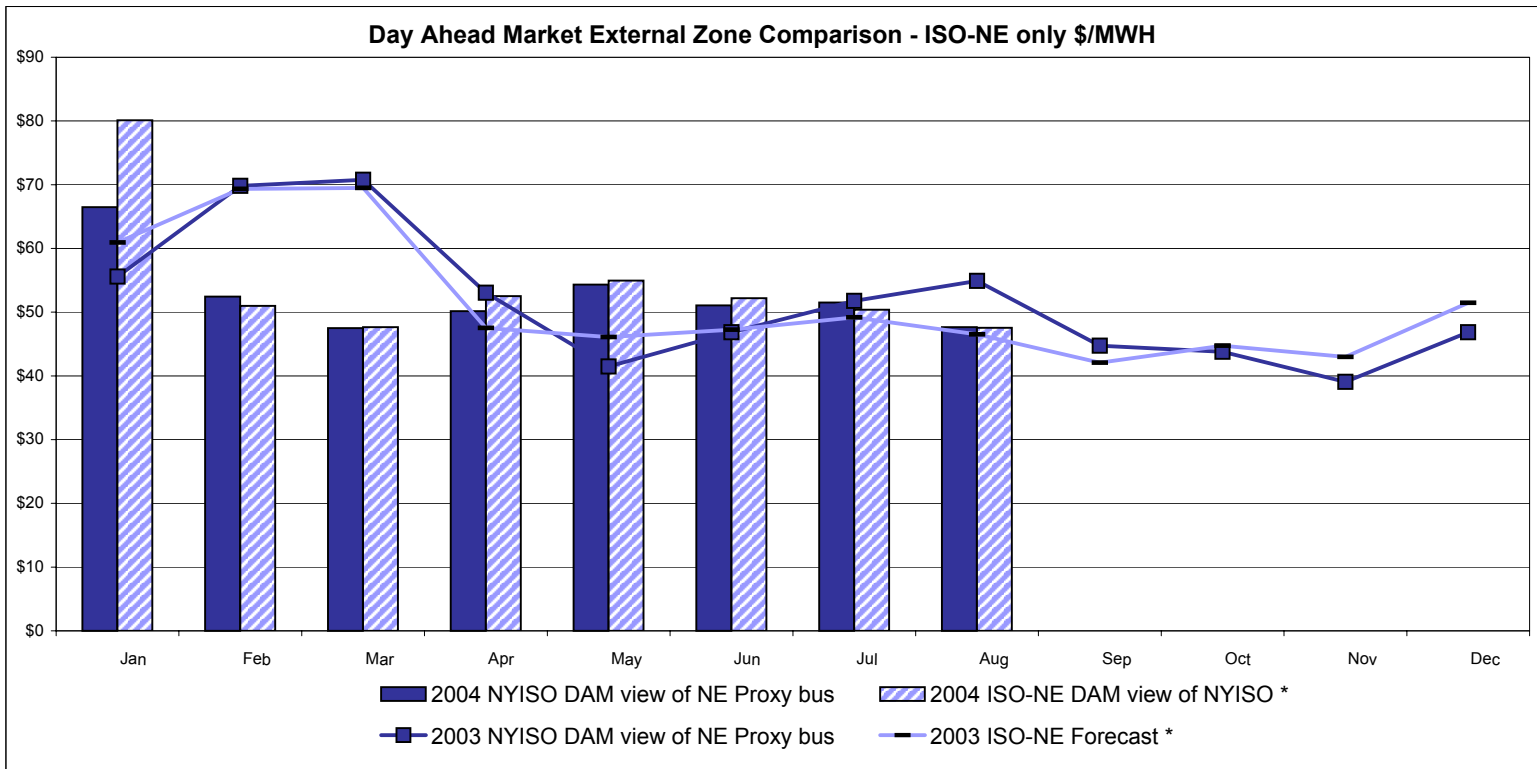
DAM Zonal Unweighted Monthly Average LBMP Components
August 2004



RT Zonal Unweighted Monthly Average LBMP Components
August 2004



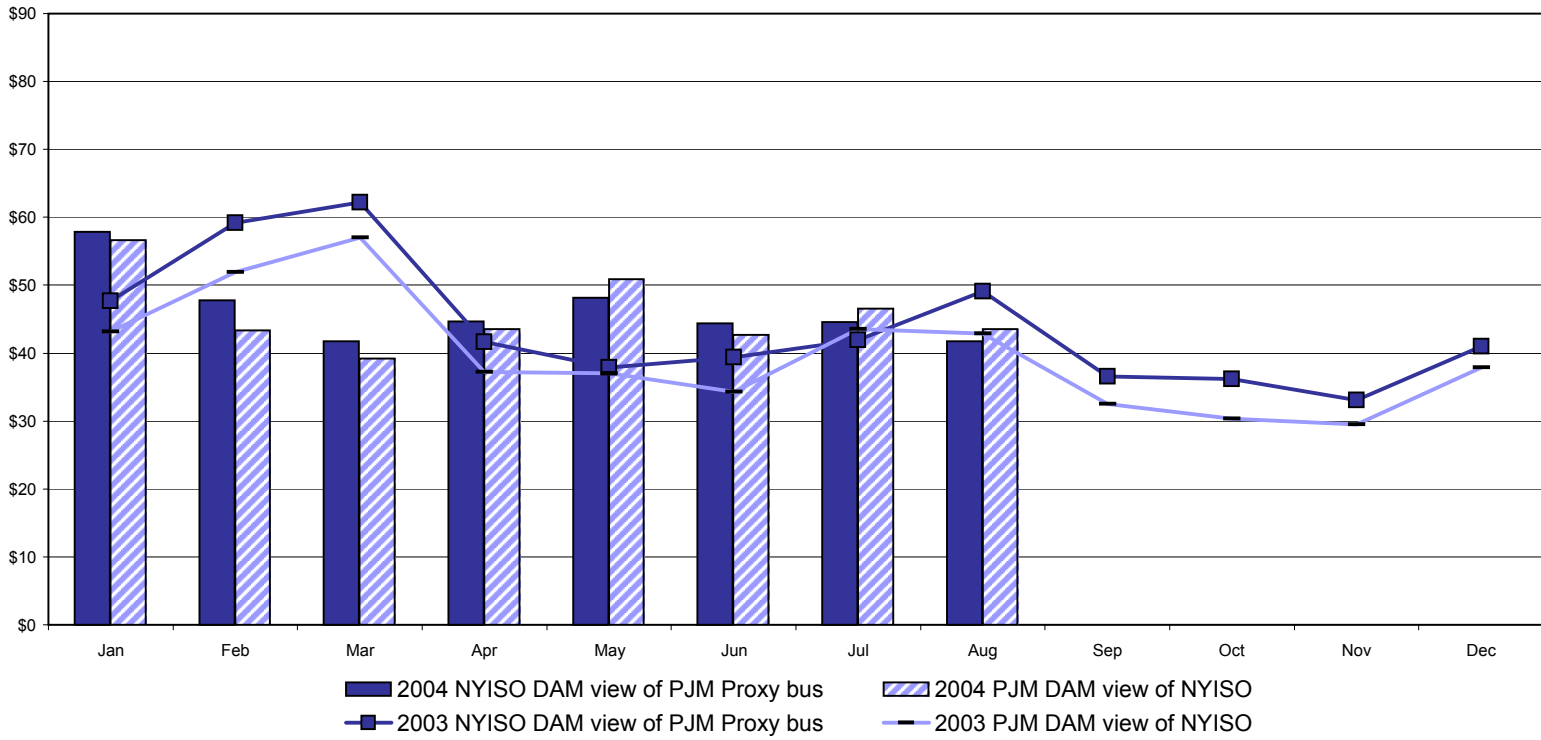
External Comparison ISO-NE



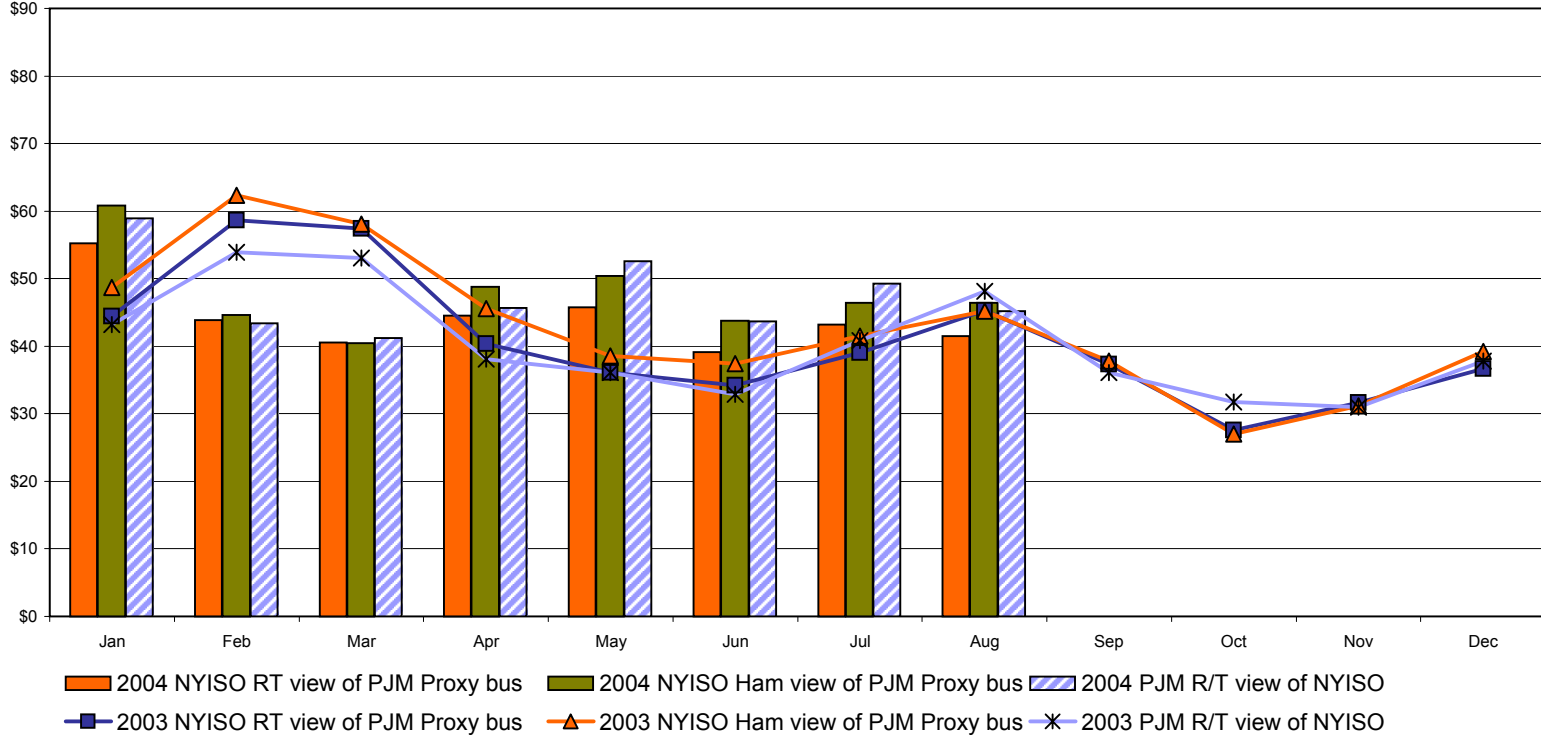
Note:
 ISO-NE Forecast is an advisory posting @ 18:00 day before
 * Effective 3/1/2003 SMD implemented by ISO-NE. The DAM and R/T prices at the Roseton interface are now used.

External Comparison PJM

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

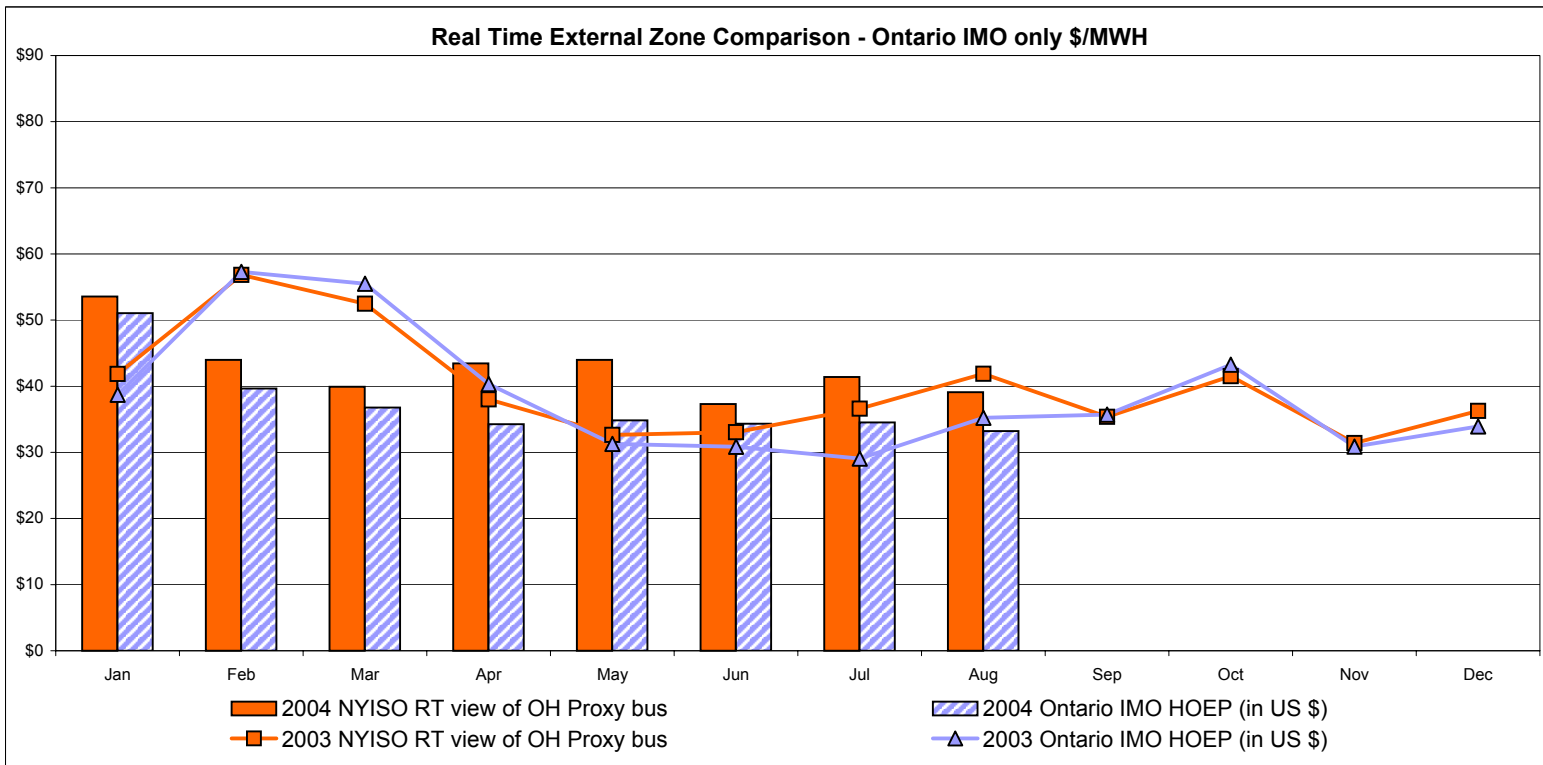
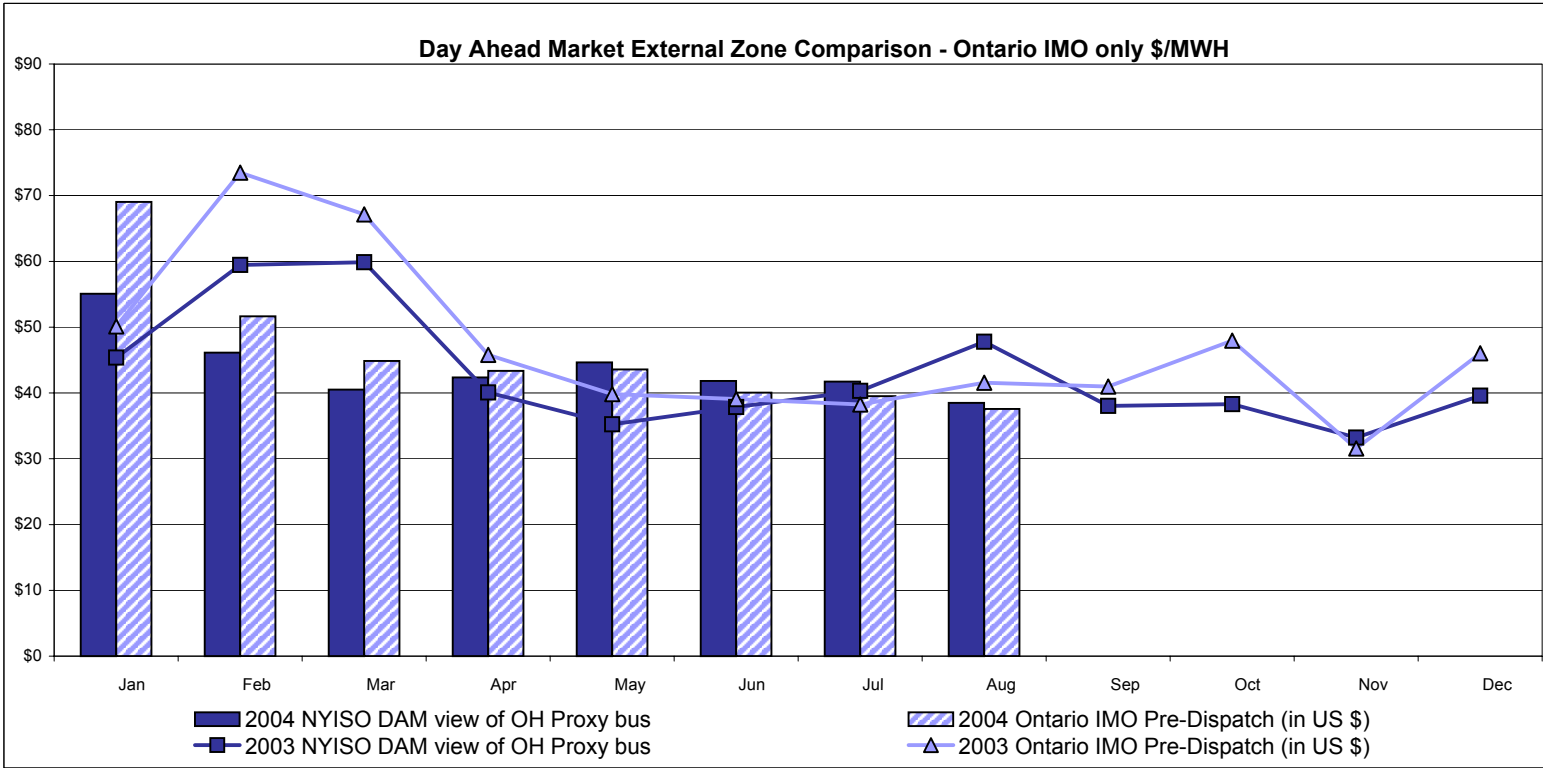


Real Time External Zone Comparison - PJM only \$/MWH



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

External Comparison Ontario IMO



Notes: Exchange factor used for August 2004 was .76 to US \$
 HOEP: Hourly Ontario Energy Price
 Pre-Dispatch: Projected Energy Price
 Pre-Dispatch data from 8/14/03 Hr 15 thru 8/21/03 not included

NYISO Price Correction Statistics

NYISO Price Corrections 2004

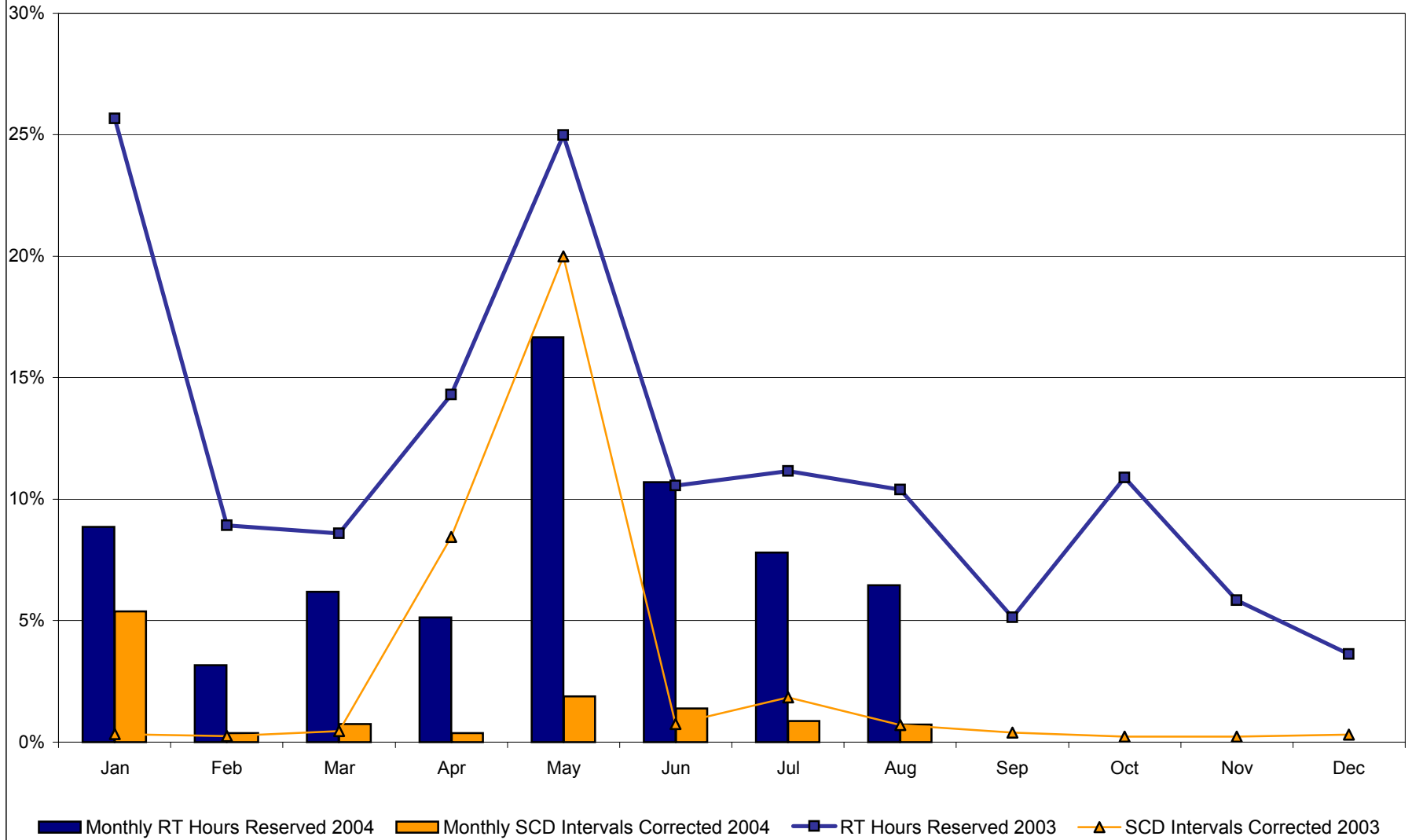
<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	597	40	83	40	220	156	100	84				
Number of Intervals in the month	11,089	10,495	11,085	10,805	11,740	11,234	11,467	11,552				
Percentage of intervals corrected in the month	5.38%	0.38%	0.75%	0.37%	1.87%	1.39%	0.87%	0.73%				
Number of Intervals corrected Year-to-date	597	637	720	760	980	1,136	1,236	1,320				
Number of Intervals Year-to-date	11,089	21,584	32,669	43,474	55,214	66,448	77,915	89,467				
Percentage of intervals corrected Year-to-date	5.38%	2.95%	2.20%	1.75%	1.77%	1.71%	1.59%	1.48%				
<u>Hours Reserved</u>												
Number of hours reserved in the month	66	22	46	37	124	77	58	48				
Number of hours in the month	744	696	744	720	744	720	744	744				
Percentage of hours reserved in the month	8.87%	3.16%	6.18%	5.14%	16.67%	10.69%	7.80%	6.45%				
Number of hours reserved Year-to-date	66	88	134	171	295	372	430	478				
Number of hours Year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856				
Percentage of hours reserved Year-to-date	8.87%	6.11%	6.14%	5.89%	8.09%	8.52%	8.41%	8.16%				
<u>Days Without Corrections</u>												
Days without price corrections in the month	14	20	11	9	8	6	9	12				
Days without price corrections Year-to-date	14	34	45	54	62	68	77	89				

NYISO Price Corrections 2003

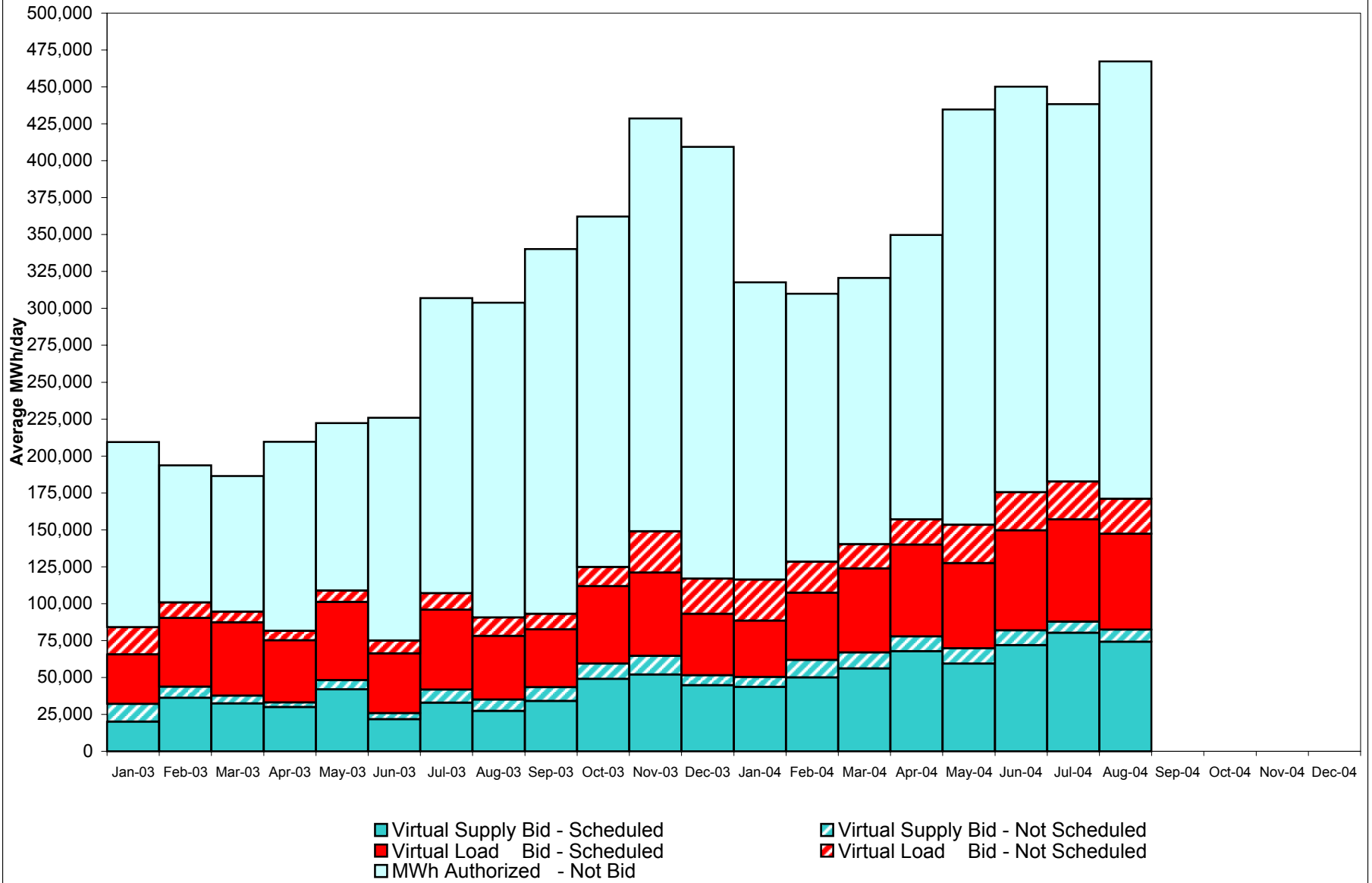
<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	36	25	49	891	2,254	79	202	71	41	25	25	34
Number of Intervals in the month	10,986	10,197	10,918	10,554	11,274	10,729	10,998	9,973	10,620	11,248	10,629	11,175
Percentage of intervals corrected in the month	0.32%	0.25%	0.45%	8.44%	19.99%	0.74%	1.84%	0.71%	0.39%	0.22%	0.24%	0.30%
Number of Intervals corrected Year-to-date	36	61	110	1,001	3,255	3,334	3,536	3,607	3,648	3,673	3,698	3,732
Number of Intervals Year-to-date	10,986	21,183	32,101	42,655	53,929	64,658	75,656	85,629	96,249	107,497	118,126	129,301
Percentage of intervals corrected Year-to-date	0.32%	0.28%	0.34%	2.35%	6.04%	5.16%	4.67%	4.21%	3.79%	3.42%	3.13%	2.89%
<u>Hours Reserved</u>												
Number of hours reserved in the month	191	60	64	103	186	76	83	69	37	81	42	27
Number of hours in the month	744	672	744	720	744	720	744	664 *	720	744	720	744
Percentage of hours reserved in the month	25.67%	8.93%	8.60%	14.31%	25.00%	10.56%	11.16%	10.39%	5.14%	10.89%	5.83%	3.63%
Number of hours reserved Year-to-date	191	251	315	418	604	680	763	832	869	950	992	1,019
Number of hours Year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,752	6,472	7,216	7,936	8,680
Percentage of hours reserved Year-to-date	25.67%	17.73%	14.58%	14.51%	16.67%	15.65%	15.00%	14.46%	13.43%	13.17%	12.50%	11.74%
<u>Days Without Corrections</u>												
Days without price corrections in the month	17	15	14	9	8	8	7	5	9	17	15	14
Days without price corrections Year-to-date	17	32	46	55	63	71	78	83	92	109	124	138

* 80 hours not included due to suspended market during system disruption

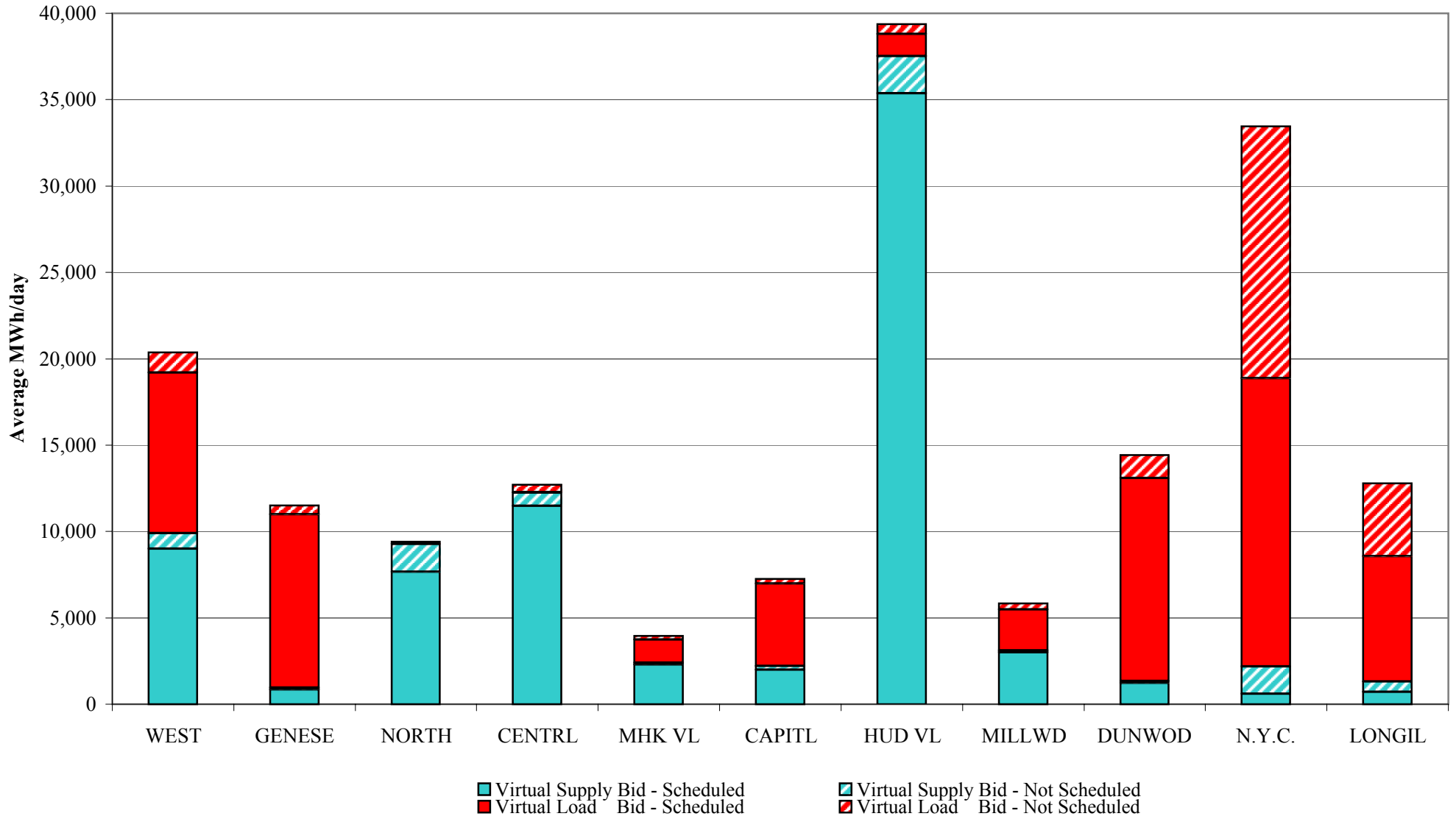
Percentage of Real-Time Corrections



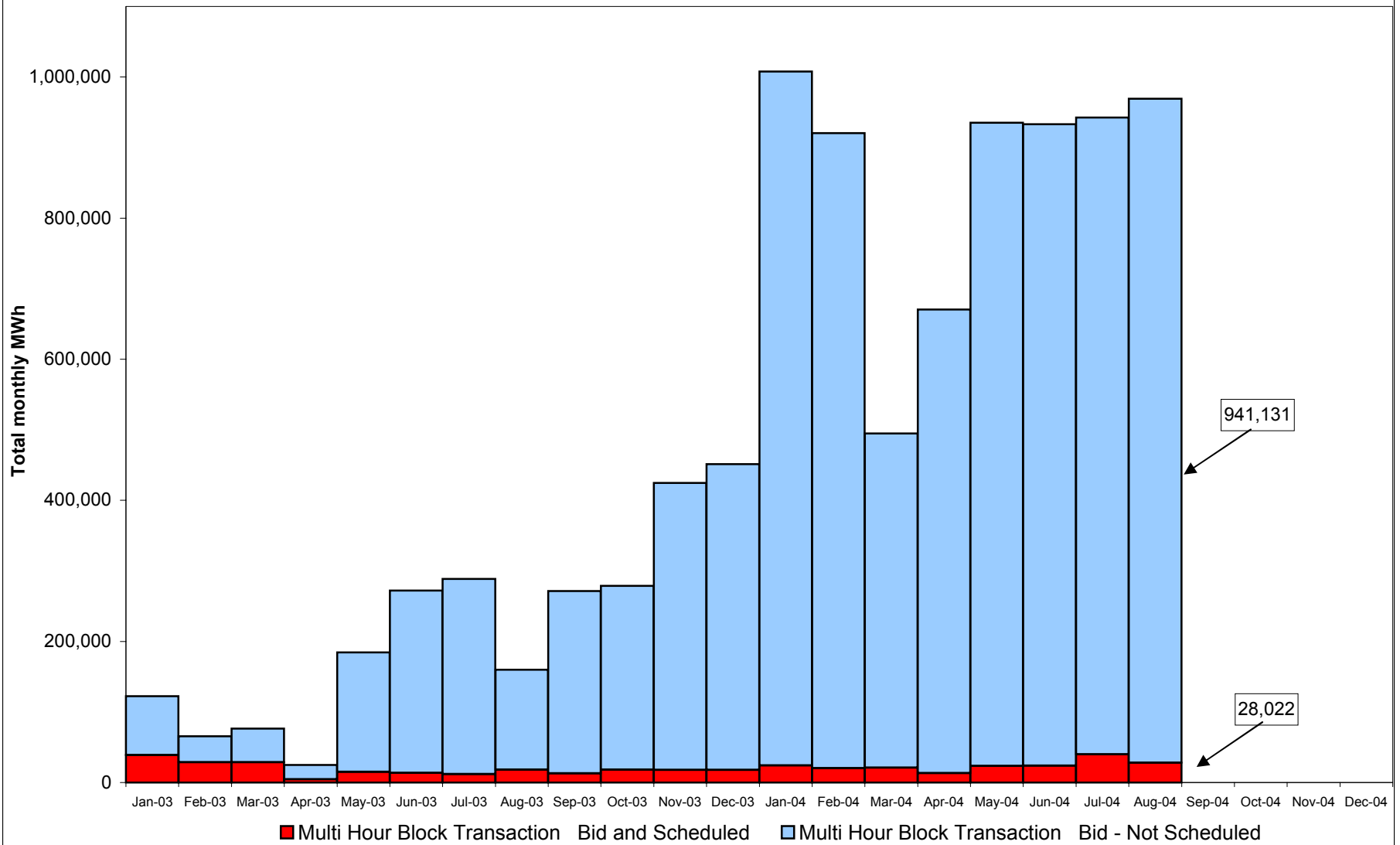
NYISO Virtual Trading Average MWh per day



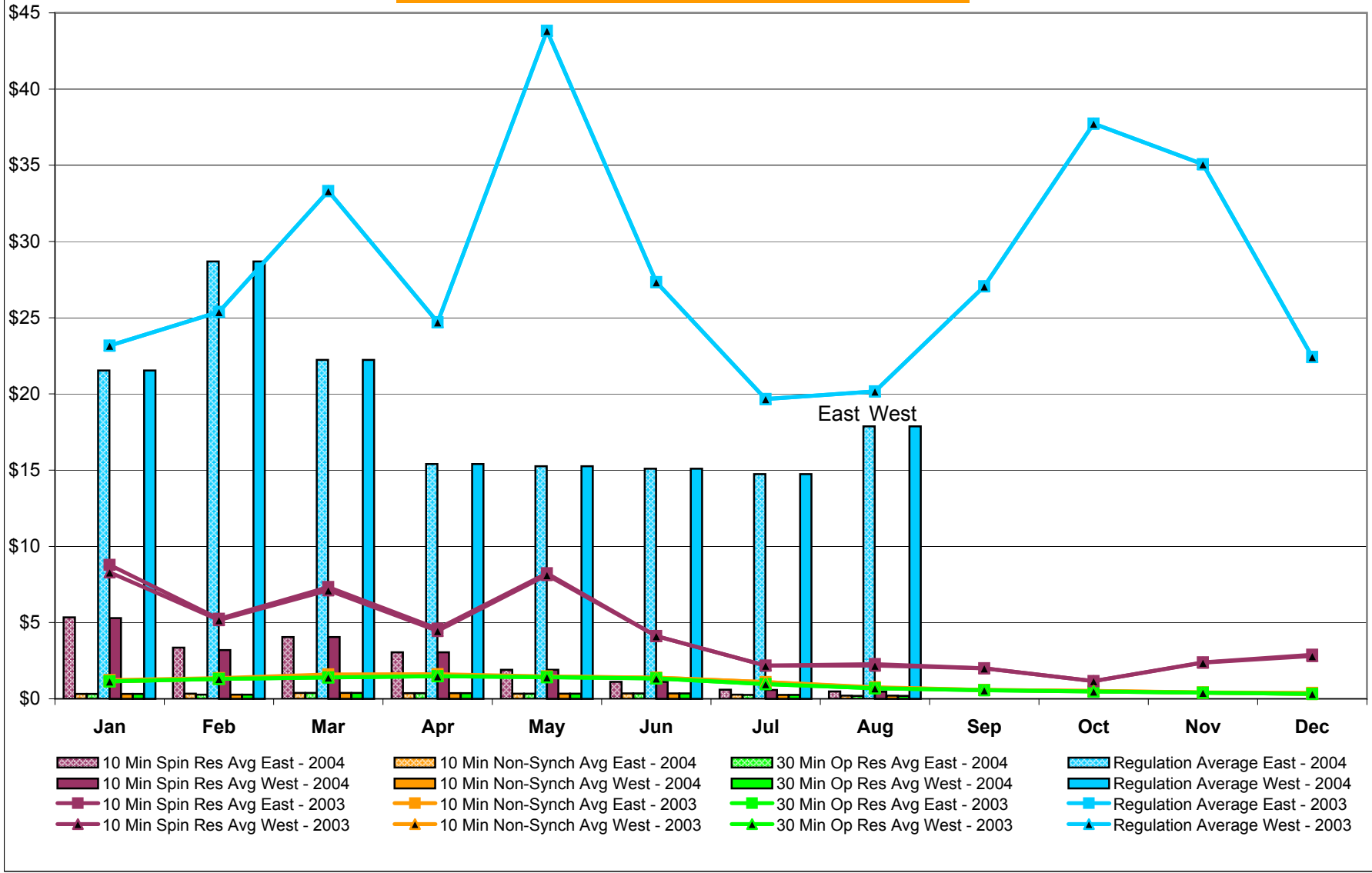
Virtual Load and Supply Zonal Statistics August 2004



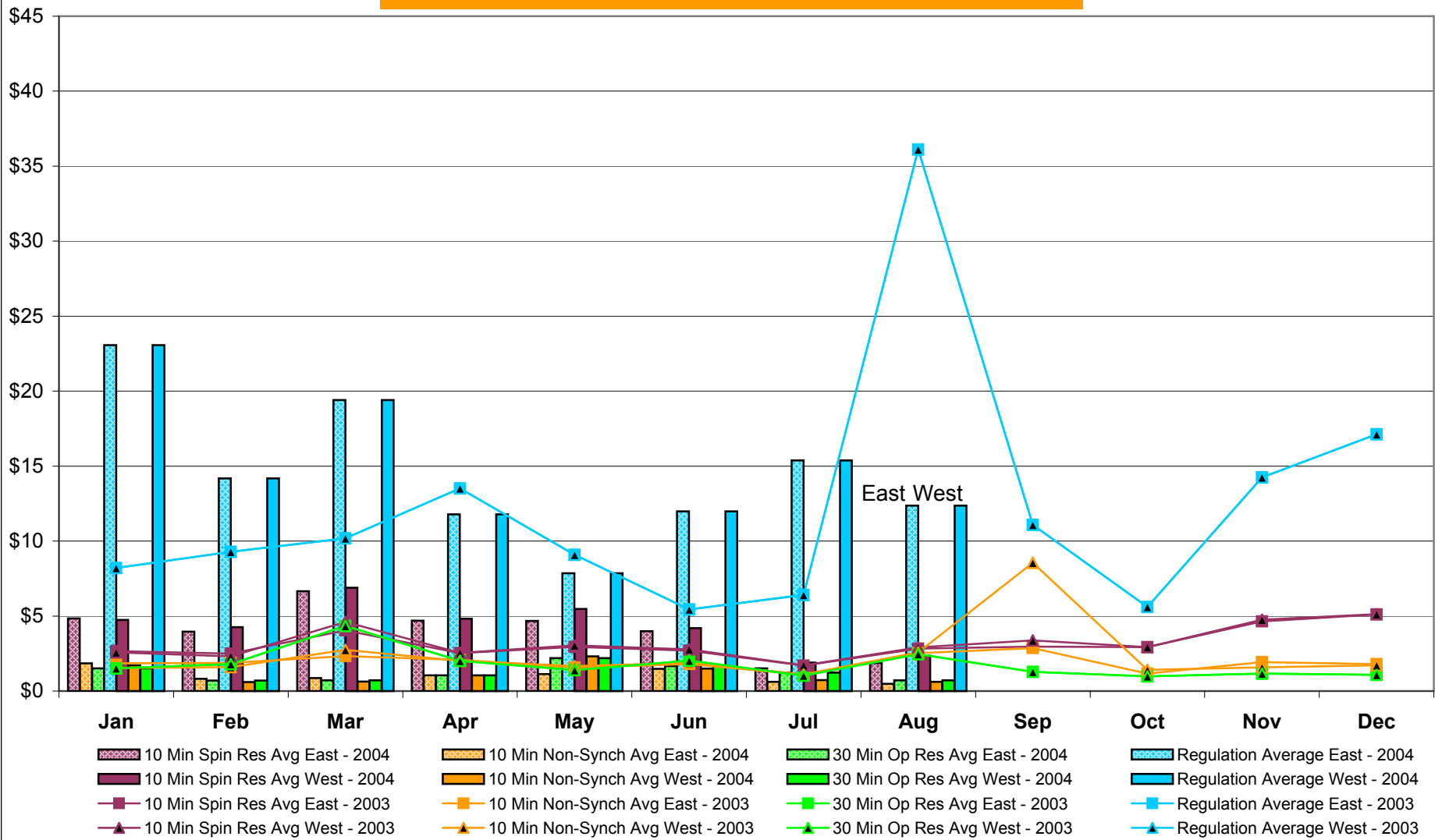
NYISO Multi Hour Block Transactions Monthly Total MWh



NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2003 - 2004



NYISO Monthly Average Ancillary Service Prices BME * 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

NYISO Markets Ancillary Services Statistics

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

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2004

Day Ahead Market

10 Min Spin East	5.35	3.36	4.05	3.04	1.91	1.11	0.60	0.49				
10 Min Spin West	5.29	3.20	4.05	3.04	1.90	1.11	0.58	0.47				
10 Min Non Synch East	0.33	0.33	0.39	0.38	0.34	0.35	0.27	0.21				
10 Min Non Synch West	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20				
30 Min East	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20				
30 Min West	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20				
Regulation East	21.54	28.69	22.23	15.41	15.26	15.10	14.74	17.88				
Regulation West	21.54	28.69	22.23	15.41	15.26	15.10	14.74	17.88				

BME* Market

10 Min Spin East	4.84	3.96	6.65	4.69	4.67	3.99	1.51	1.87				
10 Min Spin West	4.75	4.27	6.89	4.82	5.48	4.20	1.90	2.36				
10 Min Non Synch East	1.85	0.81	0.87	1.05	1.14	1.49	0.62	0.49				
10 Min Non Synch West	1.71	0.60	0.64	1.06	2.31	1.49	0.73	0.61				
30 Min East	1.51	0.70	0.72	1.06	2.20	1.67	1.23	0.71				
30 Min West	1.51	0.70	0.72	1.06	2.20	1.67	1.23	0.71				
Regulation East	23.07	14.18	19.41	11.78	7.85	11.98	15.38	12.36				
Regulation West	23.07	14.18	19.41	11.78	7.85	11.98	15.38	12.36				

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2003

Day Ahead Market

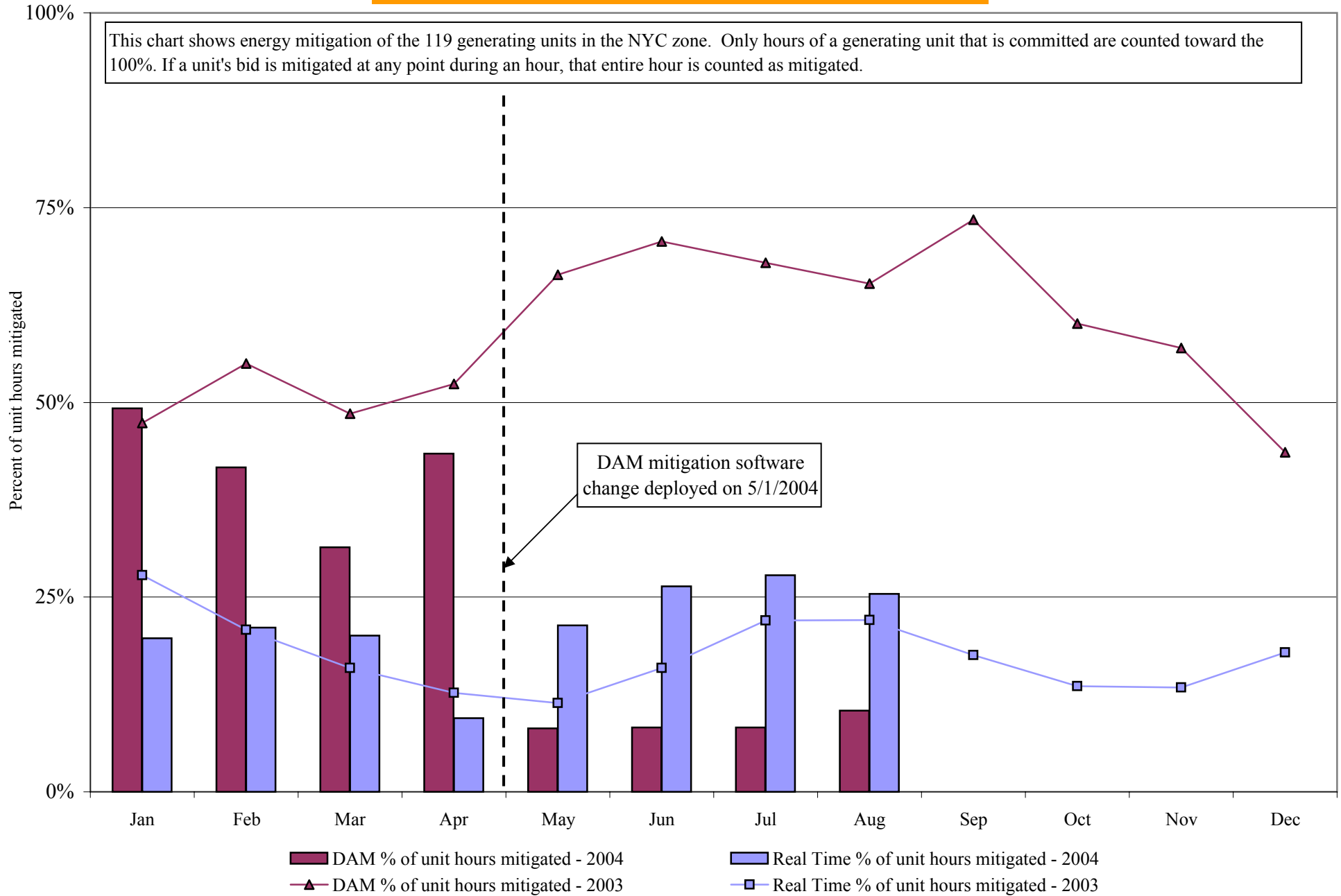
10 Min Spin East	8.78	5.24	7.33	4.60	8.24	4.12	2.18	2.28	2.01	1.17	2.39	2.89
10 Min Spin West	8.30	5.17	7.12	4.45	8.12	4.11	2.18	2.18	2.00	1.17	2.37	2.81
10 Min Non Synch East	1.22	1.36	1.60	1.61	1.48	1.40	1.09	0.76	0.58	0.52	0.41	0.38
10 Min Non Synch West	1.15	1.32	1.45	1.54	1.45	1.39	1.09	0.72	0.58	0.52	0.40	0.32
30 Min East	1.14	1.30	1.41	1.48	1.42	1.35	0.97	0.69	0.56	0.48	0.40	0.32
30 Min West	1.14	1.30	1.41	1.48	1.42	1.35	0.97	0.69	0.56	0.48	0.40	0.32
Regulation East	23.17	25.39	33.31	24.70	43.82	27.33	19.67	20.17	27.06	37.74	35.07	22.43
Regulation West	23.17	25.39	33.31	24.70	43.82	27.33	19.67	20.17	27.06	37.74	35.07	22.43

BME* Market

10 Min Spin East	2.67	2.50	4.05	2.54	2.95	2.69	1.69	2.82	2.96	2.92	4.65	5.11
10 Min Spin West	2.59	2.32	4.61	2.55	3.04	2.78	1.72	2.91	3.38	2.94	4.76	5.13
10 Min Non Synch East	1.85	1.89	2.34	2.07	1.57	1.80	1.09	2.53	2.87	1.17	1.92	1.80
10 Min Non Synch West	1.53	1.59	2.75	2.02	1.67	1.88	1.11	2.58	8.55	1.41	1.57	1.71
30 Min East	1.52	1.80	4.34	2.02	1.40	2.03	1.04	2.46	1.28	0.97	1.17	1.07
30 Min West	1.52	1.80	4.34	2.02	1.40	2.03	1.04	2.46	1.28	0.97	1.17	1.07
Regulation East	8.21	9.28	10.19	13.52	9.08	5.44	6.41	36.11	11.09	5.60	14.24	17.12
Regulation West	8.21	9.28	10.19	13.52	9.08	5.44	6.41	36.11	11.09	5.60	14.24	17.12

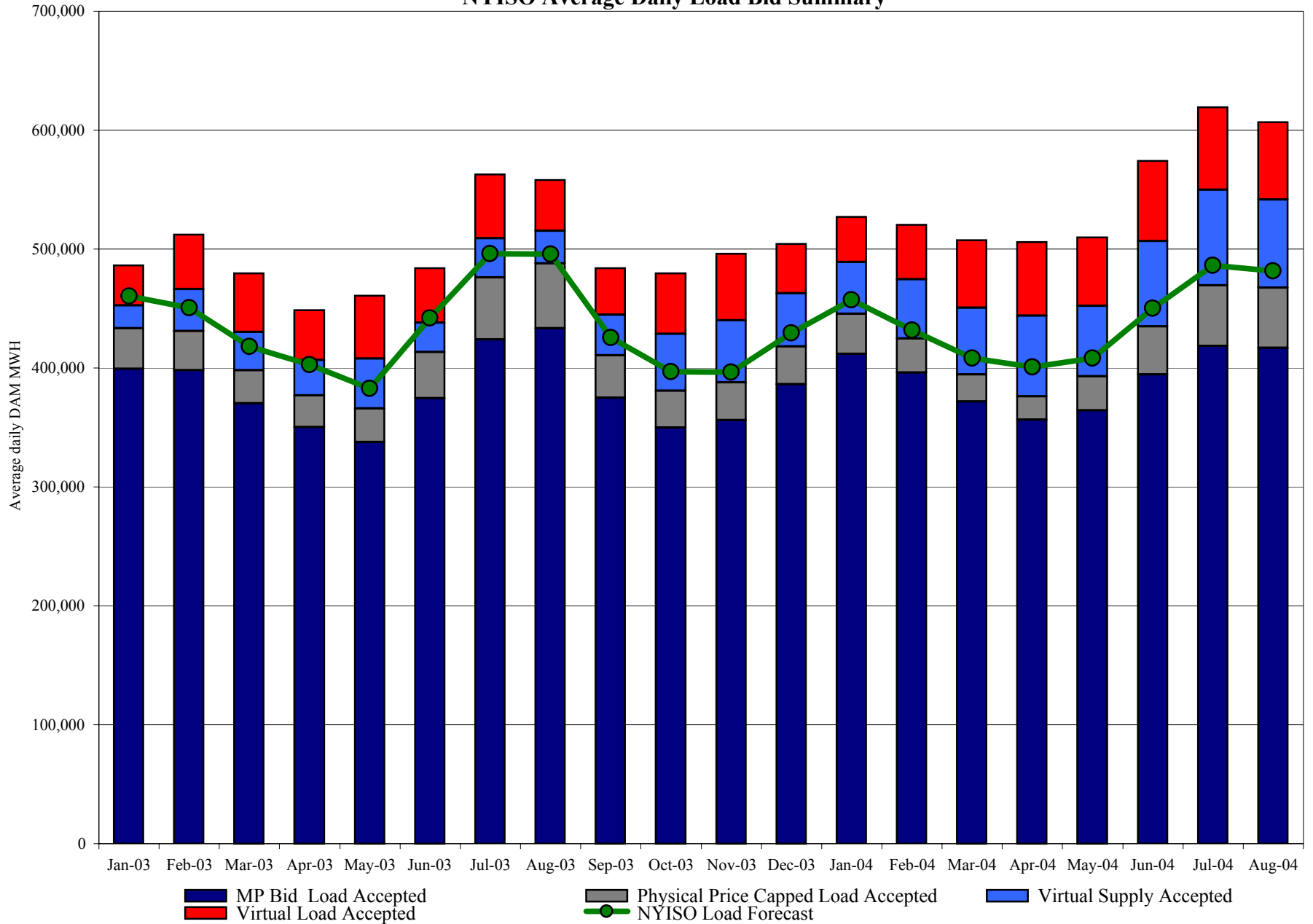
* Commonly Referred to as Hour Ahead Market (HAM)

NYISO In City Energy Mitigation (NYC Zone) 2003-2004 Percentage of committed unit-hours mitigated

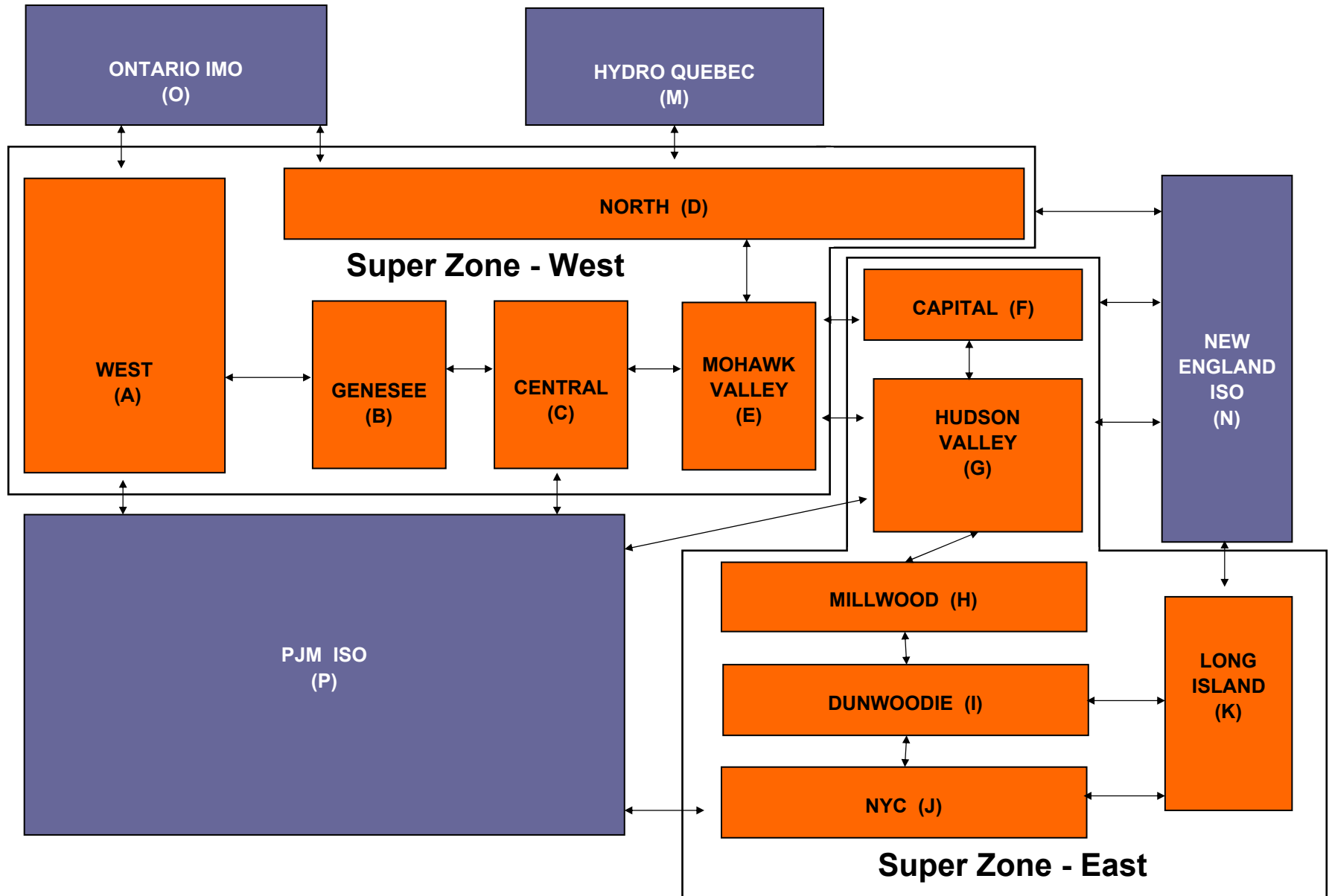


4-Y

NYISO Average Daily Load Bid Summary




NYISO LBMP ZONES





















RELIABILITY GATEWAY GOAL

1. Maintain service to NYCA load. No interruption of load because of improper implementation of NYISO operating procedures by the NYISO.		--	No loss of load or deliberate load shedding triggering a NERC reportable event (>300MW for >15 minutes)
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MARKET GATEWAY GOAL

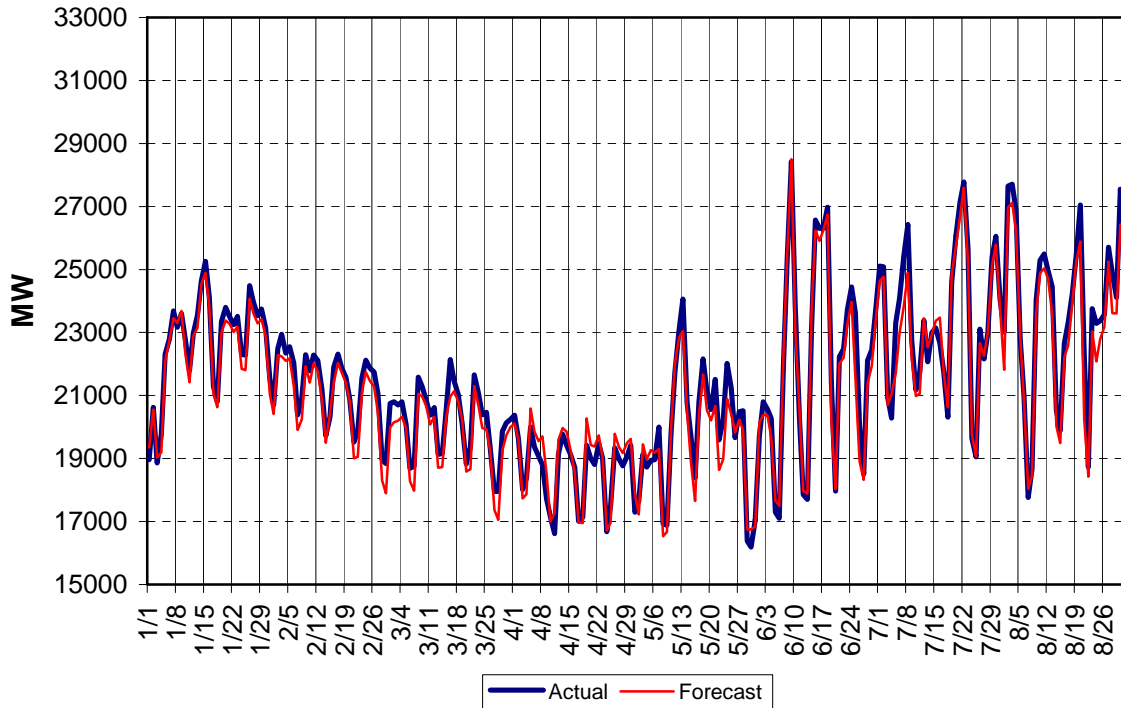
2. Successfully post DAM schedules/forward contracts.		--	DAM schedules/forward contracts are posted >=99.7% of the time during 2004
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Goal Values

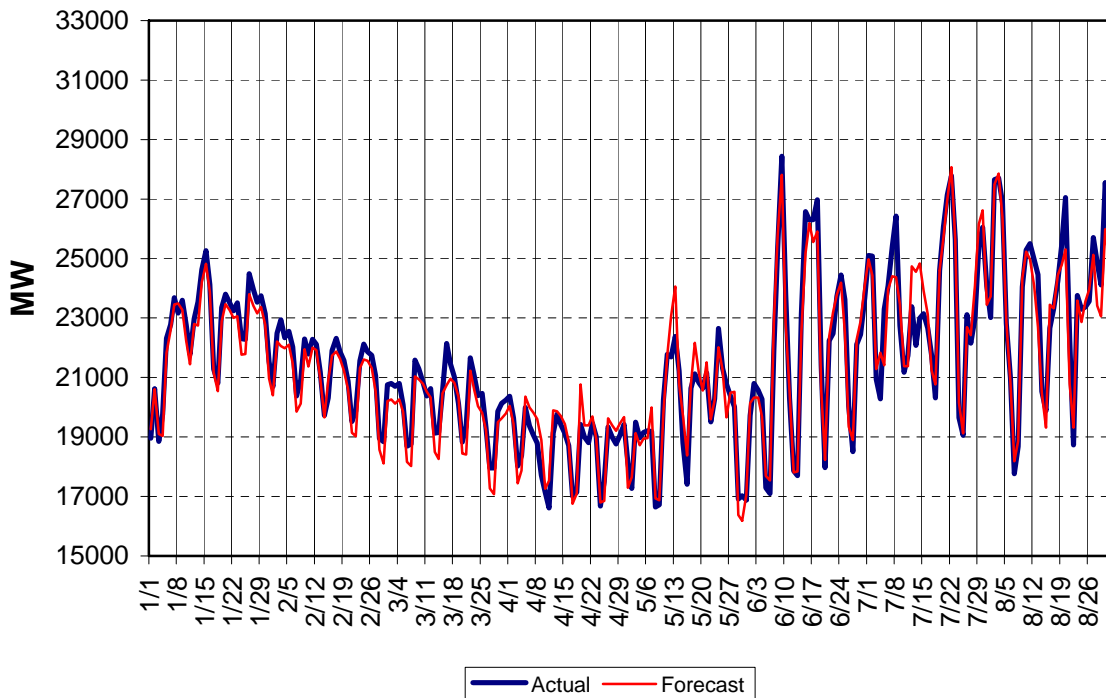
Goal Description	YTD Data	Threshold Payout-50%	Target Payout-100%	Superior Payout-150%
3. Comprehensive Electric System Planning a. Complete Phase I Study b. Complete FERC filing of Phase II	  Submitted 5/15 & 8/20	7/1/04 12/1/04	6/1/04 11/1/04	5/15/04 10/1/04
4. Comply with NERC/NAERO Operating Standards a. CPS-2: b. Disturbance Control Standards (DCS):	   8/8 months Aug – 96.64 8/8 months	10 of 12 months 10 of 12 months	12 of 12 months 11 of 12 months	-- 12 of 12 months
5.a. Achieve timely posting of DAM schedules and forward contracts. Post by 11 a.m.: b. i) MIS availability >= 9x.x% as planned, based on current availability metrics ii) During the year, an individual occurrence of unplanned (i.e., <48 hours' notice) service interruptions will not be greater than 4 hours; there won't be more than:	    244/244 postings August – 100.00% 5 occurrences	360/366 postings 10 of 12 months 3 occurrences of 1-4 hours each	363/366 postings 11 of 12 months 2 occurrences of 1-4 hours each	366/366 postings 12 of 12 months 1 occurrence of 1-4 hours
6. Improve the certainty and accuracy of Real-Time prices: a. Hours reserved: b. Intervals corrected:	  Through August – 8.16% 1.48%	<= 12% <= 0.6%	<= 10% <= 0.5%	<= 8% <= 0.4%
7. Improve the billing and true-up process: a. Posting of all invoices within 5 business-days of the month according to invoice schedule b. Metering improvements c. Turnaround of Billing Defects (from NYISO notification)	   7/8 months (12/03-11/04) -- 36 B-Ds	10 of 12 months Finalize a formal meter quality and tracking program 40 B-Ds	11 of 12 months Implement program with Meter Authority agreement 35 B-Ds	12 of 12 months Finalize test schedule & replacement with meter authorities 30 B-Ds
8. Improve Customer Satisfaction with NYISO services as determined via surveying three times annually (average baseline score: 6.397)	 April survey: 6.747	Score of >= 6.525	Score of >= 6.653	Score of >= 6.781
9. Project execution (weighted 20%) a. 1) Project Management – Scheduling 2) Project Management - Costs b. SMD 2.0	   9 projects qualified – 0 miss (sch); 0 miss (cost)	3 misses 3 misses 11/16**	2 misses 2 misses 10/12	<=1 miss <=1 miss --

** internal schedule driving to 11/1 deployment 4-AB

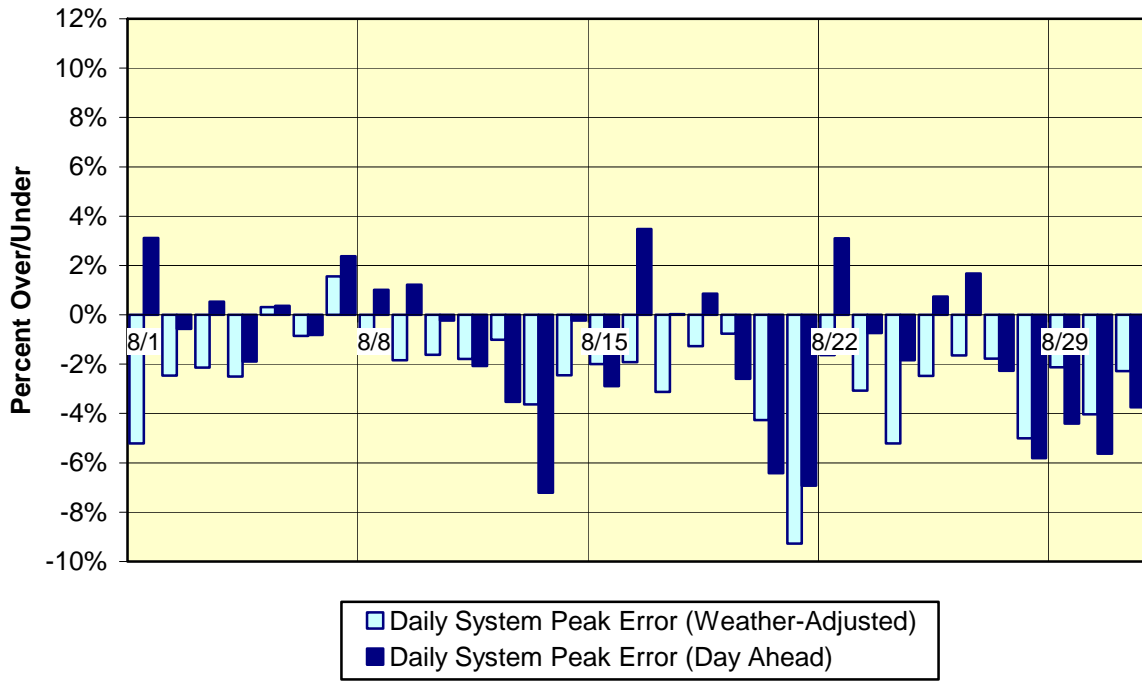
NYISO Daily Peak Load Actual vs. Weather-Adjusted Forecast



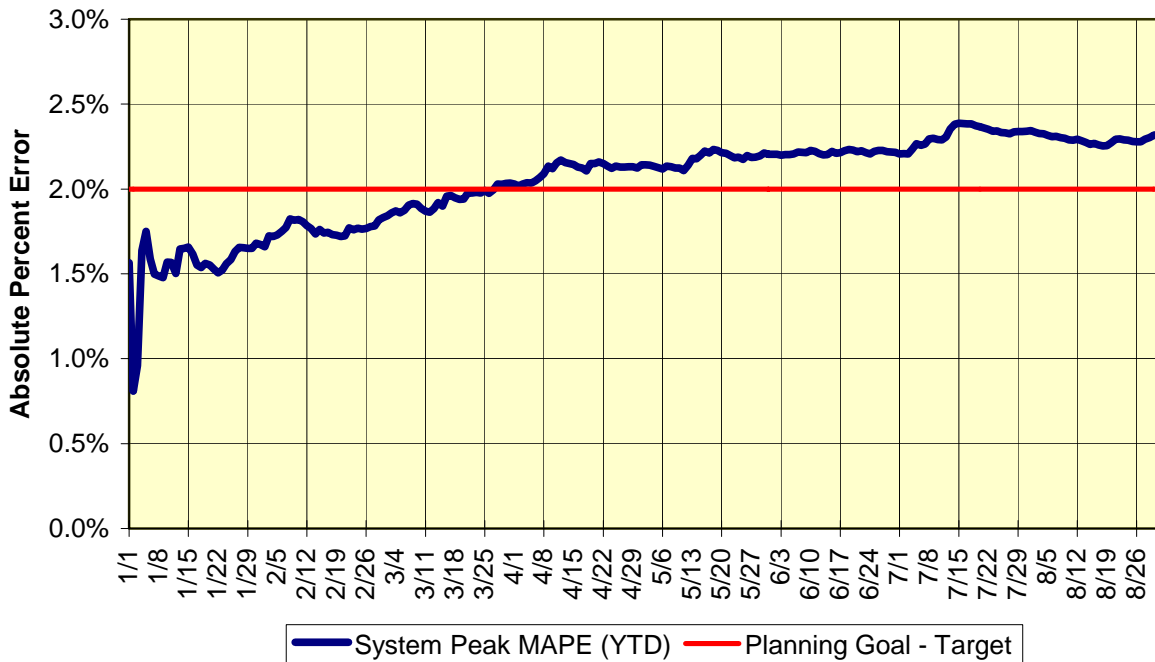
NYISO Daily Peak Load Actual vs. Forecast



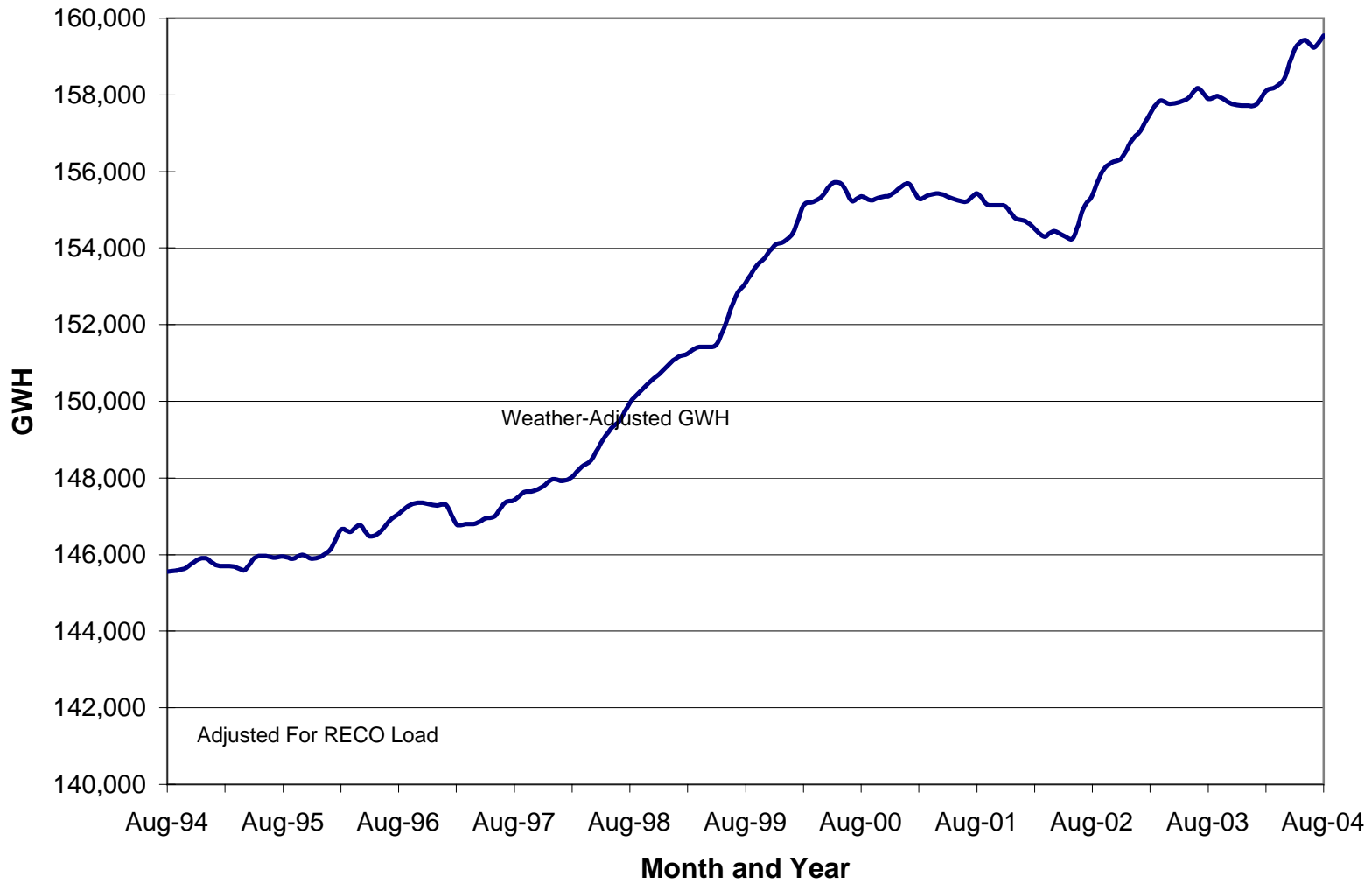
**Day-Ahead Forecast
Daily Forecast Errors of System Peak
August, 2004**



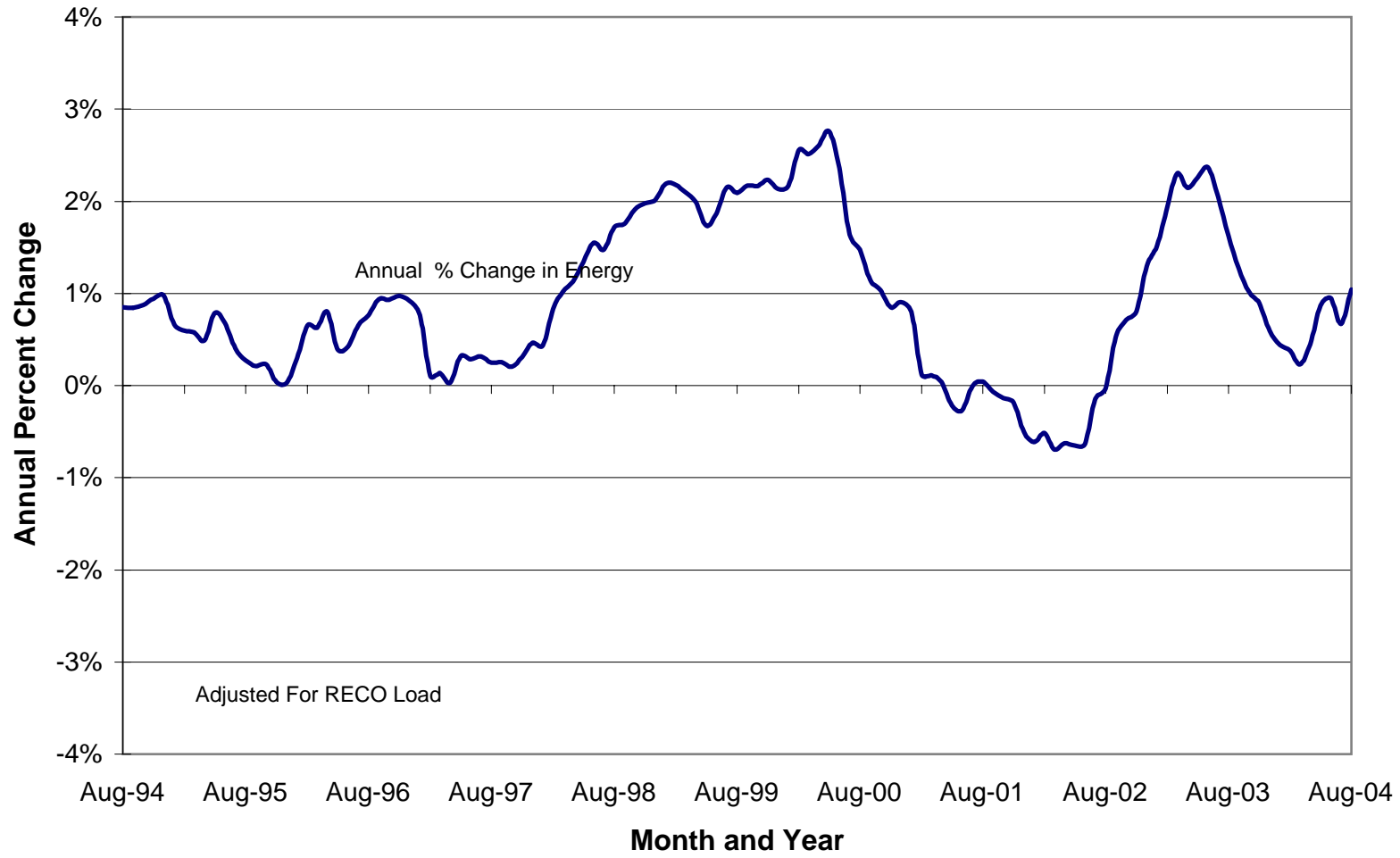
**Day-Ahead Forecast
Cumulative Performance - Daily System Peak
2004 Year-to-Date**



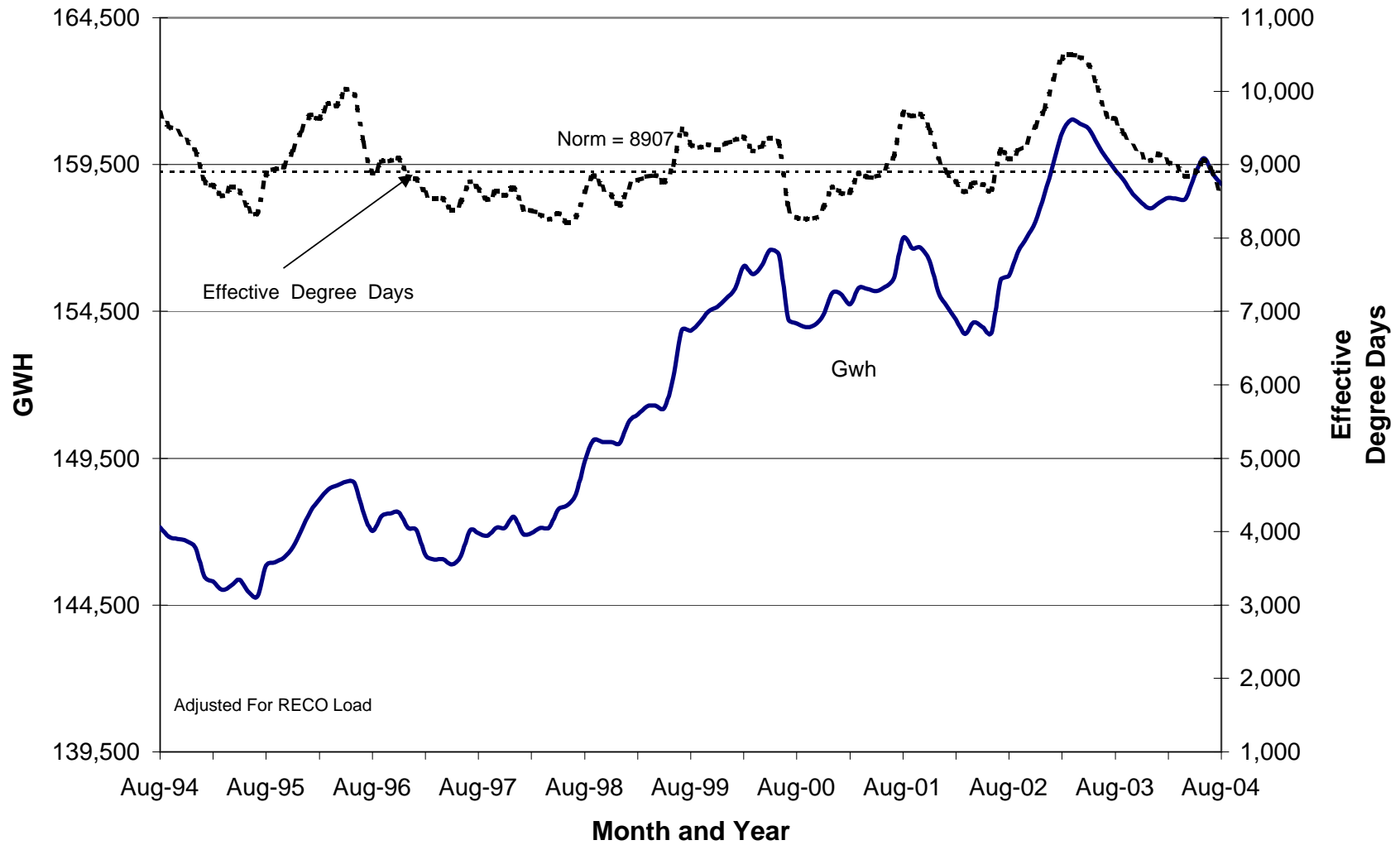
Plot Of 12 Month Moving Total Of NYCA Weather Adjusted Energy Sendout



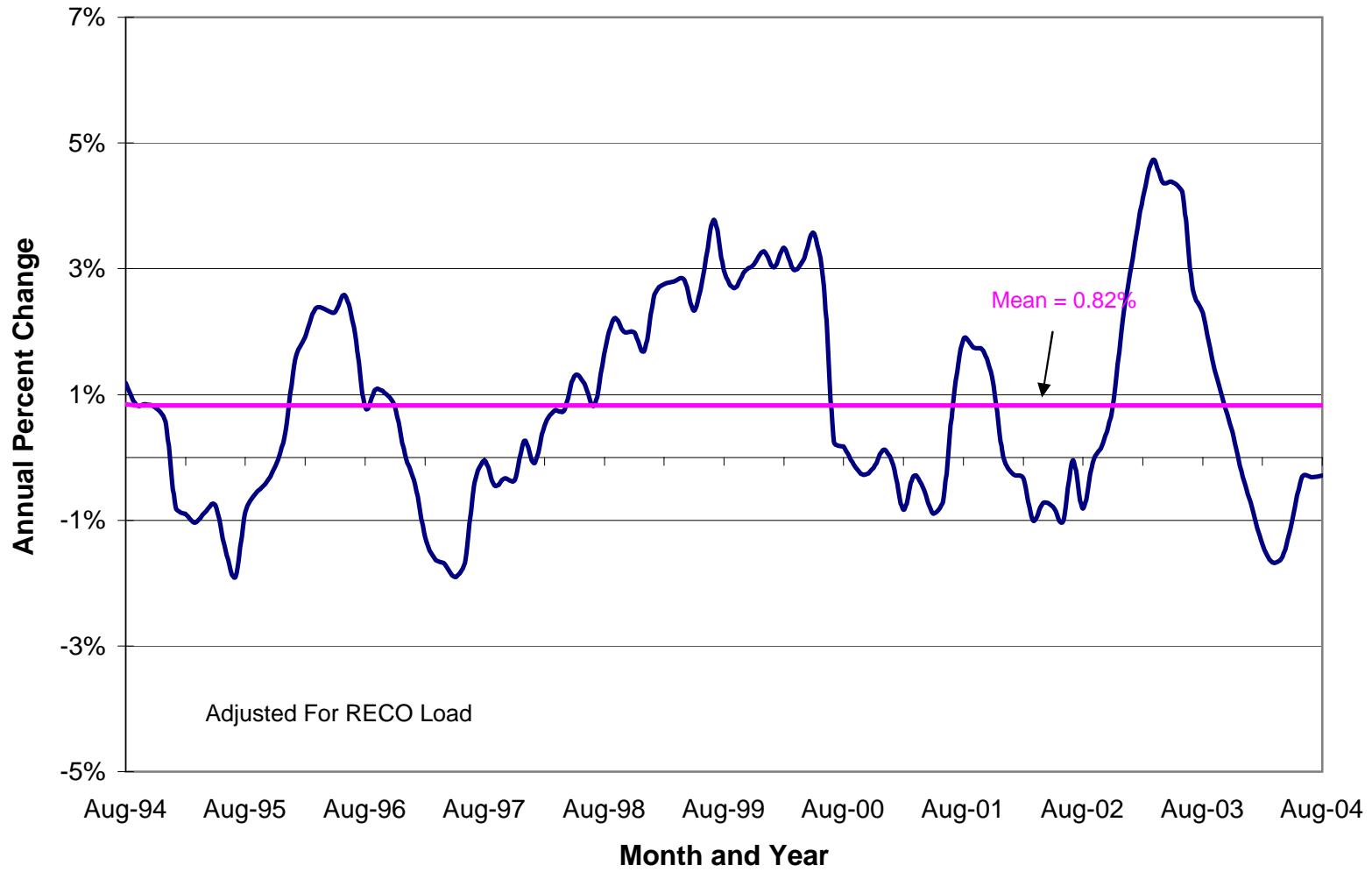
Plot Of Weather Adjusted 12 Month Moving Total Energy Sendout Annual Percent Change



**Plot Of 12 Month Moving Total Of NYCA Energy Sendout
And Effective Degree Days For 10 Years**



**Plot Of 12 Month Moving Total Energy Sendout
Annual Percent Change For 10 Years**



NYISO Regulatory Filings August 2004

- Aug. 2, 2004 NYISO filing of a response to answers and protests of NYISO's motion to reopen the record and for disposition on remand to receive evidence and order spinning reserve and NSR refunds
(ER00-1969-000/002/003/004/011, EL00-57-000/002, EL00-60-000/002, EL00-63-000/002, EL04-64-000/002)
- Aug. 2, 2004 Third party filing of motion to intervene and answer 6/26/04 NYISO motion to intervene to reopen record and for disposition on remand
(ER00-1969-000/002/003/004/011, EL00-57-000/002, EL00-60-000/002, EL00-63-000/002, EL00-64-000/002)
- Aug. 3-5, 2004 Multiple third party filings of motions to intervene regarding the NYISO filing of proposed ISO agreement revisions involving demand response providers and distributed generators
(ER04-1024-000)
- Aug. 6, 2004 NYISO compliance filing to implement the TCC shortfall reimbursement surcharge
(EL04-110-002, EL04-113-002, EL04-115-003, ER04-983-003)
- Aug. 11, 2004 NYISO filing of a response to third party comments regarding the proposed establishment of RTO New England
(RT04-2-000, EL01-39-000)
- Aug. 17, 2004 Third party filing of a motion to reject the joint NYISO/NYTO answer to protests involving a motion to reopen the record to order refunds in the reserves markets
(ER00-1969-000/002/003/004/011, EL00-57-000/002, EL00-60-000/002, EL00-63-000/002, EL00-64-000/002)
- Aug. 17, 2004 NYISO filing of a response to a third party motion requesting a hearing and discovery procedures concerning NYISO's motion to reopen the record to order refunds in the reserves markets
(ER00-1969-000/002/003/004/011, EL00-57-000/002, EL00-60-000/002, EL00-63-000/002, EL00-64-000/002)
- Aug. 18, 2004 NYISO tariff filing to clarify exemptions from balancing rules and under generation penalties and to enhance bid-cost protections under the real time scheduling rules
(ER04-1138-000)
- Aug. 20, 2004 NYISO filing of a withdrawal notice regarding its tariff filing to implement interim scheduling procedures for external transactions at the Shoreham Proxy Generator Bus
(ER04-791-000)
- Aug. 20, 2004 NYISO filing of a motion to reopen record to submit additional information and disposition of remand regarding Energy Limited Resources Extraordinary Corrective Action order by US Court of Appeals
(EL01-19-000/001, EL02-16-000/001)
- Aug. 20, 2004 NYISO filing of proposed tariff revisions regarding the comprehensive reliability planning process and an agreement stating rights and responsibilities of NYISO/NYTOs
(ER04-1144-000)
- Aug. 24, 2004 Multiple third party filings of motions to intervene regarding NYISO's compliance filing concerning implementation of the shortfall reimbursement surcharge
(EL04-110-000, EL04-113-002, EL04-115-003, ER04-983-003)
- Aug. 25, 2004 Third party filing of an answer to NYISO's 8/17/04 response to a third party motion to intervene involving NYISO's request to reopen the record and for disposition on remand to receive evidence and order spinning reserve and NSR refunds
(ER00-1969-000/002/003/004/011, ER00-1969-011, EL00-57-000/002, EL00-60-000/002, EL00-63-000/002, EL00-64-000/002)

NYISO Regulatory Filings August 2004

- Aug. 26, 2004 Third party filing of a motion to clarify information in response to statements of NYISO, ISO-NE, and NYTO regarding the proposed establishment of RTO New England (RT04-2-000, EL01-39-000)
- Aug. 27, 2004 NYISO filing of a response to third party protests of its proposed modifications to the NYISO governance structure regarding demand response providers and distributed generators (ER04-1024-000)
- Aug. 31, 2004 NYISO filing of a letter confirming that all parties agree to the condition imposed by FERC in accepting the two settlements regarding cost allocation for new interconnection facilities (EL02-125-000/001)
- Aug. 31, 2004 NYISO and NYTO filing of a joint request for extension of time to conclude a deliverability study regarding the large generator interconnection order (ER04-449-000/001/002)

NYISO Related FERC Orders August 2004

- Aug. 1, 2004 FERC letter order accepting a tariff revision regarding LIPA's transmission service charge (ER04-958-000)
- Aug. 2, 2004 FERC letter order accepting NYISO's compliance filing regarding the incentivized day-ahead economic load curtailment program (ER03-810-001)
- Aug. 2, 2004 FERC order and opinion regarding the ALJ's initial decision regarding Phase II of the ConEd v PSE&G, PJM and NYISO complaint involving transmission service contracts (EL02-23-000)
- Aug. 6, 2004 FERC order conditionally accepting the joint NYISO and NY Transmission Owner filing of large generator interconnection procedures and a interconnection agreement (ER04-449-000/001/002)
- Aug. 9, 2004 FERC letter order of chief judge terminating ALJ procedures regarding Keyspan uncontested settlement (EL02-125-001)
- Aug. 9, 2004 FERC order granting the Keyspan and ConEd requests for clarification of FERC's May 10, 2002 order regarding station power rates (EL01-50-006)
- Aug. 10, 2004 FERC issuance of an errata notice regarding FERC Order and Opinion 476 concerning the ALJ's initial Phase II decision correcting the number of filed briefs in the first sentence of paragraph 34 from five to six (EL02-23-000)
- Aug. 10, 2004 FERC order accepting NYISO's compliance filing regarding implementation of statewide AMP; denying and accepting third party rehearing requests regarding the same compliance filing; directing future submission of RTS reports concerning implementation of 15-minute scheduling/combine cycle modeling and demand side provisions (ER04-230-002/003/004/005, ER01-3155-005, ER01-1385-014, EL01-45-013)
- Aug. 20, 2004 FERC order accepting the settlement (non-financial) and financial agreement and denying NYISO's request to vacate the initial decision regarding cost allocation for interconnection of new generating facilities (EL02-125-000/001)
- Aug. 20, 2004 FERC tolling order granting a third party's request rehearing for further consideration concerning complaints of H.Q Energy Services and PSEG v NYISO (EL01-19-001, EL02-16-003)

NYISO Management Committee Meeting

August 3, 2004

Teleconference Meeting

MOTIONS FROM THE MEETING

Motion #1:

Motion to approve the Minutes from the July 7, 2004 MC meeting.

(Motion passed unanimously by show of hands)

Motion #2:

The Management Committee (MC) approves the Proposal related to the treatment of PURPA Units and other units, as mentioned in the presentation, but not to ELRs and CLRs, in RTS, as presented to the Business Issues Committee (BIC) on July 21, 2004 and the MC on August 3, 2004, and recommends to the Board of Directors that the NYISO should be authorized to submit said Tariff Modifications to the FERC. Motion passed unanimously by show of hands.

(Motion passed unanimously by show of hands)

Motion #3:

The Management Committee (MC) approves the Proposal, including a draft tariff amendment, related to Bid Production Cost Guarantees for Reserve and Maximum Generation Pickups in SMD, as presented to the Business Issues Committee (BIC) on July 21, 2004 and the MC on August 3, 2004, and recommends to the Board of Directors that the NYISO should be authorized to submit to the FERC the proposed tariff amendment.

(Motion passed unanimously by show of hands)

Motion #4:

The Management Committee (MC) approves the Proposal to forgive Gas Turbine Penalties, both going forward and retroactive to June 01, 2003, as presented to the Business Issues Committee (BIC) on July 21, 2004 and the MC on August 3, 2004 and recommends to the Board of Directors that the NYISO should be authorized to submit tariff modifications to the FERC and to request permission to waive such penalties between June 1, 2003 and the effective date of said tariff amendments.

(Motion passed unanimously by show of hands)

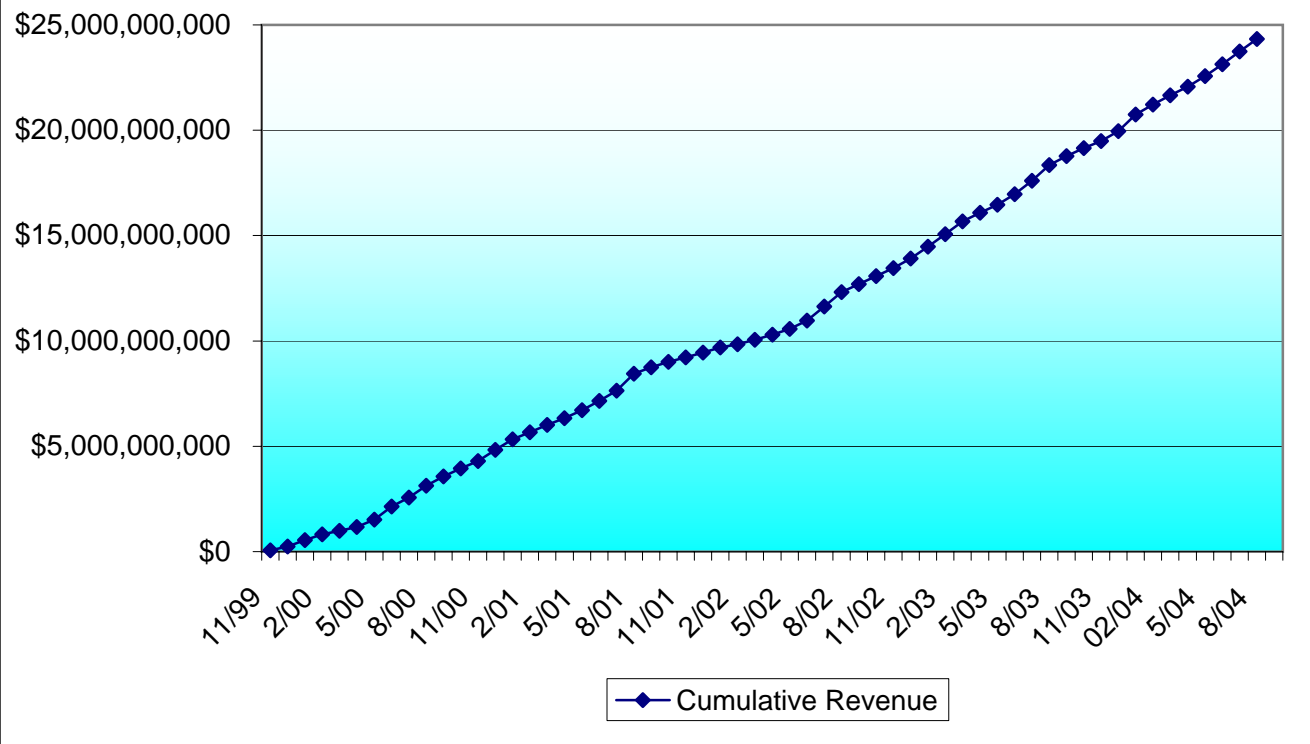


2004 BUDGET VS. ACTUAL VARIANCES

(dollar amounts in thousands)

	<i>YTD through August 2004</i>			
	<i>Budget</i>	<i>Actuals</i>	<i>\$ Var.</i>	<i>% Var.</i>
Capital Assets	\$ 12,103	\$ 6,714	\$ (5,389)	-45%
Salaries & Benefits	29,224	27,279	(1,945)	-7%
Consultants	16,777	14,610	(2,167)	-13%
Legal	4,000	4,077	77	2%
Building Services	2,342	2,597	255	11%
Computer Services	15,375	20,737	5,362	35%
Insurance	5,142	4,432	(711)	-14%
Telecommunications	1,917	2,929	1,012	53%
Board of Directors	617	526	(91)	-15%
Meetings, Travel, Training	1,935	1,688	(247)	-13%
NPCC Fees	1,017	1,130	113	11%
FERC Fees	5,333	3,541	(1,792)	-34%
Debt Service & Bank Fees	17,916	17,211	(704)	-4%
TOTAL BUDGET SPENDING	\$ 113,697	\$ 107,471	\$ (6,226)	-6%
Less: Miscellaneous Revenues	(710)	(703)	7	-1%
Less: Net Proceeds from Bank Financing	(23,000)	(23,000)	0	0%
Plus: Interest on 2004 Bank Financing	479	159	(320)	-67%
EQUALS: Funds Needed via RS#1	\$ 90,466	\$ 83,926	\$ (6,540)	-7%
COMPARED TO: Funds Received via RS#1			(1,598)	
EQUALS: Total Due (to)/from Market Participants			\$ (8,138)	

Cumulative Gross Revenue of all Monthly Components



**NYISO
MARKET PARTICIPANT ENERGY BILLINGS
SUMMARY OF NET RECEIVABLES**

****RECEIVABLES****

	ORIGINAL INVOICE	4 MO TU	12 MO TU	24 MO TU	REBILL	Final Bill Challenge	TU TOTAL	% OF TU
Nov-99	\$ 41,914,277	\$ -	\$ 4,601,583	11%	\$ 1,653,001	4%	\$ -	
Dec-99	\$ 133,158,638	\$ -	\$ 9,535,988	7%	\$ 1,707,927	1%	\$ 435,491	1%
Jan-00	\$ 217,994,281	\$ -	\$ 13,514,891	6%	\$ 6,139,030	3%	\$ 3,510,999	3%
Feb-00	\$ 186,799,918	\$ -	\$ 13,029,978	7%	\$ 1,518,328	1%	\$ 3,934,882	2%
Mar-00	\$ 124,028,665	\$ -	\$ -	0%	\$ 889,309	1%	\$ 3,133,700	2%
Apr-00	\$ 135,512,224	\$ -	\$ -	0%	\$ 1,287,032	1%	\$ -	
May-00	\$ 222,997,916	\$ -	\$ 19,374,704	9%	\$ 7,788,534	3%	\$ 25,877,084	21%
Jun-00	\$ 415,492,540	\$ -	\$ 27,121,792	7%	\$ 12,457,711	3%	\$ 1,287,032	1%
Jul-00	\$ 252,252,351	\$ -	\$ 19,489,697	8%	\$ 2,724,735	1%	\$ 27,163,238	12%
Aug-00	\$ 361,947,692	\$ -	\$ 35,775,647	10%	\$ 5,508,600	2%	\$ 39,579,503	10%
Sep-00	\$ 319,094,875	\$ -	\$ 31,071,138	10%	\$ 6,605,678	2%	\$ 22,214,432	9%
Oct-00	\$ 274,787,453	\$ 15,496,075	\$ 3,205,891	6%	\$ 3,745,905	1%	\$ 41,284,247	11%
Nov-00	\$ 256,009,720	\$ 16,262,668	\$ 2,052,169	1%	\$ 1,784,229	1%	\$ 37,676,816	12%
Dec-00	\$ 396,610,564	\$ 19,537,029	\$ 4,026,996	1%	\$ 4,066,092	1%	\$ 22,447,871	8%
Jan-01	\$ 344,295,355	\$ 12,571,017	\$ 2,521,671	1%	\$ 1,474,285	0%	\$ 20,099,066	7%
Feb-01	\$ 234,382,099	\$ 9,148,844	\$ 1,699,302	1%	\$ 1,263,189	1%	\$ 27,630,117	7%
Mar-01	\$ 245,443,896	\$ 9,390,961	\$ 1,698,249	1%	\$ 743,656	0%	\$ 16,566,973	5%
Apr-01	\$ 231,563,601	\$ 11,382,682	\$ 2,133,766	1%	\$ 890,456	0%	\$ 12,111,335	5%
May-01	\$ 258,524,171	\$ 16,241,860	\$ 9,994,318	4%	\$ 1,825,702	1%	\$ 12,629,292	5%
Jun-01	\$ 295,777,209	\$ 15,607,316	\$ 4,491,251	2%	\$ 1,542,666	1%	\$ 658,768	0%
Jul-01	\$ 331,328,591	\$ 12,637,804	\$ 1,772,024	1%	\$ 1,625,857	0%	\$ 1,368,697	1%
Aug-01	\$ 569,513,449	\$ 15,344,918	\$ 3,305,630	1%	\$ 4,545,234	1%	\$ 29,430,577	11%
Sep-01	\$ 193,119,838	\$ 6,492,345	\$ 1,089,635	1%	\$ 2,225,022	1%	\$ 1,187,881	0%
Oct-01	\$ 167,598,022	\$ 7,307,617	\$ 1,514,234	1%	\$ 5,582,048	3%	\$ 10,496,005	5%
Nov-01	\$ 152,726,458	\$ 5,896,866	\$ 1,932,100	1%	\$ 891,443	1%	\$ 14,403,899	9%
Dec-01	\$ 162,617,275	\$ 4,249,430	\$ 995,912	1%	\$ 1,795,660	1%	\$ 8,720,410	6%
Jan-02	\$ 169,114,538	\$ 4,603,989	\$ 1,328,924	1%	\$ 999,869	1%	\$ 7,041,002	4%
Feb-02	\$ 128,174,423	\$ 4,949,637	\$ 988,313	1%	\$ 760,711	1%	\$ 6,932,782	4%
Mar-02	\$ 173,757,055	\$ 7,871,772	\$ 1,361,075	1%	\$ 1,070,136	1%	\$ 6,698,661	5%
Apr-02	\$ 227,372,883	\$ 8,763,681	\$ 799,348	0%	\$ 1,412,591	1%	\$ 10,894,880	6%
May-02	\$ 193,153,839	\$ 4,859,821	\$ 1,976,821	1%	\$ 1,470,091	1%	\$ 13,987,653	6%
Jun-02	\$ 243,510,171	\$ 10,447,096	\$ 2,158,556	1%	\$ 1,668,758	1%	\$ 8,306,733	4%
Jul-02	\$ 423,363,985	\$ 14,296,715	\$ 3,381,899	1%	\$ 2,954,088	1%	\$ 14,274,410	6%
Aug-02	\$ 417,275,164	\$ 10,037,896	\$ 2,592,885	1%	\$ 2,379,757	1%	\$ 20,632,701	5%
Sep-02	\$ 254,643,037	\$ 8,336,608	\$ 3,209,330	1%	\$ -		\$ 15,010,539	4%
Oct-02	\$ 259,006,539	\$ 5,948,283	\$ 2,087,459	1%	\$ 2,139,799	1%	\$ 11,545,938	5%
Nov-02	\$ 253,526,260	\$ 5,452,407	\$ 1,839,940	1%	\$ 2,351,205	1%	\$ 10,175,540	4%
Dec-02	\$ 299,517,867	\$ 8,205,366	\$ 1,386,782	0%	\$ 2,029,395	1%	\$ 9,643,551	4%
Jan-03	\$ 399,263,104	\$ 9,844,614	\$ 2,098,338	1%	\$ 1,191,493	0%	\$ 11,621,543	4%
Feb-03	\$ 418,175,564	\$ 11,981,141	\$ 2,458,047	1%	\$ 1,187,456	0%	\$ 13,134,445	3%
Mar-03	\$ 426,467,140	\$ 9,873,309	\$ 1,267,254	0%	\$ 1,773,369	0%	\$ 15,626,644	4%
Apr-03	\$ 288,946,161	\$ 7,395,252	\$ 1,494,349	1%	\$ -		\$ 12,913,933	3%
May-03	\$ 248,638,313	\$ 5,874,403	\$ 1,274,495	1%	\$ -		\$ 8,889,601	3%
Jun-03	\$ 300,747,684	\$ 7,396,478	\$ 1,361,206	0%	\$ -		\$ 7,148,897	3%
Jul-03	\$ 418,581,237	\$ 13,132,010	\$ 2,180,703	1%	\$ -		\$ 8,757,684	3%
Aug-03	\$ 514,126,607	\$ 13,977,562	\$ 5,647,468	1%	\$ -		\$ 15,312,713	4%
Sep-03	\$ 283,123,546	\$ 6,445,812	\$ -		\$ -		\$ 19,625,030	4%
Oct-03	\$ 245,463,938	\$ 5,837,631	\$ -		\$ -		\$ 6,445,812	2%
Nov-03	\$ 216,846,601	\$ 9,096,310	\$ -		\$ -		\$ 5,837,631	2%
Dec-03	\$ 287,418,382	\$ 11,239,879	\$ -		\$ -		\$ 9,096,310	4%
Jan-04	\$ 505,153,722	\$ 27,322,738	\$ -		\$ -		\$ 11,239,879	4%
Feb-04	\$ 312,550,760	\$ 13,321,219	\$ -		\$ -		\$ 27,322,738	5%
Mar-04	\$ 300,111,357	\$ 8,890,522	\$ -		\$ -		\$ 13,321,219	4%
Apr-04	\$ 275,622,576	\$ 8,934,404	\$ -		\$ -		\$ 8,890,522	3%
							\$ 8,934,404	3%
SUBTOTAL	\$ 15,009,143,531	\$ 441,903,986	\$ 256,841,758	\$ 94,997,327	\$ 50,370,235		\$ 855,128,382	6%
May-04	\$ 325,883,910							
Jun-04	\$ 352,125,882							
Jul-04	\$ 381,996,419							
Aug-04	\$ 376,111,219							
GRAND TOTAL	\$ 16,445,260,961	\$ 441,903,986	\$ 256,841,758	\$ 94,997,327	\$ 50,370,235		\$ 855,128,382	5%

**24 month True ups for May 2000 & June 2000 were fairly high due to significant adjustments to two customers' congestion rent. (\$5M in May 2000 & \$11M in June 2000)

**NYISO
MARKET PARTICIPANT ENERGY BILLINGS
SUMMARY OF NET PAYABLES**

****PAYABLES****

	ORIGINAL INVOICE	4 MO TU	12 MO TU	24 MO TU	REBILL	Final Bill Challenge	TU TOTAL	% OF TU			
Nov-99	\$ 35,518,827	\$ -	\$ 4,367,509	12%	\$ 1,679,571	5%	\$ 490,908.55	1%	\$ 7,385,458	21%	
Dec-99	\$ 102,079,272	\$ -	\$ 8,340,216	8%	\$ 1,696,026	2%	\$ 3,616,444.38	4%	\$ 22,876,134	22%	
Jan-00	\$ 183,037,026	\$ -	\$ 12,925,858	7%	\$ 6,158,187	3%	\$ 3,940,531.33	2%	\$ 32,697,224	18%	
Feb-00	\$ 185,282,663	\$ -	\$ 12,448,203	7%	\$ 1,547,338	1%	\$ 3,133,334.38	2%	\$ 25,036,185	14%	
Mar-00	\$ 122,503,213	\$ -	\$ -	0%	\$ 1,160,468	1%	\$ 25,013,672		\$ 31,123,571	25%	
Apr-00	\$ 124,848,119	\$ -	\$ 9,564,586	8%	\$ 1,593,548	1%			\$ 11,158,134	9%	
May-00	\$ 232,582,089	\$ -	\$ 18,902,475	8%	\$ 7,780,529	3%			\$ 26,683,004	11%	
Jun-00	\$ 406,914,315	\$ -	\$ 26,020,673	6%	\$ 12,146,262	3%			\$ 38,166,935	9%	
Jul-00	\$ 243,016,054	\$ -	\$ 18,485,919	8%	\$ 2,720,323	1%			\$ 21,206,242	9%	
Aug-00	\$ 361,347,651	\$ -	\$ 35,133,640	10%	\$ 5,522,743	2%			\$ 40,656,383	11%	
Sep-00	\$ 294,082,367	\$ -	\$ 30,486,502	10%	\$ 6,594,522	2%			\$ 37,080,754	13%	
Oct-00	\$ 266,390,264	\$ -	\$ 2,714,042	1%	\$ 3,747,010	1%			\$ 21,819,570	8%	
Nov-00	\$ 246,642,946	\$ -	\$ 1,641,605	1%	\$ 1,788,082	1%			\$ 15,630,189	6%	
Dec-00	\$ 385,457,152	\$ -	\$ 3,608,151	1%	\$ 4,070,768	1%			\$ 27,238,727	7%	
Jan-01	\$ 334,775,998	\$ 12,164,291	4%	\$ 2,555,817	1%	\$ 1,505,088	0%		\$ 20,149,851	6%	
Feb-01	\$ 227,544,273	\$ 8,654,168	4%	\$ 1,776,808	1%	\$ 1,256,091	1%		\$ 14,800,320	7%	
Mar-01	\$ 234,105,528	\$ 7,955,548	3%	\$ 1,720,487	1%	\$ 748,584	0%	\$ 796,715	0%	\$ 14,489,543	6%
Apr-01	\$ 223,148,288	\$ 11,261,833	5%	\$ 2,545,748	1%	\$ 891,614	0%	\$ 658,557	0%	\$ 15,357,752	7%
May-01	\$ 250,351,122	\$ 16,266,662	6%	\$ 10,011,715	4%	\$ 1,839,840	1%	\$ 1,380,341	1%	\$ 29,498,559	12%
Jun-01	\$ 283,165,040	\$ 15,595,541	6%	\$ 4,128,716	1%	\$ 1,542,154	1%	\$ 1,311,283	0%	\$ 22,577,694	8%
Jul-01	\$ 319,423,484	\$ 13,300,599	4%	\$ 2,091,582	1%	\$ 1,642,515	1%	\$ 1,592,304	0%	\$ 18,627,000	6%
Aug-01	\$ 554,917,297	\$ 15,292,776	3%	\$ 3,690,366	1%	\$ 4,308,889	1%	\$ 4,797,469	1%	\$ 28,089,500	5%
Sep-01	\$ 182,063,076	\$ 6,493,353	4%	\$ 1,429,526	1%	\$ 2,218,595	1%	\$ 688,997	0%	\$ 10,830,471	6%
Oct-01	\$ 157,220,616	\$ 7,283,603	5%	\$ 1,830,221	1%	\$ 2,087,459	1%			\$ 11,201,283	7%
Nov-01	\$ 143,420,554	\$ 5,970,571	4%	\$ 1,932,886	1%	\$ 870,293	1%			\$ 8,773,751	6%
Dec-01	\$ 154,098,810	\$ 4,286,144	3%	\$ 999,872	1%	\$ 1,765,734	1%			\$ 7,051,750	5%
Jan-02	\$ 160,819,725	\$ 4,626,721	3%	\$ 1,299,584	1%	\$ 1,005,172	1%			\$ 6,931,478	4%
Feb-02	\$ 120,848,588	\$ 4,931,677	4%	\$ 989,372	1%	\$ 743,028	1%			\$ 6,664,077	6%
Mar-02	\$ 165,725,539	\$ 7,827,174	5%	\$ 1,411,595	1%	\$ 1,045,083	1%	\$ 592,554	0%	\$ 10,876,406	7%
Apr-02	\$ 222,151,382	\$ 8,779,909	4%	\$ 832,067	0%	\$ 1,398,781	1%	\$ 2,982,051	1%	\$ 13,992,808	6%
May-02	\$ 183,815,292	\$ 4,546,883	2%	\$ 1,976,201	1%	\$ 1,460,993	1%			\$ 7,984,076	4%
Jun-02	\$ 246,221,592	\$ 10,434,484	4%	\$ 2,155,248	1%	\$ 1,657,710	1%			\$ 14,247,443	6%
Jul-02	\$ 409,240,558	\$ 14,528,756	4%	\$ 3,375,870	1%	\$ 2,925,935	1%			\$ 20,830,561	5%
Aug-02	\$ 404,158,825	\$ 10,211,707	3%	\$ 2,426,894	1%	\$ 2,366,605	1%			\$ 15,005,205	4%
Sep-02	\$ 243,973,745	\$ 8,363,796	3%	\$ 3,174,497	1%					\$ 11,538,293	5%
Oct-02	\$ 248,659,897	\$ 5,971,255	2%	\$ 1,740,455	1%			\$ 2,130,811	1%	\$ 9,842,521	4%
Nov-02	\$ 243,580,981	\$ 5,477,164	2%	\$ 1,818,673	1%			\$ 2,336,086	1%	\$ 9,631,923	4%
Dec-02	\$ 288,570,651	\$ 8,221,256	3%	\$ 1,368,392	0%			\$ 2,029,091	1%	\$ 11,618,739	4%
Jan-03	\$ 386,692,211	\$ 9,867,267	3%	\$ 2,071,685	1%			\$ 1,195,113	0%	\$ 13,134,066	3%
Feb-03	\$ 407,240,054	\$ 12,015,097	3%	\$ 2,443,568	1%			\$ 1,185,813	0%	\$ 15,644,478	4%
Mar-03	\$ 415,026,752	\$ 9,888,707	2%	\$ 1,259,304	0%			\$ 1,773,369	0%	\$ 12,921,381	3%
Apr-03	\$ 278,826,241	\$ 7,393,788	3%	\$ 1,500,815	1%					\$ 8,894,603	3%
May-03	\$ 238,359,528	\$ 5,856,019	2%	\$ 1,306,262	1%					\$ 7,162,280	3%
Jun-03	\$ 289,166,413	\$ 7,355,535	3%	\$ 1,414,076	0%					\$ 8,769,611	3%
Jul-03	\$ 404,807,368	\$ 13,029,763	3%	\$ 2,317,535	1%					\$ 15,347,298	4%
Aug-03	\$ 494,075,742	\$ 14,065,141	3%	\$ 5,660,852	1%					\$ 19,725,993	4%
Sep-03	\$ 271,779,605	\$ 6,246,294	2%							\$ 6,246,294	2%
Oct-03	\$ 234,334,309	\$ 5,816,672	2%							\$ 5,816,672	2%
Nov-03	\$ 206,281,555	\$ 9,061,998	4%							\$ 9,061,998	4%
Dec-03	\$ 275,110,914	\$ 11,168,245	4%							\$ 11,168,245	4%
Jan-04	\$ 491,534,651	\$ 27,111,865	6%							\$ 27,111,865	6%
Feb-04	\$ 300,622,192	\$ 13,327,763	4%							\$ 13,327,763	4%
Mar-04	\$ 287,880,497	\$ 8,899,159	3%							\$ 8,899,159	3%
Apr-04	\$ 264,840,195	\$ 8,937,893	3%							\$ 8,937,893	3%
SUBTOTAL	\$ 14,438,281,045	\$ 388,487,077	3%	\$ 259,896,066	2%	\$ 91,485,272	1%	\$ 50,464,227	0%	\$ 891,539,113	6%
May-04	\$ 313,585,273										
Jun-04	\$ 338,972,977										
Jul-04	\$ 367,658,032										
Aug-04	\$ 362,031,970										
GRAND TOTAL	\$ 15,820,529,297	\$ 388,487,077		\$ 259,896,066		\$ 91,485,272		\$ 50,464,227		\$ 891,539,113	

NYISO Projects Portfolio Status Report August 2004

This report provides the current status of projects prioritized by the Project Prioritization Team (PPT). Please refer to the accompanying Projects Portfolio (Gantt chart) for the latest scheduling and deployment information. This information is updated monthly in preparation for the scheduled PPT meetings.

Priority Projects

A725 2004 SAS 70 Type 2 Audit

- KPMG auditing NYISO Bid-to-Bill process – progress continues.
- Audit scope period ends November 30.
- Designated as “exempt” priority meaning that resources are made available when and as needed to support the audit.

A573 SMD 2.0 Internal NYISO System Implementation

- MIS interfaces are in Phase E – Project System Operation/Functional Test Phase.
- BAS re-bills are in Phase E – Project System Operation/Functional Test Phase.
- MIS rules changes are in Phase E – Project System Operation/Functional Test Phase.
- BAS rules changes are in Phase E – Project System Operation/Functional Test Phase.
- Upload/Download is in Phase E – Project System Operation/Functional Test Phase.
- Bid Post is in Phase E – Project System Operation/Functional Test Phase.
- The PTS replacement is in Phase E – Project System Operation/Functional Test Phase.
- Price Verification is in Phase E – Project System Operation/Functional Test Phase.
- MMRD Replacement is in Phase E – Project System Operation/Functional Test Phase.
- Probe support is in Phase E – Project System Operation/Functional Test Phase.
- The new Load Forecaster is in Phase E – Project System Operation/Functional Test Phase.

A574 SMD 2.0 ABB System Implementation Support

- The SMD2 project team conducted two (2) Real-time Market Trial exercises during the month of August; both exercises involved the simulation of a Day Ahead Market, followed by a 24-hour real-time simulation. The bids and offers for both exercises were supplied by Market Participants, and system conditions were supplied by the power system simulator.
- These additional exercises mark the completion of the five (5) planned Market Trials (two Day Ahead Trials and three Real-time Trials).
- The issues uncovered during the trial events were manageable, and decreasing in both frequency and severity with each successive trial.
- Independent analysis reported on the accuracy of the market results for the first four trials indicate generally correct operation of the new SMD2 market rules; results of the fifth trial are still pending.
- ABB delivered a new software release at the end of August that contained the balance of the Phase 2b development features and a number of fixes to previously identified software defects.

NYISO Projects Portfolio Status Report August 2004

- The delivery of the Phase 2b software is almost four (4) weeks ahead of the revised ABB software development schedule.

A697 Auto Sys Replacement

- End User testing is currently being performed focusing on Billing and Market Monitoring functions.
- A verbal sign-off from Market Monitoring on their UAT was received.
- Currently pending written sign-off.
- Distribution lists are being created with the Patrol System to communicated to impacted stakeholders when Control M fails over.

Next Steps:

- Continue to track progress on all testing tasks.
- Continue coordination efforts with the other SMD project managers in order to integrate all work and testing schedules.

A696 SMD-DAC

- The project team successfully completed testing of the 345 KV system (this is the main voltage component of the mapboard system)
- The project team is currently working on the testing for the 230 KV system.
- Analog testing is 75% complete.
- The project team continues to work with SMD and ABB in the resolution of outstanding problems (SPR's) identified during this testing phase.
- Next Steps:
- Continue to track progress on all pending SPRs.
- Continue coordination efforts with the other SMD project managers in order to integrate all work and testing schedules

A667 Scarcity Pricing in SMD

- This project is required for performing Scarcity Pricing calculations in SMD2.
- Coding / unit test complete.
- Code is in the queue for QA testing in the PQA1 test environment. (Test date unknown).

A710 SMD Web Environment

- Testing of SMD2's BidPost application (marketplace.nyiso.com) on a clustered server environment is now complete; the clustered application will be deployed to support future Market Trail exercises.
- Additional OASIS Web Postings for SMD2 have been identified. Postings of the Generator-weighted LBMPs for all markets will be created; these new postings are in definition (Phase B).
- Phase D development activities are complete for the Control Room Logging application. Phase E testing activities are underway in SMD2's testing environments.
- Additional Phase E activities are underway to incorporate eTagging into the SMD2 web environment.

NYISO Projects Portfolio Status Report August 2004

A709 Reserve Pickup Reporting

- Project is currently in Phase E - System Operational / Functional Test.
- Awaiting PTS data and backfill refresh for UAT.
- Scheduled deployment with SMD.

A577 SMD2 Integration

- The EAI interfaces supporting the Price Verification, Load Forecast, preMGF and DA Operating Plan processes continue to support the ongoing Market Trial exercises without issues.
- Additional Phase E test activities are underway to support testing of failover capabilities of Web and EAI applications to the ACC.
- The EAI monitoring solution has entered Phase D; components are being developed which will enhance the reliability of all NYISO's EAI solutions.

A729 MIS / BAS Cluster and Site Failover

- Failover includes hardware mirrors for MIS/LF & BAS/HIST, DataGuard for MIS/LF & Oracle Forms failover.
- All Production and QA systems have been configured for DataGuard.
- Failover / Switchover testing is in progress.

A690 Grouped Units

- QA testing proceeding in Legacy environment.
- Deployment to SMD2 test environment planned for September 3.
- To be deployed with SMD2.

A600 Open Billing Issues

- The Billing Issues Group (BIG), chaired by the CFO, is responsible for resolving all identified billing issues. The A600 project was established to ensure timely action on internal billing issues (not including external items such as bad or missing metering data). Incentive Goal 7 tracks performance on the timely correction of these internal billing issues. The table below shows the total number of open billing issues coincident with the last BIG meeting, the meeting a month prior and the meeting six-months prior. Note that four of the non-goal 7 issues currently open are non-IT issues. One is under guidance by special committee, two pertain to FERC regulatory actions, and one pertains to an ongoing dispute between two market participants.

**A600 – Open Billing Issues Status			
Number of Open Issues Needing Work	9/21/2004	7/7/2004	6/23/2004
Total Goal 7 Issues	3	5	4
Total Non-Goal 7 Issues	5	6	4
Total Issues	8	11	8

NYISO Projects Portfolio Status Report August 2004

A630 Automate Voltage Support Billing Calculation

- Project is in Phase B – Requirements Development however, the ability to move forward with the project is dependent upon the availability of resources.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A687 Automate Local Black Start Calculation

- Project is delayed pending availability of resources
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A636 85/15 Schedule 1 Split - Phase 1

- This project has been placed on hold pending the availability of resources.
- Customer Settlements will continue to calculate this component of customer bills manually until a software solution is made available.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A689 Store Intermediate Billing Calculation Data

- The project is currently on hold.

A676 Automate DAM Congestion Shortfall Calculation

- Automation of the billing process is delayed pending availability of resources.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A619 Controllable Tie Lines Scheduling & Pricing

- Project is currently in Phase C – Design
- Project on schedule to complete design by end of November.

A707 Process to Enhance the Settlement Cycle

- Project requirements are currently being defined.

A675 Billing Simulator

- Forty-two of the forty-five use cases have been coded and are being tested in the Stabilization / QA environment.
- Three remaining use cases have issues that preclude their inclusion in this phase.
- Daylight Savings time fix has been delivered and is undergoing testing in QA.
- Performance fix being tested in development appears to yield acceptable results.
- Focusing on Oracle tuning in QA.

A708 Consolidate NYISO Offices

- The development of a detailed layout (Phase II Lamb Report) is complete.
- The Site Selection process is continuing.

NYISO Projects Portfolio Status Report August 2004

- Additional options and cost analysis (i.e. Integrated Facility vs. PCC only vs. ACC only) have been evaluated and presented to both the BSP and Management Committee. The feedback from the BSP and MC was communicated to the Board of Directors.
- A decision on which building option the NYISO will proceed with is expected in the September/October timeframe.
- Responses to an ISO questionnaire, sent to all the ISOs, concerning infrastructure and security issue, have been received. A summary of the questionnaire has been produced and will be sent back to the ISOs by the end of September.

A724 PCC Modifications – Security

- The Phase III work (outer perimeter security) is in the process of being approved.
- A new Digital Messaging System (Target Vision) has been approved and will be installed in both the PCC (in the new lobby) and at Wash. Ave.
- Phase II work (Guard House and Lobby) will be completed the first week of October.

A734 Guard Deployment – 24 x 7

- Security stations have been set up at all four NYSIO facilities.
- The new security system (Diamond II) has been configured and rolled out to Wolf, Annex and Washington Ave. offices.
- Guards have been deployed at all facilities.
- The security system will be rolled out to the PCC upon completion of the Guard House.

A737 Migration to New Facility

- Advisory committees have been identified to break down the work of the migration and develop a detailed plan.
- Discussions with third parties are in progress to generate cost estimates for the migration.

A739 Capital Improvements at PCC in Guilderland

- A preliminary report has been written identifying possible modifications to be made.

A649 Oracle Financials 9i Upgrade

- This project includes upgrading the Oracle Financials application to 11i, upgrading the database to 9i, and moving application & data to new hardware.
- Approval received for proceeding with the project, targeting Q1 2005 production implementation.
- Waiting for Statement of Work from Solution Beacon (Oracle Consultants) who will be assisting with the upgrade.

A732 Oracle Forms Upgrade to 6i

- FRS approved.
- Legacy / SMD2 Forms 6i server upgrade completed.
- Launchpad Upgrade currently being deployed to NYISO.

NYISO Projects Portfolio Status Report August 2004

A658 Facilitated Checkout

- IMO and HQ plan to have checkout service in production in September/October timeframe.
- Planning to deploy display for NYISO Operations in similar timeframe.

A543 UCAP Market Automation

- Project is currently in Phase E – Construction Phase.
- Coding phase extended until end of September.
- Market Trials scheduled for January 2005.

A541 TCC Online Auction Automation

- Project to resume after TCC audit.

A706 Develop a Virtual Regional Dispatch

- Scope and project requirements/deliverables are not yet defined.

A664 DSS Enhancements V

- ADD Phase 1
 1. Currently running in parallel
 2. Provided additional functionalities that BAWG requested
 3. Discussed removal of CSS server with BAWG. Postponed cutover date to 10/1 to give some MPs additional time to get ready.
- Completed minor enhancement release (including ADD enhancements) on 8/14.
- SMD2 Integration
 1. Scope change: new changes for CSV is now required to support SMD 2
 2. Minor changes in requirements from SMD 2
 3. Continued working on Design and Development
- ADD Phase 2
 1. We now have power to all 3 servers required for this track
 2. Preparing for BO 6i upgrade
 3. Start gathering requirements
- Control-M
 1. This track is added back to project plan to be completed by 11/1
 2. Training resource needed for this track
- Sign convention
 1. Start gathering requirements
 2. Transition/Knowledge transfer from Structure resource to NYISO staff
- Intermediate training has been successfully transitioned to Training Department.
- Continued work on Quickstart/Mentoring program.
- Continued working on staffing level for the DSS for the remainder of this year.
- Unix resource availability, and environment stability continue to be major risks for this project.
- Continued 2005 project planning and budgeting process.

NYISO Projects Portfolio Status Report August 2004

A699 MDEX Enhancements

- Scope and requirements have yet to be fully defined.

A704 Operational Information to the Marketplace

- Scope and project requirements/deliverables are not yet defined.

A705 Inter-ISO Standards for Market Messages

- Scope and requirements have yet to be fully defined.

A740 Documentum - IT Implementation

- Testing is scheduled to complete the week of 9/13/04.
- Knowledge Transfer from contractors to NYISO resources is going very well.
- Training materials are being updated and transitioned to the training department.
- A Deployment Date of 9/23/04 is still planned.

A703 SW Development Lifecycle Tools

- Bearing Point was contracted to perform an assessment of SW development lifecycle.

A701 New Technology Initiatives

- Scope and requirements have yet to be fully defined.

A657 OSS SMD2 Support (15-Minute Schedules and ICAP Prescheduling)

- Development complete. Targeted for integration with SMD SAT testing.
- Contingency plan under development to allow deployment to legacy base code in Spring 04.


A702 Enhanced Market Security

- Scope and requirements have yet to be fully defined.

Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2005													
								Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
1 -- Priority Projects																					
A725	2004 SAS 70 Type 2 Audit	Exempt		RUBIN	BUDD	N/A	N/A														
A573	SMD 2.0 Internal NYISO System Implementation	1	11/01/04	SMITH	CALIMANO & KING	2	6,571														
A574	SMD 2.0 ABB System Impementation Support	1	11/01/04	MILLS	CALIMANO & KING	2	14,018														
A697	AutoSys Replacement	1	Deploy w/ SMD	VETTER	FELL	3	908														
A696	SDAC Replacement	1	Deploy w/ SMD	VETTER	FELL	3	625														
A667	Scarcity Pricing in SMD	1	Deploy w/ SMD	RINALDI	KING	2	353														
A710	SMD Web Environment	1		MILLER	FELL	2	613														
A709	Reserve Pickup Reporting	1	Deploy w/ SMD	RINALDI	CALIMANO	3	769														
A577	SMD 2.0 Integration	1		MILLER	FELL	2	503														
A729	MIS / BAS Cluster and Site Failover	1		RINALDI	FELL	N/A	N/A														
A690	Grouped Units	2	Deploy w/ SMD	RINALDI	DAVIS	2	285														
A600	Open Billing Issues	2		DUFFY	DAVIS	1	4,396														
A630	Automate the Voltage Support Service Corrections	2		JURCZYNSKI	DAVIS	N/A	N/A														
A687	Automate Local Black Start Calculation	2		JURCZYNSKI	DAVIS	N/A	N/A														
A636	85/15 Rate Schedule 1 Split - Phase 1	2		JURCZYNSKI	DAVIS	N/A	N/A														
A689	Store Intermediate Billing Calculation Data	2		JURCZYNSKI	DAVIS	N/A	N/A														
A676	Automate DAM Congestion Shortfall Calculation	2		JURCZYNSKI	DAVIS	N/A	N/A														
A619	Controllable Tie Lines Scheduling and Pricing	3		FITTS	CALIMANO	2	9,360														
A707	Process to Enhance the Settlement Cycle	4		JURCZYNSKI	DAVIS	N/A	N/A														
A675	Billing Simulator	5		PELUSO	FELL	1	570														
A708	New NYISO Facility	6		FARNEY	RAGOGNA	N/A	N/A														
A724	PCC Modifications - Security	6	10/06/04	FARNEY	RAGOGNA	2	417														
A734	Guard Deployment - 24 x 7	6	10/15/04	FARNEY	RAGOGNA	2	38														
A737	Migration to New Facility	6		FARNEY	RAGOGNA	N/A	N/A														


Legend
12-B
Estimate Level

- 1 - Class 100 Estimate Based on Concept of Operations
- 2 - Class 50 Estimate Based on Functional Requirements Specification
- 3 - Class 10 Estimate Based on Detailed Design
- * - Estimate Through Identified Deployments Only





 Duration Based Schedule 

 Resource Limited Schedule 

 Deployment Milestone 

 Estimated FRS Completion 

Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2005													
								Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
A739	Capital Improvements of PCC in Guilderland	6		FARNEY	RAGOGNA	N/A	N/A														
A649	Oracle Financials Upgrades	7		RINALDI	FELL	N/A	N/A														
A732	Oracle Forms Upgrade to 6i	8	09/20/04	RINALDI	FELL	2	129		▼												
A658	Facilitated Checkout	9		MARTIN	FELL	2	3,681														
A543	UCAP Market Automation	10		FITTS	KING	3	4,222														
A541	TCC Online Auction Automation	11		FITTS	KING	N/A	N/A														
A706	Develop a Virtual Regional Dispatch	12		VETTER	KING	N/A	N/A														
A664	DSS Market Monitoring Datamart I	13	09/15/04	LE	FELL	3	7,995		▼		▼										
A699	MDEX Enhancements	14		TBD	MURPHY	N/A	N/A														
A704	Operational Information to the Marketplace	15		VETTER	KING	N/A	N/A														
A705	Inter-ISO Standards for Market Messages	16		PELUSO	FELL	N/A	N/A														
A740	Documentum - IT Implementation	17	09/23/04	FARNEY	SANFORD	3	1,946		▼												
A703	SW Development Lifecycle Tools	18		FITTS	FELL	N/A	N/A														
A701	New Technology Initiatives	19		PELUSO	FELL	N/A	N/A														
A657	OSS SMD Support (15-Min Schedules and ICAP Prescheduling)	20		PELUSO	FELL	2	479														
A702	Enhanced Market Security	21		FITTS	FELL	N/A	N/A														

Legend	12-B	Estimate Level	Duration Based Schedule 
		1 - Class 100 Estimate Based on Concept of Operations	Resource Limited Schedule 
		2 - Class 50 Estimate Based on Functional Requirements Specification	Deployment Milestone 
		3 - Class 10 Estimate Based on Detailed Design	Estimated FRS Completion 
		* - Estimate Through Identified Deployments Only	




Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2005												
								Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2 -- Studies & Training																				
A680	Annual (2003) New York Area Transmission Review	1	09/20/04	COREY	BROWN	2	N/A													
A037	NYISO/TO Baseline Plan Study - 2001	2		COREY	BROWN	2	N/A													
A591	Calpine (was SkyGen) Waterford	3	11/02/04	COREY	BROWN	2	N/A													
A208	NYSEG Solutions So. Glens Falls Expansion (Reimbursable)	4		COREY	BROWN	2	N/A													
A679	SIS for Liberty Proposed Transmission Expansion	5	04/17/05	COREY	BROWN	2	N/A													
A682	NYISO Transmission Planning Process	6	01/28/05	COREY	BROWN	2	N/A													
A692	NYISO-NYSERDA Wind Generation Integration Study	7	01/06/05	COREY	BROWN	2	N/A													
A726	SRIS for the East Coast Power Linden Gen Expansion Project	8	05/31/05	COREY	BROWN	2	N/A													
A727	SRIS for the East Coast Power Linden VFT Inter-Tie Project	9	05/31/05	COREY	BROWN	2	N/A													
A742	SRIS - NM-NGrid Leeds-Pleasant Vly Prj.(Reimbursable)	10	01/03/05	COREY	BROWN	2	N/A													
A744	SRIS for the Invenegy High Sheldon Windfarm Project	11	01/03/05	COREY	BROWN	2	N/A													
A745	SRIS for the Summer 2004 Mobile Gen. (Reimbursable)	12	01/03/05	COREY	BROWN	2	N/A													
A746	SRIS for the ConEd Mott Haven Subst. (Reimbursable)	13	01/03/05	COREY	BROWN	2	N/A													
A621	Restoration Sensitivity Studies	N/A		WALDELE	CALIMANO	N/A	N/A													
A645	Operations Reactive Study	N/A		WALDELE	CALIMANO	N/A	N/A													
A672	Quebec - New York Interconnection Limit Analysis	N/A		WALDELE	CALIMANO	N/A	N/A													
A673	Athens Generation In-Service Operating Study	N/A		WALDELE	CALIMANO	N/A	N/A													

Legend

12-B

Estimate Level

- 1 - Class 100 Estimate Based on Concept of Operations
- 2 - Class 50 Estimate Based on Functional Requirements Specification
- 3 - Class 10 Estimate Based on Detailed Design
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- Duration Based Schedule 
- Resource Limited Schedule 
- Deployment Milestone 
- Estimated FRS Completion 