



# Monthly Report

**December 2005**

**John Buechler**

## TABLE OF CONTENTS

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

# Market Performance Highlights for December 2005

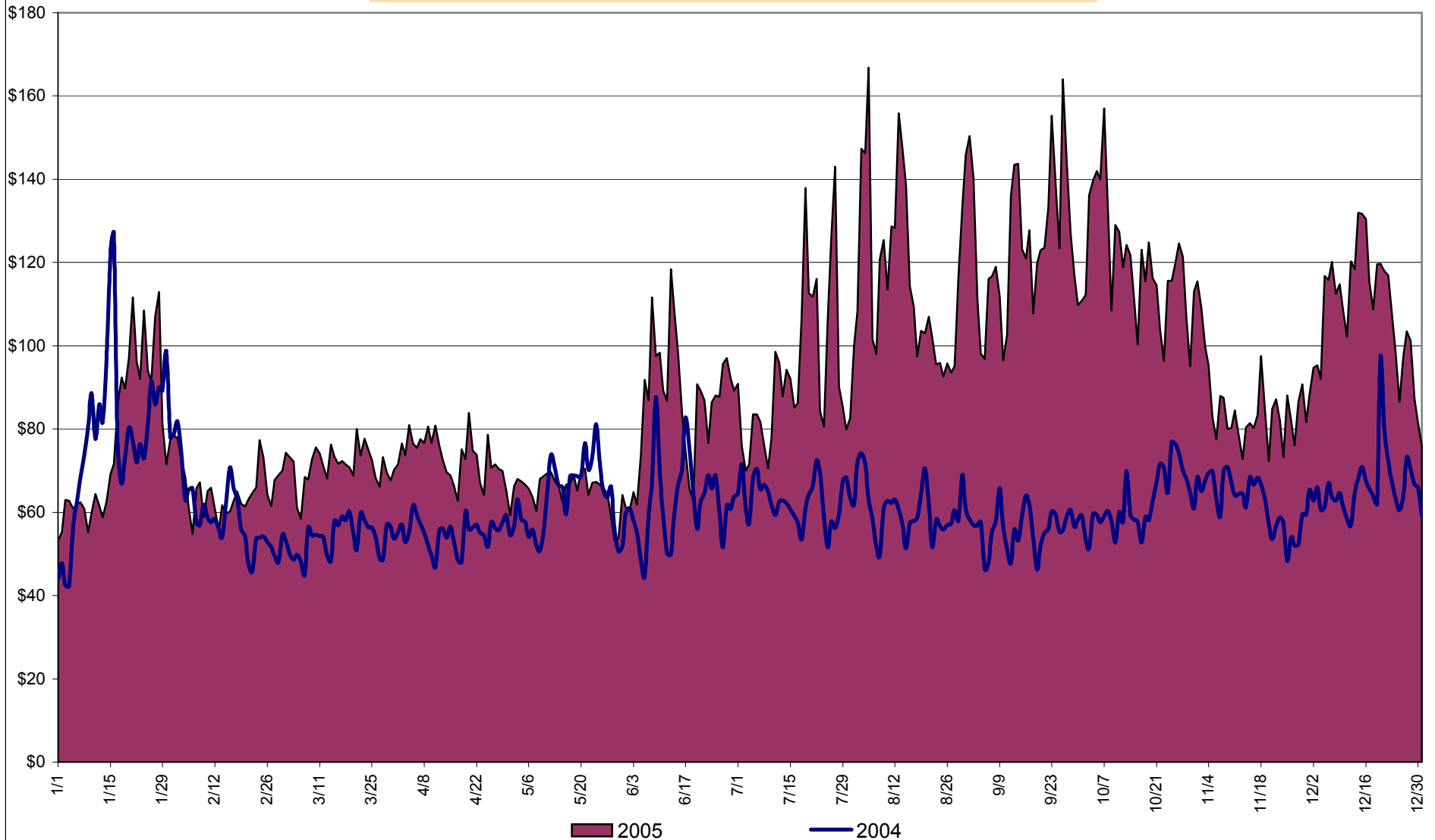
- NYISO LBMP and Average Cost have increased this month relative to November 2005.
  - LBMP for December is \$106.11/MWh, up from \$82.00/MWh in November.
  - Average cost is \$108.85/MWh, up from \$85.72/MWh in November.
  - Both Day Ahead and Real Time LBMPs have increased this month.
- Fuel prices are uniformly up this month with Gas prices up almost 35% from November 2005.
  - Kerosene is \$13.58/mmBTU, up from \$13.04/mmBTU in November
  - No. 2 Fuel Oil is \$12.13/mmBTU, up from \$12.03/mmBTU in November
  - Natural Gas is \$14.05/mmBTU, up from \$10.45/mmBTU in November
  - No. 6 Fuel Oil is \$8.89/mmBTU, up from \$8.42/mmBTU in November
- Uplift has decreased this month relative to November 2005 and relative to December 2004, primarily due to lower Residual Balancing costs.
  - Uplift (not including NYISO cost of operations) is \$0.17/MWh, down from \$1.26/MWh in November 2005.
- Regulation Prices decreased in the Day Ahead market and declined slightly in the Real Time market this month.
- December reservations and corrections down compared to November 2005.
  - 4.70% of hours reserved, down from 6.81% of hours reserved in November 2005;
  - 2.42% of hours corrected, down from 2.78% of hours corrected in November 2005.

**Daily NYISO Average Cost/MWh (Energy & Ancillary Services)\***

**2004 Annual Average \$62.80/MWh**

**December 2004 YTD Average \$62.80/MWh**

**December 2005 YTD Average \$93.89/MWh**



\* Excludes ICAP payments

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

<b>2005</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	75.70	64.03	69.95	71.28	63.13	84.83	92.42	115.19	122.40	118.56	82.00	106.11
NTAC	0.42	0.36	0.23	0.49	0.40	0.58	0.46	0.25	0.10	0.03	0.39	0.64
Reserve	0.24	0.08	0.17	0.21	0.20	(0.01)	0.11	0.02	0.31	0.54	0.34	0.38
Regulation	0.32	0.40	0.34	0.22	0.25	0.20	0.15	0.06	0.41	0.64	0.70	0.53
NYISO Cost of Operations	0.63	0.79	0.79	0.79	0.79	0.63	0.63	0.63	0.63	0.63	0.63	0.63
Uplift	1.99	(0.59)	(0.47)	0.29	0.30	1.85	1.95	2.76	1.68	0.52	1.26	0.17
Voltage Support and Black Start	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39
<b>Avg Monthly Cost</b>	<b>79.70</b>	<b>65.45</b>	<b>71.38</b>	<b>73.67</b>	<b>65.46</b>	<b>88.48</b>	<b>96.09</b>	<b>119.29</b>	<b>125.93</b>	<b>121.32</b>	<b>85.72</b>	<b>108.85</b>
 Avg YTD Cost	 79.70	 73.25	 72.61	 72.86	 71.56	 74.91	 78.90	 85.52	 90.31	 93.10	 92.53	 93.89

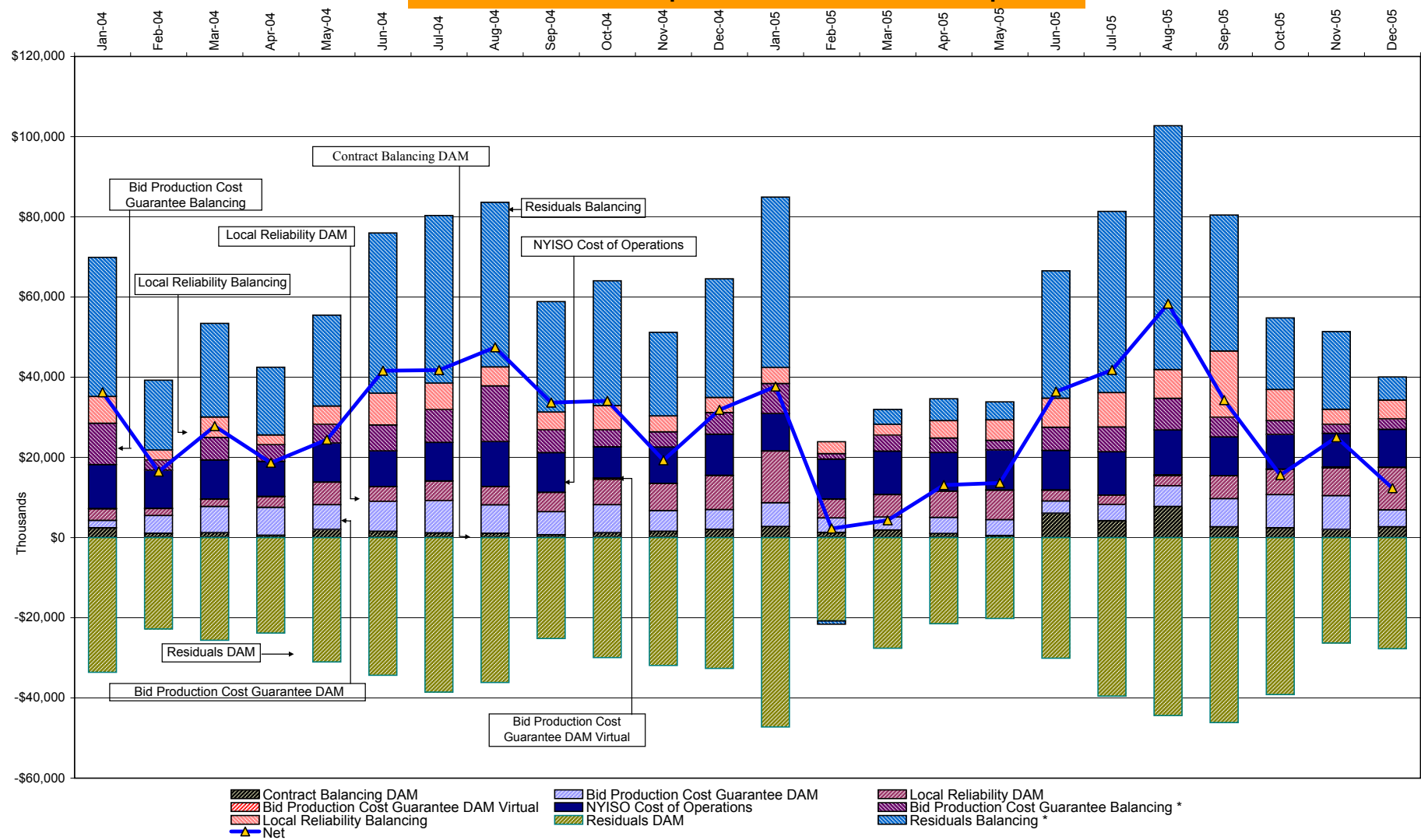
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<b>2004</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	76.13	57.13	50.56	52.48	61.23	59.79	59.60	57.20	53.01	58.66	59.79	62.93
NTAC	0.47	0.42	0.55	0.51	0.42	0.53	0.34	0.43	0.23	0.29	0.46	0.69
Reserve	0.27	0.14	0.21	0.17	0.13	0.09	0.07	0.06	0.06	0.12	0.15	0.22
Regulation	0.23	0.36	0.29	0.15	0.13	0.14	0.14	0.17	0.32	0.43	0.45	0.28
NYISO Cost of Operations	0.73	0.73	0.73	0.72	0.73	0.63	0.63	0.73	0.73	0.63	0.72	0.73
Uplift	1.74	0.52	1.35	0.81	1.10	2.33	2.14	2.43	1.77	2.05	0.80	1.55
Voltage Support and Black Start	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
<b>Avg Monthly Cost</b>	<b>79.94</b>	<b>59.66</b>	<b>54.05</b>	<b>55.21</b>	<b>64.09</b>	<b>63.87</b>	<b>63.27</b>	<b>61.38</b>	<b>56.48</b>	<b>62.54</b>	<b>62.74</b>	<b>66.75</b>
 Avg YTD Cost	 79.94	 70.85	 65.43	 63.14	 63.33	 63.42	 63.40	 63.12	 62.41	 62.42	 62.45	 62.80

\* Excludes ICAP payments

These numbers reflect the rebilling of prior periods

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



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

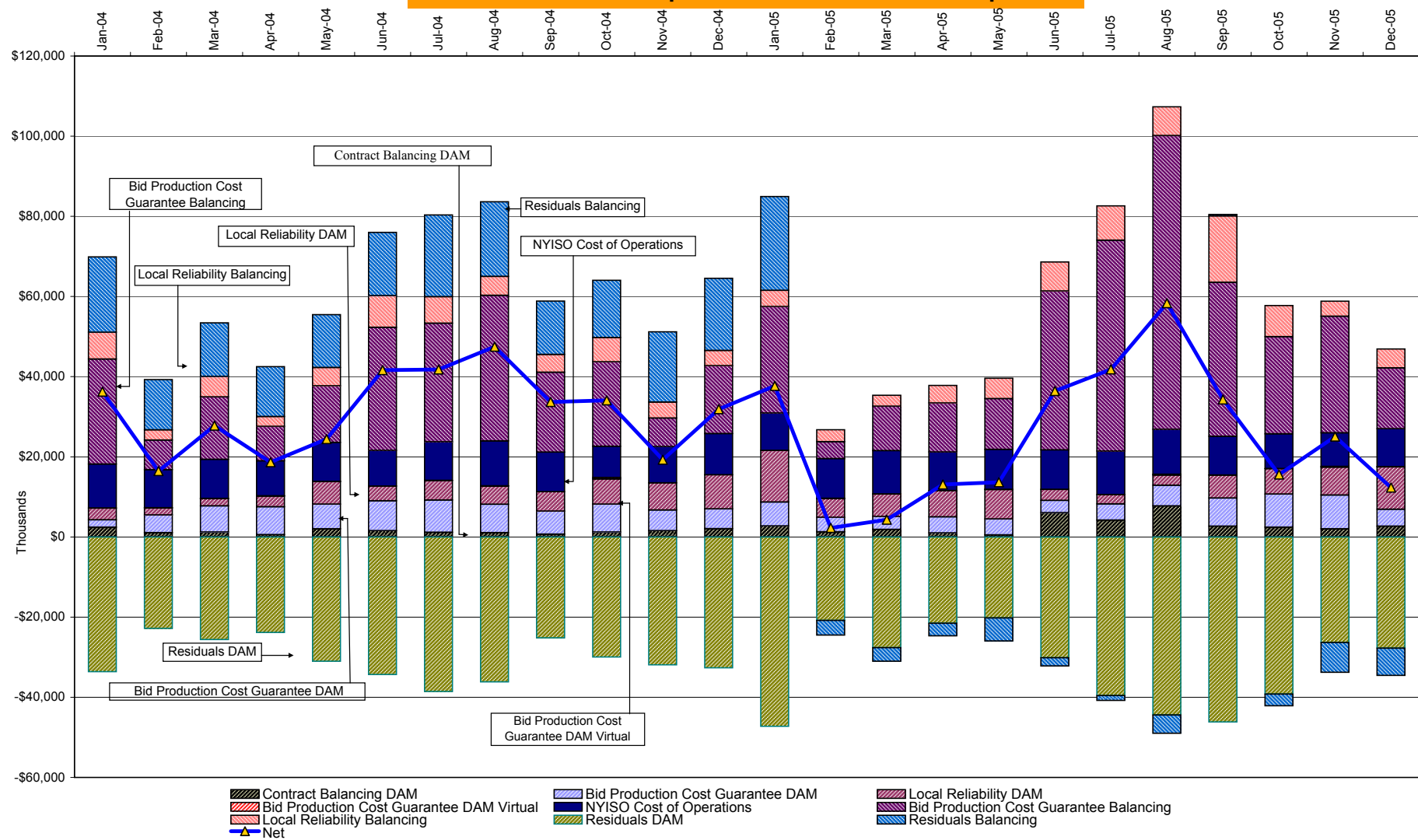
DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.

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

\* Effective November 2005 codes 81305 and 81312 have been re-categorized from BPCG Balancing to Residuals Balancing so as to better reflect their uplift type (see 4-AE) .

All months have been adjusted accordingly.

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



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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).

\* This chart reflects the billing code categories that were in effect prior to the November 2005 re-categorization and is meant for comparison purposes only.

# NYISO Markets Transactions

2005	January	February	March	April	May	June	July	August	September	October	November	December
<b>Day Ahead Market MWh</b>	14,281,481	12,510,148	13,410,579	12,215,628	12,773,478	14,981,363	16,344,465	16,587,663	14,706,243	13,309,658	12,893,992	14,418,648
DAM LSE Internal LBMP Energy Sales	48%	49%	52%	52%	45%	50%	53%	52%	49%	46%	45%	46%
DAM External TC LBMP Energy Sales	3%	1%	1%	1%	3%	3%	3%	4%	6%	4%	4%	5%
DAM Bilateral - Internal Bilaterals	47%	48%	45%	44%	50%	44%	42%	42%	43%	47%	48%	46%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	1%	1%	1%	2%	2%	2%	2%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	0%	1%	0%	0%	1%	0%	0%	0%	0%	0%	0%
<b>Balancing Energy Market MWh</b>	414,096	123,162	329,431	58,175	-101,200	582,604	796,586	1,107,346	544,610	384,383	365,677	515,733
Balancing Energy LSE Internal LBMP Energy Sales	77%	-39%	22%	-336%	-307%	46%	73%	73%	33%	4%	-15%	41%
Balancing Energy External TC LBMP Energy Sales	43%	161%	77%	463%	208%	45%	23%	21%	51%	93%	100%	49%
Balancing Energy Bilateral - Internal Bilaterals	-13%	-9%	7%	-27%	5%	5%	6%	6%	13%	4%	13%	11%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	0%	0%	2%	2%	1%	1%	0%	0%	1%	1%	1%
Balancing Energy Bilateral - Wheel Through Bilaterals	-8%	-13%	-5%	-2%	-8%	3%	-2%	1%	3%	-1%	2%	-1%
<b>Transactions Summary</b>												
LBMP	53%	51%	54%	54%	47%	54%	58%	58%	56%	52%	50%	52%
Internal Bilaterals	45%	47%	44%	44%	50%	43%	40%	39%	42%	45%	47%	45%
Import Bilaterals	1%	1%	1%	0%	0%	1%	1%	1%	1%	2%	2%	2%
Export Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
<b>Market Share of Total Load</b>												
Day Ahead Market	97.2%	99.0%	97.6%	99.5%	100.8%	96.3%	95.4%	93.7%	96.4%	97.2%	97.2%	96.5%
Balancing Energy +	2.8%	1.0%	2.4%	0.5%	-0.8% *	3.7%	4.6%	6.3%	3.6%	2.8%	2.8%	3.5%
Total MWh	14,695,577	12,633,310	13,740,011	12,273,803	12,672,278	15,563,968	17,141,051	17,695,009	15,250,854	13,694,041	13,259,669	14,934,381
Average Daily Energy Sendout/Month GWh	462	447	433	399	395	501	536	549	478	418	419	454
2004	January	February	March	April	May	June	July	August	September	October	November	December
<b>Day Ahead Market MWh</b>	14,614,304	12,806,346	12,836,889	11,818,317	13,026,160	13,737,390	15,071,422	14,939,105	13,228,022	12,375,053	12,214,936	13,471,387
DAM LSE Internal LBMP Energy Sales	52%	50%	51%	51%	47%	49%	53%	54%	53%	52%	53%	49%
DAM External TC LBMP Energy Sales	4%	2%	3%	3%	4%	3%	2%	1%	1%	0%	0%	2%
DAM Bilateral - Internal Bilaterals	41%	45%	44%	44%	46%	45%	43%	43%	44%	45%	44%	48%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	1%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%
<b>Balancing Energy Market MWh</b>	367,460	269,220	508,837	238,876	380,696	424,726	139,472	297,506	322,983	68,554	275,972	574,623
Balancing Energy LSE Internal LBMP Energy Sales	66%	31%	61%	84%	30%	29%	-46%	35%	19%	-9%	24%	70%
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%	38%	77%	74%	170%	73%	50%	125%	69%	30%
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%	-9%	3%	5%	13%	5%	39%	23%	11%	3%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	1%	1%	0%	1%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%	-14%	-11%	-8%	-39%	-13%	-8%	-40%	-5%	-3%
<b>Transactions Summary</b>												
LBMP	58%	54%	56%	55%	53%	54%	55%	56%	54%	53%	55%	52%
Internal Bilaterals	40%	44%	42%	43%	45%	44%	43%	43%	44%	45%	44%	46%
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	0%	1%	0%	1%	1%	0%	1%	1%	0%	0%	0%
<b>Market Share of Total Load</b>												
Day Ahead Market	97.5%	97.9%	96.2%	98.0%	97.2%	97.0%	99.1%	98.0%	97.6%	99.4%	97.8%	95.9%
Balancing Energy +	2.5%	2.1%	3.8%	2.0%	2.8%	3.0%	0.9%	2.0%	2.4%	0.6%	2.2%	4.1%
Total MWh	14,981,764	13,075,566	13,345,726	12,057,193	13,406,856	14,162,116	15,210,894	15,236,611	13,551,005	12,443,607	12,490,908	14,046,010
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485	447	403	415	447

+ Balancing Energy: Load(MW) purchased at Real Time LBMP.

\* The signs for the detail section intuitively reflect the direction of power flow eliminating the use of double negatives when Balancing Energy is negative.

Notes: Percent totals may not equal 100% due to rounding.  
Virtual Transactions are not reflected in this chart.



### **NYISO Markets 2005 Energy Statistics**

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b><u>DAY AHEAD LBMP</u></b>												
Price *	\$69.55	\$61.04	\$67.17	\$68.14	\$59.59	\$75.49	\$83.75	\$102.33	\$115.47	\$110.99	\$78.56	\$101.24
Standard Deviation	\$23.42	\$12.00	\$12.49	\$14.20	\$13.39	\$22.85	\$24.32	\$31.65	\$32.31	\$28.39	\$21.07	\$26.32
Load Wtg.Price **	\$72.26	\$62.42	\$68.61	\$69.92	\$61.44	\$79.64	\$88.09	\$107.34	\$120.22	\$115.20	\$81.05	\$104.27
<b><u>RTC *** LBMP</u></b>												
Price *	\$74.47	\$55.93	\$70.40	\$69.92	\$61.59	\$85.42	\$94.96	\$129.60	\$116.00	\$108.53	\$74.02	\$94.86
Standard Deviation	\$44.64	\$16.80	\$26.13	\$23.51	\$59.20	\$62.91	\$68.35	\$116.09	\$44.35	\$42.95	\$33.43	\$40.18
Load Wtg.Price **	\$77.48	\$57.10	\$72.12	\$71.72	\$64.16	\$90.25	\$100.76	\$138.00	\$120.72	\$112.25	\$76.57	\$97.73
<b><u>REAL TIME LBMP</u></b>												
Price *	\$70.25	\$57.57	\$68.04	\$64.95	\$57.20	\$77.75	\$90.48	\$122.21	\$114.94	\$110.90	\$74.62	\$94.16
Standard Deviation	\$31.79	\$20.48	\$32.50	\$26.06	\$42.34	\$55.70	\$72.95	\$103.00	\$42.92	\$55.35	\$36.61	\$40.67
Load Wtg.Price **	\$73.26	\$58.86	\$69.88	\$66.77	\$59.04	\$83.96	\$96.82	\$130.69	\$120.36	\$115.69	\$77.51	\$97.64
Average Daily Energy Sendout/Month GWh	462	447	433	399	395	501	536	549	478	418	419	454

### **NYISO Markets 2004 Energy Statistics**

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

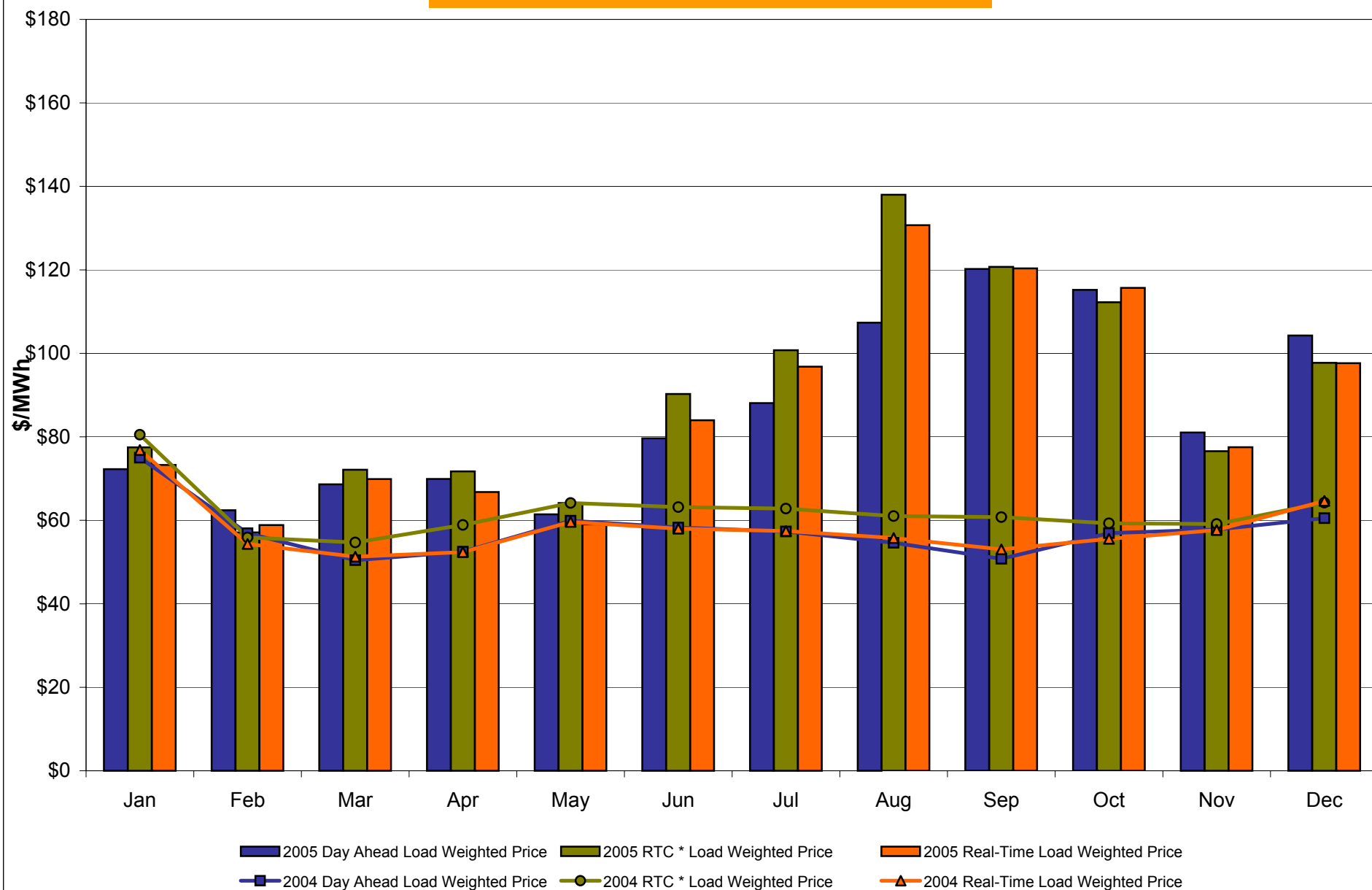
\* Average zonal load weighted prices

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

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

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

## NYISO Monthly Average Internal LBMPs 2004 - 2005



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

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

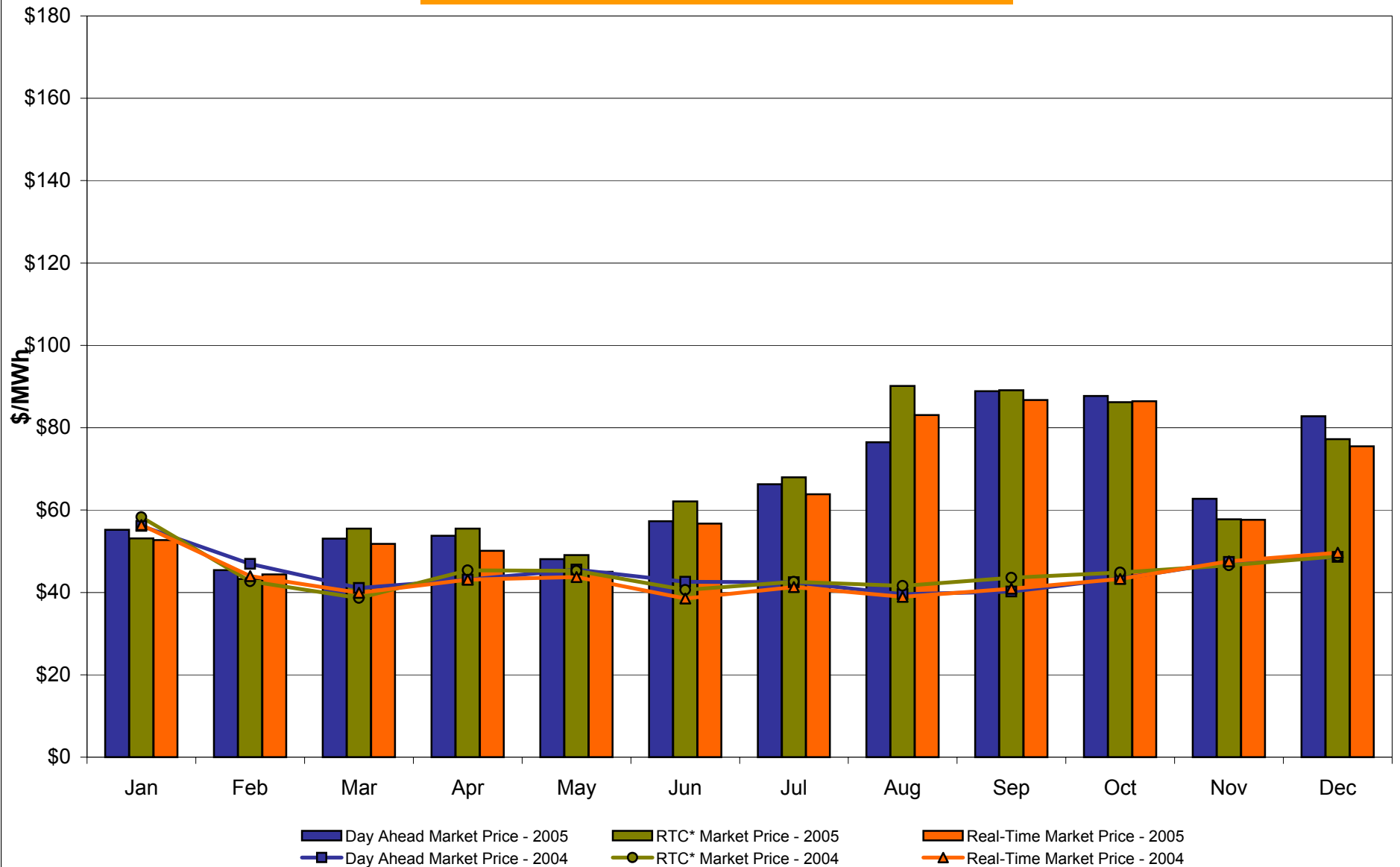
	WEST <u>Zone A</u>	GENESEE <u>Zone B</u>	NORTH <u>Zone D</u>	CENTRAL <u>Zone C</u>	MOHAWK VALLEY <u>Zone E</u>	CAPITAL <u>Zone F</u>	HUDSON VALLEY <u>Zone G</u>	MILLWOOD <u>Zone H</u>	DUNWOODIE <u>Zone I</u>	NEW YORK CITY <u>Zone J</u>	LONG ISLAND <u>Zone K</u>
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	82.79	87.41	90.47	90.16	92.88	98.62	98.89	99.55	101.39	110.75	117.68
Standard Deviation	24.79	25.58	25.18	25.55	26.12	26.32	26.77	27.32	27.03	29.27	29.37
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	77.25	84.35	86.91	86.55	89.00	94.30	94.54	95.05	95.07	99.25	114.54
Standard Deviation	39.98	39.94	39.00	39.62	40.27	41.84	41.14	41.26	41.22	42.39	51.55
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	75.51	83.01	85.32	85.01	87.38	92.76	92.98	93.74	93.76	100.37	113.04
Standard Deviation	38.79	40.31	39.51	39.79	40.61	42.43	41.64	41.92	41.88	49.42	50.91
	ONTARIO IESO	HYDRO QUEBEC	PJM	NEW ENGLAND	CROSS SOUND CABLE <u>Controllable Line</u>						
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	80.58	91.05	87.35	99.60	116.35						
Standard Deviation	24.75	25.26	26.41	26.00	28.37						
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	73.90	84.98	79.01	97.66	112.59						
Standard Deviation	47.77	29.68	33.74	32.69	49.01						
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	74.99	85.27	79.76	99.42	112.34						
Standard Deviation	51.64	38.03	38.83	41.66	49.92						

\* Straight zonal LBMP averages

\*\* Referred to as RTC beginning February 2005

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

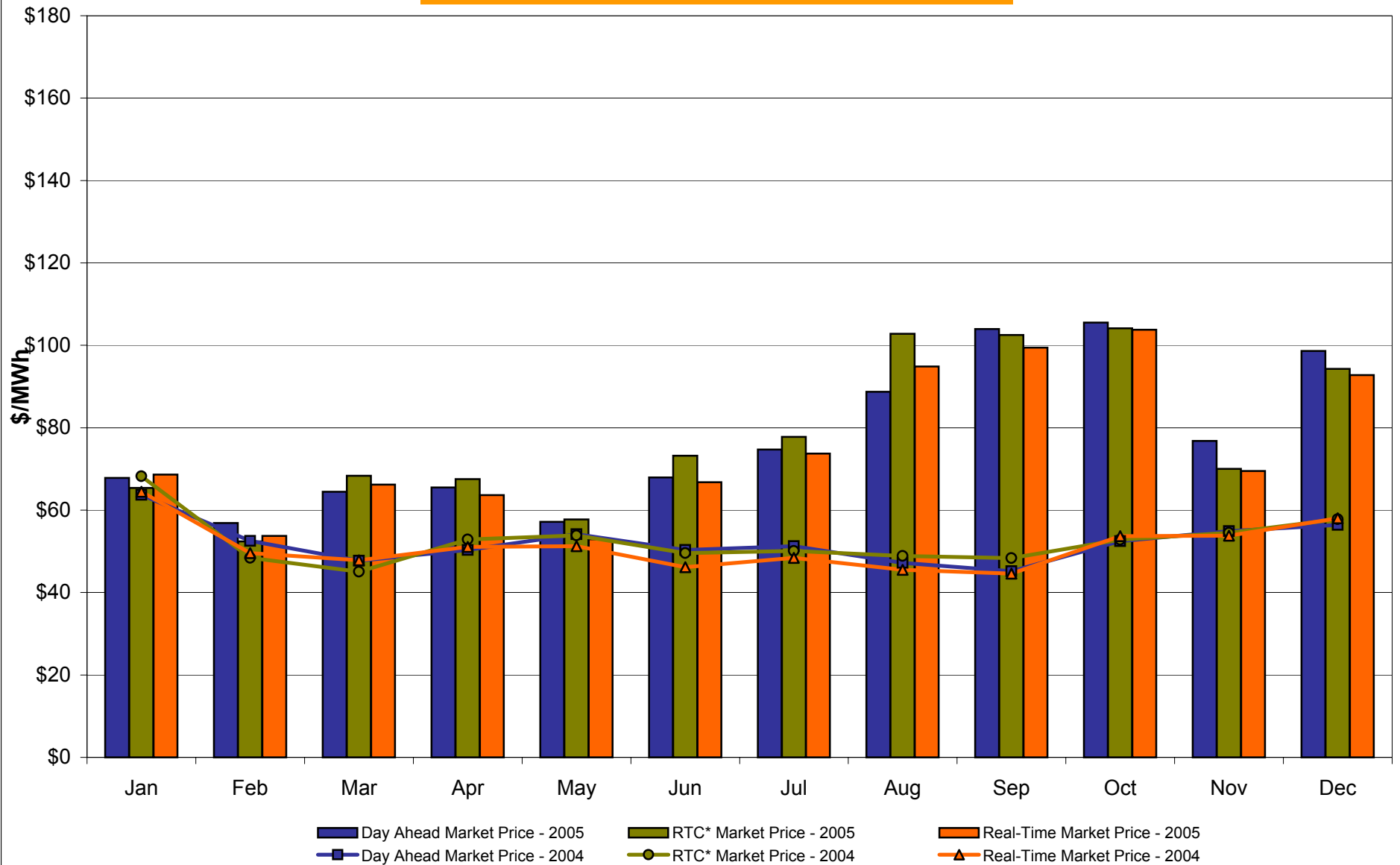
## West Zone A Monthly Average LBMP Prices 2004 - 2005



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

## Capital Zone F

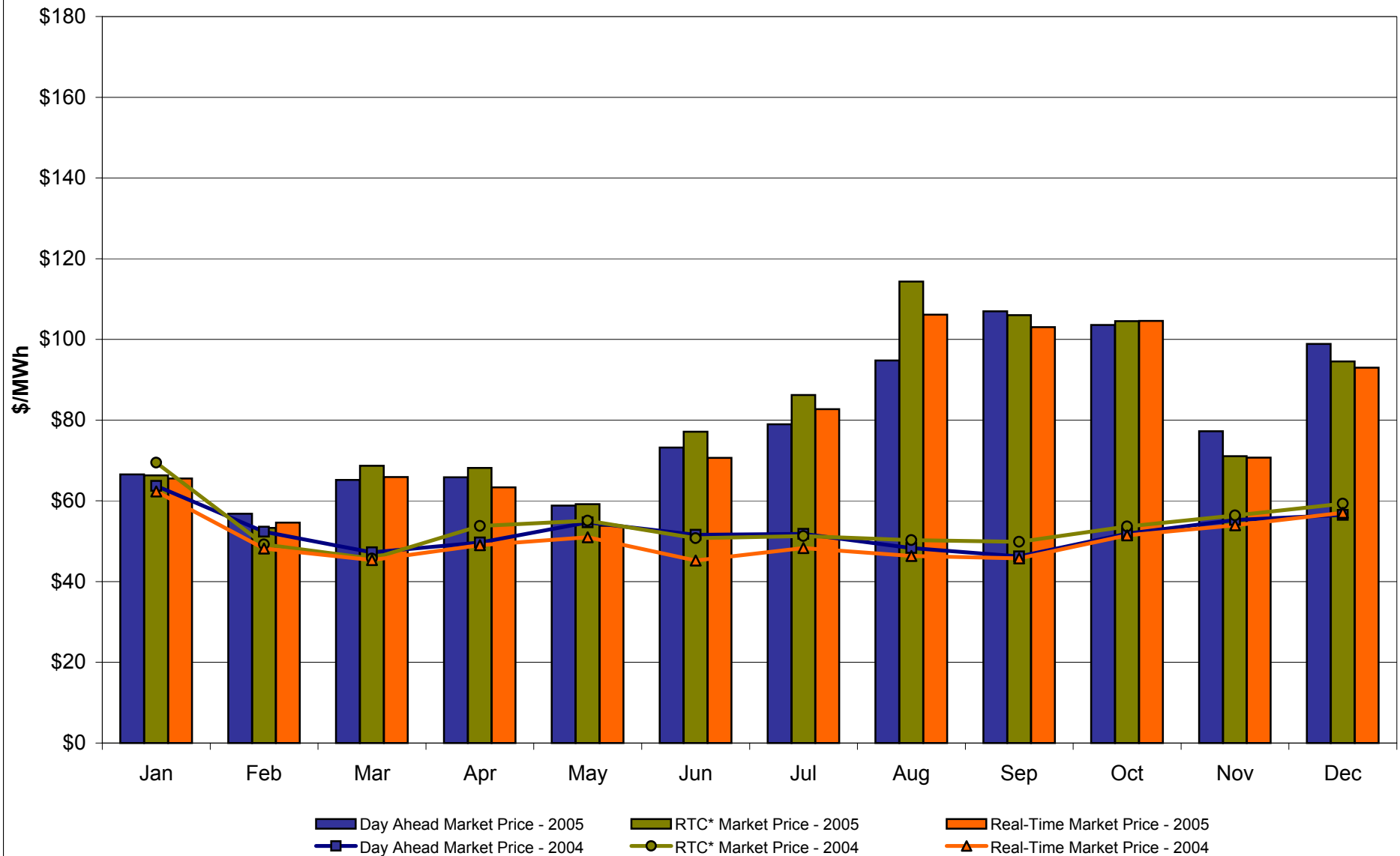
### Monthly Average LBMP Prices 2004 - 2005



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

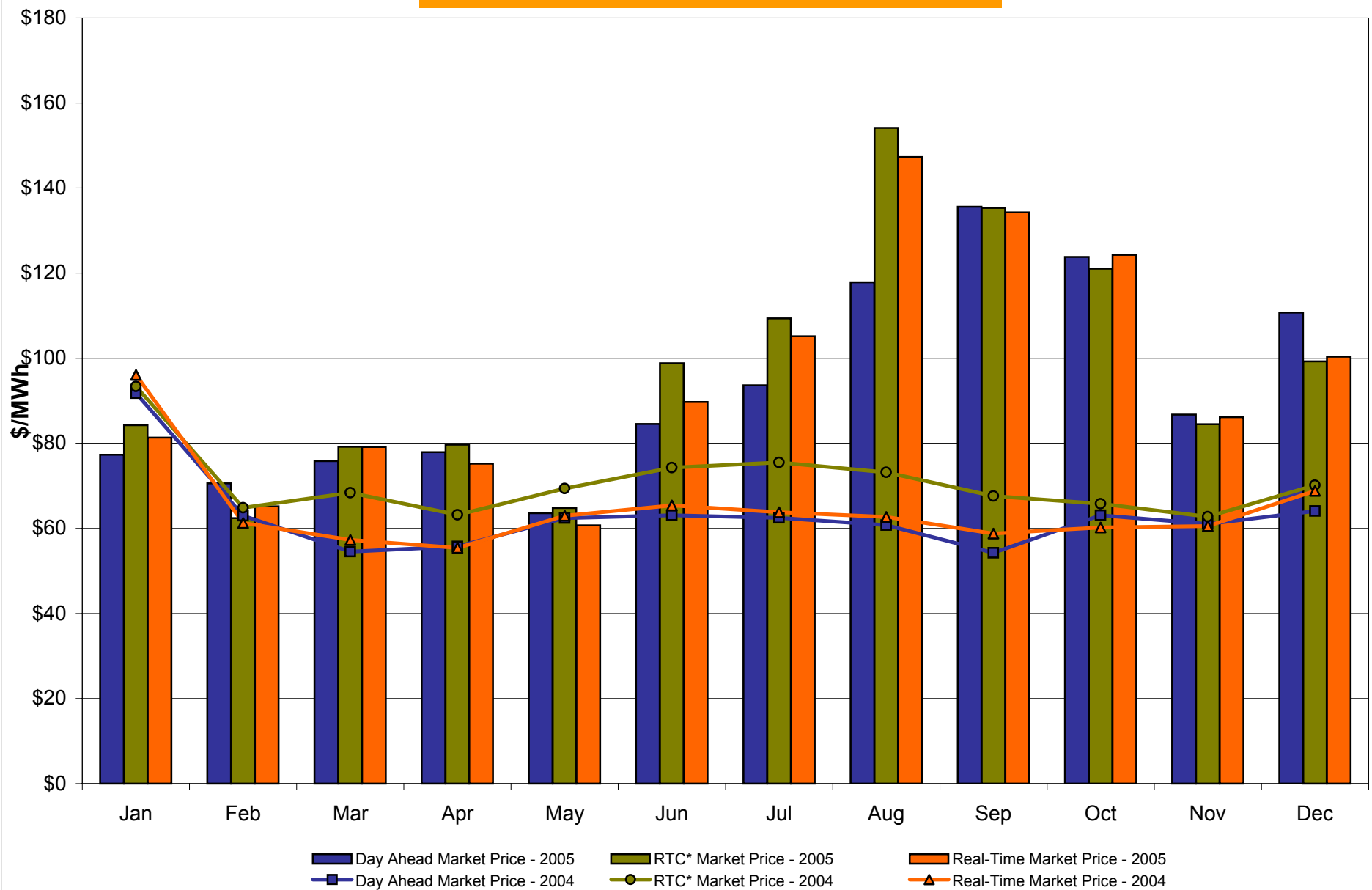
## Hudson Valley Zone G

### Monthly Average LBMP Prices 2004 - 2005



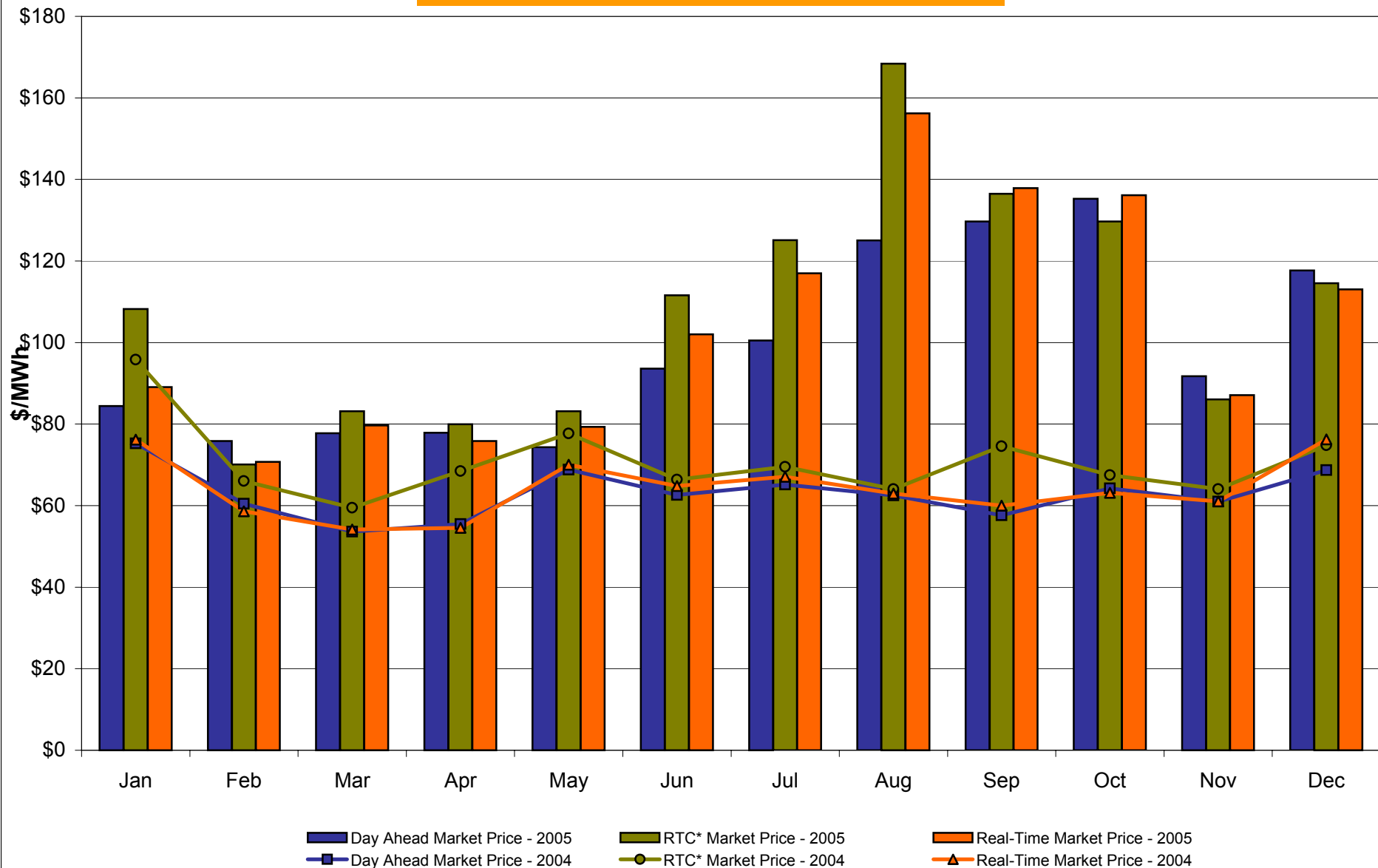
\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

# NYC Zone J Monthly Average LBMP Prices 2004 - 2005



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

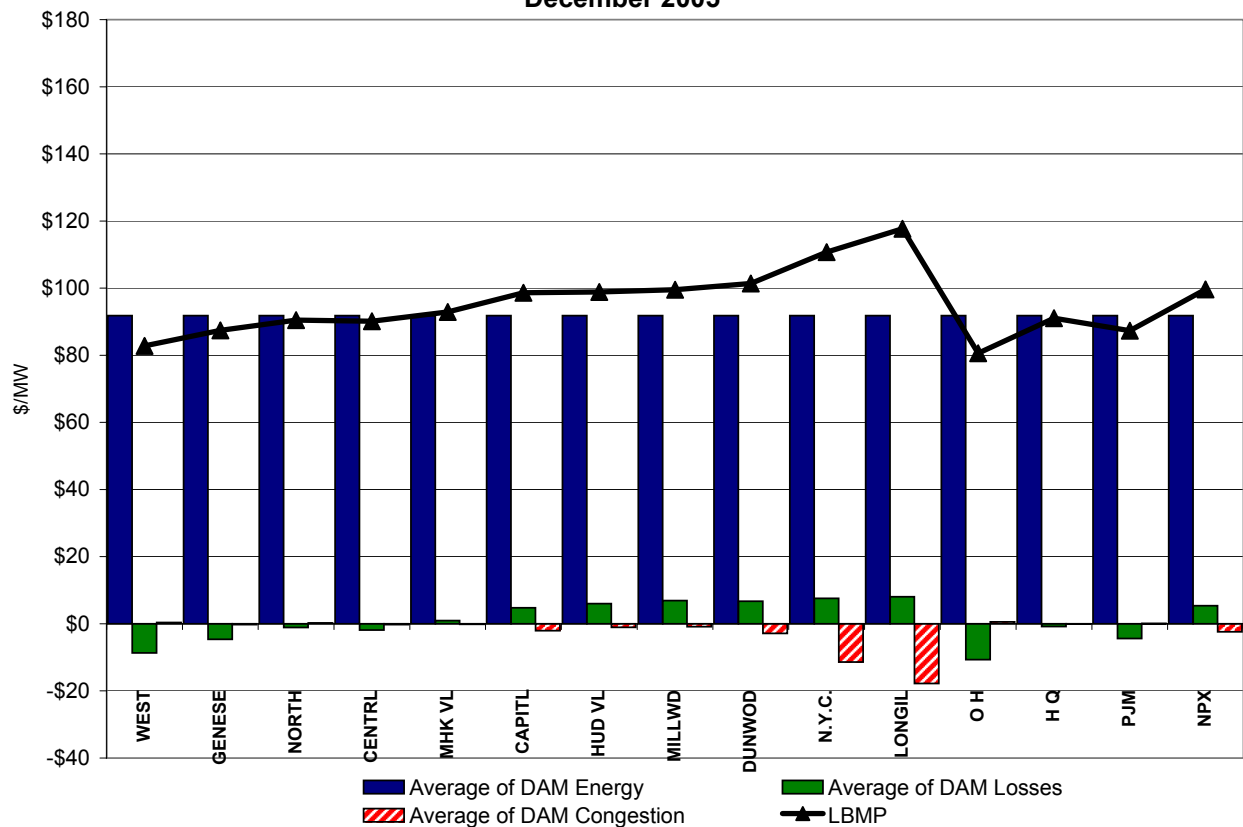
# Long Island Zone K Monthly Average LBMP Prices 2004 - 2005



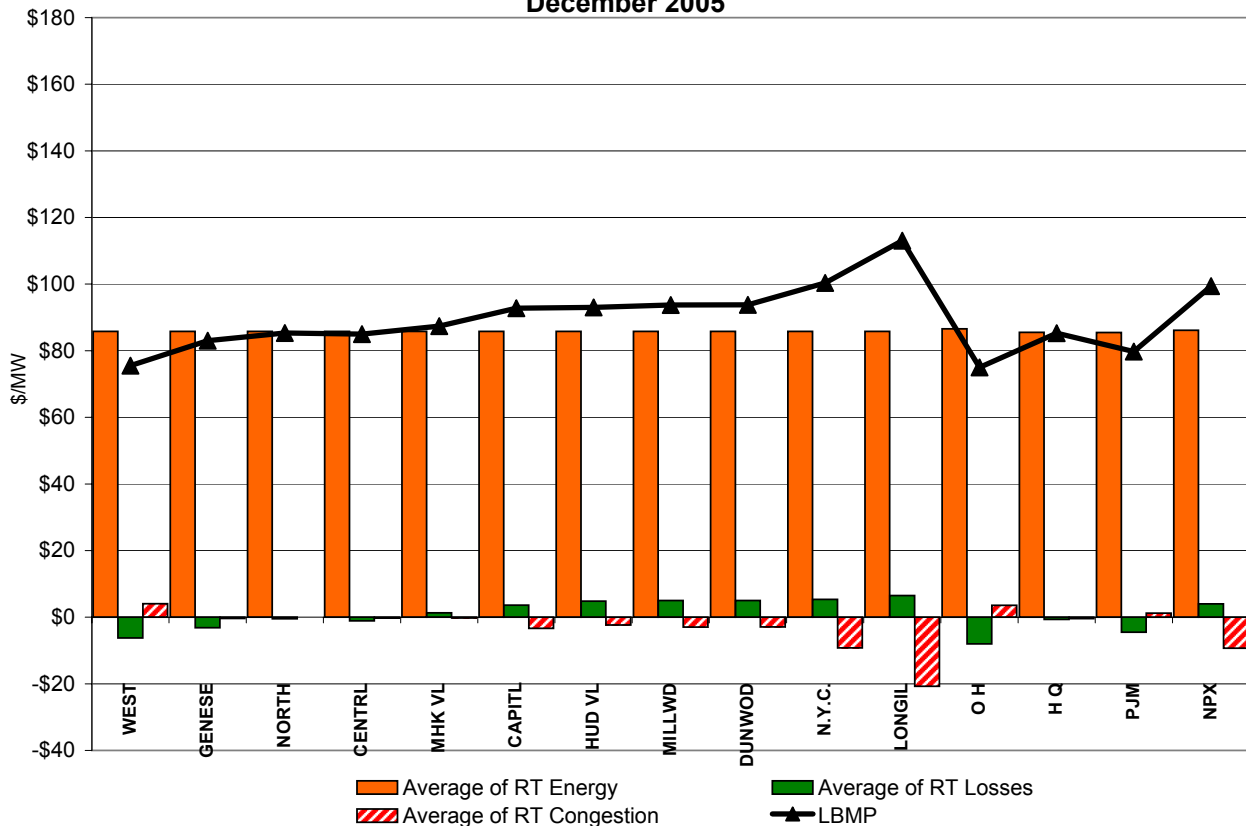
\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)



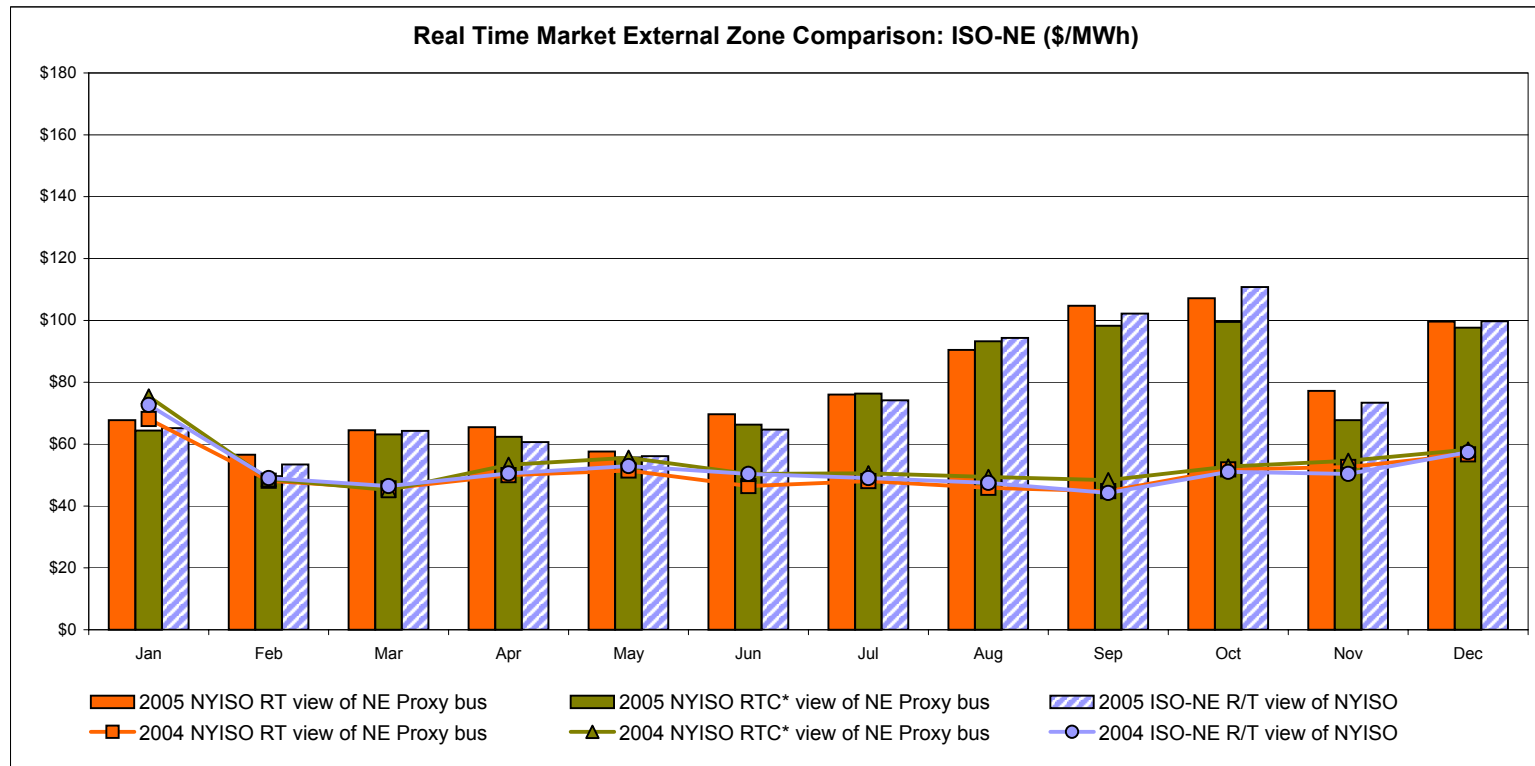
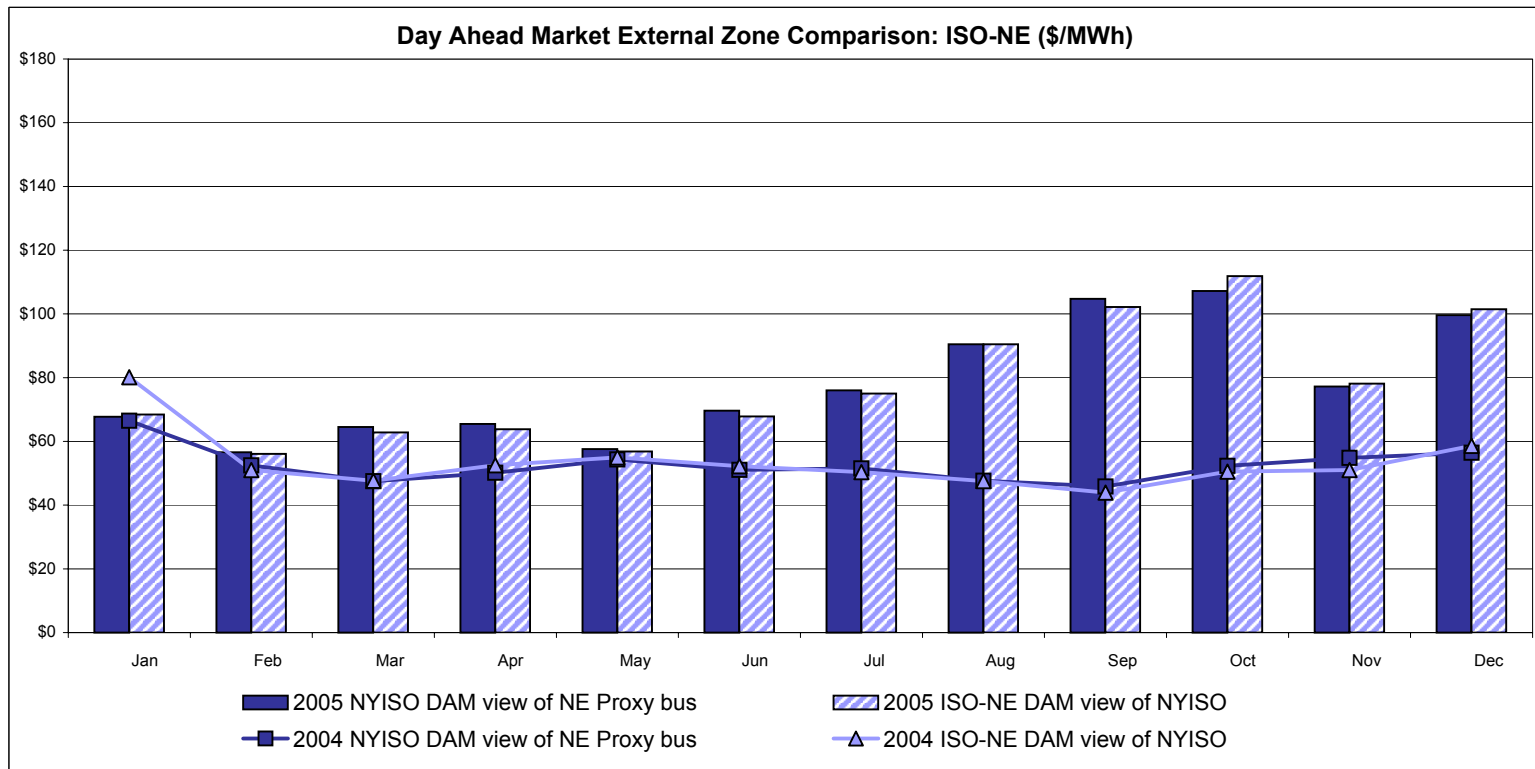
**DAM Zonal Unweighted Monthly Average LBMP Components  
December 2005**



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



## External Comparison ISO-New England



### Note:

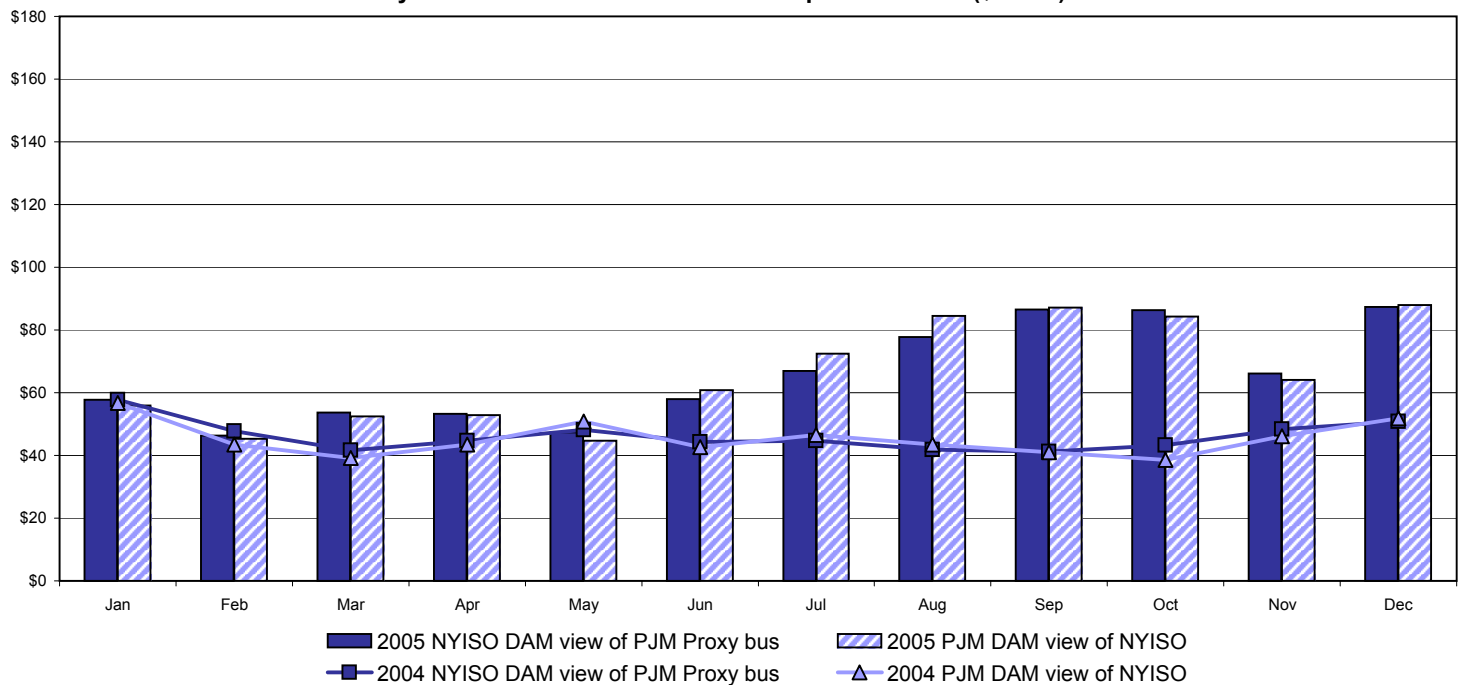
ISO-NE Forecast is an advisory posting @ 18:00 day before.  
 The DAM and R/T prices at the Roseton interface are used for ISO-NE.  
 The DAM and R/T prices at the SandyPond interface are used for NYISO.

\* Referred to as RTC beginning February 2005

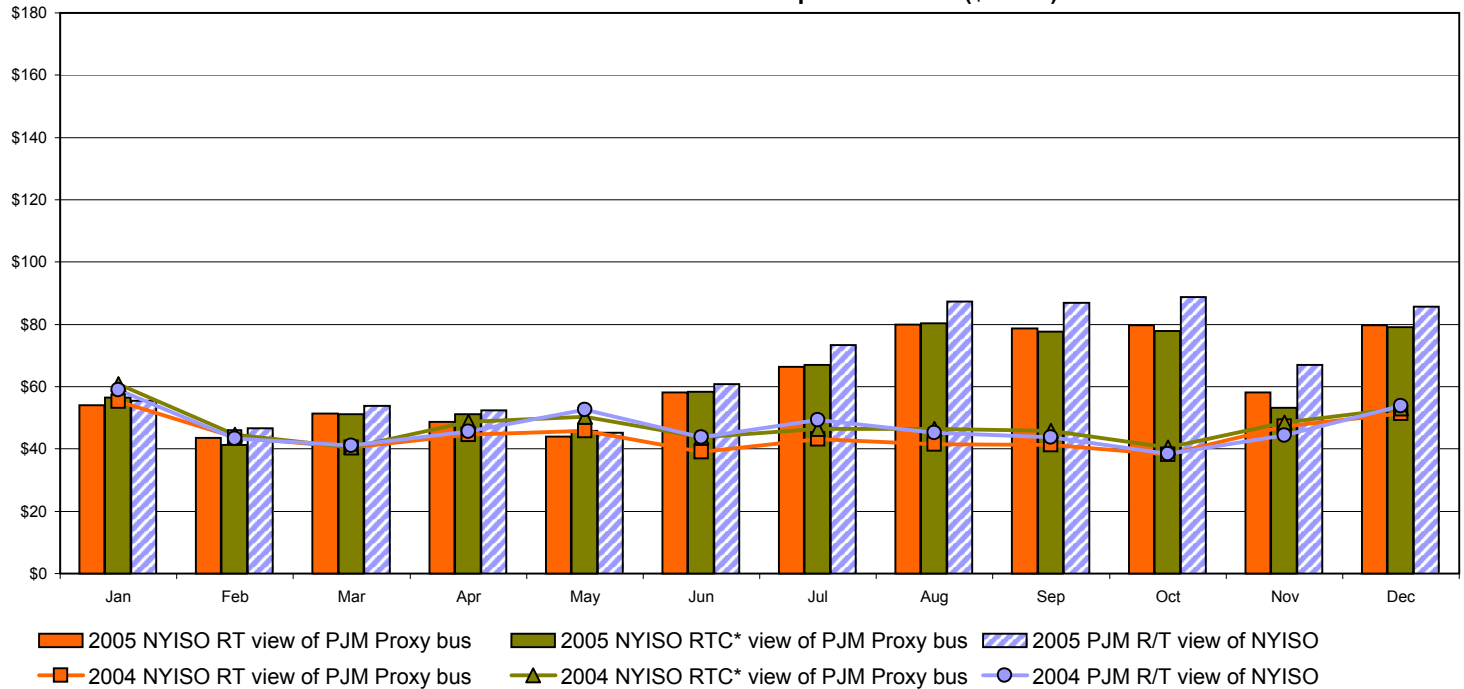
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## External Comparison PJM

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

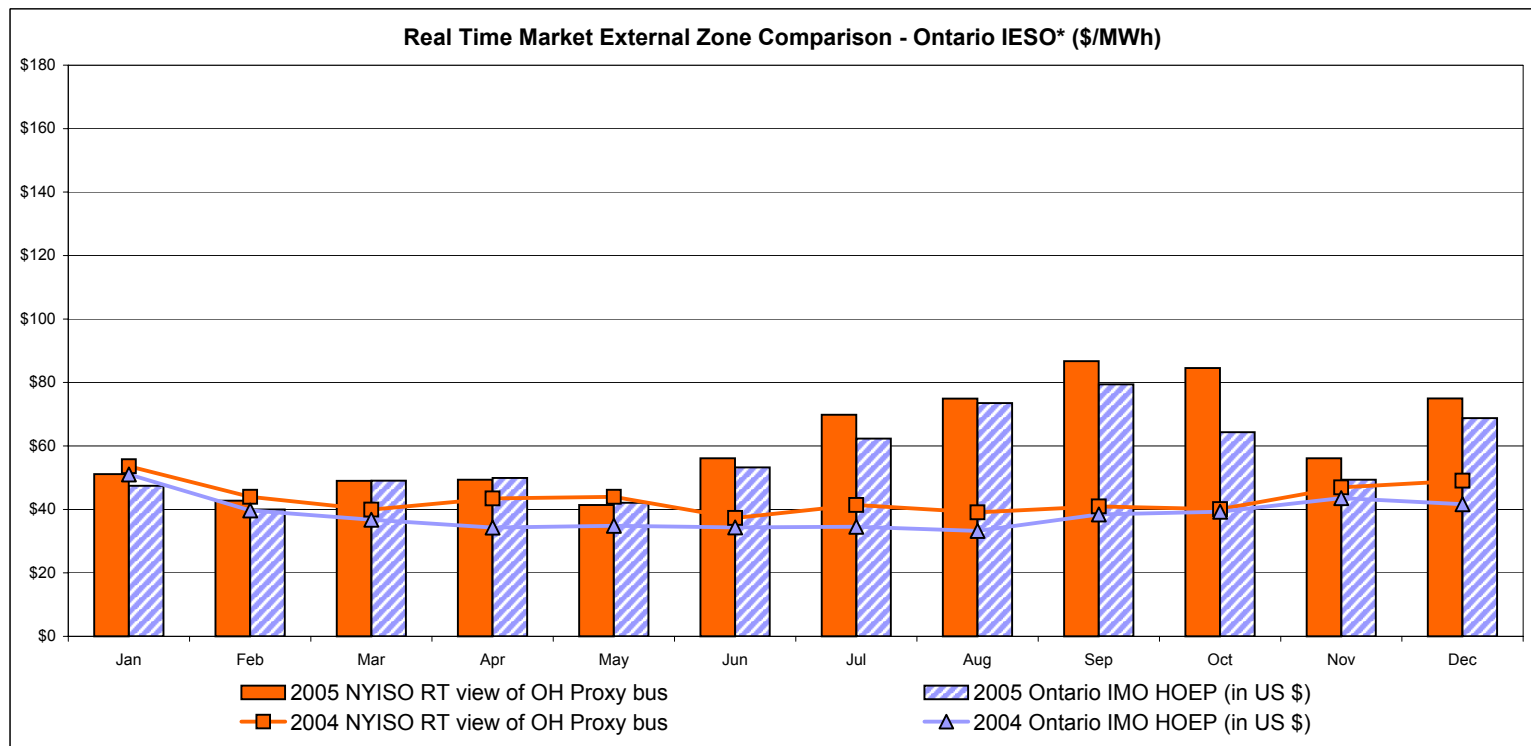
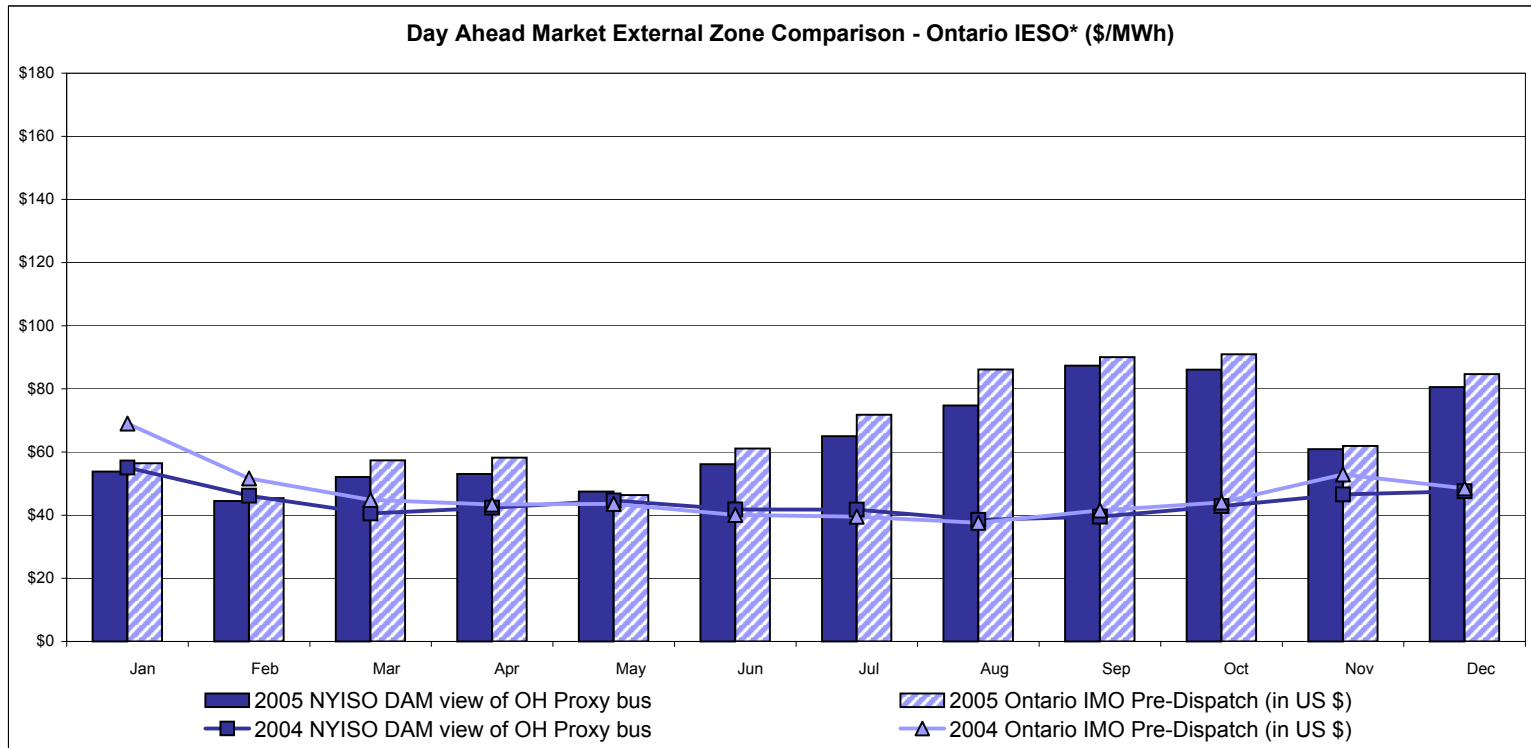


**Real Time Market External Zone Comparison - PJM (\$/MWh)**



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

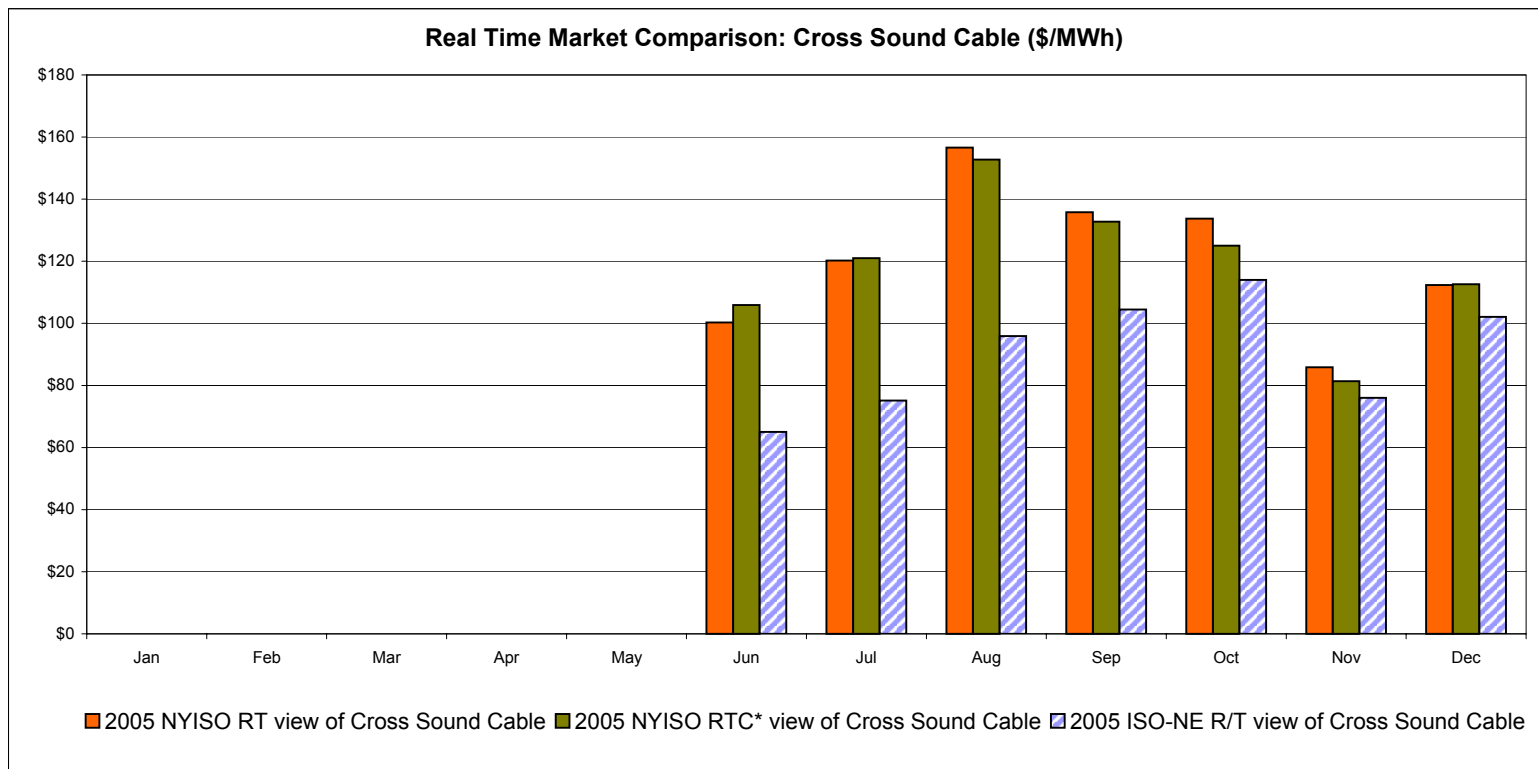
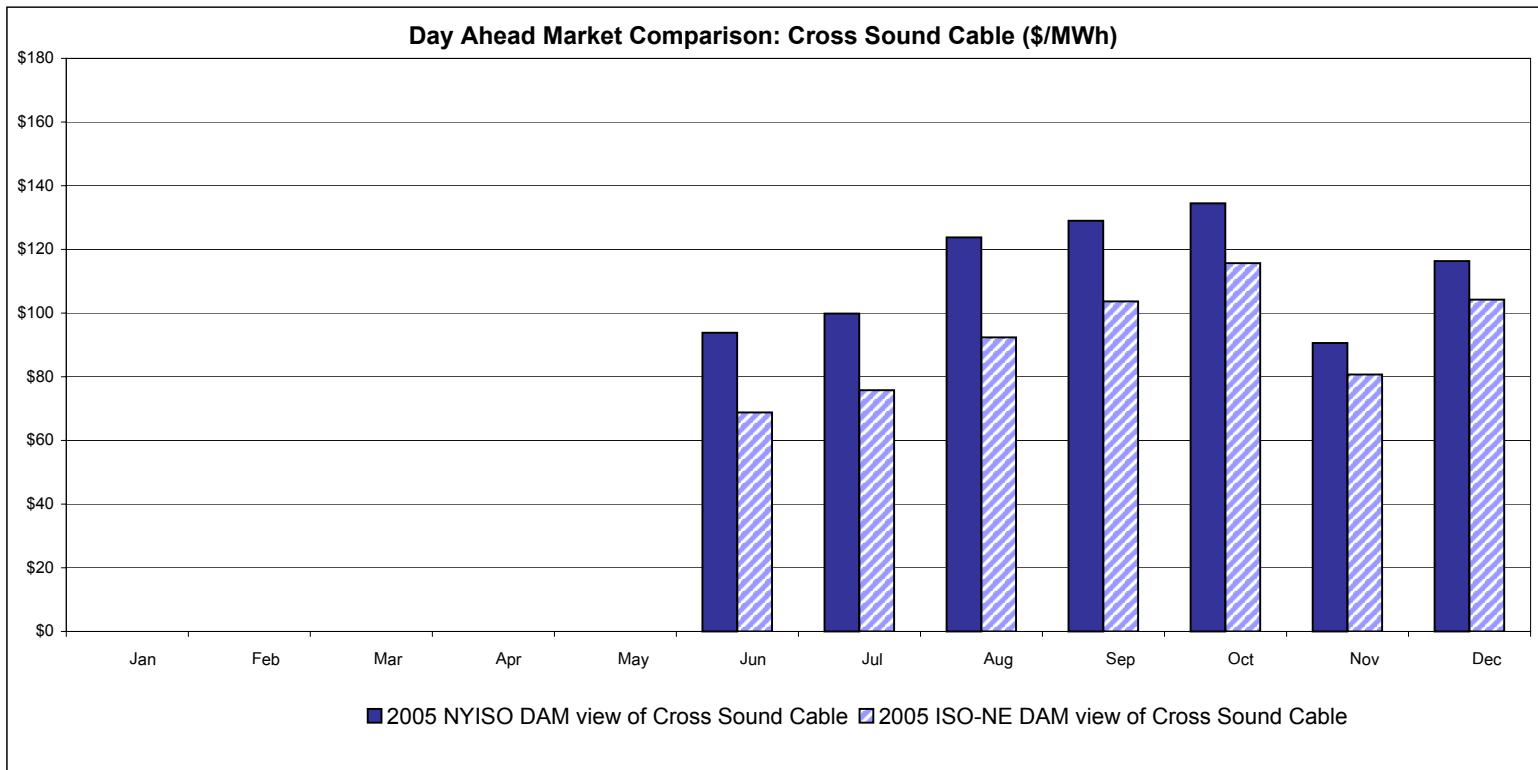
## External Comparison Ontario IESO\*



Notes: Exchange factor used for December 2005 was .86 to US \$  
 HOEP: Hourly Ontario Energy Price  
 Pre-Dispatch: Projected Energy Price

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

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



**Note:**

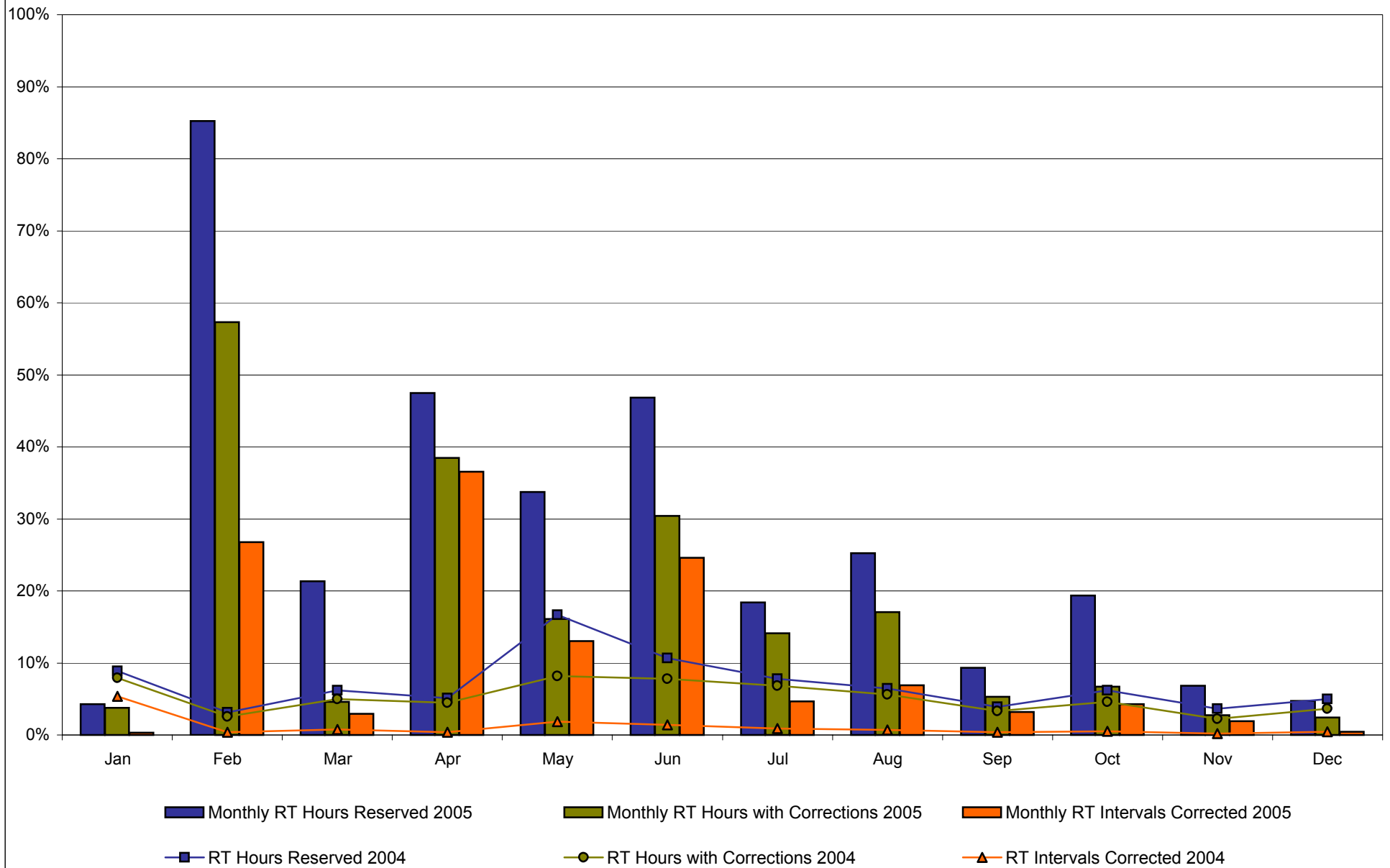
ISO-NE Forecast is an advisory posting @ 18:00 day before.  
 The DAM and R/T prices at the Shorham138 99 interface are used for ISO-NE.  
 The DAM and R/T prices at the CSC interface are used for NYISO.

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

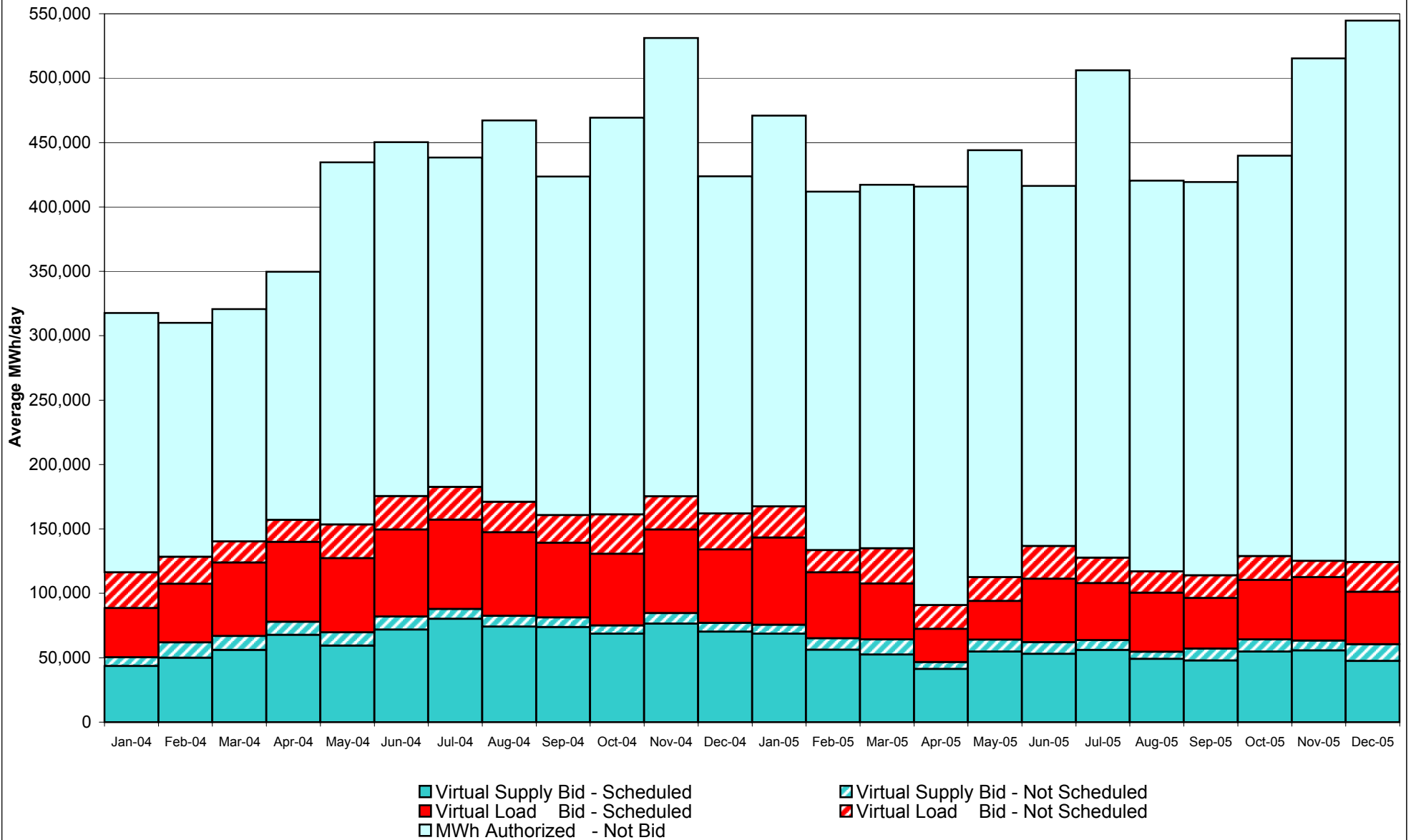
# **NYISO Real Time Price Correction Statistics**

<b>2005</b>		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	28	385	34	277	120	219	105	127	38	50	20	18
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	3.76%	57.29%	4.57%	38.47%	16.13%	30.42%	14.11%	17.07%	5.28%	6.72%	2.78%	2.42%
Number of hours with corrections	year-to-date	28	413	447	724	844	1,063	1,168	1,295	1,333	1,383	1,403	1,421
Number of hours	year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,832	6,552	7,296	8,016	8,760
% of hours with corrections	year-to-date	3.76%	29.17%	20.69%	25.14%	23.29%	24.47%	22.96%	22.21%	20.34%	18.96%	17.50%	16.22%
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	37	2,177	266	3,182	1,170	2,145	421	625	281	386	167	43
Number of intervals	in the month	11,811	8,131	8,961	8,711	8,972	8,729	9,024	9,065	8,741	9,029	8,721	9,115
% of intervals corrected	in the month	0.31%	26.77%	2.97%	36.53%	13.04%	24.57%	4.67%	6.89%	3.21%	4.28%	1.91%	0.47%
Number of intervals corrected	year-to-date	37	2,214	2,480	5,662	6,832	8,977	9,398	10,023	10,304	10,690	10,857	10,900
Number of intervals	year-to-date	11,811	19,942	28,903	37,614	46,586	55,315	64,339	73,404	82,145	91,174	99,895	109,010
% of intervals corrected	year-to-date	0.31%	11.10%	8.58%	15.05%	14.67%	16.23%	14.61%	13.65%	12.54%	11.72%	10.87%	10.00%
<b>Hours Reserved</b>													
Number of hours reserved	in the month	32	573	159	342	251	337	137	188	67	144	49	35
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	4.30%	85.27%	21.37%	47.50%	33.74%	46.81%	18.41%	25.27%	9.31%	19.35%	6.81%	4.70%
Number of hours reserved	year-to-date	32	605	764	1,106	1,357	1,694	1,831	2,019	2,086	2,230	2,279	2,314
Number of hours	year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,832	6,552	7,296	8,016	8,760
% of hours reserved	year-to-date	4.30%	42.73%	35.37%	38.40%	37.44%	39.00%	35.99%	34.62%	31.84%	30.56%	28.43%	26.42%
<b>Days Without Corrections</b>													
Days without corrections	in the month	12	4	16	3	4	4	6	6	17	17	22	19
Days without corrections	year-to-date	12	16	32	35	39	43	49	55	72	89	111	130
<b>2004</b>		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	59	18	37	32	61	56	51	42	24	34	16	27
Number of hours	in the month	744	696	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	7.93%	2.59%	4.97%	4.44%	8.20%	7.78%	6.85%	5.65%	3.33%	4.57%	2.22%	3.63%
Number of hours with corrections	year-to-date	59	77	114	146	207	263	314	356	380	414	430	457
Number of hours	year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	8,784
% of hours with corrections	year-to-date	7.93%	5.35%	5.22%	5.03%	5.67%	6.02%	6.14%	6.08%	5.78%	5.66%	5.35%	5.20%
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	597	40	83	40	220	156	100	84	42	56	19	52
Number of intervals	in the month	11,089	10,495	11,085	10,805	11,740	11,234	11,467	11,552	11,178	11,515	11,217	11,790
% of intervals corrected	in the month	5.38%	0.38%	0.75%	0.37%	1.87%	1.39%	0.87%	0.73%	0.38%	0.49%	0.17%	0.44%
Number of intervals corrected	year-to-date	597	637	720	760	980	1,136	1,236	1,320	1,362	1,418	1,437	1,489
Number of intervals	year-to-date	11,089	21,584	32,669	43,474	55,214	66,448	77,915	89,467	100,645	112,160	123,377	135,167
% of intervals corrected	year-to-date	5.38%	2.95%	2.20%	1.75%	1.77%	1.71%	1.59%	1.48%	1.35%	1.26%	1.16%	1.10%
<b>Hours Reserved</b>													
Number of hours reserved	in the month	66	22	46	37	124	77	58	48	28	46	26	37
Number of hours	in the month	744	696	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	8.87%	3.16%	6.18%	5.14%	16.67%	10.69%	7.80%	6.45%	3.89%	6.18%	3.61%	4.97%
Number of hours reserved	year-to-date	66	88	134	171	295	372	430	478	506	552	578	615
Number of hours	year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	8,784
% of hours reserved	year-to-date	8.87%	6.11%	6.14%	5.89%	8.09%	8.52%	8.41%	8.16%	7.69%	7.54%	7.19%	7.00%
<b>Days Without Corrections</b>													
Days without corrections	in the month	14	20	11	9	8	6	9	12	12	14	19	15
Days without corrections	year-to-date	14	34	45	54	62	68	77	89	101	115	134	149

## Percentage of Real-Time Corrections

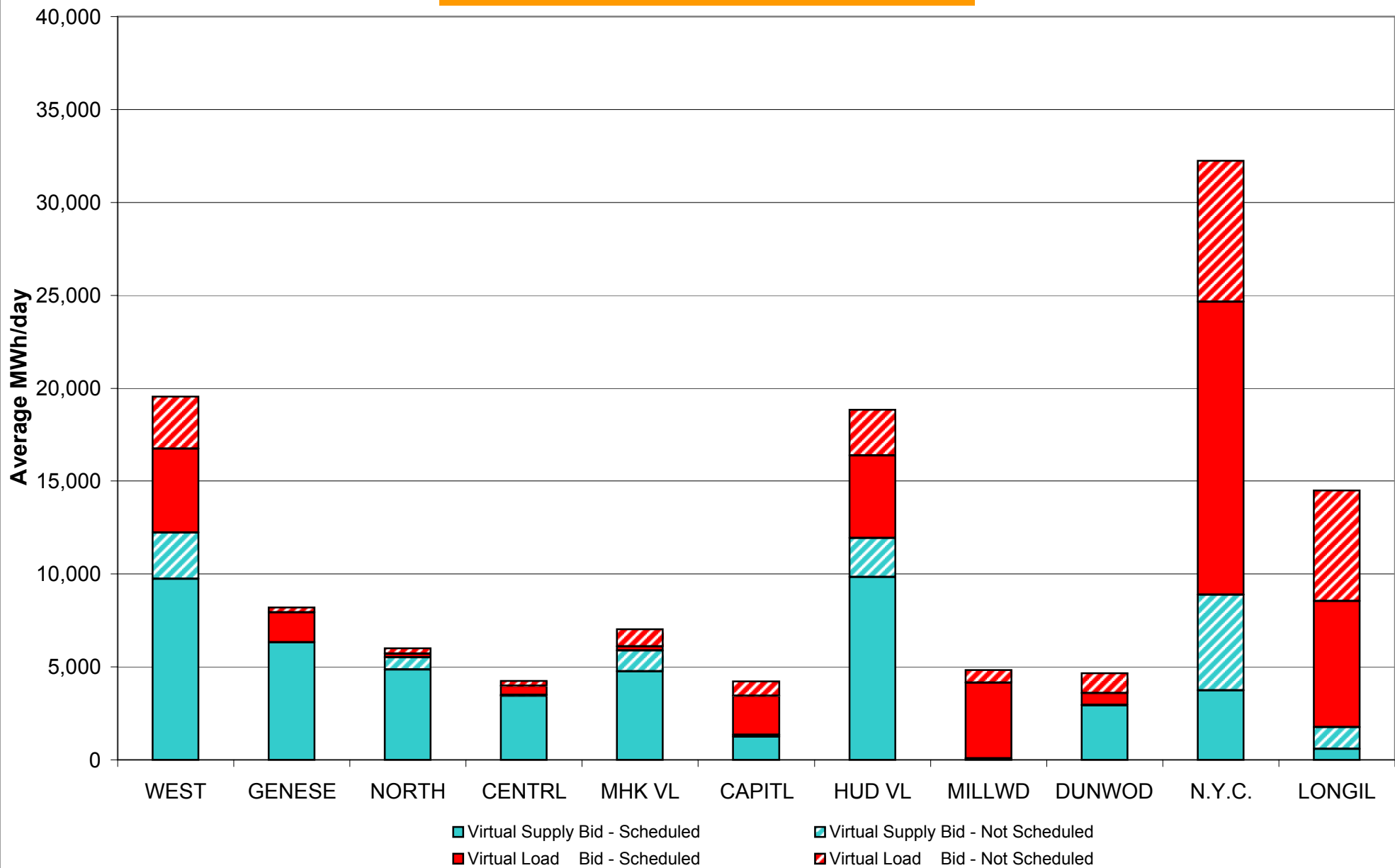


# **NYISO Virtual Trading Average MWh per day**

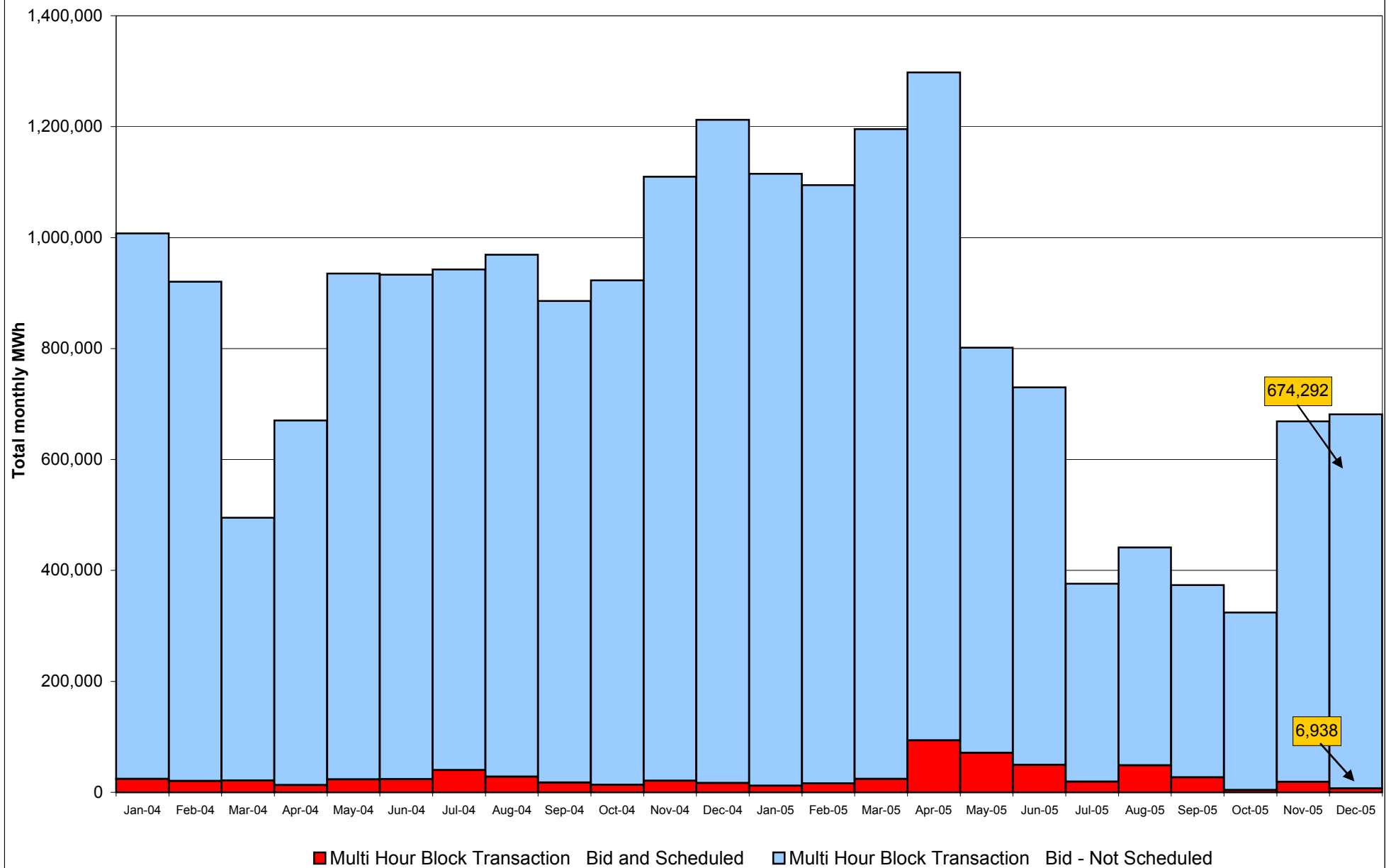




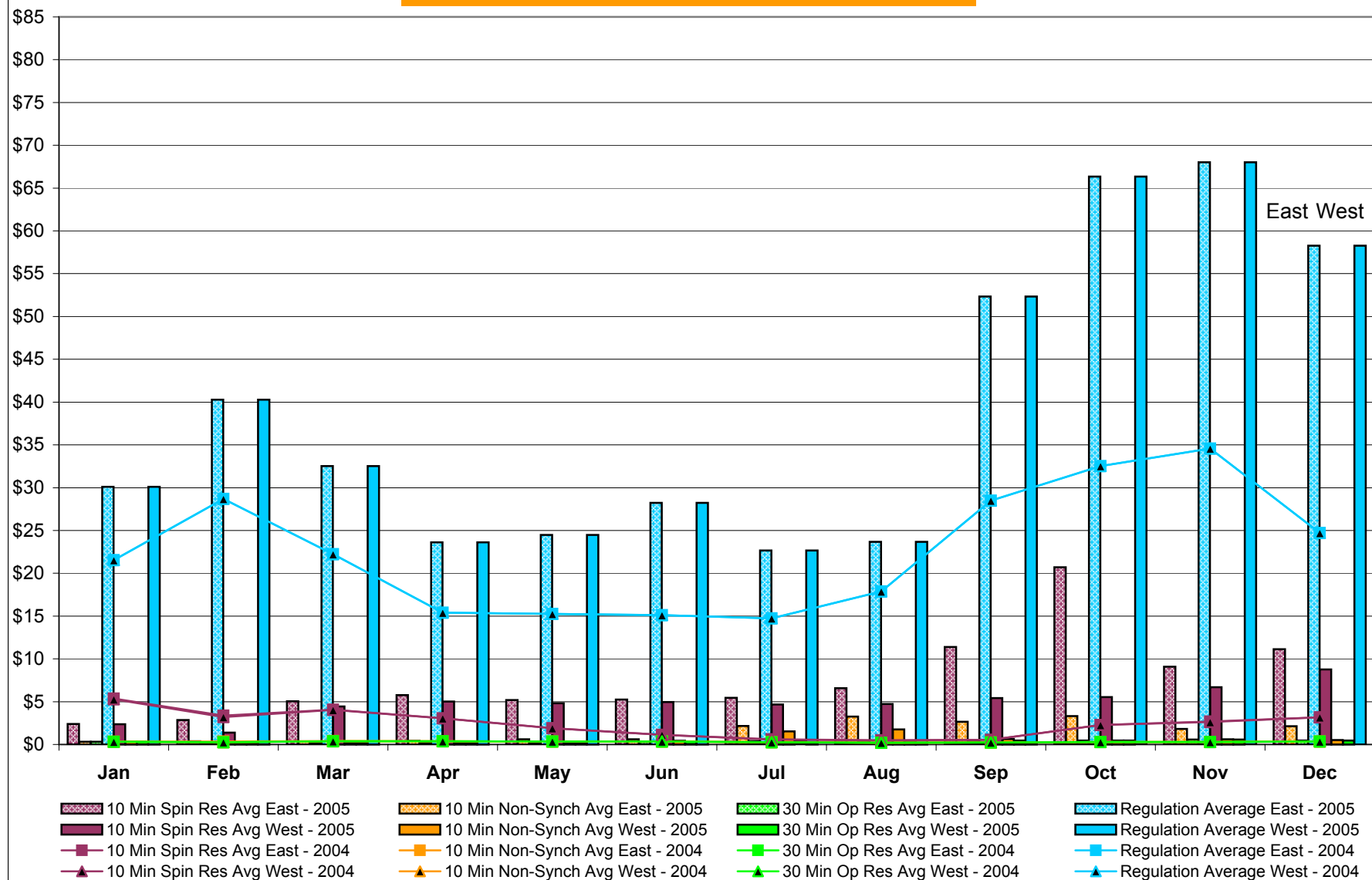
## Virtual Load and Supply Zonal Statistics December 2005



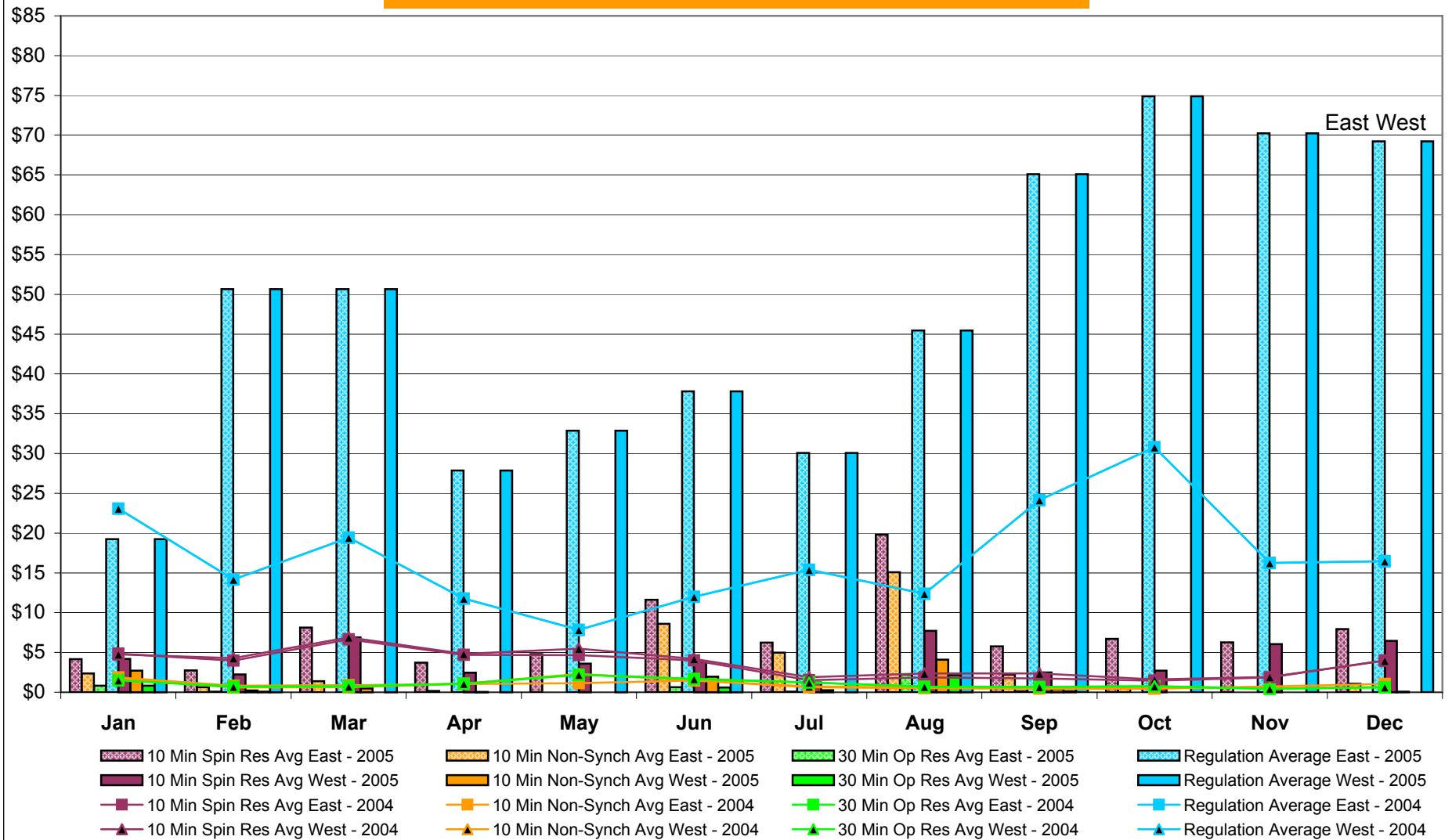
# **NYISO Multi Hour Block Transactions Monthly Total MWh**



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

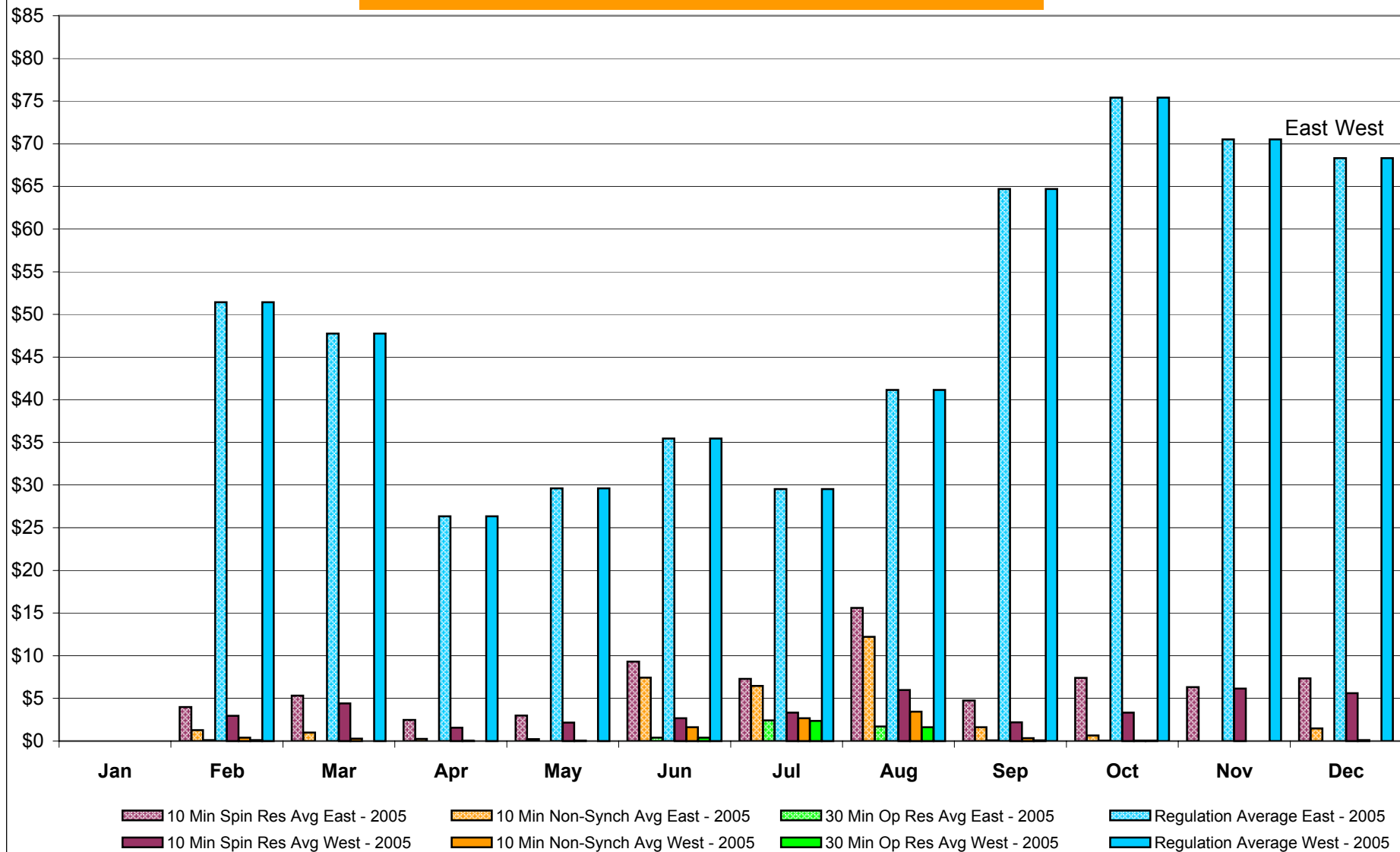


## NYISO Monthly Average Ancillary Service Prices RTC\* Market 2004 - 2005



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

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



\* The Real Time Ancillary Market began in February 2005

## NYISO Markets Ancillary Services Statistics

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

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b><u>Day Ahead Market</u></b>												
10 Min Spin East	2.38	2.87	5.06	5.76	5.19	5.26	5.44	6.59	11.38	20.70	9.08	11.12
10 Min Spin West	2.37	1.39	4.43	5.03	4.80	4.96	4.68	4.73	5.41	5.54	6.68	8.77
10 Min Non Synch East	0.31	0.37	0.31	0.44	0.60	0.61	2.16	3.25	2.65	3.31	1.82	2.14
10 Min Non Synch West	0.31	0.13	0.20	0.24	0.23	0.43	1.54	1.75	0.63	0.47	0.59	0.52
30 Min East	0.31	0.13	0.19	0.24	0.22	0.29	0.41	0.44	0.47	0.46	0.57	0.47
30 Min West	0.31	0.13	0.19	0.24	0.22	0.29	0.41	0.44	0.47	0.46	0.57	0.47
Regulation East	30.10	40.28	32.53	23.61	24.49	28.23	22.66	23.67	52.33	66.33	68.02	58.28
Regulation West	30.10	40.28	32.53	23.61	24.49	28.23	22.66	23.67	52.33	66.33	68.02	58.28
<b><u>RTC* Market</u></b>												
10 Min Spin East	4.15	2.75	8.13	3.71	4.80	11.61	6.23	19.80	5.75	6.72	6.25	7.94
10 Min Spin West	4.20	2.23	6.90	2.46	3.58	3.84	1.24	7.72	2.50	2.69	6.06	6.45
10 Min Non Synch East	2.35	0.62	1.38	0.14	0.00	8.58	4.96	15.08	2.22	0.44	0.01	1.07
10 Min Non Synch West	2.72	0.21	0.47	0.03	0.00	1.96	0.25	4.09	0.37	0.00	0.00	0.06
30 Min East	0.83	0.05	0.00	0.00	0.00	0.62	0.08	2.22	0.12	0.00	0.00	0.00
30 Min West	0.83	0.05	0.00	0.00	0.00	0.61	0.00	2.15	0.12	0.00	0.00	0.00
Regulation East	19.23	50.66	50.65	27.85	32.87	37.80	30.07	45.47	65.10	74.90	70.23	69.23
Regulation West	19.23	50.66	50.65	27.85	32.87	37.80	30.07	45.47	65.10	74.90	70.23	69.23
<b><u>Real Time Market**</u></b>												
10 Min Spin East	-	3.99	5.34	2.47	3.00	9.30	7.30	15.60	4.75	7.40	6.32	7.36
10 Min Spin West	-	2.97	4.42	1.56	2.16	2.69	3.33	5.99	2.19	3.34	6.16	5.62
10 Min Non Synch East	-	1.27	0.98	0.25	0.24	7.43	6.46	12.22	1.63	0.65	0.00	1.49
10 Min Non Synch West	-	0.41	0.29	0.02	0.07	1.63	2.68	3.44	0.33	0.01	0.00	0.12
30 Min East	-	0.12	0.00	0.00	0.00	0.40	2.43	1.71	0.09	0.01	0.00	0.00
30 Min West	-	0.11	0.00	0.00	0.00	0.40	2.36	1.61	0.09	0.01	0.00	0.00
Regulation East	-	51.41	47.74	26.33	29.62	35.47	29.52	41.14	64.70	75.41	70.52	68.30
Regulation West	-	51.41	47.74	26.33	29.62	35.47	29.52	41.13	64.70	75.41	70.52	68.30

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

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

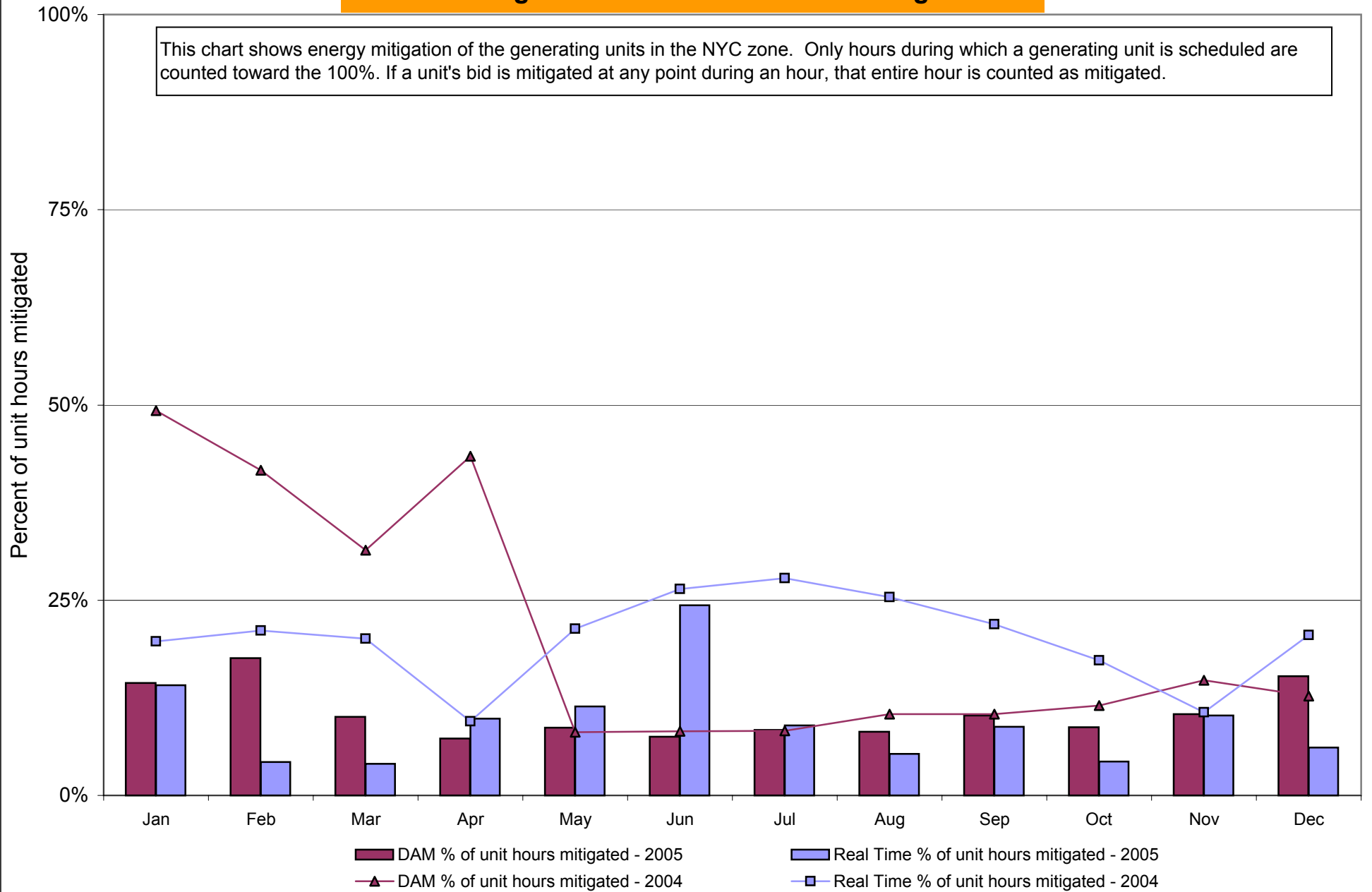
\* Referred to as RTC beginning February 2005

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

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

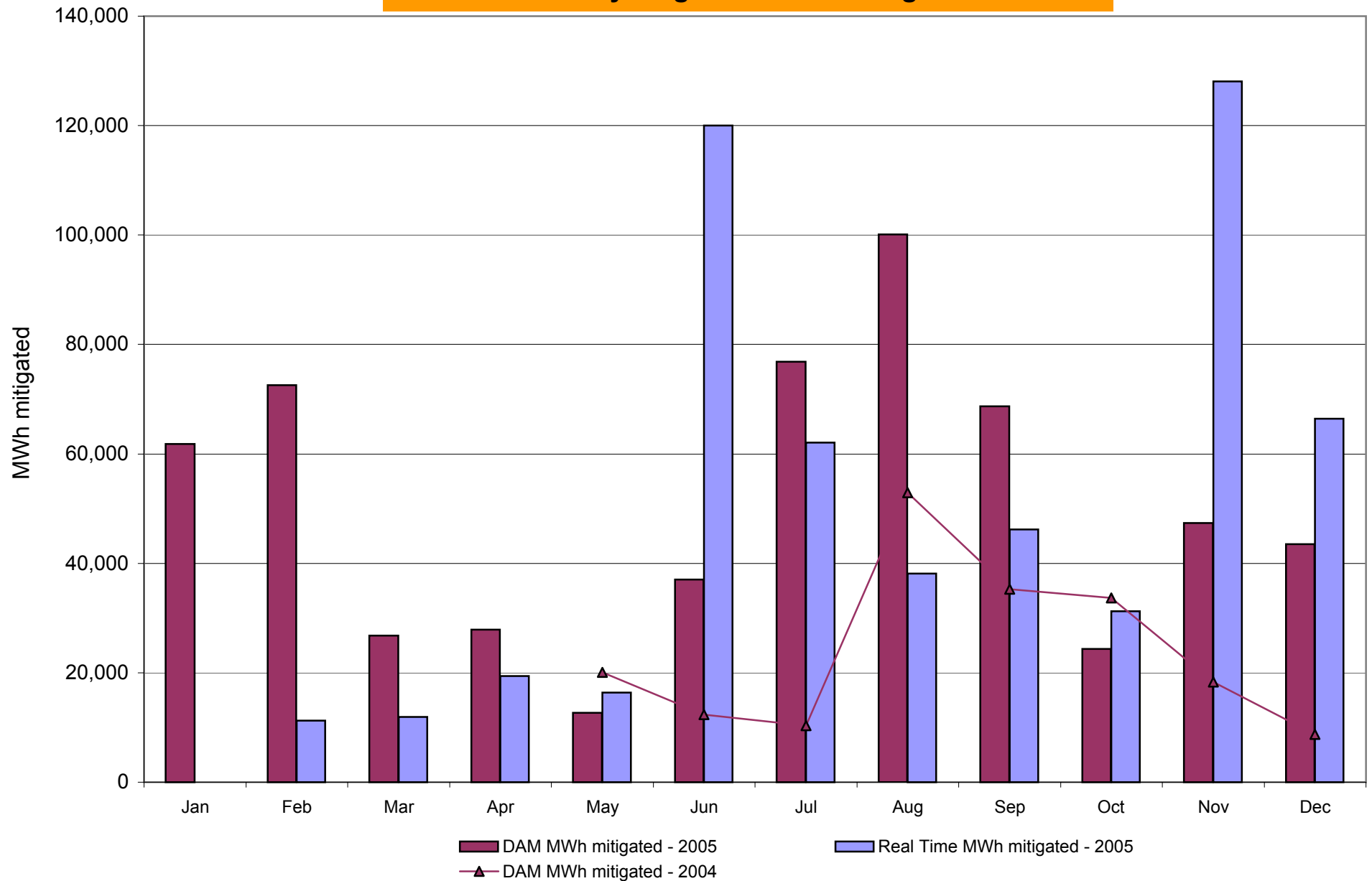
## NYISO In City Energy Mitigation (NYC Zone) 2004-2005

### Percentage of committed unit-hours mitigated



DAM Mitigation software change deployed on 5/1/2004

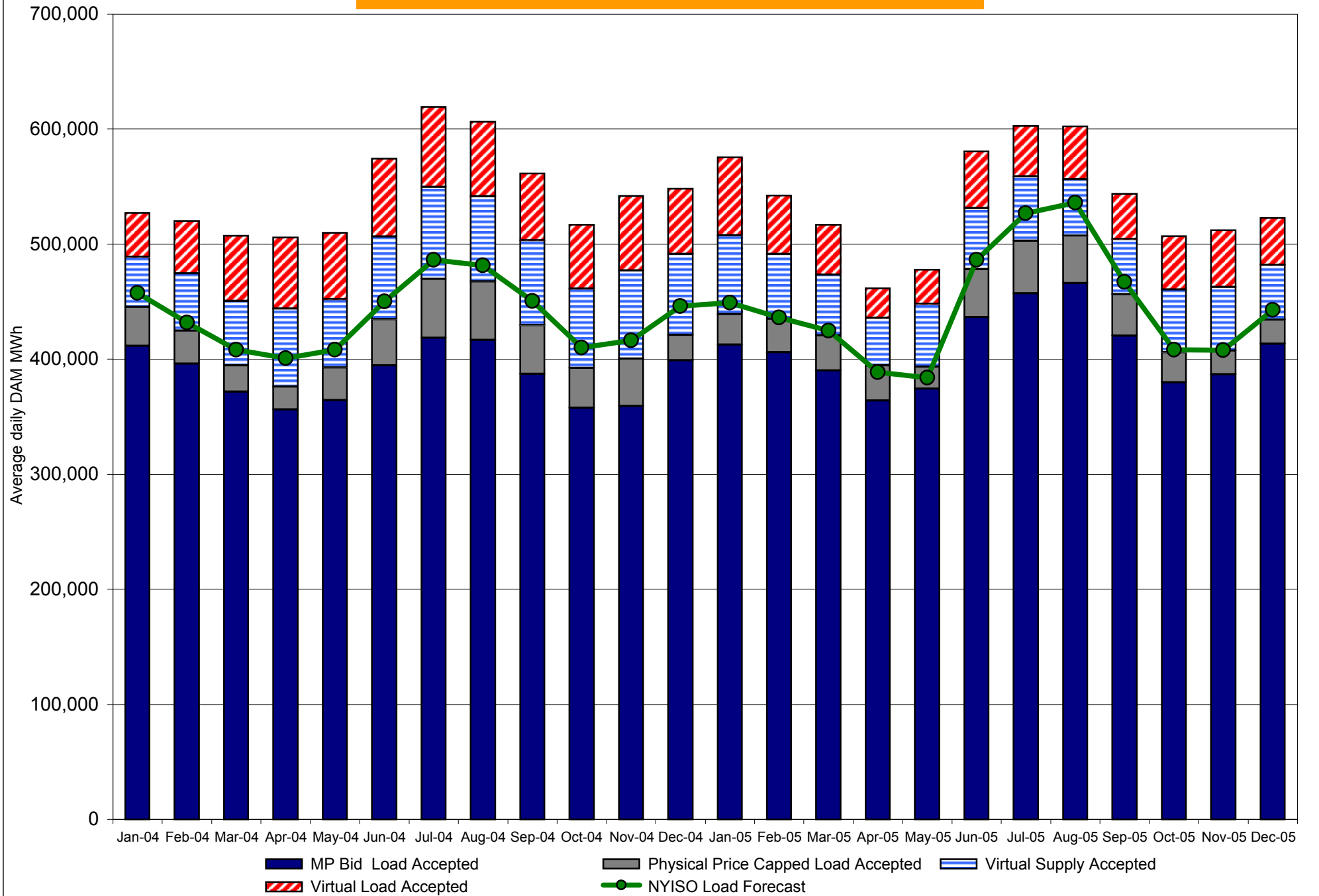
# **NYISO In City Energy Mitigation (NYC Zone) 2004-2005** **Monthly megawatt hours mitigated**



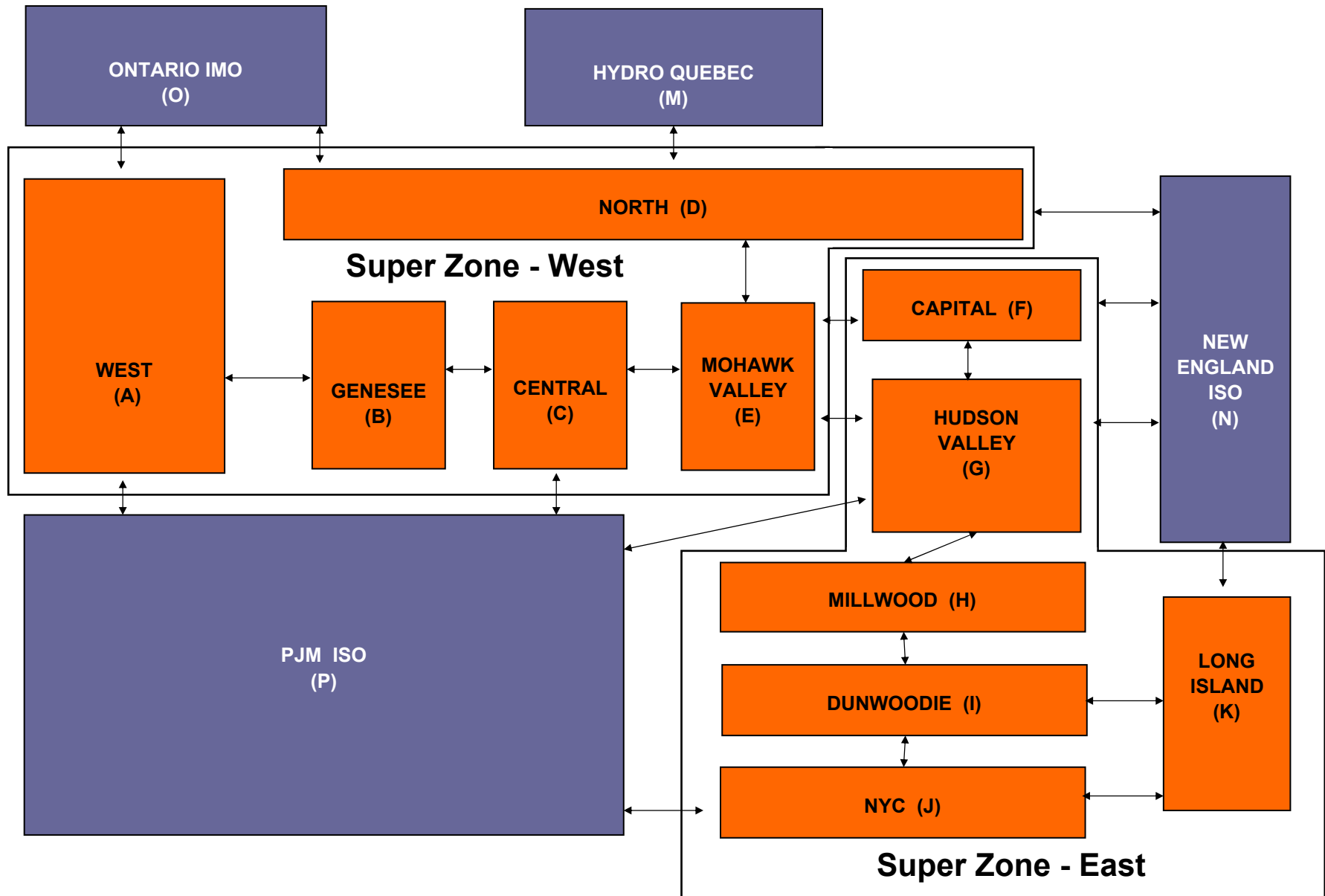
RT mitigation data available with SMD2 deployment  
 DAM mitigation software change deployed on 5/1/2004



# NYISO Average Daily DAM Load Bid Summary



# NYISO LBMP ZONES



**Billing Codes for Chart 4-C**

<b>Chart 4-C Category Name</b>	<b>Billing Code</b>	<b>Billing Category Name</b>
Bid Production Cost Guarantee Balancing	81203	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81204	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81205	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee Balancing	81208	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81209	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81213	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee DAM	81201	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81202	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM	81206	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81207	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM Virtual	81501	DAM Virtual Bid Production Cost Guarantee
DAM Contract Balancing	81315	DAM Contract Balancing
DAM Contract Balancing	81317	DAM Contract Balancing
Local Reliability Balancing	81002	Balancing Local Reliability Bid Production Cost Guarantee
Local Reliability DAM	81001	DAM Local Reliability Bid Production Cost Guarantee
NYISO Cost of Operations	80901	NYISO Cost Of Operations
NYISO Cost of Operations	80902	NYISO Cost Of Operations
NYISO Cost of Operations	83501	NYISO Cost Of Operations
NYISO Cost of Operations	83502	NYISO Cost Of Operations
Residuals Balancing	81302	Balancing Market Energy Residual
Residuals Balancing	81304	Balancing Market Loss Residual
Residuals Balancing	81305 *	Balancing Market Congestion Balancing
Residuals Balancing	81306	Emergency Energy Purchases
Residuals Balancing	81307	Emergency Energy Sales
Residuals Balancing	81309	Balancing Market Energy Residual
Residuals Balancing	81311	Balancing Market Loss Residual
Residuals Balancing	81312 *	Balancing Market Congestion Balancing
Residuals Balancing	81313	Emergency Energy Purchases
Residuals Balancing	81314	Emergency Energy Sales
Residuals DAM	81301	Day Ahead Market Energy Residual
Residuals DAM	81303	Day Ahead Market Loss Residual
Residuals DAM	81308	Day Ahead Market Energy Residual
Residuals DAM	81310	Day Ahead Market Loss Residual

\* Effective November 2005 codes 81305 and 81312 have been re-categorized from BPCG Balancing to Residuals Balancing so as to better reflect their uplift type. All months have been adjusted accordingly.

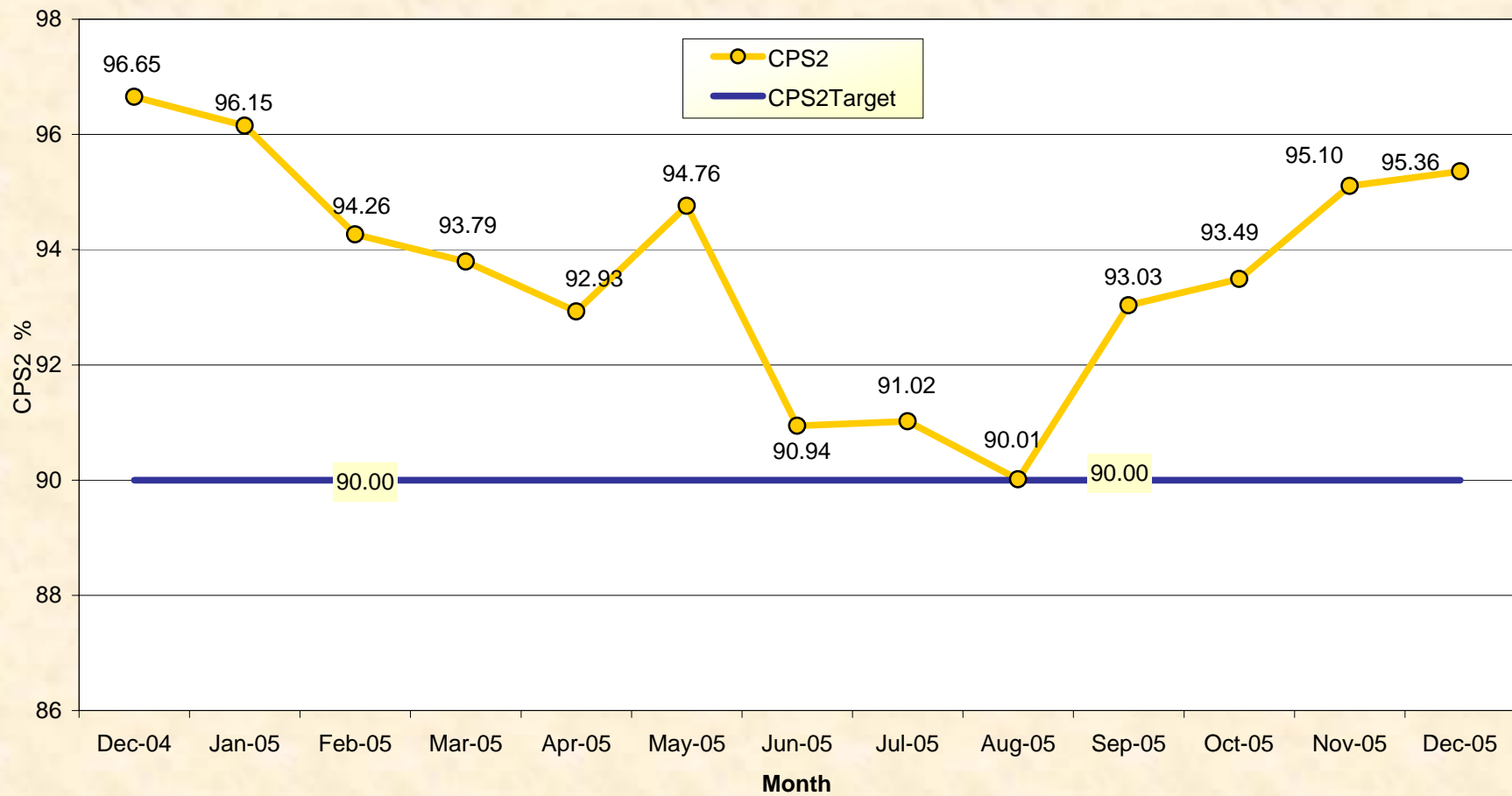
**Billing Codes for Chart 4-C**

<b>Chart 4-C Category Name</b>	<b>Billing Code</b>	<b>Billing Category Name</b>
Bid Production Cost Guarantee Balancing	81203	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81204	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81205	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee Balancing	81208	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81209	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee Balancing	81213	Balancing NYISO Bid Production Cost Guarantee Expenditure due to Curtailed Imports
Bid Production Cost Guarantee Balancing	81305	Balancing Market Congestion Balancing
Bid Production Cost Guarantee Balancing	81312	Balancing Market Congestion Balancing
Bid Production Cost Guarantee DAM	81201	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81202	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM	81206	DAM NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee DAM	81207	DAM NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee DAM Virtual	81501	DAM Virtual Bid Production Cost Guarantee
DAM Contract Balancing	81315	DAM Contract Balancing
DAM Contract Balancing	81317	DAM Contract Balancing
Local Reliability Balancing	81002	Balancing Local Reliability Bid Production Cost Guarantee
Local Reliability DAM	81001	DAM Local Reliability Bid Production Cost Guarantee
NYISO Cost of Operations	80901	NYISO Cost Of Operations
NYISO Cost of Operations	80902	NYISO Cost Of Operations
NYISO Cost of Operations	83501	NYISO Cost Of Operations
NYISO Cost of Operations	83502	NYISO Cost Of Operations
Residuals Balancing	81302	Balancing Market Energy Residual
Residuals Balancing	81304	Balancing Market Loss Residual
Residuals Balancing	81306	Emergency Energy Purchases
Residuals Balancing	81307	Emergency Energy Sales
Residuals Balancing	81309	Balancing Market Energy Residual
Residuals Balancing	81311	Balancing Market Loss Residual
Residuals Balancing	81313	Emergency Energy Purchases
Residuals Balancing	81314	Emergency Energy Sales
Residuals DAM	81301	Day Ahead Market Energy Residual
Residuals DAM	81303	Day Ahead Market Loss Residual
Residuals DAM	81308	Day Ahead Market Energy Residual
Residuals DAM	81310	Day Ahead Market Loss Residual

\* This chart reflects the billing code categories that were in effect prior to the November 2005 re-categorization and is meant for comparison purposes only.

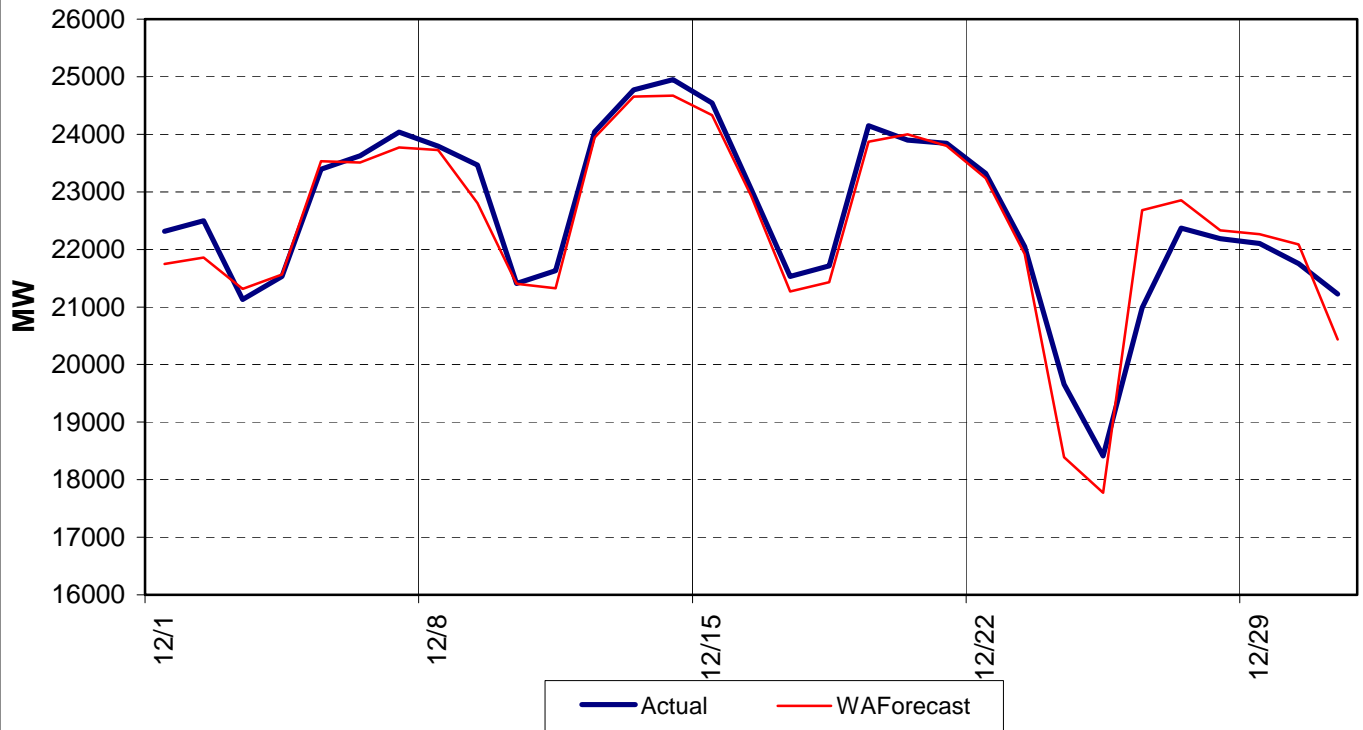
## NERC Control Performance Standard

NYISO Compliance  
Year 2003/2004

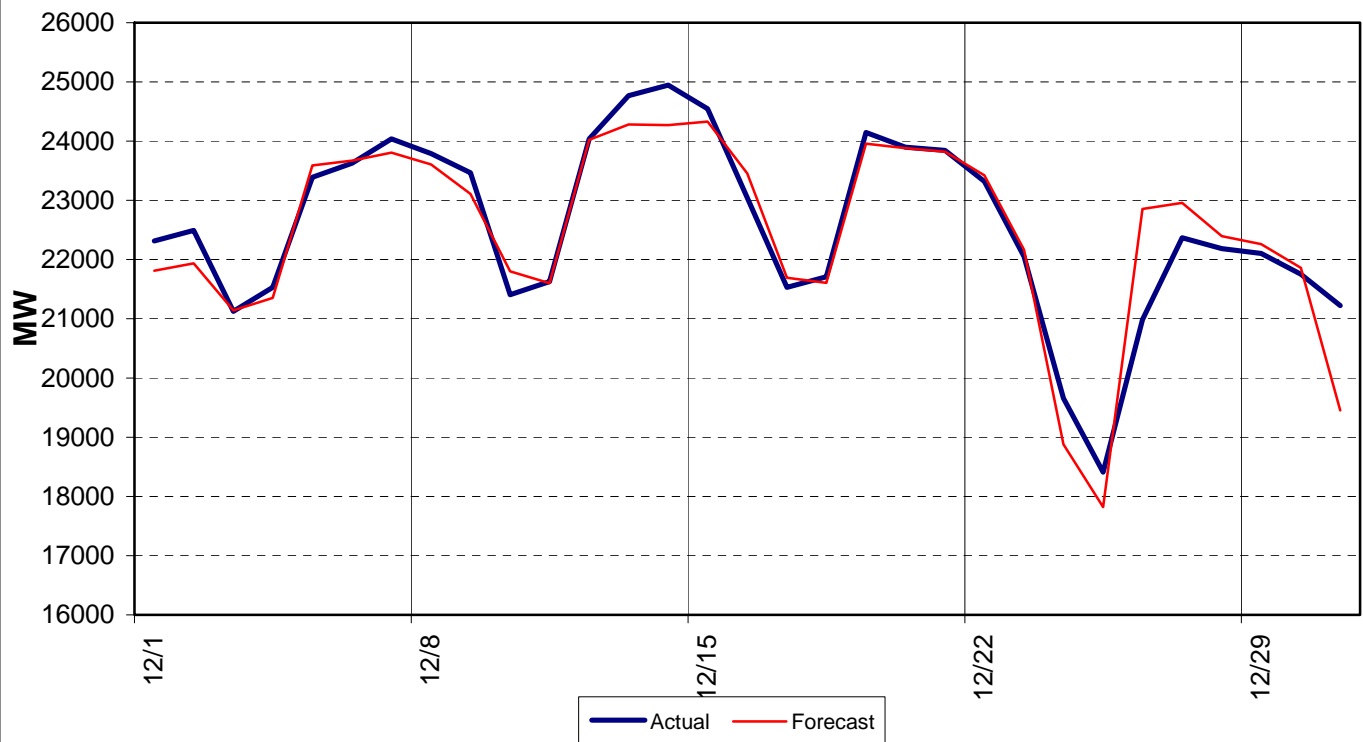


**CPS2 for December = 95.36% Compliance Threshold = 90%**  
**CPS2 measures excessive unscheduled power flow resulting from large**  
**Area Control Error (ACE)**

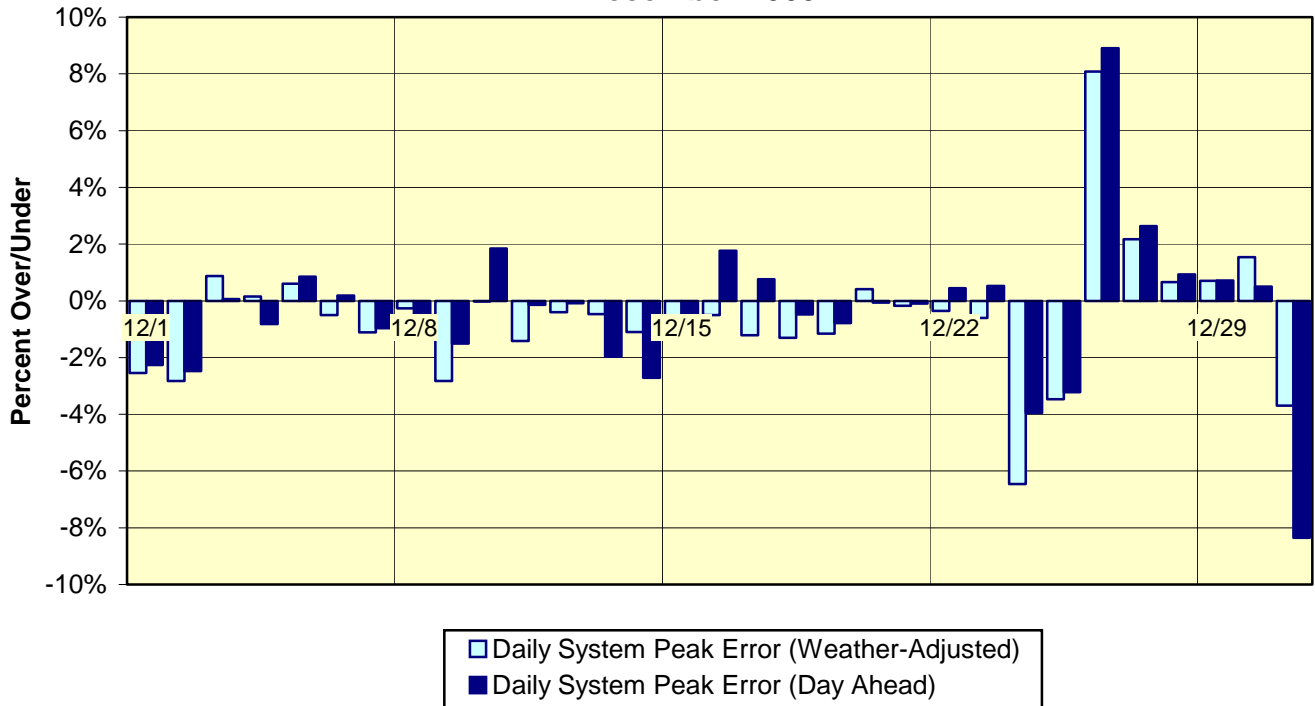
**NYISO Daily Peak Load - December 2005**  
**Actual vs. Weather-Adjusted Forecast**



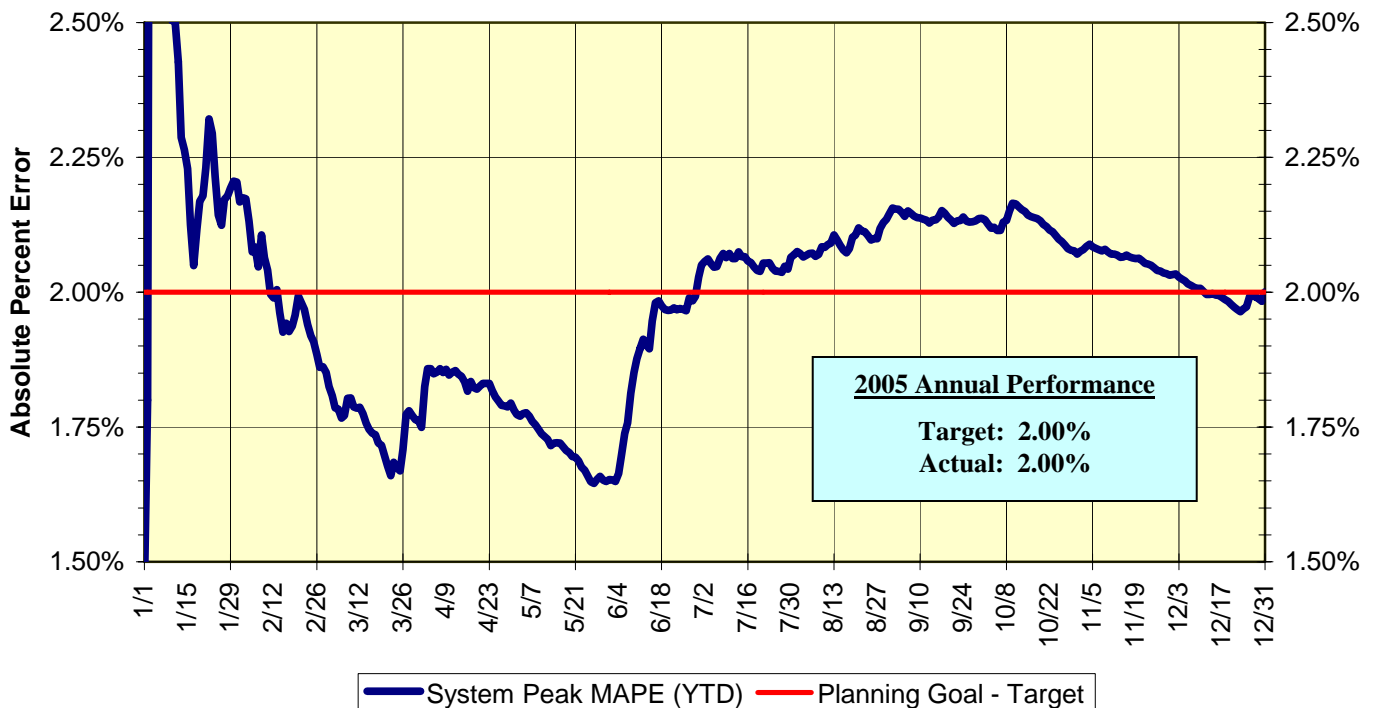
**NYISO Daily Peak Load - December 2005**  
**Actual vs. Forecast**



# Day-Ahead Forecast Daily Forecast Errors of System Peak December 2005



## Day-Ahead Forecast Cumulative Performance - Daily System Peak 2005 Year-to-Date





## 2005 BUDGET VS. ACTUAL VARIANCES

(dollar amounts in thousands)

	<u>YTD through November 2005</u>			
	<i>Revised Budget</i>	<i>Actuals</i>	<i>\$ Var.</i>	<i>% Var.</i>
Capital Assets	\$ 21,126	\$ 20,745	\$ (381)	-2%
Salaries & Benefits	43,441	42,229	\$ (1,212)	-3%
Consultants	22,257	21,387	\$ (870)	-4%
Legal	4,583	5,705	\$ 1,122	24%
Building Services	4,180	4,459	\$ 279	7%
Computer Services	10,582	8,350	\$ (2,232)	-21%
Insurance	6,202	3,932	\$ (2,270)	-37%
Telecommunications	3,813	4,271	\$ 458	12%
Board of Directors	807	963	\$ 156	19%
Meetings, Travel, Training	2,538	2,193	\$ (345)	-14%
NPCC Fees	1,597	1,584	\$ (13)	-1%
FERC Fees	6,417	7,858	\$ 1,441	22%
Debt Service & Bank Fees	<u>24,306</u>	<u>23,606</u>	<u>\$ (700)</u>	<u>-3%</u>
<b>TOTAL CASH BUDGET</b>	<b><u>\$ 151,849</u></b>	<b><u>\$ 147,282</u></b>	<b><u>\$ (4,566)</u></b>	<b><u>-3%</u></b>
Less: Miscellaneous Revenues	(917)	(2,549)	(1,633)	178%
Less: Lease Income on New Building	(756)	(1,044)	(288)	38%
Less: Proceeds from 2005 Bank Financing	(20,419)	(15,000)	5,419	-27%
Plus: Interest on 2005 Bank Financing	512	393	(119)	-23%
Less: Proceeds from Mortgage	(15,734)	(14,709)	1,025	-7%
Plus: Principal & Interest on Mortgage	<u>365</u>	<u>433</u>	<u>68</u>	<u>19%</u>
<b>RS#1 SPENDING OVER / (UNDER) RUN</b>	<b><u>\$ 114,901</u></b>	<b><u>\$ 114,807</u></b>	<b><u>\$ (94)</u></b>	<b><u>0%</u></b>

The December report will not be available until later in January.



# Project Status Updates

January 10, 2006

# **Planning 2006 Planning 1<sup>st</sup> and 2<sup>nd</sup> Quarter**

## ➤ **Intranet**

- Functionality: Standardization of the NYISO intranet site. The Documentum application will be utilized to address publishing content management. This project will also eliminate legacy technology currently in place.
- Parallel run to production planned for December 2005 – go live cut over planned for 1<sup>st</sup> Quarter 2006

## ➤ **ICAP Auction Automation**

- Functionality: Automated application to run the ICAP market, implementation of security model for single sign on.
- 1<sup>st</sup> Quarter release is planned.

## ➤ **Voltage Support**

- Functionality: Automation of manual settlement and financial process
- 1<sup>st</sup> Quarter release planned

## ➤ **TCC Auction Automation – Awards**

- Automation of TCC Awards processing
- Planned for 1<sup>st</sup> half of 2006

## ➤ **SRE / OOM Mitigation**

- Phase 2 – Application of mitigation to SRE and OOM during unconstrained periods and during Thunderstorm Alert (TSA) planned for 2<sup>nd</sup> quarter.

Project Description		Status and Milestone Deliverables
A541	TCC Online Auction Automation	<p><b>Status:</b> The requirements generation for the TCC Auction Automation project was partially completed in 2004, following the review of the TCC auction processes performed by Bearing Point. The requirements process was revisited in order to ensure that the recommendations that were presented can be fully incorporated in the delivered product. An RFI/Vision document, straw man timelines, and executive summary with detail to determine the 'buy v. build' strategy was completed. The Awards processing is the planned first phase deliverable. Testing is in progress for the phase 1 Awards is now scheduled for the first half of 2006.</p> <p><b>Deliverables:</b> This project will take a phased approach to fully automate the TCC auction and data validation processes. Early phases will produce a set of data validation tools that will compliment the current processes. Final delivery will produce user interfaces that can support the online data entry, reporting of TCC auction information, and provide auction data to the auction analysis products. It is anticipated this project will continue into 2006/2007.</p>
A543	ICAP Market Automation	<p><b>Status:</b> Verification testing by Auxiliary market operations was completed. Market Participant sandbox testing, and two (2) market trials were conducted. Market Trials started on June 9 and ended on August 12. Technical Conferences were held on March 21, 2005 and May 18, 2005. Application was deployed to production for internal access only in September 2005. The applications go-live has been postponed to allow for parallel testing of the manual and automated processes. New go-live date to be determined – targeting 1<sup>st</sup> quarter 2006.</p> <p><b>Deliverable:</b> An automated application to run the ICAP market, also implementing a security model for single sign-on. Allow Market Participants to place bids and offers via the web or upload templates, execute the monthly and strip auctions, perform certification, run the spot auction and post the results and bills.</p>
A775	Consolidate NYISO Offices	<p><b>Status:</b> Construction documents for all 4<sup>th</sup> floor renovations were completed 9/1/05. Construction RFQs were written and sent to potential contractors 9/15/05. Proposals were returned to BBL from all the contractors performing work for the 4<sup>th</sup> floor renovation on 9/29/05. A budget review was performed and BBL's recommendations were submitted to NYISO for review and approval. Construction on 4<sup>th</sup> floor began on 10/3/05. First leg of the telecommunications cable connecting the PCC to the new building was completed 10/4/04. The first wave of personnel relocations was executed on schedule on 12/2/05. Completion of the first phase of relocations set to complete by the end of January 2006.</p> <p><b>Milestones:</b> July 8, 2005 Close on the building (completed); November, 2005 Completion of 4th floor renovations (completed); December 31, 2005 Migration out of Washington Avenue and onto the 4th floor of the new HQ building (on-track).</p> <p><b>Deliverables:</b> This project seeks to secure during 2005 ~150,000 square feet of office space to include administrative offices, alternate control center and back-up IT/disaster recovery functionality. During 2006, this facility would replace the current NYISO locations at Washington Avenue, Wolf Road, and Western Turnpike.</p>

Project Description		Status and Milestone Deliverables
A823	Web Consolidation (Intranet)	<p><b>Status:</b> Functional Requirement completed July 19<sup>th</sup>. Design specification was completed August 29<sup>th</sup>, application will run parallel to production environment in December – go live will be scheduled 1st quarter 2006.</p> <p><b>Deliverables:</b> The next phase of the project addresses development of a standardized NYISO intranet site. The Documentum application will be utilized to address publishing standardized content management for both internal and external documents. This project will also eliminate legacy technology currently in place.</p>
<b>Completed</b>		
A795	DSS - Customer Settlement	<p><b>Status:</b> Planned deliverables completed for 2005.</p> <p><b>Deliverables:</b> DSS has multiple releases planned for this year.</p> <p><i>March</i> - Phase I FERC EOR (completed). Reporting to help MP's obtain NYISO data to include as part of their filing to FERC. In this release, the NYISO will provide the mechanism to download the report, existing data elements in the DSS. Planned Business Objects upgrade will be deployed at a later date due to vendor bug issues discovered in testing and not yet resolved.</p> <p><i>April</i> – Business Objects upgrade (completed).</p> <p><i>May</i> – Provide enhanced reporting capability related to Controllable Tie Lines. (completed)</p> <p><i>June</i> - Modify sign of data elements in the DSS to be consistent with NYISO sign convention. This will help MP's tie out DSS reporting to invoices. FERC Reporting phase II to provide additional manual adjustment and data elements. Minor application enhancements, bug fixes, and internal process improvement (ETL Production Verification Automation) will also be bundled into this release.</p> <p><i>August</i> – Provided enhancements related to BIG issues.</p> <p><i>September</i> release – Custom Automated Data Delivery (CADD) - Provide users with the ability to get specific DSS data elements of interest and have the data delivered via a machine-to-machine process. Users can create custom defined reports that can be refreshed and retrieved on a recurring basis via ADD.</p> <p><i>Quarter 1 of 2006</i> release content is in the planning phase.</p> <p><i>**note some of the listed functionality is from baseline budget</i></p>
A716	Billing: NTAC & TSC Rate Management	<p><b>Status:</b> Deployed October 11, 2005</p> <p><b>Deliverables:</b> Modification of BAS software to eliminate fees (TSC charges to TO's and NTAC charges by NYPA) between NYISO and ISO-NE, which are due to be billed beginning of December 2004. Develop interface for MP's to enter TSC and NTAC Rates. Automation of manual processes within settlements. Delivery includes a BAS – NTAC interface, consolidated invoice, allocation adjustment tool, Web interface and distribution factor process. Modify TSC calculator to use newly created summary and detail pages. Modifications for TSC MW reporting to transaction customers on hourly statement.</p>

Project Description		Status and Milestone Deliverables
A636	Billing Rate Schedule 1 Allocation 80/20	<p><b>Status:</b> Deployed October 11, 2005</p> <p><b>Deliverables:</b> Implementation of Billing and Accounting System (BAS), software changes to facilitate the automatic calculation and allocation of LSE and Power supplier Rate Schedule #1 charges in BAS.</p>
A764	15 Minute Scheduling	<p><b>Status:</b> Deployed October 11, 2005</p> <p><b>Deliverable:</b> <i>FERC mandated feature required to be implemented within 150 days of SMD go live date.</i> This project will offer Market Participants more flexibility with their Real Time Bid Management, and enhance SMD2 functionality to address the loss of price chasing capability of units incapable of responding to five minute dispatch signals. The new software will perform 15-minute economic dispatch scheduling for nominally off-dispatch units during the Real-Time Commitment (RTC) execution and reflect those schedules into the Real-Time Dispatch (RTD) process.</p>
A824	Start-Up/Shut-Down Tagging	<p><b>Status:</b> Process went live October 3, 2005.</p> <p><b>Deliverables:</b> The creation of a manual process, which would allow generators to designate when they are in start-up/shut-down mode. This would allow the unit from being subject to performance penalties and would be paid the real-time LBMP for all energy produced during the start-up/shut down period.</p>
A821	RTD Pricing Enhancements / SMD 2.2	<p><b>Status:</b> Project was successfully deployed into production on Tuesday, August 16, 2005 after several attempts were cancelled due to system compromising weather conditions.</p> <p><b>Deliverables:</b> Deliverables include remaining critical and high System Problem Reports (SPRs) as well as an enhancement to software for RTD pricing.</p>
A658	Facilitated Transaction Check Out	<p><b>Status:</b> The deployment was rescheduled from June 29, 2005 to July 5, 2005 due to system conditions. Software was successfully deployed on July 5, 2005. Post deployment verification process is underway.</p> <p><b>Deliverables:</b> Further implementation of the Facilitated Transaction Check Out Web Service. This will allow NYISO Operations to view transaction data from other control areas during the check out process.</p>
A774	SMD 2.1	<p><b>Status:</b> Deployed May 31, 2005.</p> <p><b>Deliverables:</b> Following the implementation of SMD2 and its suite of applications, it is expected that a subset of planned functionality will fail to make the initial release. Included in this feature set is the original project Phase2b and Phase 3 features; these items are SMD2 post-live requirements as defined.</p>
A780	e-Tagging 2.0	<p><b>Status:</b> The deployment was rescheduled from June 28, 2005 to July 5, 2005 due to system conditions. Software was</p>

Project Description		Status and Milestone Deliverables
		successfully deployed on July 5, 2005. Post deployment verification process is complete.
		<b>Deliverables:</b> Provide more flexibility in approval / denial of E-Tag requests. Prevent MIS bids with "Phantom" TagID's from flowing if not created by T-20.
		<b>Status:</b> Deployed May 31, 2005.
A619	Controllable Tie Lines Scheduling & Pricing	<b>Deliverables:</b> This project will provide an external proxy bus representation for controllable tie lines (HVDC and/or PAR) which span two control areas. The project addresses both the external node pricing calculations as well as scheduling of primary and secondary party transactions. It also includes additional changes necessary for NY/NE coordination for the Cross Sound Cable project.
		<b>Status:</b> Technical components deployed on <i>April 26, 2005</i> . Site cut over completed May 24, 2005.
A699	Web Consolidation / Market Data Exchange (Portal)	<b>Deliverables:</b> Primary deliverable is to combine the existing two NYISO web sites. (MDEX.com and NYISO.com) Also enhancing Web publishing functionality and migrating to standardized security.
A573 A574 A577	SMD 2.0	<b>Status:</b> SMD2 was deployed on <i>02/01/2005</i>  <b>Delivery:</b> Implementation of comprehensive Energy Management System (EMS) and enhanced market system on a common platform.
		<b>Status:</b> Completed November 2004
A757	Billing: TCC Settlement	<b>Deliverables:</b> This project provides for changes to the BAS to allow for calculation and billing of settlements associated with TCC surcharges and tracking of working capital accounts as required in the TCC Settlement Agreement approved by FERC in July 2004.
		<b>Status:</b> Planned deliverables completed for 2005. This project is being addressed in phases with the Web Consolidation projects.
A771	Documentum Expanded Implementation	<b>Deliverables:</b> NYISO has a growing number of critical business documents, which are information assets and need to be managed as such. Documentum provides the tools to manage these critical documents. In addition, documentum can satisfy the demand for increased efficiency, quality and control in the document life cycle process through an enterprise-wide repository for all documents, automation of life cycle processes, document retention/archival, and SAS 70 compliance requirements. Documentum will provide a number of key functionality including: version control, workflow, check-in/out, document level security, full text search, and e-mail integration and tracking.

Project Description		Status and Milestone Deliverables
A799	Billing Simulator	<p><b>Status:</b> Use case functionality has been delivered iteratively throughout 2005 as planned. The last phase of the project includes delivery of the remaining 39 use cases which have completed development. The Quality Assurance phase is in progress and on schedule to complete by December 15<sup>th</sup>.</p> <p><b>Deliverables:</b> Continuation of development and enhancements to the current system. Implementation of remaining settlement rules (SMD2 and legacy), and build foundation for potential BAS replacement. All remaining use cases were implemented on time and under budget in December.</p>

## **NYISO REGULATORY FILINGS – DECEMBER 2005**

Dec. 5, 2005	NYISO filing of an exigent circumstances proposal to amend its tariffs to temporarily defer the expiration of voltage support service rates, request for shortened notice period and for expedited action (ER06-291-000)
Dec. 6, 2005	Multiple third party interventions and protests filed regarding the NYISO's 11/8/05 filing on errors in its implementation of its market mitigation measures and proposed refund methodology (ER06-185-000)
Dec. 7, 2005	NYISO filing of a response to Keyspan's 11/29/05 request for clarification and rehearing of FERC's 11/21/05 refund order regarding NYISO temporary extraordinary procedures on May 8-9, 2000 (EL01-19-007, EL02-16-007)
Dec. 9, 2005	NYISO tariff filing of revised testing criteria applicable to providers of Black Start and System Restoration Services (ER06-310-000)
Dec. 12, 2005	NYISO filing of an answer to the NYTO's 11/29/05 response to NYISO's 11/8/05 filing of a report regarding tariff implementation errors and a request for limited tariff waivers (ER06-185-000)
Dec. 15, 2005	Third party filing of a motion to intervene in NYISO's 12/5/05 exigent circumstance filing regarding the expiration of voltage support service rates (ER06-291-000)
Dec. 15, 2005	NYISO filing of its ninth annual compliance report on demand response programs (ER01-3001-014)
Dec. 16, 2005	NYISO filing of a motion for leave to submit its compliance report regarding demand response programs (ER01-3001-013)
Dec. 19, 2005	NYISO filing of comments on demand response and time-based rate issues (AD06-000)
Dec. 21, 2005	Third party filing of a motion to intervene and comment regarding NYISO's tariff filing of revised testing criteria applicable to providers of Black Start and System Restoration Services (ER06-310-000)
Dec. 23, 2005	NYISO filing of a corrected ninth annual compliance report on demand response programs (ER01-3001-014)
Dec. 23, 2005	NYISO filing of a motion for extension of time to submit a report on virtual transactions credit requirements (ER05-941-000)
Dec. 28, 2005	NYISO filing of a motion in support of the EEI motion requesting an extension of time to comply with the Order No. 668 which provided a 1/1/06 effective date to begin keeping new records under the Uniform System of Accounts (RM04-12-000)



Dec. 29, 2005	NYISO filing of comments on proposed rulemaking on prohibition of market manipulation (RM06-3-000)
Dec. 29, 2005	NYISO filing of a motion to intervene and comments in response FERC's 11/21/05 order proposing revisions to market based rate tariffs and authorizations (EL06-16-000)
Dec. 29, 2005	NYISO corrected filing of a motion to intervene and comments in response to FERC's 11/21/05 order regarding market-based rate tariffs and authorizations (EL06-16-000)
Dec. 29, 2005	Section 205 NYISO joint filing of the coordination agreement between ISO New England including a rate schedule for emergency energy pricing (ER06-421-000)
Dec. 30, 2005	NYISO and PJM joint filing of a compliance informational report concerning implementation of the operating protocols regarding certain transmission service contracts between ConEd and PSE&G (EL02-23-010)

This list is current as of 2:20 P.M. January 5, 2006.

## FERC ORDERS – DECEMBER 2005

- Dec. 1, 2005 FERC notice granting NYISO an extension of time to submit a report regarding implementation of its ICAP demand curve (ER03-647-000)
- Dec. 5, 2005 FERC notice granting NYISO an extension of time to file its Final Study Report and deliverability compliance filing (ER04-449-003, 007 and 008)
- Dec. 5, 2005 FERC letter order accepting NYISO's 10/05/04 compliance filing regarding revisions to the OATT concerning the large generation interconnection procedures and agreement (ER04-449-004)
- Dec. 6, 2005 FERC notice granting NYISO extension of time to submit its biannual compliance report on the status of its demand response programs and the status of new generation resources of NYCA (ER01-3001-013)
- Dec. 7, 2005 FERC letter order accepting NYISO's compliance filing regarding the definition of minimum generation level (ER05-1123-001)
- Dec. 15, 2005 FERC order conditionally accepting tariff filing regarding the parameters for setting future ICAP demand curves (ER05-428-005)
- Dec. 19, 2005 FERC letter order accepting NYISO's compliance filing to incorporate NERC's revised Transmission Loading Relief Procedures (ER06-157-000)
- Dec. 27, 2005 FERC order accepting NYISO's tariff sheets adopting a two-day Virtual Transactions ("VT") collateral requirement and its filing discussing the appropriateness of using a reference price based on a 97<sup>th</sup> percentile in calculating collateral requirements for the VT market (ER05-941-001 and ER05-941-002)
- Dec. 28, 2005 FERC notice granting NYISO an extension of time to submit its virtual transaction study report (ER05-941-000)
- Dec. 29, 2005 FERC notice granting public utilities, including RTOs and ISOs, an extension of the time to 04/01/06 to meet the new accounting and financial reporting requirements of Order No. 668 (RM04-12-000)
- Dec. 29, 2005 FERC tolling order granting rehearing for further consideration regarding its November 21, 2005 order concerning two complaints v NYISO involving price corrections for May 8 and 9, 2000 (EL01-19-007, EL02-16-007)
- Dec. 30, 2005 FERC order accepting and suspending, subject to refund, NYISO's 12/05/05 temporary amendments to Services Tariff Rate Schedule 2 to extend the applicability of the rate for Voltage Support Service for 120 days, effective 01/01/06 (ER06-291-000)

This list is current as of 1:37 P.M. January 3, 2006.