



Monthly Report

May 2005

Charles A. King

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Market Performance Highlights for May 2005

- NYISO Average Cost and LBMPs have decreased this month relative to April.
 - *Average cost is \$65.49/MWh, down from \$73.58/MWh in April*

- Fuel prices have decreased this month relative to April.
 - *Kerosene is \$11.00/mmBTU, down from \$11.79/mmBTU;*
 - *No. 2 Fuel Oil is \$10.04/mmBTU, down from \$10.90/mmBTU;*
 - *Natural Gas is \$6.90/mmBTU, down from \$7.69/mmBTU;*
 - *No. 6 Fuel Oil is \$6.73/mmBTU, down from \$7.06/mmBTU.*

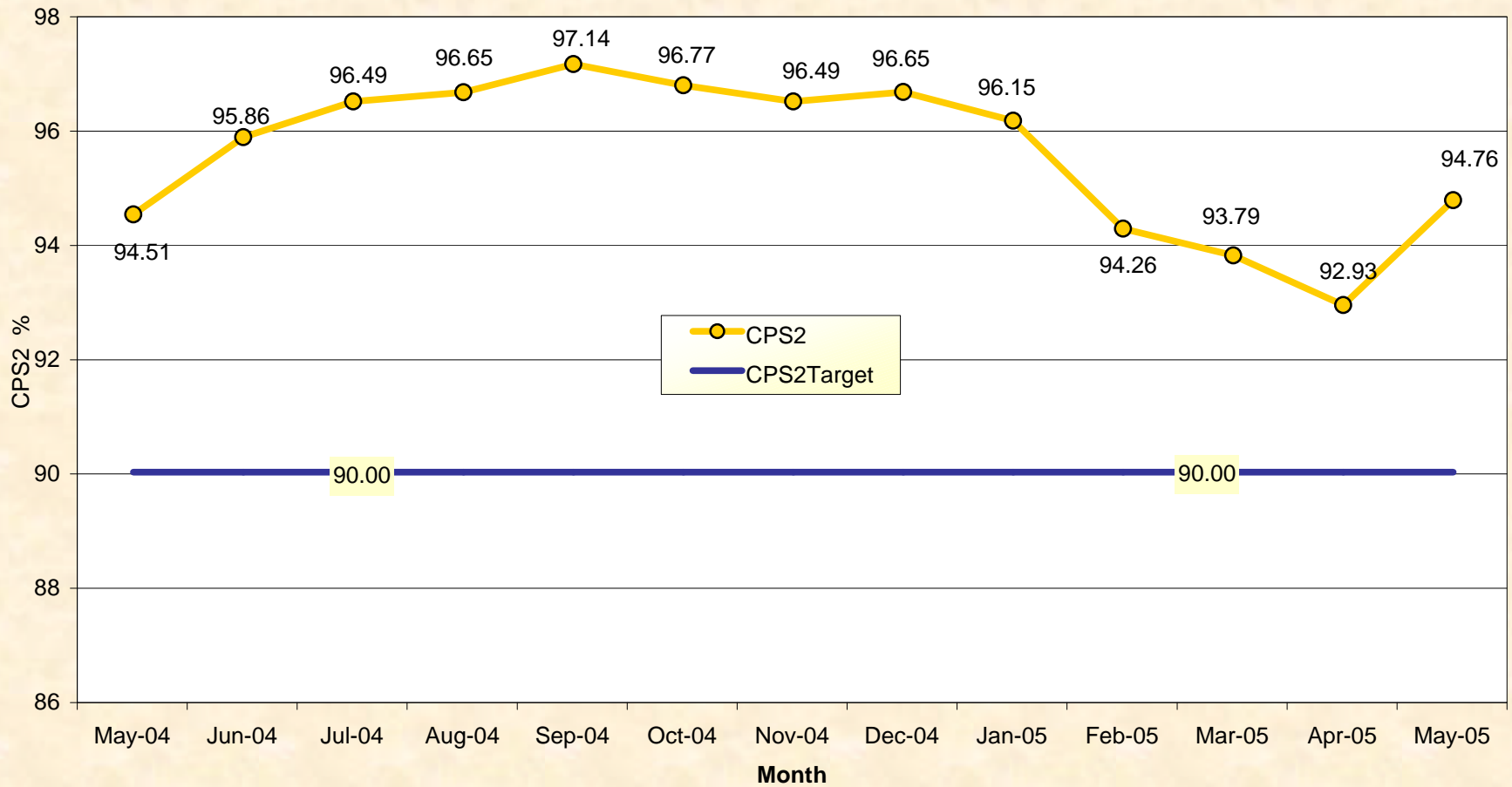
- Evidence to date continues to suggest that some costs previously captured in uplift are now reflected directly in the LBMP. However, uplift has increased somewhat when compared to April.
 - *Uplift (not including NYISO cost of operations) is \$0.36/MWh, compared to \$0.21/MWh last month.*

Market Performance Highlights for May 2005 (continued)

- We continue to see high volatility in Real Time prices (RTD) – The standard deviation of real time prices is \$42.34 compared to \$25.74 for May 2004.
- The shift in MWh positions into the DAM continues this month: 100.9% of MWh were transacted in the DAM in May 2005 compared to 99.6% in April 2005 and 97.5% in March 2004.
- Virtual Trading volumes have increased this month compared to April.

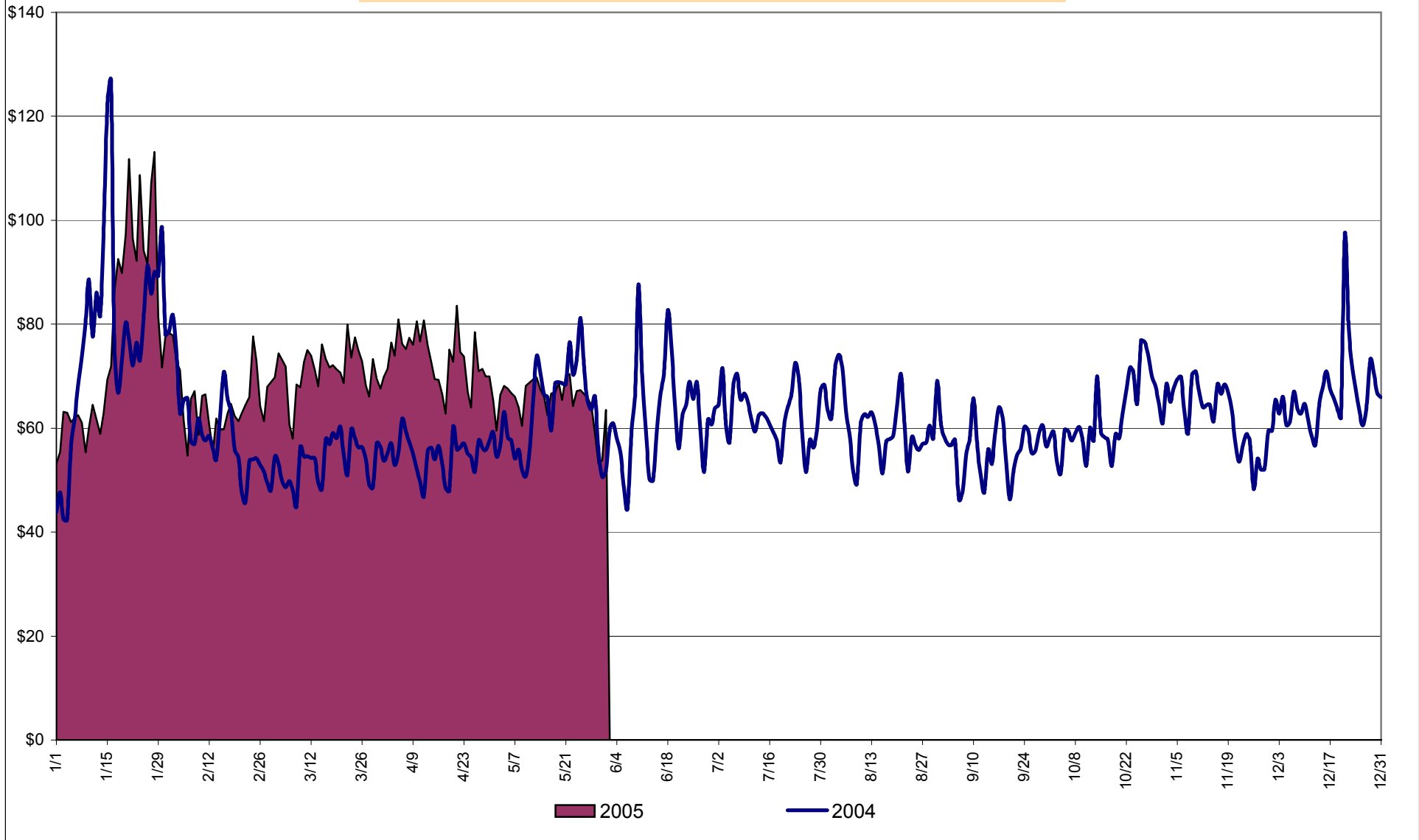
NERC Control Performance Standard

NYISO Compliance
Year 2003/2004



CPS2 for May = 94.76% Compliance Threshold = 90%
CPS2 measures excessive unscheduled power flow resulting from large Area Control Error (ACE)

Daily NYISO Average Cost/MWh (Energy & Ancillary Services)*
2004 Annual Average \$62.81/MWh
May 2004 YTD Average \$63.32/MWh
May 2005 YTD Average \$71.59/MWh



* Excludes ICAP payments

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

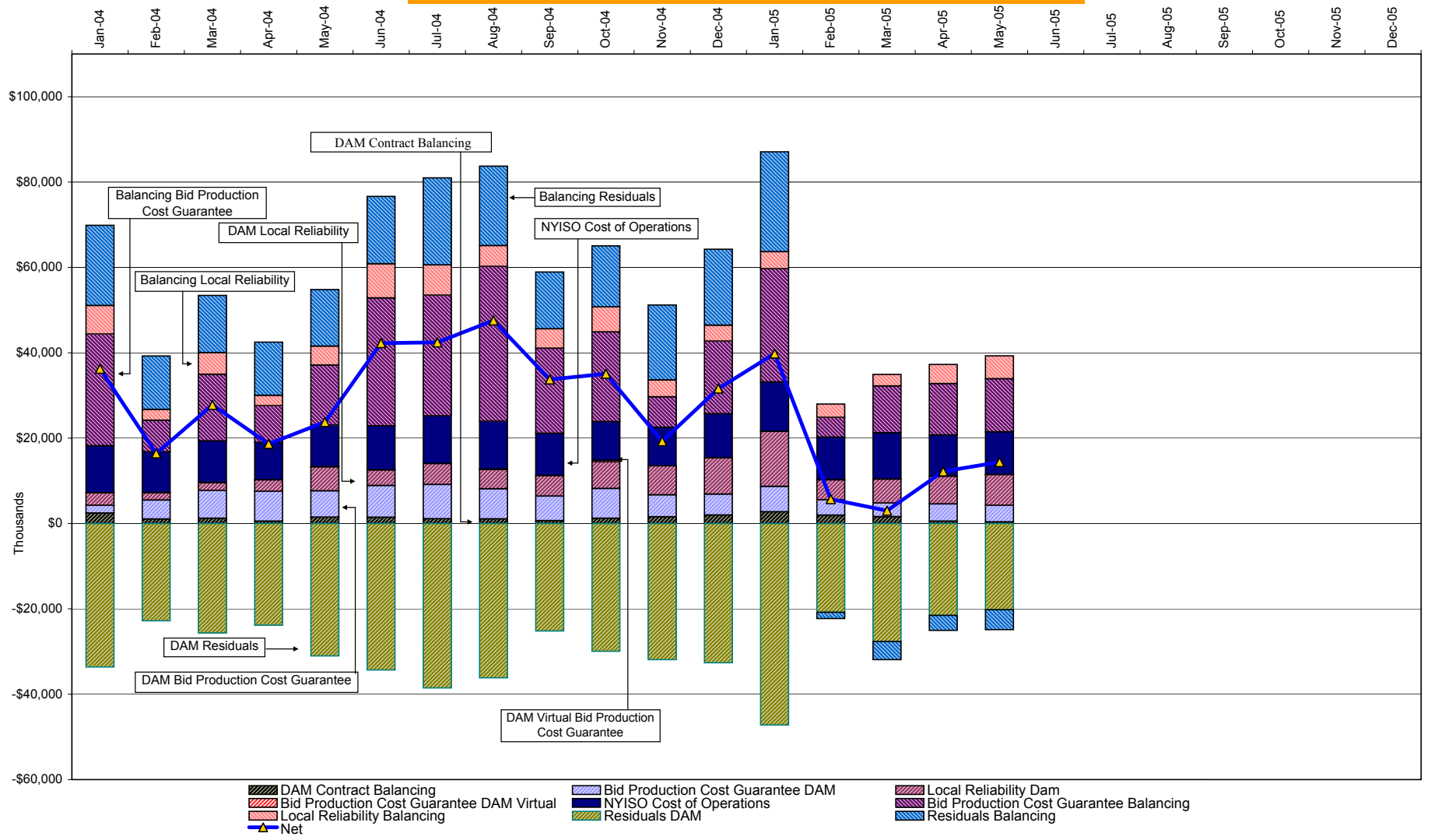
2005	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	75.70	63.91	69.92	71.27	63.10							
NTAC	0.43	0.36	0.23	0.49	0.40							
Reserve	0.25	0.06	0.17	0.21	0.20							
Regulation	0.32	0.39	0.33	0.22	0.25							
NYISO Cost of Operations	0.79	0.79	0.79	0.79	0.79							
Uplift	1.99	(0.32)	(0.57)	0.21	0.36							
Voltage Support and Black Start	0.39	0.39	0.39	0.39	0.39							
Avg Monthly Cost	79.86	65.58	71.26	73.58	65.49							
Avg YTD Cost	79.86	73.40	72.66	72.88	71.59							

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>
LBMP	76.13	57.13	50.56	52.48	61.24	59.79	59.59	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	0.14	0.09	0.07	0.05	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	0.73	0.73	0.73	0.73	0.73	0.72	0.73
Uplift	1.74	0.52	1.35	0.81	1.05	2.27	2.08	2.43	1.77	2.03	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
Avg Monthly Cost	79.94	59.66	54.05	55.21	64.05	63.91	63.31	61.38	56.48	62.61	62.74	66.75
Avg YTD Cost	79.94	70.85	65.43	63.14	63.32	63.42	63.40	63.12	62.42	62.43	62.46	62.81

* 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).

NYISO Markets Transactions

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>
Day Ahead Market MWh	14,281,481	12,510,148	13,410,579	12,215,628	12,773,478							
DAM LSE Internal LBMP Energy Sales	48%	49%	52%	52%	45%							
DAM External TC LBMP Energy Sales	3%	1%	1%	1%	3%							
DAM Bilateral - Internal Bilaterals	47%	48%	45%	44%	50%							
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%							
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	2%							
DAM Bilateral - Wheel Through Bilaterals	1%	0%	1%	0%	0%							
Balancing Energy Market MWh	419,365	127,124	348,162	54,545	-114,876							
Balancing Energy LSE Internal LBMP Energy Sales	78%	-35%	26%	-365%	-282%							
Balancing Energy External TC LBMP Energy Sales	42%	156%	73%	494%	183%							
Balancing Energy Bilateral - Internal Bilaterals	-13%	-9%	6%	-29%	5%							
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%							
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	0%	0%	3%	2%							
Balancing Energy Bilateral - Wheel Through Bilaterals	-8%	-13%	-5%	-2%	-7%							
Transactions Summary												
LBMP	53%	51%	54%	54%	47%							
Internal Bilaterals	45%	47%	44%	44%	50%							
Import Bilaterals	1%	1%	1%	0%	0%							
Export Bilaterals	1%	1%	1%	1%	2%							
Wheels Through	0%	0%	0%	0%	0%							
Market Share of Total Load												
Day Ahead Market	97.1%	99.0%	97.5%	99.6%	100.9%							
Balancing Energy †	2.9%	1.0%	2.5%	0.4%	-0.9% *							
Total MWh	14,700,846	12,637,272	13,758,741	12,270,173	12,658,602							
Average Daily Energy Sendout/Month GWh	462	447	433	399	395							
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>
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	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%
Balancing Energy Market MWh	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%
Transactions Summary												
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%
Market Share of Total Load												
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.

January and March 2005 have been corrected due to a database error.

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>
<u>DAY AHEAD LBMP</u>												
Price *	\$69.55	\$61.04	\$67.17	\$68.14	\$59.59							
Standard Deviation	\$23.42	\$12.00	\$12.49	\$14.20	\$13.39							
Load Wtg.Price **	\$72.26	\$62.42	\$68.61	\$69.92	\$61.44							
<u>RTC *** LBMP</u>												
Price *	\$74.47	\$55.93	\$70.40	\$69.92	\$61.59							
Standard Deviation	\$44.64	\$16.80	\$26.13	\$23.51	\$59.20							
Load Wtg.Price **	\$77.48	\$57.10	\$72.12	\$71.72	\$64.16							
<u>REAL TIME LBMP</u>												
Price *	\$70.25	\$57.57	\$68.04	\$64.95	\$57.20							
Standard Deviation	\$31.79	\$20.48	\$32.50	\$26.06	\$42.34							
Load Wtg.Price **	\$73.26	\$58.86	\$69.88	\$66.77	\$59.04							
Average Daily Energy Sendout/Month GWh	462	447	433	399	395							

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>
<u>DAY AHEAD LBMP</u>												
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
<u>RTC *** LBMP</u>												
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
<u>REAL TIME LBMP</u>												
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

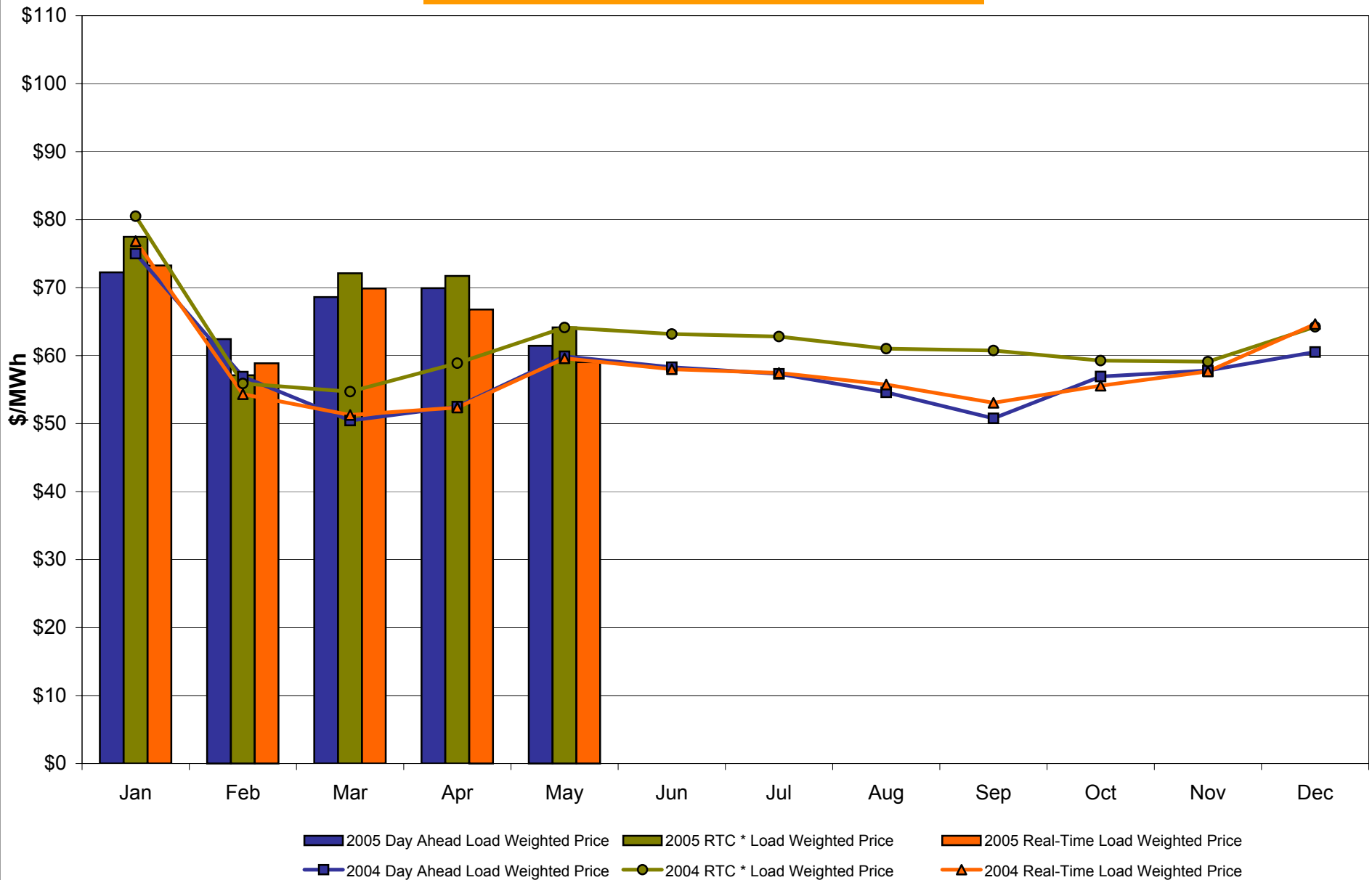
* Average zonal load weighted prices

** 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)

May 2005 Zonal Statistics for NYISO (\$/MWh)

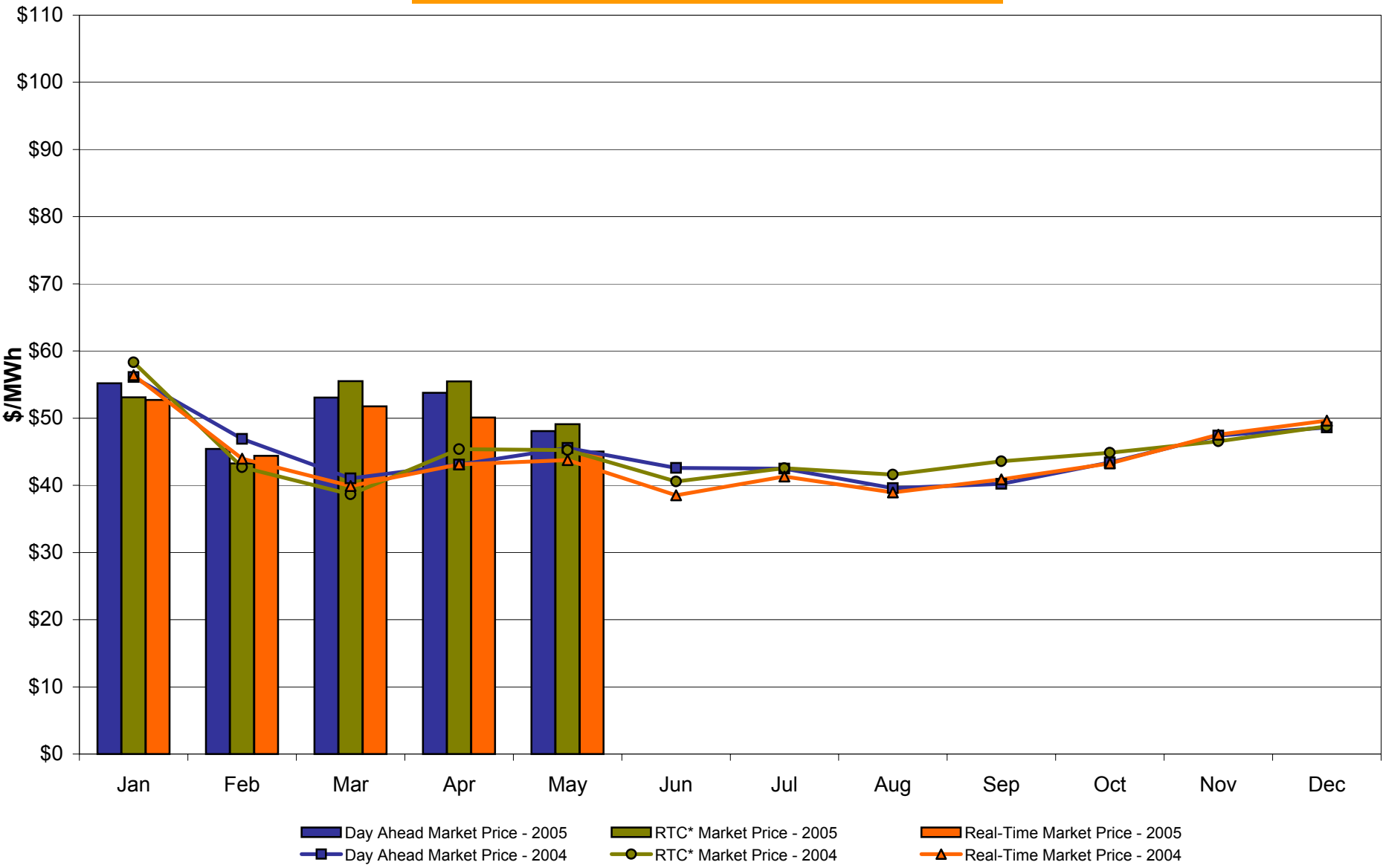
	<u>WEST Zone A</u>	<u>GENESEE Zone B</u>	<u>NORTH Zone D</u>	<u>CENTRAL Zone C</u>	<u>MOHAWK VALLEY Zone E</u>	<u>CAPITAL Zone F</u>	<u>HUDSON VALLEY Zone G</u>	<u>MILLWOOD Zone H</u>	<u>DUNWOODIE Zone I</u>	<u>NEW YORK CITY Zone J</u>	<u>LONG ISLAND Zone K</u>
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	48.09	50.61	52.68	52.18	54.39	57.17	58.85	59.60	59.69	63.59	74.32
Standard Deviation	11.49	12.09	11.81	12.59	12.83	13.56	14.33	14.72	14.68	16.51	10.24
<u>RTC** LBMP</u>											
Unweighted Price *	49.09	51.49	54.13	53.35	55.75	57.76	59.19	60.15	60.21	64.78	83.17
Standard Deviation	65.87	66.42	66.58	66.50	68.37	69.95	70.94	70.60	70.55	63.47	29.77
<u>REAL TIME LBMP</u>											
Unweighted Price *	45.02	46.93	48.66	48.41	50.34	52.91	53.86	56.23	56.27	60.73	79.31
Standard Deviation	41.89	43.08	43.13	43.33	44.63	48.15	47.55	43.57	43.55	44.59	43.80
	<u>ONTARIO IESO Zone O</u>	<u>HYDRO QUEBEC Zone M</u>	<u>PJM Zone P</u>	<u>NEW ENGLAND Zone N</u>							
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	47.49	53.80	47.38	57.61							
Standard Deviation	11.17	12.00	12.99	13.70							
<u>RTC** LBMP</u>											
Unweighted Price *	44.00	62.14	45.78	55.70							
Standard Deviation	54.87	118.02	15.04	14.14							
<u>REAL TIME LBMP</u>											
Unweighted Price *	41.39	48.77	44.04	52.81							
Standard Deviation	64.65	37.46	35.64	41.55							

* Straight zonal LBMP averages

** Referred to as RTC beginning February 2005

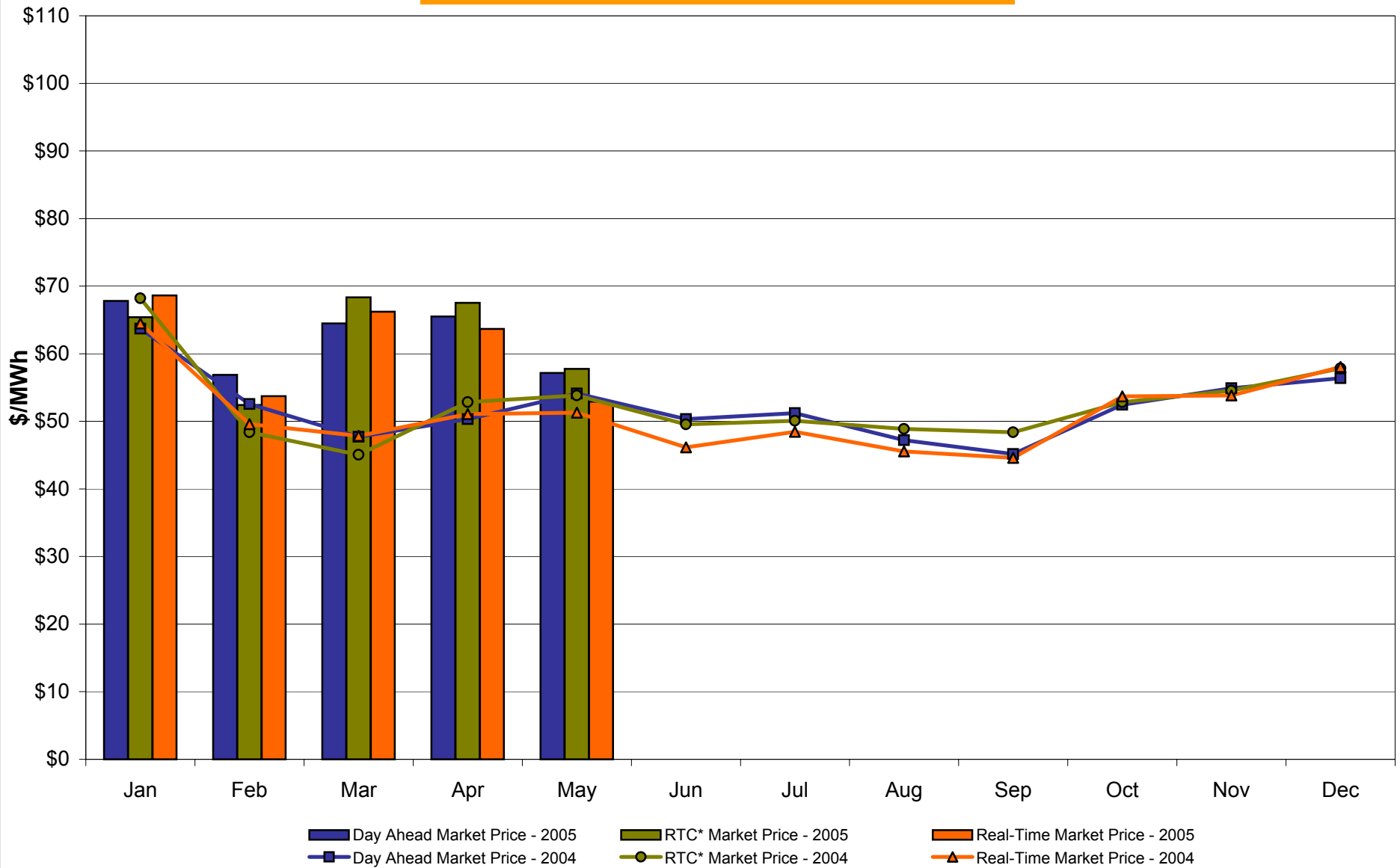
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

West Zone A Monthly Average LBMP Prices 2004 - 2005



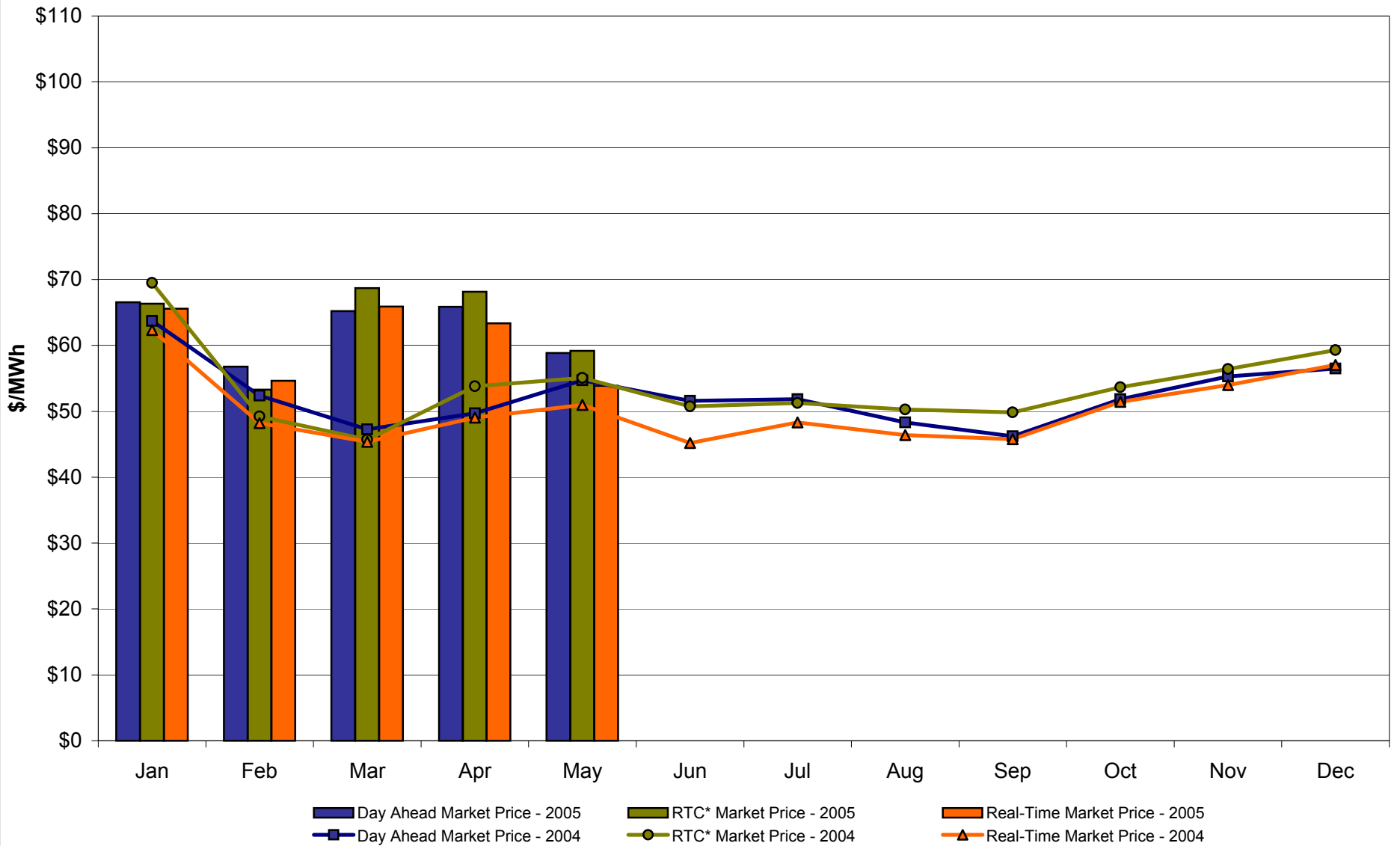
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

Capital Zone F Monthly Average LBMP Prices 2004 - 2005



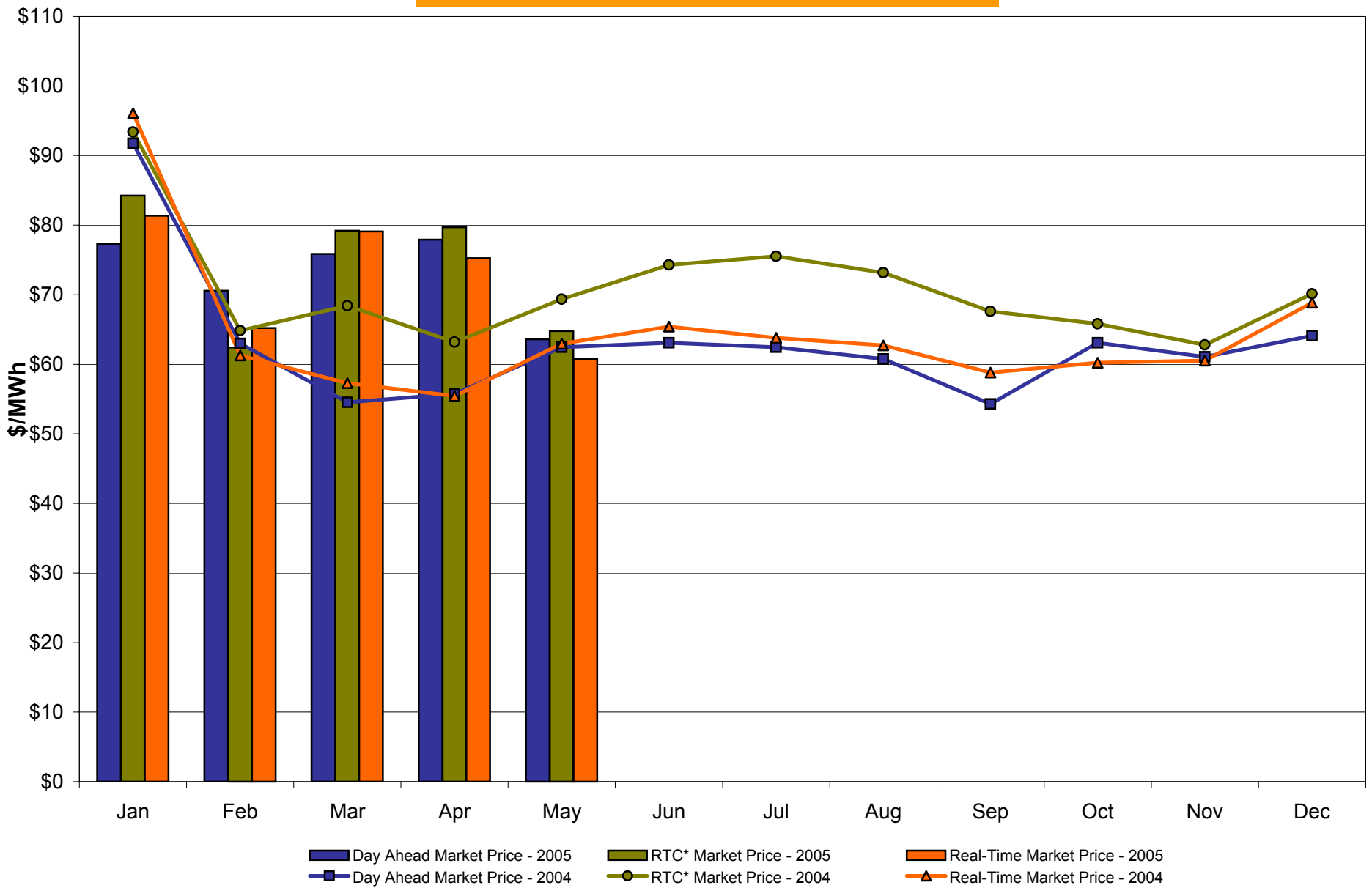
* Referred to as RTC beginning February 2005
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

Hudson Valley Zone G Monthly Average LBMP Prices 2004 - 2005



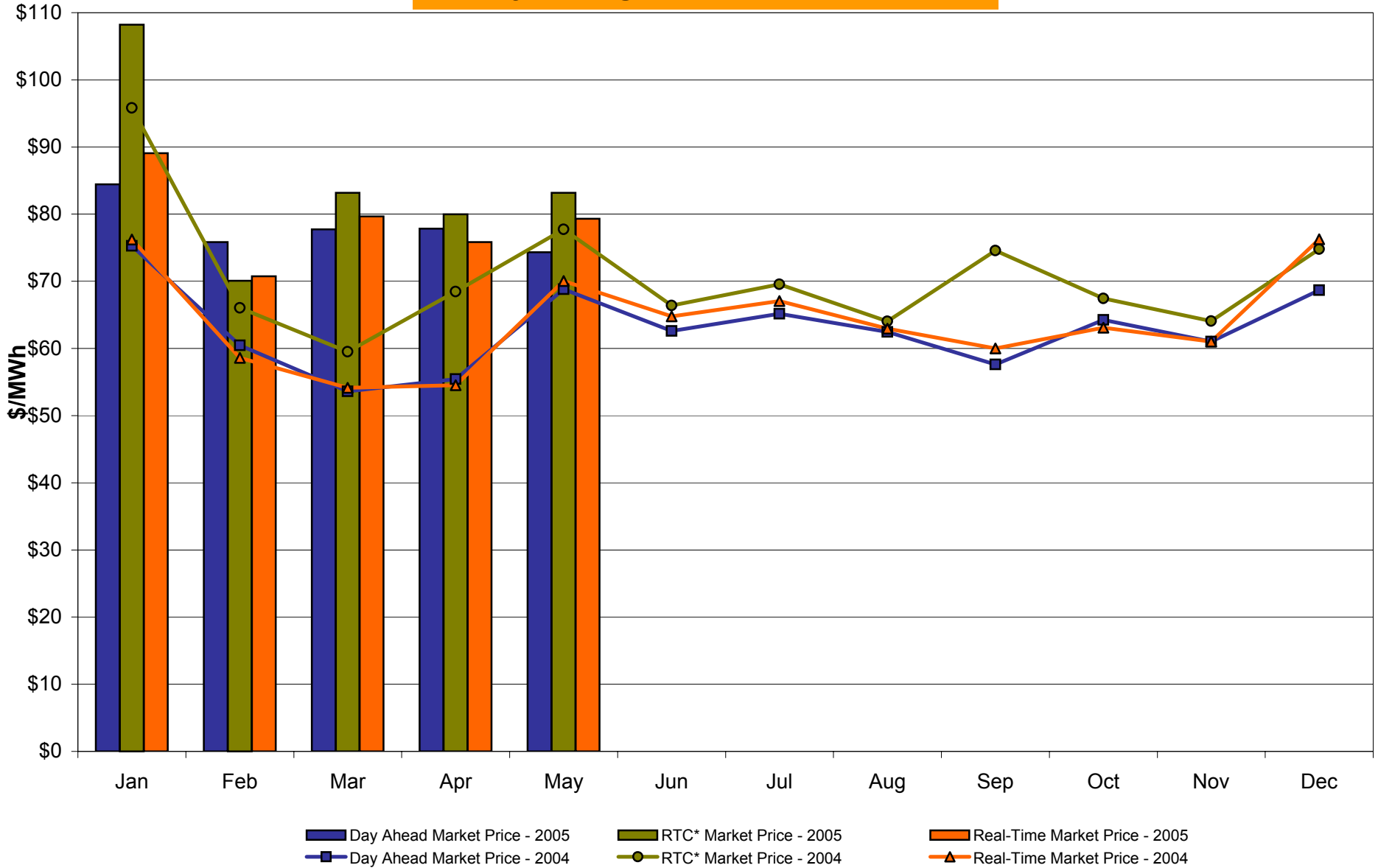
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

NYC Zone J Monthly Average LBMP Prices 2004 - 2005



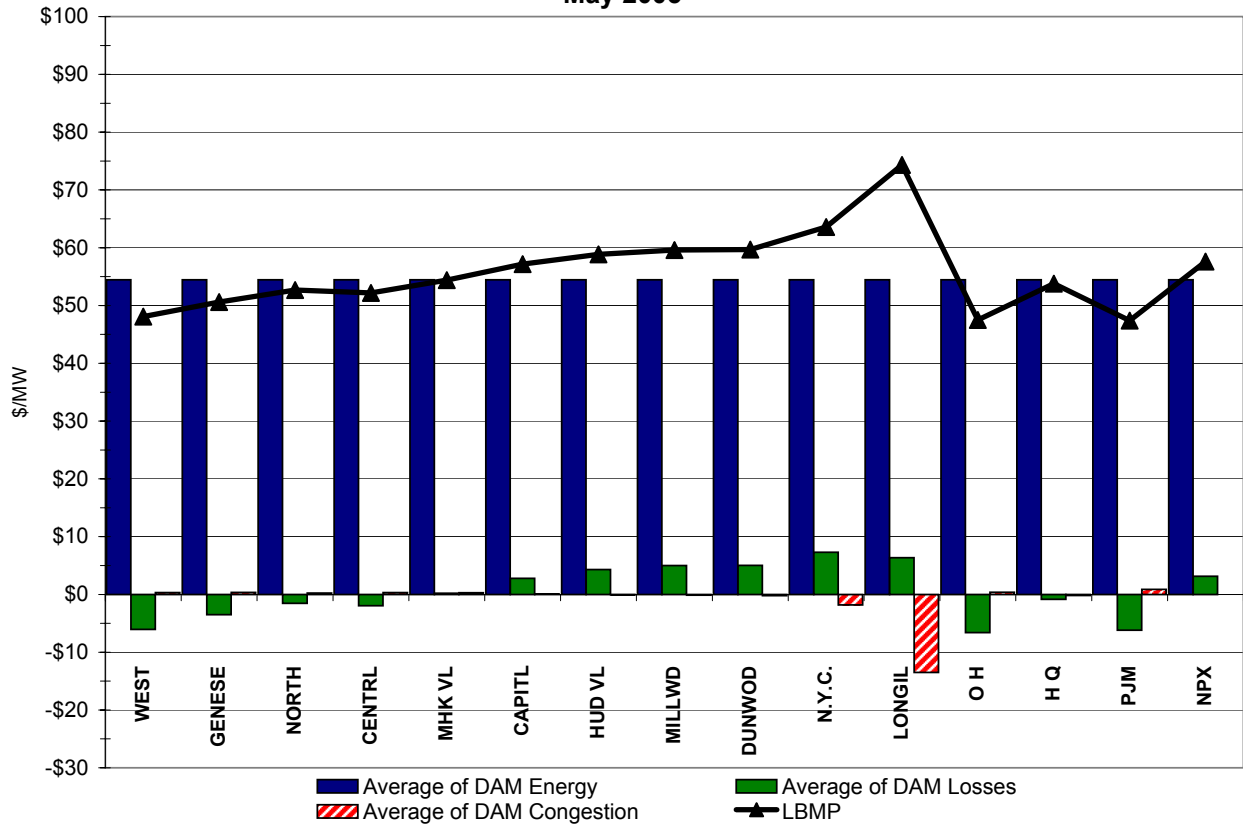
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

Long Island Zone K Monthly Average LBMP Prices 2004 - 2005

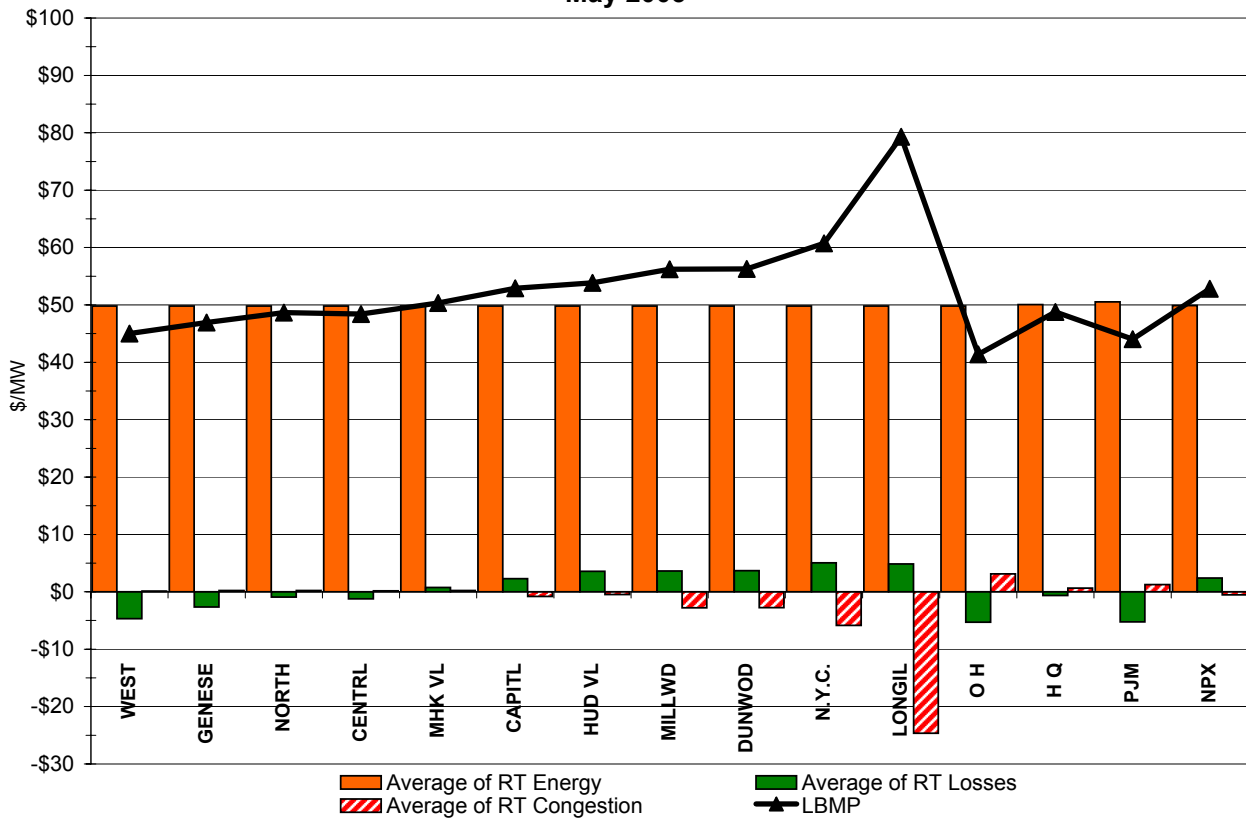


* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

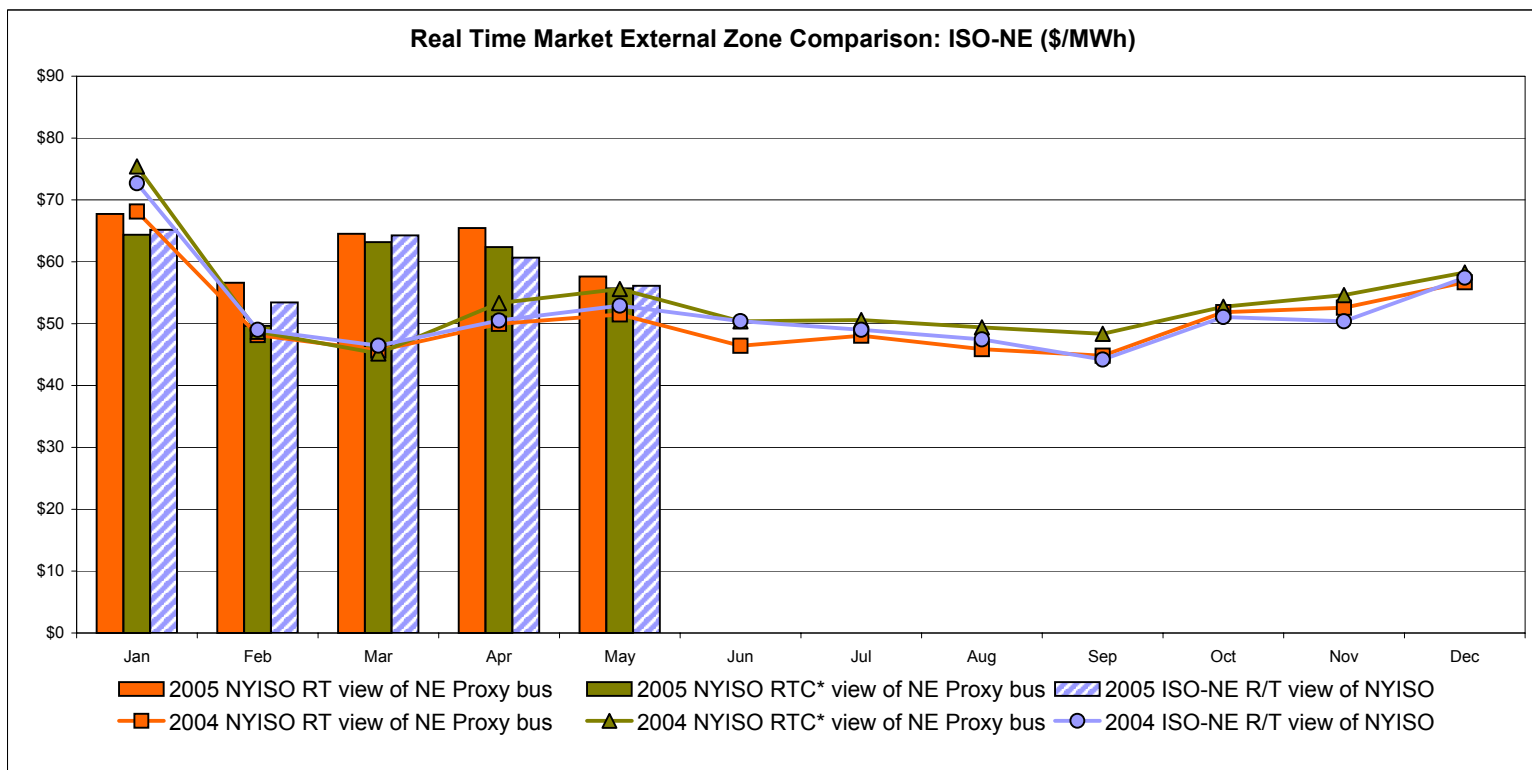
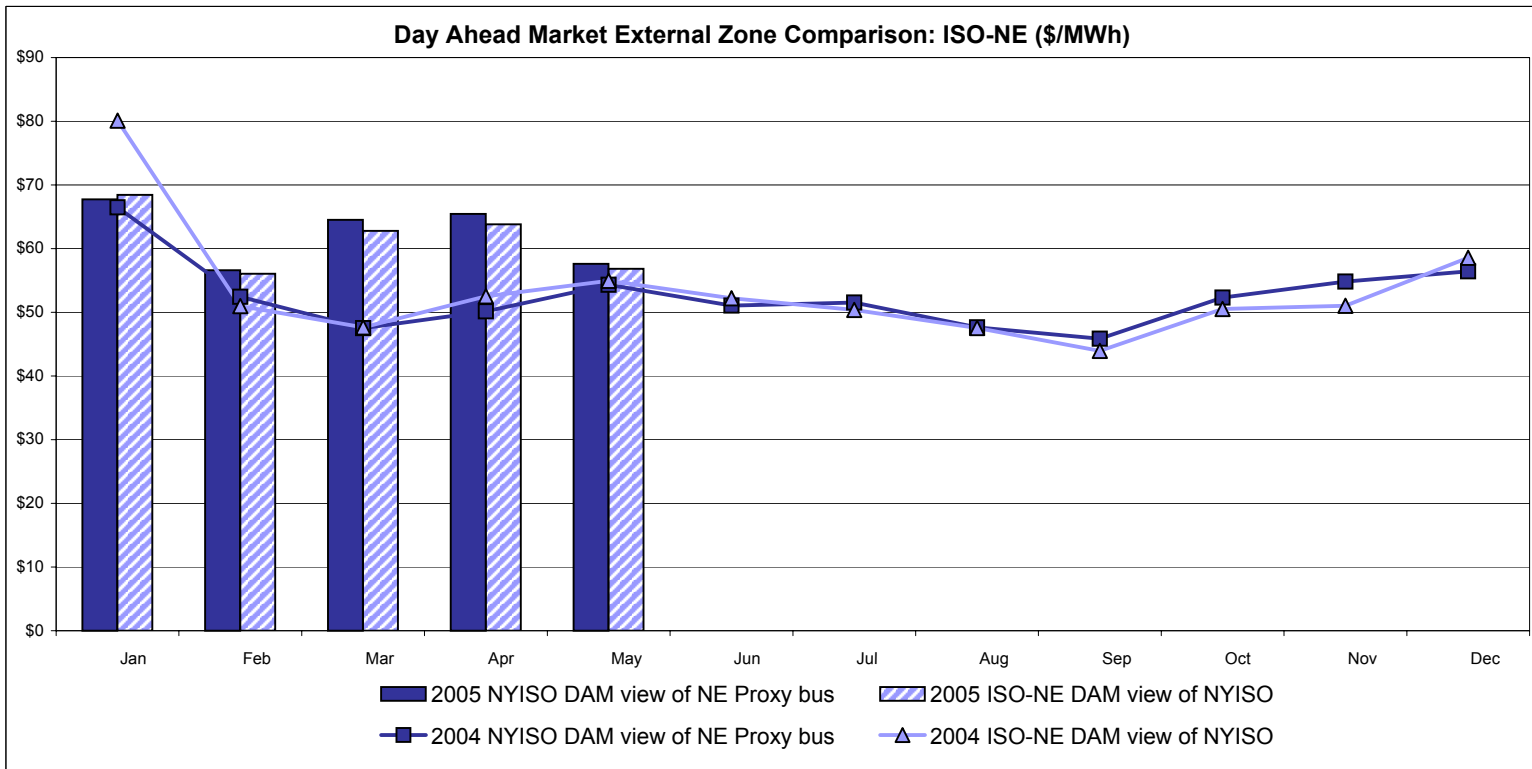
**DAM Zonal Unweighted Monthly Average LBMP Components
May 2005**



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



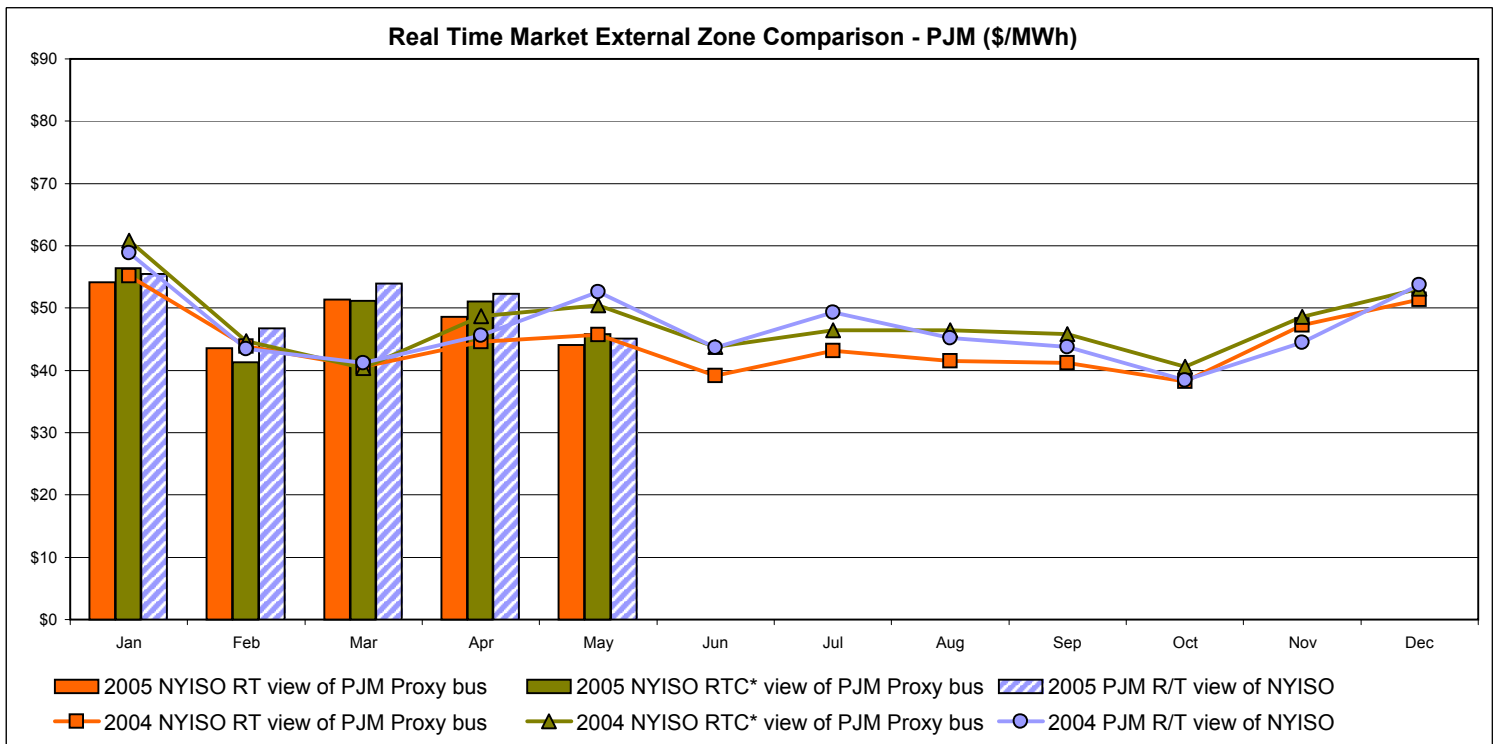
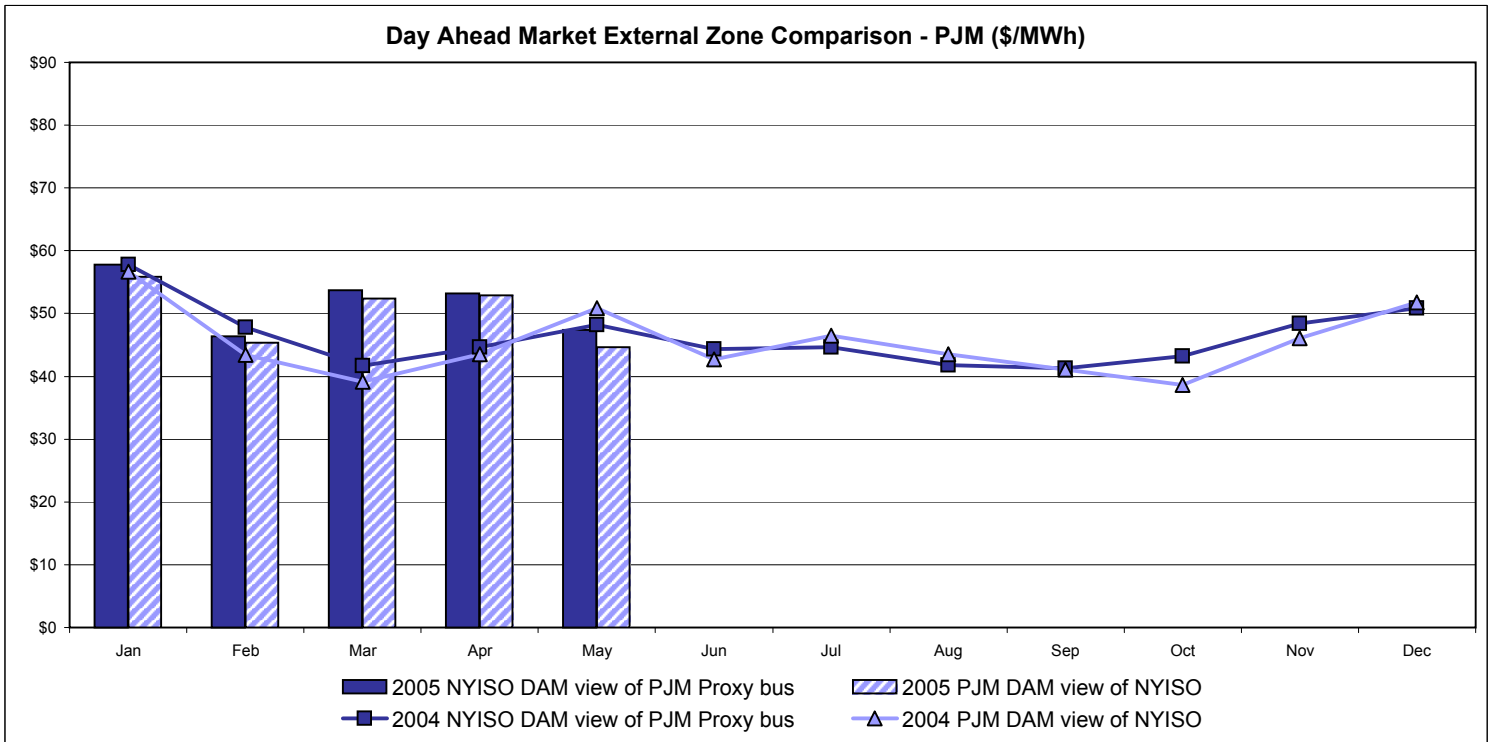
External Comparison ISO-New England



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

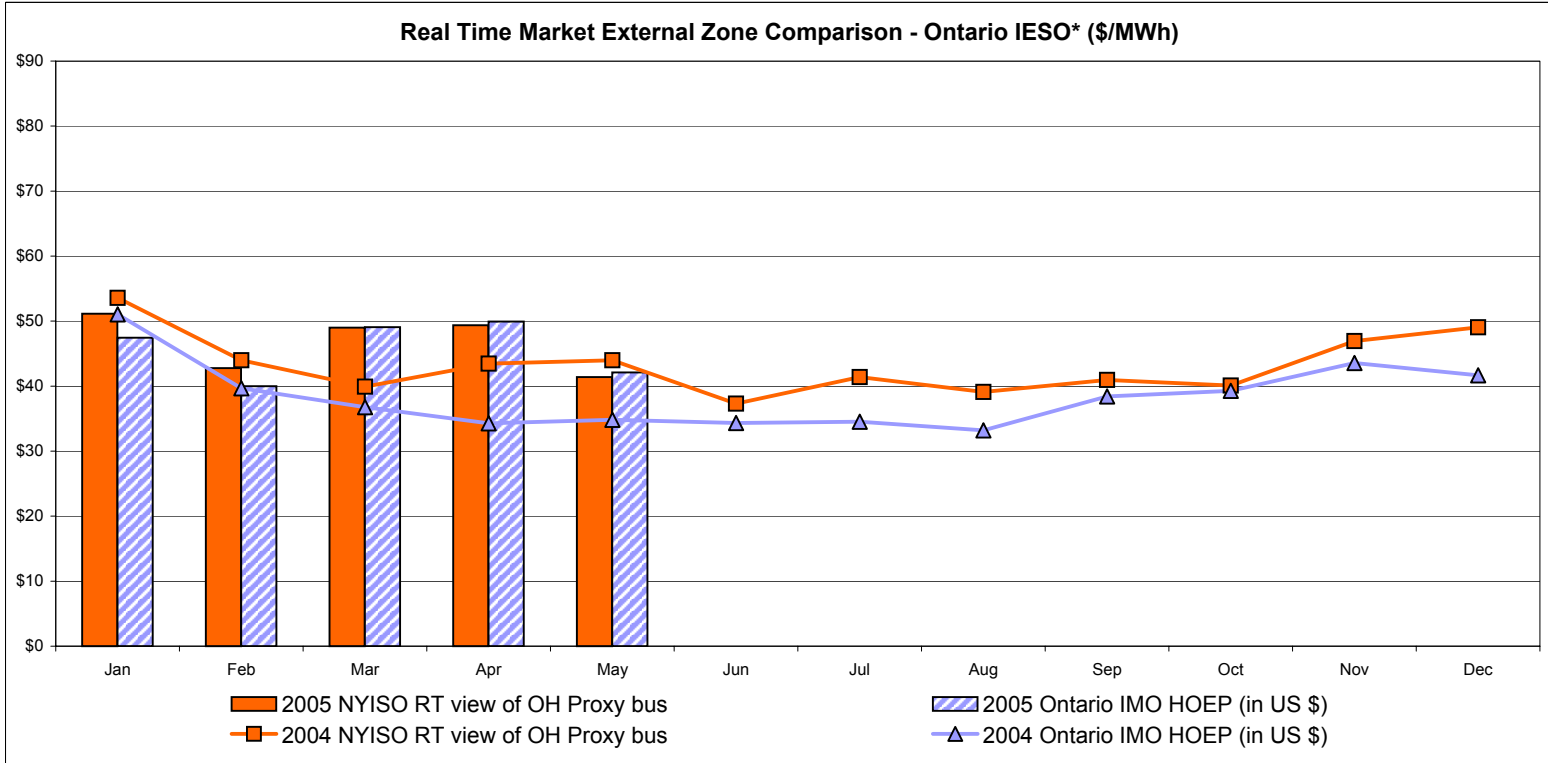
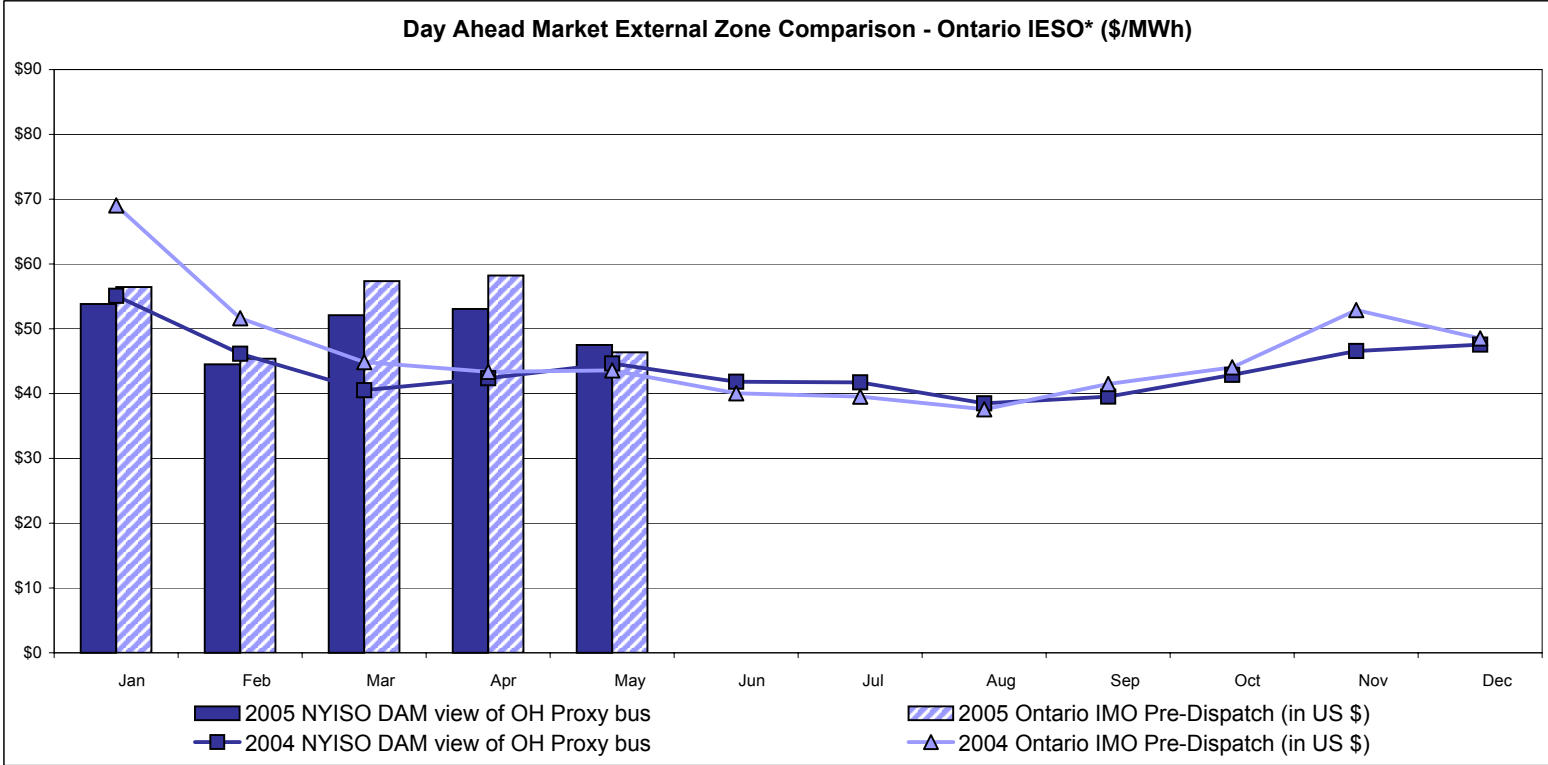
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

External Comparison PJM



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

External Comparison Ontario IESO*



Notes: Exchange factor used for May 2005 was .80 to US \$
 HOEP: Hourly Ontario Energy Price
 Pre-Dispatch: Projected Energy Price

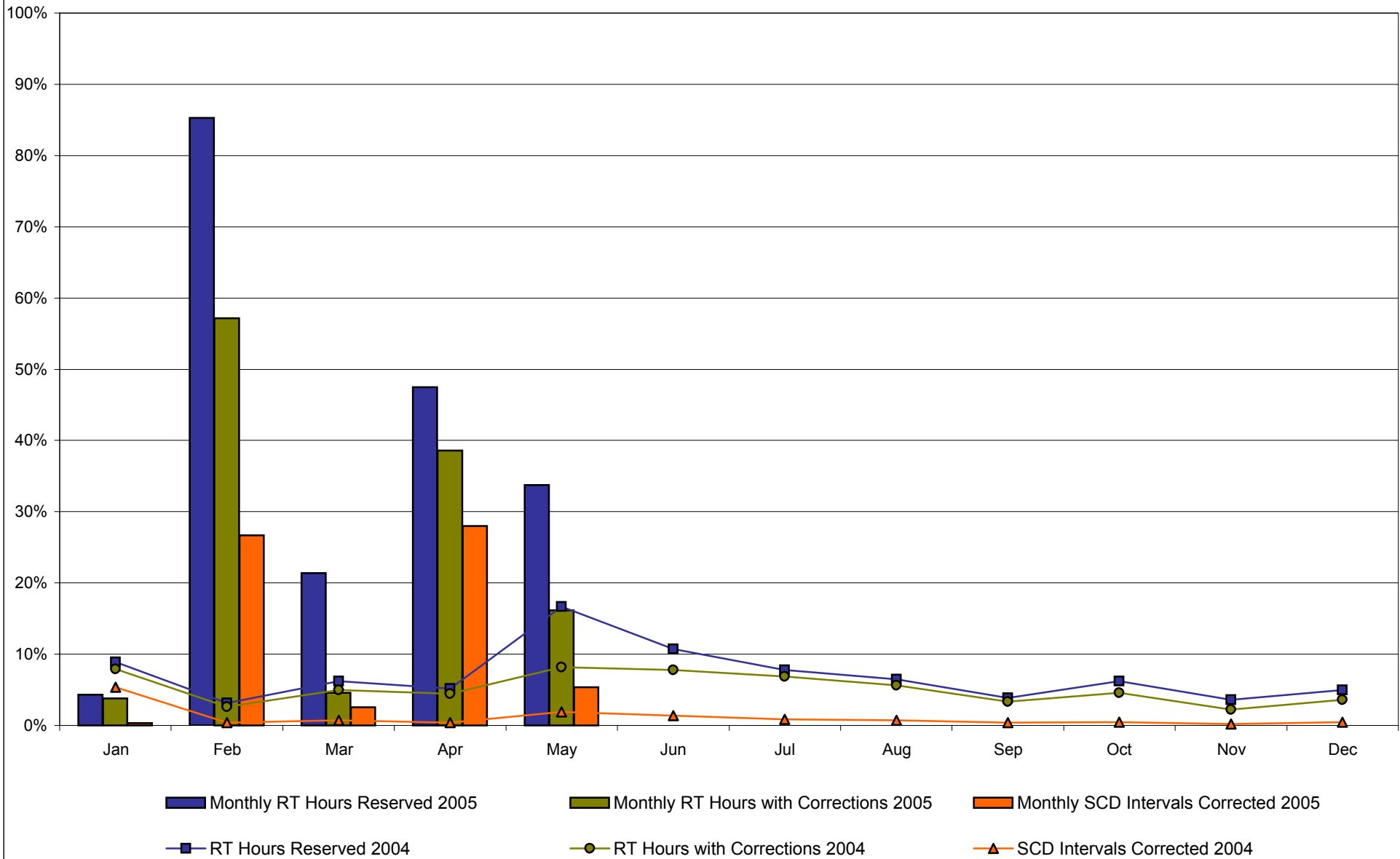
* Independent Electricity System Operator formerly known as the Independent Electricity Market Operator (IMO)

NYISO Real Time Price Correction Statistics

2005		January	February *	March *	April *	May *	June	July	August	September	October	November	December
Hour Corrections													
Number of hours with corrections	in the month	28	384	34	278	120							
	Number of hours	744	672	744	720	744							
	% of hours with corrections	3.76%	57.14%	4.57%	38.61%	16.13%							
Number of hours with corrections	year-to-date	28	412	446	724	844							
	Number of hours	744	1,416	2,160	2,880	3,624							
	% of hours with corrections	3.76%	29.10%	20.65%	25.14%	23.29%							
Interval Corrections													
Number of intervals corrected	in the month	37	2,168	228	2,440	481							
	Number of intervals	11,811	7,459	8,215	7,992	8,228							
	% of intervals corrected	0.31%	29.07%	2.78%	30.53%	5.85%							
Number of intervals corrected	year-to-date	37	2,205	2,433	4,873	5,354							
	Number of intervals	11,811	19,270	27,485	35,477	43,705							
	% of intervals corrected	0.31%	11.44%	8.85%	13.74%	12.25%							
Hours Reserved													
Number of hours reserved	in the month	32	573	159	342	251							
	Number of hours	744	672	744	720	744							
	% of hours reserved	4.30%	85.27%	21.37%	47.50%	33.74%							
Number of hours reserved	year-to-date	32	605	764	1,106	1,357							
	Number of hours	744	1,416	2,160	2,880	3,624							
	% of hours reserved	4.30%	42.73%	35.37%	38.40%	37.44%							
Days Without Corrections													
Days without corrections	in the month	12	4	19	12	11							
	Days without corrections	12	16	35	47	58							
2004		January	February	March	April	May	June	July	August	September	October	November	December
Hour Corrections													
Number of hours with corrections	in the month	59	18	37	32	61	56	51	42	24	34	16	27
	Number of hours	744	696	744	720	744	720	744	744	720	744	720	744
	% of hours with corrections	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	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	7.93%	5.35%	5.22%	5.03%	5.67%	6.02%	6.14%	6.08%	5.78%	5.66%	5.35%	5.20%
Interval Corrections													
Number of intervals corrected	in the month	597	40	83	40	220	156	100	84	42	56	19	52
	Number of intervals	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	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	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	5.38%	2.95%	2.20%	1.75%	1.77%	1.71%	1.59%	1.48%	1.35%	1.26%	1.16%	1.10%
Hours Reserved													
Number of hours reserved	in the month	66	22	46	37	124	77	58	48	28	46	26	37
	Number of hours	744	696	744	720	744	720	744	744	720	744	720	744
	% of hours reserved	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	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	8.87%	6.11%	6.14%	5.89%	8.09%	8.52%	8.41%	8.16%	7.69%	7.54%	7.19%	7.00%
Days Without Corrections													
Days without corrections	in the month	14	20	11	9	8	6	9	12	12	14	19	15
	Days without corrections	14	34	45	54	62	68	77	89	101	115	134	149

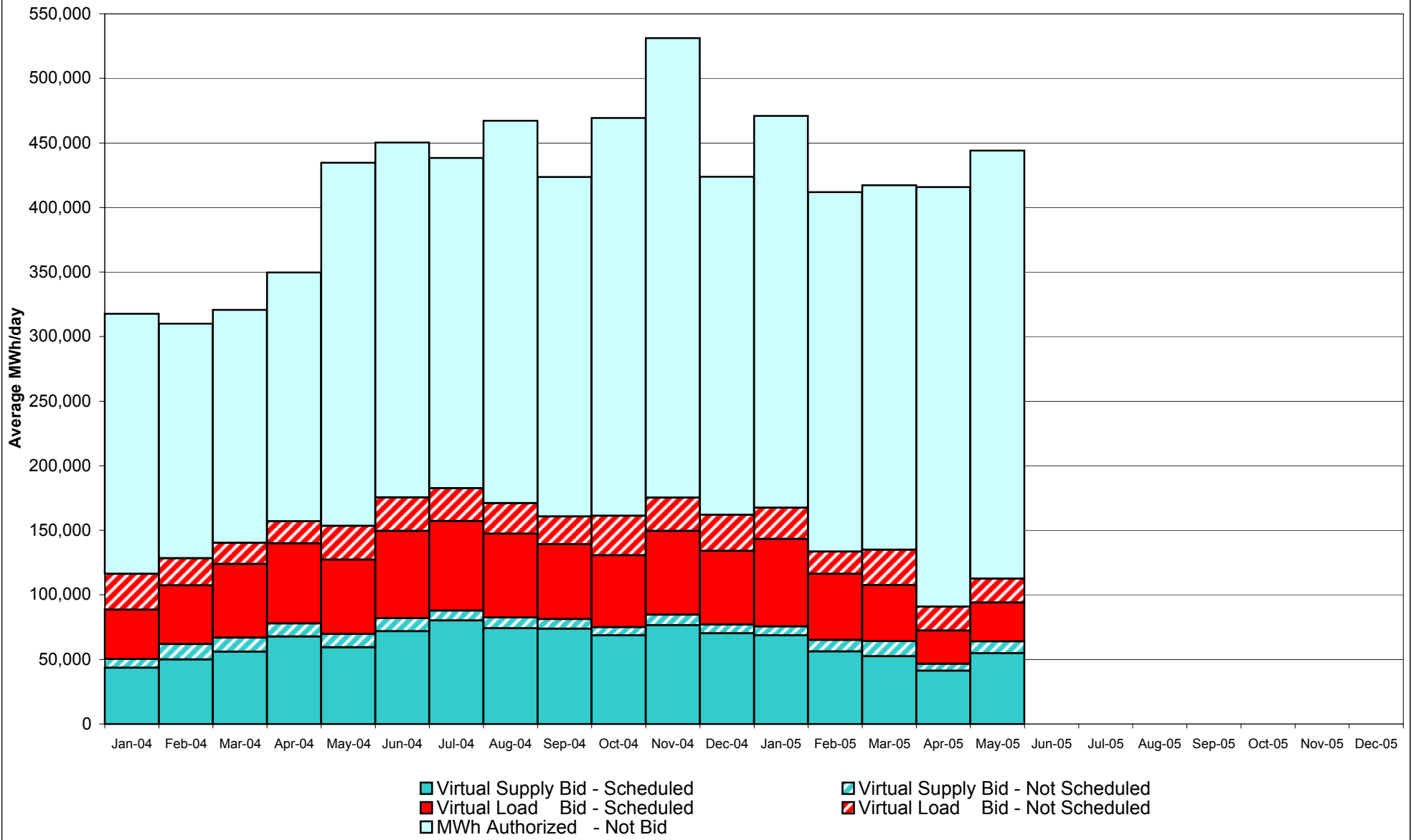
* February thru May verification pending

Percentage of Real-Time Corrections

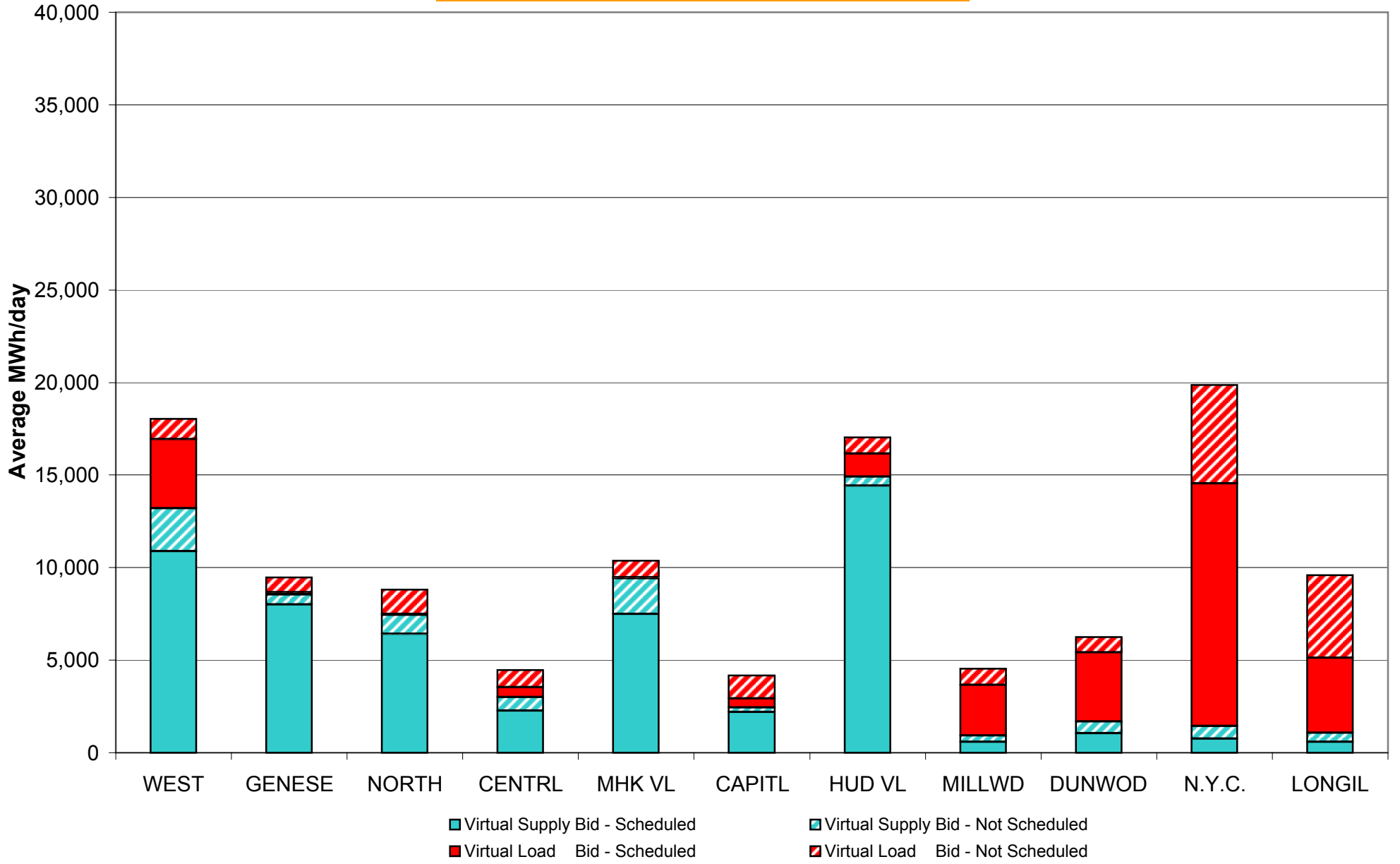


February thru May verification pending

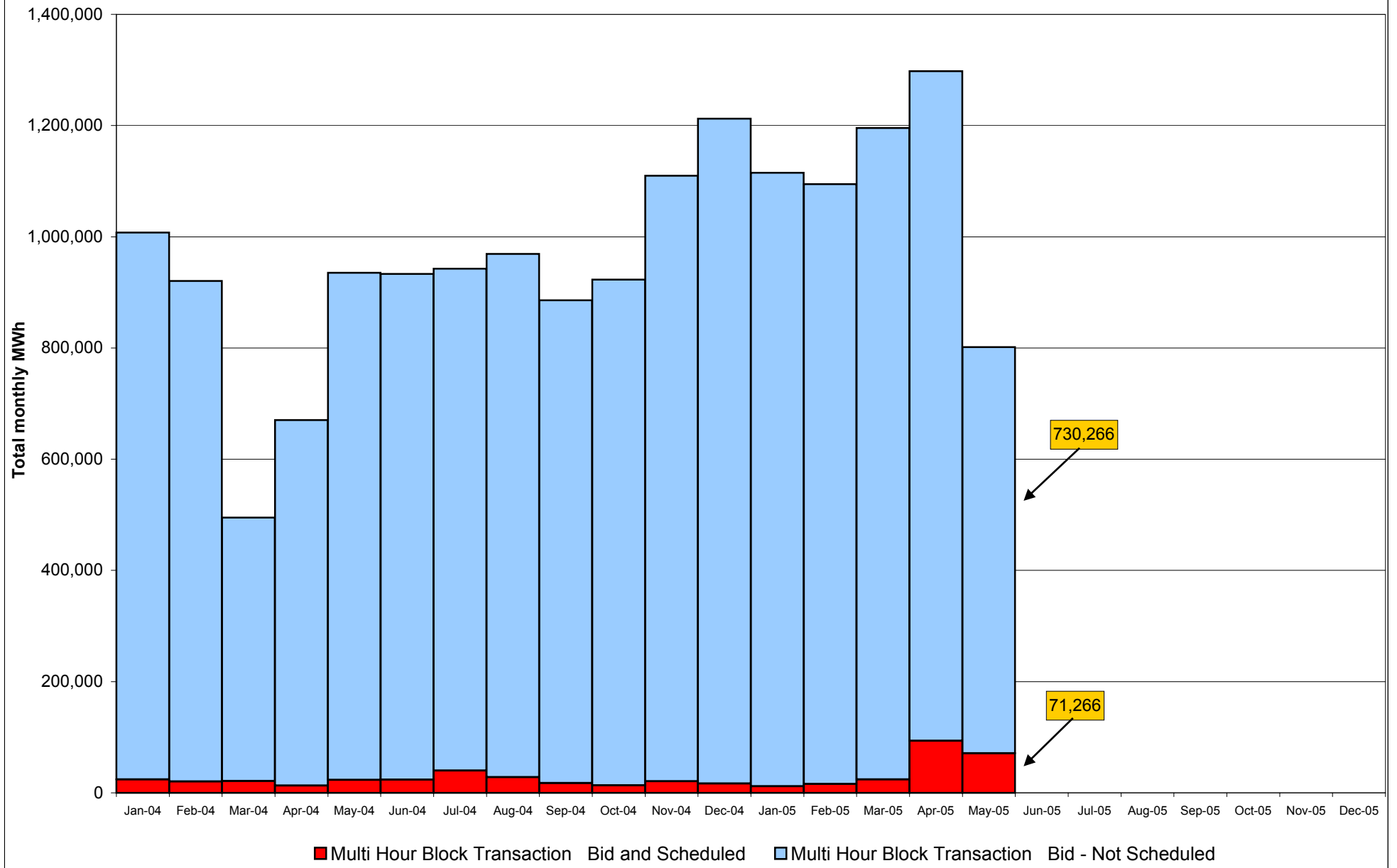
**NYISO Virtual Trading
Average MWh per day**



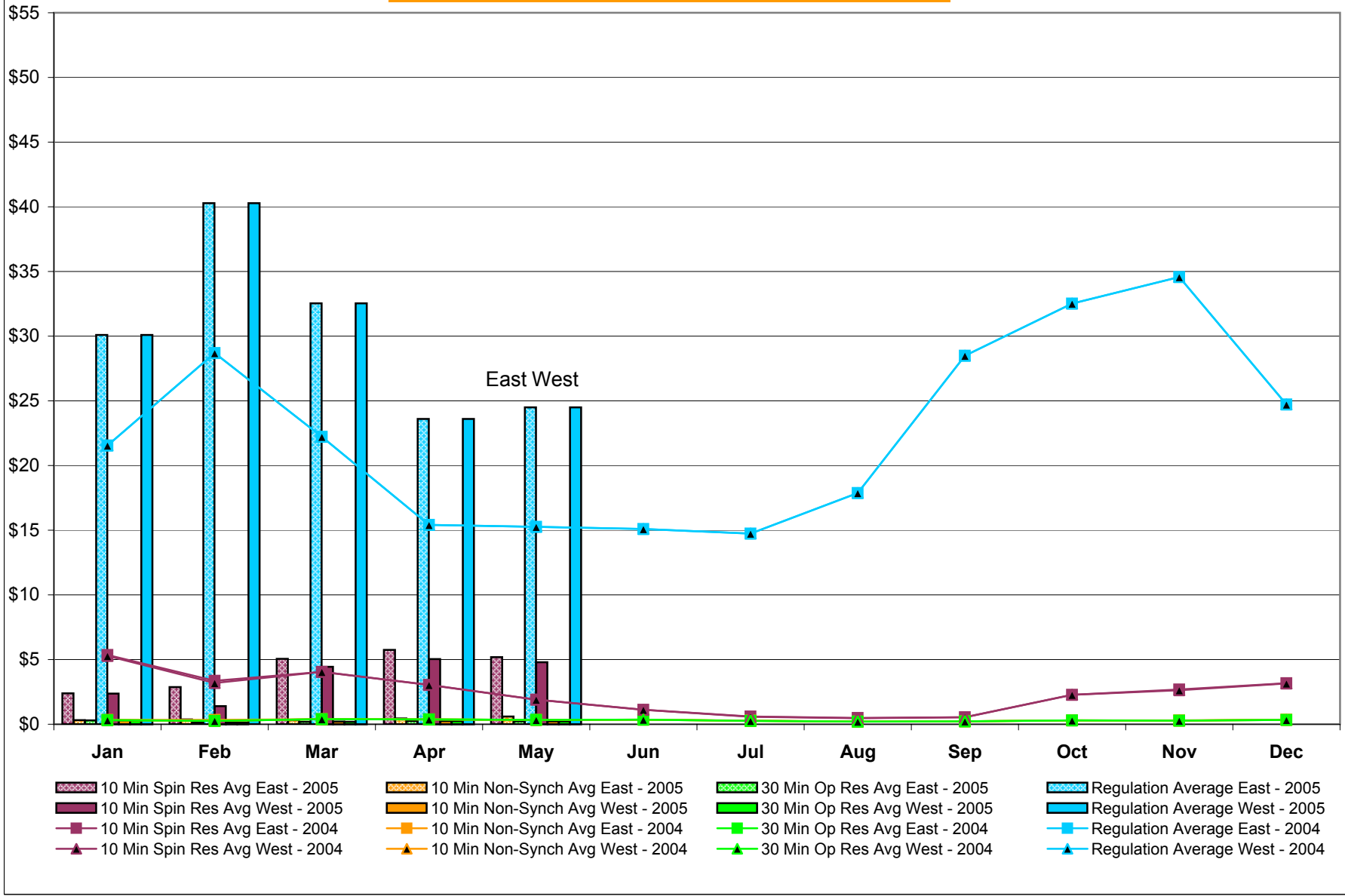
Virtual Load and Supply Zonal Statistics May 2005



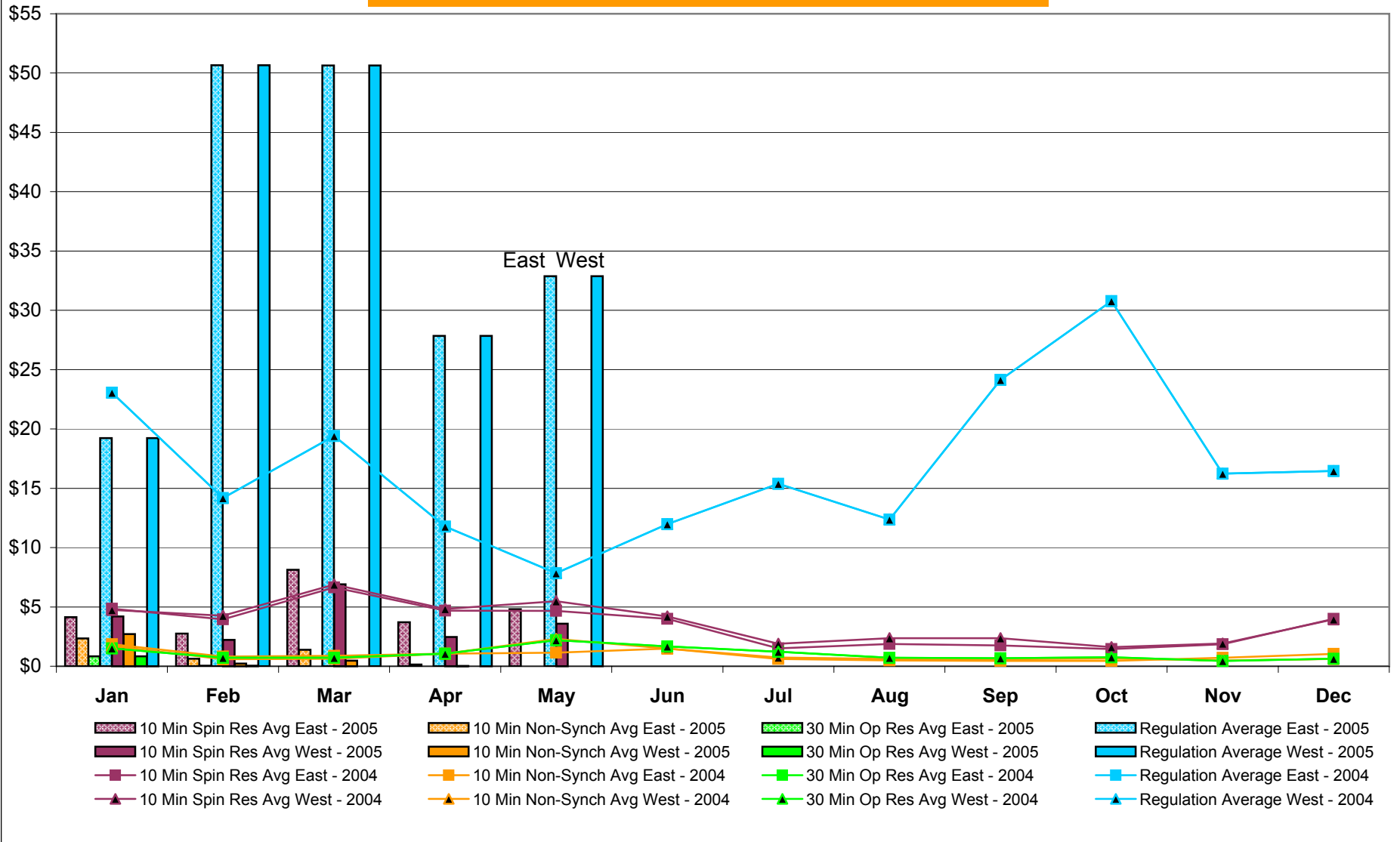
NYISO Multi Hour Block Transactions Monthly Total MWh



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

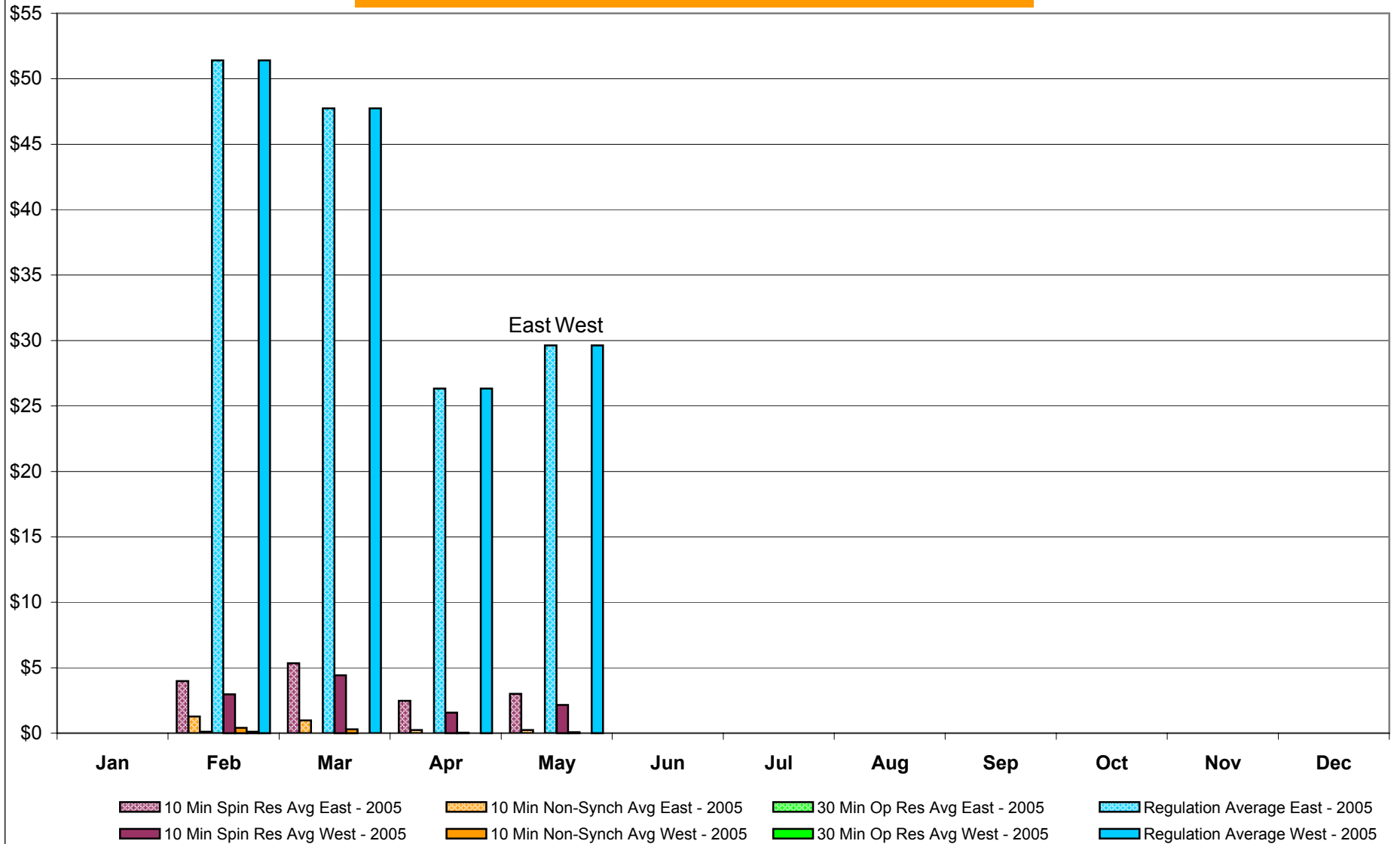


NYISO Monthly Average Ancillary Service Prices RTC* Market 2004 - 2005



* 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>
<u>Day Ahead Market</u>												
10 Min Spin East	2.38	2.87	5.06	5.76	5.19							
10 Min Spin West	2.37	1.39	4.43	5.03	4.80							
10 Min Non Synch East	0.31	0.37	0.31	0.44	0.60							
10 Min Non Synch West	0.31	0.13	0.20	0.24	0.23							
30 Min East	0.31	0.13	0.19	0.24	0.22							
30 Min West	0.31	0.13	0.19	0.24	0.22							
Regulation East	30.10	40.28	32.53	23.61	24.49							
Regulation West	30.10	40.28	32.53	23.61	24.49							
<u>RTC* Market</u>												
10 Min Spin East	4.15	2.75	8.13	3.71	4.80							
10 Min Spin West	4.20	2.23	6.90	2.46	3.58							
10 Min Non Synch East	2.35	0.62	1.38	0.14	0.00							
10 Min Non Synch West	2.72	0.21	0.47	0.03	0.00							
30 Min East	0.83	0.05	0.00	0.00	0.00							
30 Min West	0.83	0.05	0.00	0.00	0.00							
Regulation East	19.23	50.66	50.65	27.85	32.87							
Regulation West	19.23	50.66	50.65	27.85	32.87							
<u>Real Time Market**</u>												
10 Min Spin East	-	3.99	5.34	2.47	3.00							
10 Min Spin West	-	2.97	4.42	1.56	2.16							
10 Min Non Synch East	-	1.27	0.98	0.25	0.24							
10 Min Non Synch West	-	0.41	0.29	0.02	0.07							
30 Min East	-	0.12	0.00	0.00	0.00							
30 Min West	-	0.11	0.00	0.00	0.00							
Regulation East	-	51.41	47.74	26.33	29.62							
Regulation West	-	51.41	47.74	26.33	29.62							

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>
<u>Day Ahead Market</u>												
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
<u>RTC* Market</u>												
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

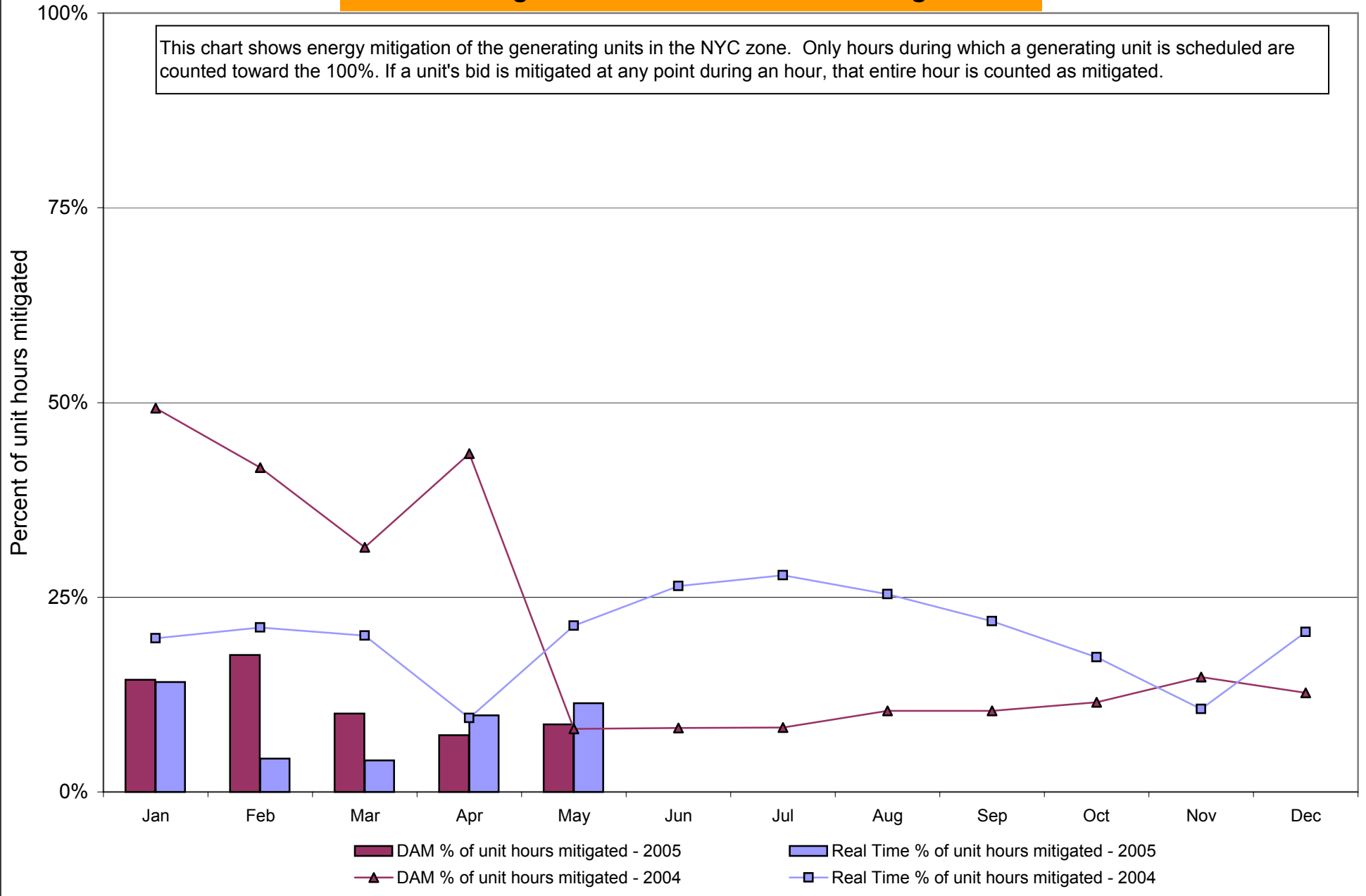
* Referred to as RTC beginning February 2005

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

** The Real Time Ancillary Market began in February 2005

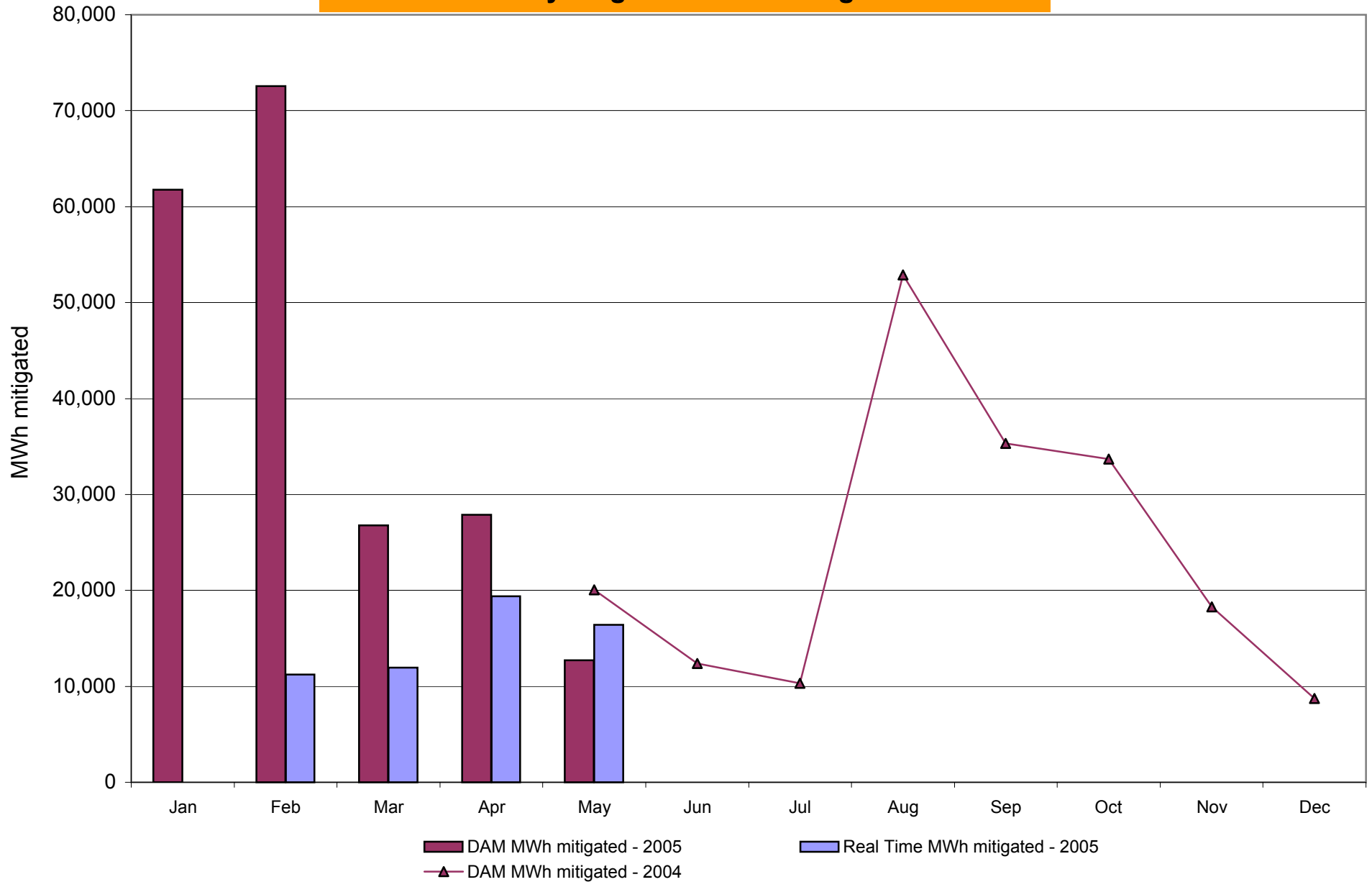
NYISO In City Energy Mitigation (NYC Zone) 2004-2005

Percentage of committed unit-hours mitigated



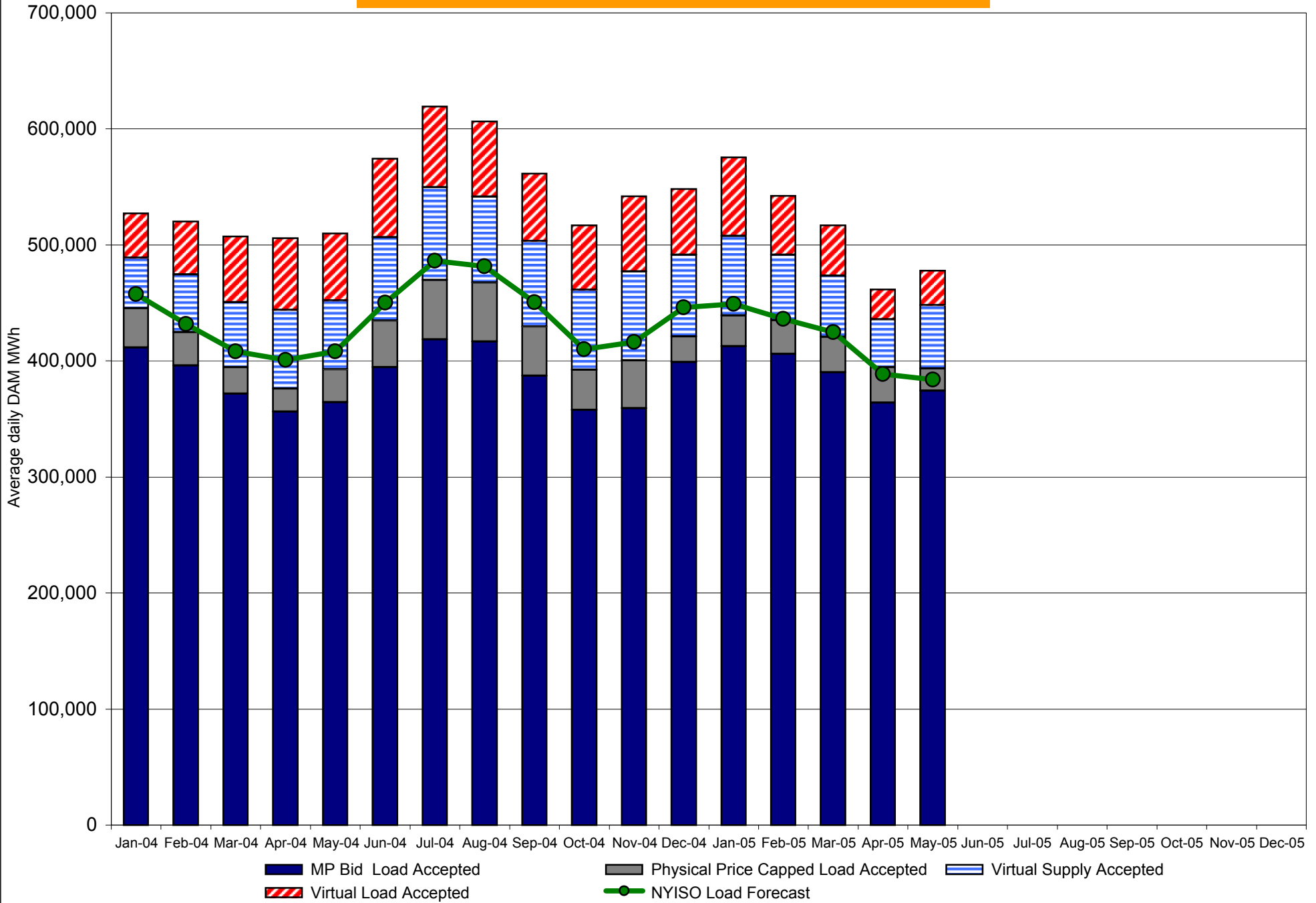
DAM Mitigation software change deployed on 5/1/2004

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

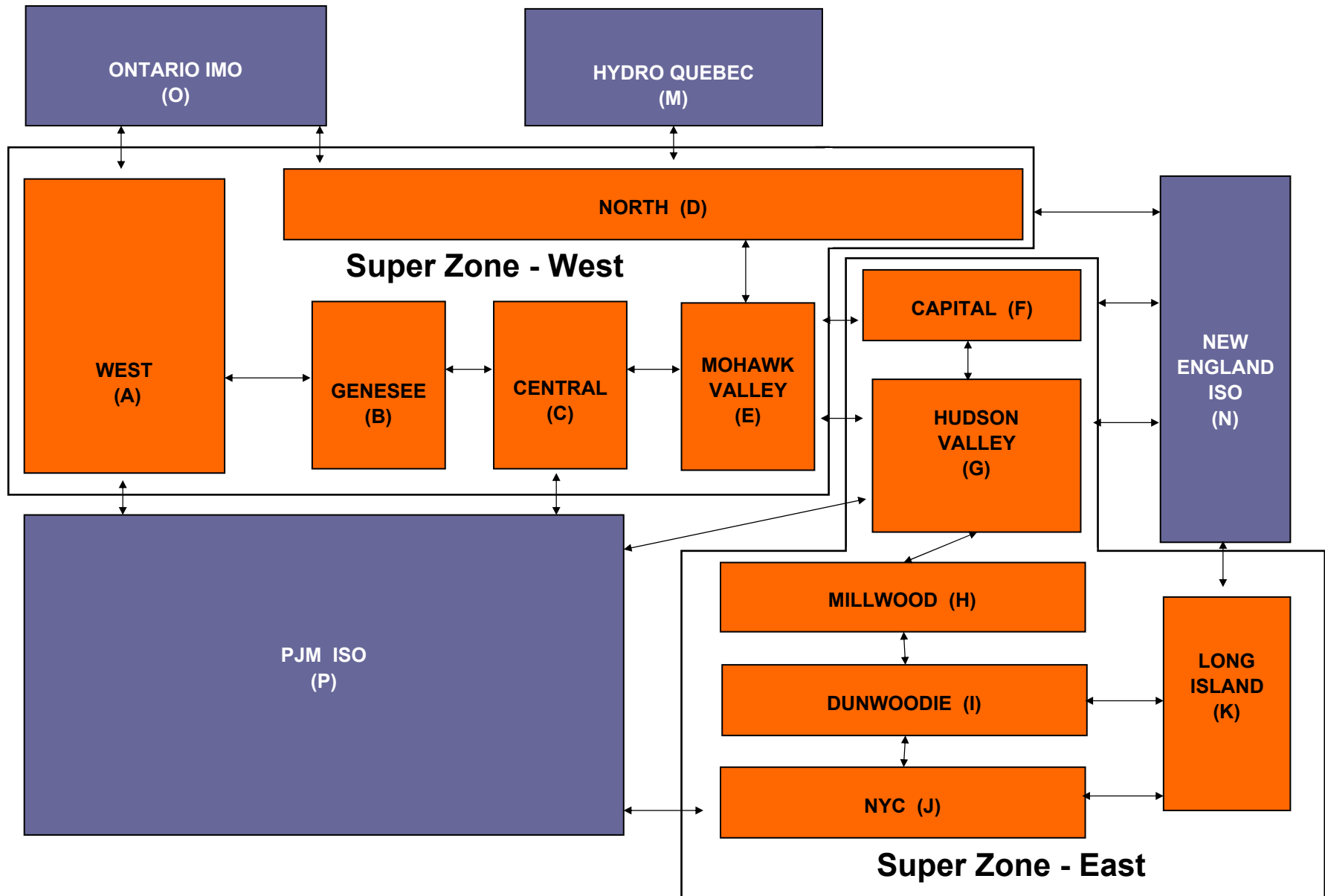


RT mitigation data available with SMD2 deployment
 DAM mitigation software change deployed on 5/1/2004

NYISO Average Daily DAM Load Bid Summary



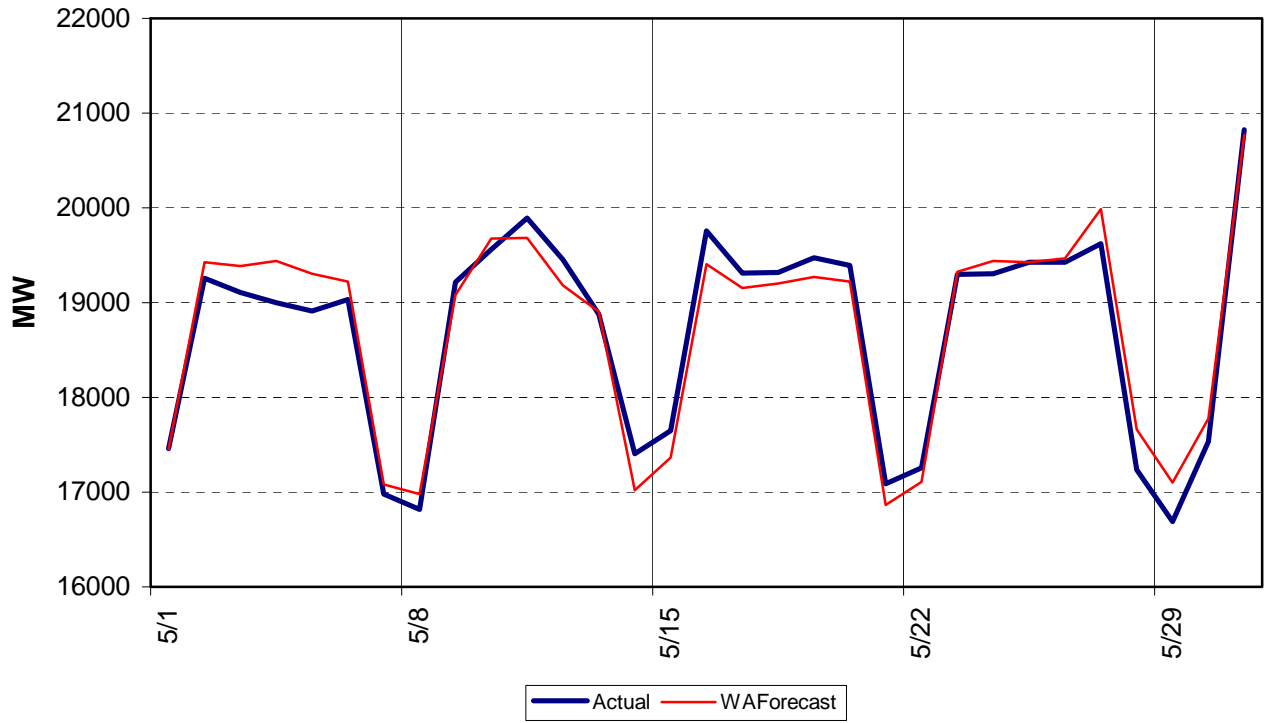
NYISO LBMP ZONES



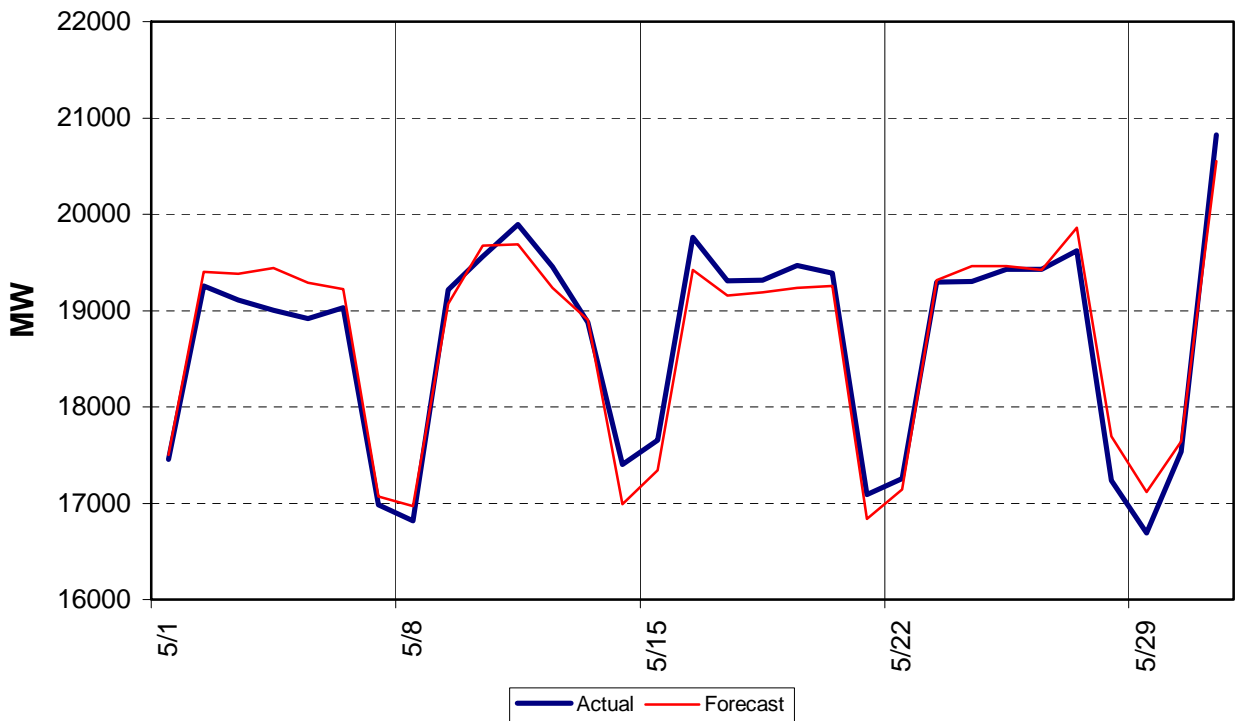
Billing Codes for Chart 4-C

Chart 4-C Category Name	Billing Code	Billing Category Name
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
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

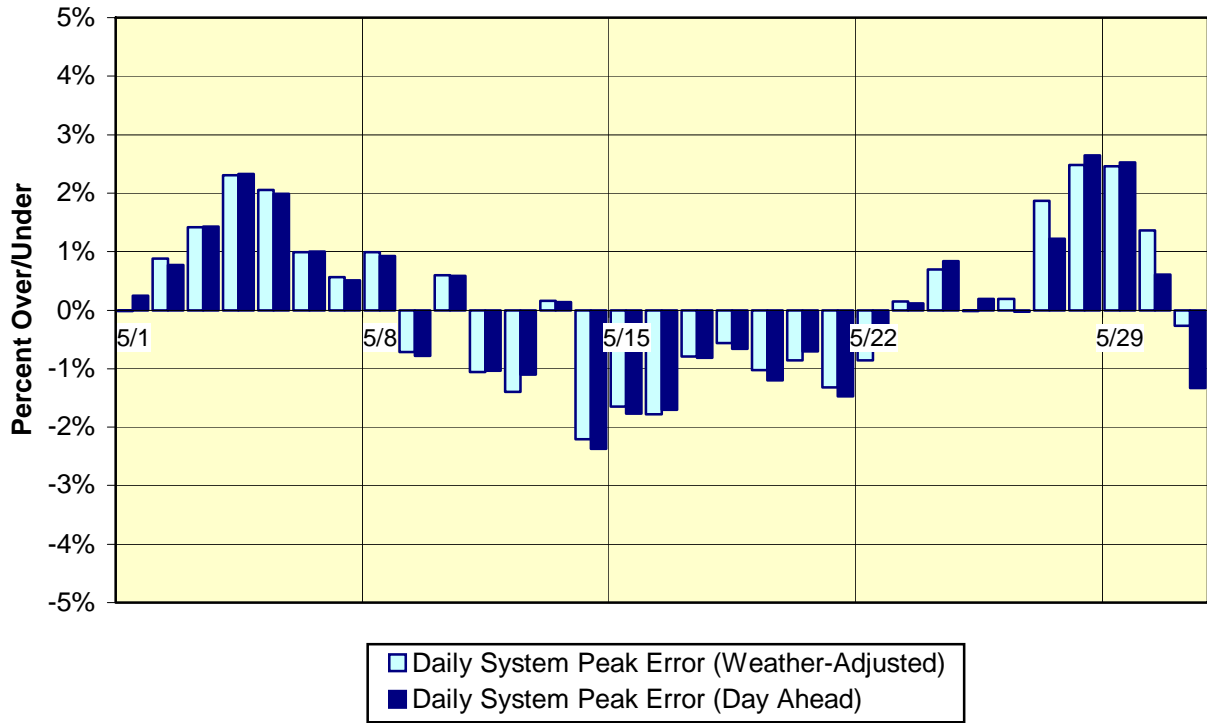
**NYISO Daily Peak Load - May 2005
Actual vs. Weather-Adjusted Forecast**



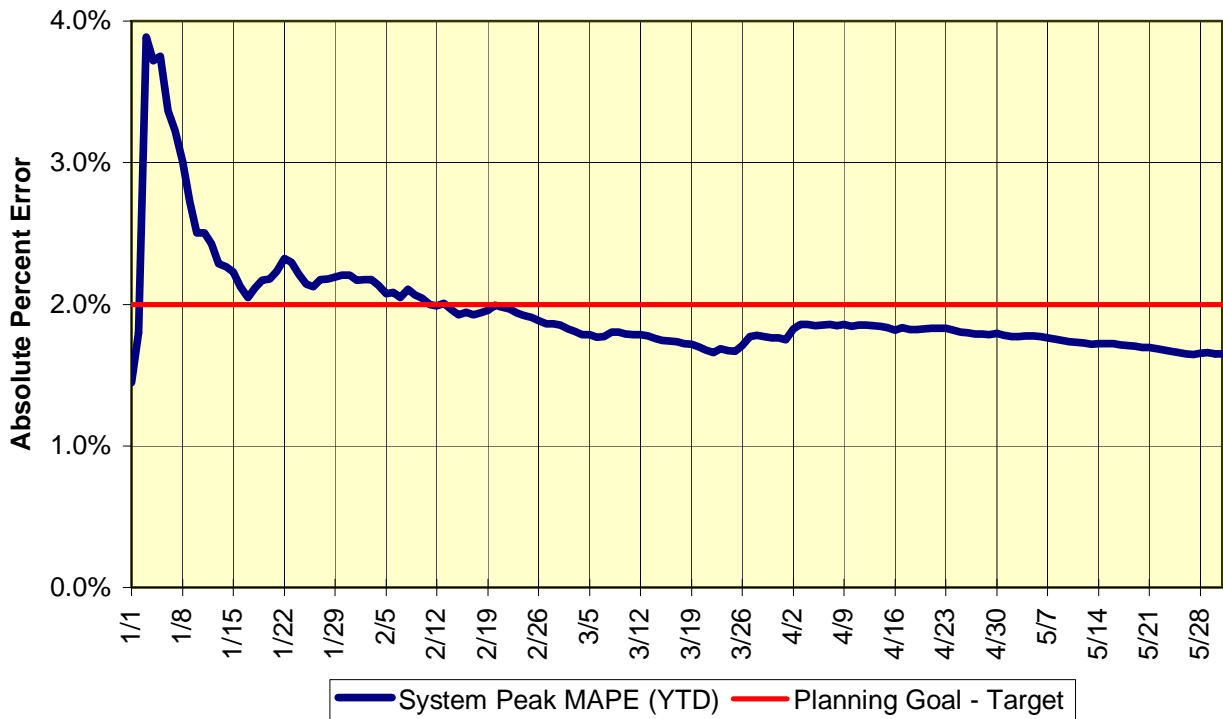
**NYISO Daily Peak Load - May 2005
Actual vs. Forecast**



Day-Ahead Forecast Daily Forecast Errors of System Peak May 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 May 2005</u>			
	<u>Revised Budget</u>	<u>Actuals</u>	<u>\$ Var.</u>	<u>% Var.</u>
Capital Assets	\$ 2,988	\$ 3,939	\$ 951	32%
Salaries & Benefits	19,746	19,470	(276)	-1%
Consultants	10,117	9,418	(699)	-7%
Legal	2,083	2,602	519	25%
Building Services	1,655	1,560	(95)	-6%
Computer Services	4,810	3,930	(880)	-18%
Insurance	2,819	1,734	(1,085)	-38%
Telecommunications	1,733	1,859	126	7%
Board of Directors	367	466	99	27%
Meetings, Travel, Training	1,154	1,014	(140)	-12%
NPCC Fees	790	792	2	0%
FERC Fees	2,917	2,917	0	0%
Debt Service & Bank Fees	<u>11,181</u>	<u>10,773</u>	<u>(408)</u>	<u>-4%</u>
TOTAL CASH BUDGET	<u>\$ 62,359</u>	<u>\$ 60,474</u>	<u>\$ (1,885)</u>	<u>-3%</u>
Less: Miscellaneous Revenues	(417)	(965)	(549)	132%
Less: Lease Income on New Building	0	0	0	#DIV/0!
Less: Proceeds from 2005 Bank Financing	(12,000)	(12,000)	0	0%
Plus: Interest on 2005 Bank Financing	125	91	(34)	27%
Less: Proceeds from Mortgage	0	0	0	#DIV/0!
Plus: Principal & Interest on Mortgage	<u>0</u>	<u>0</u>	<u>0</u>	<u>#DIV/0!</u>
RS#1 SPENDING OVER / (UNDER) RUN	<u>\$ 50,067</u>	<u>\$ 47,600</u>	<u>\$ (2,467)</u>	<u>-5%</u>

PPT

Project Status Updates

June 01, 2005

Agenda

- **Project Release Calendar**
 - *Upcoming Releases*

- **Project Status**
 - *Recent Project Releases*
 - *Upcoming Releases*
 - ▶ May Releases
 - ▶ June Releases
 - ▶ July

- **Status of Project Budget**

Release Planning Calendar

As of May 24, 2005

NYISO Project Planning Calendar							Project Phase / Comments
Project	May	June	July	Aug	Sep	Oct	
Billing Corrections	◇	◇	◇	◇	◇	◇	Ongoing
Rate Schedule 1 Alloc. (80/20)	Development			Development	QA	◇	Development - September Deployment Planned
NTAC / TSC	Development			Development	QA	◇	Development - September Deployment Planned
Billing Simulator (BAS repl.)	Iterative Dev/QA		◇	Iterative Dev/QA	◇	◇	Iterative QA / Development in progress
DSS	Development	QA	◇	Planning			June releases on schedule
Impact Projects for DSS	◇	Support CTL					Testing - May release support CTL
TCC - Auction Automation	Analysis		◇	Analysis	◇		Analysis - Requirements in progress
15 Minute Scheduling	Development	QA			Planning	◇	Testing - Reviewing scheduling of deployment date
CTL	QA	◇					Testing - May 31, 2005 deployment scheduled
UCAP	QA	Market Testing			◇		Testing - Tech conferences and market trails
SMD2.1 Features / Ext.	QA	◇					Testing - May 31, 2005 deployment scheduled
RTD Pricing Enhancements	Development	QA		◇			FERQ approval pending to schedule deployment date
E-Tagging Phase 2	QA		◇				Testing - June 28, 2005 deployment scheduled
Consolidate NYISO Offices	Analysis		◇	Close on Bldg.	Analysis	◇	Analysis - Migration to new building to start December 2005
Web Consolidation (portal)	QA	◇	Market Testing				Go live scheduled May 24th

Key	
Analysis	Market Testing
Development	Planning
Iterative Dev/QA	◇ Target Deployment Date
QA	◆ Scheduled Deployment Date

For discussion purposes only

Project Status & Key Dates

➤ Recent Project Release

- *May 24, 2005*
 - ▶ Market Data Exchange – Portal Live
 - Combining NYISO.com and MDEX.com goes live
- *May 31, 2005*
 - ▶ SMD 2.1 Operational Enhancements
 - ▶ Controllable Tie Lines

➤ Upcoming Deployments Scheduled

- *June Deployments*
 - ▶ E-Tagging - June 28, 2005
 - ▶ DSS - June 29, 2005
- *July Deployment – tentative*
 - ▶ RTD Pricing Enhancements – *pending FERC approval* and system conditions

➤ 3rd Quarter Planning

- *15 Minute Scheduling – Release rescheduled to allow for longer testing cycle*
- *NTAC / TSC*
- *Rate Schedule 1*
- *DSS*
- *ICAP*

Status of Project Budget – As of April 2005 month end

Project Number	2005 Deliverable	Project Name	Original Labor (\$MM)	Revised Labor (\$MM)	Change (\$MM)	Original Non-Labor (\$MM)	Revised Non-Labor (\$MM)	Change (\$MM)	Original Total (\$MM)	Revised Total (\$MM)	Change (\$MM)
Baseline	Multiple	Billing System Corrections	NA	NA	NA	NA	NA	NA	NA	NA	NA
A757	Compl.	Billing: TCC Settlement **Complete**	\$ 0.20	\$ -	\$ (0.20)	\$ -	\$ -	\$ -	\$ 0.20	\$ -	\$ (0.20)
A636	Compl.	Billing: Rate Schedule 1 Allocation	\$ 0.20	\$ 0.20	\$ -	\$ 0.20	\$ -	\$ (0.20)	\$ 0.40	\$ 0.20	\$ (0.20)
A716	Compl.	Billing: NTAC & TSC Rate Mgt.	\$ 0.20	\$ 0.25	\$ 0.05	\$ -	\$ 0.25	\$ 0.25	\$ 0.20	\$ 0.50	\$ 0.30
A799	Part.	Billing: BAS Replacement Strategy / Billing Sim.	\$ 0.70	\$ 0.70	\$ -	\$ 1.10	\$ 1.47	\$ 0.37	\$ 1.80	\$ 2.17	\$ 0.37
A795	Part.	Billing: DSS Customer Settlements Expansion	\$ 0.40	\$ 0.75	\$ 0.35	\$ 1.60	\$ 1.60	\$ -	\$ 2.00	\$ 2.35	\$ 0.35
A796	Part.	TCC Auction Automation (Phase 1)	\$ 0.55	\$ 0.55	\$ -	\$ 0.60	\$ 0.60	\$ -	\$ 1.15	\$ 1.15	\$ -
A543	Compl.	UCAP Auction Automation (Phase 1)	\$ 0.15	\$ 0.43	\$ 0.28	\$ 0.50	\$ 0.50	\$ -	\$ 0.65	\$ 0.93	\$ 0.28
A619	Compl.	Controllable Tie Lines Scheduling and Pricing	\$ 0.30	\$ 0.30	\$ -	\$ 0.60	\$ 0.60	\$ -	\$ 0.90	\$ 0.90	\$ -
A764	Compl.	15 Minute Scheduling	\$ 0.10	\$ 0.10	\$ -	\$ 0.30	\$ 0.30	\$ -	\$ 0.40	\$ 0.40	\$ -
A769	Part.	Scheduling of Combined Cycle Units (1)	\$ 1.00	\$ 1.00	\$ -	\$ 0.50	\$ 0.30	\$ (0.20)	\$ 1.50	\$ 1.30	\$ (0.20)
A766	Part.	Self Supply of Reserves (3)	\$ 0.40	\$ 0.20	\$ (0.20)	\$ 0.50	\$ -	\$ (0.50)	\$ 0.90	\$ 0.20	\$ (0.70)
A774	Compl.	SMD Feature Extensions (SMD2.1)	\$ 0.70	\$ 0.70	\$ -	\$ 0.20	\$ 0.71	\$ 0.51	\$ 0.90	\$ 1.41	\$ 0.51
A767	Part.	MIS Enhancements: Comprehensive Bid Mgt. System	\$ 0.50	\$ 0.50	\$ -	\$ 0.10	\$ 0.10	\$ -	\$ 0.60	\$ 0.60	\$ -
A732	Part.	MIS Enhancements: Oracle Forms Replacement	\$ 0.20	\$ 0.20	\$ -	\$ 0.10	\$ -	\$ (0.10)	\$ 0.30	\$ 0.20	\$ (0.10)
A770	Compl.	Outage Schedule Reporting	\$ 0.50	\$ 0.50	\$ -	\$ 0.30	\$ -	\$ (0.30)	\$ 0.80	\$ 0.50	\$ (0.30)
A706	Part.	Intra-Hour Transaction Scheduling (f.k.a. VRD)	\$ 0.10	\$ 0.10	\$ -	\$ 0.50	\$ 0.50	\$ -	\$ 0.60	\$ 0.60	\$ -
A699	Compl.	Market Data Exchange Enhancements (Portal)	\$ 0.10	\$ 0.10	\$ -	\$ 0.70	\$ 0.50	\$ (0.20)	\$ 0.80	\$ 0.60	\$ (0.20)
A771	Compl.	Documentum Expanded Implementation	\$ 0.30	\$ 0.30	\$ -	\$ 0.20	\$ 0.20	\$ -	\$ 0.50	\$ 0.50	\$ -
A775	Part.	Consolidate NYISO Offices (2)	\$ -	\$ 0.35	\$ 0.35	\$ 2.30	\$ 2.30	\$ -	\$ 2.30	\$ 2.65	\$ 0.35
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total	\$ 6.60	\$ 7.23	\$ 0.63	\$ 10.30	\$ 9.94	\$ (0.37)	\$ 16.90	\$ 17.17	\$ 0.27

- (1) Pending FERC action on NYISO request for revised implementation schedule.
(2) Consolidate NYISO Offices project labor estimates represent 100% reallocated baseline costs.
(3) Labor and non-labor reallocated - based on FERC decision

Status of Project Budget

➤ New Projects and Budget Transfers:

New Projects and budget transfers:

Project Number	2005 Deliverable	Project Name	Original Labor (\$MM)	Revised Labor (\$MM)	Change (\$MM)	Original Non-Labor (\$MM)	Revised Non-Labor (\$MM)	Change (\$MM)	Original Total (\$MM)	Revised Total (\$MM)	Change (\$MM)
Multiple	Compl.	SMD2 Implementation (4)	\$ -	\$ 0.85	\$ 0.85	\$ -	\$ 0.69	\$ 0.69	\$ -	\$ 1.54	\$ 1.54
A780	Compl.	E-Tagging 2.0	\$ -	\$ 0.18	\$ 0.18	\$ -	\$ 0.57	\$ 0.57	\$ -	\$ 0.75	\$ 0.75
N/A	N/A	Baseline Transfer (5)	\$ -	\$ -	\$ -	\$ -	\$ (1.35)	\$ (1.35)	\$ -	\$ (1.35)	\$ (1.35)
		Total	\$ -	\$ 1.03	\$ 1.03	\$ -	\$ (0.09)	\$ (0.09)	\$ -	\$ 0.94	\$ 0.94

(4) SMD2 project labor represents 40% reallocated project labor, 50% reallocated baseline labor, and 10% incremental costs.

(5) Baseline Transfer for non labor overrun; labor reallocation under review

Totals:

Original Labor (\$MM)	Revised Labor (\$MM)	Change (\$MM)	Original Non-Labor (\$MM)	Revised Non-Labor (\$MM)	Change (\$MM)	Original Total (\$MM)	Revised Total (\$MM)	Change (\$MM)
\$ 6.60	\$ 8.26	\$ 1.66	\$ 10.30	\$ 10.30	\$ -	\$ 16.90	\$ 18.11	\$ 1.21

Project budgets are still under review; incremental changes to some projects are expected to be managed within total NYISO budget. Details of project budget reallocation plan will be discussed at future meetings.

For discussion purposes only

Project Description		Status and Milestone Deliverables
	Billing System Corrections (Baseline)	<p>Status: Billing system problem resolution continues on a regular basis by a dedicated team of development staff. Once identified, billing issues are reviewed, solutions are designed, and fixes are applied at the first feasible deployment opportunity.</p> <p>Deliverables: The NYISO has allocated a team of development and analyst staff to investigate all reported billing problems, design solutions to correct known issues, and implement fixes in order to provide the most accurate settlements possible.</p>
A636	Billing Rate Schedule 1 Allocation 80/20	<p>Status: Functional Requirement Specification completed on March 15th. Development is in progress and a September deployment is planned.</p> <p>Deliverables: 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>
A716	Billing: NTAC & TSC Rate Management	<p>Status: Functional Requirement Specification completed April 30, 2005. Development is in progress and a September deployment is planned.</p> <p>Deliverables: 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>
A799	Billing Simulator - BAS Replacement Strategy	<p>Status: Vendors have been selected and development is in progress to deliver use case functionality. Multiphase deliverables are planned. Functionality is to be deployed to production June through December, 2005.</p> <p>Deliverables: Continuation of development and enhancements to the current system. Implementation of remaining settlement rules (SMD2 and legacy), and build foundation for potential BAS replacement. Design, develop and implement remaining use cases (approximately 100) into a production environment by December 31, 2005.</p>
A795	DSS - Customer Settlement	<p>Status: 2nd Qtr releases are on track, development is in progress.</p> <p>Deliverables: DSS has multiple releases planned for this year. <i>March</i> - Phase I FERC EQR (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>

Project Description	Status and Milestone Deliverables
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April – Business Objects upgrade (completed).
May – Provide enhanced reporting capability related to Controllable Tie Lines.
June - 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.
September and December releases are in the planning stages to finalize functionality.

***note some of the listed functionality is from baseline budget*

A541	TCC Online Auction Automation	<p>Status: 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 is being revisited in order to ensure that the recommendations that were presented can be fully incorporated in the delivered product. Requirement validation phase is underway following a planning kick-off held in early February. The kick off encompassed a short term (8 week) plan. An RFI/Vision document, straw man timelines, and executive summary with detail to determine the 'buy v. build' strategy was completed. Following detailed analysis of vendor response to RFI NYISO is currently reviewing confirmation of build strategy.</p> <p>Planning and analysis in underway to deliver functionality with a phased approach. Currently developing detailed requirements and planning deliverables.</p> <p>Deliverables: 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.</p>
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A543	ICAP Market Automation	<p>Status: Development completed 2/15/2005. User Acceptance testing in progress by Auxiliary Market Operations. Deployment targeted for <i>September 20, 2005</i>. Schedule has been adjusted to address Market Participant sandbox testing, and two (2) scheduled market trials. Technical Conference conducted on March 21, 2005. A second Tech Conference was held on <i>May 18, 2005</i>, in preparation for Market Trials.</p> <p><i>Sandbox Exercise scheduled - 06/06/2005 – 06/10/2005</i> <i>Three (3) Market Trial exercises planned June - August</i></p> <p>Project schedule has been adjusted to model implementation after SMD2.</p> <p>Deliverable: 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>
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Project Description		Status and Milestone Deliverables
A764	15 Minute Scheduling	<p>Status: Development completed and code was delivered by vendor on May 31, 2005. Release deployment has been rescheduled from June to September to allow for an eight week testing cycle.</p> <p>Deliverable: <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>
A769	Scheduling of Combined Cycle Units	<p>Status: This project is in the concept development phase.</p> <p>Deliverables: Market Participants have historically expressed concern that NYISO does not model or schedule combined cycle generating units to their most efficient capabilities, thus impacting both real-time operations and market outcomes. This project will deliver a scheduling software solution and network modeling optimization for combined cycle generating units. Software will perform 15-minute economic dispatch scheduling for nominally off dispatch units during the real-time commitment execution and reflect those schedules into the real-time dispatch process.</p>
A821	SMD 2.2	<p>Status: Planning in underway to test enhancements and schedule deployment. The functionality delivery is tentatively schedule for July. This is contingent upon FERC approval and favorable system conditions.</p> <p>Deliverables: Deliverable includes enhancement to software for RTD pricing.</p>
A775	Consolidate NYISO Offices	<p>Status: The responses to the Design/Build RFP were received on 5/20/05 with five of the six Architectural and Construction Management firms bidding on the project. The selection of an AE / Construction Manager for the project is expected by 6/10/05. Final approval of the site modifications was given by East Greenbush on 5/11/05. Final approvals from North Greenbush are expected at the 6/6/05 Town Meeting. Activities to close on the building are on-going with the plan to close on the building on 6/30/05. Once the NYISO closes on the building, work will start immediately on final design and construction of the fourth floor. A detailed migration plan to the 4th floor of the new HQ building has been developed. The goal is to move onto the 4th floor during the months of November and December. The development of a Data Center and Control Room migration plan has started and is expected to be completed by 10/31/05.</p> <p>Milestones: 6/30/05 Close on the building; 10/31/05 Completion of 4th floor renovations; 12/31/05 Migration out of Washington Avenue and onto the 4th floor of the new HQ building.</p>

Project Description		Status and Milestone Deliverables
		<p>Deliverables: 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>
A780	e-Tagging 2.0	<p>Status: The Business Owner/Stakeholder approved the functional requirement specifications on 1/4/2005. Development is complete. QA testing is in progress. The deployment date is scheduled for June 28, 2005.</p> <p>Deliverables: 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.</p>
Completed		
		<p>Status: Deployed May 31, 2005.</p>
A774	SMD 2.1	<p>Deliverables: 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>
		<p>Status: Deployed May 31, 2005.</p>
A619	Controllable Tie Lines Scheduling & Pricing	<p>Deliverables: 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.</p>
		<p>Status: Technical components deployed on <i>April 26, 2005</i>. Site cut over completed May 24, 2005.</p>
A699	Web Consolidation / Market Data Exchange (Portal)	<p>Deliverables: 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. Additional Portal release will be scheduled in 2005.</p>
A573 A574 A577	SMD 2.0	<p>Status: SMD2 was deployed on <i>02/01/2005</i></p> <p>Delivery: SMD2's EAI monitoring solution is supporting SMD parallel operations, allowing proactive management of EAI processes in the SMD2 production environments. The second phase of the monitoring solution (enhanced reporting for computer operators).</p>

Project Description		Status and Milestone Deliverables
		Status: Completed. November 2004
A757	Billing: TCC Settlement	Deliverables: 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.
To be Scheduled		
A767	MIS Enhancements: Comprehensive Bid Management System	Status: This project has not yet started. Deliverables: This project will upgrade the web-based application structure to replace overlapping applications by allowing common components to support current application functionality and future application functional growth.
A770	Outage Schedule Reporting	Status: This project has not yet started. Deliverables: The Outage Scheduling software was moved entirely to the Ranger system for both Scheduling and Operations to provide consistency. Due to the timeframe for the SMD2 project, the processes of creating the Outage Schedule reports on the primary database was left on a secondary database. The creation of the required reports needs to be ported to the RANGER system as intended.
A766	Self Supply of Reserves	Status: This project has not yet started. Deliverables: FERC has ordered that the NYISO markets be expanded to provide a mechanism for Market Participants to self-supply for reserves. Project will need to be readdressed later in the year.
A706	Intra-Hour Transaction Scheduling (a.k.a. VRD)	Status: This project has not yet started. Deliverables: In 2005, NYISO will conduct a pilot project to assess the ability to evaluate and schedule intra-hour transactions and to identify any operational issues with scheduling. Additional work in 2005 will be based on the outcome of the pilot program, however, it is not expected that any significant software development will be completed in 2005.
A771	Documentum Expanded Implementation	Status: This project has not yet started. Deliverables: 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.

NYISO REGULATORY FILINGS – MAY 2005

- May 2, 2005 NYISO compliance filing of a status report regarding voltage support service enhancements
(ER05-119-001)
- May 2, 2005 NYISO filing of an answer to third party protests and comments regarding the scheduled lines filing
(ER05-727-000)
- May 2, 2005 NYISO filing of its first quarter 2005 electric report
(ER02-2001-000)
- May 2, 2005 NYISO filing of reference price comments requested by FERC
(PL05-6-000)
- May 5, 2005 NYISO tariff filing to allow an additional form of collateral and reduce the collateral required in the virtual transactions market
(ER05-941-000)
- May 6, 2005 NYISO filing of third quarter combined cycle modeling progress report
(ER04-230-002/003/004/005, ER01-3155-005, ER01-1385-014, EL01-45-013)
- May 10, 2005 NYISO filing of a notice to FERC of its intent to undertake a stakeholder review of newly available ICAP demand curve data
(ER05-428-000)
- May 10, 2005 NYISO filing of a two week advance notice to FERC of its intent to deploy the software to enable the implementation of the Cross-Sound Cable as the first scheduled line
(ER05-727-000)
- May 16, 2005 Third party filing of an answer to NYISO answer regarding the implementation of Cross Sound Cable scheduled line
(ER05-727-000)
- May 16, 2005 NYISO filing of designation of Tri-Lakes and Rate Schedule 204 to NYISO OATT
(EL05-84-000)
- May 19, 2005 NYISO compliance filing regarding a typographical error in the Large Facilities Interconnection Agreement
(ER05-629-001)
- May 20, 2005 NYISO compliance filing regarding revisions to the demand curve
(ER05-428-002)
- May 23, 2005 NYISO filing of a reply and supporting affidavit in response to a third party answer regarding implementation of Cross Sound Cable Scheduled Line
(ER05-727-000)
- May 23, 2005 NYISO filing of a letter notifying FERC that it expects its Cross-Sound Cable software modifications to be completed and ready for deployment around June 8, 2005
(ER05-727-000)
- May 23, 2005 NYISO tariff filing to amend the manner in which Energy Limited Resources and Capacity Limited Resources financially settle in the NYISO market
(ER05-1011-000)

- May 23, 2004 NYISO compliance filing of its first SMD2 biweekly informational report of price and software corrections (ER04-230-009)
- May 26, 2005 NYISO filing of comments regarding the FERC NOPR concerning the application of imbalance provisions on wind generation (RM05-10-000)

This list is current as of 9:42 A.M. May 26, 2005.

FERC ORDERS – MAY 2005

- May 4, 2005 FERC tolling order granting rehearing for further consideration regarding its 3/4/05 order on remand regarding the interdependent determination of prices of spinning operating reserves and non-spinning reserves (ER00-1969-020, EL00-57-004, EL00-60-004, EL00-63-004, EL00-64-004)
- May 4, 2005 FERC tolling order granting rehearing for further consideration regarding HQ v NYISO proceeding (EL01-19-004/EL02-16-004)
- May 6, 2005 FERC order denying multiple third party requests for rehearing and accepting NYISO's 2/25/05 compliance tariff filing regarding revisions to the comprehensive reliability planning process (ER04-1144-002/003)
- May 9, 2005 FERC order accepting NYISO tariff revisions to fix price determination errors involving SMD2 software and allow price corrections within 10 days (instead of 5) for the period 3/8/05 through 9/30/05 (ER04-230-009)
- May 9, 2005 FERC letter order accepting for informational purposes Version 11 of the New York State Reliability Council's Reliability Rules (ER97-1523-000)
- May 18, 2005 FERC order accepting compliance filings regarding a comprehensive operating protocol governing certain power wheeling obligations and revisions to the market monitoring procedures (EL02-23-004/005/006)
- May 23, 2005 FERC tolling order granting rehearing for further consideration regarding LIPA's transmission service charge (ER04-958-002, EL05-78-001)
- May 24, 2005 FERC order accepting tariff revisions with modifications regarding the Cross Sound Cable as NYISO's scheduled lines (ER05-727-000)
- May 26, 2005 FERC letter order accepting tariff revisions regarding increasing the eligibility for the special market rules applicable to generators serving the NYC steam distribution system (ER05-900-000)

This list is current as of 10:50 A.M. June 7, 2005.