Monthly Report

June 2008

Rana Mukerji

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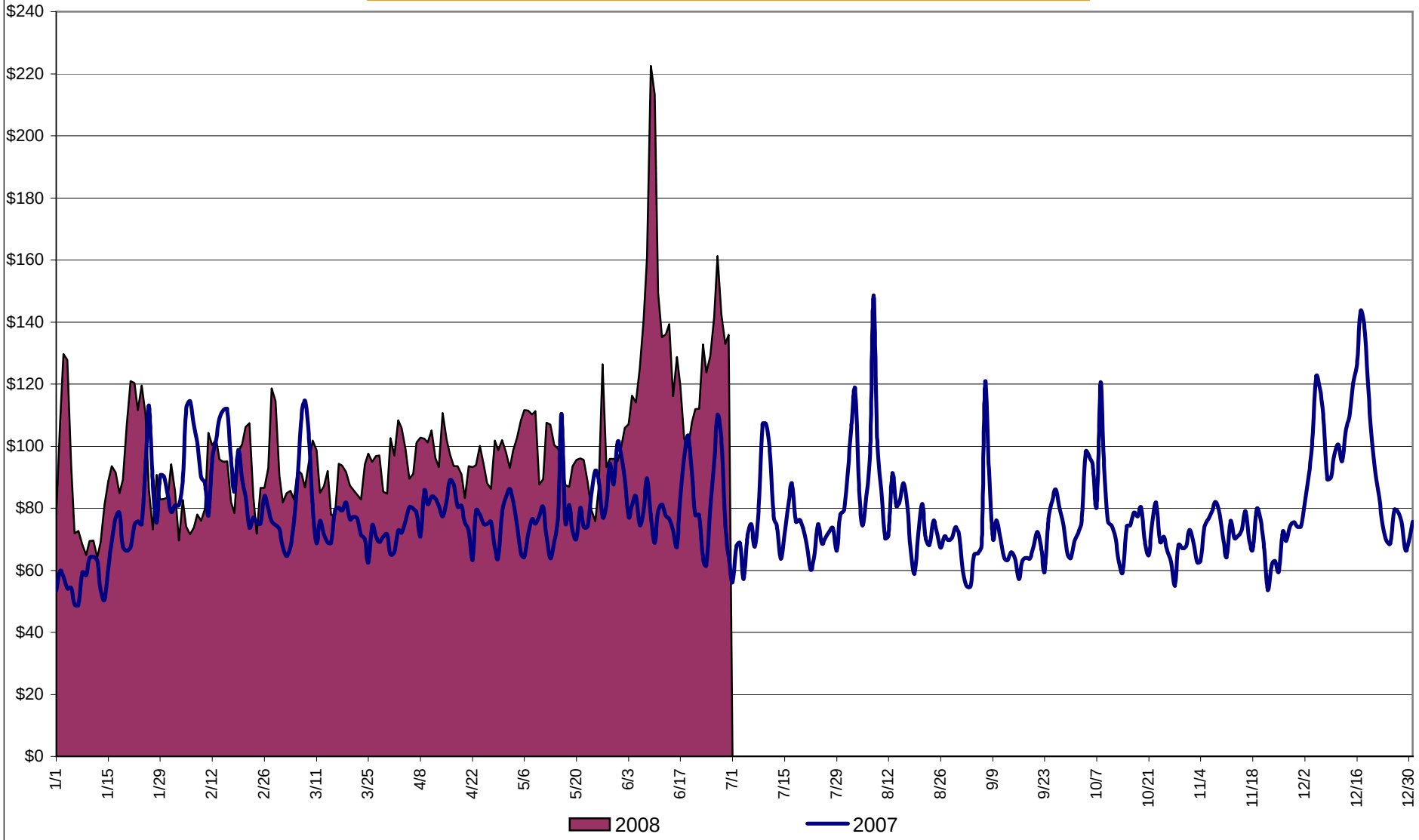
Market Performance Highlights for June 2008

- LBMP for June is $128.17/MWh, up from $87.18/MWh in May 2008.
  - Average monthly cost is $136.24/MWh, up from $98.03/MWh in May 2008.
  - Day Ahead and Real Time LBMPs have increased from May 2008.
- Average daily sendout is 499GWh/day in June, up from 403GWh/day in May 2008 and higher than the June 2007 amount of 484GWh/day.
- Natural Gas prices as well as other fuels are up this month.
  - Kerosene is $29.13/mmBTU, up from $28.00/mmBTU in May.
  - No. 2 Fuel Oil is $27.16/mmBTU, up from $25.79/mmBTU in May.
  - No. 6 Fuel Oil is $18.86/mmBTU, up from $15.78/mmBTU in May.
  - Natural Gas is $13.69/mmBTU, up from $11.98/mmBTU in May.
- Uplift is lower compared to May 2008.
  - Uplift (not including NYISO cost of operations) is $5.50/MWh, down from $8.52/MWh in May 2008.
  - Total uplift (Schedule 1 components including NYISO Cost of Operations) decreased from $129.4 million in May 2008 to $97.3 million in June 2008.
  - TSA events account for approximately $21 million in uplift costs (approximately 25%). This is charged to loads within the New York City service area.

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

2007 Annual Average $80.29/MWh
June 2007 YTD Average $80.51/MWh
June 2008 YTD Average $101.54/MWh



* Excludes ICAP payments.

Market Monitoring
Prepared: 7/8/2008 13:00

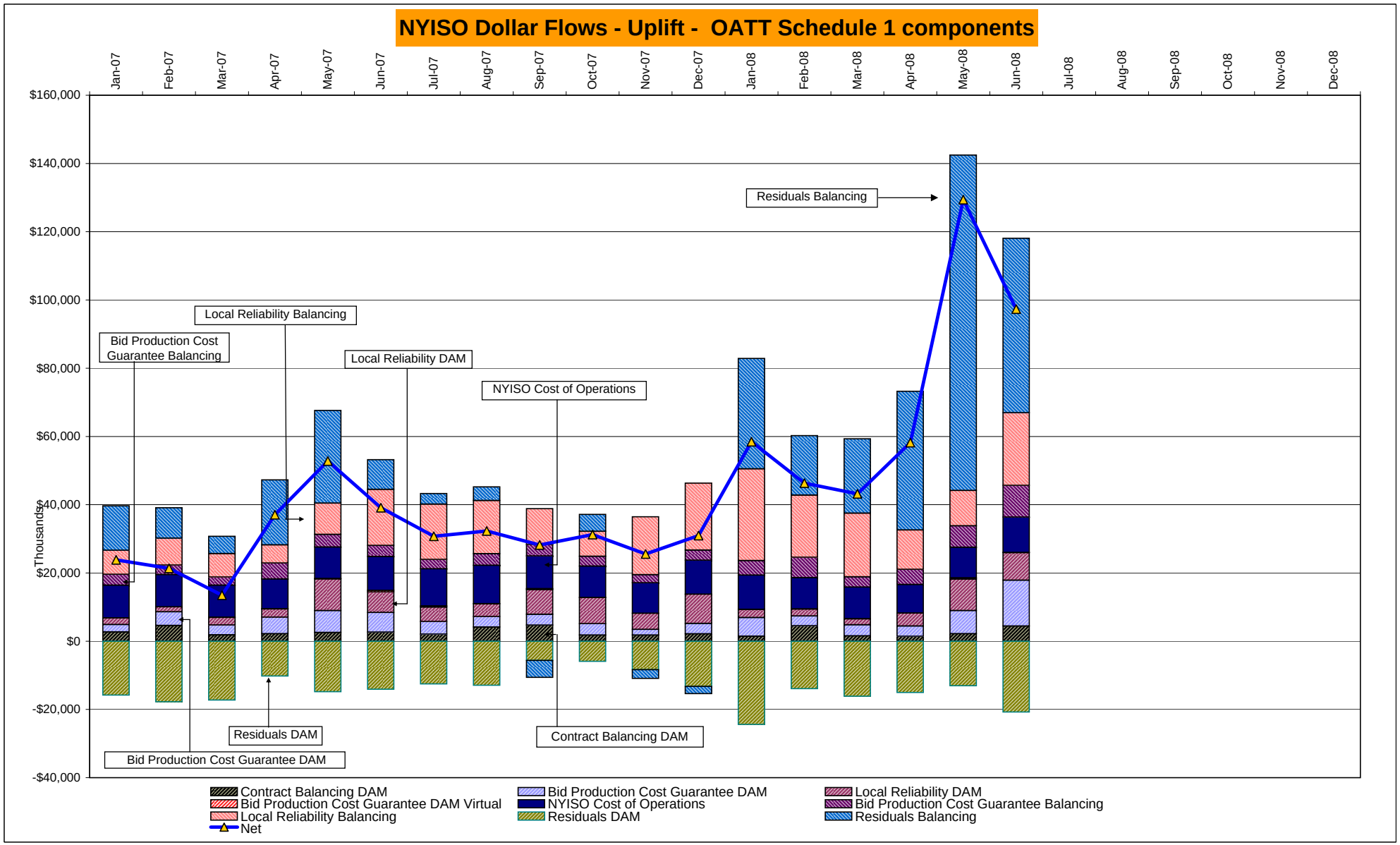
NYISO Average Cost/MWh (Energy and Ancillary Services) *
from the LBMP Customer point of view

2008	January	February	March	April	May	June	July	August	September	October	November	December
LBMP	86.98	85.69	85.21	90.91	87.18	128.17						
NTAC	0.35	0.43	0.41	0.62	0.48	0.78						
Reserve	0.38	0.48	0.55	0.47	0.34	0.27						
Regulation	0.54	0.57	0.61	0.54	0.50	0.52						
NYISO Cost of Operations	0.63	0.63	0.63	0.63	0.63	0.63						
Uplift	3.06	2.57	2.31	3.80	8.52	5.50						
Voltage Support and Black Start	0.38	0.38	0.38	0.38	0.38	0.38						
Avg Monthly Cost	92.31	90.75	90.11	97.34	98.03	136.24						
Avg YTD Cost	92.31	91.57	91.09	92.55	93.60	101.54						

2007	January	February	March	April	May	June	July	August	September	October	November	December
LBMP	67.23	89.14	75.09	73.14	75.28	79.28	73.10	81.50	68.22	73.49	67.46	93.44
NTAC	0.46	0.56	0.57	0.53	0.58	0.74	0.51	0.34	0.44	0.33	0.69	1.00
Reserve	0.43	0.23	0.34	0.36	0.28	0.23	0.21	0.13	0.11	0.29	0.31	0.25
Regulation	0.46	0.47	0.55	0.35	0.37	0.43	0.39	0.36	0.41	0.52	0.65	0.69
NYISO Cost of Operations	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
Uplift	1.00	0.88	0.29	2.14	3.08	1.96	1.21	1.29	1.26	1.62	1.26	1.35
Voltage Support and Black Start	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Avg Monthly Cost	70.57	92.29	77.85	77.52	80.59	83.65	76.41	84.62	71.43	77.24	71.37	97.73
Avg YTD Cost	70.57	81.65	80.36	79.68	79.86	80.51	79.84	80.55	79.57	79.36	78.70	80.29

* Excludes ICAP payments.

These numbers reflect the rebilling of prior periods.



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 consist of both energy and loss revenue collections and payments. By design, there is a net over collection of revenues due to the difference between the marginal losses paid to generation and the average losses charged to loads.

NYISO Markets Transactions

2008	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWh	14,984,732	13,722,512	13,744,999	12,645,499	13,325,474	15,365,697						
DAM LSE Internal LBMP Energy Sales	42%	42%	45%	48%	42%	45%						
DAM External TC LBMP Energy Sales	9%	7%	5%	4%	6%	5%						
DAM Bilateral - Internal Bilaterals	43%	43%	43%	40%	45%	43%						
DAM Bilateral - Importl/Non-LBMP Market Bilaterals	5%	5%	5%	5%	4%	4%						
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	2%	2%	2%						
DAM Bilateral - Wheel Through Bilaterals	0%	1%	1%	1%	1%	1%						
Balancing Energy Market MWh	918,715	806,490	975,279	617,058	904,576	1,111,429						
Balancing Energy LSE Internal LBMP Energy Sales	24%	48%	15%	-29%	2%	35%						
Balancing Energy External TC LBMP Energy Sales	68%	49%	81%	121%	98%	56%						
Balancing Energy Bilateral - Internal Bilaterals	6%	1%	3%	5%	-2%	5%						
Balancing Energy Bilateral - Importl/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%						
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%						
Balancing Energy Bilateral - Wheel Through Bilaterals	2%	1%	1%	2%	2%	5%						
Transactions Summary												
LBMP	53%	52%	53%	55%	52%	53%						
Internal Bilaterals	41%	41%	41%	38%	42%	40%						
Import Bilaterals	5%	5%	4%	5%	4%	4%						
Export Bilaterals	1%	1%	1%	2%	2%	2%						
Wheels Through	0%	1%	1%	1%	1%	1%						
Market Share of Total Load												
Day Ahead Market	94.2%	94.4%	93.4%	95.3%	93.6%	93.3%						
Balancing Energy +	5.8%	5.6%	6.6%	4.7%	6.4%	6.7%						
Total MWH	15,903,447	14,529,002	14,720,278	13,262,557	14,230,050	16,477,126						
Average Daily Energy Sendout/Month GWh	456	455	432	406	403	499						

2007	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWh	14,164,585	13,771,553	13,677,039	12,880,994	13,514,244	14,692,700	16,038,367	16,703,812	14,127,144	13,430,445	12,748,392	14,451,609
DAM LSE Internal LBMP Energy Sales	45%	44%	48%	46%	44%	46%	48%	48%	46%	45%	47%	44%
DAM External TC LBMP Energy Sales	4%	7%	4%	6%	6%	4%	4%	5%	4%	2%	2%	5%
DAM Bilateral - Internal Bilaterals	47%	45%	44%	44%	45%	45%	42%	41%	43%	46%	43%	45%
DAM Bilateral - Importl/Non-LBMP Market Bilaterals	2%	2%	2%	2%	2%	3%	4%	4%	5%	6%	6%	5%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	2%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	0%
Balancing Energy Market MWh	436,345	630,212	626,488	471,340	563,349	443,615	515,326	469,749	506,866	579,078	819,666	709,510
Balancing Energy LSE Internal LBMP Energy Sales	51%	49%	43%	33%	71%	85%	58%	47%	84%	45%	36%	39%
Balancing Energy External TC LBMP Energy Sales	56%	59%	58%	68%	33%	25%	58%	62%	34%	61%	63%	54%
Balancing Energy Bilateral - Internal Bilaterals	-1%	-4%	1%	0%	8%	6%	4%	8%	3%	7%	1%	5%
Balancing Energy Bilateral - Importl/Non-LBMP Market Bilaterals	0%	0%	0%	0%	4%	6%	1%	0%	0%	1%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-7%	-4%	-2%	-1%	-15%	-23%	-22%	-18%	-21%	-15%	0%	1%
Transactions Summary												
LBMP	51%	54%	54%	54%	52%	51%	53%	55%	52%	49%	52%	51%
Internal Bilaterals	45%	42%	42%	42%	44%	43%	41%	40%	41%	44%	41%	43%
Import Bilaterals	2%	2%	2%	2%	2%	3%	4%	4%	5%	5%	5%	5%
Export Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	1%	1%	1%	1%	1%	0%	0%	0%	0%	1%	0%
Market Share of Total Load												
Day Ahead Market	97.0%	95.6%	95.6%	96.5%	96.0%	97.1%	96.9%	97.3%	96.5%	95.9%	94.0%	95.3%
Balancing Energy +	3.0%	4.4%	4.4%	3.5%	4.0%	2.9%	3.1%	2.7%	3.5%	4.1%	6.0%	4.7%
Total MWH	14,600,930	14,401,765	14,303,527	13,352,334	14,077,594	15,136,315	16,553,693	17,173,561	14,634,010	14,009,523	13,568,057	15,161,119
Average Daily Energy Sendout/Month GWh	449	471	438	414	423	484	510	523	468	436	428	458

+ 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 2008 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
DAY AHEAD LBMP												
Price *	$83.07	$82.66	$83.11	$89.77	$89.35	$121.83						
Standard Deviation	$28.43	$22.45	$17.97	$19.87	$23.21	$41.13						
Load Weighted Price **	$86.14	$85.14	$85.09	$92.37	$92.48	$128.61						
RTC LBMP												
Price *	$79.46	$85.91	$83.81	$90.48	$96.21	$120.88						
Standard Deviation	$35.00	$60.79	$34.42	$31.97	$61.32	$64.44						
Load Weighted Price **	$81.98	$88.30	$85.82	$92.22	$99.59	$127.40						
REAL TIME LBMP												
Price *	$79.00	$85.89	$83.51	$89.37	$93.72	$120.05						
Standard Deviation	$38.83	$49.87	$33.64	$31.14	$59.68	$80.00						
Load Weighted Price **	$81.97	$88.72	$85.68	$91.31	$97.50	$128.95						
Average Daily Energy Sendout/Month GWh	456	455	432	406	403	499						

NYISO Markets 2007 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
DAY AHEAD LBMP												
Price *	$62.20	$84.73	$71.75	$70.56	$68.38	$71.78	$67.05	$73.24	$60.14	$66.23	$65.01	$87.50
Standard Deviation	$21.16	$21.02	$19.36	$18.29	$19.79	$23.08	$22.12	$24.41	$17.87	$21.71	$15.99	$29.30
Load Weighted Price **	$64.61	$86.87	$73.90	$72.88	$71.37	$75.73	$70.73	$77.30	$62.95	$69.45	$66.99	$90.70
RTC LBMP												
Price *	$61.44	$84.30	$70.97	$71.30	$74.54	$66.19	$64.91	$73.23	$67.49	$70.80	$64.27	$84.99
Standard Deviation	$28.08	$40.04	$29.30	$37.47	$62.84	$30.91	$24.66	$77.17	$76.02	$54.01	$26.78	$34.52
Load Weighted Price **	$63.64	$86.66	$73.23	$74.18	$78.42	$69.78	$67.75	$79.33	$72.59	$74.17	$66.11	$87.44
REAL TIME LBMP												
Price *	$62.38	$84.03	$70.46	$69.75	$74.79	$65.78	$63.20	$75.33	$65.87	$69.23	$62.03	$84.46
Standard Deviation	$32.76	$42.22	$28.57	$30.57	$61.97	$31.86	$27.37	$84.24	$78.46	$57.31	$25.48	$35.40
Load Weighted Price **	$65.19	$86.80	$72.85	$72.35	$79.53	$70.28	$67.02	$83.79	$73.09	$73.74	$64.05	$87.67
Average Daily Energy Sendout/Month GWh	449	471	438	414	423	484	510	523	468	436	428	458

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

NYISO Monthly Average Internal LBMPs
2007 - 2008

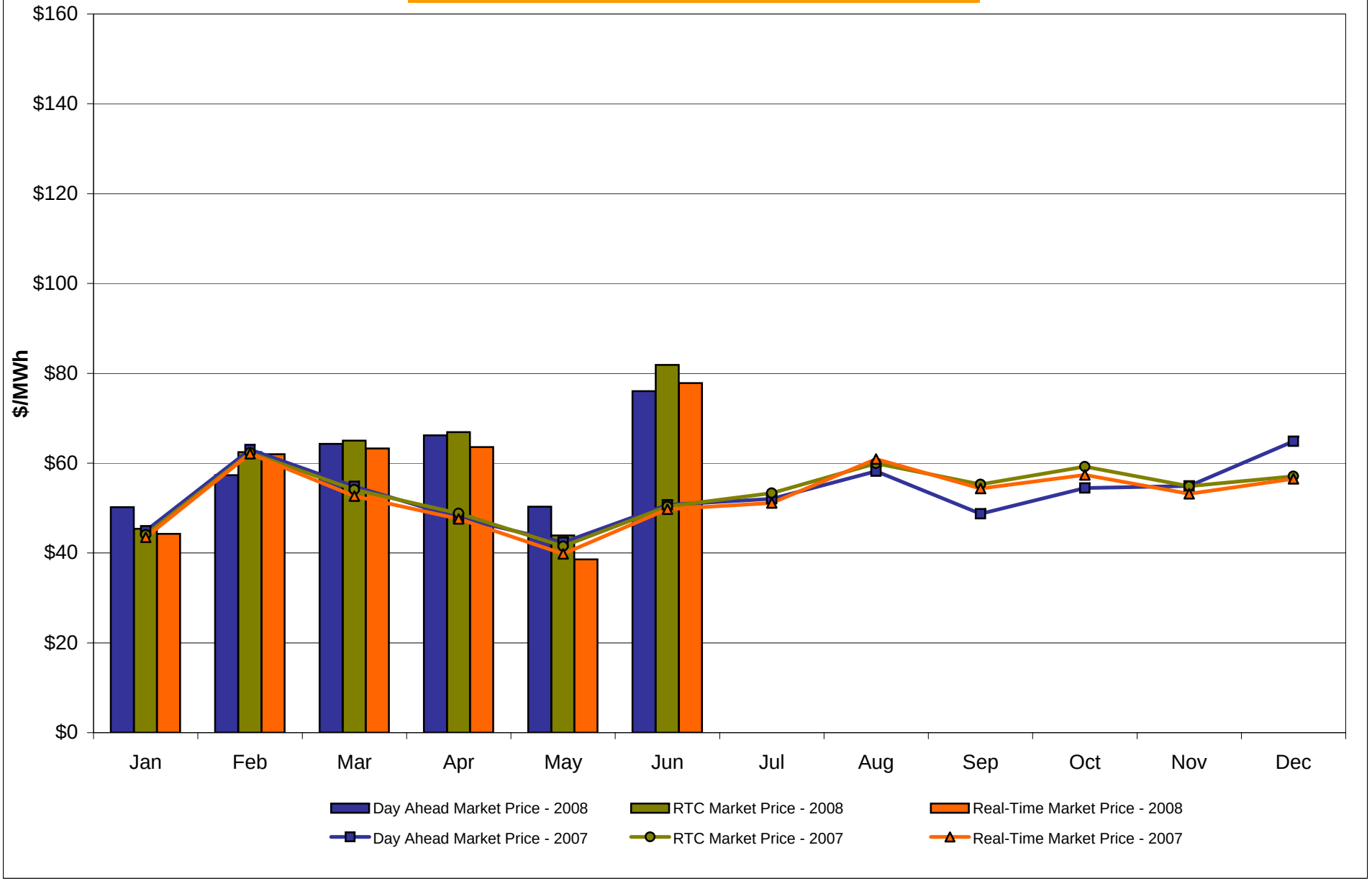
June 2008 Zonal LBMP Statistics for NYISO ($/MWh)

	WEST Zone A	GENESEE Zone B	NORTH Zone D	CENTRAL Zone C	MOHAWK VALLEY Zone E	CAPITAL Zone F	HUDSON VALLEY Zone G	MILLWOOD Zone H	DUNWOODIE Zone I	NEW YORK CITY Zone J	LONG ISLAND Zone K
DAY AHEAD LBMP											
Unweighted Price *	76.01	81.19	84.20	86.81	90.91	106.51	125.74	131.96	132.62	147.33	141.88
Standard Deviation	22.28	23.69	21.03	22.91	23.77	24.94	45.84	53.44	54.02	54.71	52.49
RTC LBMP											
Unweighted Price *	81.88	85.60	84.41	89.70	92.63	108.35	125.38	127.27	127.60	144.98	134.83
Standard Deviation	52.26	54.69	51.40	56.12	54.02	54.41	82.00	83.76	84.78	89.35	75.37
REAL TIME LBMP											
Unweighted Price *	77.83	81.16	79.69	85.14	88.11	106.46	125.62	128.11	128.49	146.38	136.92
Standard Deviation	63.54	66.72	63.64	67.54	65.90	68.72	97.01	102.17	103.40	108.84	104.98

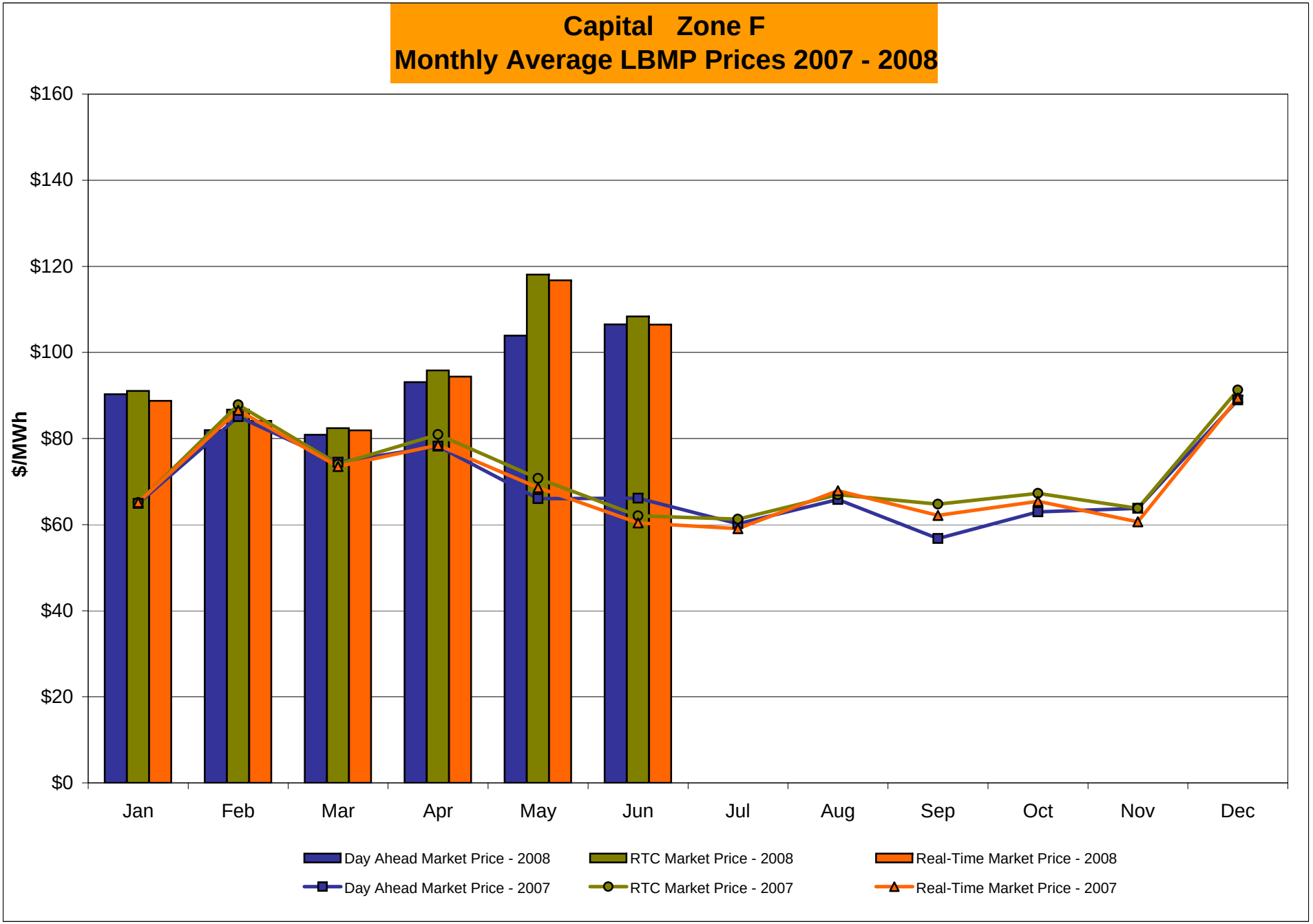
	ONTARIO IESO Zone O	HYDRO QUEBEC (Wheel) Zone M	HYDRO QUEBEC (Import/Export) Zone M	PJM Zone P	NEW ENGLAND Zone N	CROSS SOUND CABLE Controllable Line	NORTHPORT-NORWALK Controllable Line	NEPTUNE Controllable Line
DAY AHEAD LBMP								
Unweighted Price *	73.28	84.53	83.72	109.56	115.19	141.75	139.81	138.71
Standard Deviation	21.10	21.00	20.18	43.02	30.57	52.26	51.59	52.15
RTC LBMP								
Unweighted Price *	73.69	79.28	57.03	97.47	103.65	119.35	118.22	117.83
Standard Deviation	44.75	49.89	133.78	39.11	30.65	48.50	48.56	49.45
REAL TIME LBMP								
Unweighted Price *	71.87	76.11	69.63	98.56	107.30	125.30	124.25	123.72
Standard Deviation	60.56	49.27	48.35	66.28	51.46	74.79	74.76	75.06

* Straight LBMP averages

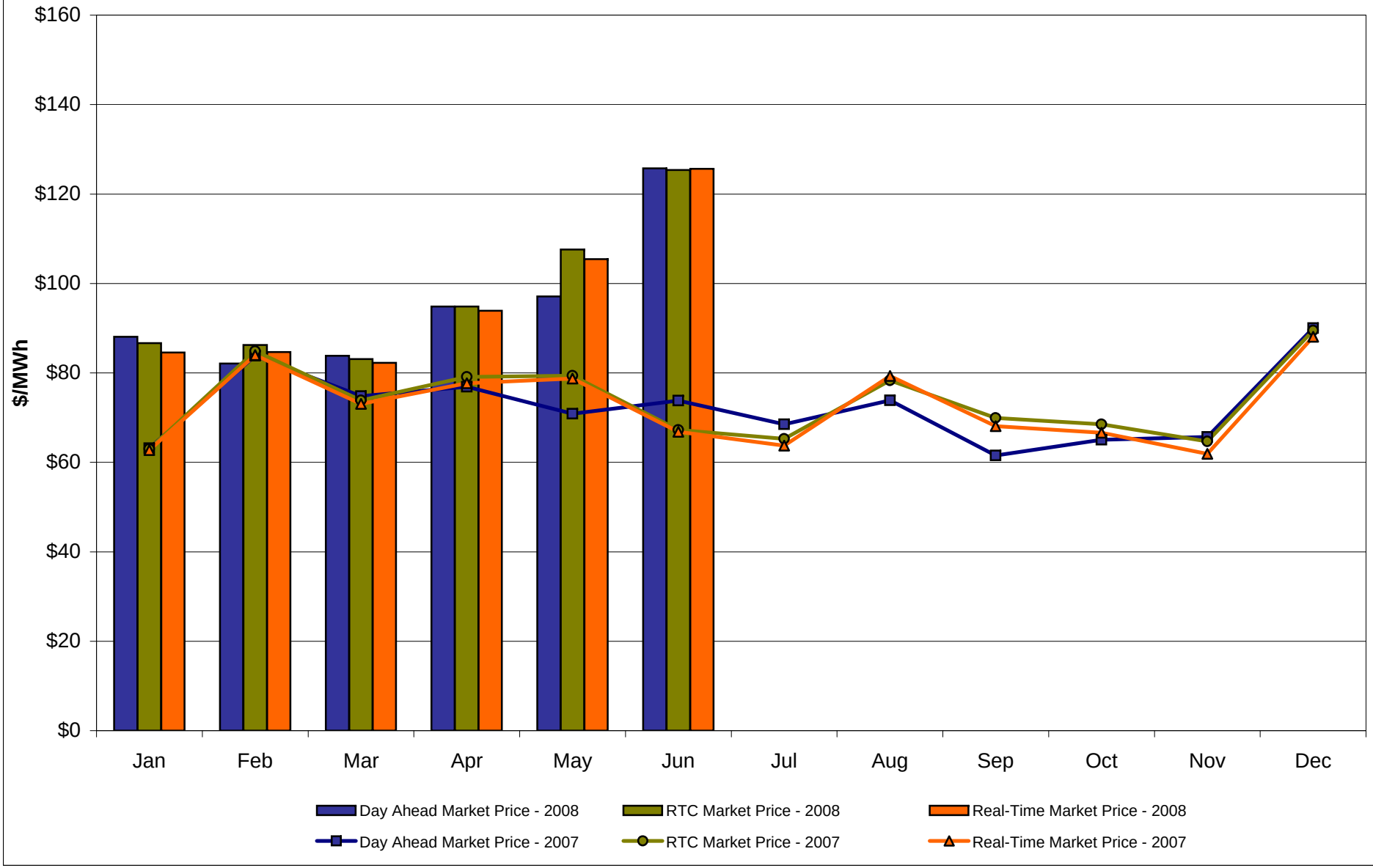
West Zone A
Monthly Average LBMP Prices 2007 - 2008



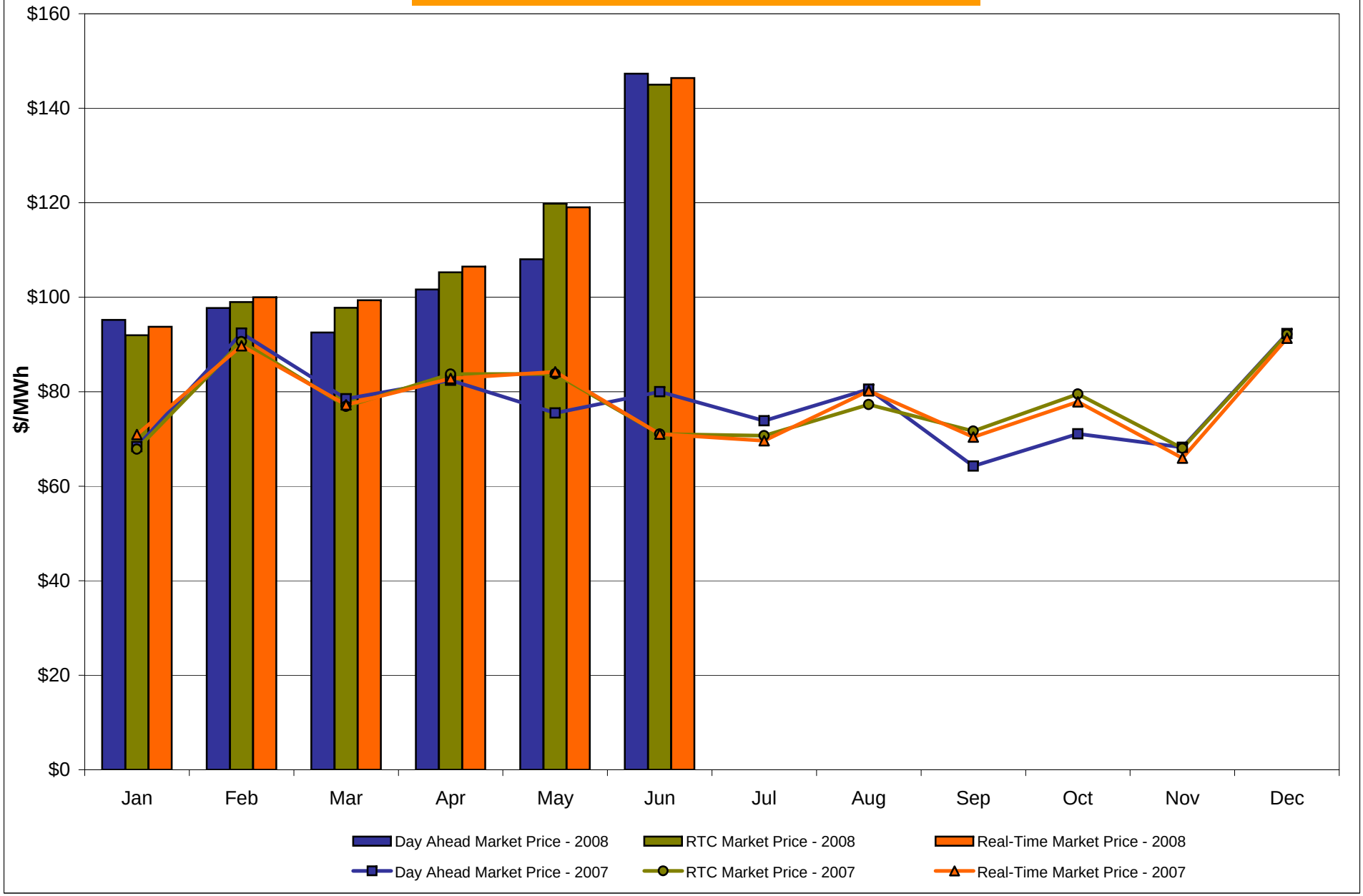
Capital Zone F
Monthly Average LBMP Prices 2007 - 2008



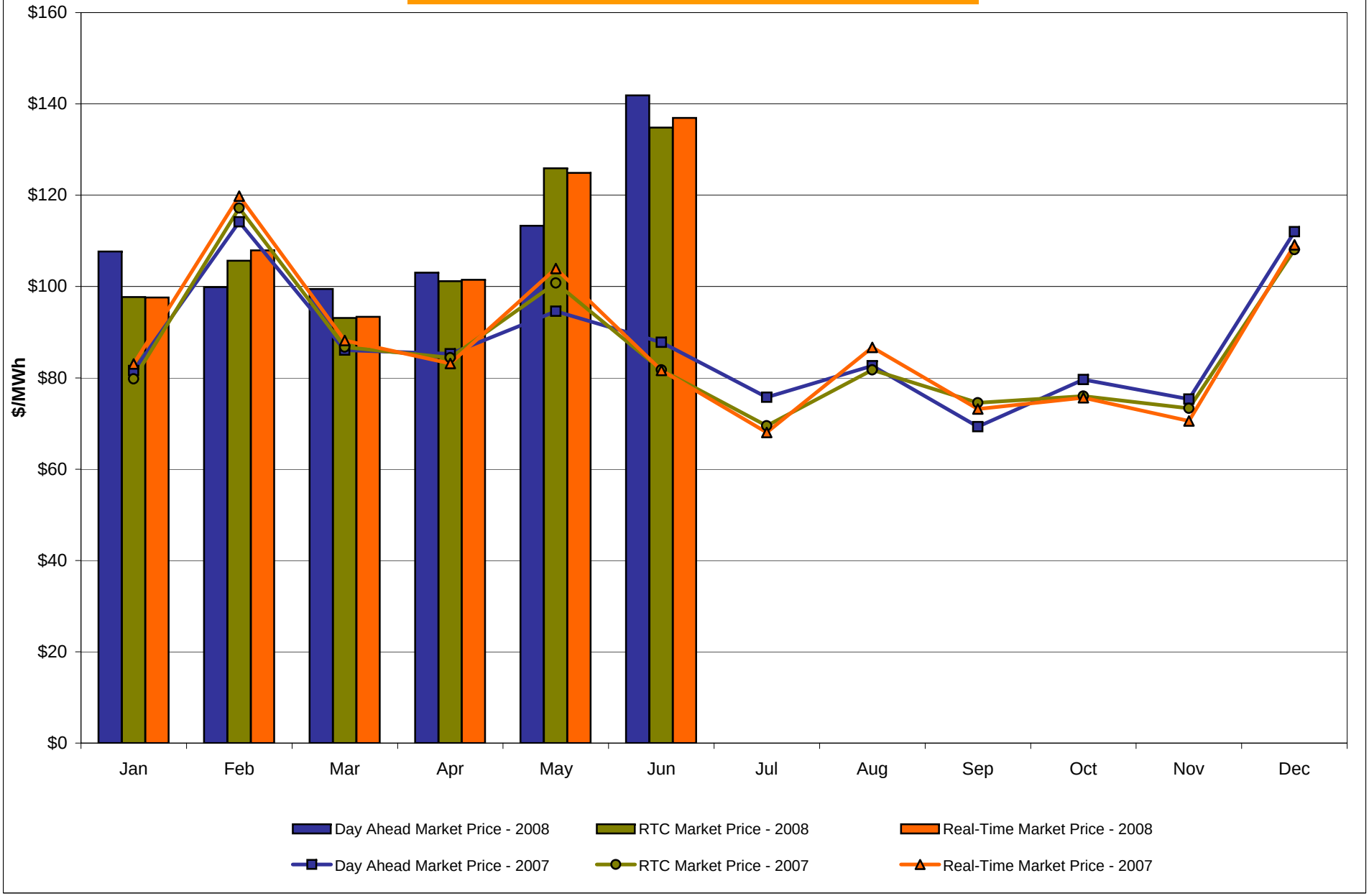
Hudson Valley Zone G
Monthly Average LBMP Prices 2007 - 2008

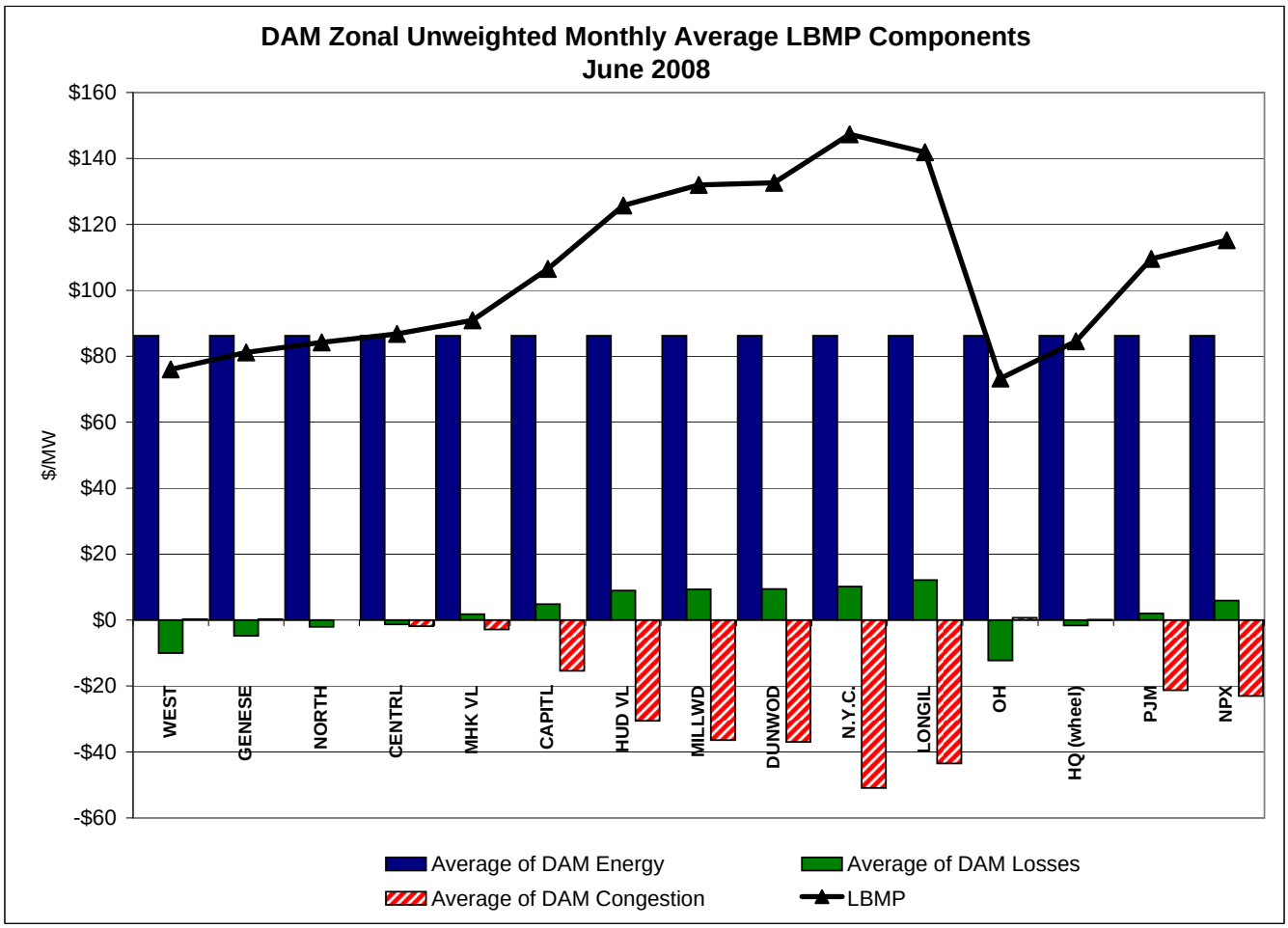


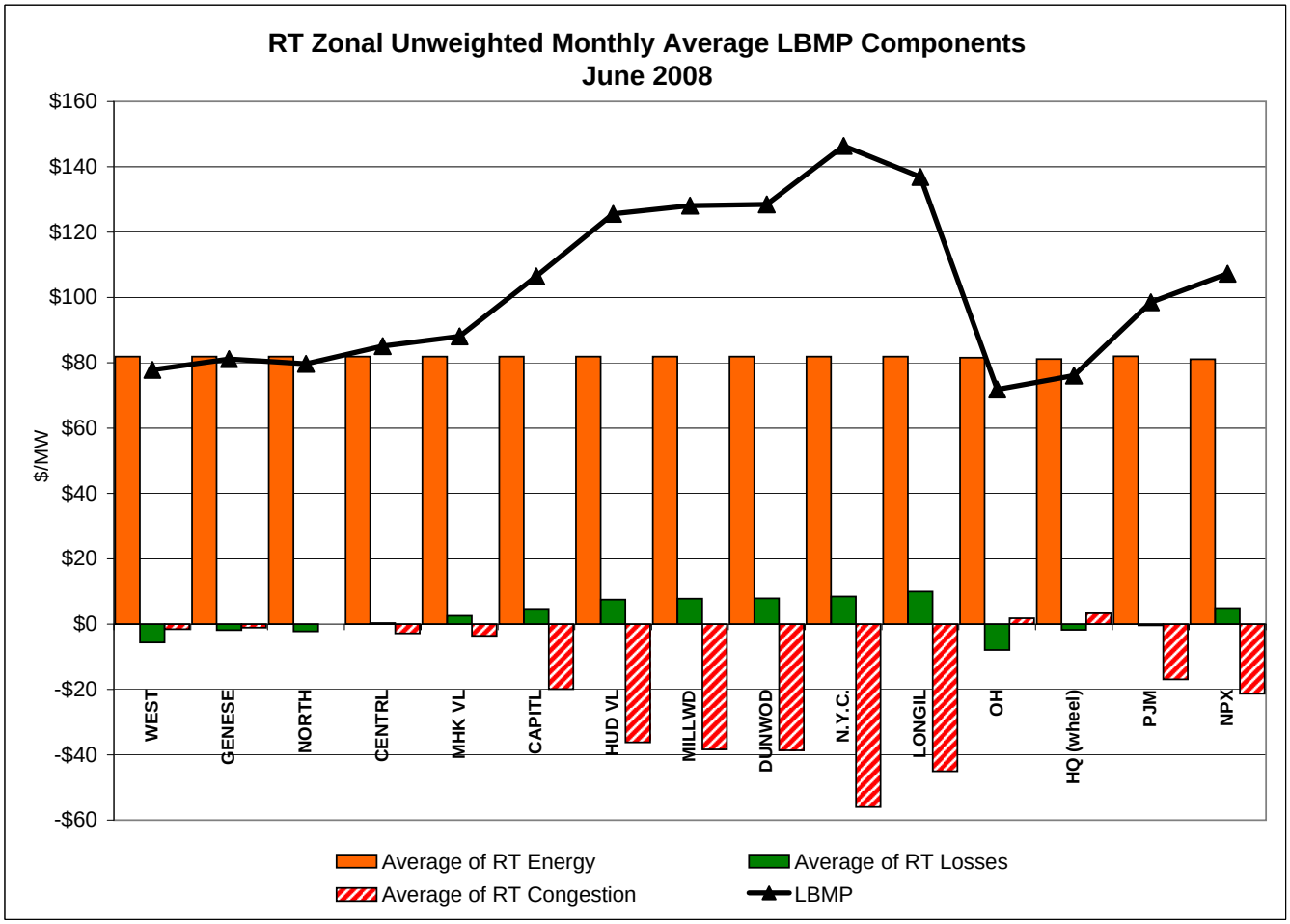
NYC Zone J
Monthly Average LBMP Prices 2007 - 2008



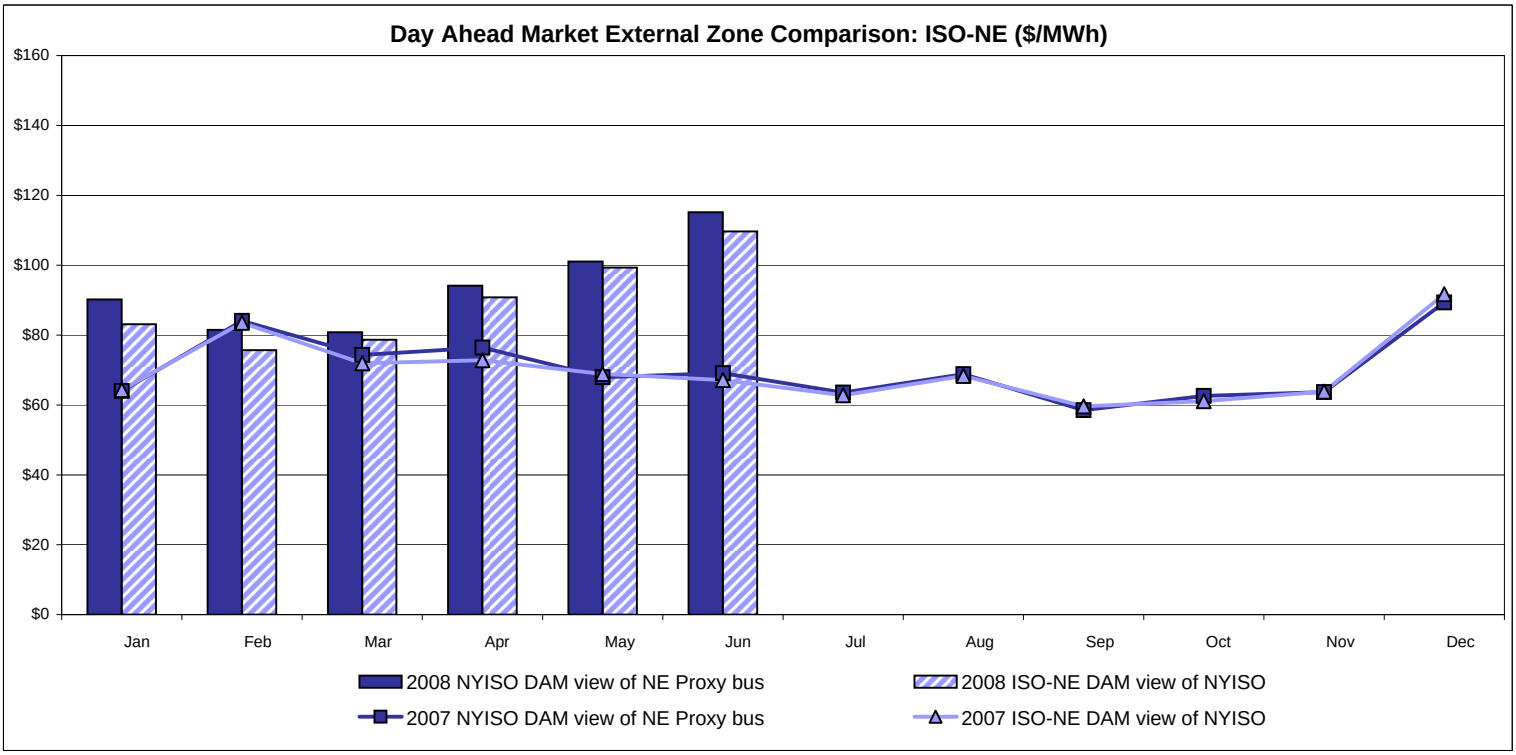
Long Island Zone K
Monthly Average LBMP Prices 2007 - 2008

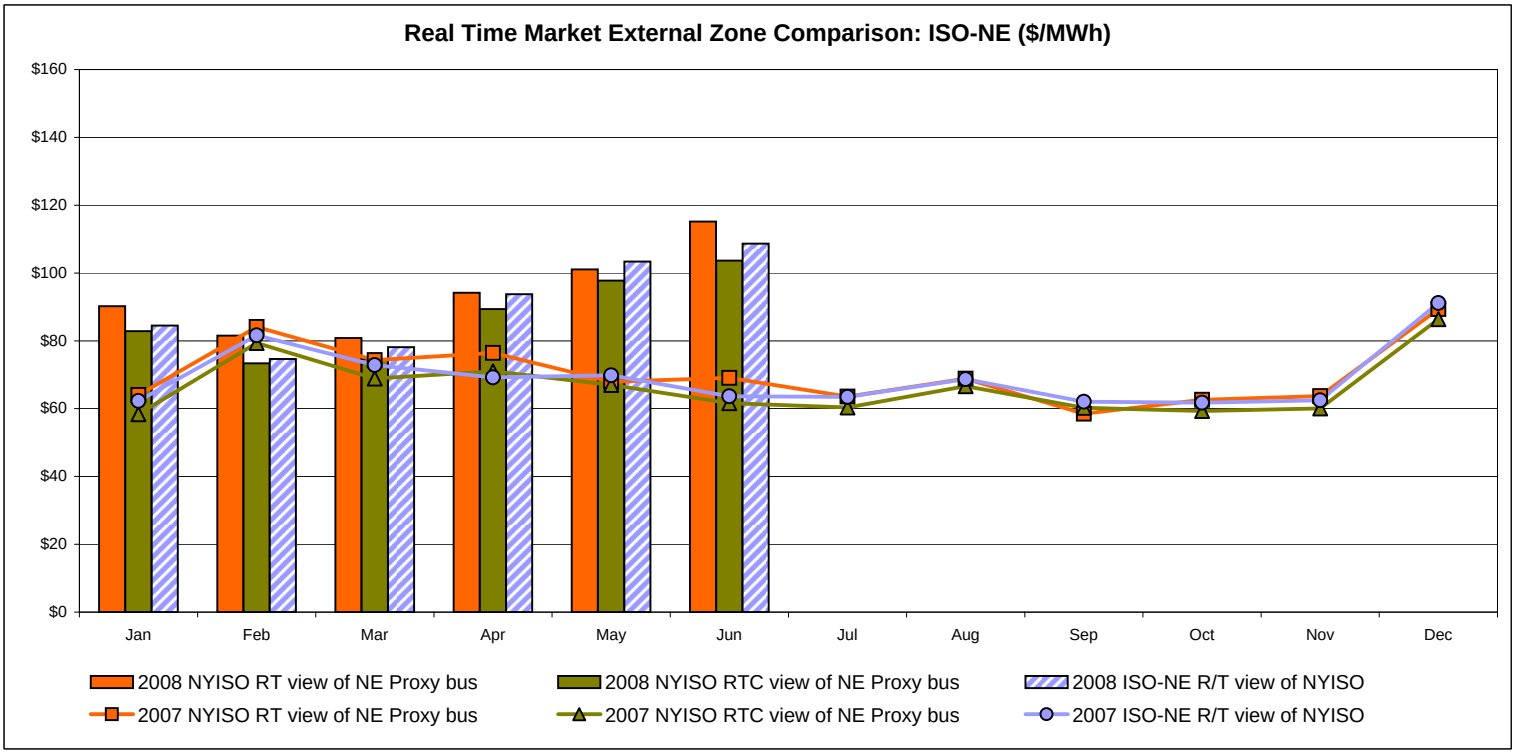



DAM Zonal Unweighted Monthly Average LBMP Components
June 2008
$160
$140
$120
$100
$80
$60
$40
$20
$0
-$20
-$40
-$60
$/MW
WEST
GENESE
NORTH
CENTRL
MHK VL
CAPITL
HUD VL
MILLWD
DUNWOD
N.Y.C.
LONGIL
OH
HQ (wheel)
PJM
NPX
Average of DAM Energy
Average of DAM Losses
Average of DAM Congestion
LBMP


RT Zonal Unweighted Monthly Average LBMP Components
June 2008
$160
$140
$120
$100
$80
$60
$40
$20
$0
-$20
-$40
-$60
$/MW
WEST
GENESE
NORTH
CENTRL
MHK VL
CAPITL
HUD VL
MILLWD
DUNWOD
N.Y.C.
LONGIL
OH
HQ (wheel)
PJM
NPX
Average of RT Energy
Average of RT Losses
Average of RT Congestion
LBMP

External Comparison ISO-New England





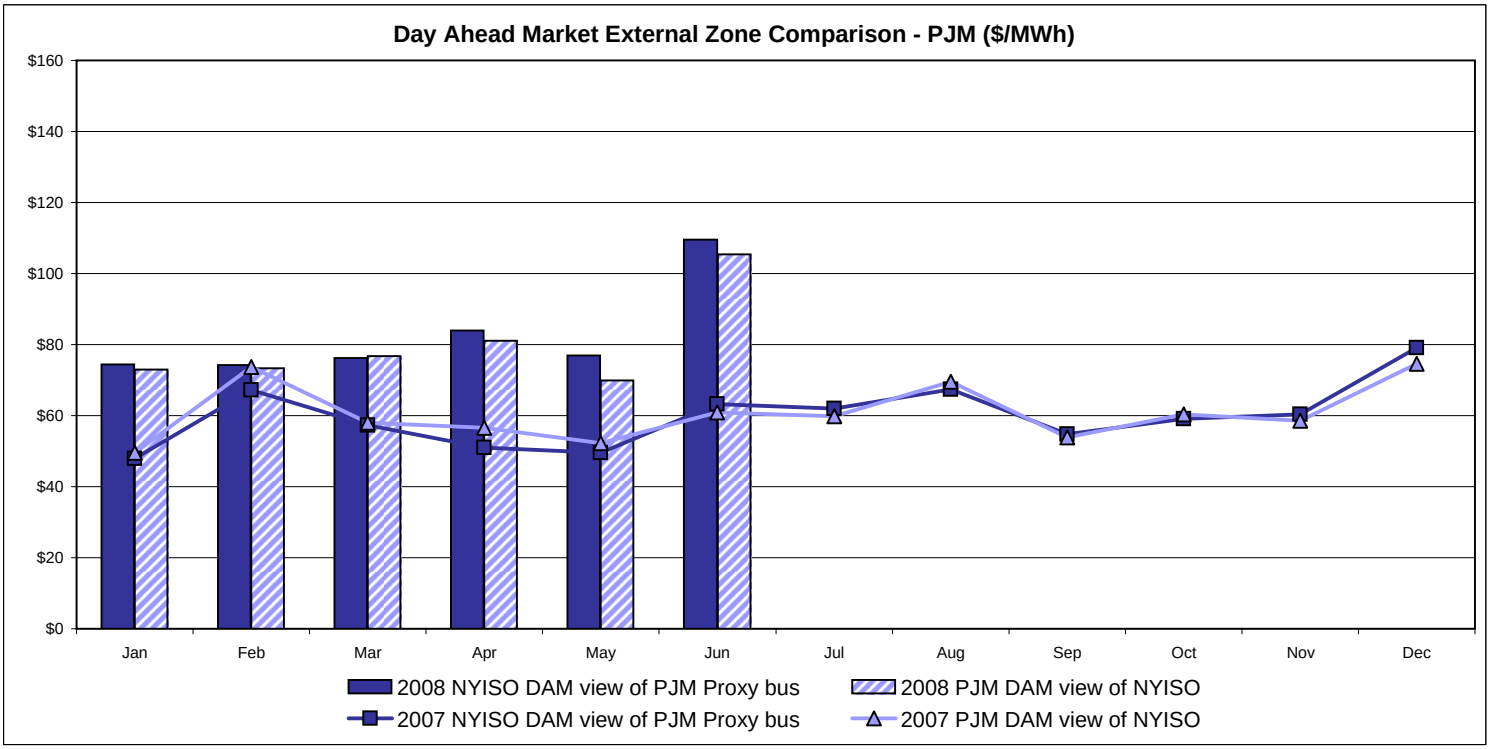
Note:

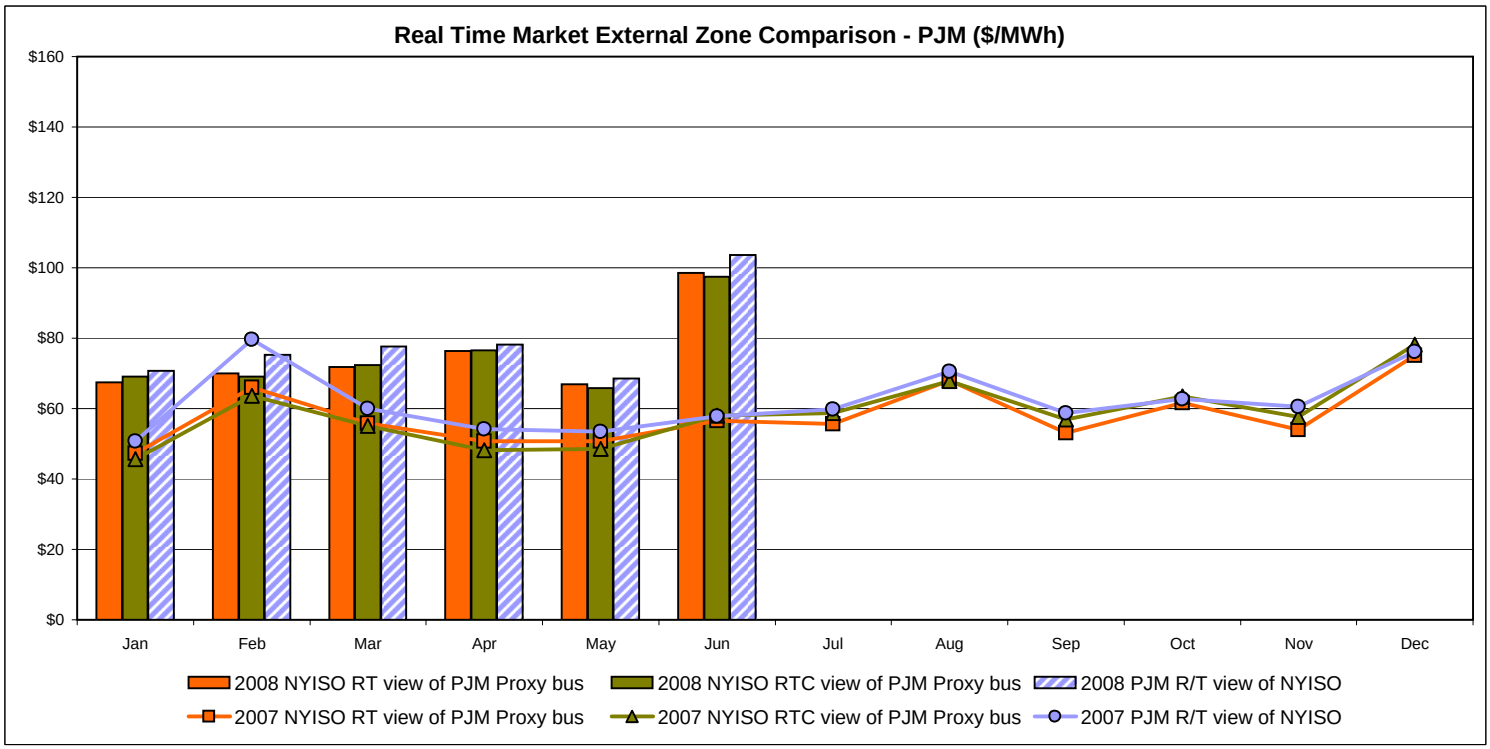
ISO-NE Forecast is an advisory posting @ 18:00 day before.

The DAM and R/T prices at the Roseton interface are used for ISO-NE.

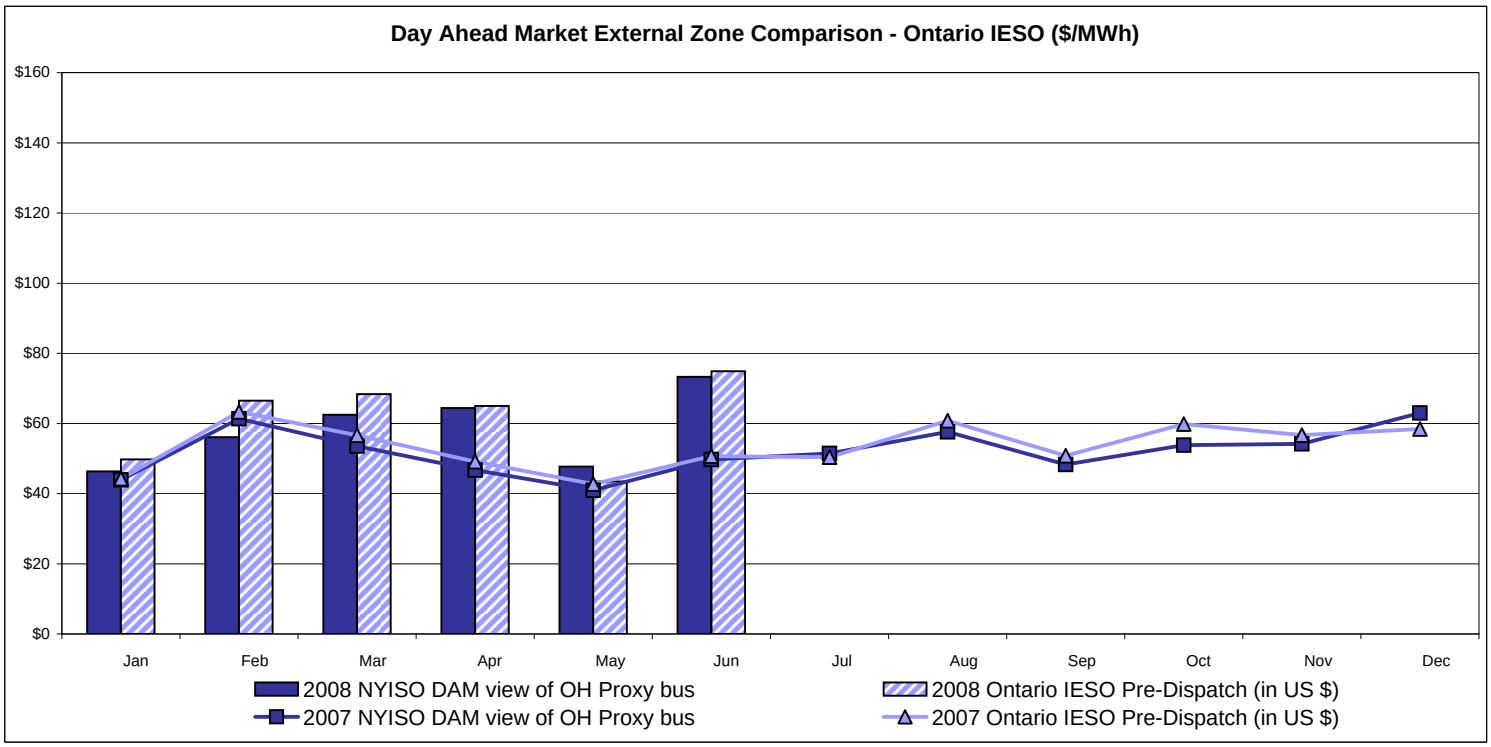
The DAM and R/T prices at the SandyPond interface are used for NYISO.

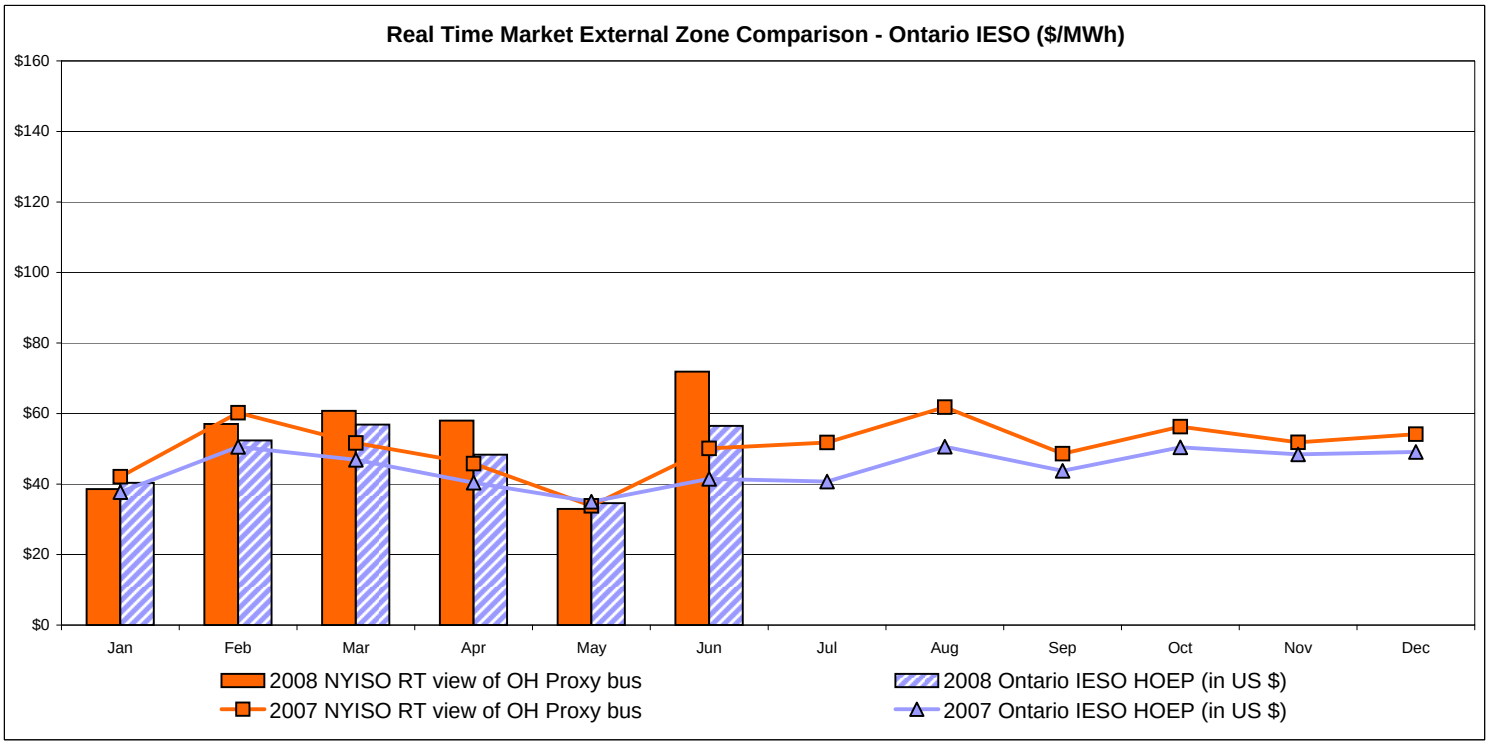
External Comparison PJM





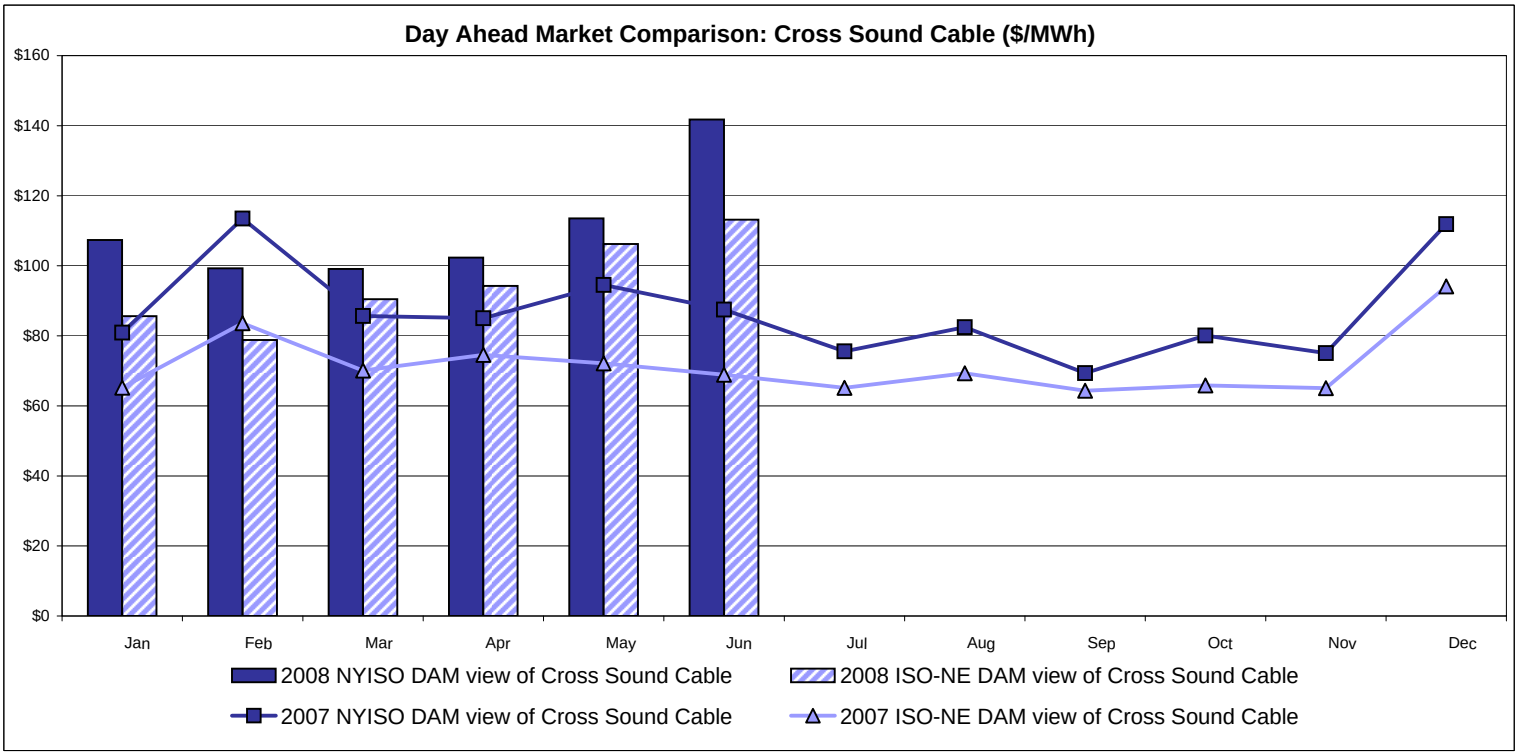
External Comparison Ontario IESO

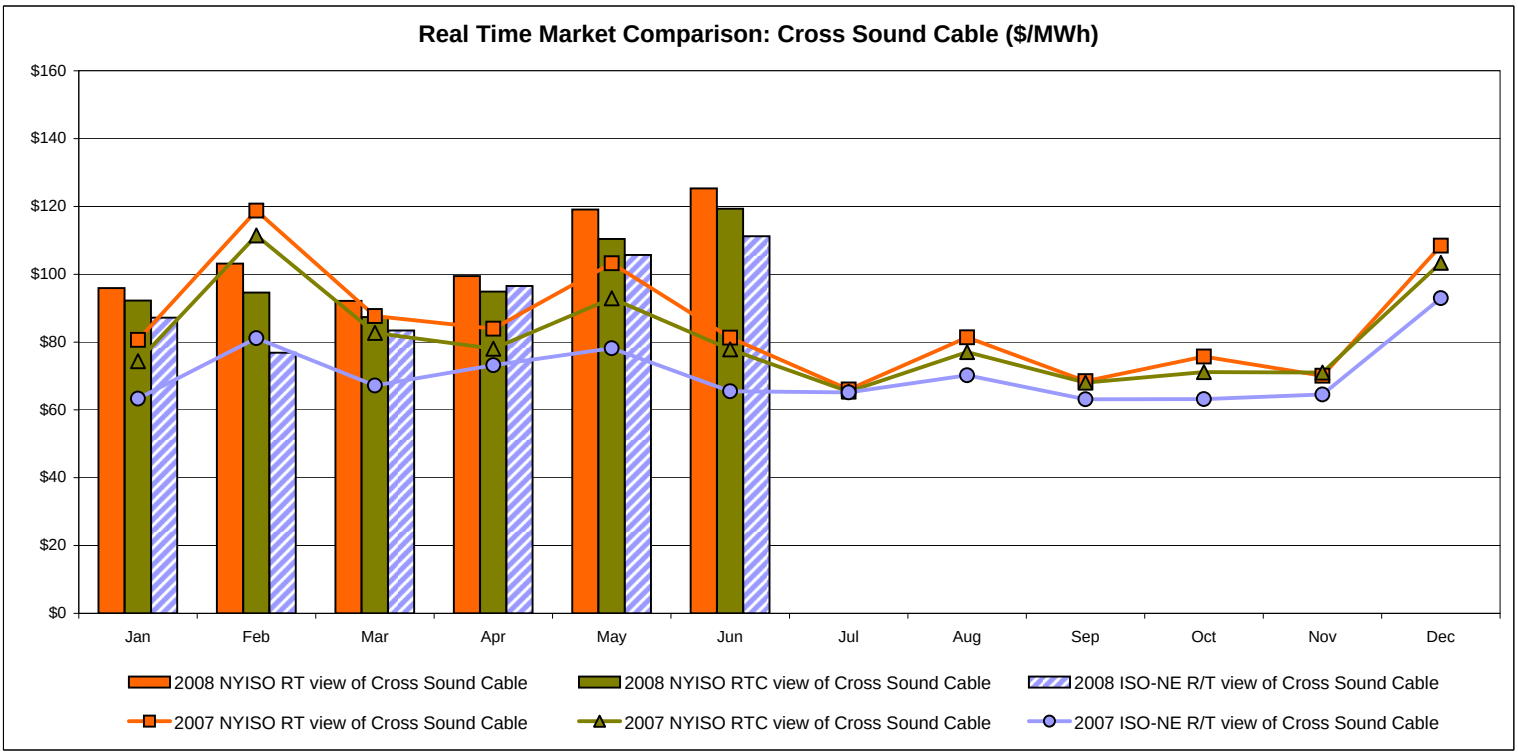




Notes: Exchange factor used for June 2008 was .98 to US $
HOEP: Hourly Ontario Energy Price
Pre-Dispatch: Projected Energy Price

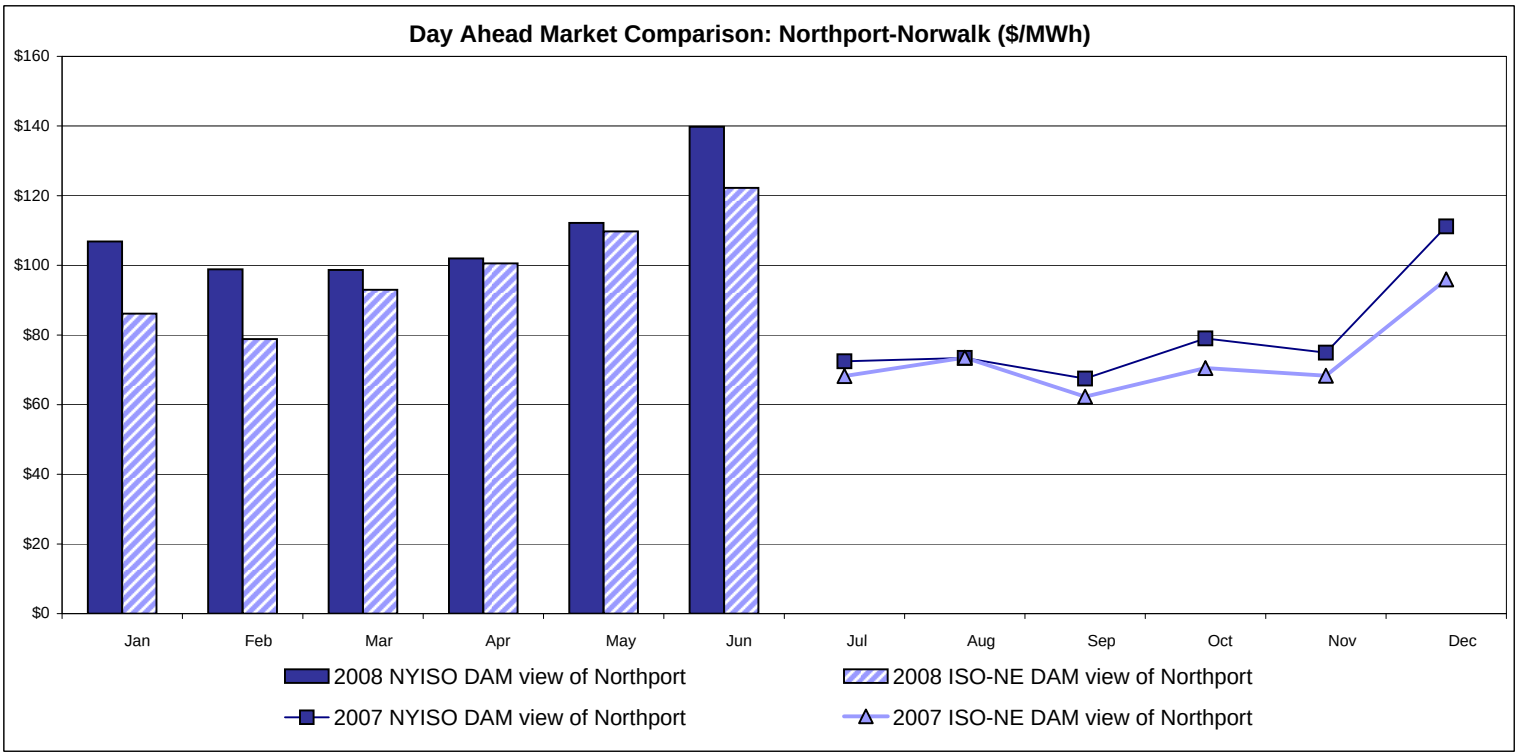
External Controllable Line: Cross Sound Cable (New England)

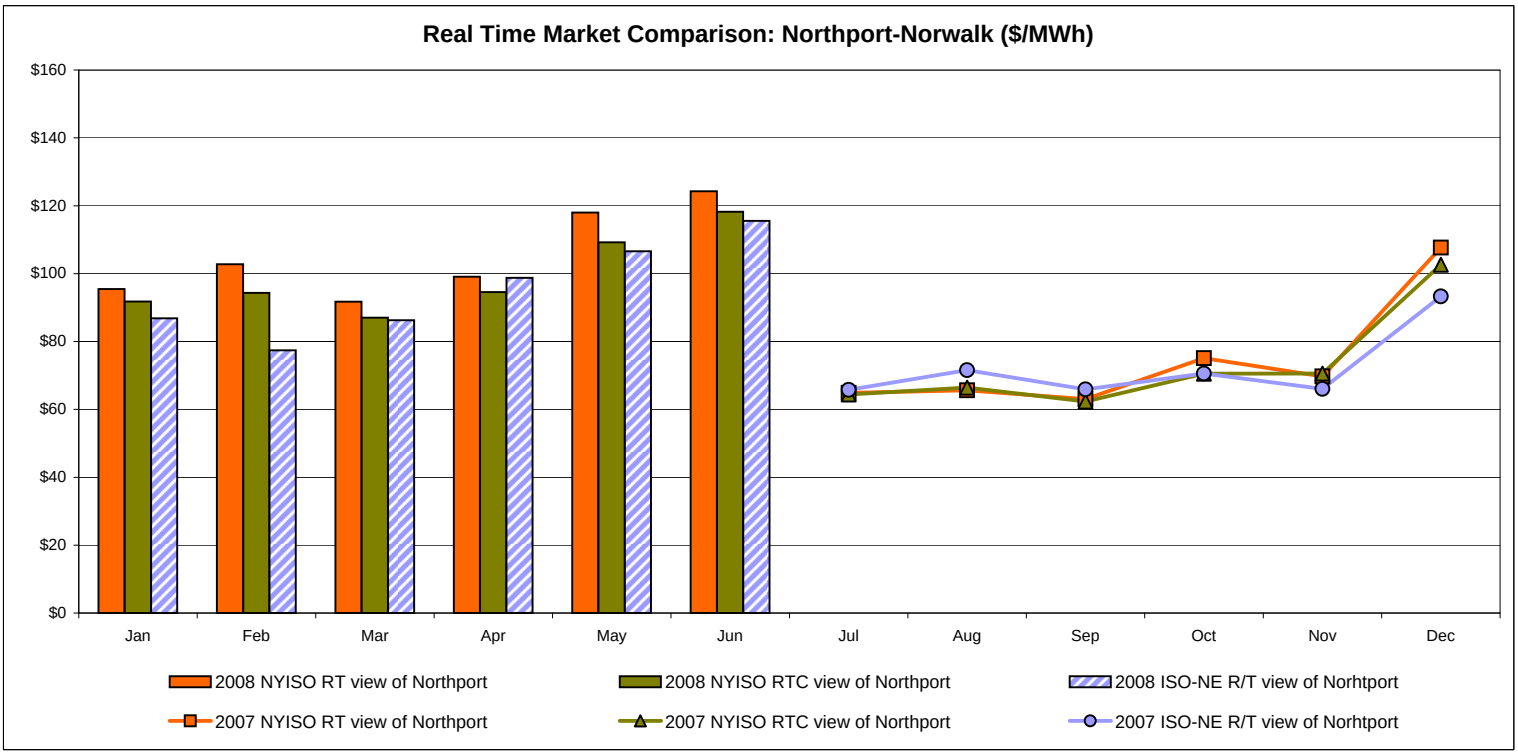




Note:
ISO-NE Forecast is an advisory posting @ 18:00 day before.
The DAM and R/T prices at the Shorham138 99 interface are used for ISO-NE.
The DAM and R/T prices at the CSC interface are used for NYISO.

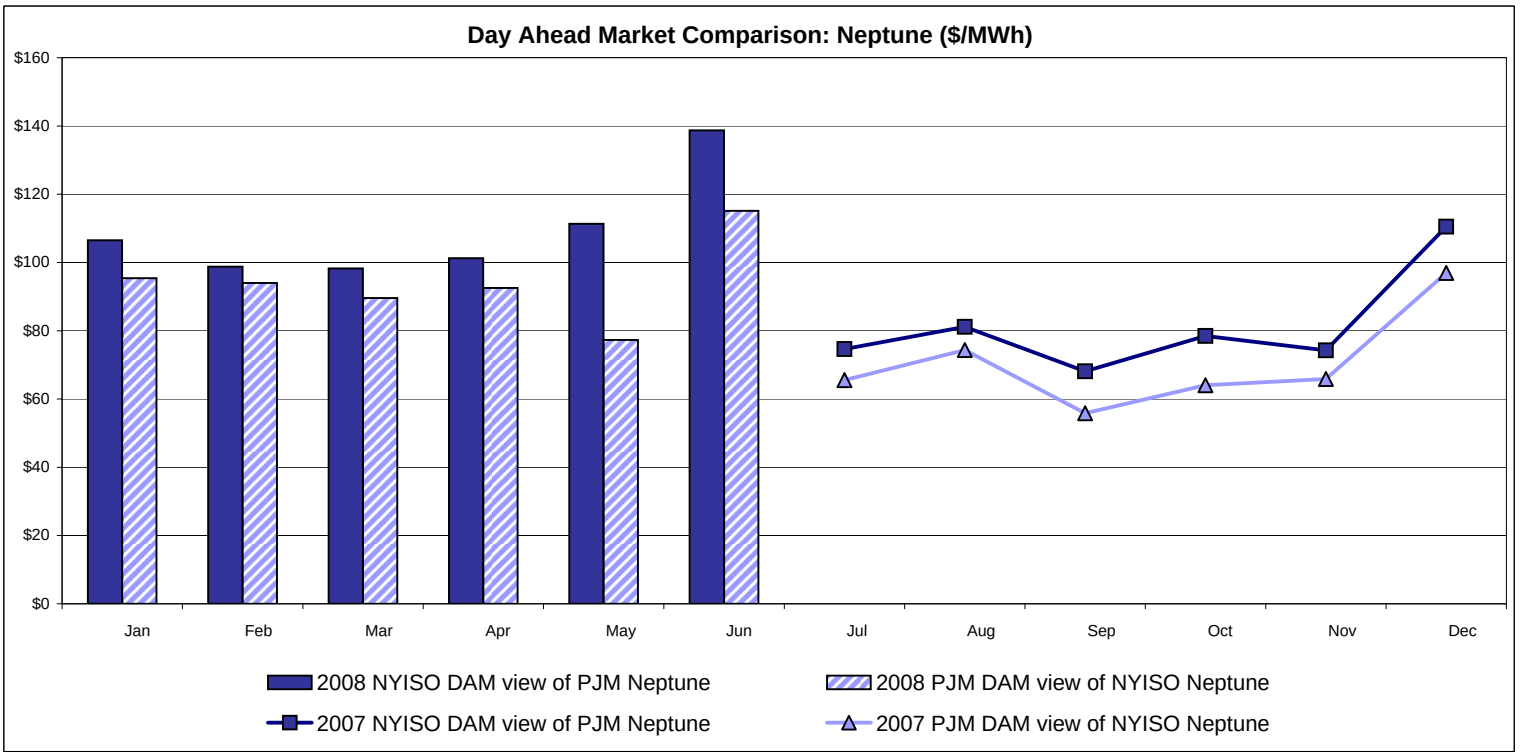
External Controllable Line: Northport - Norwalk (New England)

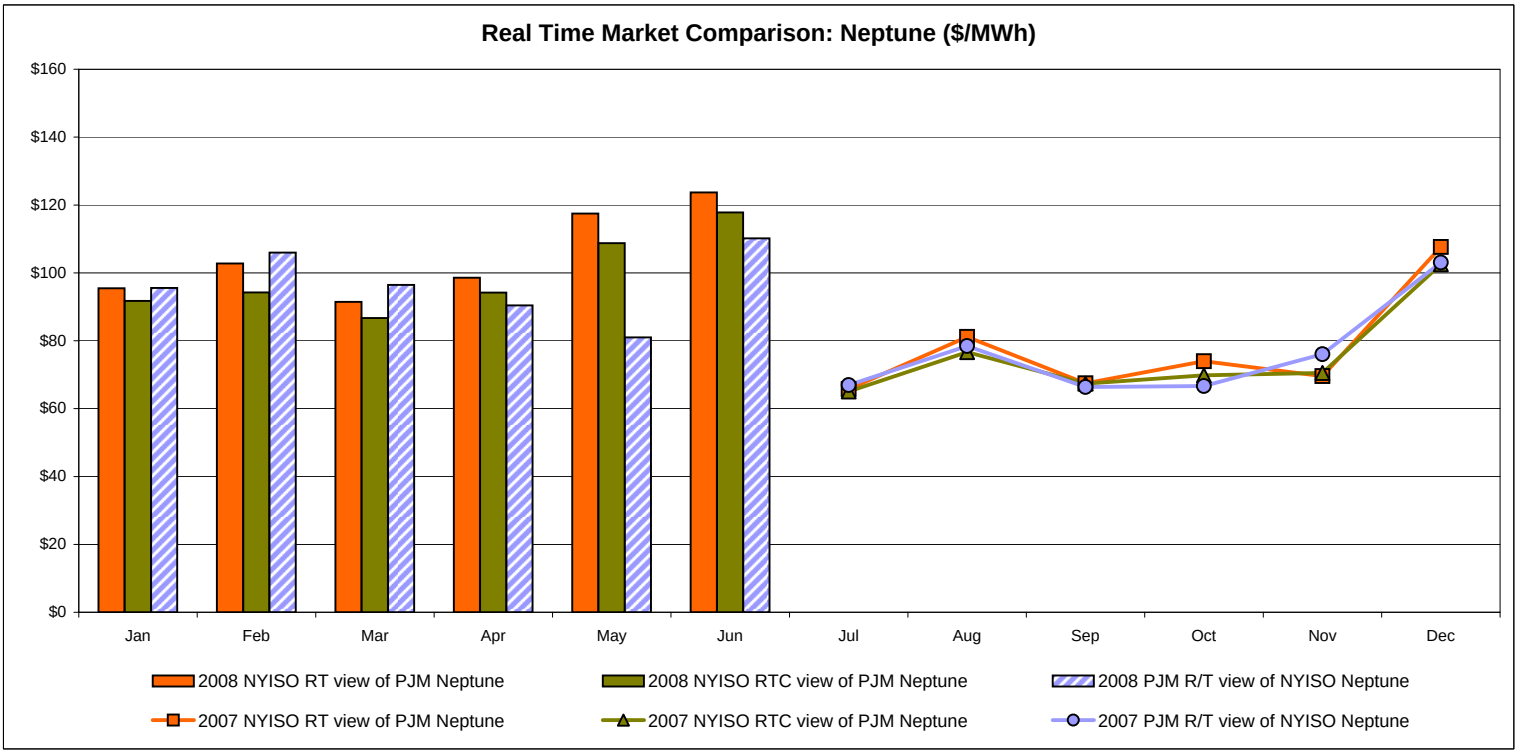




Note:
ISO-NE Forecast is an advisory posting @ 18:00 day before.
The DAM and R/T prices at the Northport 138 interface are used for ISO-NE.
The DAM and R/T prices at the 1385 interface are used for NYISO.
Data available beginning 7/1/2007.

External Controllable Line: Neptune (PJM)





Note:
Data available beginning 7/1/2007.

NYISO Real Time Price Correction Statistics

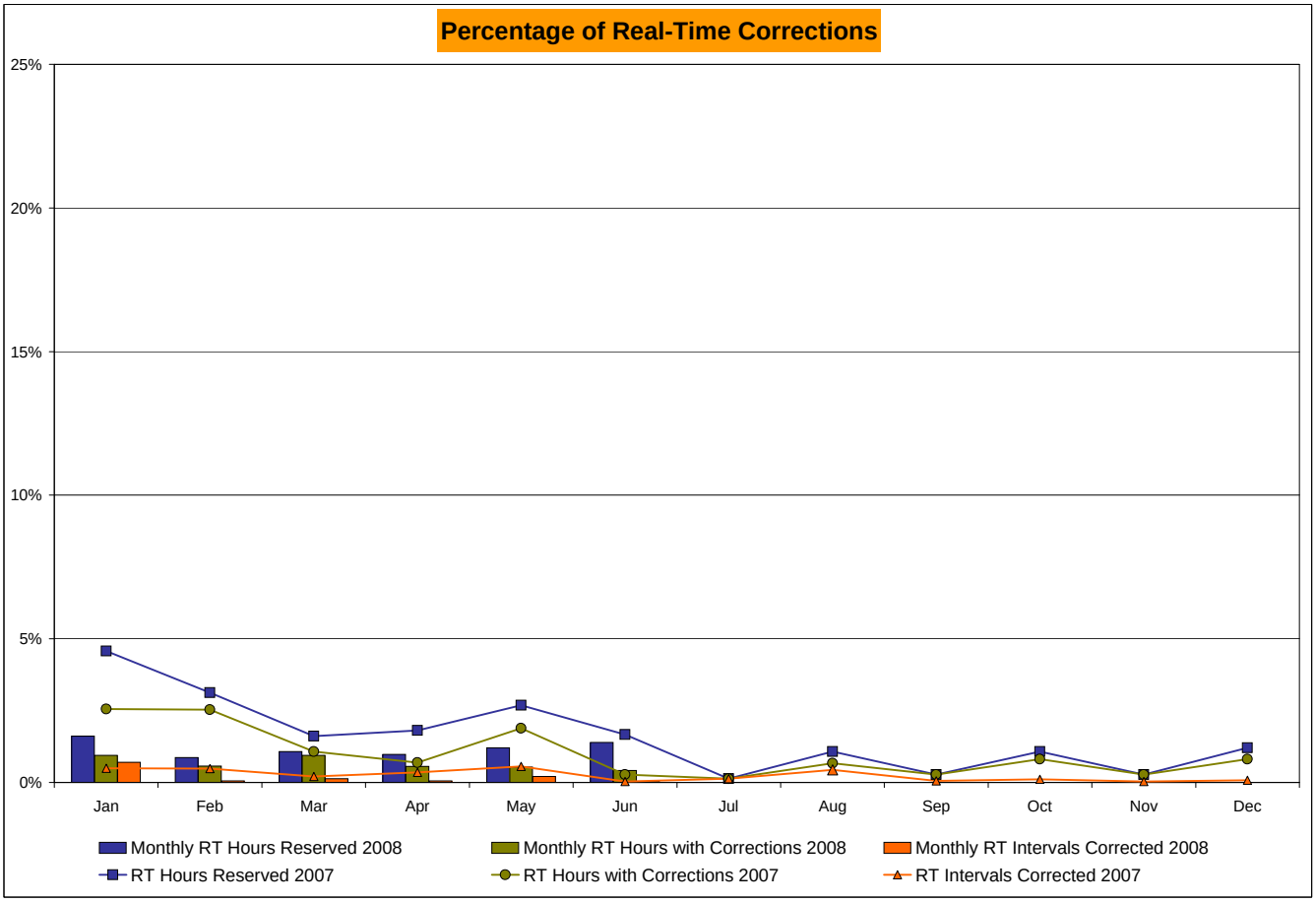
2008		January	February	March	April	May	June	July	August	September	October	November	December
Hour Corrections													
Number of hours with corrections	in the month	7	4	7	4	4	3						
Number of hours	in the month	744	696	744	720	744	720						
% of hours with corrections	in the month	0.94%	0.57%	0.94%	0.56%	0.54%	0.42%						
% of hours with corrections	year-to-date	0.94%	0.76%	0.82%	0.76%	0.71%	0.66%						
Interval Corrections													
Number of intervals corrected	in the month	63	5	12	5	19	3						
Number of intervals	in the month	8,956	8,387	8,939	8,650	8,989	8,643						
% of intervals corrected	in the month	0.70%	0.06%	0.13%	0.06%	0.21%	0.03%						
% of intervals corrected	year-to-date	0.70%	0.39%	0.30%	0.24%	0.24%	0.20%						
Hours Reserved													
Number of hours reserved	in the month	12	6	8	7	9	10						
Number of hours	in the month	744	696	744	720	744	720						
% of hours reserved	in the month	1.61%	0.86%	1.08%	0.97%	1.21%	1.39%						
% of hours reserved	year-to-date	1.61%	1.25%	1.19%	1.14%	1.15%	1.19%						
Days to Correction *													
Avg. number of days to correction	in the month	1.00	1.33	1.20	0.50	0.50	1.00						
Avg. number of days to correction	year-to-date	1.00	1.17	1.18	1.00	0.89	0.91						
Days Without Corrections													
Days without corrections	in the month	28	26	26	26	27	27						
Days without corrections	year-to-date	28	54	80	106	133	160						

2007		January	February	March	April	May	June	July	August	September	October	November	December
Hour Corrections													
Number of hours with corrections	in the month	19	17	8	5	14	2	1	5	2	6	2	6
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	2.55%	2.53%	1.08%	0.69%	1.88%	0.28%	0.13%	0.67%	0.28%	0.81%	0.28%	0.81%
% of hours with corrections	year-to-date	2.55%	2.54%	2.04%	1.70%	1.74%	1.50%	1.30%	1.22%	1.11%	1.08%	1.01%	0.99%
Interval Corrections													
Number of intervals corrected	in the month	44	39	19	31	50	3	12	39	5	10	3	7
Number of intervals	in the month	8,954	8,115	9,006	8,742	9,025	8,707	9,008	8,994	8,685	8,970	8,695	8,979
% of intervals corrected	in the month	0.49%	0.48%	0.21%	0.35%	0.55%	0.03%	0.13%	0.43%	0.06%	0.11%	0.03%	0.08%
% of intervals corrected	year-to-date	0.49%	0.49%	0.39%	0.38%	0.42%	0.35%	0.32%	0.34%	0.31%	0.29%	0.26%	0.25%
Hours Reserved													
Number of hours reserved	in the month	34	21	12	13	20	12	1	8	2	8	2	9
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	4.57%	3.13%	1.61%	1.81%	2.69%	1.67%	0.13%	1.08%	0.28%	1.08%	0.28%	1.21%
% of hours reserved	year-to-date	4.57%	3.88%	3.10%	2.78%	2.76%	2.58%	2.22%	2.07%	1.88%	1.80%	1.66%	1.62%
Days to Correction *													
Avg. number of days to correction	in the month	0.83	1.43	1.20	1.00	1.78	1.50	0.00	0.75	1.50	1.00	1.00	1.40
Avg. number of days to correction	year-to-date	0.83	1.05	1.08	1.07	1.25	1.26	1.23	1.19	1.20	1.18	1.17	1.18
Days Without Corrections													
Days without corrections	in the month	19	21	26	27	22	28	30	27	28	25	29	26
Days without corrections	year-to-date	19	40	66	93	115	143	173	200	228	253	282	308

* Calendar days from reservation date.

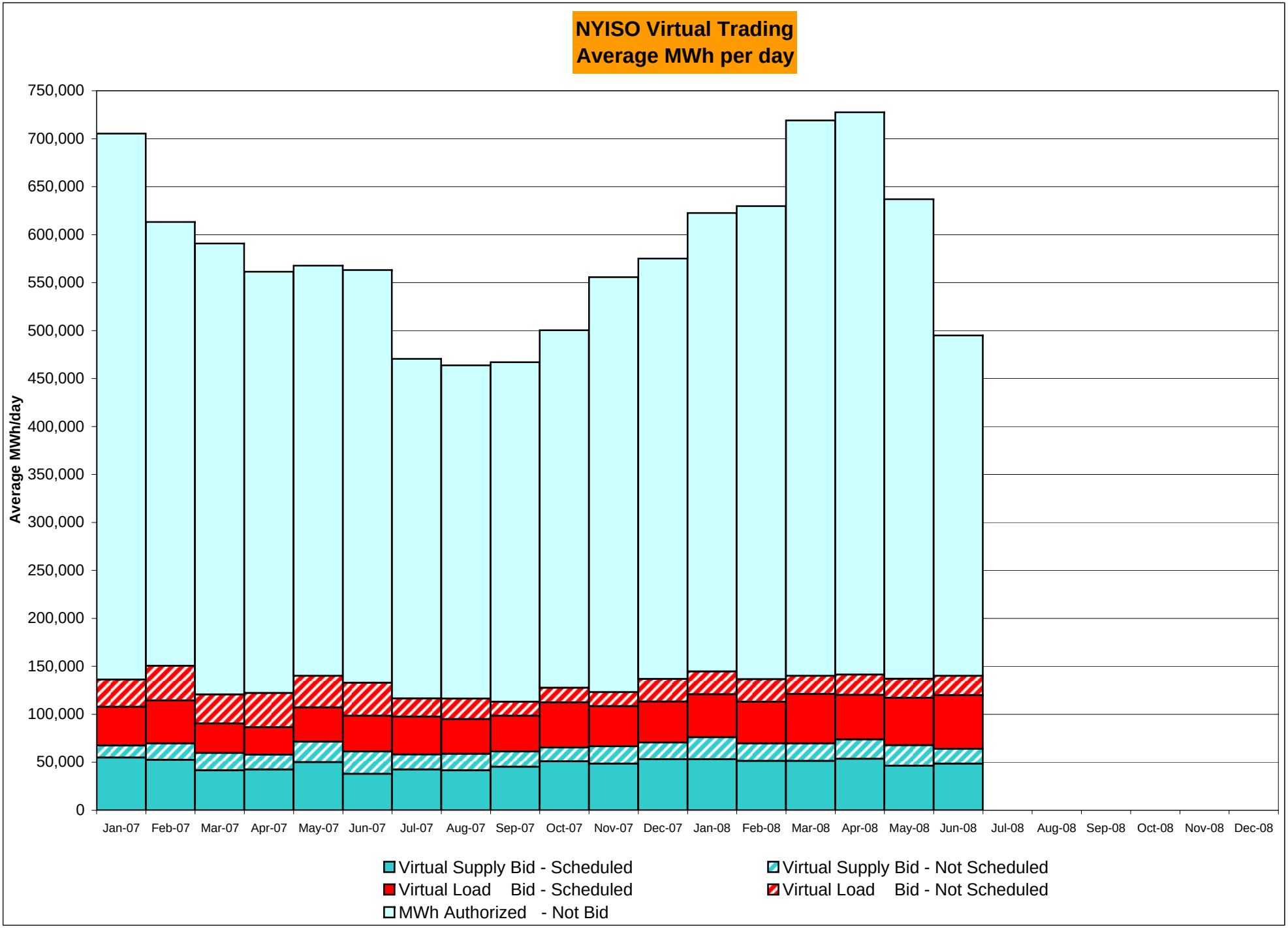
Market Monitoring
Prepared 7/7/2008 14:00

Percentage of Real-Time Corrections

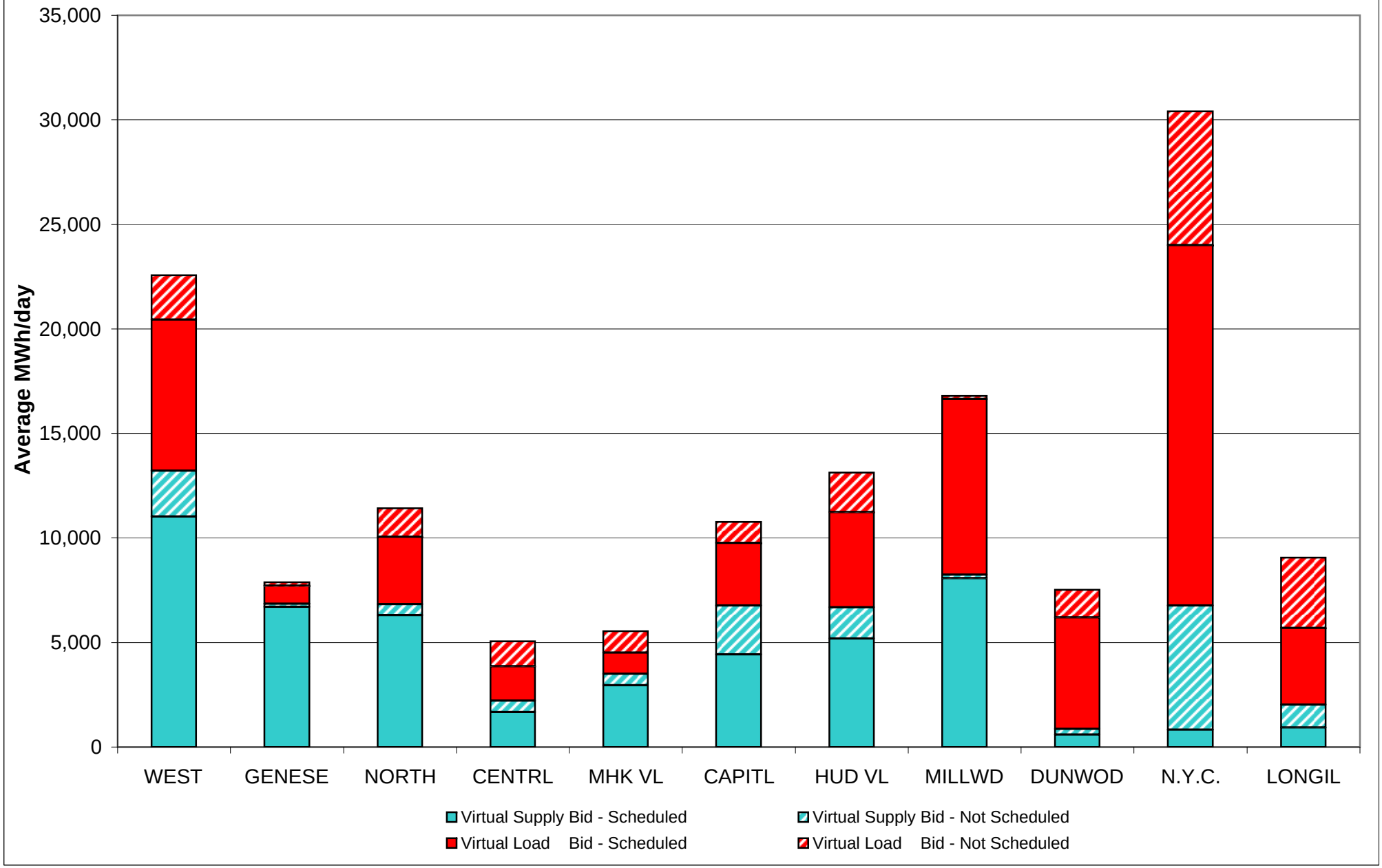


Annual average time period for making Price Corrections (from reservation date) *

* Calendar days from reservation date.


NYISO Virtual Trading
Average MWh per day
Average MWh/day
750,000
700,000
650,000
600,000
550,000
500,000
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
Sep-07
Oct-07
Nov-07
Dec-07
Jan-08
Feb-08
Mar-08
Apr-08
May-08
Jun-08
Jul-08
Aug-08
Sep-08
Oct-08
Nov-08
Dec-08
Virtual Supply Bid - Scheduled
Virtual Supply Bid - Not Scheduled
Virtual Load Bid - Scheduled
Virtual Load Bid - Not Scheduled
MWh Authorized - Not Bid

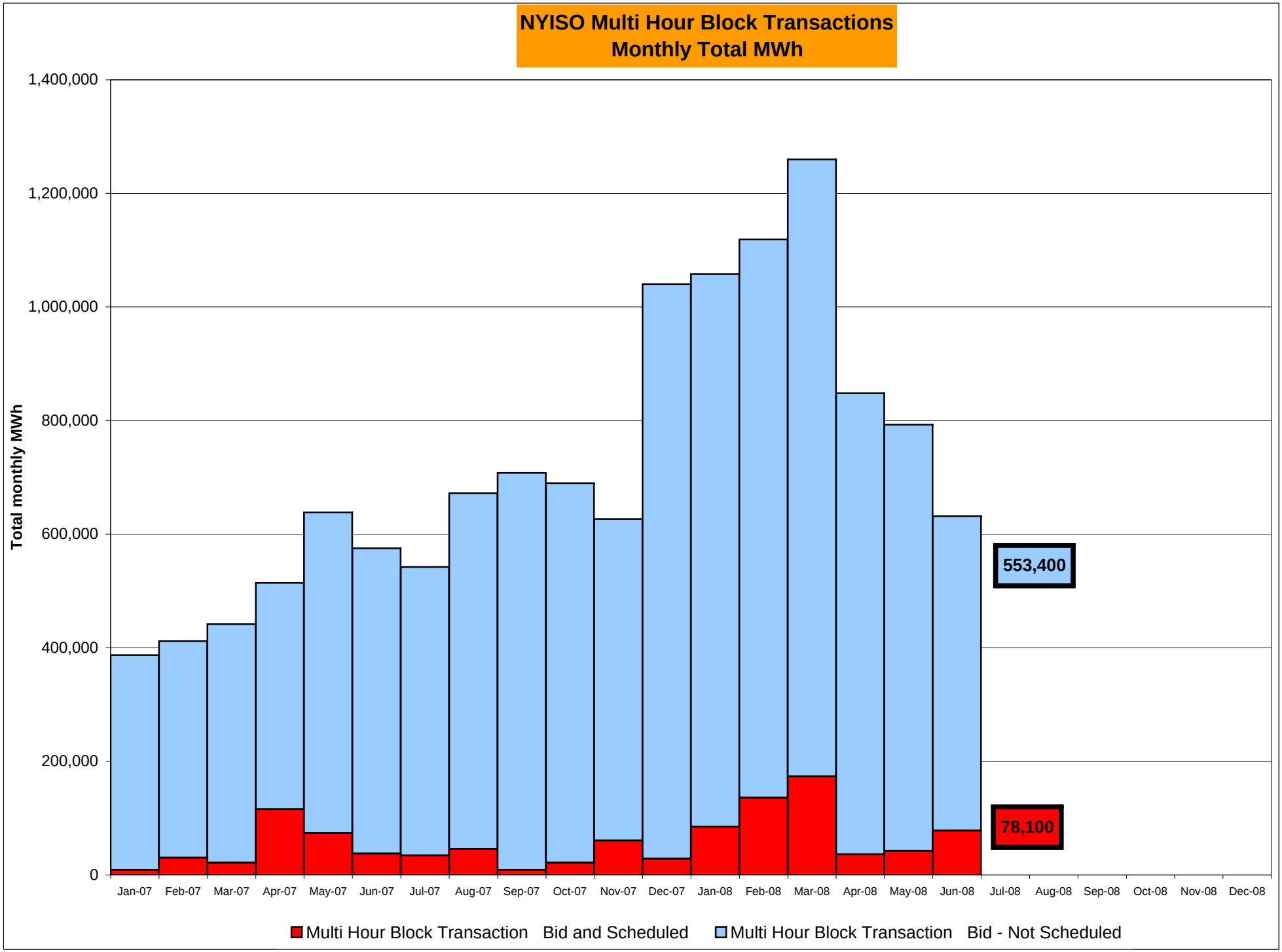
Virtual Load and Supply Zonal Statistics
June 2008



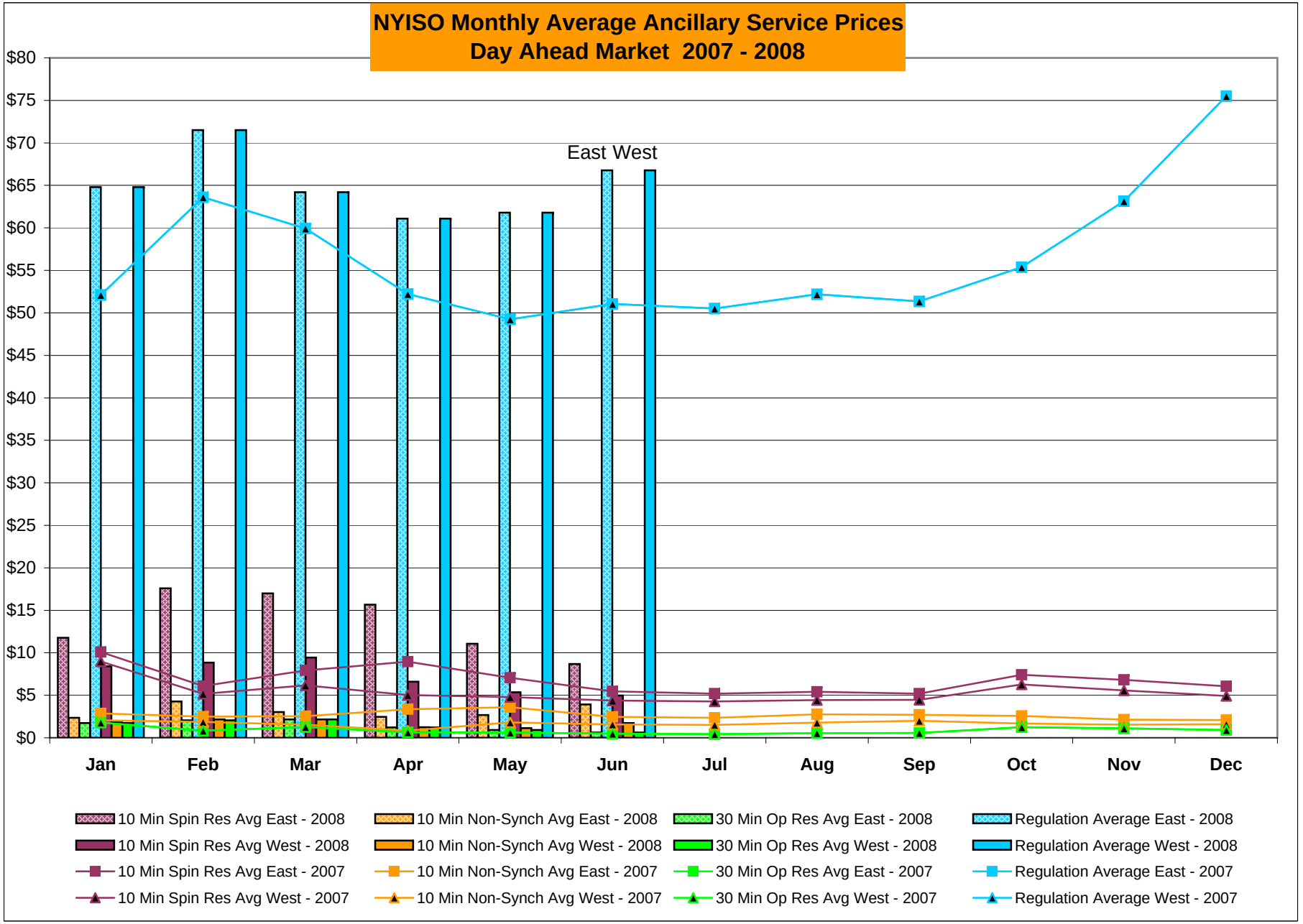
Virtual Load and Supply Zonal Statistics (Average MWh/day) - 2008

		Virtual Load Bid		Virtual Supply Bid				Virtual Load Bid		Virtual Supply Bid				Virtual Load Bid		Virtual Supply Bid	
Zone	Date	Scheduled	Not Scheduled	Scheduled	Not Scheduled	Zone	Date	Scheduled	Not Scheduled	Scheduled	Not Scheduled	Zone	Date	Scheduled	Not Scheduled	Scheduled	Not Scheduled
WEST	Jan-08	10,054	1,200	11,636	3,279	**MHK VL**	Jan-08	454	868	4,949	623	**DUNWOD**	Jan-08	215	287	519	175
	Feb-08	4,716	3,140	18,976	3,735		Feb-08	710	911	3,597	424		Feb-08	754	200	306	228
	Mar-08	10,105	2,000	7,686	1,870		Mar-08	611	918	5,237	391		Mar-08	10,146	405	1,119	84
	Apr-08	9,490	2,185	6,767	2,175		Apr-08	419	1,142	4,557	468		Apr-08	5,530	559	2,270	177
	May-08	5,936	2,460	8,722	3,188		May-08	987	1,011	3,674	648		May-08	4,526	521	1,091	129
	Jun-08	7,230	2,122	11,020	2,194		Jun-08	1,017	1,024	2,950	550		Jun-08	5,337	1,313	585	281
	Jul-08						Jul-08						Jul-08				
	Aug-08						Aug-08						Aug-08				
	Sep-08						Sep-08						Sep-08				
	Oct-08						Oct-08						Oct-08				
	Nov-08						Nov-08						Nov-08				
	Dec-08						Dec-08						Dec-08				
GENESE	Jan-08	1,115	136	12,158	1,807	**CAPITL**	Jan-08	7,278	5,128	1,203	1,968	**N.Y.C.**	Jan-08	11,271	6,374	2,514	6,494
	Feb-08	1,409	33	7,931	602		Feb-08	4,964	4,055	1,592	1,405		Feb-08	9,855	6,111	2,620	5,794
	Mar-08	2,382	60	8,175	928		Mar-08	4,880	4,158	2,120	1,518		Mar-08	10,460	4,375	1,546	8,273
	Apr-08	1,800	235	5,680	1,324		Apr-08	3,831	4,648	3,080	1,694		Apr-08	12,968	5,245	1,621	8,151
	May-08	1,319	218	6,061	1,036		May-08	4,848	3,650	2,621	2,341		May-08	12,279	4,985	1,180	6,881
	Jun-08	864	171	6,703	144		Jun-08	2,973	1,013	4,419	2,355		Jun-08	17,231	6,414	817	5,943
	Jul-08						Jul-08						Jul-08				
	Aug-08						Aug-08						Aug-08				
	Sep-08						Sep-08						Sep-08				
	Oct-08						Oct-08						Oct-08				
	Nov-08						Nov-08						Nov-08				
	Dec-08						Dec-08						Dec-08				
NORTH	Jan-08	502	1,536	5,617	2,663	**HUD VL**	Jan-08	7,667	911	10,378	2,385	**LONGIL**	Jan-08	2,333	6,093	1,837	2,651
	Feb-08	345	1,069	4,688	1,206		Feb-08	13,898	1,564	7,647	2,191		Feb-08	2,509	4,638	1,475	2,079
	Mar-08	402	961	7,771	1,534		Mar-08	5,814	1,079	8,918	1,164		Mar-08	2,459	2,736	1,550	2,103
	Apr-08	331	1,160	10,322	1,888		Apr-08	4,318	1,456	5,552	1,470		Apr-08	1,626	2,385	2,724	2,322
	May-08	1,227	1,346	6,625	2,780		May-08	3,838	1,458	4,391	2,230		May-08	3,481	2,563	1,698	1,487
	Jun-08	3,221	1,371	6,305	532		Jun-08	4,557	1,898	5,188	1,488		Jun-08	3,678	3,360	936	1,082
	Jul-08						Jul-08						Jul-08				
	Aug-08						Aug-08						Aug-08				
	Sep-08						Sep-08						Sep-08				
	Oct-08						Oct-08						Oct-08				
	Nov-08						Nov-08						Nov-08				
	Dec-08						Dec-08						Dec-08				
CENTRL	Jan-08	3,713	1,225	1,758	742	**MILLWD**	Jan-08	176	22	686	42	**NYISO**	Jan-08	44,779	23,778	53,254	22,829
	Feb-08	3,975	1,768	2,046	531		Feb-08	343	46	562	3		Feb-08	43,478	23,534	51,441	18,198
	Mar-08	2,835	2,088	2,516	418		Mar-08	1,468	67	4,662	21		Mar-08	51,561	18,848	51,300	18,305
	Apr-08	2,078	1,782	2,398	437		Apr-08	4,107	276	8,576	156		Apr-08	46,497	21,073	53,547	20,261
	May-08	2,526	1,114	2,231	693		May-08	8,458	553	8,003	107		May-08	49,424	19,880	46,297	21,519
	Jun-08	1,630	1,220	1,668	548		Jun-08	8,415	150	8,075	163		Jun-08	56,153	20,056	48,666	15,280
	Jul-08						Jul-08						Jul-08				
	Aug-08						Aug-08						Aug-08				
	Sep-08						Sep-08						Sep-08				
	Oct-08						Oct-08						Oct-08				
	Nov-08						Nov-08						Nov-08				
	Dec-08						Dec-08						Dec-08				

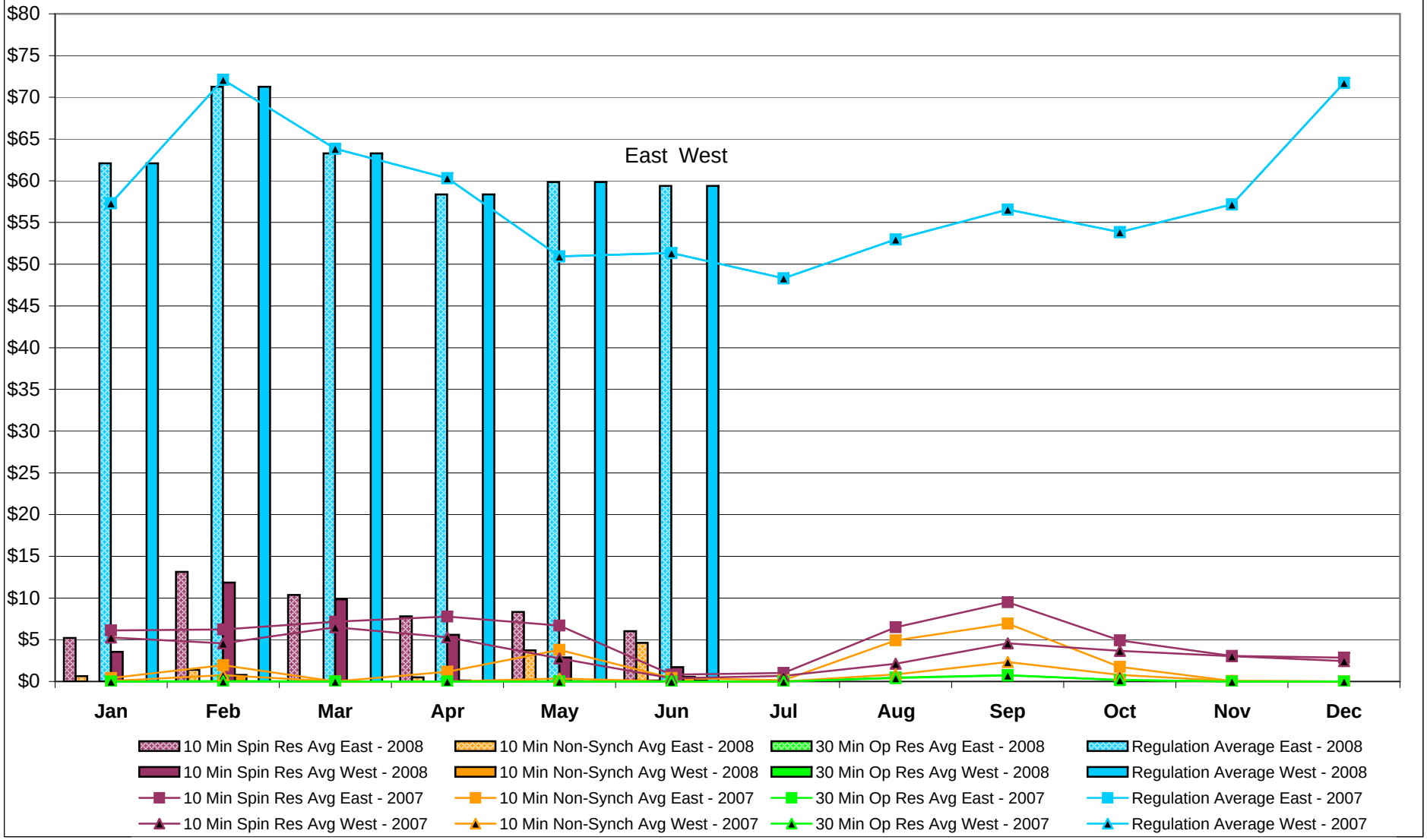
NYISO Multi Hour Block Transactions
Monthly Total MWh

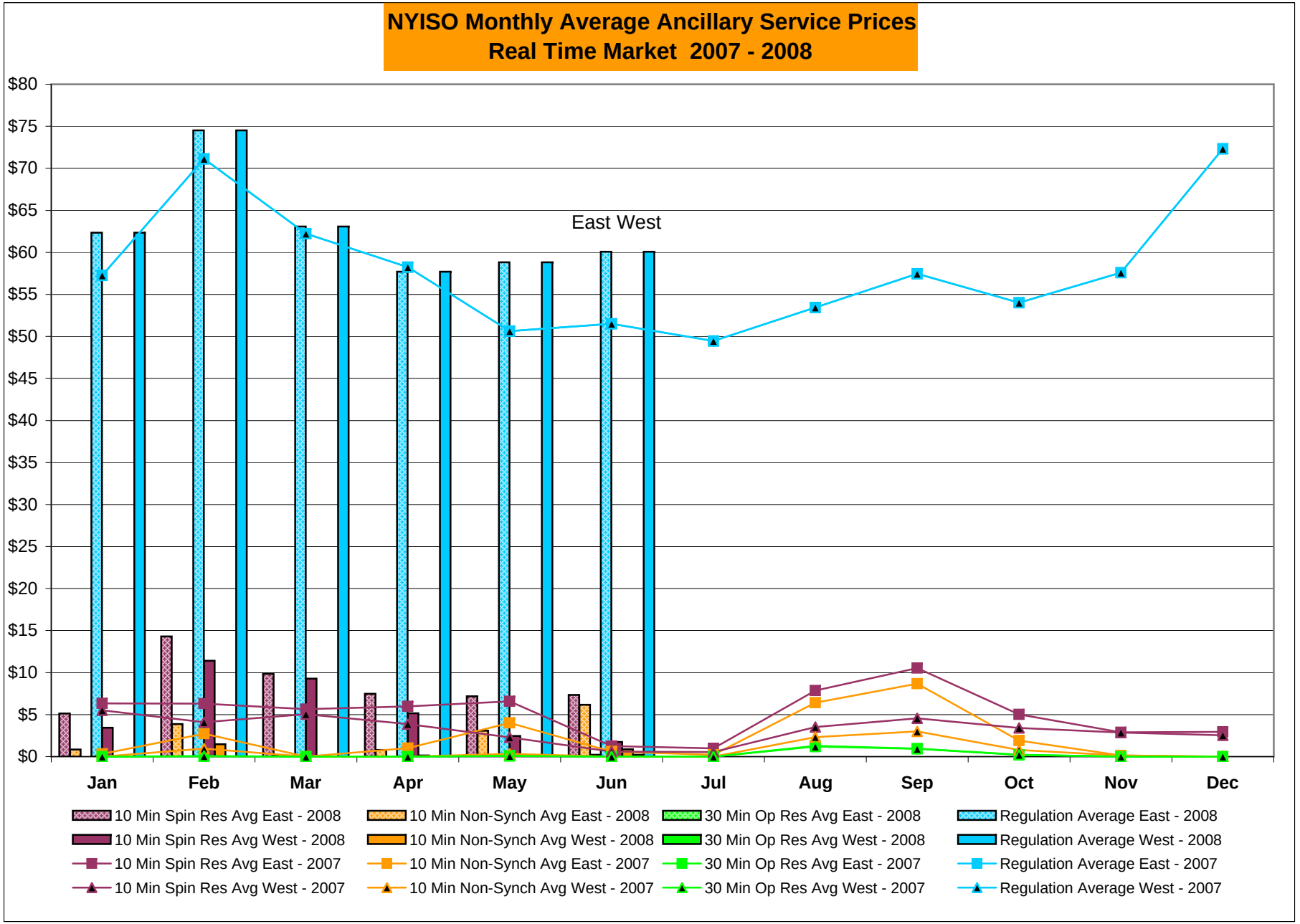


Market Monitoring
Prepared: 7/8/2008 9:30


NYISO Monthly Average Ancillary Service Prices
Day Ahead Market 2007 - 2008
East West
$80
$75
$70
$65
$60
$55
$50
$45
$40
$35
$30
$25
$20
$15
$10
$5
$0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
10 Min Spin Res Avg East - 2008
10 Min Non-Synch Avg East - 2008
30 Min Op Res Avg East - 2008
Regulation Average East - 2008
10 Min Spin Res Avg West - 2008
10 Min Non-Synch Avg West - 2008
30 Min Op Res Avg West - 2008
Regulation Average West - 2008
10 Min Spin Res Avg East - 2007
10 Min Non-Synch Avg East - 2007
30 Min Op Res Avg East - 2007
Regulation Average East - 2007
10 Min Spin Res Avg West - 2007
10 Min Non-Synch Avg West - 2007
30 Min Op Res Avg West - 2007
Regulation Average West - 2007

NYISO Monthly Average Ancillary Service Prices
RTC Market 2007 - 2008



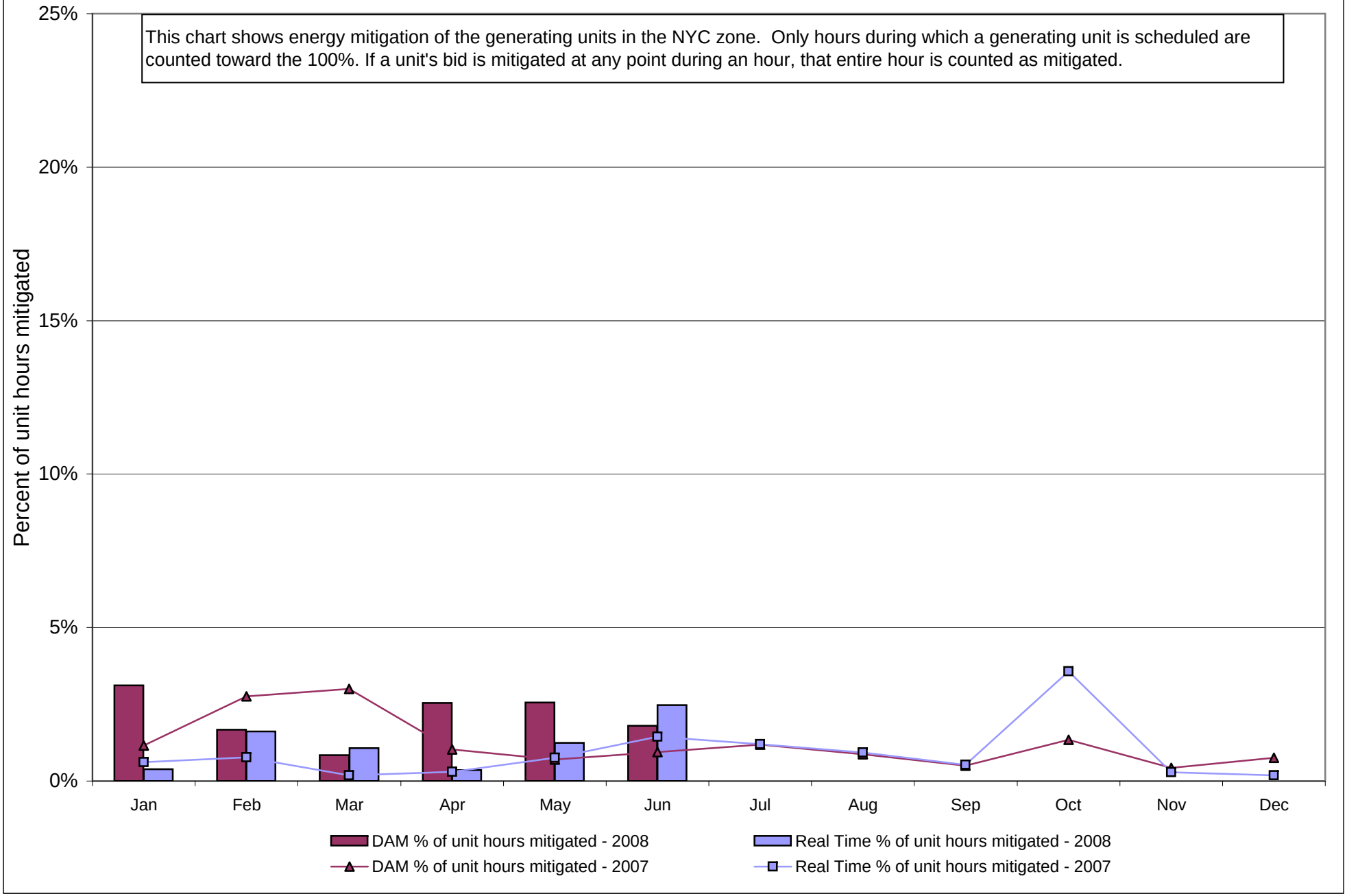

NYISO Monthly Average Ancillary Service Prices
Real Time Market 2007 - 2008
East West
$80
$75
$70
$65
$60
$55
$50
$45
$40
$35
$30
$25
$20
$15
$10
$5
$0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
10 Min Spin Res Avg East - 2008
10 Min Non-Synch Avg East - 2008
30 Min Op Res Avg East - 2008
Regulation Average East - 2008
10 Min Spin Res Avg West - 2008
10 Min Non-Synch Avg West - 2008
30 Min Op Res Avg West - 2008
Regulation Average West - 2008
10 Min Spin Res Avg East - 2007
10 Min Non-Synch Avg East - 2007
30 Min Op Res Avg East - 2007
Regulation Average East - 2007
10 Min Spin Res Avg West - 2007
10 Min Non-Synch Avg West - 2007
30 Min Op Res Avg West - 2007
Regulation Average West - 2007

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

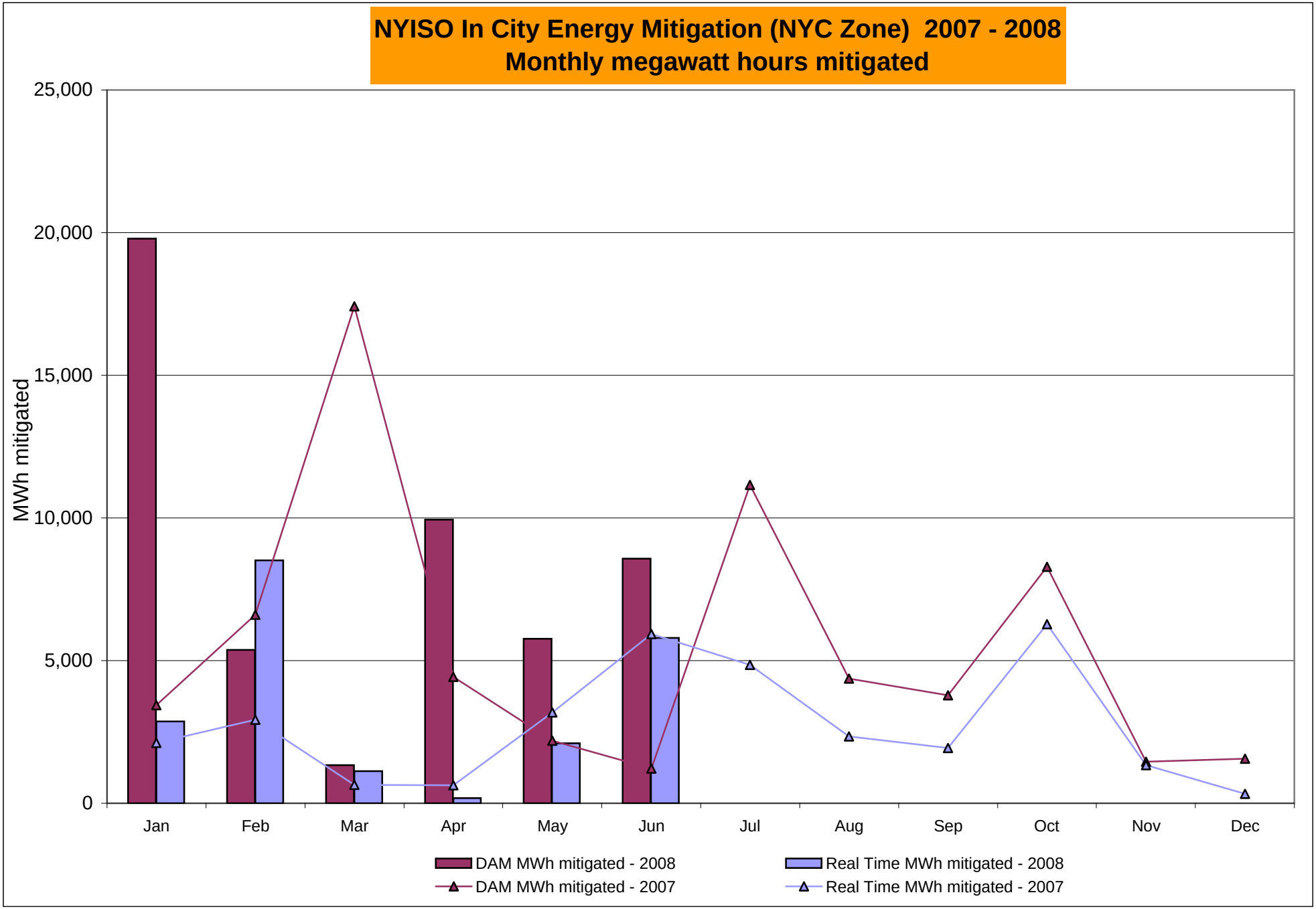
2008	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market												
10 Min Spin East	11.76	17.59	16.98	15.66	11.07	8.68						
10 Min Spin West	8.41	8.86	9.45	6.61	5.35	4.97						
10 Min Non Synch East	2.36	4.26	3.04	2.46	2.69	3.93						
10 Min Non Synch West	1.81	2.16	2.16	1.24	1.14	1.73						
30 Min East	1.73	2.07	2.16	1.21	0.93	0.61						
30 Min West	1.73	2.07	2.16	1.21	0.93	0.61						
Regulation East	64.81	71.51	64.19	61.08	61.80	66.77						
Regulation West	64.81	71.51	64.19	61.08	61.80	66.77						
RTC Market												
10 Min Spin East	5.22	13.13	10.37	7.80	8.34	6.04						
10 Min Spin West	3.55	11.86	9.83	5.61	2.89	1.71						
10 Min Non Synch East	0.65	1.40	0.02	0.49	3.74	4.62						
10 Min Non Synch West	0.00	0.79	0.00	0.12	0.04	0.56						
30 Min East	0.00	0.00	0.00	0.00	0.00	0.12						
30 Min West	0.00	0.00	0.00	0.00	0.00	0.12						
Regulation East	62.09	71.26	63.30	58.35	59.84	59.38						
Regulation West	62.09	71.26	63.30	58.35	59.84	59.38						
Real Time Market												
10 Min Spin East	5.12	14.30	9.86	7.48	7.19	7.35						
10 Min Spin West	3.45	11.40	9.27	5.16	2.45	1.73						
10 Min Non Synch East	0.83	3.86	0.10	0.79	3.07	6.17						
10 Min Non Synch West	0.02	1.49	0.00	0.13	0.01	0.88						
30 Min East	0.00	0.00	0.00	0.00	0.00	0.21						
30 Min West	0.00	0.00	0.00	0.00	0.00	0.21						
Regulation East	62.33	74.53	63.09	57.71	58.83	60.07						
Regulation West	62.33	74.53	63.09	57.71	58.83	60.07						

2007	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market												
10 Min Spin East	10.10	6.08	7.94	8.95	7.06	5.47	5.18	5.42	5.20	7.42	6.82	6.05
10 Min Spin West	8.97	5.17	6.18	5.03	4.80	4.39	4.28	4.43	4.47	6.26	5.57	4.93
10 Min Non Synch East	2.87	2.49	2.56	3.35	3.59	2.47	2.34	2.77	2.70	2.56	2.14	2.08
10 Min Non Synch West	2.06	1.85	1.53	0.84	1.82	1.56	1.50	1.80	2.00	1.67	1.54	1.60
30 Min East	1.79	0.85	1.26	0.64	0.61	0.49	0.44	0.53	0.56	1.23	1.10	0.92
30 Min West	1.79	0.85	1.26	0.64	0.61	0.49	0.44	0.53	0.56	1.23	1.10	0.92
Regulation East	52.12	63.61	59.92	52.22	49.25	51.05	50.50	52.18	51.36	55.39	63.15	75.50
Regulation West	52.12	63.61	59.92	52.22	49.25	51.05	50.50	52.18	51.36	55.39	63.15	75.50
RTC Market												
10 Min Spin East	6.12	6.23	7.17	7.77	6.70	0.83	1.03	6.50	9.50	4.93	3.06	2.84
10 Min Spin West	5.26	4.57	6.49	5.29	2.78	0.38	0.66	2.14	4.57	3.67	3.04	2.43
10 Min Non Synch East	0.41	1.94	0.00	1.16	3.77	0.40	0.16	4.91	6.92	1.76	0.06	0.00
10 Min Non Synch West	0.05	0.75	0.00	0.00	0.36	0.00	0.00	0.84	2.32	0.80	0.06	0.00
30 Min East	0.00	0.04	0.00	0.00	0.03	0.00	0.00	0.47	0.76	0.18	0.00	0.00
30 Min West	0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.41	0.73	0.18	0.00	0.00
Regulation East	57.33	72.11	63.84	60.31	50.95	51.35	48.30	52.97	56.56	53.84	57.18	71.74
Regulation West	57.33	72.11	63.84	60.31	50.95	51.35	48.30	52.97	56.56	53.84	57.18	71.74
Real Time Market												
10 Min Spin East	6.32	6.30	5.66	5.98	6.57	1.24	0.99	7.86	10.54	5.02	2.90	2.95
10 Min Spin West	5.51	4.10	5.04	3.89	2.28	0.60	0.55	3.51	4.55	3.41	2.87	2.53
10 Min Non Synch East	0.34	2.72	0.00	1.01	4.00	0.61	0.23	6.40	8.68	1.90	0.14	0.00
10 Min Non Synch West	0.01	0.95	0.00	0.00	0.32	0.00	0.00	2.32	3.00	0.78	0.13	0.00
30 Min East	-	0.05	0.00	0.00	0.11	0.00	0.00	1.28	0.95	0.21	0.00	0.00
30 Min West	-	0.05	0.00	0.00	0.07	0.00	0.00	1.19	0.92	0.21	0.00	0.00
Regulation East	57.26	71.13	62.24	58.23	50.62	51.51	49.45	53.46	57.47	54.01	57.60	72.33
Regulation West	57.26	71.13	62.24	58.23	50.62	51.51	49.45	53.46	57.47	54.01	57.60	72.33

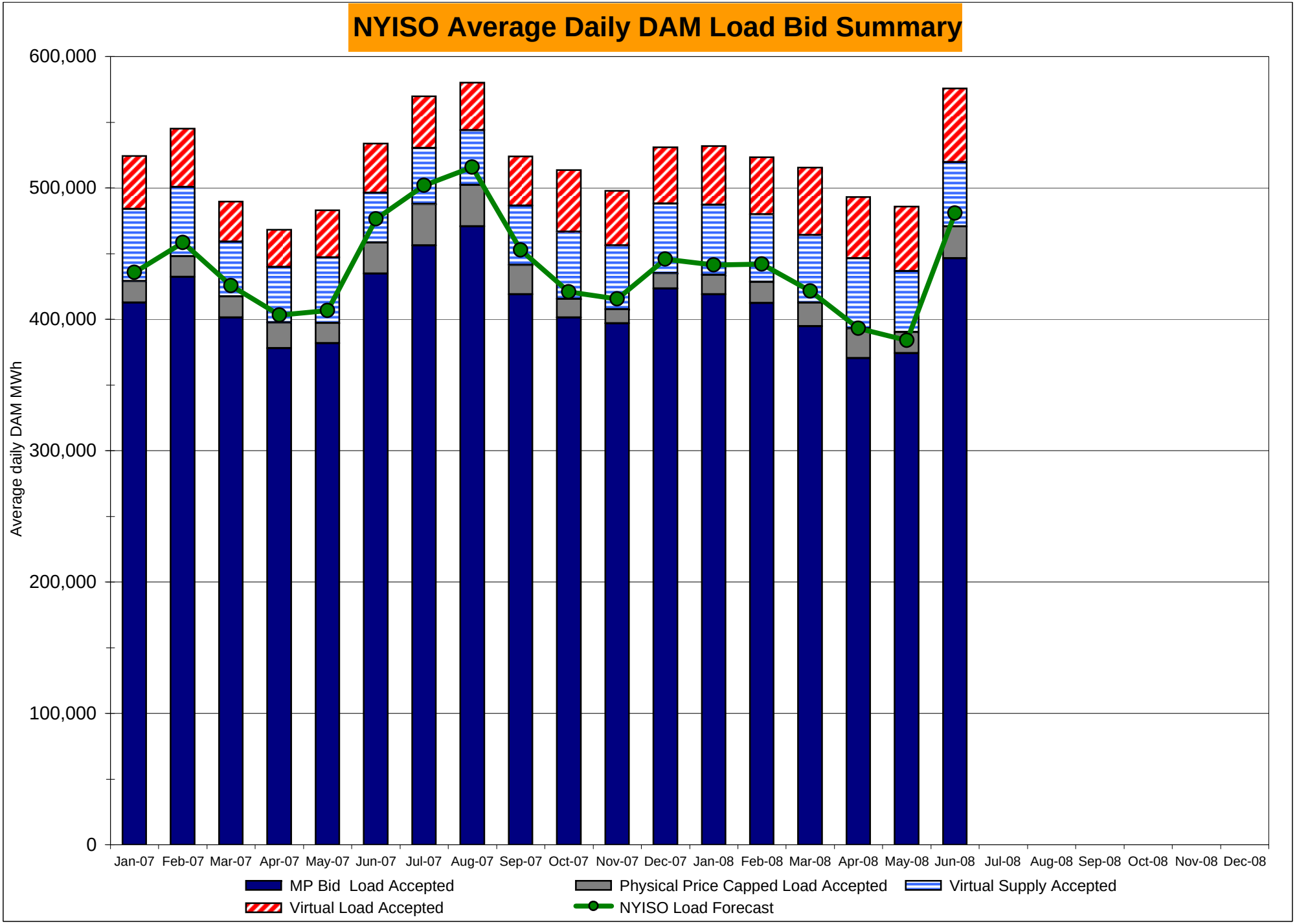
NYISO In City Energy Mitigation (NYC Zone) 2007 - 2008
Percentage of committed unit-hours mitigated



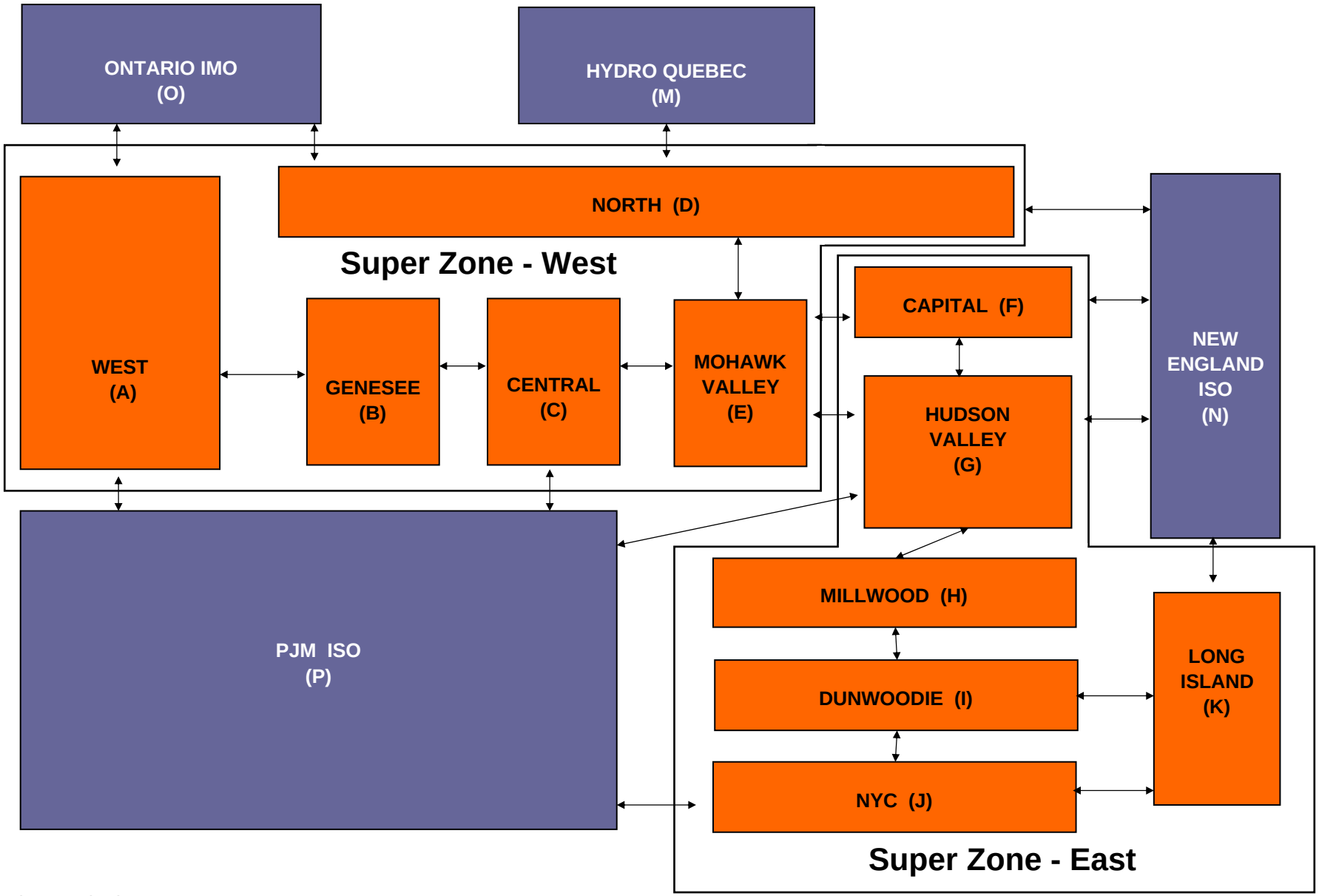
NYISO In City Energy Mitigation (NYC Zone) 2007 - 2008
Monthly megawatt hours mitigated



NYISO Average Daily DAM Load Bid Summary



NYISO LBMP ZONES



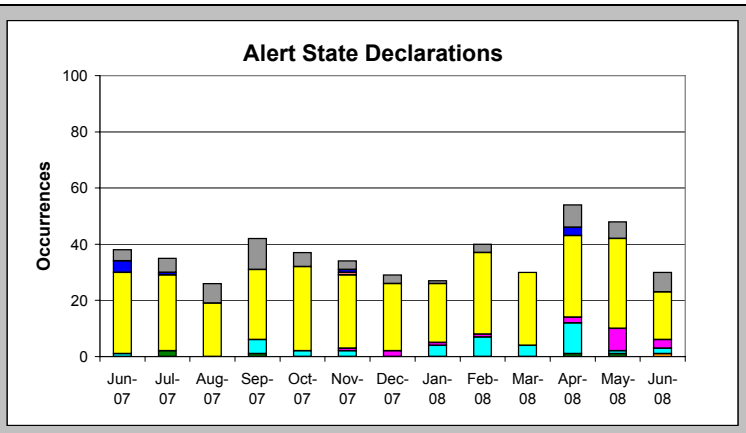
Billing Codes for Chart 4-C

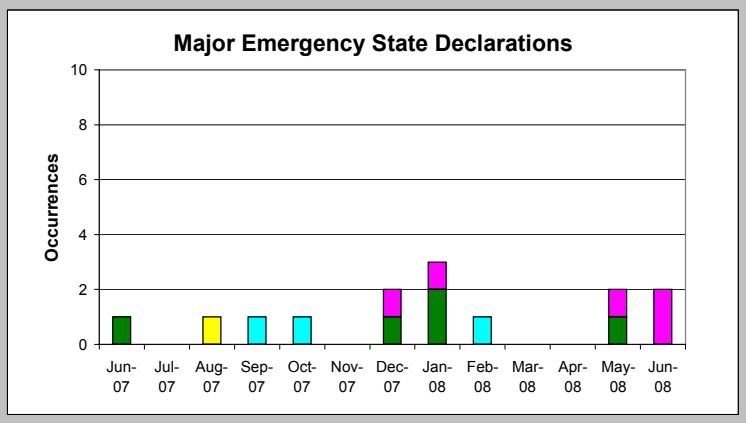
Chart 4-C Category Name	Billing Code	Billing Category Name
Bid Production Cost Guarantee Balancing	81203	Balancing NYISO Bid Production Cost Guarantee - Internal Units
Bid Production Cost Guarantee Balancing	81204	Balancing NYISO Bid Production Cost Guarantee - External Units
Bid Production Cost Guarantee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

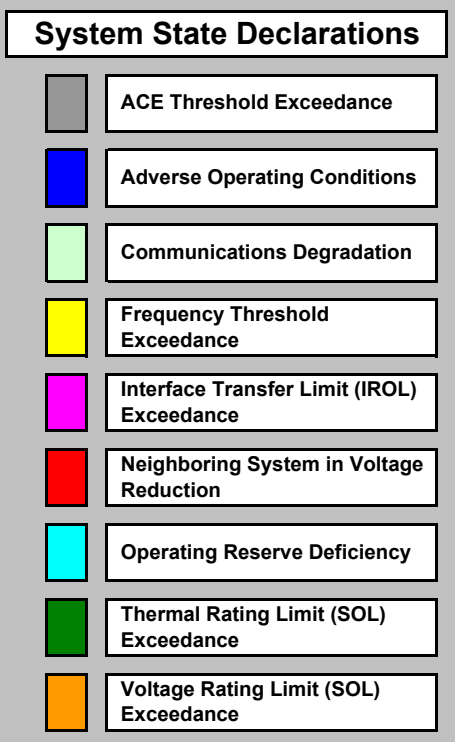
ISO Operations & Reliability Performance Metrics Report — Period Ending June 2008

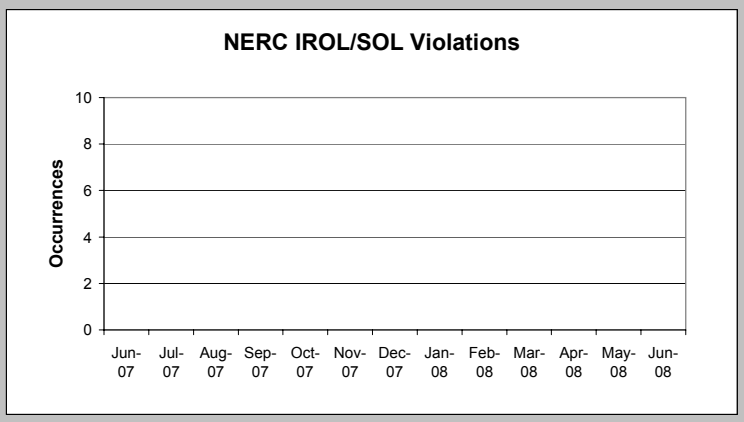
Report Overview

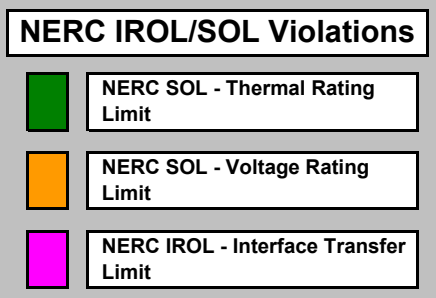
All reliability metric performances are normal. Frequency threshold exceedences primarily attributed to interconnection system events outside the NYISO.











Definitions

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

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

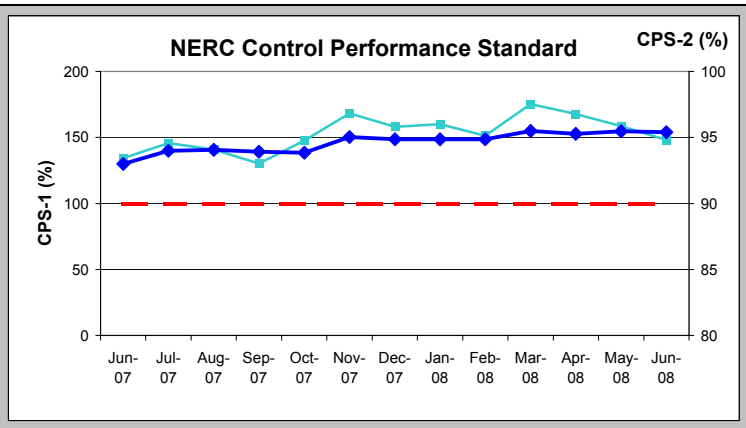
NERC IROL/SOL Violations:
The number and causes of NERC IROL/SOL violations reflect system operating conditions beyond thresholds associated with applicable NERC reliability standards. The NERC IROL/SOL violation thresholds are higher than those defined for the Major Emergency State.

ISO Operations & Reliability Performance Metrics Report

Period Ending June 2008

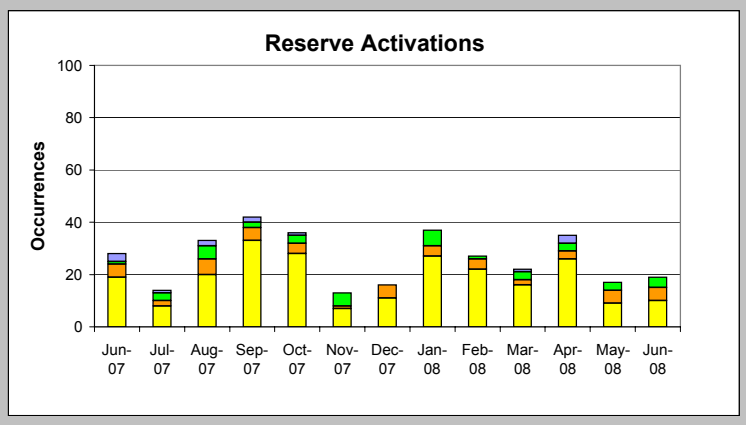
Report Overview

All reliability metric performances are normal.



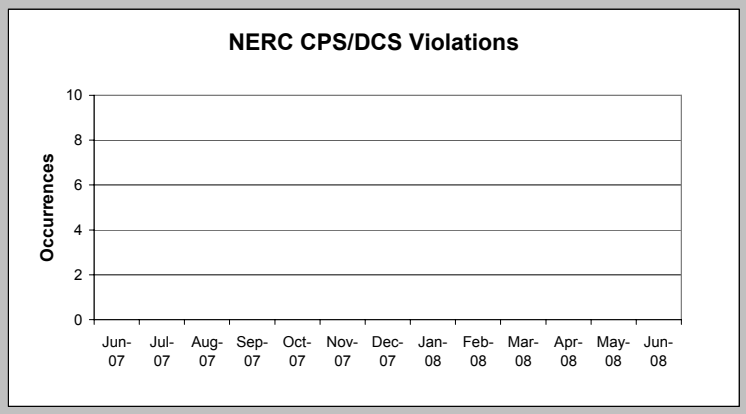
Control Performance

- CPS-1
- CPS-2
- CPS Limit



Reserve Activations

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



NERC CPS/DCS Violations

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

Definitions

Control Performance Standards:

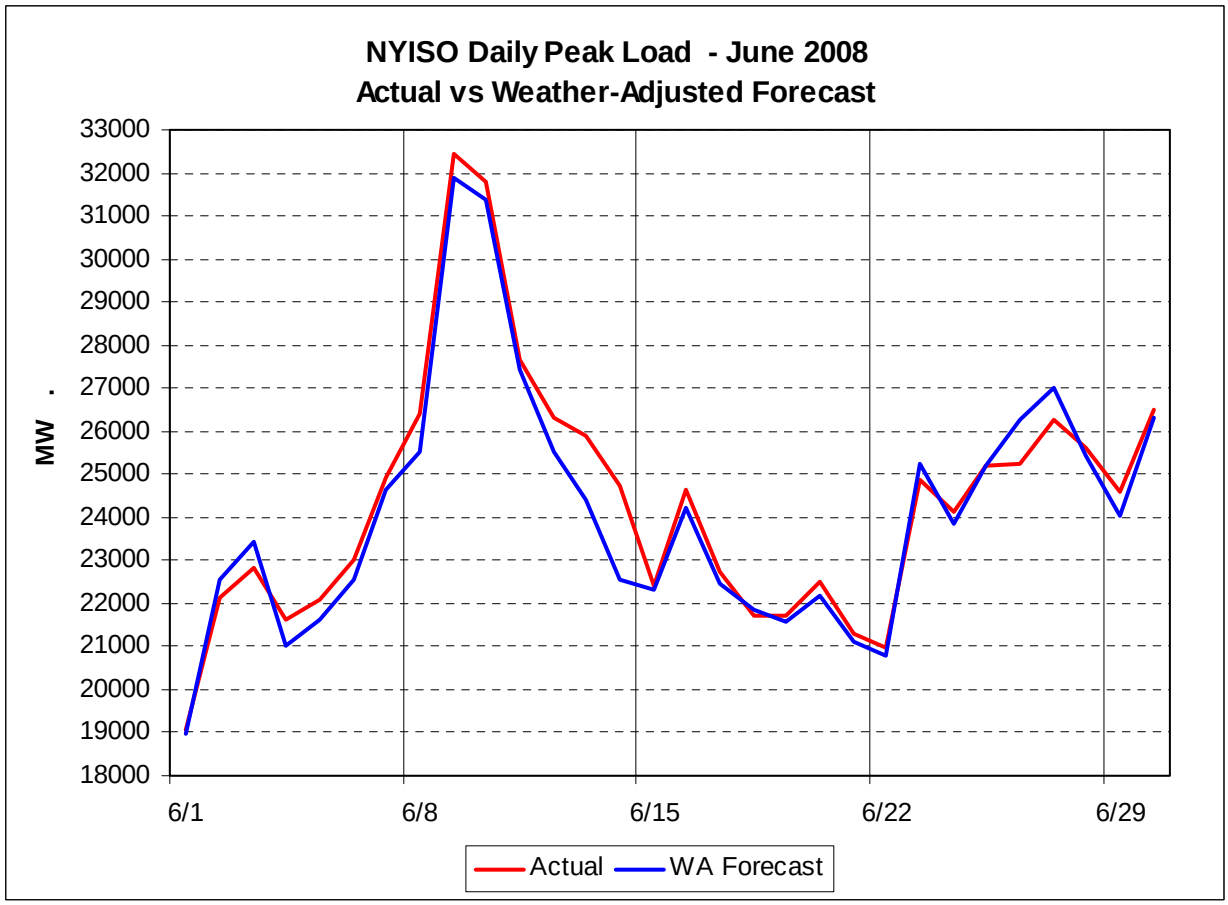
The values of NERC Control Performance Standards (CPS-1 and CPS-2) are indicators of the NYISO Area resource and demand balancing performance.

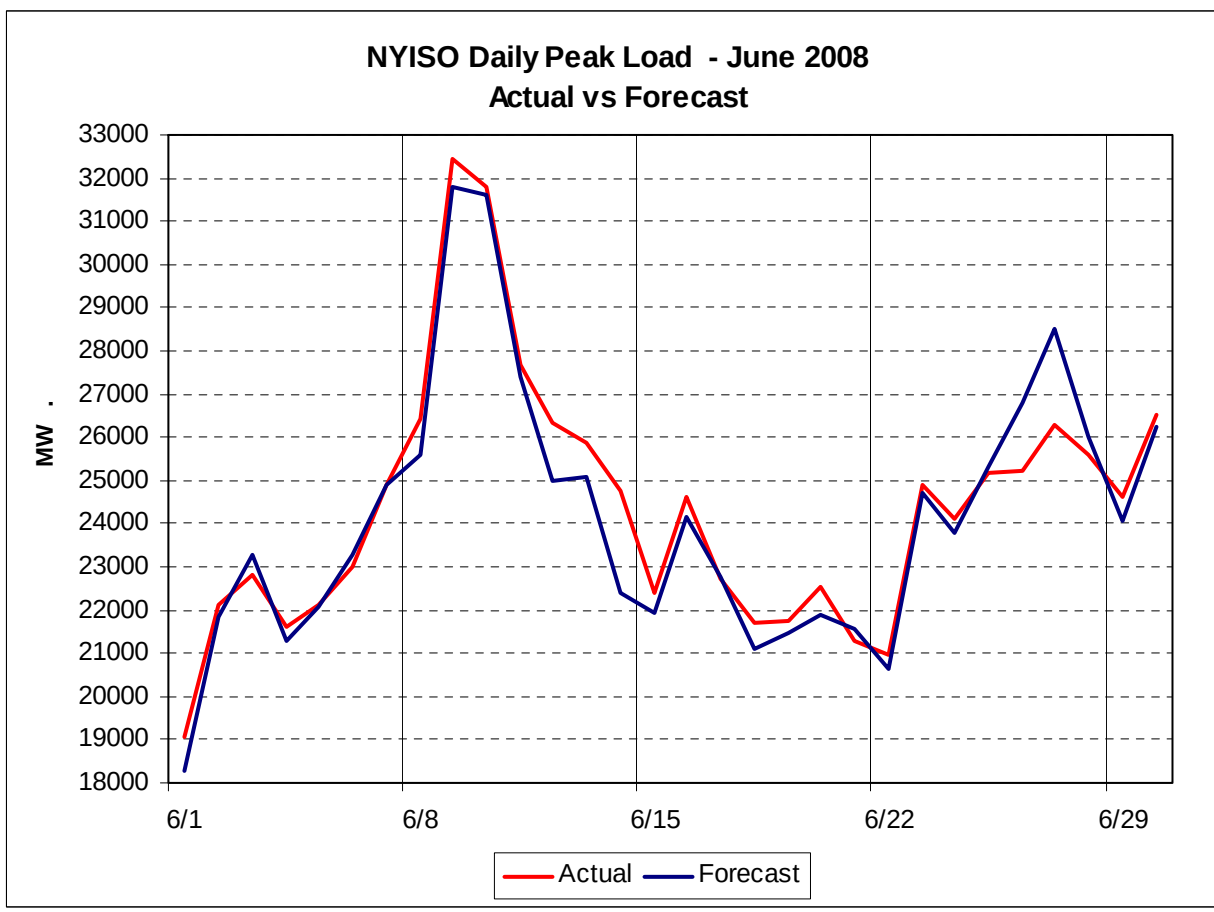
Reserve Activations:

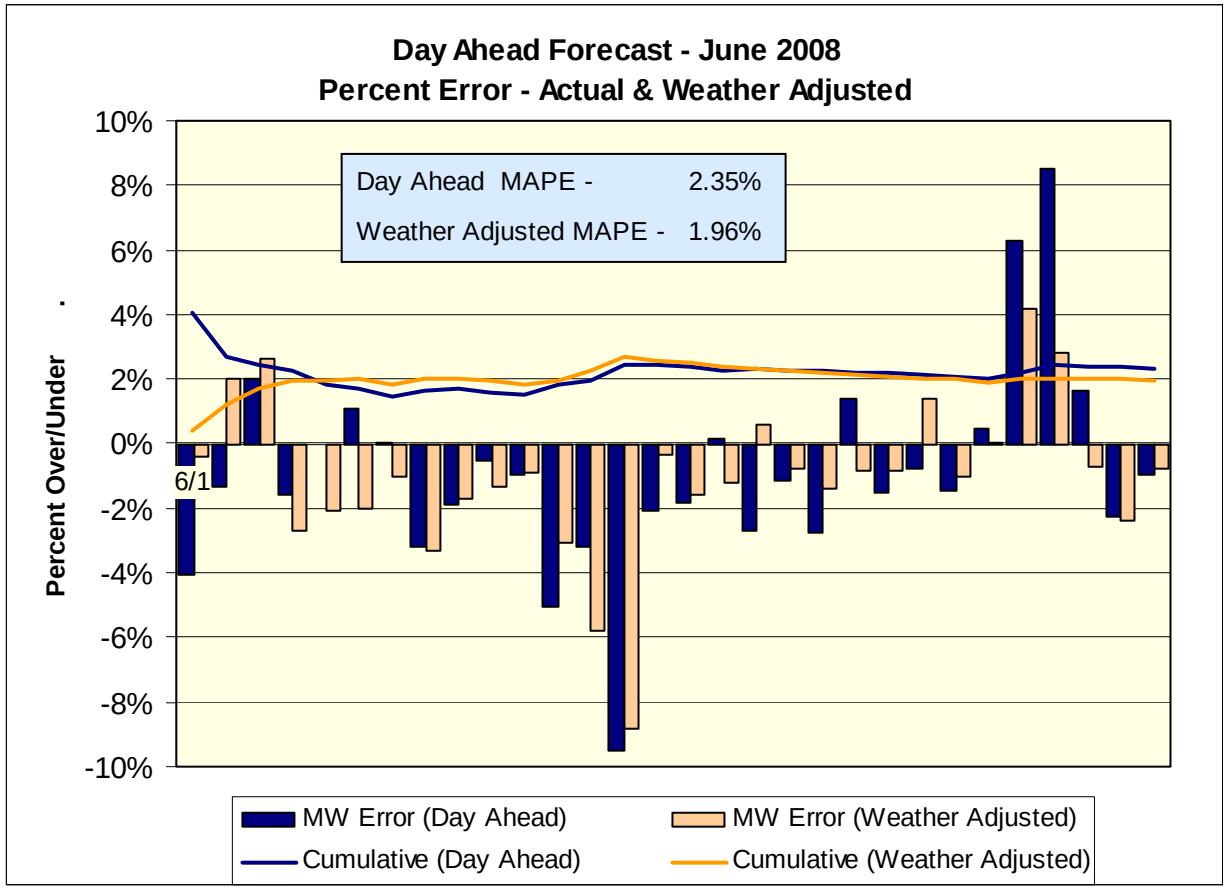
The number and causes of NYISO Reserve Activations are indicators of the need to respond to unexpected operational conditions within the NYISO Area or to assist a neighboring Area (Shared Activation of Reserves) by activating an immediate resource and demand balancing operation.

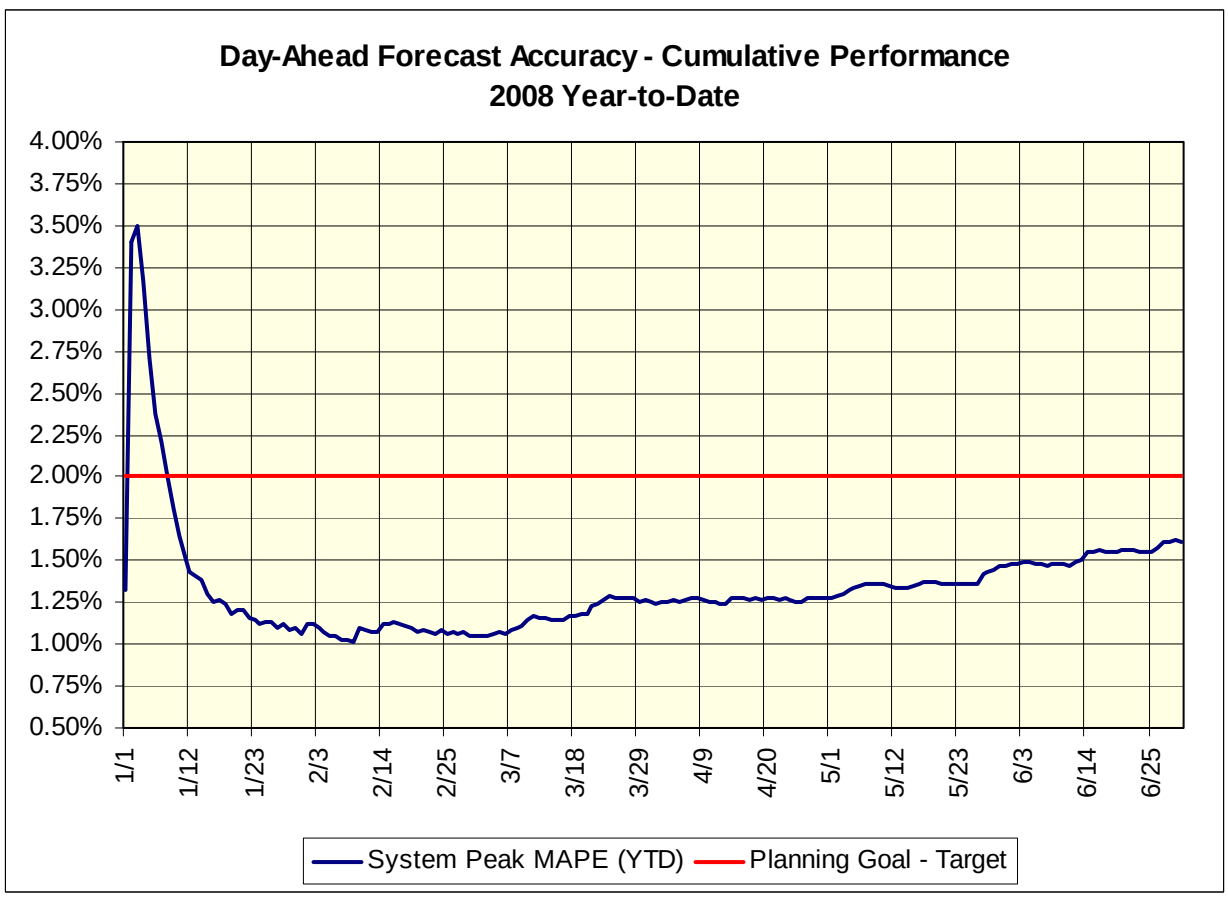
NERC Control Performance Standard/Disturbance Control Standard (CPS/DCS) Vilolations:

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


NYISO Daily Peak Load - June 2008
Actual vs Weather-Adjusted Forecast
MW
33000
32000
31000
30000
29000
28000
27000
26000
25000
24000
23000
22000
21000
20000
19000
18000
6/1
6/8
6/15
6/22
6/29
Actual
WA Forecast


NYISO Daily Peak Load - June 2008
Actual vs Forecast
MW
33000
32000
31000
30000
29000
28000
27000
26000
25000
24000
23000
22000
21000
20000
19000
18000
6/1
6/8
6/15
6/22
6/29
Actual
Forecast


Day Ahead Forecast - June 2008
Percent Error - Actual & Weather Adjusted
Day Ahead MAPE - 2.35%
Weather Adjusted MAPE - 1.96%
Percent Over/Under
10%
8%
6%
4%
2%
0%
-2%
-4%
-6%
-8%
-10%
6/1
MW Error (Day Ahead)
MW Error (Weather Adjusted)
Cumulative (Day Ahead)
Cumulative (Weather Adjusted)


Day-Ahead Forecast Accuracy - Cumulative Performance
2008 Year-to-Date
4.00%
3.75%
3.50%
3.25%
3.00%
2.75%
2.50%
2.25%
2.00%
1.75%
1.50%
1.25%
1.00%
0.75%
0.50%
1/1
1/12
1/23
2/3
2/14
2/25
3/7
3/18
3/29
4/9
4/20
5/1
5/12
5/23
6/3
6/14
6/25
System Peak MAPE (YTD)
Planning Goal - Target

April 2008 Detailed Budget vs. Actual Results

($ in millions)	ANNUAL AMOUNTS			YTD AMOUNTS AS OF 5/31/08		
Cost Category	**Original Budget**	**Year-End Projection**	**Variance**	**Original Budget**	**Actuals**	**Variance**
Capital	$ 4.3	$ 7.0	$ 2.7	$ 2.6	$ 3.1	$ 0.5
Salaries & Benefits	$ 57.6	$ 56.6	$ (1.0)	$ 23.8	$ 22.6	$ (1.2)
Professional Fees (including Legal)	$ 34.7	$ 37.9	$ 3.2	$ 13.7	$ 14.0	$ 0.3
Building Services	$ 4.3	$ 4.0	$ (0.3)	$ 1.8	$ 1.8	$ -
Computer Services	$ 12.5	$ 12.1	$ (0.4)	$ 5.2	$ 4.4	$ (0.8)
Insurance	$ 3.6	$ 2.9	$ (0.7)	$ 1.5	$ 1.3	$ (0.2)
Telecommunications	$ 4.3	$ 3.9	$ (0.4)	$ 1.8	$ 1.6	$ (0.2)
Other Expenses (BOD, Travel/Trng, NPCC Fees)	$ 4.0	$ 4.2	$ 0.2	$ 1.7	$ 1.4	$ (0.3)
Current Year Needs (excluding FERC Fees)	**$ 125.3**	**$ 128.6**	**$ 3.3**	**$ 52.1**	**$ 50.2**	**$ (1.9)**
Debt Service from Prior Year Financings	$ 27.8	$ 24.7	$ (3.1)	$ 11.8	$ 11.7	$ (0.1)
Cash Budget (excluding FERC Fees)	**$ 153.1**	**$ 153.3**	**$ 0.2**	**$ 63.9**	**$ 61.9**	**$ (2.0)**
Less: Miscellaneous Revenues	$ (3.8)	$ (3.0)	$ 0.8	$ (1.6)	$ (1.4)	$ 0.2
Less: Proceeds from 2008 Budget Debt	$ (16.7)	$ (16.7)	$ -	$ (10.0)	$ (10.0)	$ -
Less: Proceeds from 2007 budget underrun and volume overcollections	$ (5.0)	$ (5.0)	$ -	$ (2.1)	$ (2.1)	$ -
Add: Interest on 2008 Budget Debt	$ 0.4	$ 0.4	$ -	$ 0.1	$ 0.1	$ -
Net Budget Needs (excluding FERC Fees)	**$ 128.0**	**$ 129.0**	**$ 1.0**	**$ 50.3**	**$ 48.5**	**$ (1.8)**
FERC Fees	$ 8.3	$ 8.3	$ -	$ 3.4	$ 3.4	$ -
Rate Schedule #1 Revenue Requirement	**$ 136.3**	**$ 137.3**	**$ 1.0**	**$ 53.7**	**$ 51.9**	**$ (1.8)**

NEW YORK INDEPENDENT SYSTEM OPERATOR

2008 Major Product Enhancements

	Description	Status and Milestone Deliverables
	Energy Marketplace Product Enhancements	
A767	MIS Enhancements: Comprehensive Bid Management System	**Status:** The first phase of this multi-phase project was successfully deployed into production in January 2007; the second phase was deployed on schedule in October 2007. The features that were deployed include the replacement of the load bidding and virtual bidding forms and upload / download templates. The next phase targets migration of the generation bidding pages and templates onto the new architecture. Phase 3 will be deployed in two deployments during 2008; the software for the first deployment was successfully deployed in early March, the second is scheduled for September. Two (2) of the three (3) scheduled market trials have been completed. **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. One of the deliverables will be the implementation of a more flexible and reliable application infrastructure for the market applications. This project is part of a multi-year effort that is a necessary precursor for an eventual replacement of the Market Information System (MIS) and related bidding and scheduling applications.
A871	Enhanced Price Validation	**Status:** The first phase of this multi-phase project was successfully deployed into production in March 2007; a portion of the second phase was deployed in December 2007. One of the tracks from the second phase required additional testing and was combined with the third (and final) phase deployed in June of 2008. Software implementation for most of the remaining rules associated with the final phase 2 track was successfully deployed in late March; the software for the remaining phase 2 functionality, as well as all the phase 3 functionality, was successfully deployed in June. Process changes are underway in Operations to transition the Price Validation functions to NYISO staff using the new software. **Deliverables:** The NYISO has investigated all known causes of pricing errors, and has taken a systematic approach to determine features and functions that can significantly enhance the price validation process. Product enhancements are proposed to implement proactive price monitoring, improved price reservations, and enhanced price corrections. The project will entail a multi-phase, multi-year implementation of tools to enhance the price monitoring, reservation, and correction processes for the NYISO markets.
A942	Wind Forecasting System	**Status:** This project has completed all phases of the software development processes. AWS Truewind was selected as the supplier of this system from a pool of candidates. Implementation of the new software was completed in June. **Deliverables:** Specification and implementation of a third-party system to enable output from wind generators to be incorporated accurately in the NYISO market software. The addition of this capability will improve reliability and enhance the accuracy of market outcomes as influenced by wind resources.
A857	Demand Response for Ancillary Services	**Status:** This project has completed all phases of the software development processes. Technical design for the end-state solution had proven more difficult that expected, ultimately making meeting the commitment for a 4th quarter 2007 delivery impossible. The final design mitigated the political risk of missing the commitment by delivering more functionality than originally offered. Implementation of the new software was completed in June. **Deliverables:** As directed by the FERC, execution of software changes that will permit the integration of demand side resources ("DSRs") into the NYISO real-time ancillary services and energy markets.

2008 Major Product Enhancements

	Description	Status and Milestone Deliverables
B107	Scheduling and Pricing Improvements	**Status:** This first phase of the project has dealt with assessments of each of the penalties assessed to generators to determine the effectiveness and fairness of each. A number of changes have been proposed, including the elimination of certain performance penalties for generators and grouped units during Start-up and Shut-down periods. Additional analysis is being performed to determine opportunities to improve dragging. **Deliverables:** Implementation of a series of market efficiency enhancements that have been requested by Market Participants. Each of the requested enhancements requires detailed analysis and study to determine the potential for market impact.
	Auxiliary Market Product Enhancements	
A990	ICAP Auction Redesign	**Status:** This project has achieved an early delivery date of March 2008; ahead of the 2nd quarter 2008 commitment and ahead of the schedule for the Spring capacity auctions. **Deliverables:** In order to accommodate changes approved for the ICAP Demand Curve, and still maintain auction results compliant with applicable tariffs, changes were required to the ICAP auction engine, including an upgrade to the vendor software utilized in the design. This project implements the necessary changes, along with certain enhanced features that are available with the new version of the software.
A910	ICAP In-City Mitigation	**Status:** This project completed a multi-step software deployment in time for the Spring capacity auctions, and in line with an aggressive deployment schedule following a delayed FERC ruling on the NYISO proposal. Software deployments were successfully performed in March and April, ahead of a 2nd quarter corporate commitment. Production software continues to be monitored for accuracy and performance. **Deliverables:** As directed by FERC, changes to the ICAP In-City mitigation rules have been required. The software changes necessary to support these new rules are being developed and tested in conjunction with the ICAP auction redesign software; provisionary accommodations will be made in the event of a delayed FERC ruling on the new rules.
A907	Forward Capacity Market Design	**Status:** This project is in the requirements and design phase. Preliminary straw proposals have been reviewed with stakeholders and are being evaluated through the governance process. A 4th quarter commitment was communicated to stakeholders for the finalization of a design, but efforts are being accelerated to provide and earlier solution. **Deliverables:** Design of a forward capacity market to supplement existing capacity market instruments. Following agreement on a design, and implementation plan and schedule will be developed and executed.

2008 Major Product Enhancements

	Description	Status and Milestone Deliverables
	TCC Marketplace Product Enhancement	
A925	TCC Auction Automation – Phase 2	**Status:** This project is in the quality assurance and user acceptance testing phase. The software to implement the second phase of the TCC Auction Automation is planned to be ready in the third quarter of 2008, originally targeting a date prior to the start of the Fall 2008 round of auctions. Current project schedules will not yield a deliverable until after the start of the Fall auctions; risk assessment is underway to determine optimal implementation dates. **Deliverables:** Following the implementation of the first phase of the TCC Auction Automation software project (Automation of the Awards Process), following phases will deliver the Database / Inventory Automation (Phase 2) and Bidding (Phase 3) functionality required to fully automate the TCC markets.
A993	TCC Auction Automation – Phase 3	**Status:** This project is in the requirements phase. The software to implement the third phase of the TCC Auction Automation is planned to be ready by the end of 2008, with a planned implementation early in 2009. **Deliverables:** Following the implementation of the first phase of the TCC Auction Automation software project (Automation of the Awards Process), following phases will deliver the Database / Inventory Automation (Phase 2) and Bidding (Phase 3) functionality required to fully automate the TCC markets.
	Operations and Reliability Product Enhancements	
B101	MMP Compliance Issues	**Status:** This project entails multiple phases of delivery in order to achieve all stated objectives; certain items are being developed on the internal NYISO systems, while other components are being provided by Potomac Economics. Project milestones were achieved on time in March and June in order to support the schedule to meet the second quarter commitment for Phase 1. The second phase is in the detailed requirements phase, and is on schedule for a 4th quarter 2008 deliverable. **Deliverables:** A compliance review performed by Potomac Economics in 2007 identified certain issues with MMP systems and processes. A two-phase project has been identified to implement corrections to the known issues. The first phase (high-priority items) is scheduled for deployment in the 2nd quarter. A follow-up phase is scheduled for the 4th quarter of 2008.
A858	Integration of OOM and SRE Applications	**Status:** This project is in the software design phase; detailed requirements specification has been completed on schedule to meet the 2nd quarter 2007 commitment; software development has started with two planned implementations in 2008. The first phase is scheduled for the 3rd quarter; the second phase targets the 4th quarter. **Deliverables:** Replacement of the Out of Merit (OOM) and Supplemental Resource Evaluation (SRE) applications used by the control room floor. These applications are currently built upon an unsupported platform (Oracle Forms) and can be design to be more efficient and error prone if they are consolidated into a single suite of application functions.

	Description	Status and Milestone Deliverables
A859	Outage Scheduler Automation	**Status:** A number of commercial software vendors were reviewed and assessed as candidates to integrate into the NYISO architecture. A cross-functional team has selected the product from Sun-Net Solutions as the preferred package; contract negotiations have been finalized and software receipt of the base product has occurred. A third quarter target for the first deliverable is planned. Additionally, the detailed requirements for the following phase are being developed. **Deliverables:** The NYISO operations outage scheduling function is a largely manual process with opportunities for error and inefficiency. This multi-phase project will deliver an automated tool to allow Market Participants to request outages electronically, as well as automated tools for the NYISO to evaluate, manage, and report outages. A later phase will improve integration between the outage scheduling functions and the NYISO market software.
	Financial Service Product Enhancements	
A949	Credit Management System	**Status:** This project is in the discovery and detailed requirements phase. A Request for Proposal (RFP) had been issued to a number of companies that may have viable commercial off-the-shelf products that could be integrated with the NYISO market software platforms. The multi-phase project will provide credit automation capabilities for each of the NYISO markets in a phased delivery fashion. Following review of the proposals, the cross-functional team selected the software product from the ROME Corporation as the platform on which to build the new system. Contract negotiations were finalized in late March; the project team has launched the discovery / detailed planning activities. **Deliverables:** Implementation of a rules-based system to integrate with the various NYISO market platforms for the purposes of providing a comprehensive Credit Management System for the NYISO enterprise. This multi-phase project will provide the tools necessary for the Credit Department to manage MP credit and collateral limits, provide Market Participants with tools and reports to manage their own credit, and provide integration to all NYISO market functions such that customer credit obligations are met. A multi-phased approach will be employed to target integration for the TCC markets first, with other market components to follow.
A904	Billing Process Automation (Ramapo PAR / Station 80 / Local Black Start)	**Status:** This project to automate the manual processes associated with these charges was deployed ahead of schedule in late March. This project is completed. **Deliverables:** The NYISO is continuing to dedicate resources to identify automated solutions to the most prevalent manual billing adjustments; this program has been identified as critical and valuable by settlements stakeholders. This project will provide automated data processing solutions for the Ramapo PAR, Station 80, and Local Black Start charges.
A996	Billing Process Automation (Min Oil Burn)	**Status:** This project has initiated and is in the requirements phase. The documentation of the functional requirements is scheduled to be complete in the third quarter; a 4th quarter delivery of the software had been targeted. **Deliverables:** The NYISO is continuing to dedicate resources to identify automated solutions to the most prevalent manual billing adjustments; this program has been identified as critical and valuable by settlements stakeholders. This project will provide automated data processing solutions for Minimum Oil Burn charges.

2008 Major Product Enhancements

	Description	Status and Milestone Deliverables
	Business Intelligence Product Enhancements	
A938	MMP Data Mart	**Status:** A scoping analysis was performed in 2007 that identified approximately seven (7) functional areas that could be addressed through the implementation of a Market Monitoring Data Mart. A multi-phase project has been defined with the target to deliver the infrastructure and core data set in 2008. The first phase of this effort has completed the requirements and design phase. A 4th quarter implementation of the first phase is planned; design and requirements for the second phase will start once the first phase enters development and test. **Deliverables:** Process and system reviews performed for the Market Monitoring and Performance unit during 2007 highlighted deficiencies in the tool-set available to the MMP team for performing certain monitoring and analysis functions. This project is a multi-phase, multi-year effort to provide and integrated and robust set of tools to augment existing processes and manual tools in place. Additional analysis capabilities beyond compliance requirements will be identified and provided.
	Infrastructure Product Enhancements	
A926	Customer Issue Tracking System Replacement	**Status:** Software development, product configuration, testing, and UAT activities for this project has been completed. Deployment of the new application was completed on schedule in March 2008. This project is completed. **Deliverables:** The NYISO Customer Relations Group has been using an outdated toolset to manage MP issues and trouble tickets since the inception of the NYISO. In order to achieve required service levels, a more robust application is required. This project will implement new functionality on top of the Service Desk architecture in place for managing internal tickets for the Information Technology group.
A928	Oracle Forms Replacement	**Status:** The project has been defined to multiple phases according to the individual business owner / functional area impacted. The first phase was completed in 2007 and involved the usage analysis and elimination of unnecessary forms. The second phase is directed at the Operations department functions and is scheduled for completion in the 3rd quarter of 2008. Parallel tracks of work are already addressing the other functional areas of the platform. **Deliverables:** A number of the internal use applications are developed on the Oracle Forms development platform. This technology is no longer supported by the vendor, and the replacement of this platform represents a gating factor for the upgrade of the Oracle database version. Oracle Forms applications are in use by almost every internal NYISO department for managing market data and supporting various NYISO business processes.

NYISO REGULATORY FILINGS – June 2008

June 2, 2008	NYISO compliance filing of the summer 2007 semi-annual report on demand side management programs and new generation projects in the NY Control Area (ER01-3001-020)
June 3, 2008	NYISO request for 14-day extension of time to file a cost allocation and recovery mechanism (OA08-52, RM05-25-, RM05-17)
June 6, 2008	FERC filing of FERC Form 582 annual report (RM87-3-000)
June 6, 2008	NYISO filing of proposed tariff revisions regarding creditworthiness requirements for customers (ER08-1090-000)
June 6, 2008	NYISO Order No. 890 compliance filing of tariff revisions in compliance with the commission's 5/7/08 order (OA08-13-003)
June 9, 2008	NYISO compliance filing of proposed revisions regarding the credit requirements for demand side resource suppliers and request for shortened notice and comment period (ER04-230-035)
June 9, 2008	NYISO request for clarification and expedited action of 5/23/08 FERC DSASP Order (ER04-230-035)
June 9, 2008	NYISO response to certain points in the comments to its 5/6/08 compliance regarding market mitigation measures for the installed capacity market in NYC (ER08-698-001, EL07-39-000)
June 12, 2008	NYISO filing of an answer to third party protests of its LTFTR compliance filing (ER07-521-003 and 004)
June 12, 2008	ISO/RTO Council filing of comments in response to the NOPR on modification of interchange and transmission loading relief reliability standards and electric reliability organization interpretation of specific requirements of four reliability standards (RM08-7-000)
June 18, 2008	NYISO and the NYTO file a joint compliance of additional revisions to the OATT to incorporate a cost allocation methodology and a cost recovery process for regulated reliability projects (OA08-13-001)
June 20, 2008	NYISO filing its Fourteenth Combined Cycled Modeling Report (ER04-230-036, ER01-3155-007, ER01-1385, EL01-45-014)
June 20, 2008	NYISO filing of notification of tariff implementation error and request for a limited tariff waiver (ER08-1151-000)

June 27, 2008 NYISO errata filing to its 6/18/08 cost allocation compliance (OA08-52-001)

This list is current as of 5:00 P.M. June 27, 2008.

FERC ORDERS – June 2008

June 2, 2008 FERC notice granting NYISO an extension of time to file its Order No. 890 compliance report regarding the cost allocation principle as it relates to planning for regulated reliability projects.
(OA08-52-000, RM05-17-000, RM05-25-000)

June 11, 2008 FERC letter order accepting tariff revisions regarding certain market power mitigation measures
(ER08-834-000)

June 17, 2008 FERC order conditionally accepting tariff revisions to better incorporate wind generating resources in the DAM and RTM and to incorporate a wind forecasting system into NYISO's processes
(ER08-850-000)

June 25, 2008 FERC order granting NYISO's request for clarification and accepting revised credit requirements to better enable demand side resources to participate in the ancillary services markets
(ER04-230-034 and 035)

June 26, 2008 FERC letter order accepting a small generator interconnection agreement between National Grid, Innovative Energy Systems and NYISO
(ER08-985-000)

June 30, 2008 FERC order granting National Grid's petition for a declaratory order to require NYISO to adjust certain invoices for energy purchases which took place between March and August 2005
(EL08-40-000)

June 30, 2008 FERC tolling order granting rehearing for further consideration of the April 29, 2008 order regarding a large generator interconnection agreement
(ER08-618-001)

This list is current as of 1:20 P.M. June 30, 2008.