Monthly Report

February 2012

Rick Gonzales
Rana Mukerji
Robert Fernandez

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Operations Performance Metrics Monthly Report

February 2012 Report

Operations & Reliability Department
New York Independent System Operator

Prepared by NYISO Operations Analysis and Services, based on settlements initial invoice data collected on or before March 8, 2012.

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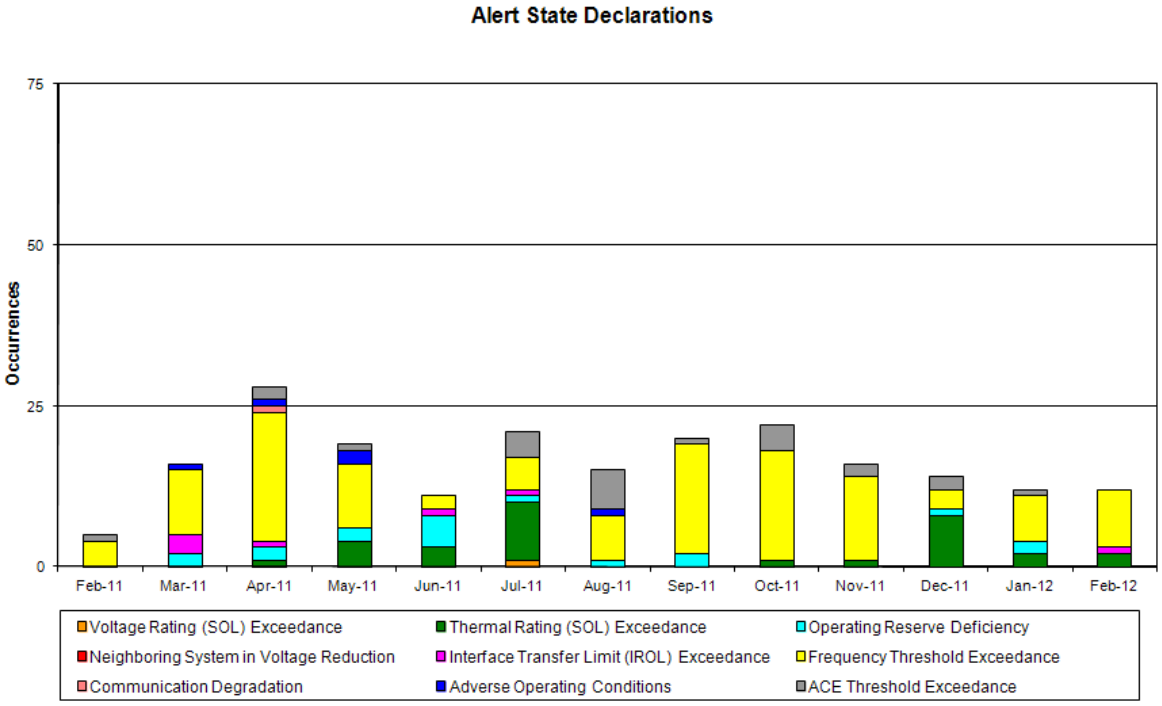
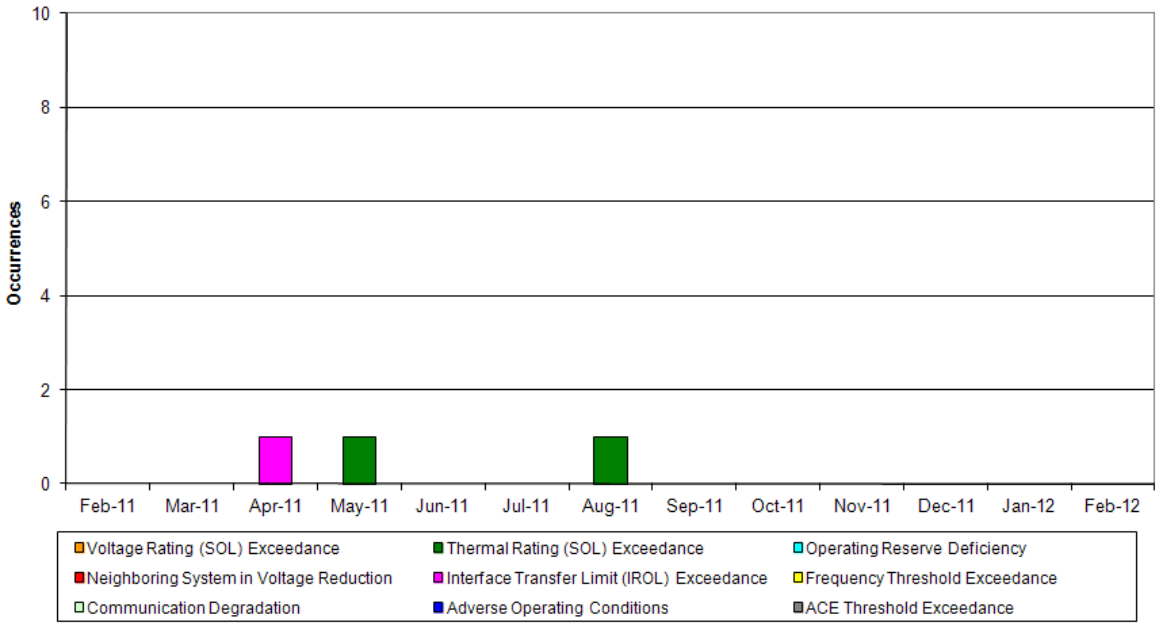
February 2012 Operations Performance Highlights

- Peak load of 22,131 MW occurred on 2/8/2012 HB 18
- All-time winter capability period peak load of 25,541 MW occurred on 12/20/2004 HB 17
- 0 hours of Thunder Storm Alerts were declared.
- **Clockwise Lake Erie Loop Flows**
  - 156 hours of NERC TLR level 3 curtailments
- Interface pricing deployed with non-conforming mode modeled for February-April 2012

Reliability Performance Metrics

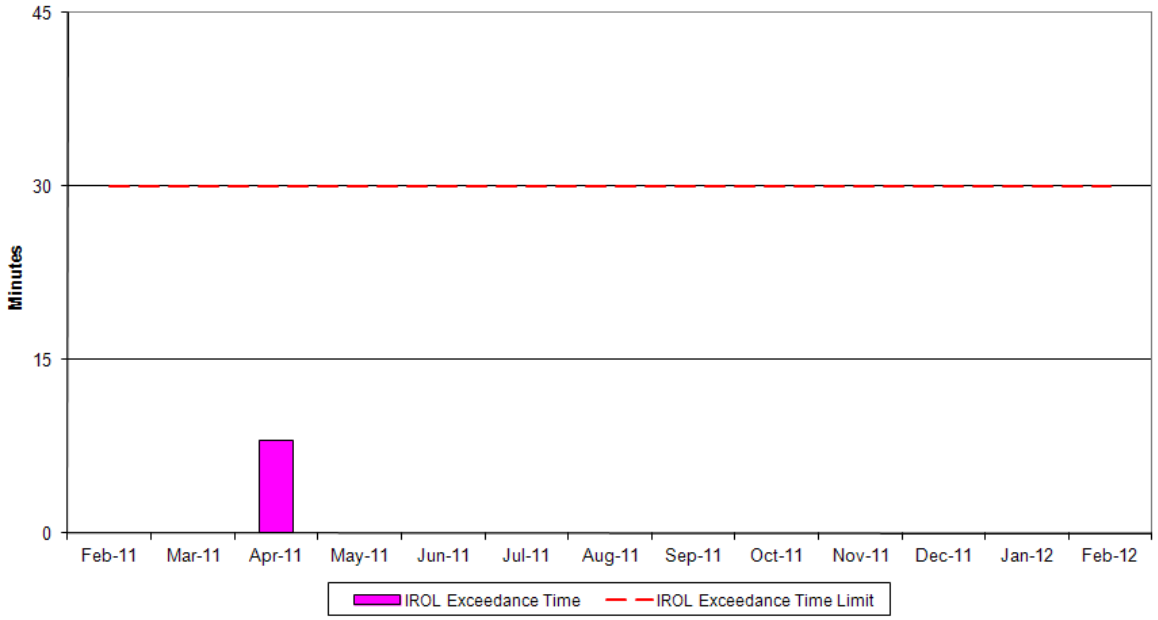


The number and causes of Alert State declarations reflect system operating conditions beyond thresholds associated with Normal and Warning States. Declaration of the Alert State allows the NYISO to take corrective actions not available in the Normal and Warning States.



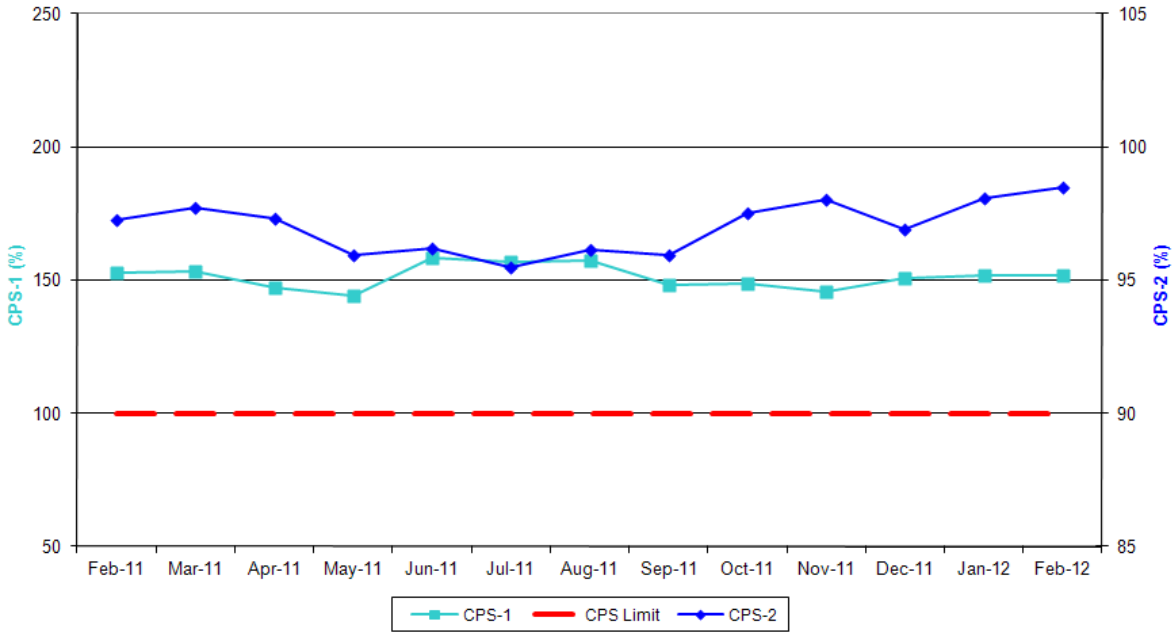
The number and causes of Major Emergency State declarations reflect system operating conditions beyond thresholds associated with the Alert State. Declaration of the Major Emergency State allows the NYISO to take additional corrective actions not available in the Alert State.

NERC IROL Time Over Limit



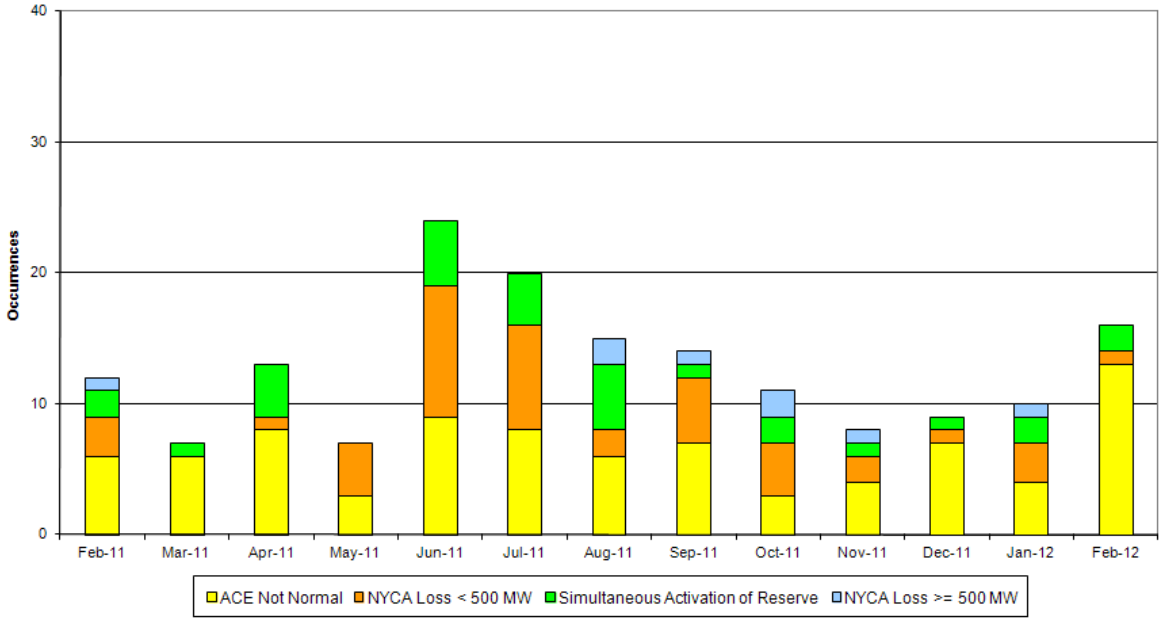
For IROL exceedances leading to Major Emergency State declarations, the maximum IROL exceedence time is identified. IROL exceedances of less than thirty minutes are considered NERC compliant.

NERC Control Performance Standards



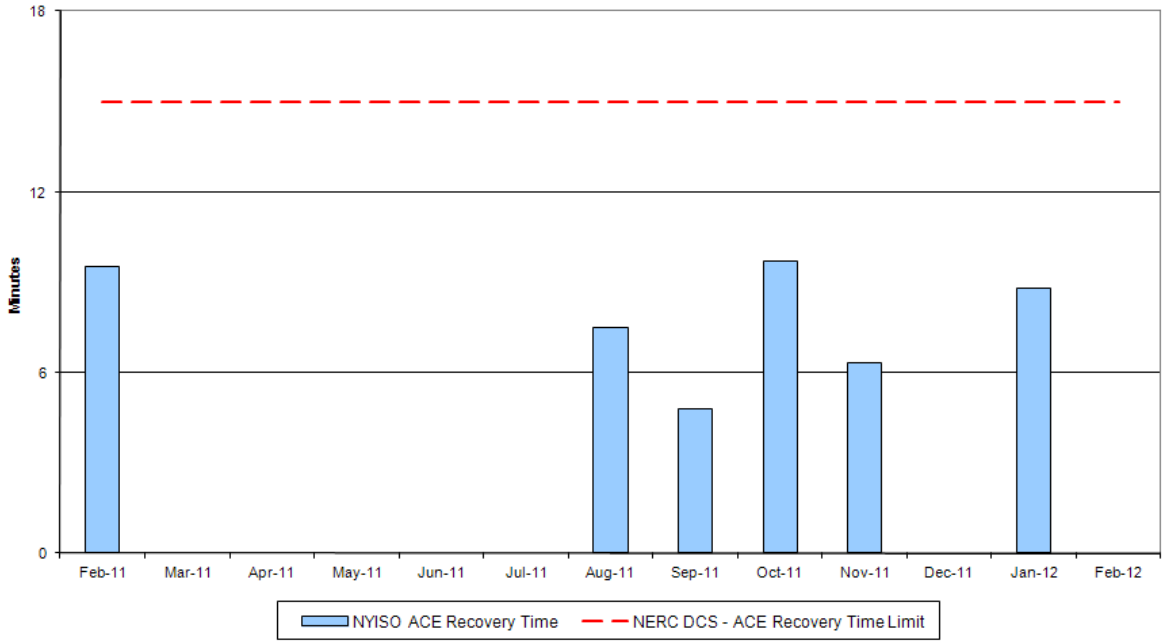
The values of NERC Control Performance Standards (CPS-1 and CPS-2) are indicators of the NYISO Area resource and demand balancing. Values exceeding the identified thresholds are NERC compliant.

Reserve Activations



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.

DCS Event Time to ACE Recovery

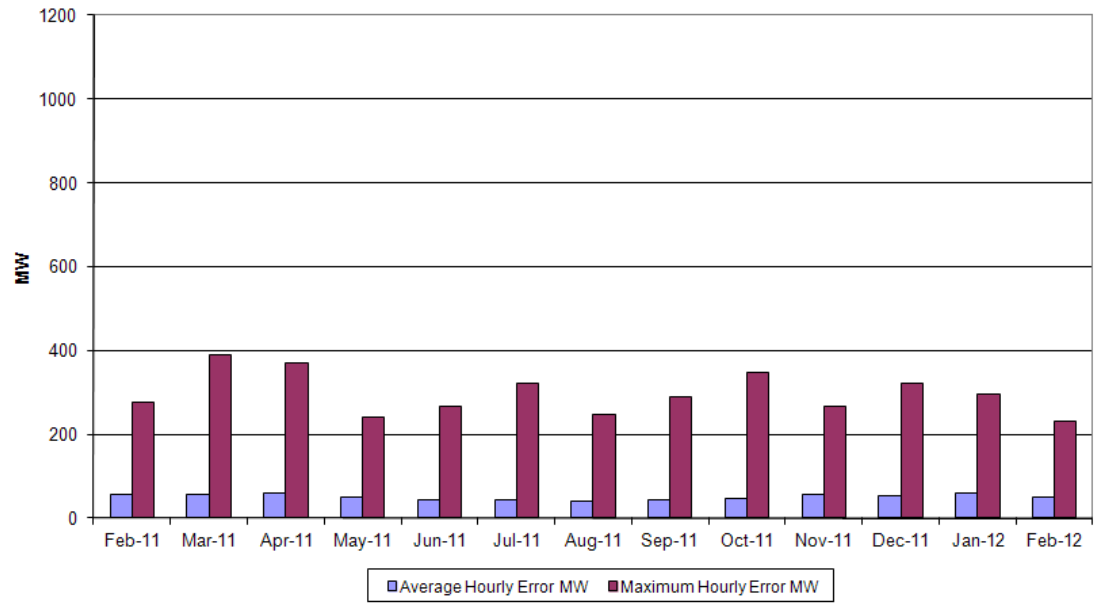


For NYISO initiated Reportable Disturbances, the maximum ACE recovery time is identified. Recovery times of less than 15 minutes are considered NERC compliant.

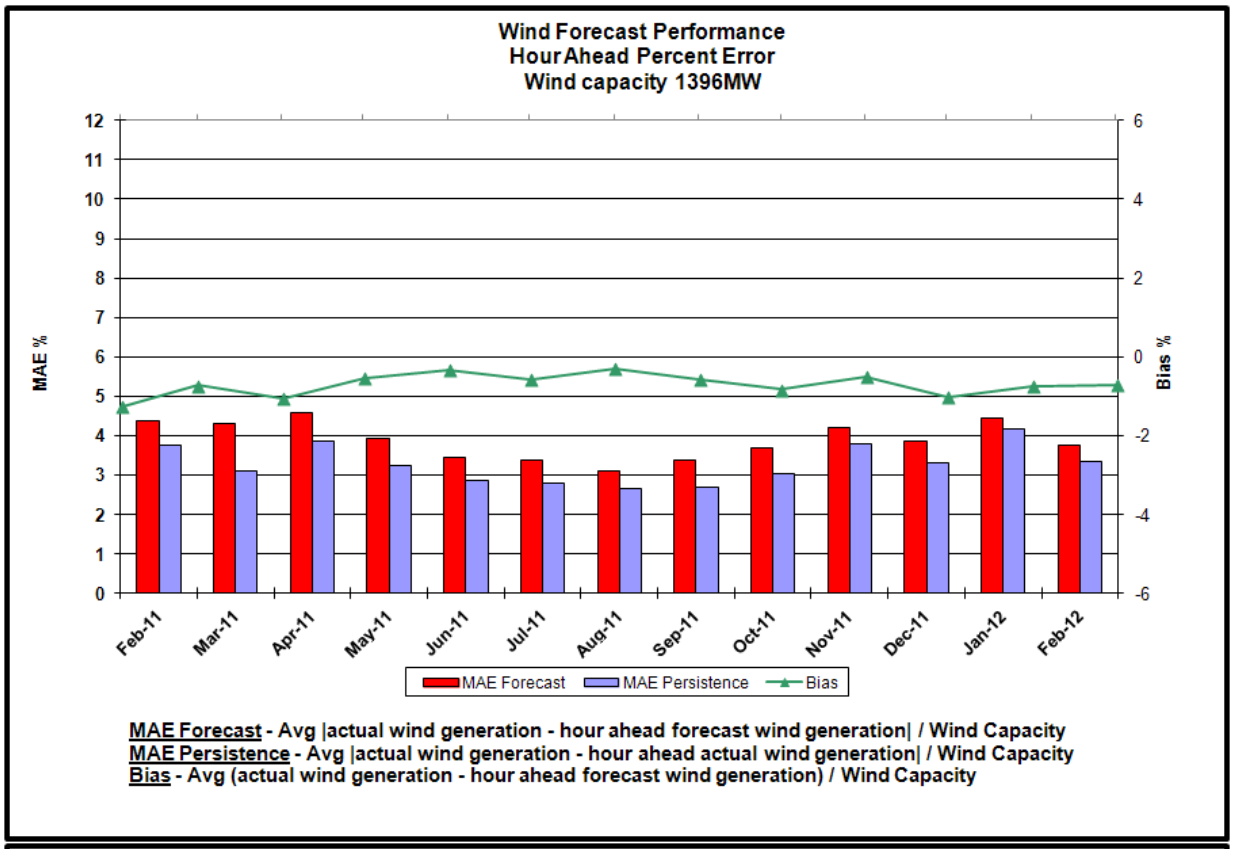
Load Forecast Performance

Hourly Error MW - Absolute value of the difference between the hourly average actual load demand and the average hour ahead forecast load demand.
Average Hourly Error % - Average value of the ratio of hourly average error magnitude to hourly average actual load demand.
Day-Ahead Average Hourly Error % - Average across all hours of the month of the absolute value of the difference between actual load demand and the Day-Ahead forecast load demand, divided by the actual load demand.

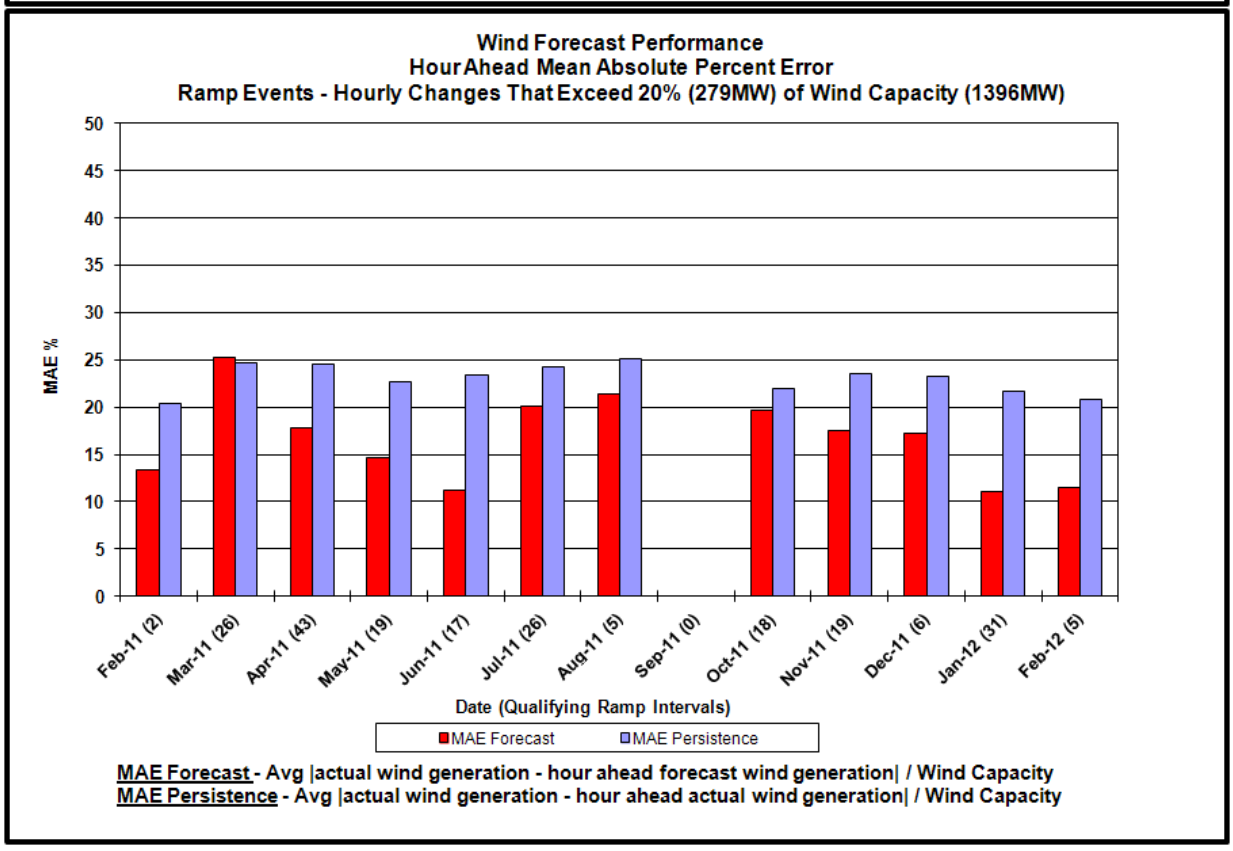
Wind Forecast Performance
Hour Ahead MW Error



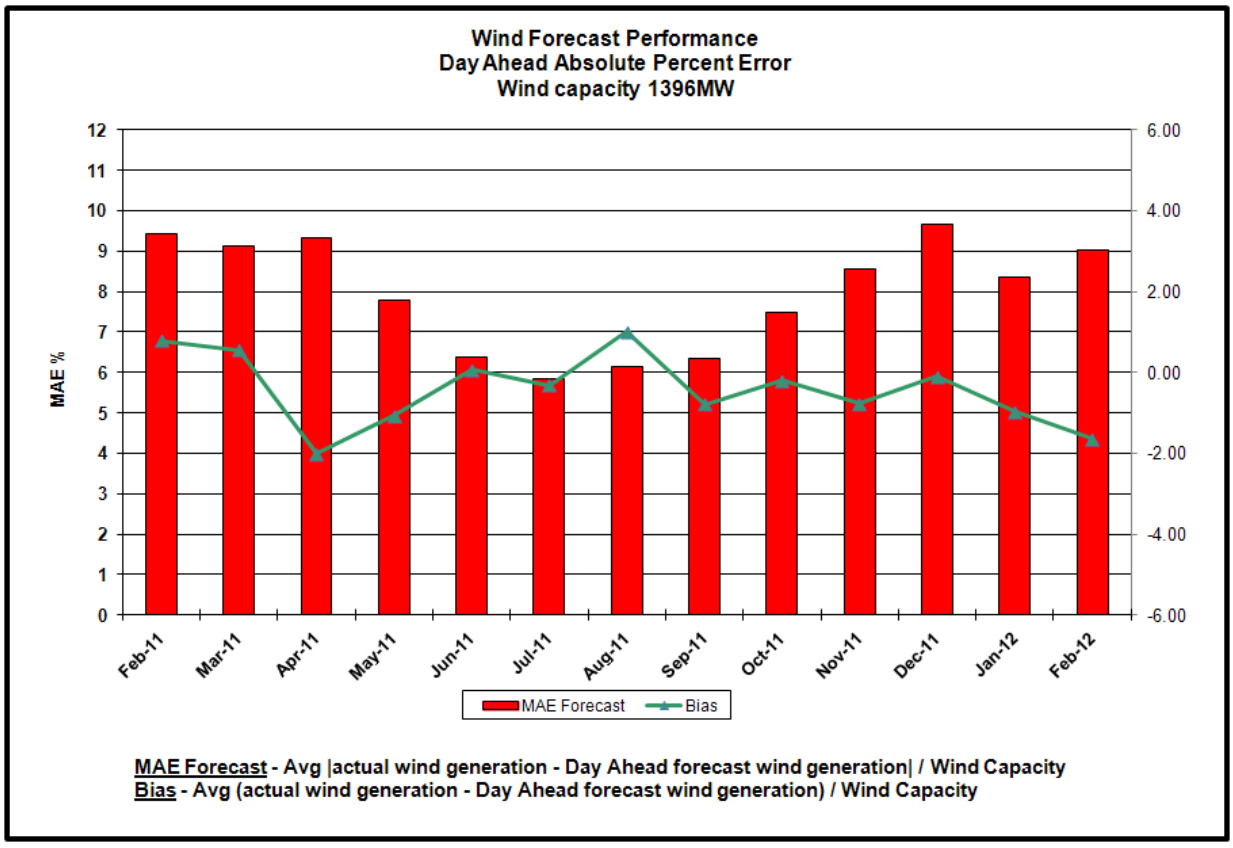
Hourly Error MW - Absolute value of the difference between the hourly average actual wind generation and the average hour ahead forecast wind generation.

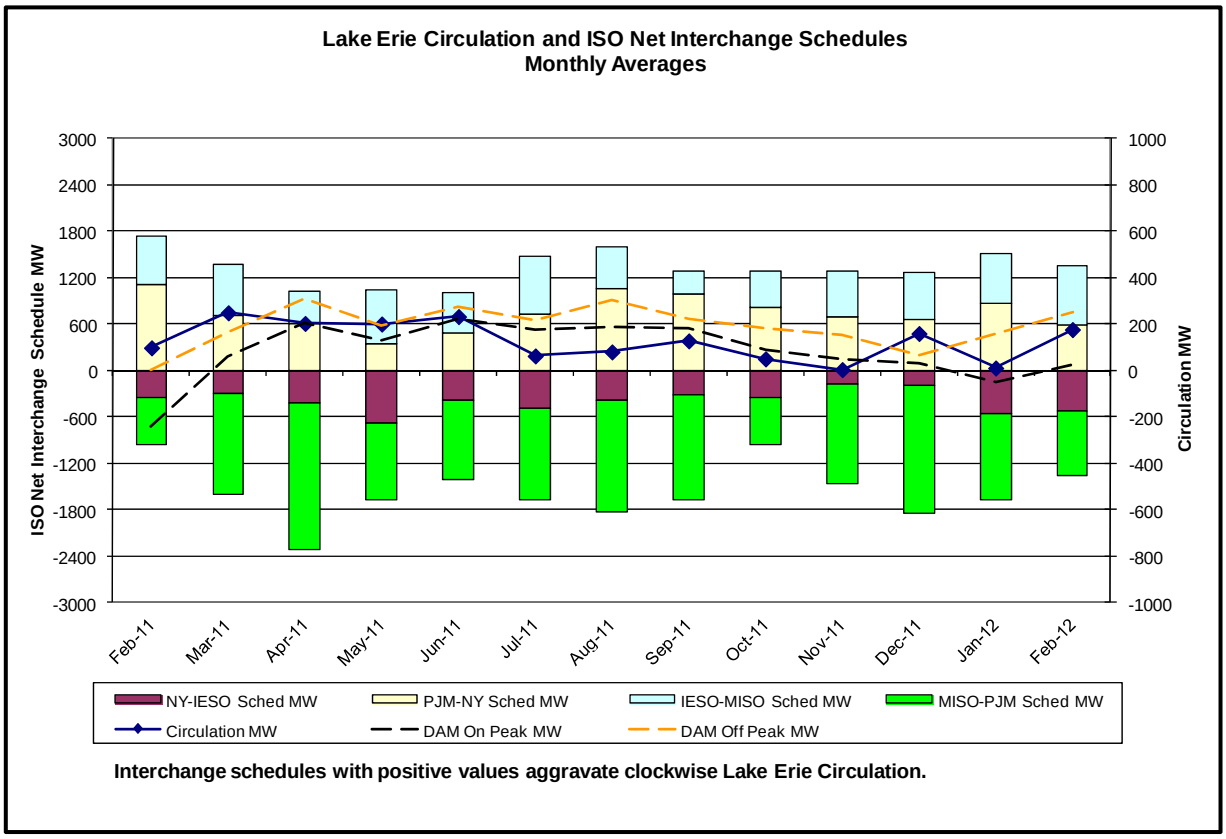


MAE Forecast - Avg |actual wind generation - hour ahead forecast wind generation| / Wind Capacity
MAE Persistence - Avg |actual wind generation - hour ahead actual wind generation| / Wind Capacity
Bias - Avg (actual wind generation - hour ahead forecast wind generation) / Wind Capacity

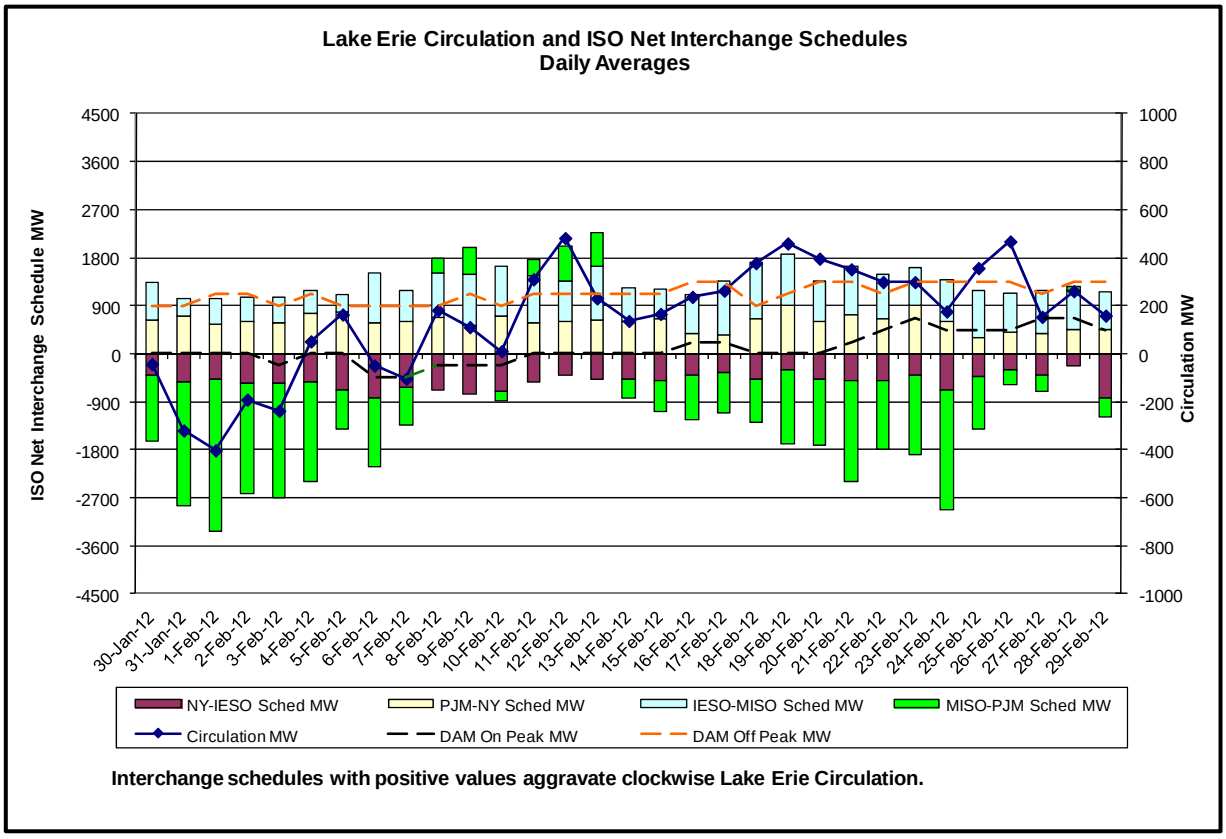


MAE Forecast - Avg |actual wind generation - hour ahead forecast wind generation| / Wind Capacity
MAE Persistence - Avg |actual wind generation - hour ahead actual wind generation| / Wind Capacity


Wind Forecast Performance
Day Ahead Absolute Percent Error
Wind capacity 1396MW
MAE %
12
11
10
9
8
7
6
5
4
3
2
1
0
6.00
4.00
2.00
0.00
-2.00
-4.00
-6.00
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
MAE Forecast
Bias
MAE Forecast - Avg |actual wind generation - Day Ahead forecast wind generation| / Wind Capacity
Bias - Avg (actual wind generation - Day Ahead forecast wind generation) / Wind Capacity

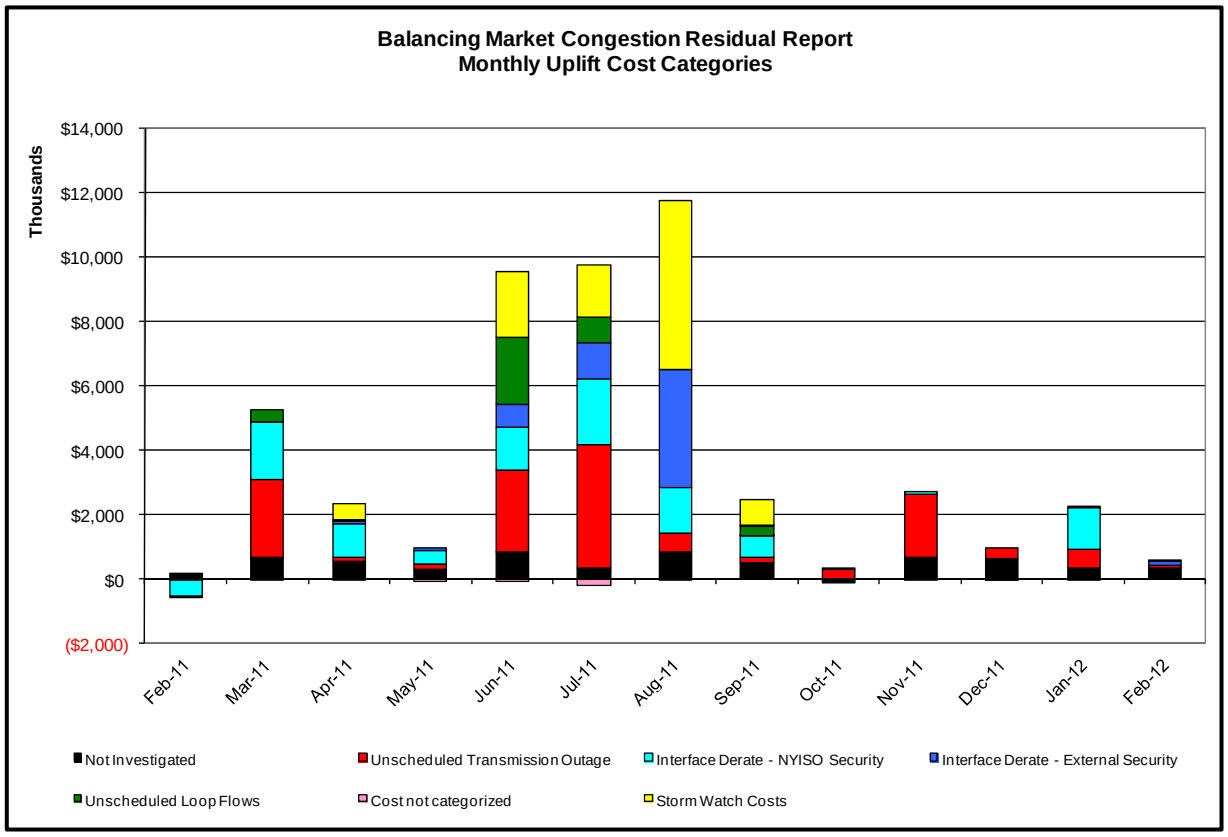


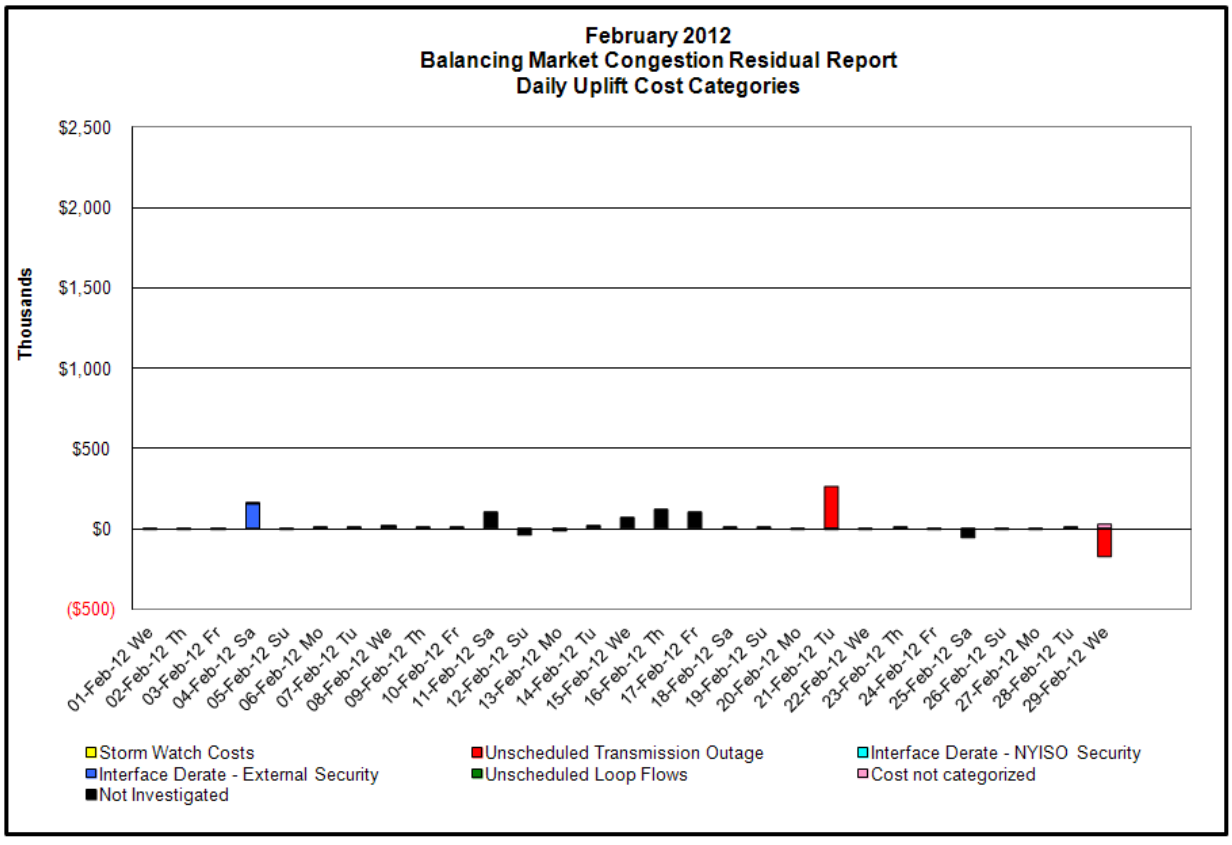
Interchange schedules with positive values aggravate clockwise Lake Erie Circulation.



Interchange schedules with positive values aggravate clockwise Lake Erie Circulation.

Market Performance Metrics





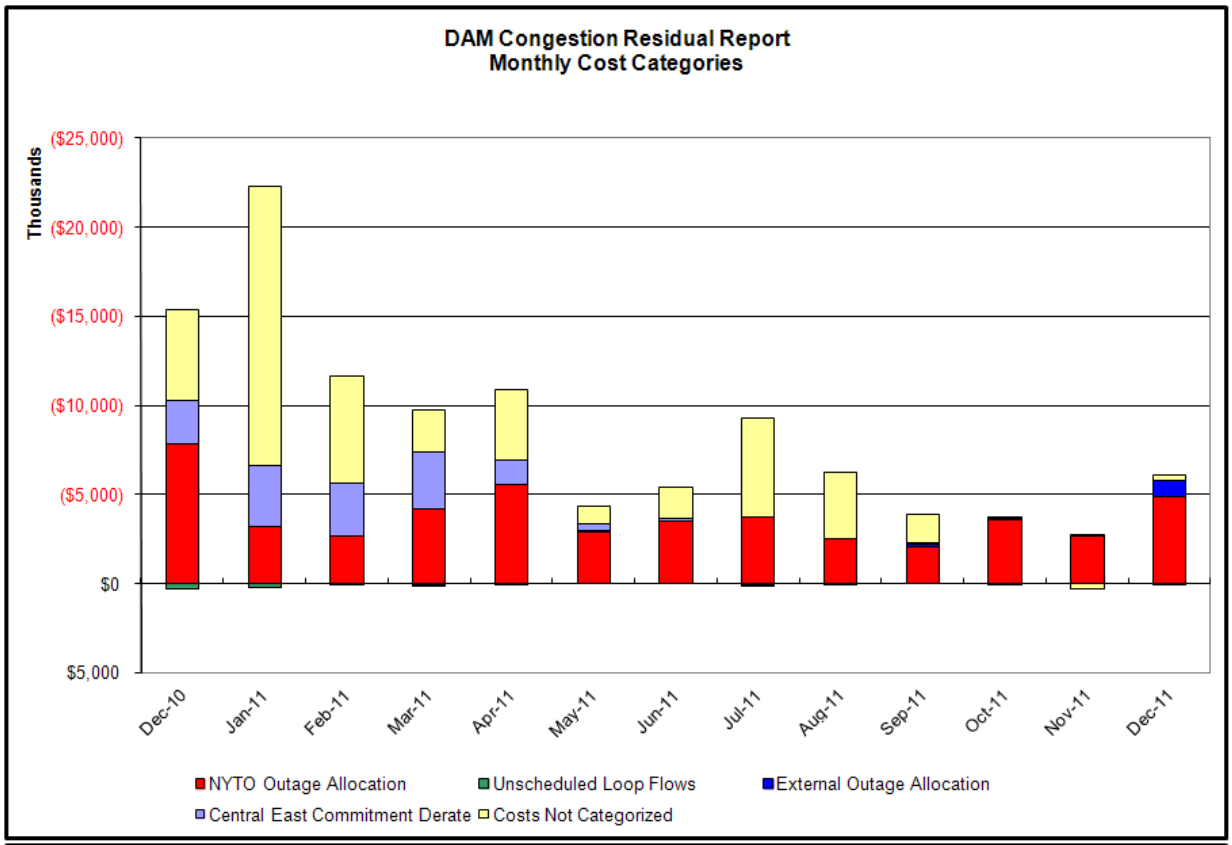
Day's investigated in February: 4,21,29			
Event	Date (yyyymmdd)	Hours	Description
	2/4/2012	23	PJM_VFT Scheduling Limit
	2/21/2012	8-13	Forced outage of FreshKills-Willow Brook138kV (#29211)
	2/29/2012	9-22	Forced outage of PJM-Neptune

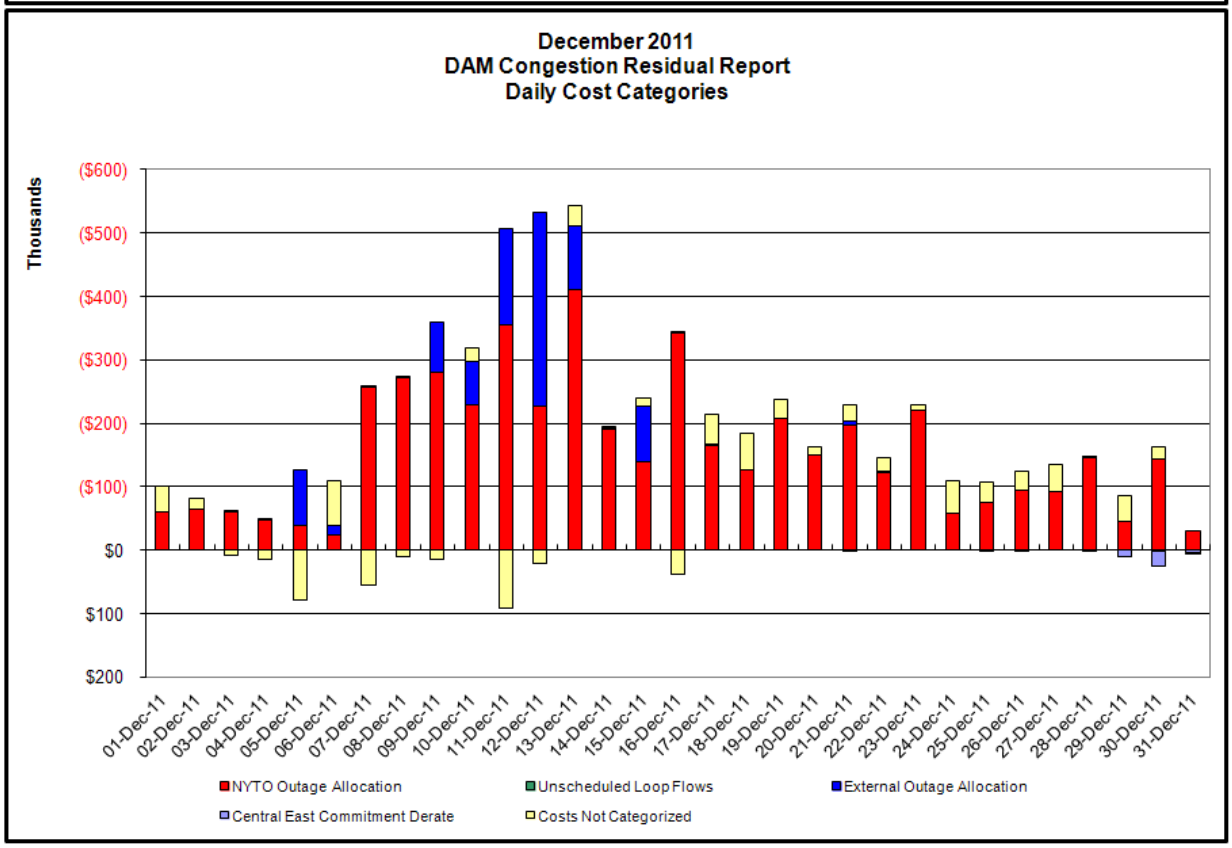
Real-Time Balancing Market Congestion Residual (Uplift Cost) Categories

Category	*Cost Assignment*	*Events Types*	*Event Examples*
Storm Watch	**Zone J**	**Thunderstorm Alert (TSA)**	**TSA Activations**
Unscheduled Transmission Outage	**Market-wide**	**Reduction in DAM to RTM transfers related to unscheduled transmission outage**	**Forced Line Outage, Unit AVR Outages**
Interface Derate - NYISO Security	**Market-wide**	**Reduction in DAM to RTM transfers not related to transmission outage**	**Interface Derates due to RTM voltages**
Interface Derate - External Security	**Market-wide**	**Reduction in DAM to RTM transfers related to External Control Area Security Events**	**TLR Events, External Transaction Curtailments**
Unscheduled Loop Flows	**Market-wide**	**Changes in DAM to RTM unscheduled loop flows impacting NYISO Interface transmission constraints**	**DAM to RTM Clockwise Lake Erie Loop Flows greater than 125 MW**

Monthly Balancing Market Congestion Report Assumptions/Notes

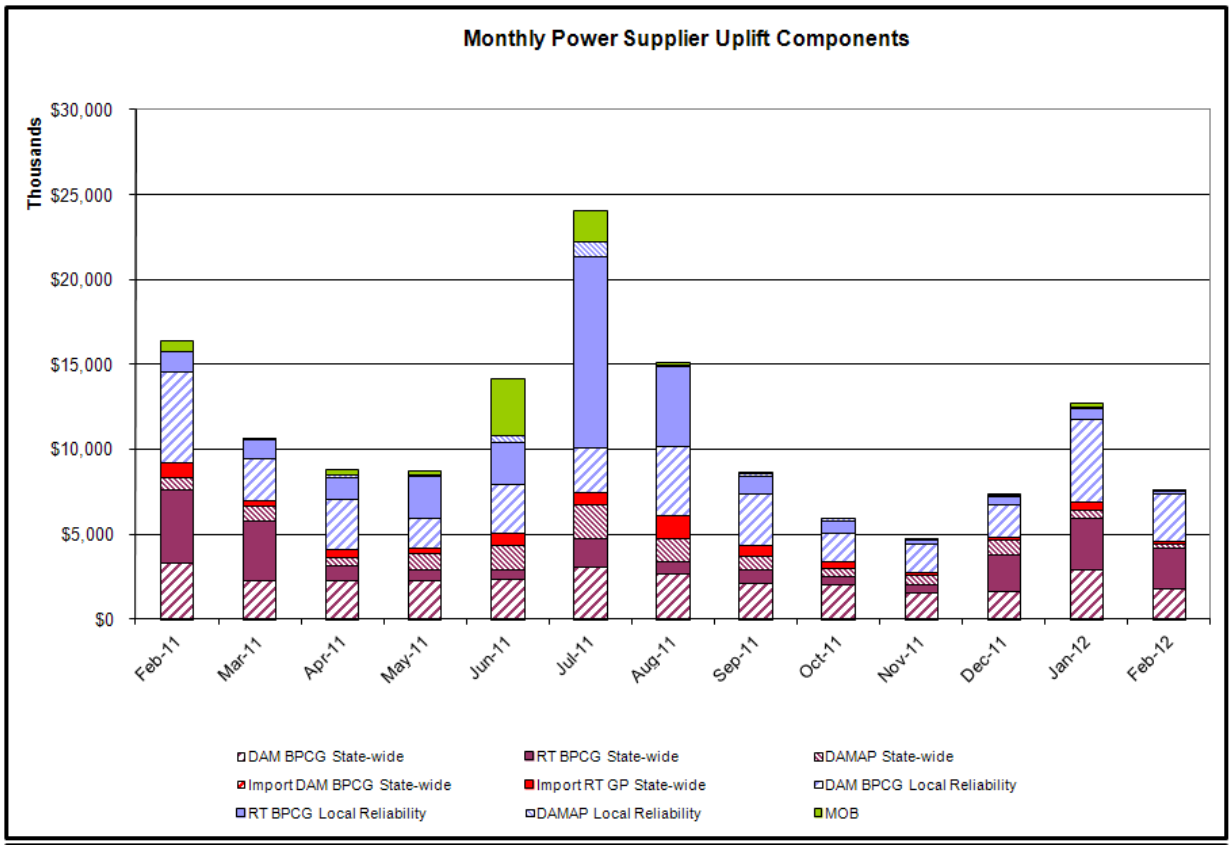
1) Storm Watch Costs are identified as daily total uplift costs
2) At a minimum those days with $100 K/HR, shortfall of $200 K/Day or more, or surplus of $100 K/Day or more are investigated
3) Uplift costs associated with multiple event types are apportioned equally by hour
4) Investigations began with Dec 2008. Prior months are reported as Not Investigated.

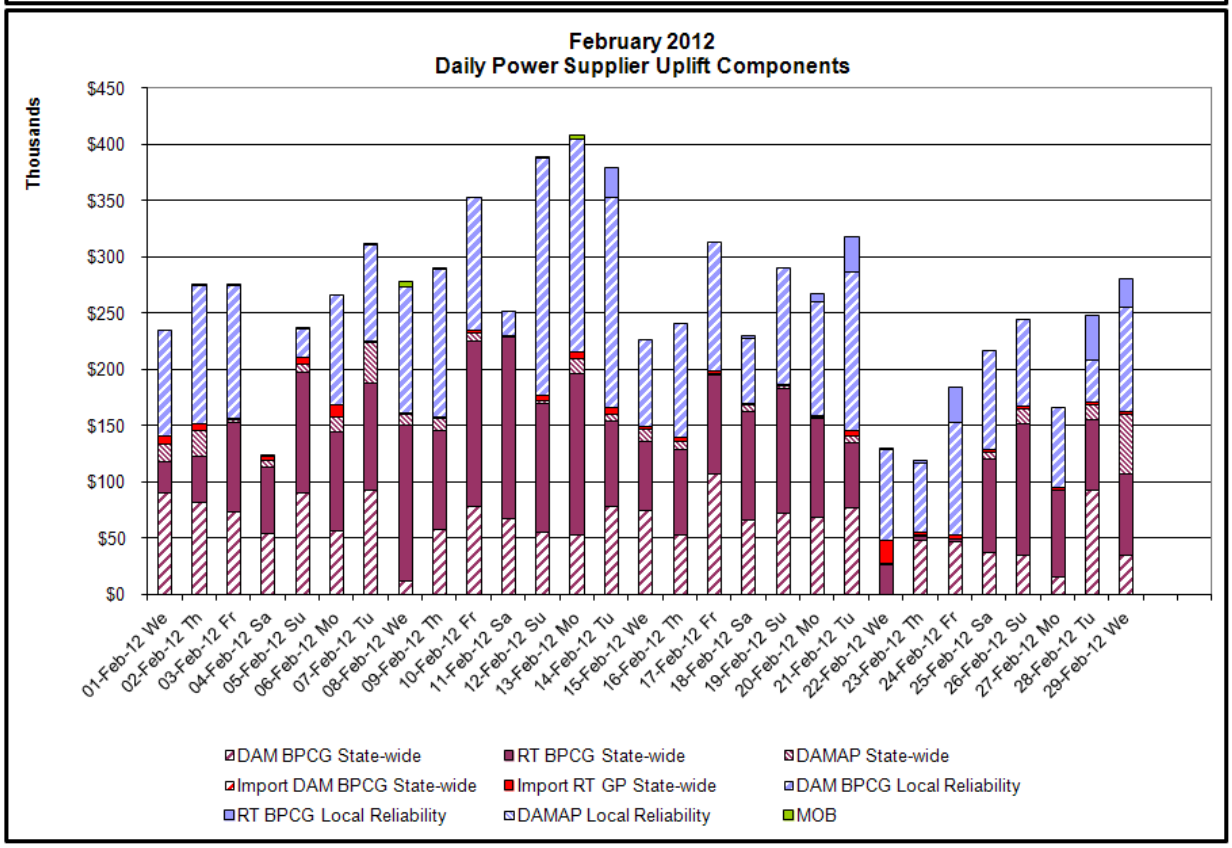

DAM Congestion Residual Report
Monthly Cost Categories
Thousands
($25,000)
($20,000)
($15,000)
($10,000)
($5,000)
$0
$5,000
Dec-10
Jan-11
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
NYTO Outage Allocation
Unscheduled Loop Flows
External Outage Allocation
Central East Commitment Derate
Costs Not Categorized

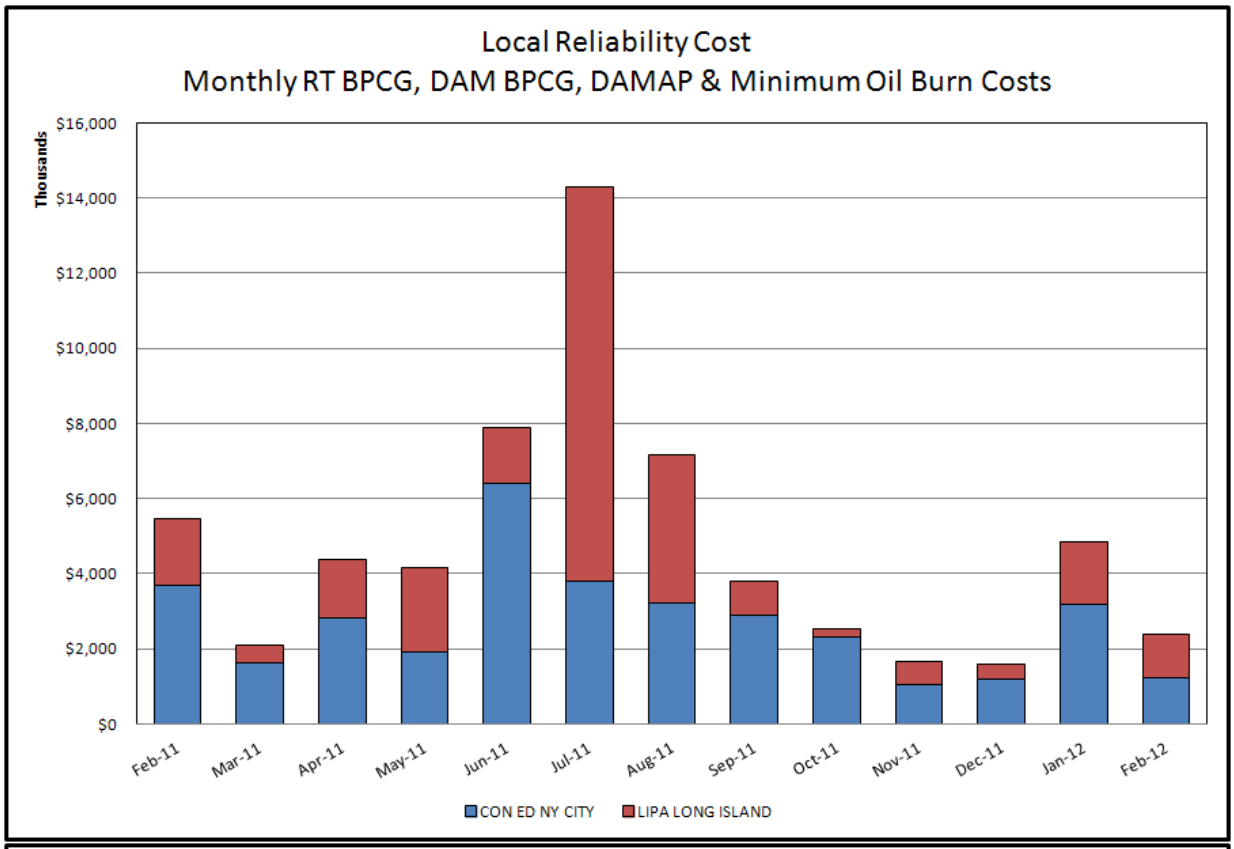

December 2011
DAM Congestion Residual Report
Daily Cost Categories
Thousands
($600)
($500)
($400)
($300)
($200)
($100)
$0
$100
$200
01-Dec-11
02-Dec-11
03-Dec-11
04-Dec-11
05-Dec-11
06-Dec-11
07-Dec-11
08-Dec-11
09-Dec-11
10-Dec-11
11-Dec-11
12-Dec-11
13-Dec-11
14-Dec-11
15-Dec-11
16-Dec-11
17-Dec-11
18-Dec-11
19-Dec-11
20-Dec-11
21-Dec-11
22-Dec-11
23-Dec-11
24-Dec-11
25-Dec-11
26-Dec-11
27-Dec-11
28-Dec-11
29-Dec-11
30-Dec-11
31-Dec-11
NYTO Outage Allocation
Unscheduled Loop Flows
External Outage Allocation
Central East Commitment Derate
Costs Not Categorized

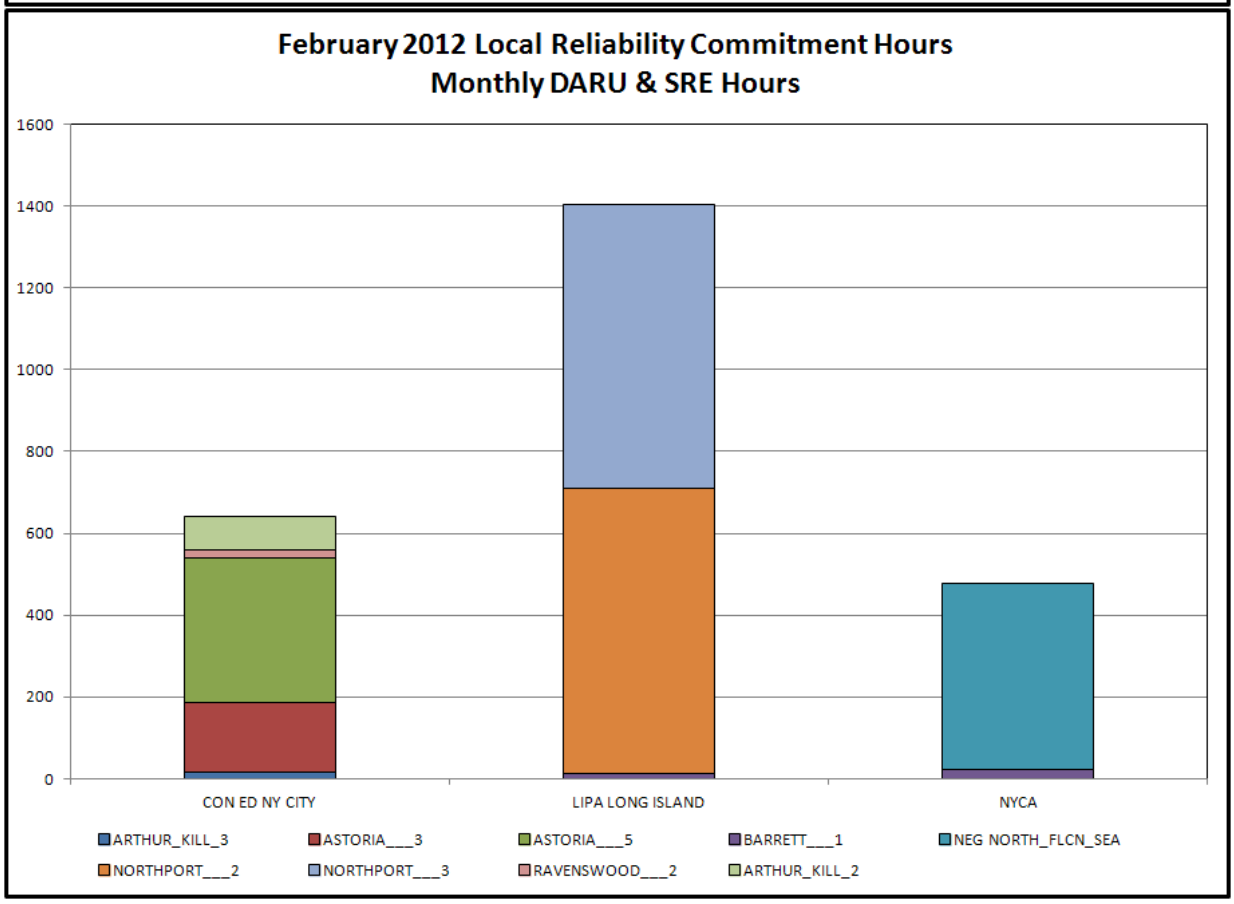
Day-Ahead Market Congestion Residual Categories

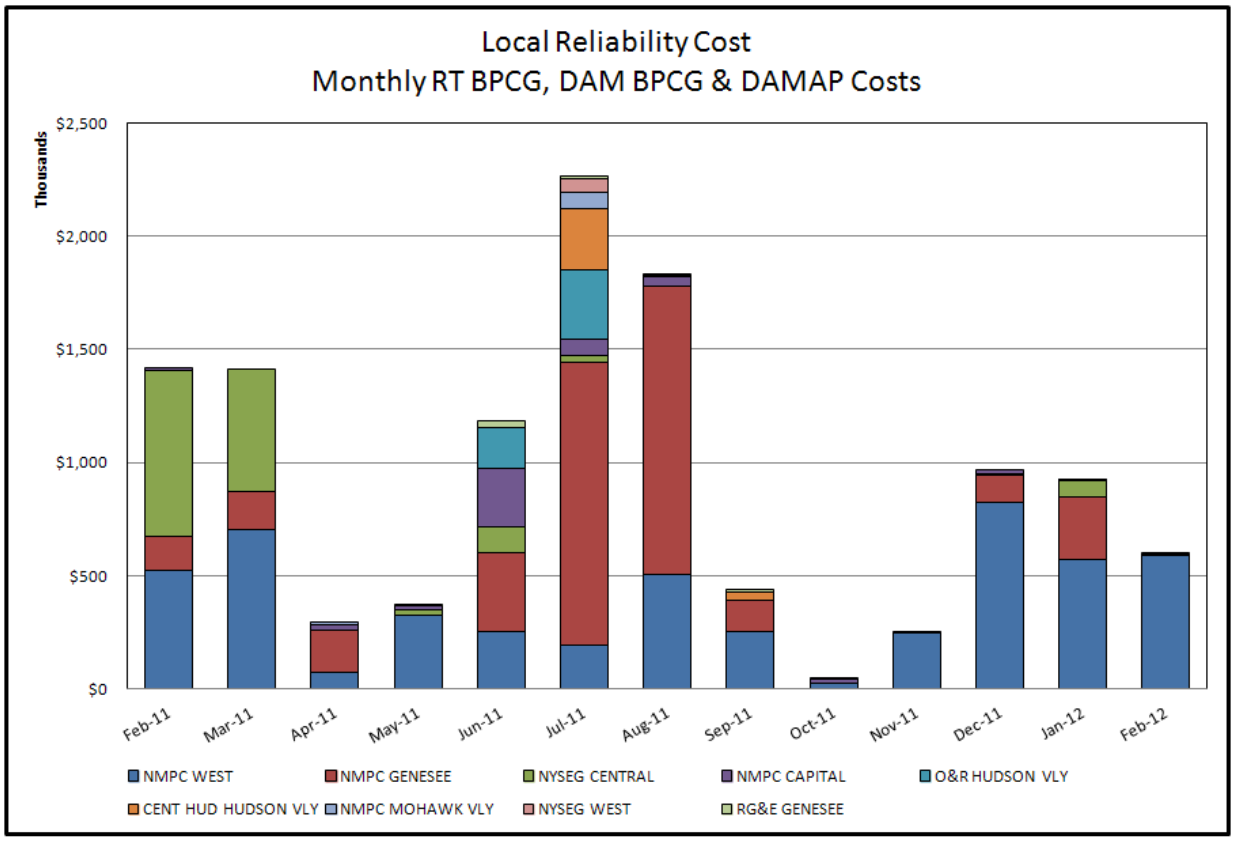
Category	*Cost Assignment*	*Events Types*	*Event Examples*
NYTO Outage Allocation	Responsible TO	Direct allocation to NYTO's responsible for transmission equipment status change.	DAM scheduled outage for equipment modeled in-service for the TCC Auction.
Unscheduled Loop Flows	All TO by Monthly Allocation Factor	Residual impact of Lake Erie circulation, MW difference between the DAM and TCC Auction.	Lake Erie Loop Flow Assumptions
External Outage Allocation	All TO by Monthly Allocation Factor	Direct allocation to transmission equipment status change caused by change in status of external equipment.	Tie line required out-of-service by TO of neighboring control area.
Central East Commitment Derate	All TO by Monthly Allocation Factor	Reductions in the DAM Central East_VC limit as compared to the TCC Auction limit, which are not associated with transmission line outages.	

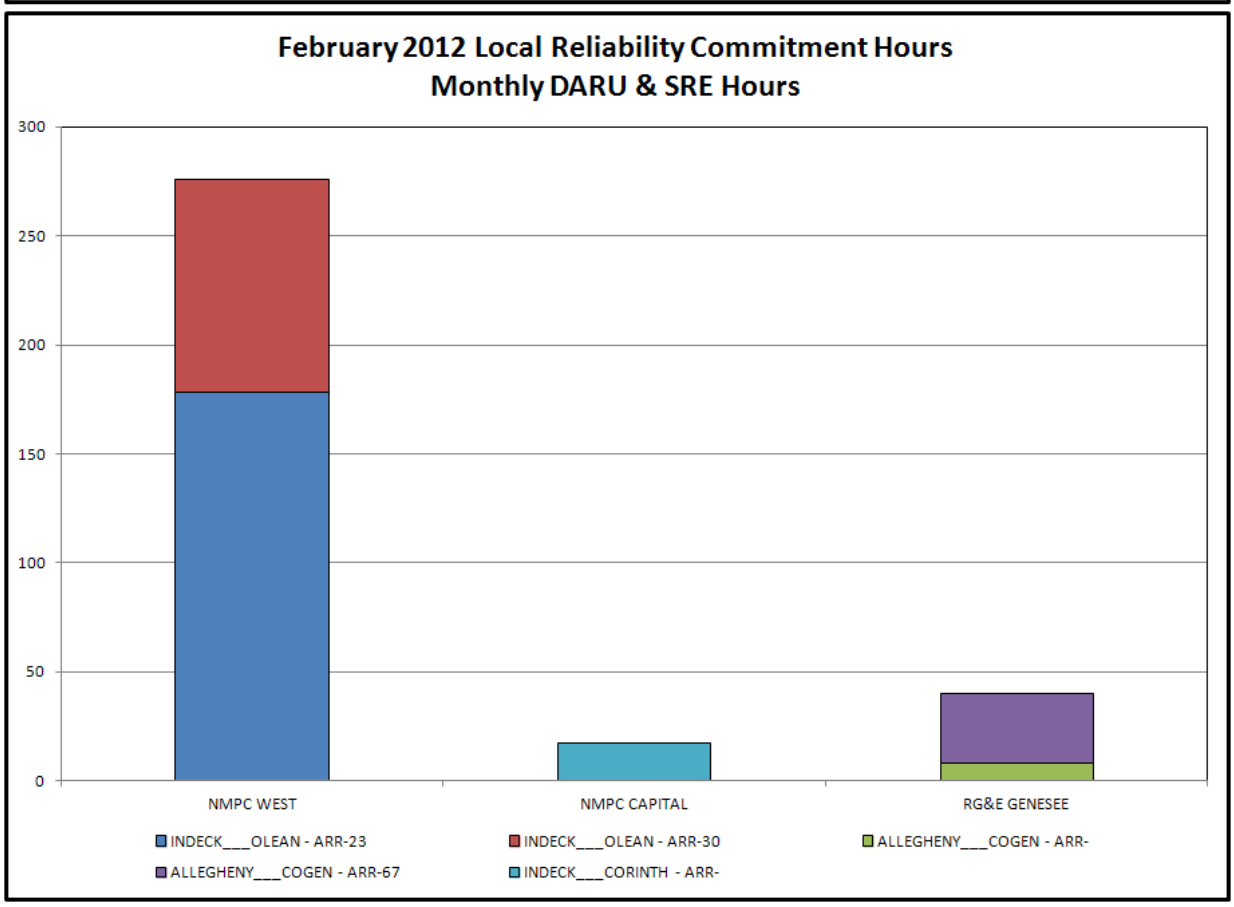

Monthly Power Supplier Uplift Components
Thousands
$30,000
$25,000
$20,000
$15,000
$10,000
$5,000
$0
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
DAM BPCG State-wide
RT BPCG State-wide
DAMAP State-wide
Import DAM BPCG State-wide
Import RT GP State-wide
DAM BPCG Local Reliability
RT BPCG Local Reliability
DAMAP Local Reliability
MOB

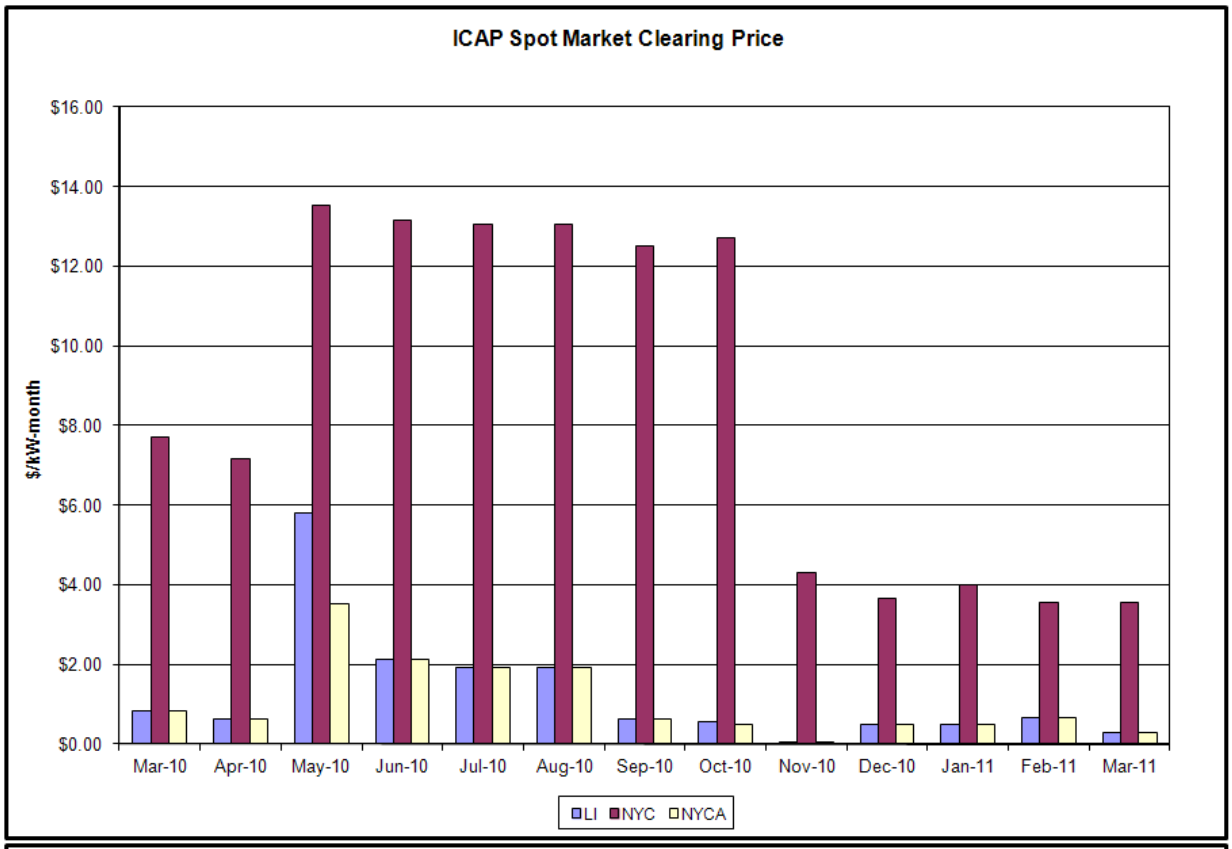

February 2012
Daily Power Supplier Uplift Components
Thousands
$450
$400
$350
$300
$250
$200
$150
$100
$50
$0
01-Feb-12 We
02-Feb-12 Th
03-Feb-12 Fr
04-Feb-12 Sa
05-Feb-12 Su
06-Feb-12 Mo
07-Feb-12 Tu
08-Feb-12 We
09-Feb-12 Th
10-Feb-12 Fr
11-Feb-12 Sa
12-Feb-12 Su
13-Feb-12 Mo
14-Feb-12 Tu
15-Feb-12 We
16-Feb-12 Th
17-Feb-12 Fr
18-Feb-12 Sa
19-Feb-12 Su
20-Feb-12 Mo
21-Feb-12 Tu
22-Feb-12 We
23-Feb-12 Th
24-Feb-12 Fr
25-Feb-12 Sa
26-Feb-12 Su
27-Feb-12 Mo
28-Feb-12 Tu
29-Feb-12 We
DAM BPCG State-wide
RT BPCG State-wide
DAMAP State-wide
Import DAM BPCG State-wide
Import RT GP State-wide
DAM BPCG Local Reliability
RT BPCG Local Reliability
DAMAP Local Reliability
MOB

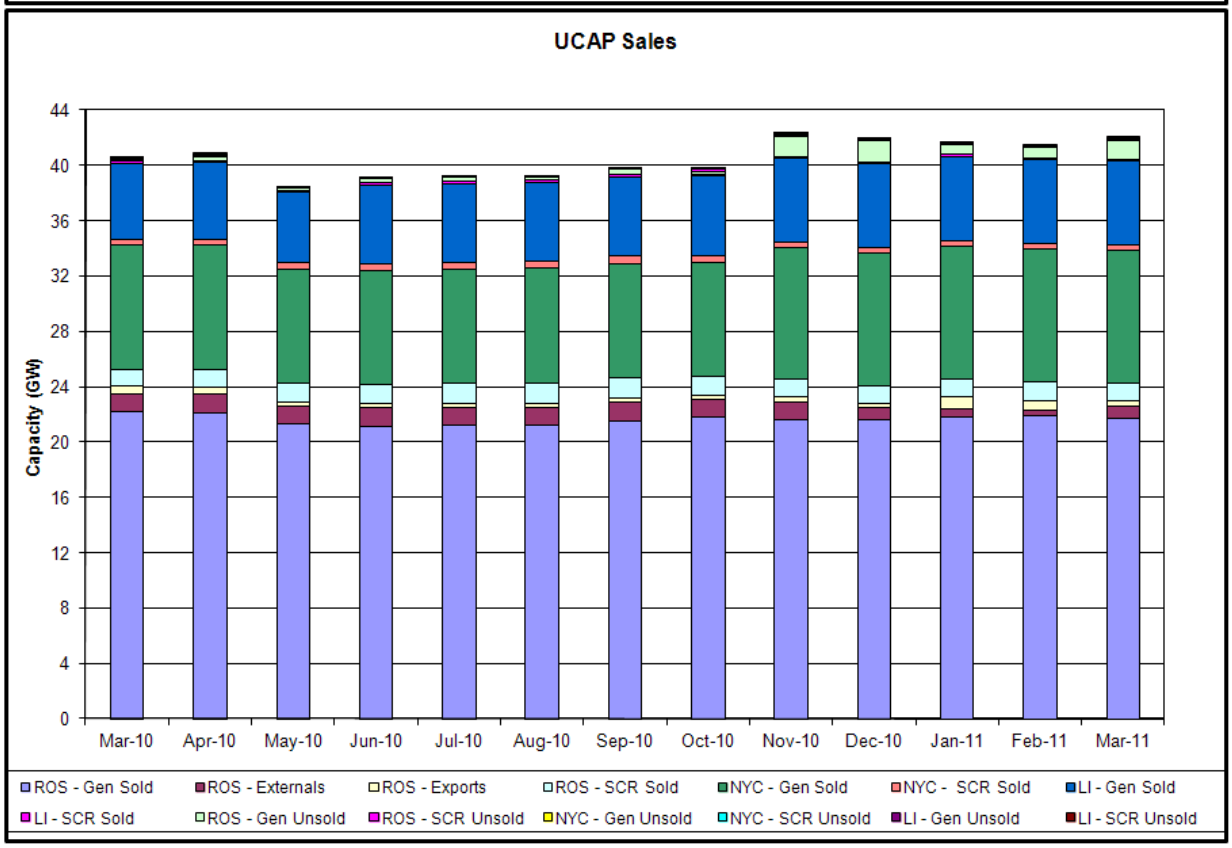

Local Reliability Cost
Monthly RT BPCG, DAM BPCG, DAMAP & Minimum Oil Burn Costs
Thousands
$16,000
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
CON ED NY CITY
LIPA LONG ISLAND


February 2012 Local Reliability Commitment Hours
Monthly DARU & SRE Hours
1600
1400
1200
1000
800
600
400
200
0
CON ED NY CITY
LIPA LONG ISLAND
NYCA
ARTHUR_KILL_3
ASTORIA___3
ASTORIA___5
BARRETT___1
NEG NORTH_FLCN_SEA
NORTHPORT___2
NORTHPORT___3
RAVENSWOOD___2
ARTHUR_KILL_2


Local Reliability Cost
Monthly RT BPCG, DAM BPCG & DAMAP Costs
Thousands
$2,500
$2,000
$1,500
$1,000
$500
$0
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
NMPC WEST
NMPC GENESEE
NYSEG CENTRAL
NMPC CAPITAL
O&R HUDSON VLY
CENT HUD HUDSON VLY
NMPC MOHAWK VLY
NYSEG WEST
RG&E GENESEE


February 2012 Local Reliability Commitment Hours
Monthly DARU & SRE Hours
300
250
200
150
100
50
0
NMPC WEST
NMPC CAPITAL
RG&E GENESEE
INDECK___OLEAN - ARR-23
INDECK___OLEAN - ARR-30
ALLEGHENY___COGEN - ARR-
ALLEGHENY___COGEN - ARR-67
INDECK___CORINTH - ARR-


ICAP Spot Market Clearing Price
$/kW-month
$16.00
$14.00
$12.00
$10.00
$8.00
$6.00
$4.00
$2.00
$0.00
Mar-10
Apr-10
May-10
Jun-10
Jul-10
Aug-10
Sep-10
Oct-10
Nov-10
Dec-10
Jan-11
Feb-11
Mar-11
LI
NYC
NYCA

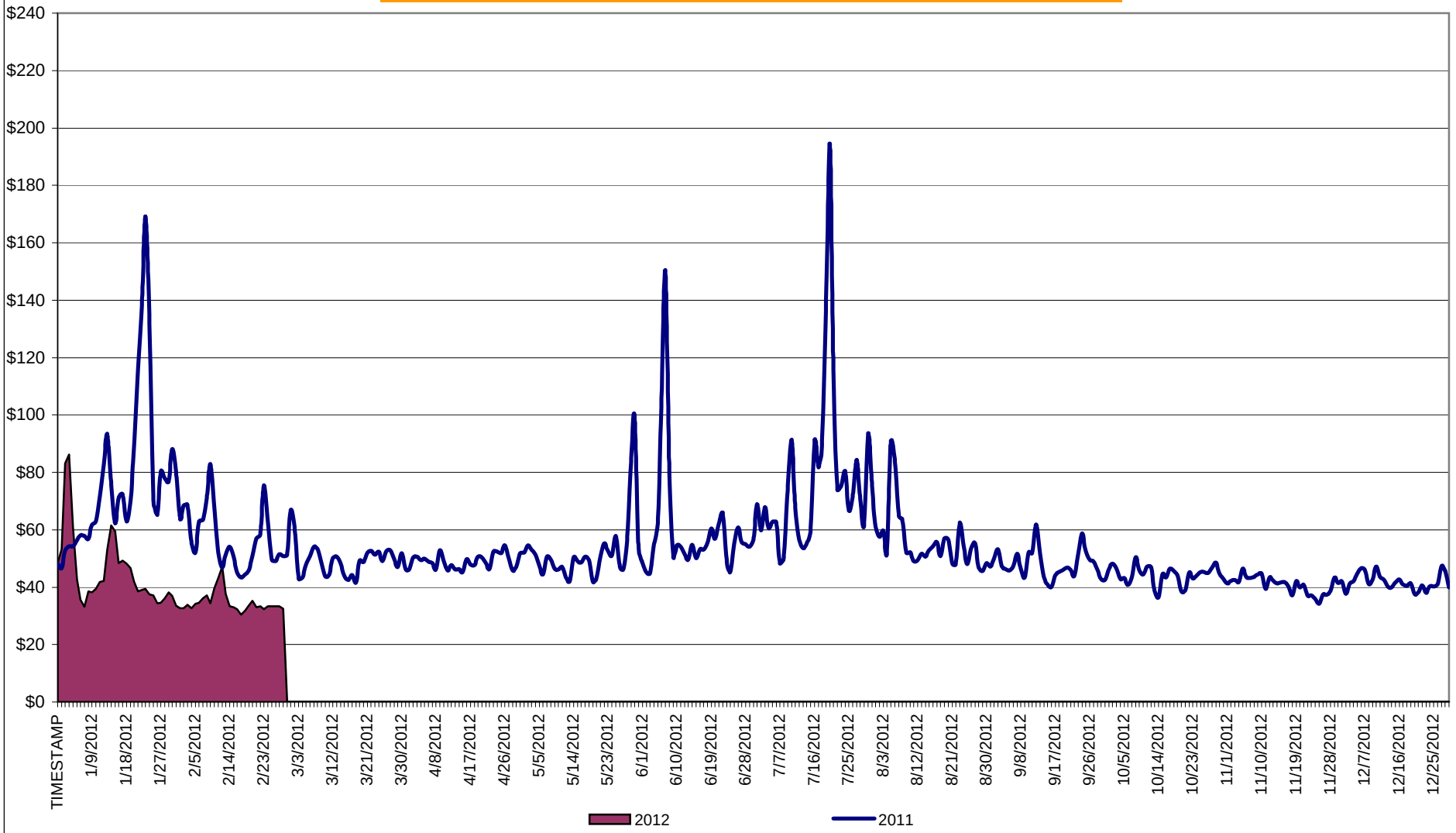

UCAP Sales
Capacity (GW)
44
40
36
32
28
24
20
16
12
8
4
0
Mar-10
Apr-10
May-10
Jun-10
Jul-10
Aug-10
Sep-10
Oct-10
Nov-10
Dec-10
Jan-11
Feb-11
Mar-11
ROS - Gen Sold
ROS - Externals
ROS - Exports
ROS - SCR Sold
NYC - Gen Sold
NYC - SCR Sold
LI - Gen Sold
LI - SCR Sold
ROS - Gen Unsold
ROS - SCR Unsold
NYC - Gen Unsold
NYC - SCR Unsold
LI - Gen Unsold
LI - SCR Unsold

Market Performance Highlights for February 2012

- **LBMP for February is $32.44/MWh, down from $44.00/MWh in January 2012.**
  - Day Ahead and Real Time Load Weighted LBMPs are down compared to January 2012.
- **Average monthly year-to-date cost of $41.05/MWh, a decrease from the previous month, $46.67/MWh.**
- **Average daily sendout is 431 GWh/day in February; down from 443 GWh/day in January 2012 and lower than 447 GWh/day in February 2011.**
- **Natural gas is down while distillate prices are up compared to the previous month.**
  - Natural Gas is $3.15/MMBtu, down from $5.09/MMBtu in January.
  - Kerosene is $24.43/MMBtu, up from $23.46/MMBtu in January.
  - No. 2 Fuel Oil is $22.75/MMBtu, up from $21.62/MMBtu in January.
  - No. 6 Fuel Oil is $19.86/MMBtu, up from $18.61/MMBtu in January.
- **Uplift per MWh is lower compared to the previous month.**
  - Uplift (not including NYISO cost of operations) is $0.13/MWh, lower than $0.36/MWh in January.
    - The TSA Share is $0.00/MWh
    - The Local Reliability Share is $0.04/MWh
    - The Other Share is $0.09/MWh
  - Total uplift (Schedule 1 components including NYISO Cost of Operations) is lower compared to January.

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

2011 Annual Average $56.55/MWh
February 2011YTD Average $68.82/MWh
February 2012YTD Average $41.05/MWh



* Excludes ICAP payments.

Market Mitigation and Analysis
Prepared: 3/6/2012 9:50 AM

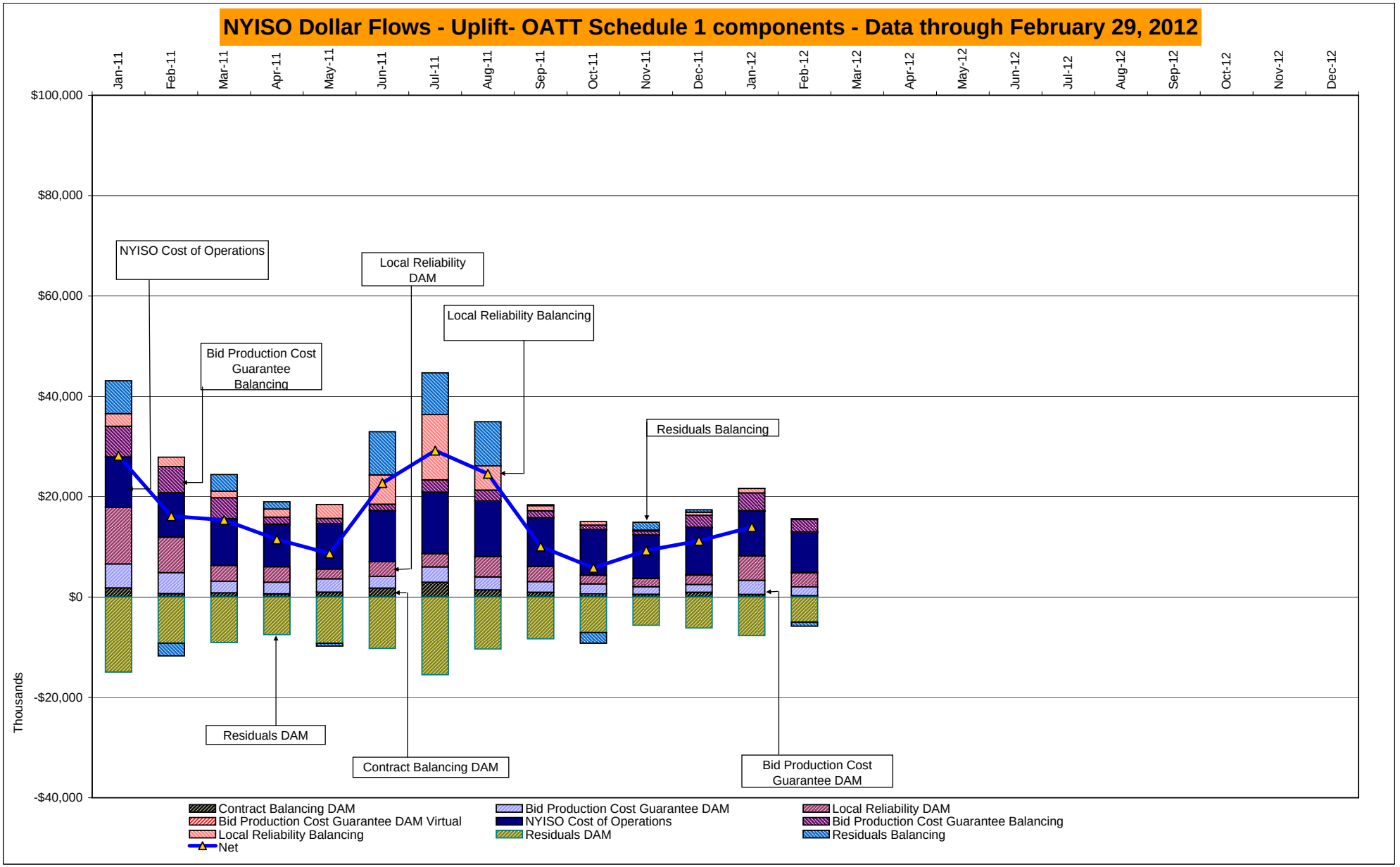
Data reflects true-ups thru January 2012.

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

2012	January	February	March	April	May	June	July	August	September	October	November	December
LBMP	44.00	32.44										
NTAC	0.85	0.80										
Reserve	0.35	0.25										
Regulation	0.10	0.08										
NYISO Cost of Operations	0.64	0.64										
Uplift	0.36	0.13										
Uplift: TSA Share	-	-										
Uplift: Local Reliability Share	0.15	0.04										
Uplift: Other Share	0.21	0.09										
Voltage Support and Black Start	0.37	0.37										
Avg Monthly Cost	46.67	34.72										
Avg YTD Cost	46.67	41.05										

2011	January	February	March	April	May	June	July	August	September	October	November	December
LBMP	74.91	55.60	46.98	46.44	48.49	60.33	75.76	56.04	46.86	42.48	38.97	39.73
NTAC	0.62	0.75	0.86	0.81	1.13	1.22	0.66	0.60	0.43	0.56	0.62	0.69
Reserve	0.44	0.50	0.41	0.43	0.48	0.28	0.28	0.13	0.25	0.41	0.26	0.28
Regualtion	0.20	0.18	0.15	0.12	0.10	0.15	0.12	0.09	0.08	0.09	0.08	0.09
NYISO Cost of Operations	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Uplift	1.26	0.58	0.45	0.25	(0.02)	0.94	1.01	0.89	0.03	(0.27)	0.05	0.12
Uplift: TSA Share	-	-	-	0.01	-	0.30	0.08	0.28	0.00	-	-	-
Uplift: Local Reliability Share	0.62	0.32	0.13	0.10	(0.01)	0.36	0.54	0.32	0.01	(0.15)	0.01	0.03
Uplift: Other Share	0.65	0.26	0.32	0.14	(0.01)	0.28	0.39	0.29	0.01	(0.11)	0.04	0.10
Voltage Support and Black Start	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37
Avg Monthly Cost	78.50	58.69	49.92	49.12	51.24	64.19	79.30	59.13	48.71	44.36	41.05	41.98
Avg YTD Cost	78.50	68.82	62.36	59.15	57.53	58.81	62.86	62.29	60.78	59.29	57.86	56.55

* Excludes ICAP payments.



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

2012	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWh	14,877,279	13,473,786										
DAM LSE Internal LBMP Energy Sales	58%	57%										
DAM External TC LBMP Energy Sales	1%	1%										
DAM Bilateral - Internal Bilaterals	38%	40%										
DAM Bilateral - Importl/Non-LBMP Market Bilaterals	0%	0%										
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	2%										
DAM Bilateral - Wheel Through Bilaterals	1%	0%										
Balancing Energy Market MWh	-878,258	-814,169										
Balancing Energy LSE Internal LBMP Energy Sales	-110%	-111%										
Balancing Energy External TC LBMP Energy Sales	9%	7%										
Balancing Energy Bilateral - Internal Bilaterals	1%	1%										
Balancing Energy Bilateral - Importl/Non-LBMP Market Bilaterals	0%	0%										
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	4%	3%										
Balancing Energy Bilateral - Wheel Through Bilaterals	-3%	0%										
Transactions Summary												
LBMP	57%	56%										
Internal Bilaterals	41%	42%										
Import Bilaterals	0%	0%										
Export Bilaterals	2%	2%										
Wheels Through	1%	0%										
Market Share of Total Load												
Day Ahead Market	106.3%	106.4%										
Balancing Energy +	-6.3%	-6.4%										
Total MWH	13,999,021	12,659,617										
Average Daily Energy Sendout/Month GWh	443	431										

2011	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWh	14,146,283	12,514,435	13,164,026	12,191,562	12,809,240	14,520,490	17,296,367	15,872,137	14,052,940	13,263,167	12,710,654	14,300,553
DAM LSE Internal LBMP Energy Sales	49%	54%	53%	55%	55%	57%	60%	62%	59%	54%	55%	59%
DAM External TC LBMP Energy Sales	1%	1%	2%	2%	1%	1%	2%	1%	1%	4%	2%	1%
DAM Bilateral - Internal Bilaterals	42%	43%	43%	41%	41%	39%	36%	35%	39%	41%	41%	37%
DAM Bilateral - Importl/Non-LBMP Market Bilaterals	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	2%	2%	2%	1%	1%	1%	1%	2%	2%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	0%	1%	1%	1%	1%	1%	0%	0%	1%
Balancing Energy Market MWh	311,996	210,141	250,346	35,939	192,443	44,238	221,521	-31,814	-204,604	-204,312	-281,379	-688,007
Balancing Energy LSE Internal LBMP Energy Sales	28%	24%	39%	-226%	40%	-141%	29%	-372%	-147%	-181%	-129%	-115%
Balancing Energy External TC LBMP Energy Sales	48%	50%	50%	197%	39%	271%	77%	328%	53%	59%	21%	13%
Balancing Energy Bilateral - Internal Bilaterals	15%	7%	8%	47%	14%	37%	0%	-1%	5%	11%	0%	0%
Balancing Energy Bilateral - Importl/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	6%	14%	13%	83%	10%	32%	6%	39%	8%	10%	10%	4%
Balancing Energy Bilateral - Wheel Through Bilaterals	3%	5%	-10%	-1%	-2%	-100%	-12%	-94%	-18%	1%	-2%	-2%
Transactions Summary												
LBMP	51%	55%	55%	57%	57%	59%	63%	63%	59%	56%	56%	58%
Internal Bilaterals	42%	42%	42%	41%	41%	39%	36%	36%	39%	42%	42%	39%
Import Bilaterals	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Export Bilaterals	2%	2%	2%	2%	2%	1%	1%	1%	1%	2%	2%	2%
Wheels Through	1%	1%	1%	0%	1%	1%	1%	1%	0%	0%	0%	1%
Market Share of Total Load												
Day Ahead Market	97.8%	98.3%	98.1%	99.7%	98.5%	99.7%	98.7%	100.2%	101.5%	101.6%	102.3%	105.1%
Balancing Energy +	2.2%	1.7%	1.9%	0.3%	1.5%	0.3%	1.3%	-0.2%	-1.5%	-1.6%	-2.3%	-5.1%
Total MWH	14,458,279	12,724,575	13,414,372	12,227,501	13,001,683	14,564,728	17,517,888	15,840,323	13,848,336	13,058,855	12,429,275	13,612,546
Average Daily Energy Sendout/Month GWh	457	447	422	398	411	479	555	505	456	403	408	430

+ 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 2012 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
DAY AHEAD LBMP												
Price *	$40.91	$31.15										
Standard Deviation	$15.62	$6.23										
Load Weighted Price **	$42.20	$31.73										
RTC LBMP												
Price *	$37.93	$30.31										
Standard Deviation	$23.43	$7.26										
Load Weighted Price **	$39.19	$30.75										
REAL TIME LBMP												
Price *	$37.35	$30.54										
Standard Deviation	$23.75	$9.77										
Load Weighted Price **	$38.88	$31.14										
Average Daily Energy Sendout/Month GWh	443	431										

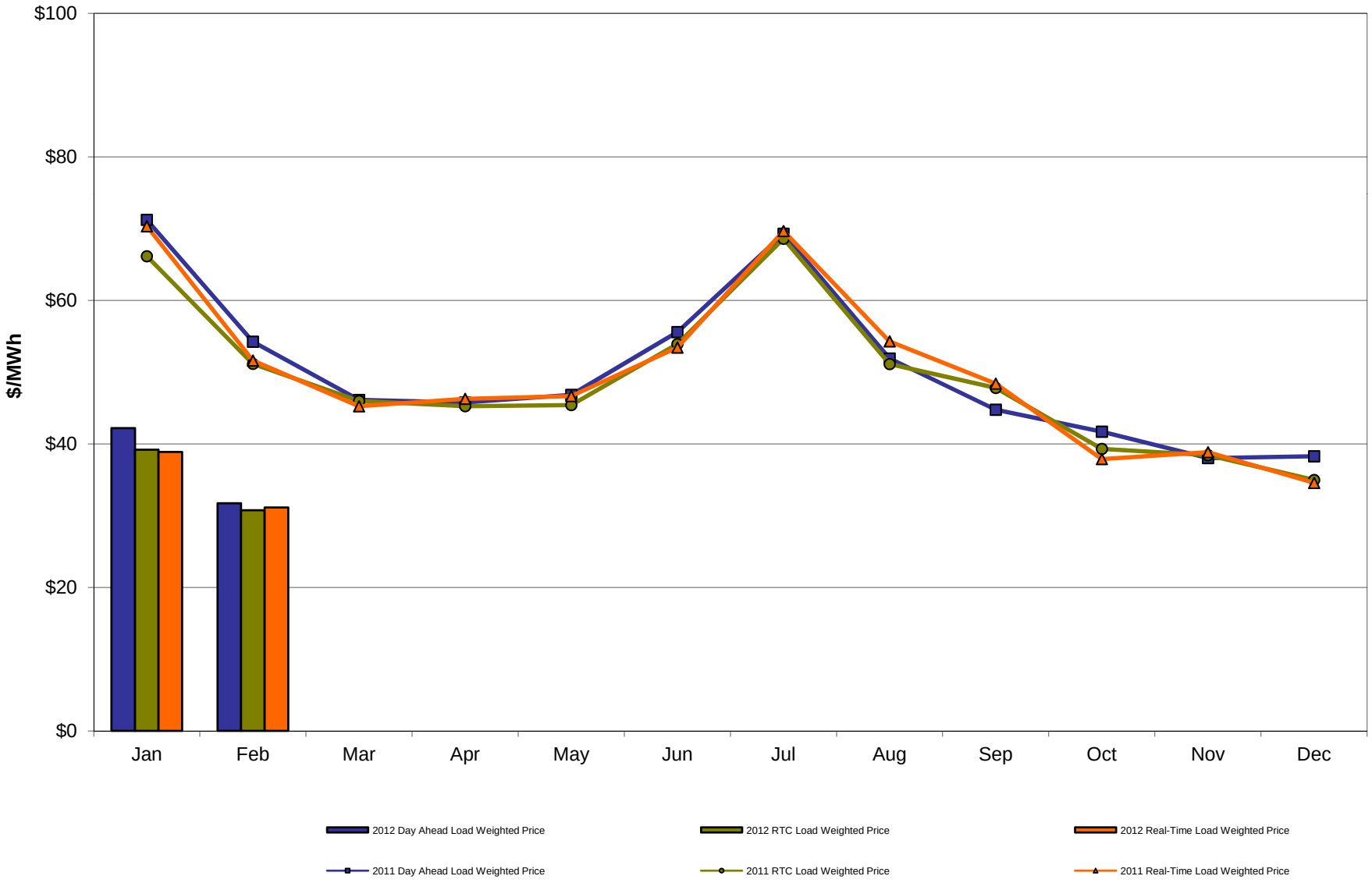
NYISO Markets 2011 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
DAY AHEAD LBMP												
Price *	$69.03	$52.87	$45.20	$44.80	$45.20	$52.26	$64.60	$49.59	$43.28	$40.38	$37.12	$37.31
Standard Deviation	$30.78	$14.77	$9.06	$8.22	$11.77	$26.24	$34.99	$16.62	$10.26	$9.30	$7.64	$9.13
Load Weighted Price **	$71.22	$54.24	$46.13	$45.77	$46.83	$55.58	$69.28	$51.90	$44.76	$41.70	$38.02	$38.27
RTC LBMP												
Price *	$64.48	$50.15	$45.13	$44.32	$43.69	$50.47	$63.42	$48.47	$46.02	$38.44	$37.43	$34.00
Standard Deviation	$39.41	$18.83	$18.96	$15.44	$25.19	$46.41	$82.29	$59.95	$25.18	$15.45	$17.55	$15.60
Load Weighted Price **	$66.15	$51.15	$45.98	$45.25	$45.41	$53.91	$68.58	$51.12	$47.80	$39.30	$38.43	$34.97
REAL TIME LBMP												
Price *	$67.92	$50.26	$44.22	$45.20	$44.26	$48.68	$62.96	$49.39	$45.92	$36.91	$37.67	$33.50
Standard Deviation	$58.47	$22.39	$17.41	$19.98	$26.27	$44.88	$64.83	$62.04	$26.88	$13.65	$19.42	$14.12
Load Weighted Price **	$70.32	$51.61	$45.24	$46.28	$46.66	$53.42	$69.66	$54.28	$48.40	$37.88	$38.84	$34.57
Average Daily Energy Sendout/Month GWh	457	447	422	398	411	479	555	505	456	402	408	430

* Average zonal load weighted prices.

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

NYISO Monthly Average Internal LBMPs
2011- 2012



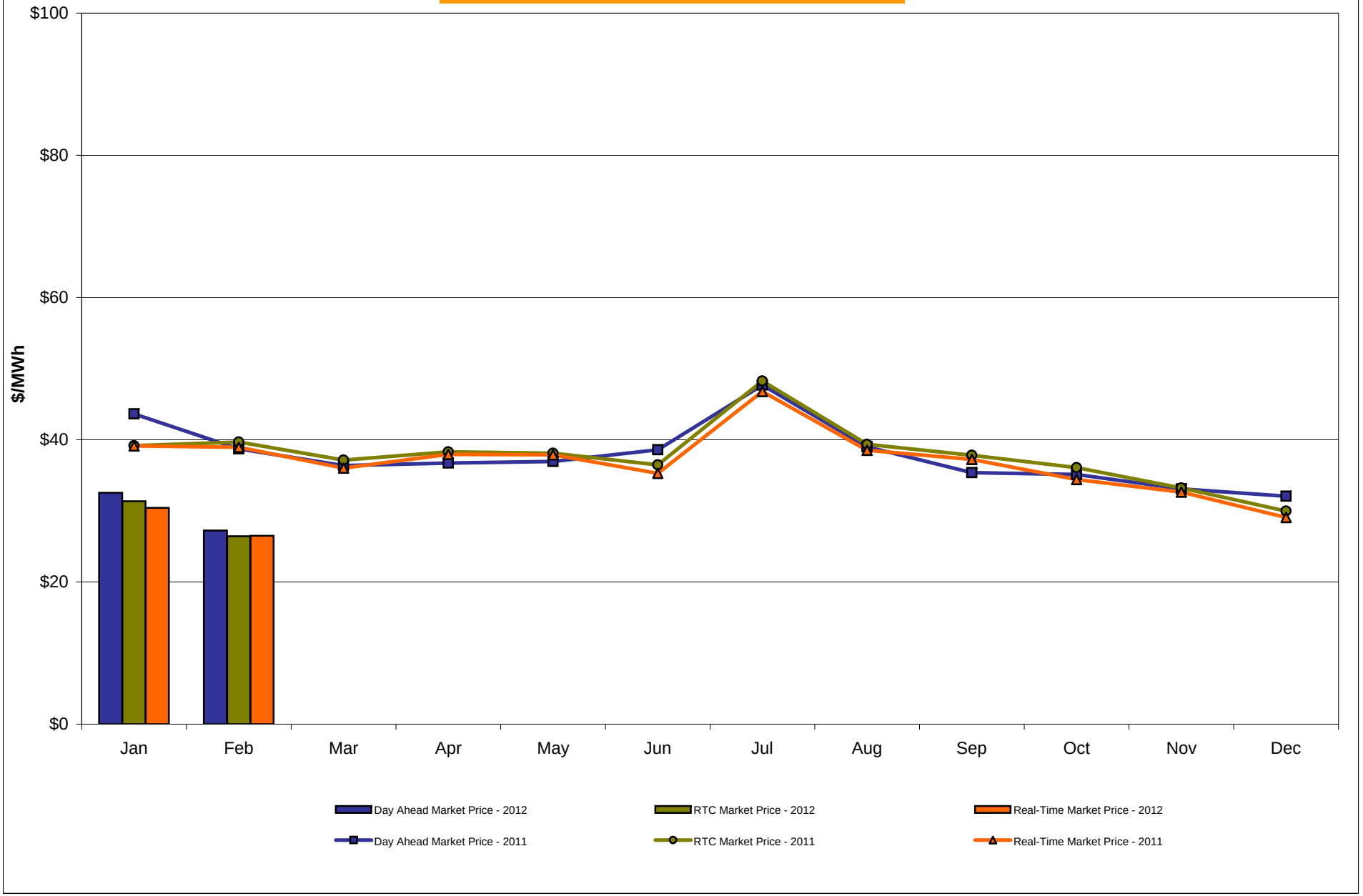
February 2012 Zonal LBMP Statistics for NYISO ($/MWh)

	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 *	27.25	27.86	27.75	28.45	29.28	30.42	31.40	31.35	31.35	33.12	34.87
Standard Deviation	4.07	4.30	4.17	4.51	4.79	6.33	6.19	6.24	6.23	7.68	8.74
RTC LBMP											
Unweighted Price *	26.44	27.22	26.93	27.86	28.66	29.82	30.58	30.50	30.48	32.04	34.22
Standard Deviation	5.73	6.03	5.96	6.22	6.46	6.90	6.97	6.99	6.97	9.92	15.17
REAL TIME LBMP											
Unweighted Price *	26.48	27.25	26.93	27.88	28.66	29.68	30.48	30.40	30.38	32.11	36.21
Standard Deviation	7.70	8.03	7.89	8.25	8.55	8.82	9.09	9.11	9.09	12.19	28.09

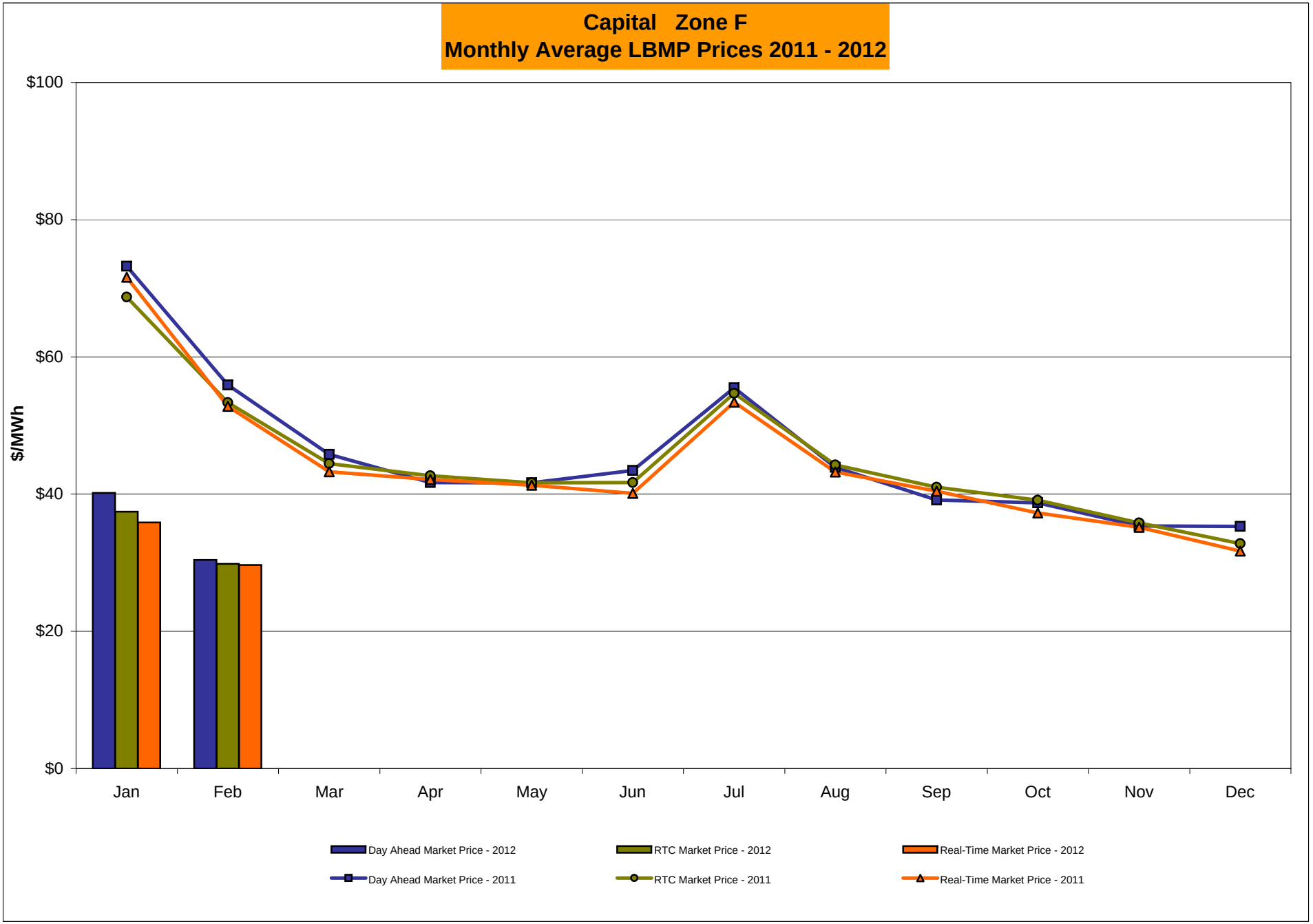
	ONTARIO IESO Zone O	HYDRO QUEBEC (Wheel) Zone M	HYDRO QUEBEC (Import/Export) Zone M	PJM Zone P	NEW ENGLAND Zone N	CROSS SOUND CABLE Controllable Line	NORTHPORT-NORWALK Controllable Line	NEPTUNE Controllable Line	LINDEN VFT Controllable Line	Dennison Controllable Line
DAY AHEAD LBMP										
Unweighted Price *	26.80	27.71	27.00	29.70	30.68	33.73	32.92	33.23	30.39	27.40
Standard Deviation	3.85	4.13	3.47	5.29	6.19	7.83	7.36	7.65	5.17	3.94
RTC LBMP										
Unweighted Price *	25.59	26.44	26.13	28.44	29.49	31.57	31.05	31.43	30.56	26.28
Standard Deviation	3.64	3.98	4.31	4.25	4.83	10.50	10.27	10.44	12.23	3.94
REAL TIME LBMP										
Unweighted Price *	26.25	26.98	26.54	29.04	30.07	34.04	32.46	33.87	29.42	26.84
Standard Deviation	7.52	7.90	7.38	8.48	8.90	26.88	24.02	26.89	40.71	7.64

* Straight LBMP averages

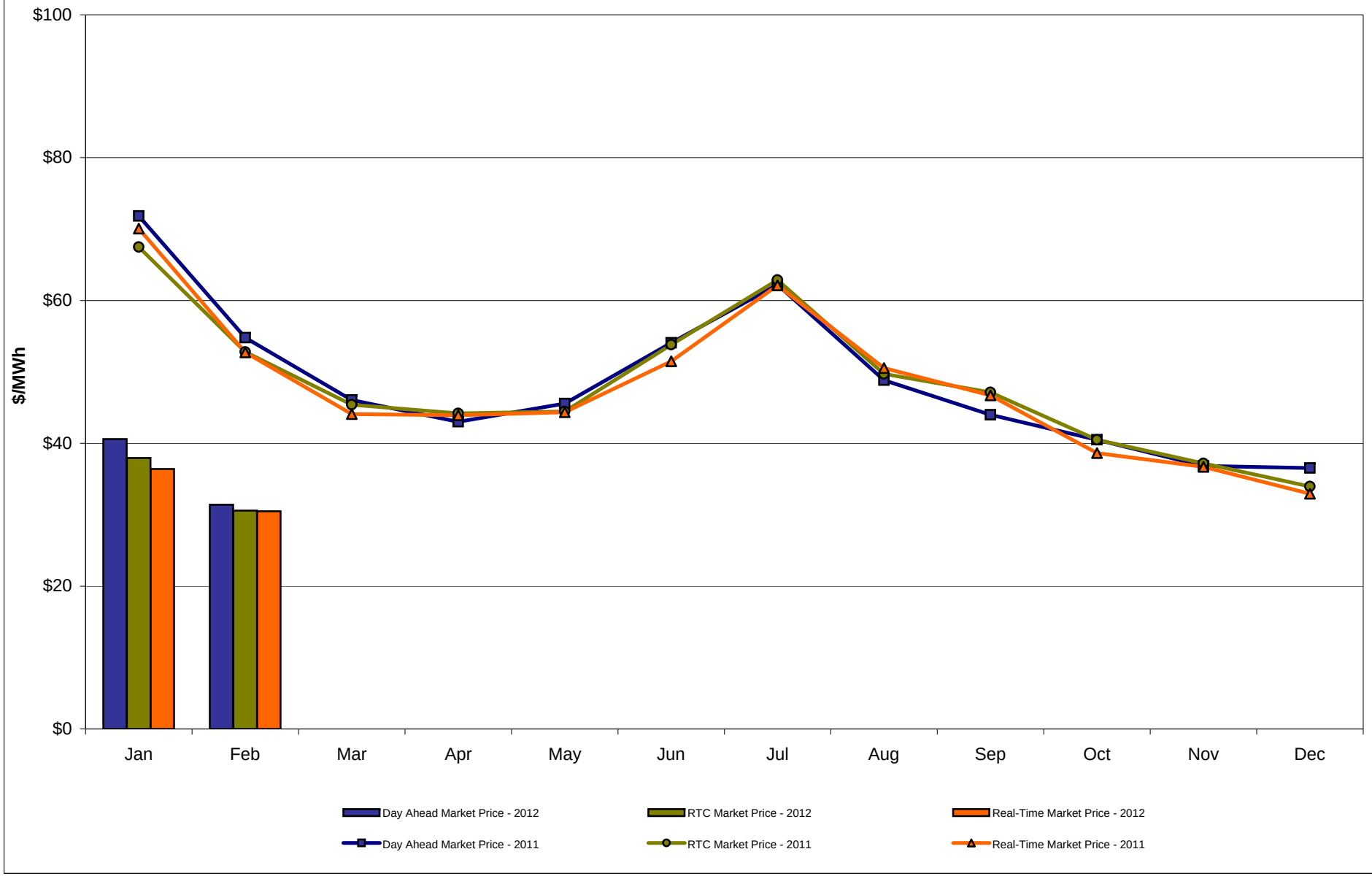
West Zone A
Monthly Average LBMP Prices 2011 - 2012



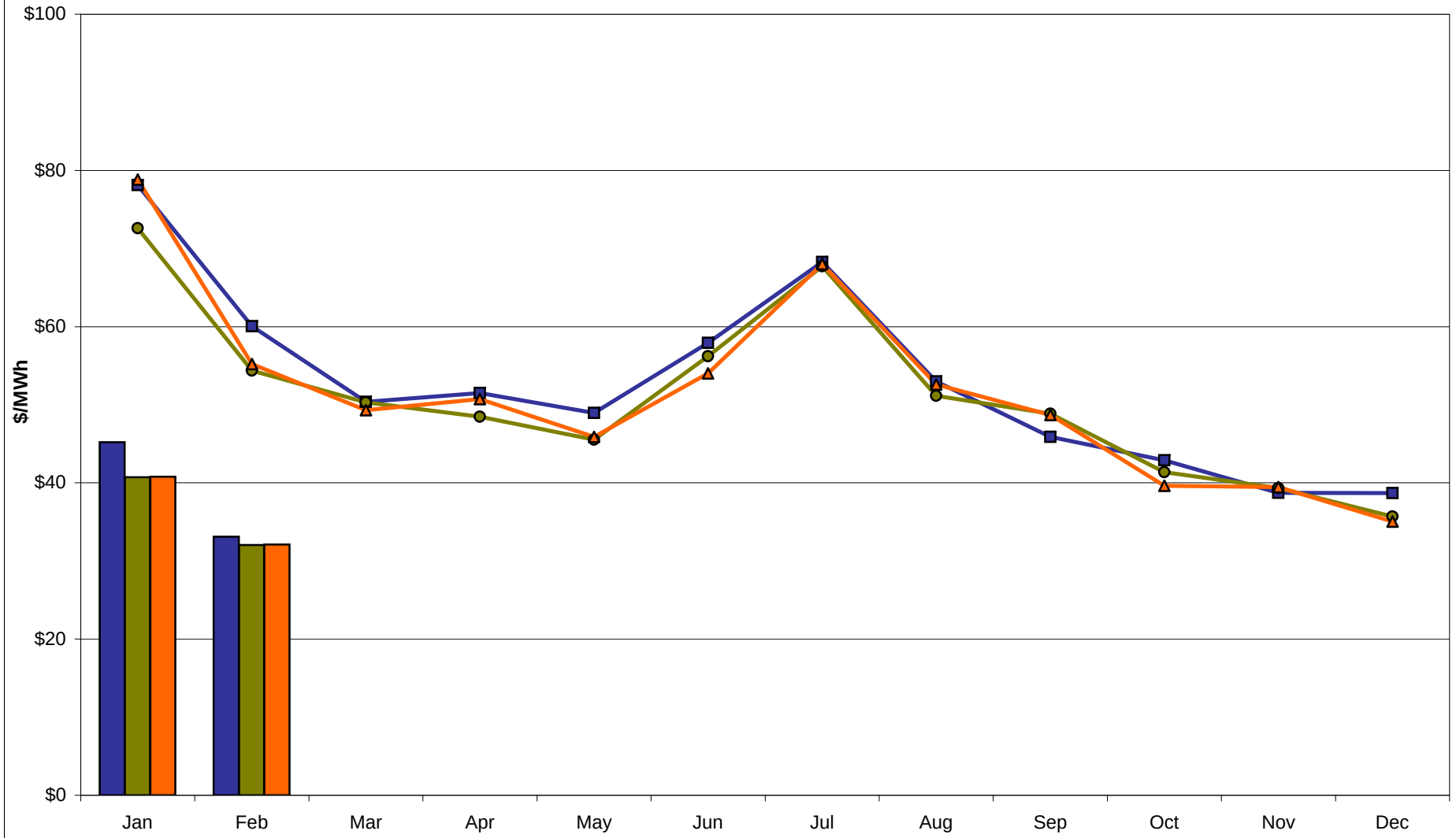
Capital Zone F
Monthly Average LBMP Prices 2011 - 2012



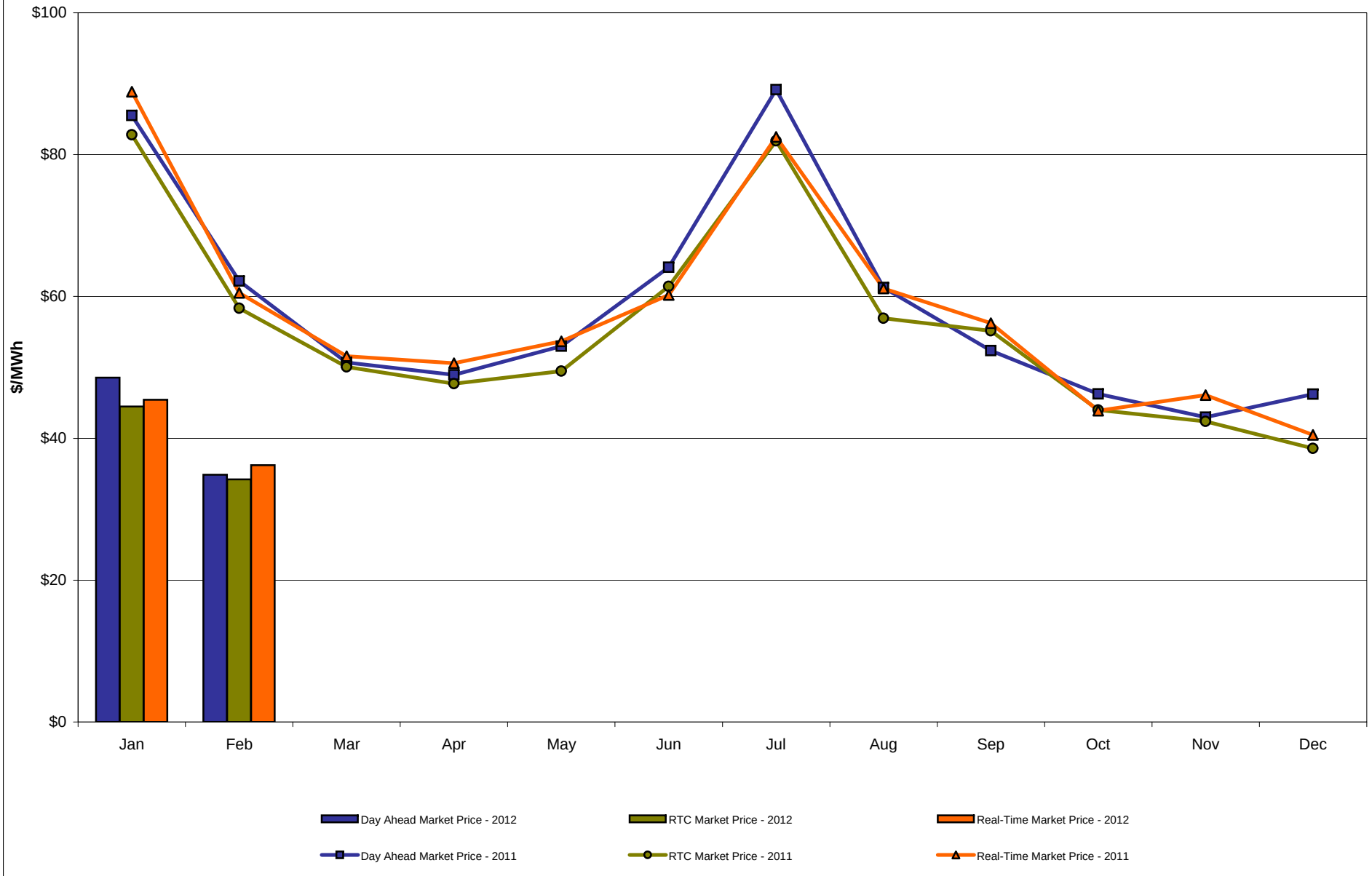
Hudson Valley Zone G
Monthly Average LBMP Prices 2011 - 2012

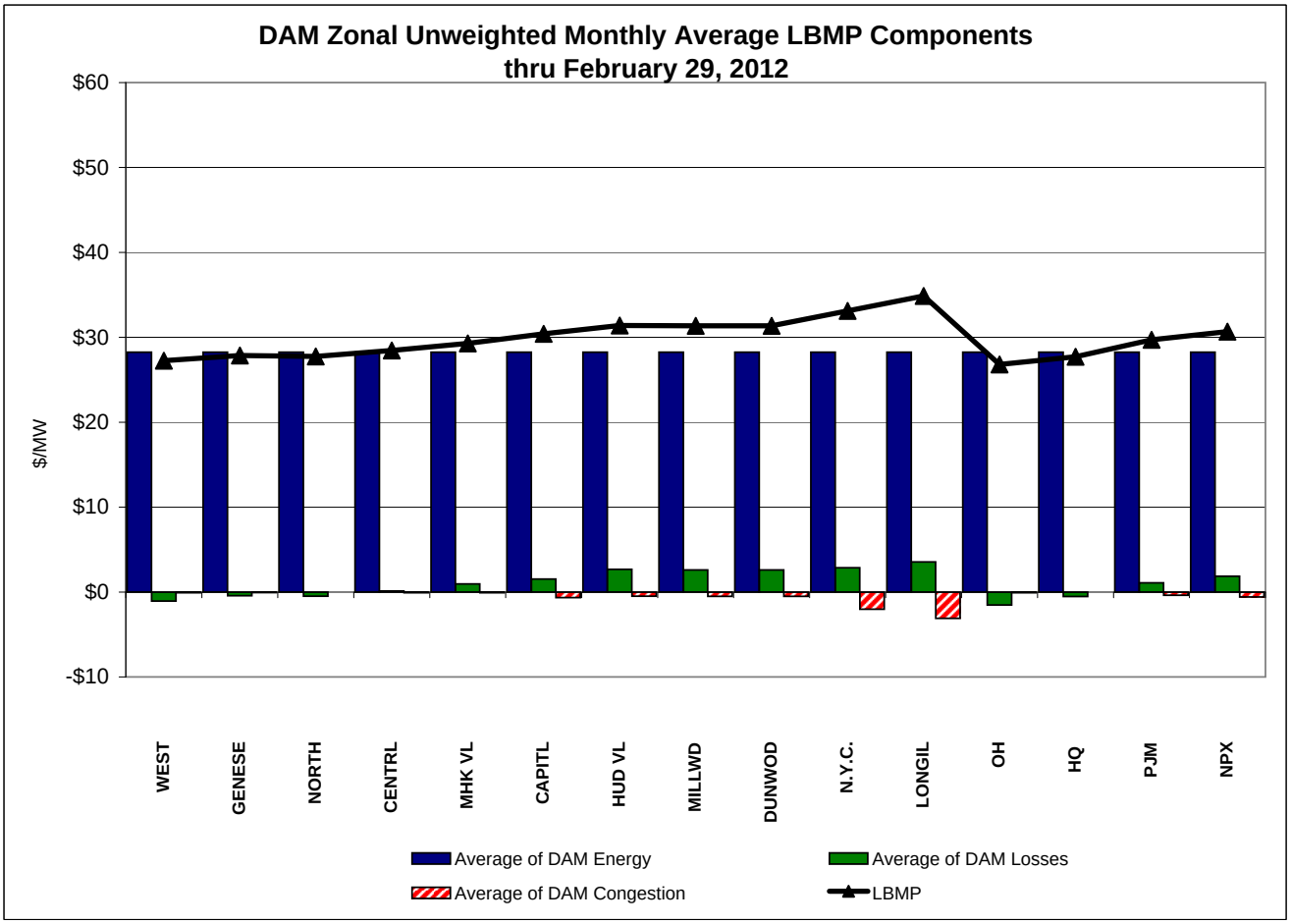


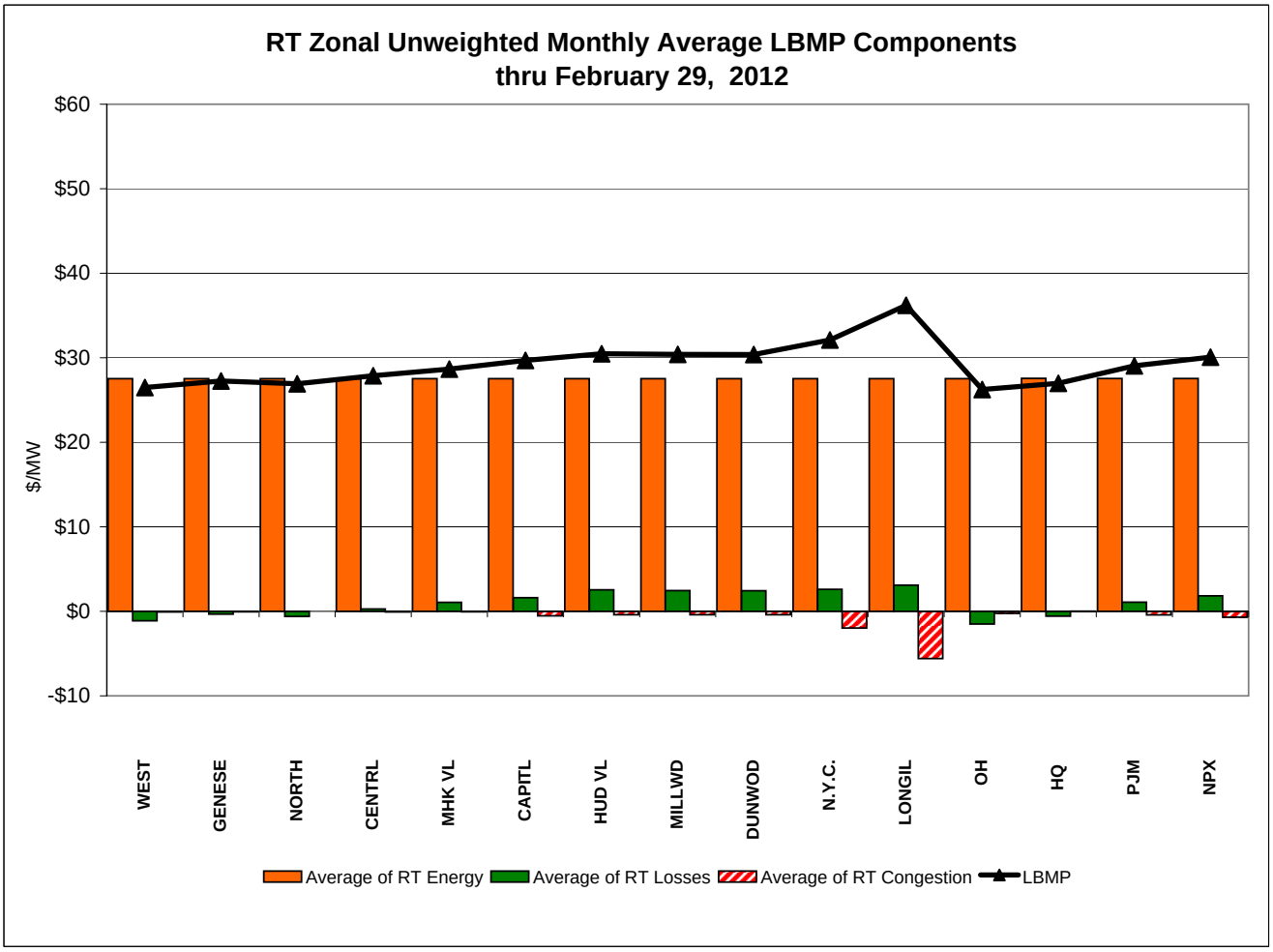
NYC Zone J
Monthly Average LBMP Prices 2011 - 2012



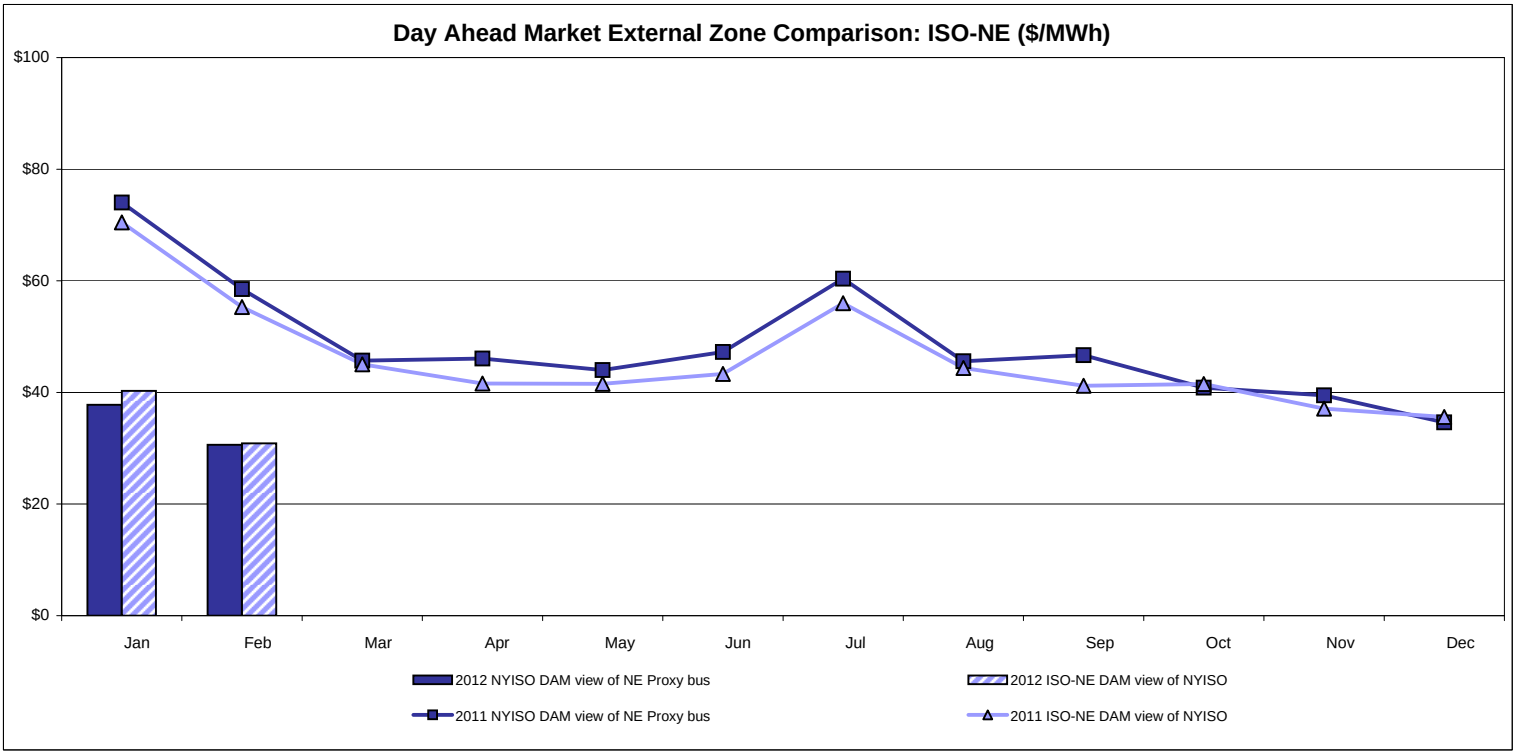
Long Island Zone K
Monthly Average LBMP Prices 2011 - 2012

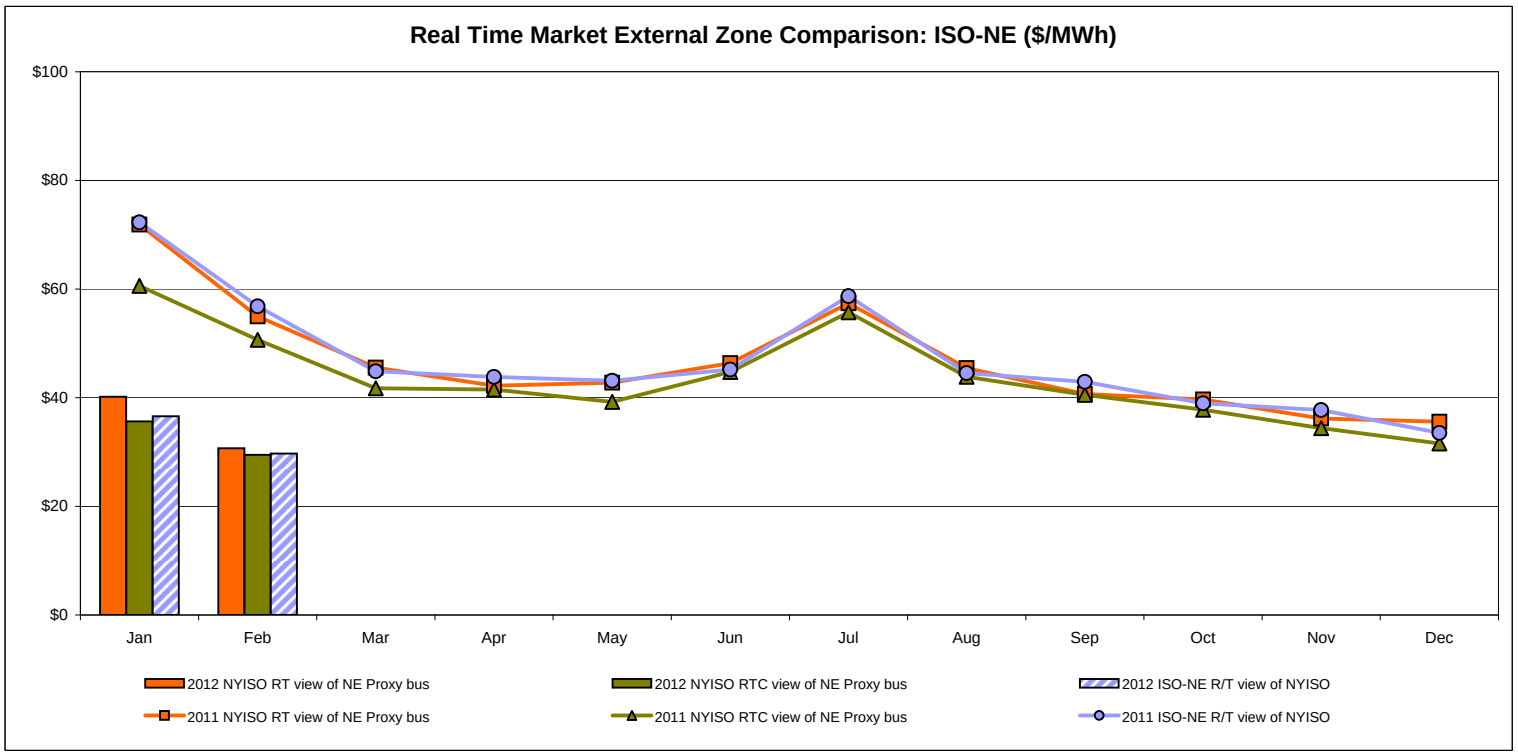



DAM Zonal Unweighted Monthly Average LBMP Components
thru February 29, 2012
$60
$50
$40
$30
$20
$10
$0
-$10
$/MW
WEST
GENESE
NORTH
CENTRL
MHK VL
CAPITL
HUD VL
MILLWD
DUNWOD
N.Y.C.
LONGIL
OH
HQ
PJM
NPX
Average of DAM Energy
Average of DAM Losses
Average of DAM Congestion
LBMP

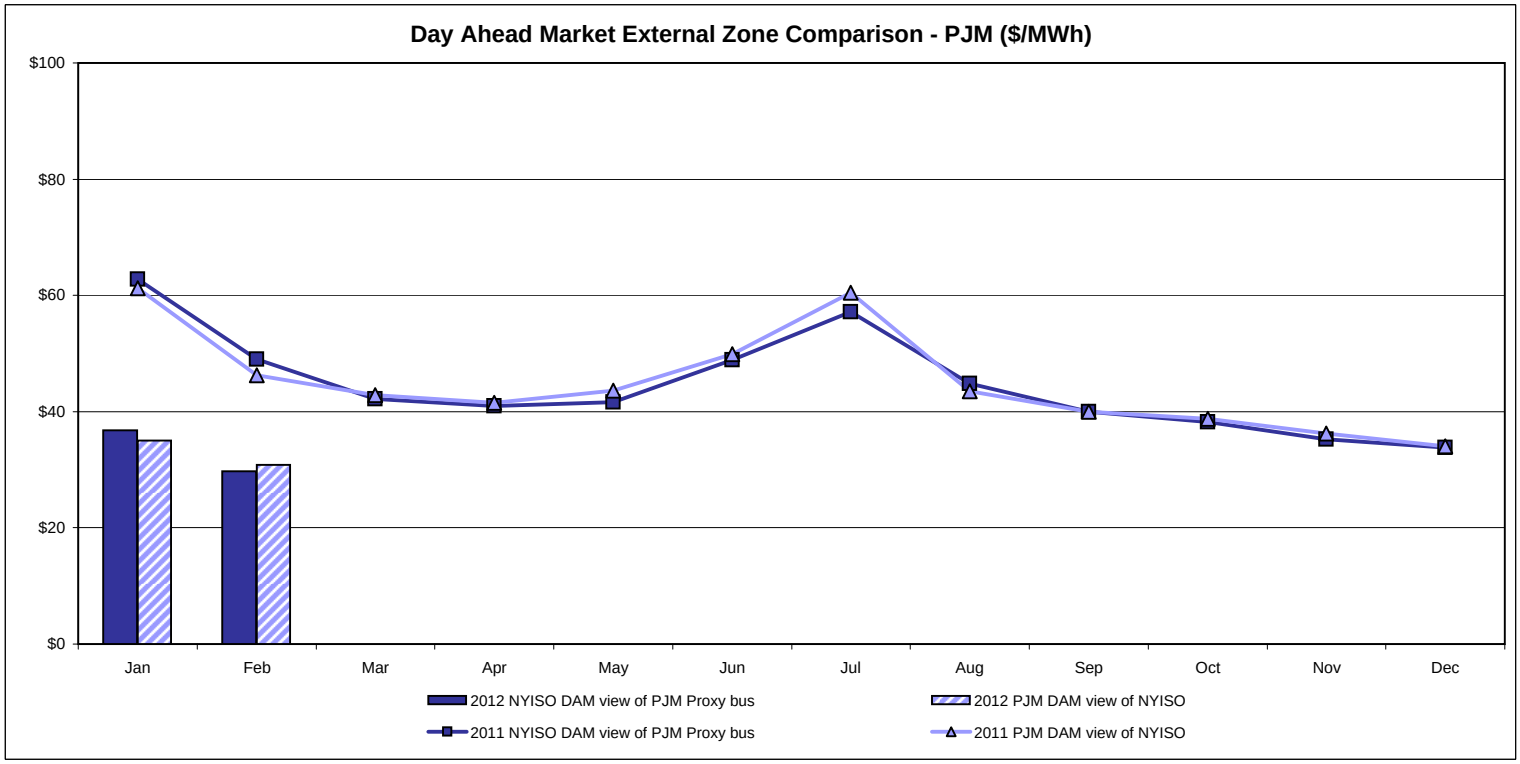

RT Zonal Unweighted Monthly Average LBMP Components
thru February 29, 2012
$60
$50
$40
$30
$20
$10
$0
-$10
$/MW
WEST
GENESE
NORTH
CENTRL
MHK VL
CAPITL
HUD VL
MILLWD
DUNWOD
N.Y.C.
LONGIL
OH
HQ
PJM
NPX
Average of RT Energy
Average of RT Losses
Average of RT Congestion
LBMP

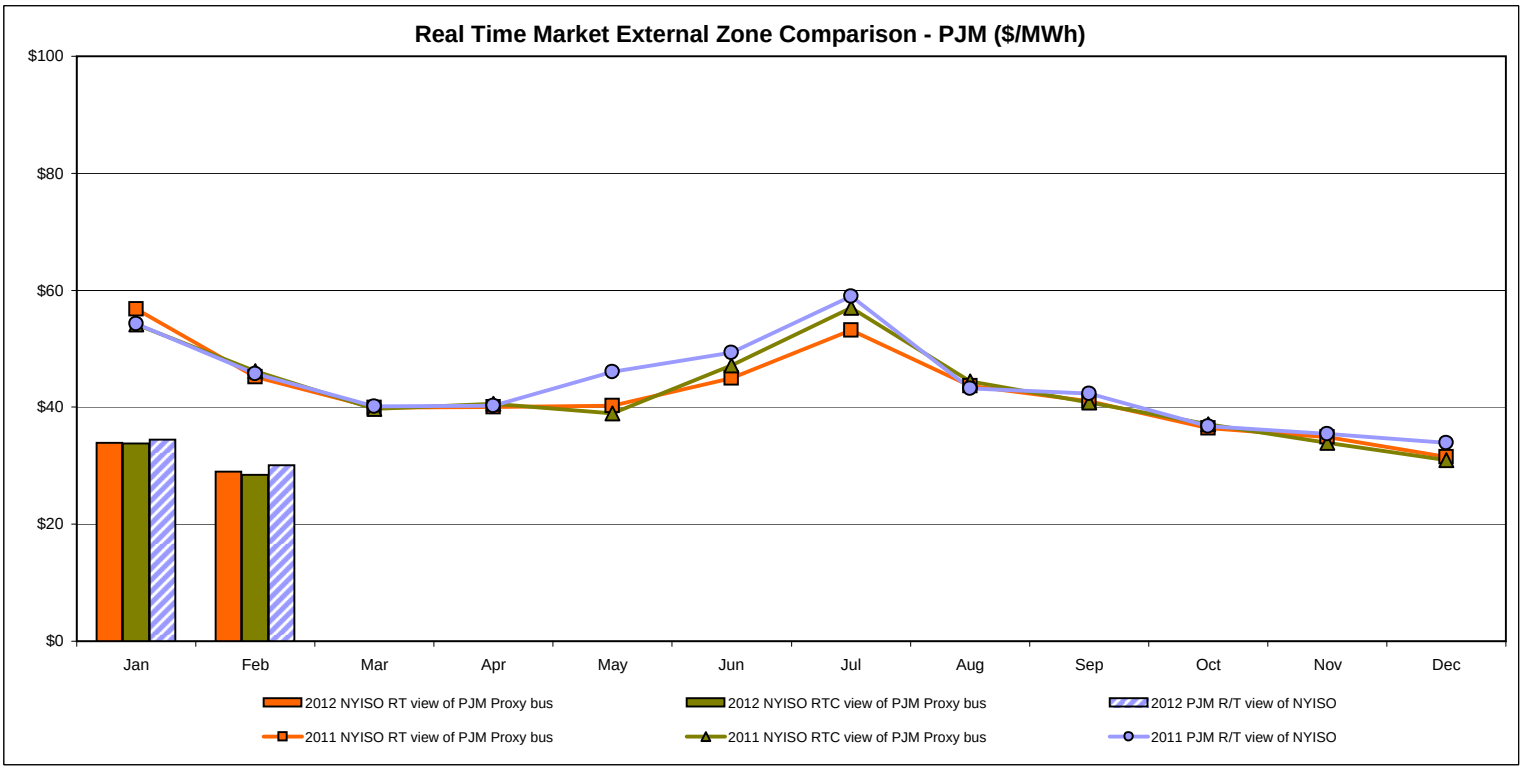
External Comparison ISO-New England



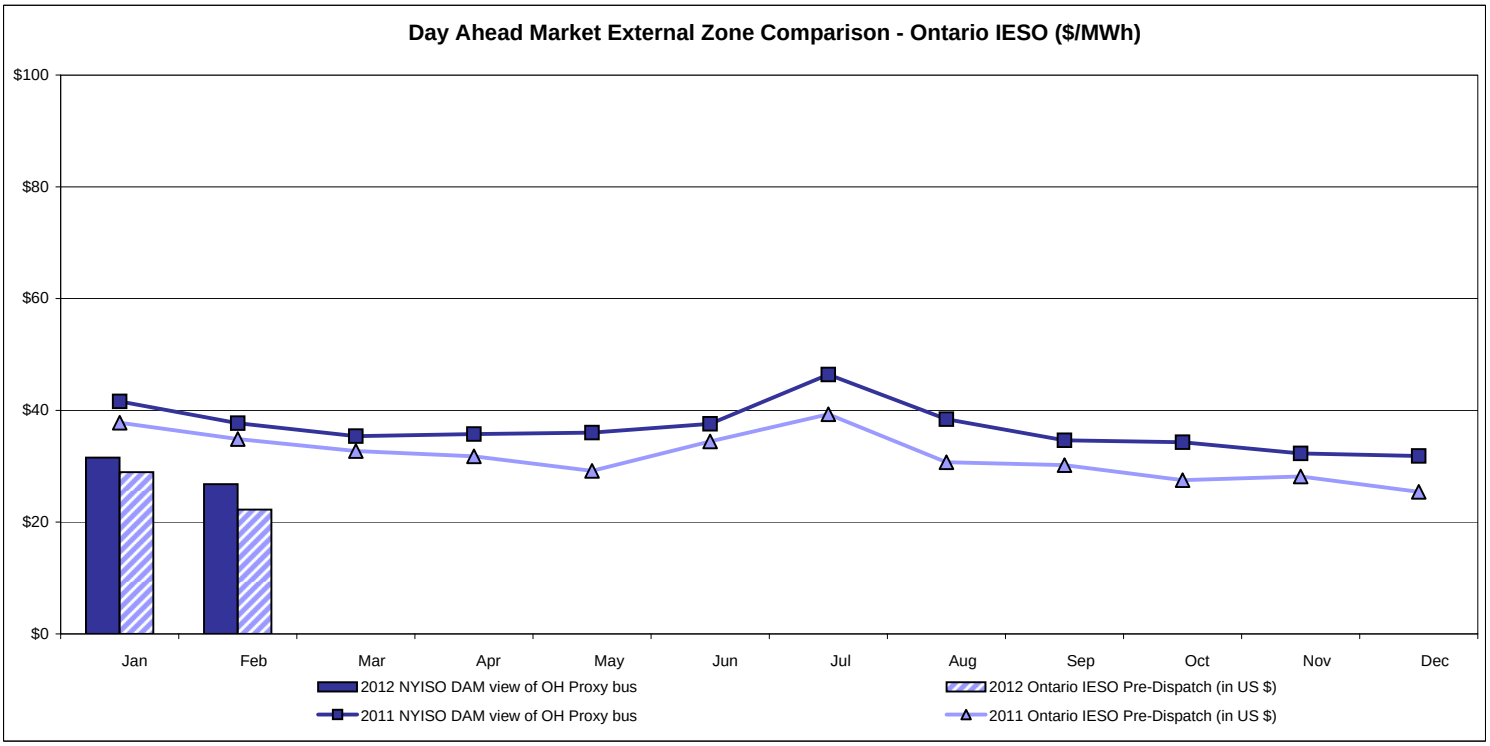


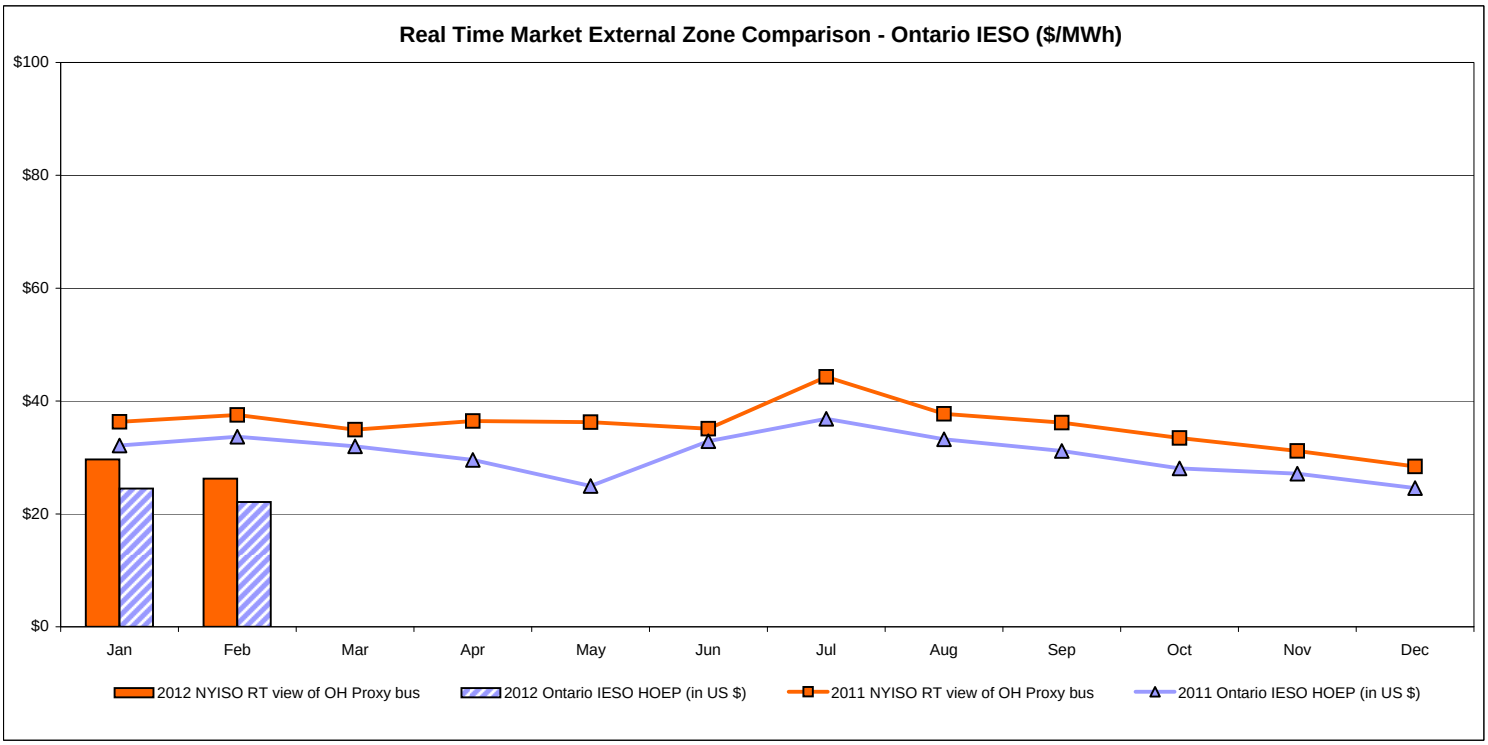
External Comparison PJM





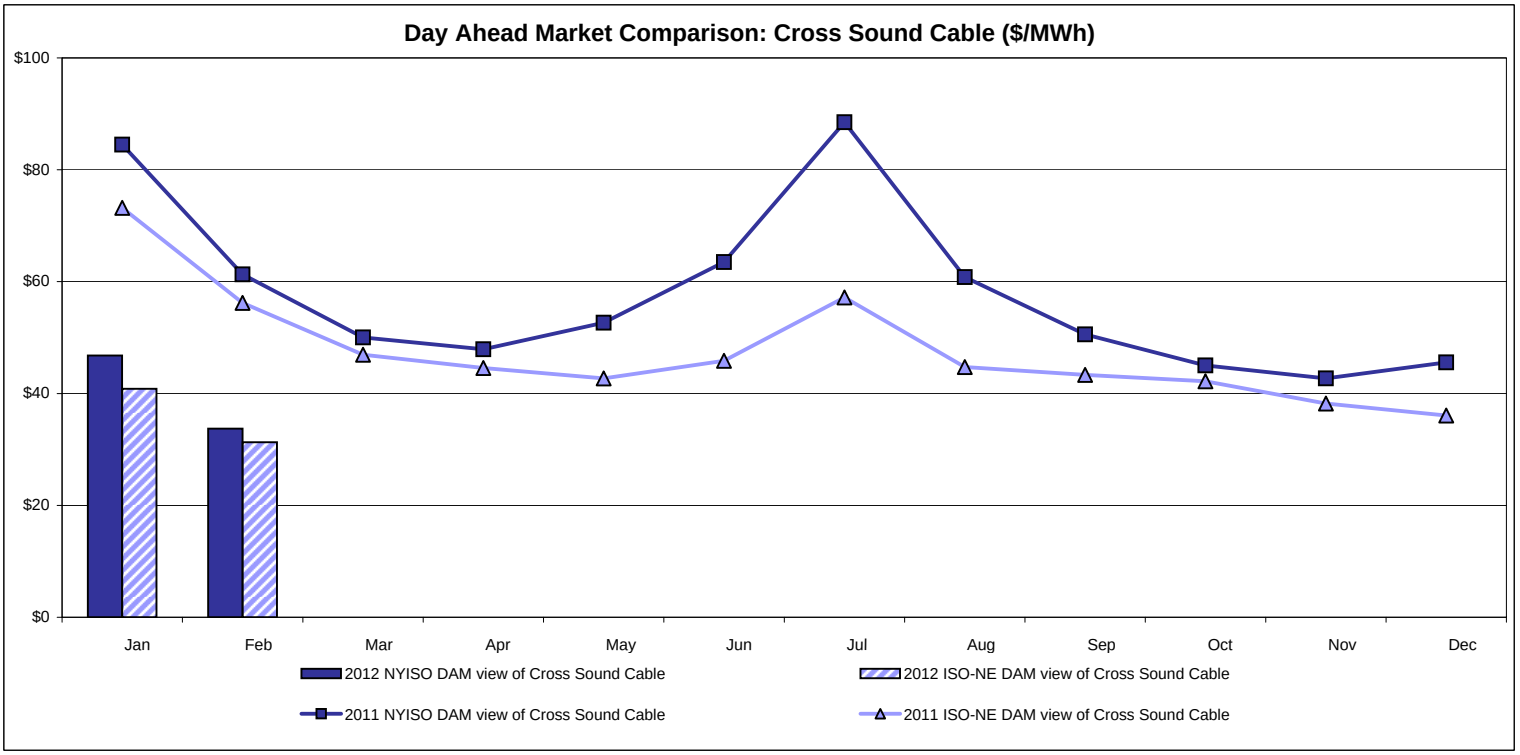
External Comparison Ontario IESO

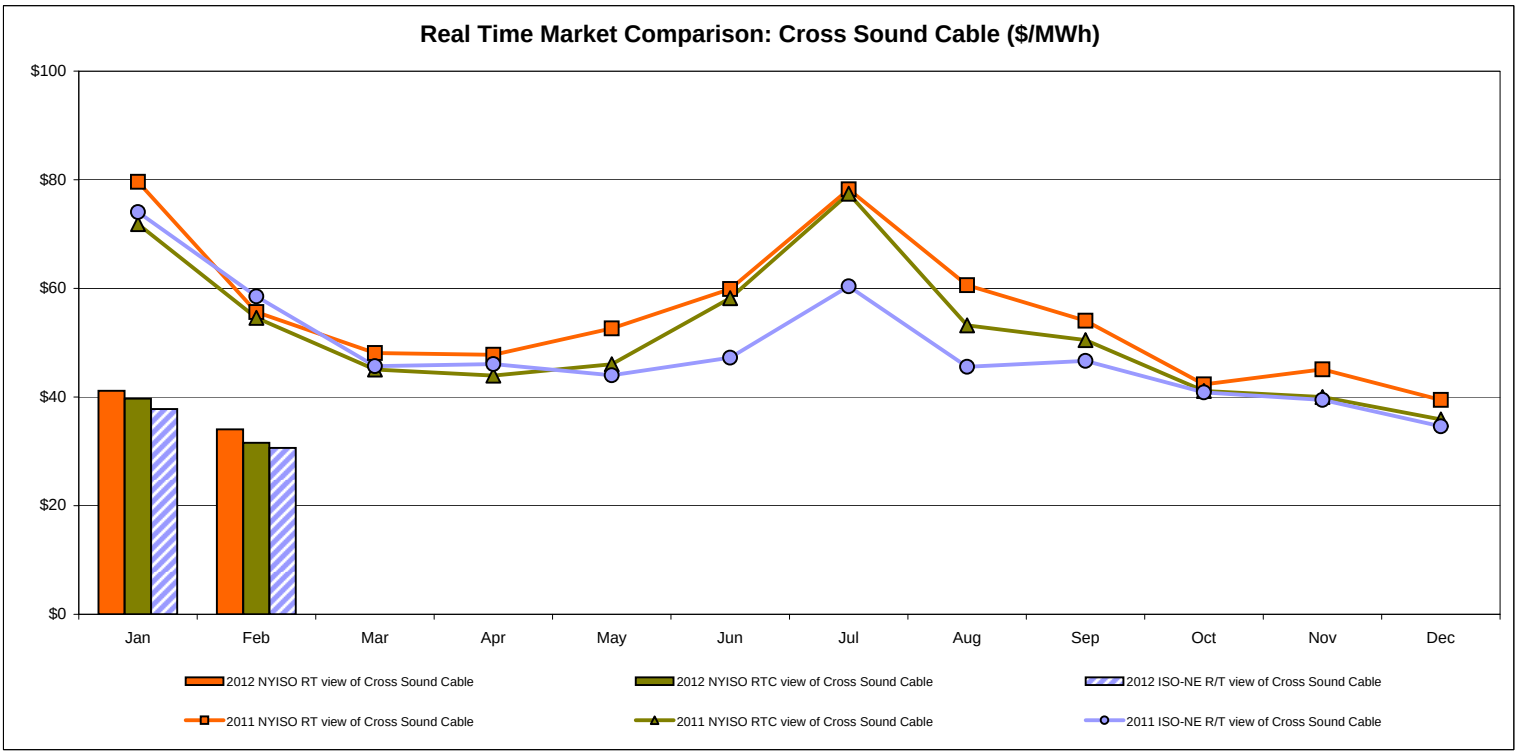




Notes: Exchange factor used for February 2012 was 1.00 to US $
HOEP: Hourly Ontario Energy Price
Pre-Dispatch: Projected Energy Price

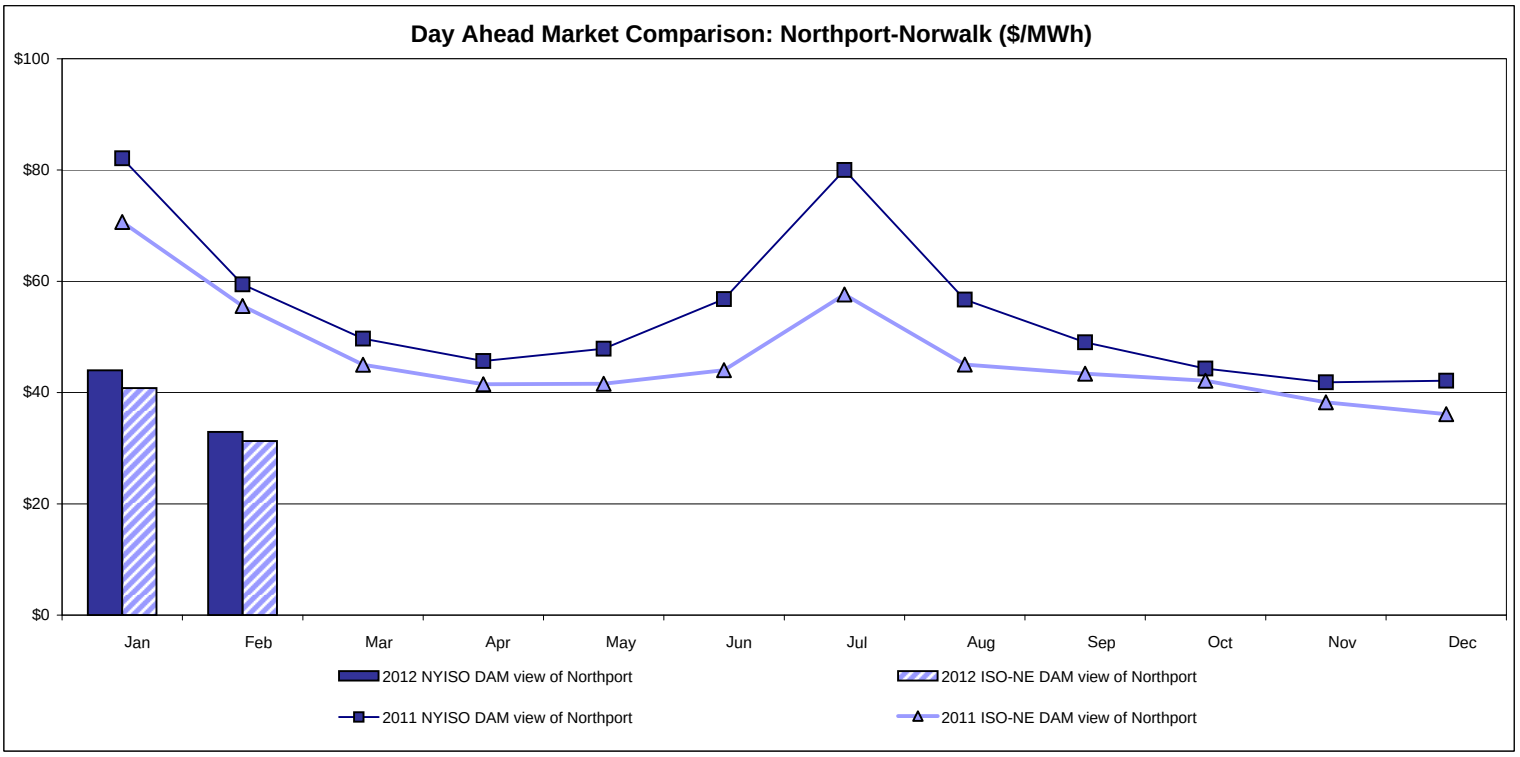
External Controllable Line: Cross Sound Cable (New England)

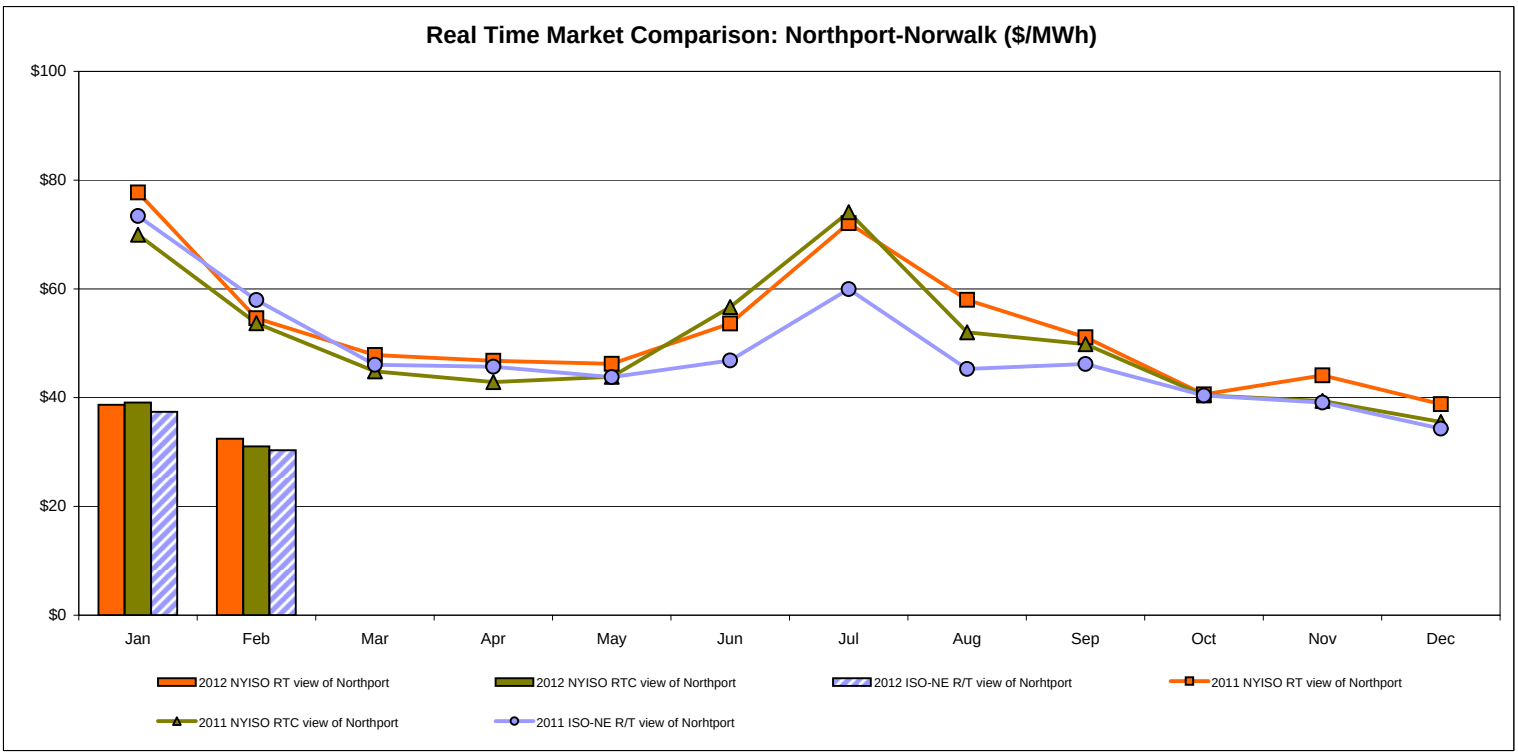




Note:
ISO-NE Forecast is an advisory posting @ 18:00 day before.
The DAM and R/T prices at the Shorham 13899 interface are used for ISO-NE.
The DAM and R/T prices at the CSC interface are used for NYISO.

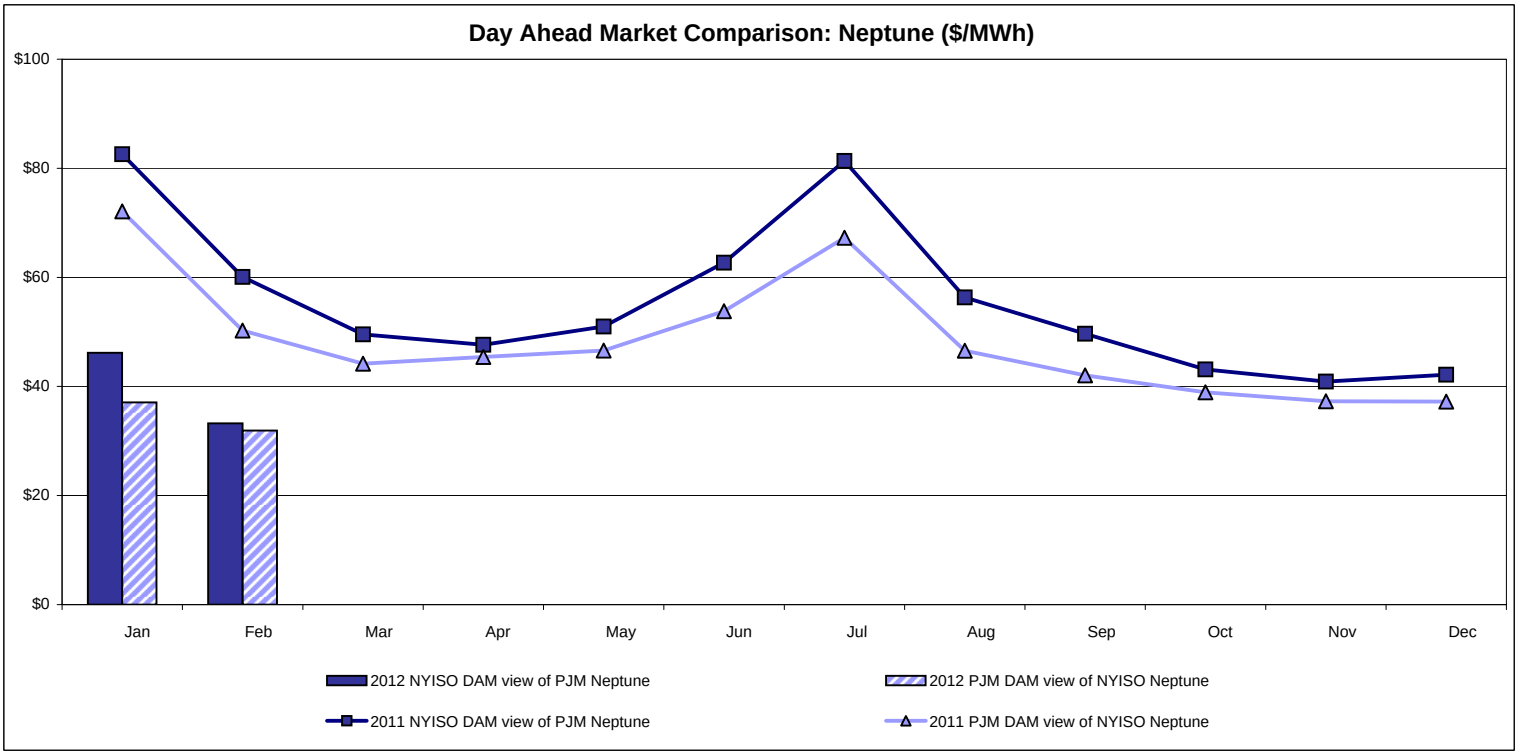
External Controllable Line: Northport - Norwalk (New England)

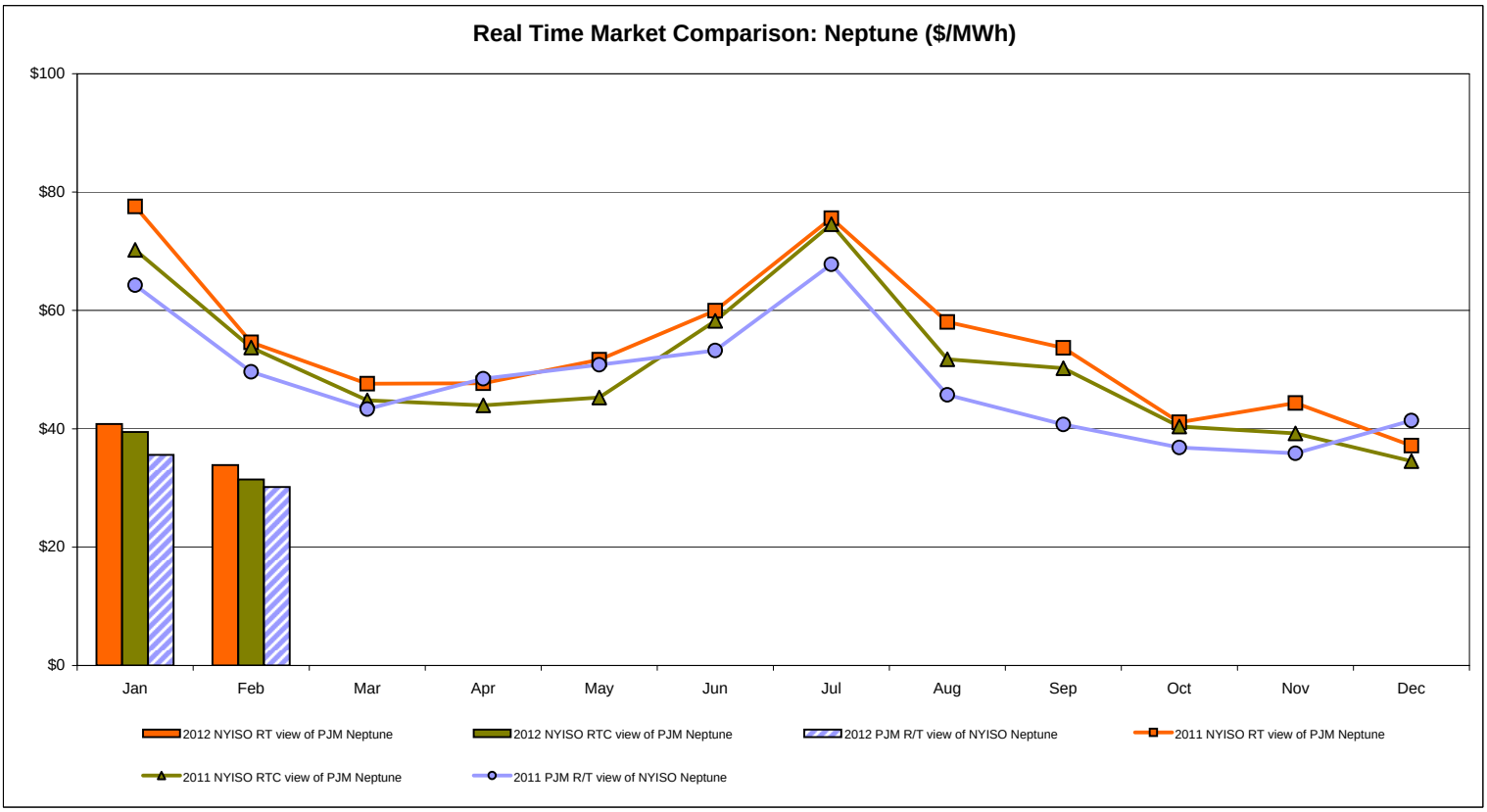




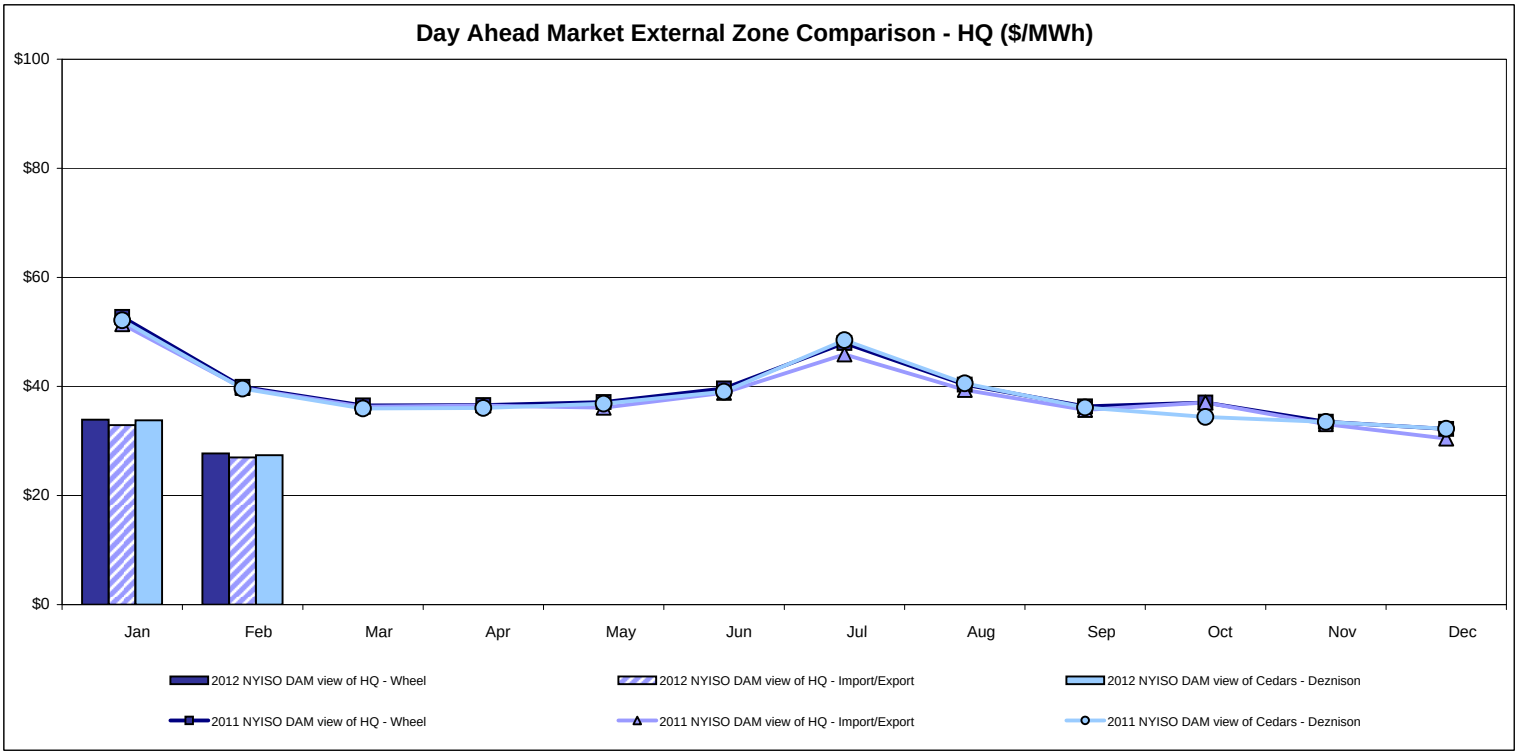
Note:
ISO-NE Forecast is an advisory posting @ 18:00 day before.
The DAM and R/T prices at the Northport 138 interface are used for ISO-NE.
The DAM and R/T prices at the 1385 interface are used for NYISO.

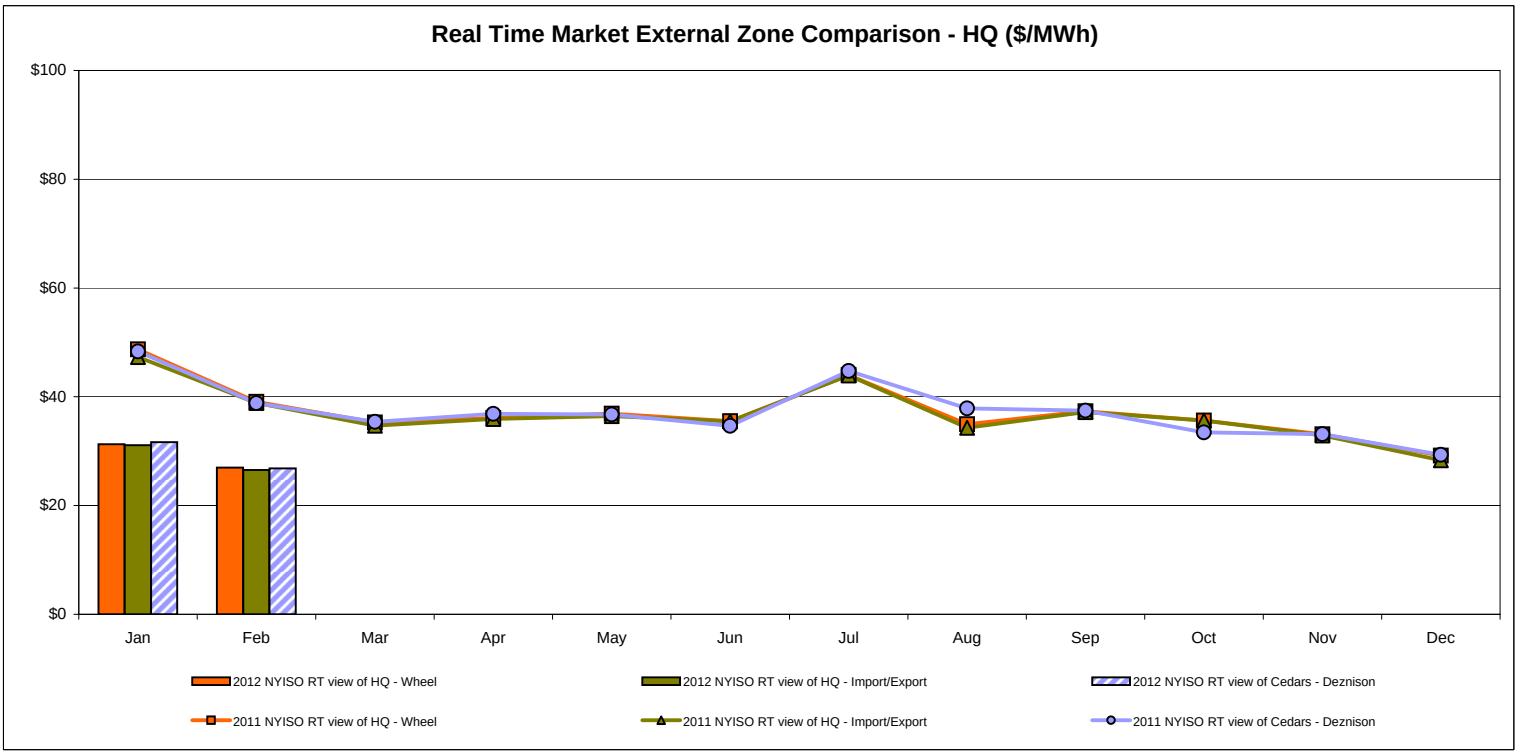
External Controllable Line: Neptune (PJM)





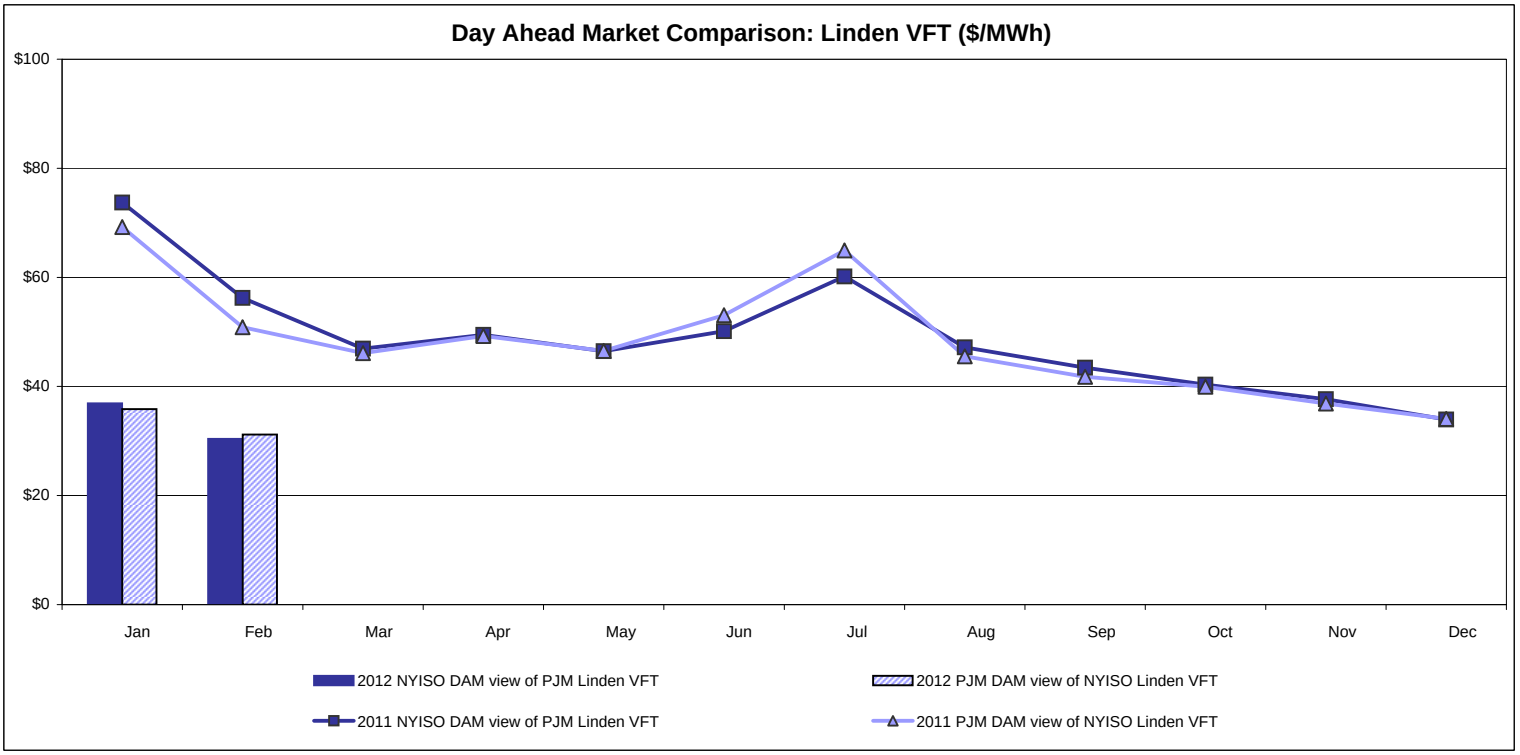
External Comparison Hydro-Quebec

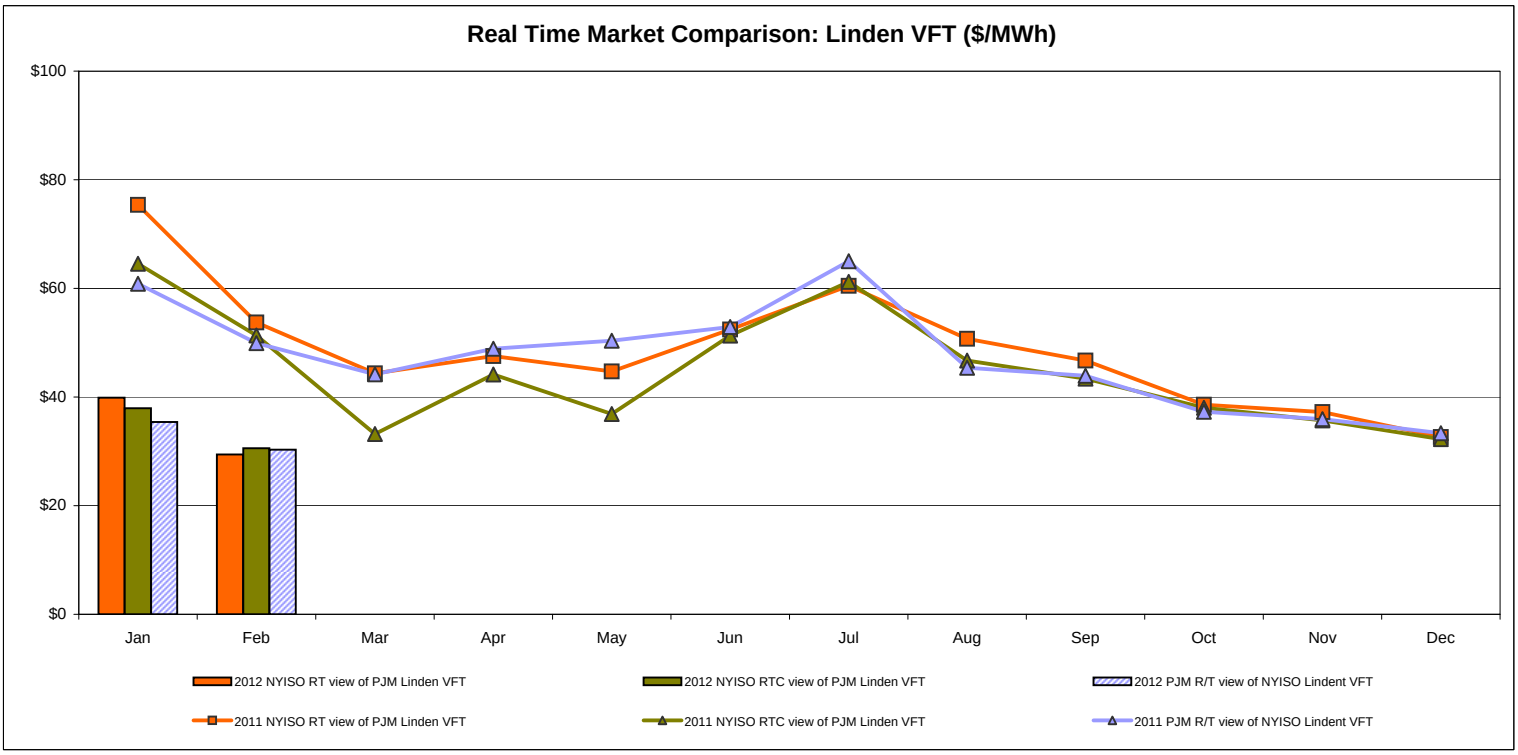




Note:
Hydro-Quebec Prices are unavailable.

External Controllable Line: Linden VFT (PJM)





NYISO Real Time Price Correction Statistics

2012		January	February	March	April	May	June	July	August	September	October	November	December
Hour Corrections													
Number of hours with corrections	in the month	0	0										
Number of hours	in the month	744	696										
% of hours with corrections	in the month	0.00%	0.00%										
% of hours with corrections	year-to-date	0.00%	0.00%										
Interval Corrections													
Number of intervals corrected	in the month	0	0										
Number of intervals	in the month	8,987	8,082										
% of intervals corrected	in the month	0.00%	0.00%										
% of intervals corrected	year-to-date	0.00%	0.00%										
Hours Reserved													
Number of hours reserved	in the month	0	0										
Number of hours	in the month	744	696										
% of hours reserved	in the month	0.00%	0.00%										
% of hours reserved	year-to-date	0.00%	0.00%										
Days to Correction *													
Avg. number of days to correction	in the month	0.00	0.00										
Avg. number of days to correction	year-to-date	0.00	0.00										
Days Without Corrections													
Days without corrections	in the month	31	29										
Days without corrections	year-to-date	31	60										

2011		January	February	March	April	May	June	July	August	September	October	November	December
Hour Corrections													
Number of hours with corrections	in the month	1	0	1	0	12	4	6	1	0	1	0	0
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	0.13%	0.00%	0.13%	0.00%	1.61%	0.56%	0.81%	0.13%	0.00%	0.13%	0.00%	0.00%
% of hours with corrections	year-to-date	0.13%	0.07%	0.09%	0.07%	0.39%	0.41%	0.47%	0.43%	0.38%	0.36%	0.32%	0.30%
Interval Corrections													
Number of intervals corrected	in the month	1	0	1	0	42	12	54	2	0	2	0	0
Number of intervals	in the month	8,938	8,049	8,924	8,671	8,939	8,661	8,967	9,021	8,678	8,940	8,671	8,954
% of intervals corrected	in the month	0.01%	0.00%	0.01%	0.00%	0.47%	0.14%	0.60%	0.02%	0.00%	0.02%	0.00%	0.00%
% of intervals corrected	year-to-date	0.01%	0.01%	0.01%	0.01%	0.10%	0.11%	0.18%	0.16%	0.14%	0.13%	0.12%	0.11%
Hours Reserved													
Number of hours reserved	in the month	1	0	1	0	14	6	7	6	0	13	0	0
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	0.13%	0.00%	0.13%	0.00%	1.88%	0.83%	0.94%	0.81%	0.00%	1.75%	0.00%	0.00%
% of hours reserved	year-to-date	0.13%	0.07%	0.09%	0.07%	0.44%	0.51%	0.57%	0.60%	0.53%	0.66%	0.60%	0.55%
Days to Correction *													
Avg. number of days to correction	in the month	3.00	0.00	0.00	0.00	0.86	0.25	3.00	0.00	0.00	0.59	0.00	0.00
Avg. number of days to correction	year-to-date	3.00	3.00	1.50	1.50	1.00	0.77	1.07	1.00	1.00	0.98	0.98	0.98
Days Without Corrections													
Days without corrections	in the month	30	28	30	30	24	26	29	30	30	30	30	31
Days without corrections	year-to-date	30	58	88	118	142	168	197	227	257	287	317	348

* Calendar days from reservation date.

Market Mitigation and Analysis
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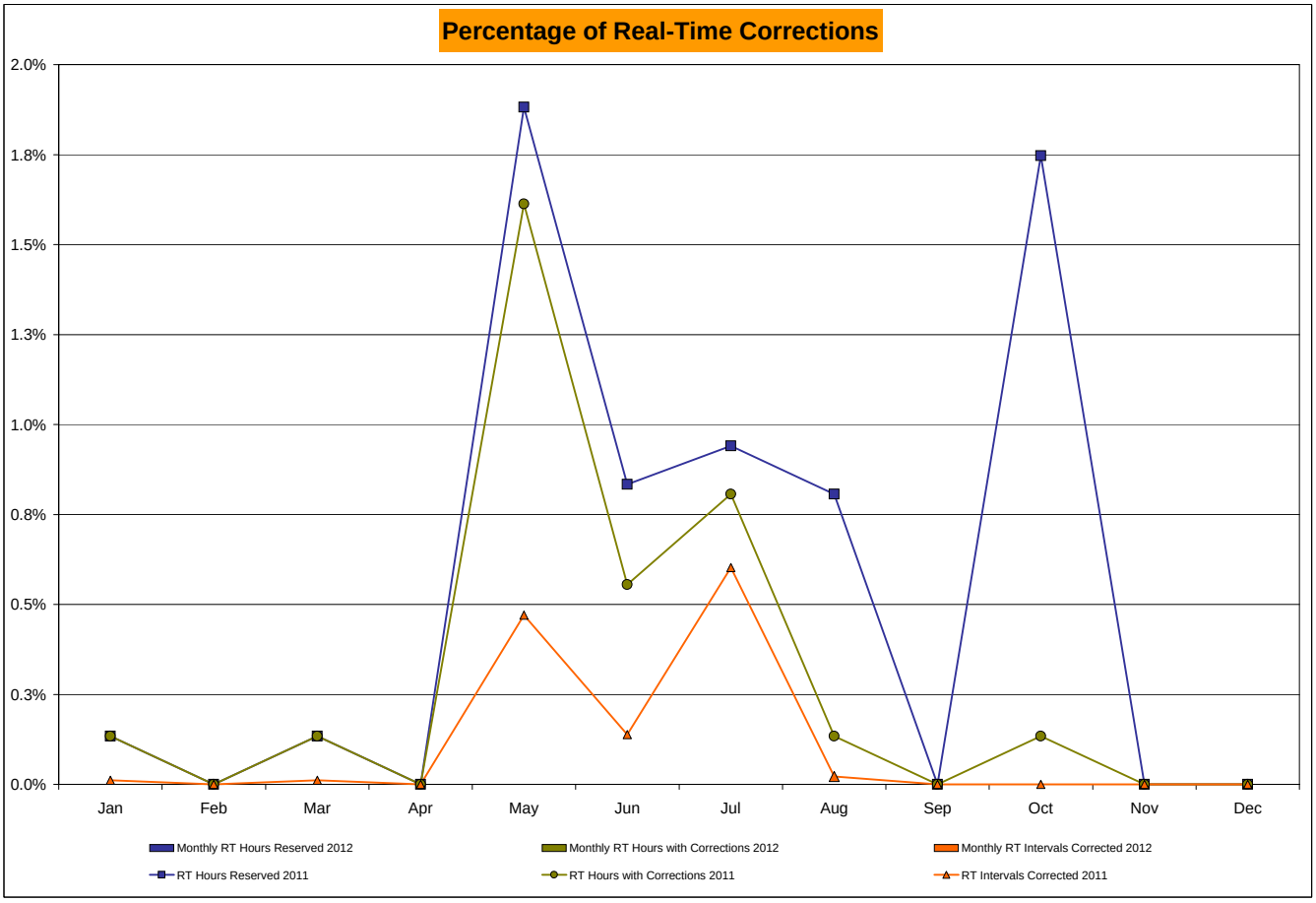
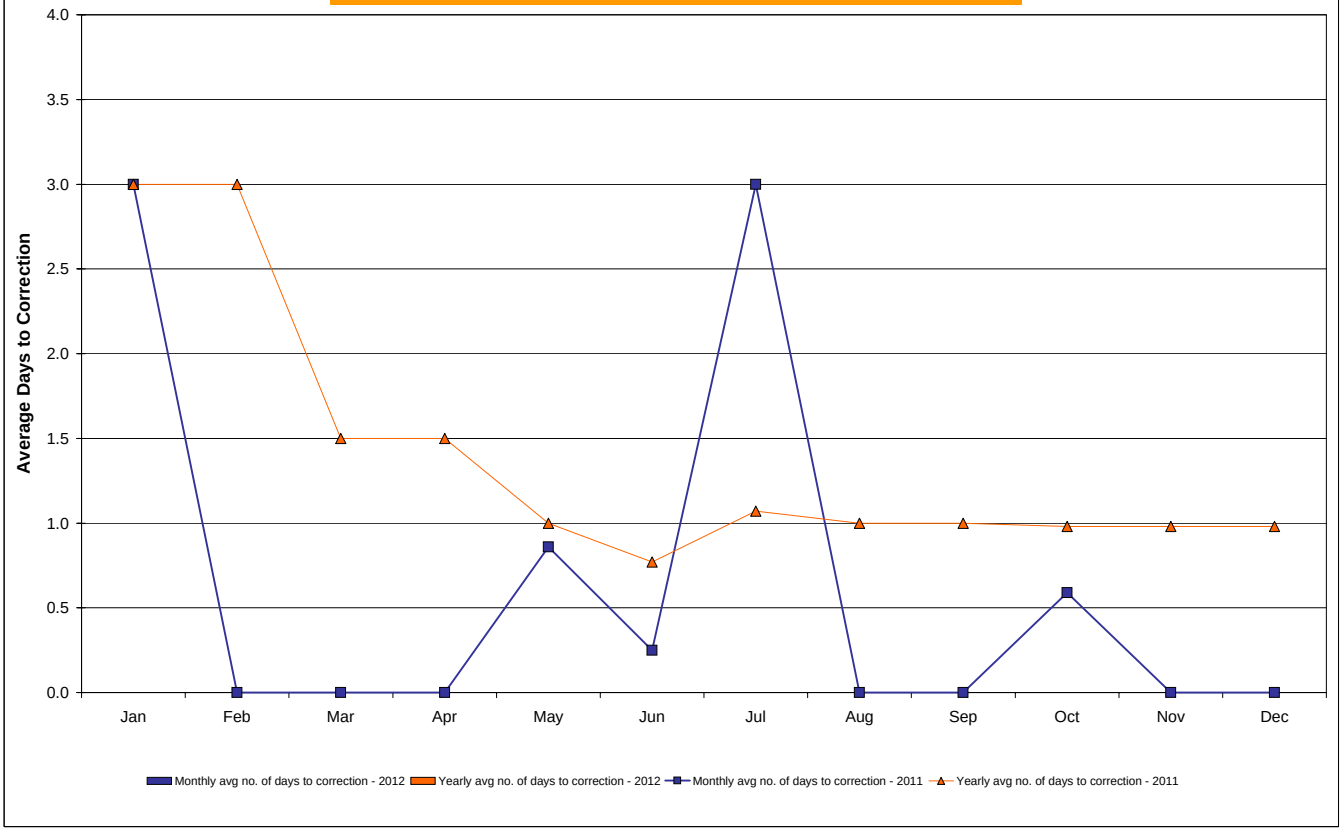
Percentage of Real-Time Corrections



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



* Calendar days from reservation date.

Market Mitigation and Analysis
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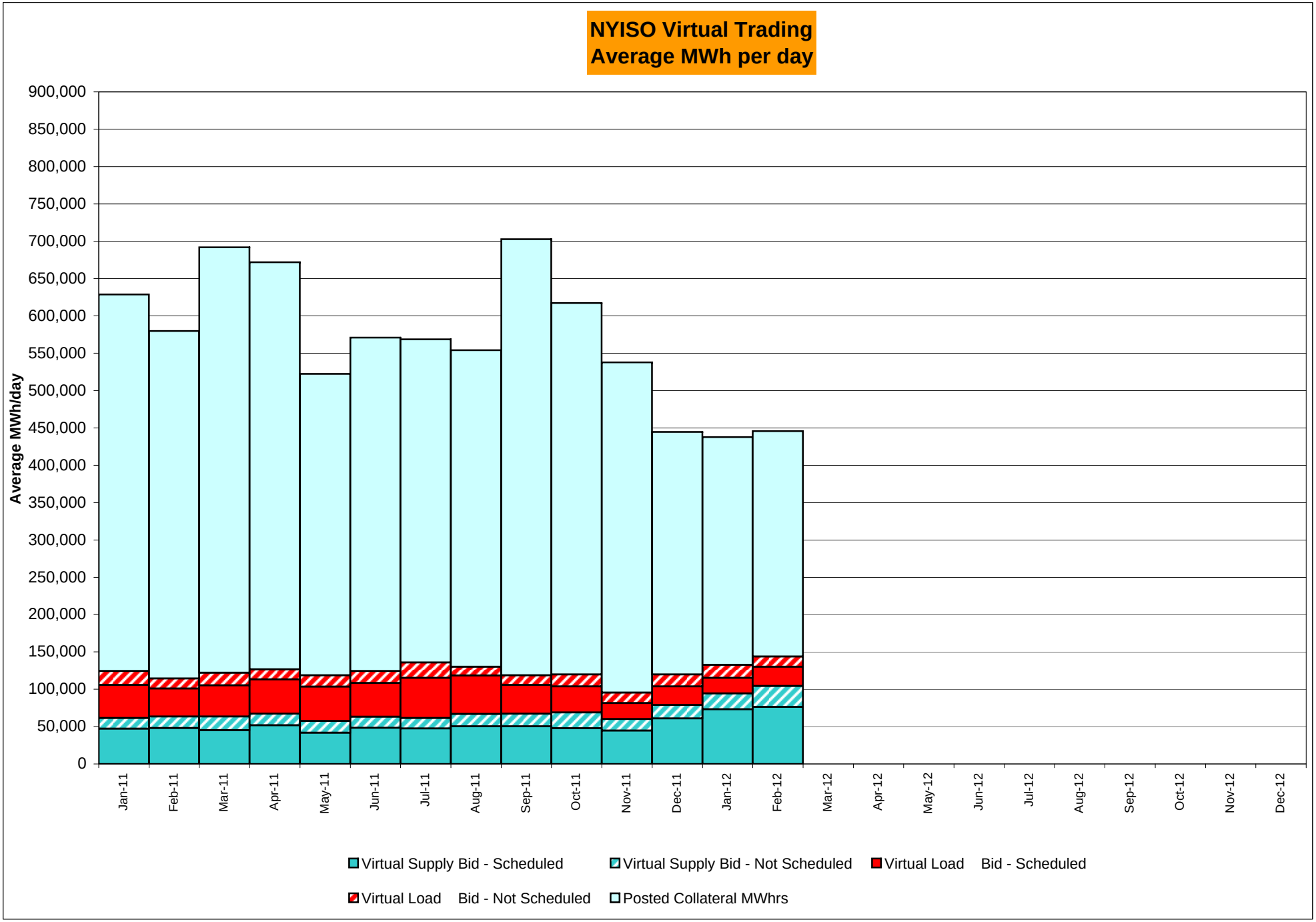
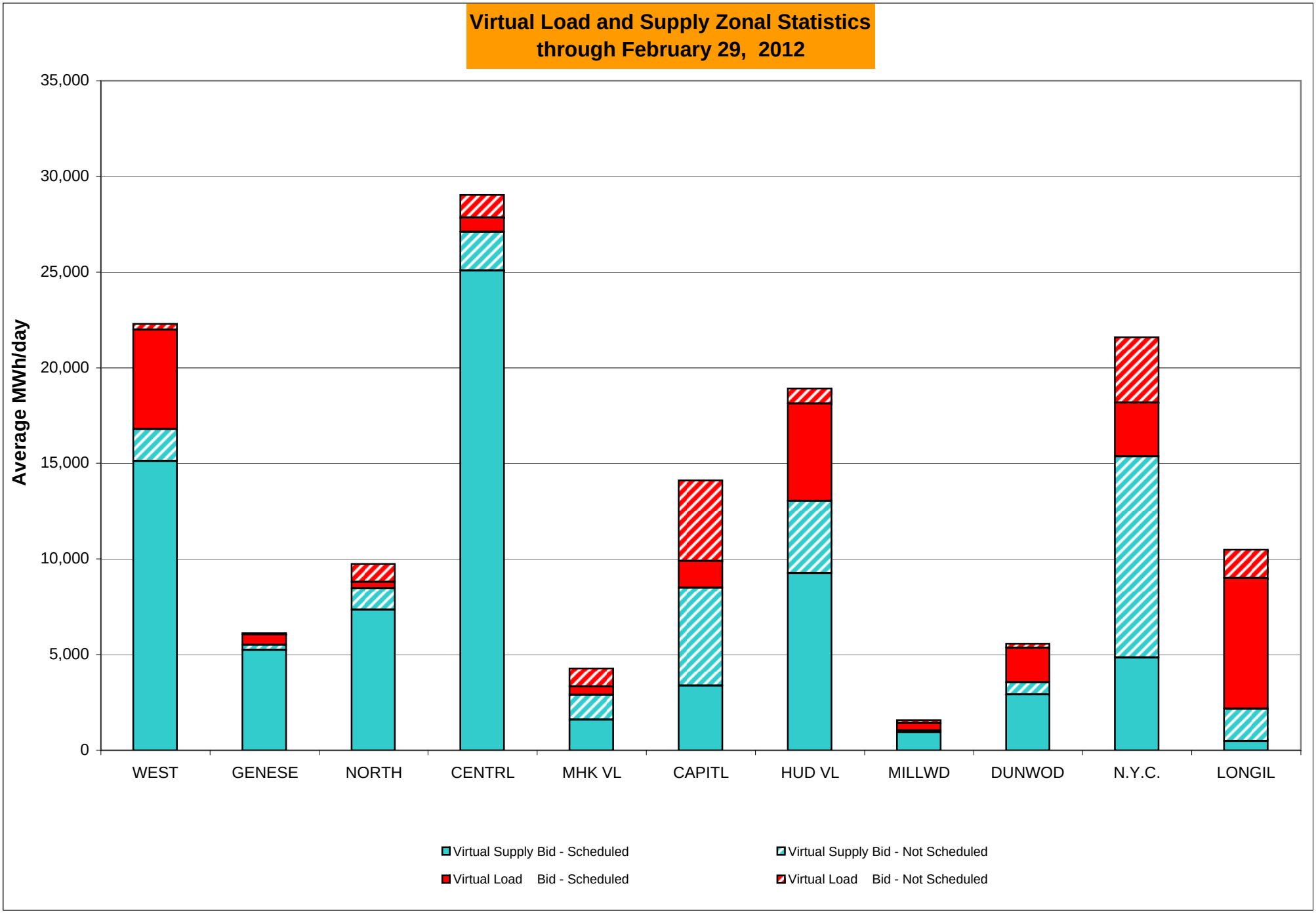

NYISO Virtual Trading
Average MWh per day
Average MWh/day
900,000
850,000
800,000
750,000
700,000
650,000
600,000
550,000
500,000
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
Jan-11
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
Mar-12
Apr-12
May-12
Jun-12
Jul-12
Aug-12
Sep-12
Oct-12
Nov-12
Dec-12
Virtual Supply Bid - Scheduled
Virtual Supply Bid - Not Scheduled
Virtual Load Bid - Scheduled
Virtual Load Bid - Not Scheduled
Posted Collateral MWhrs

Virtual Load and Supply Zonal Statistics through February 29, 2012



Market Mitigation and Analysis
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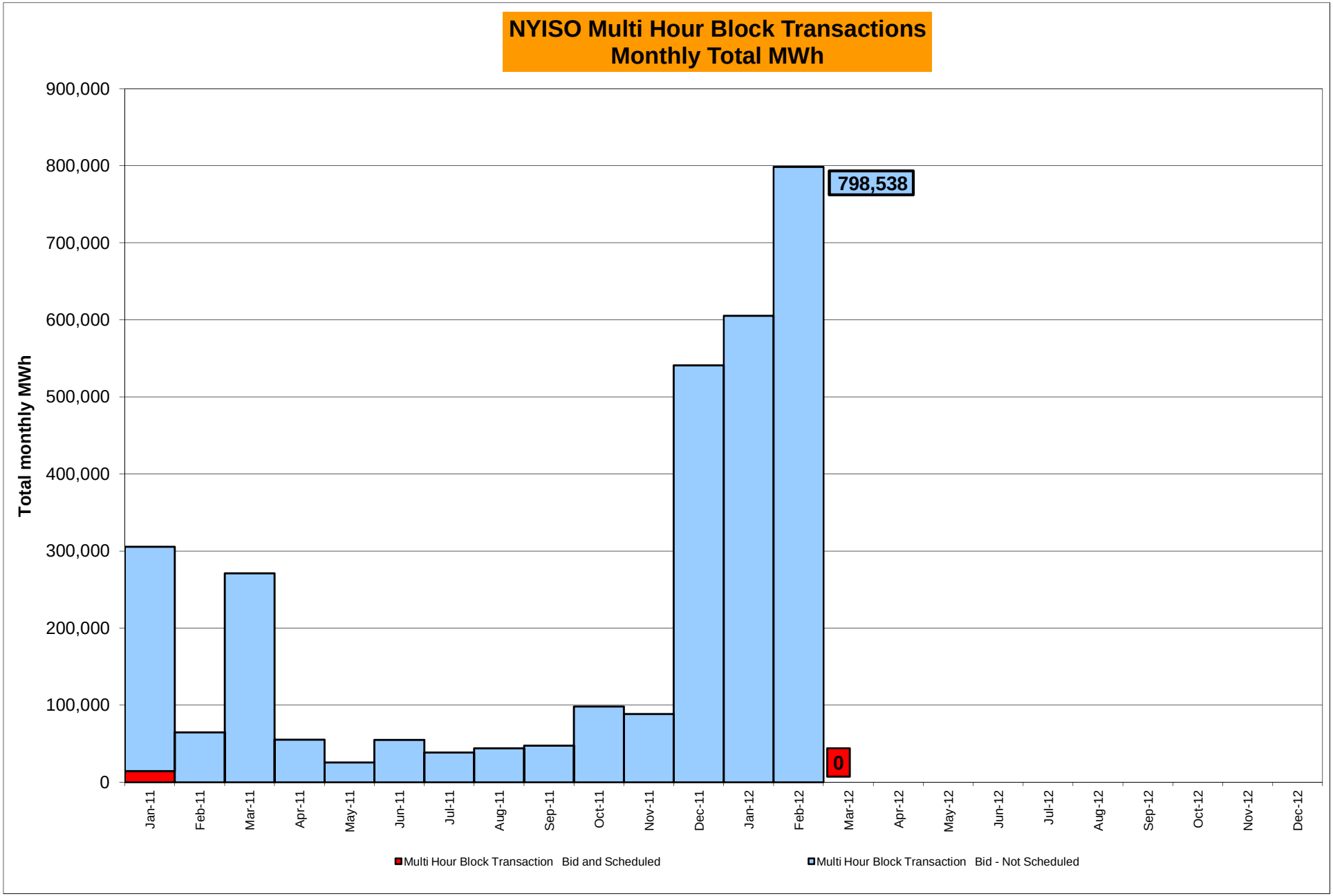
Virtual Load and Supply Zonal Statistics (Average MWh/day) - 2012

		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-12	2,246	938	13,593	956	**MHK VL**	Jan-12	419	967	1,488	1,127	**DUNWOD**	Jan-12	1,401	461	1,432	189
	Feb-12	5,195	315	15,119	1,672		Feb-12	444	935	1,592	1,303		Feb-12	1,805	219	2,922	625
	Mar-12						Mar-12						Mar-12				
	Apr-12						Apr-12						Apr-12				
	May-12						May-12						May-12				
	Jun-12						Jun-12						Jun-12				
	Jul-12						Jul-12						Jul-12				
	Aug-12						Aug-12						Aug-12				
	Sep-12						Sep-12						Sep-12				
	Oct-12						Oct-12						Oct-12				
	Nov-12						Nov-12						Nov-12				
	Dec-12						Dec-12						Dec-12				
GENESE	Jan-12	257	102	5,254	64	**CAPITL**	Jan-12	1,903	5,590	3,842	3,364	**N.Y.C.**	Jan-12	4,572	4,060	2,511	9,344
	Feb-12	553	52	5,238	271		Feb-12	1,408	4,213	3,379	5,116		Feb-12	2,819	3,414	4,839	10,519
	Mar-12						Mar-12						Mar-12				
	Apr-12						Apr-12						Apr-12				
	May-12						May-12						May-12				
	Jun-12						Jun-12						Jun-12				
	Jul-12						Jul-12						Jul-12				
	Aug-12						Aug-12						Aug-12				
	Sep-12						Sep-12						Sep-12				
	Oct-12						Oct-12						Oct-12				
	Nov-12						Nov-12						Nov-12				
	Dec-12						Dec-12						Dec-12				
NORTH	Jan-12	289	967	7,215	1,189	**HUD VL**	Jan-12	3,466	693	9,513	2,413	**LONGIL**	Jan-12	5,372	2,036	684	1,383
	Feb-12	332	935	7,359	1,119		Feb-12	5,087	794	9,250	3,788		Feb-12	6,810	1,496	473	1,708
	Mar-12						Mar-12						Mar-12				
	Apr-12						Apr-12						Apr-12				
	May-12						May-12						May-12				
	Jun-12						Jun-12						Jun-12				
	Jul-12						Jul-12						Jul-12				
	Aug-12						Aug-12						Aug-12				
	Sep-12						Sep-12						Sep-12				
	Oct-12						Oct-12						Oct-12				
	Nov-12						Nov-12						Nov-12				
	Dec-12						Dec-12						Dec-12				
CENTRL	Jan-12	526	1,178	26,589	1,270	**MILLWD**	Jan-12	505	206	929	50	**NYISO**	Jan-12	20,956	17,198	73,050	21,349
	Feb-12	757	1,175	25,087	2,011		Feb-12	379	161	949	88		Feb-12	25,588	13,708	76,209	28,222
	Mar-12						Mar-12						Mar-12				
	Apr-12						Apr-12						Apr-12				
	May-12						May-12						May-12				
	Jun-12						Jun-12						Jun-12				
	Jul-12						Jul-12						Jul-12				
	Aug-12						Aug-12						Aug-12				
	Sep-12						Sep-12						Sep-12				
	Oct-12						Oct-12						Oct-12				
	Nov-12						Nov-12						Nov-12				
	Dec-12						Dec-12						Dec-12				



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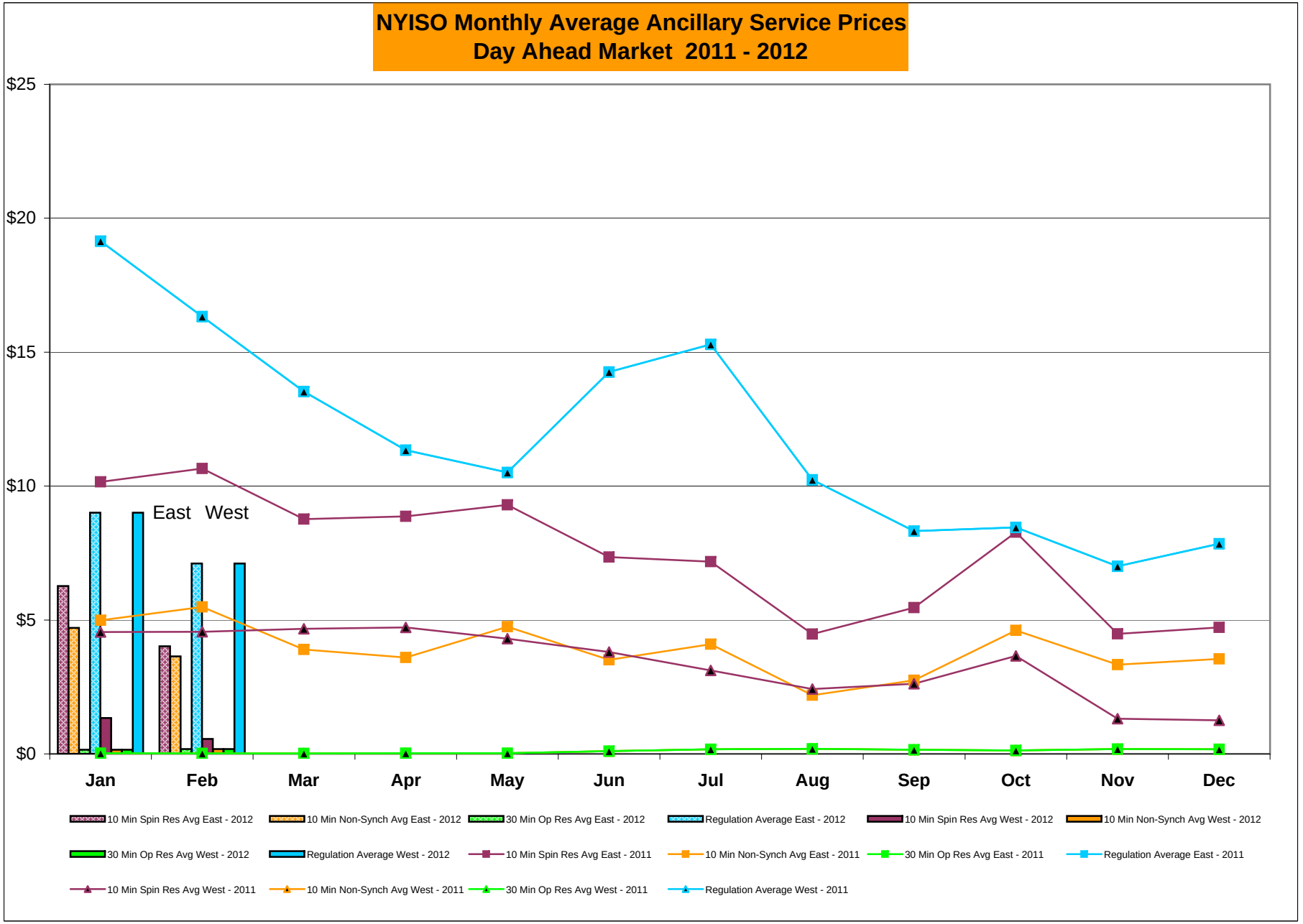
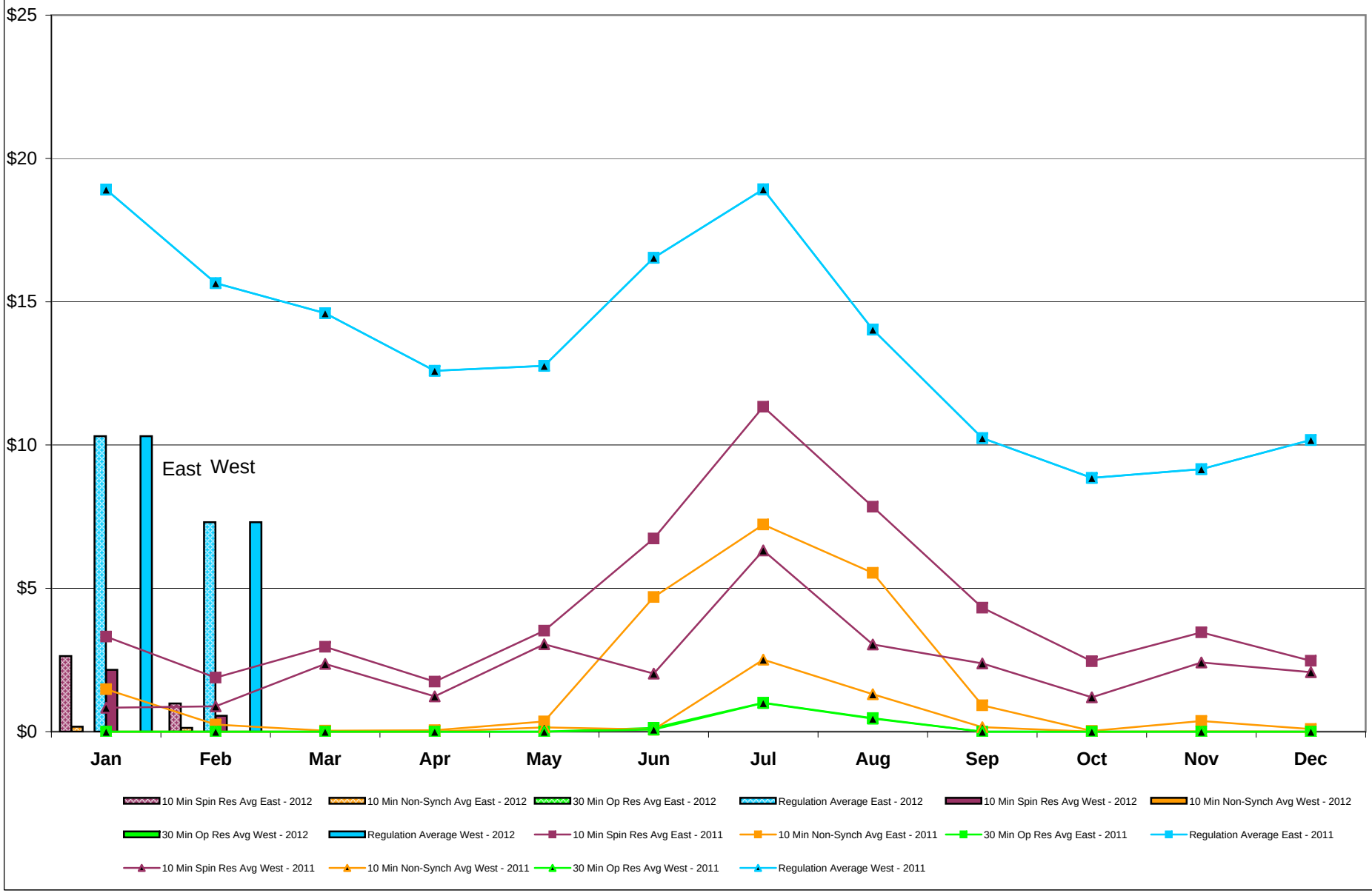
NYISO Monthly Average Ancillary Service Prices
Day Ahead Market 2011 - 2012



NYISO Monthly Average Ancillary Service Prices
RTC Market 2011 - 2012



Market Mitigation and Analysis.
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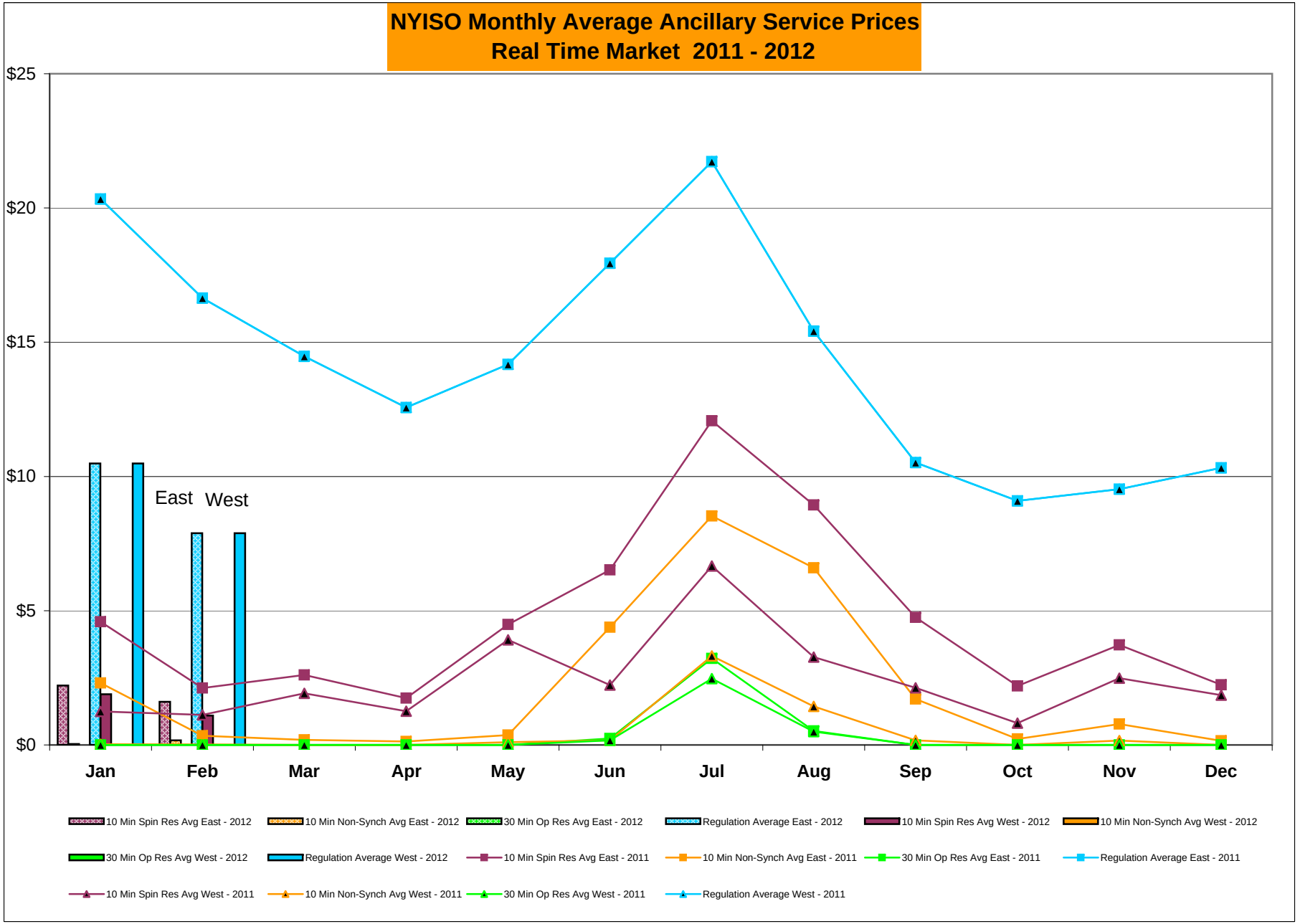

Market Mitigation and Analysis
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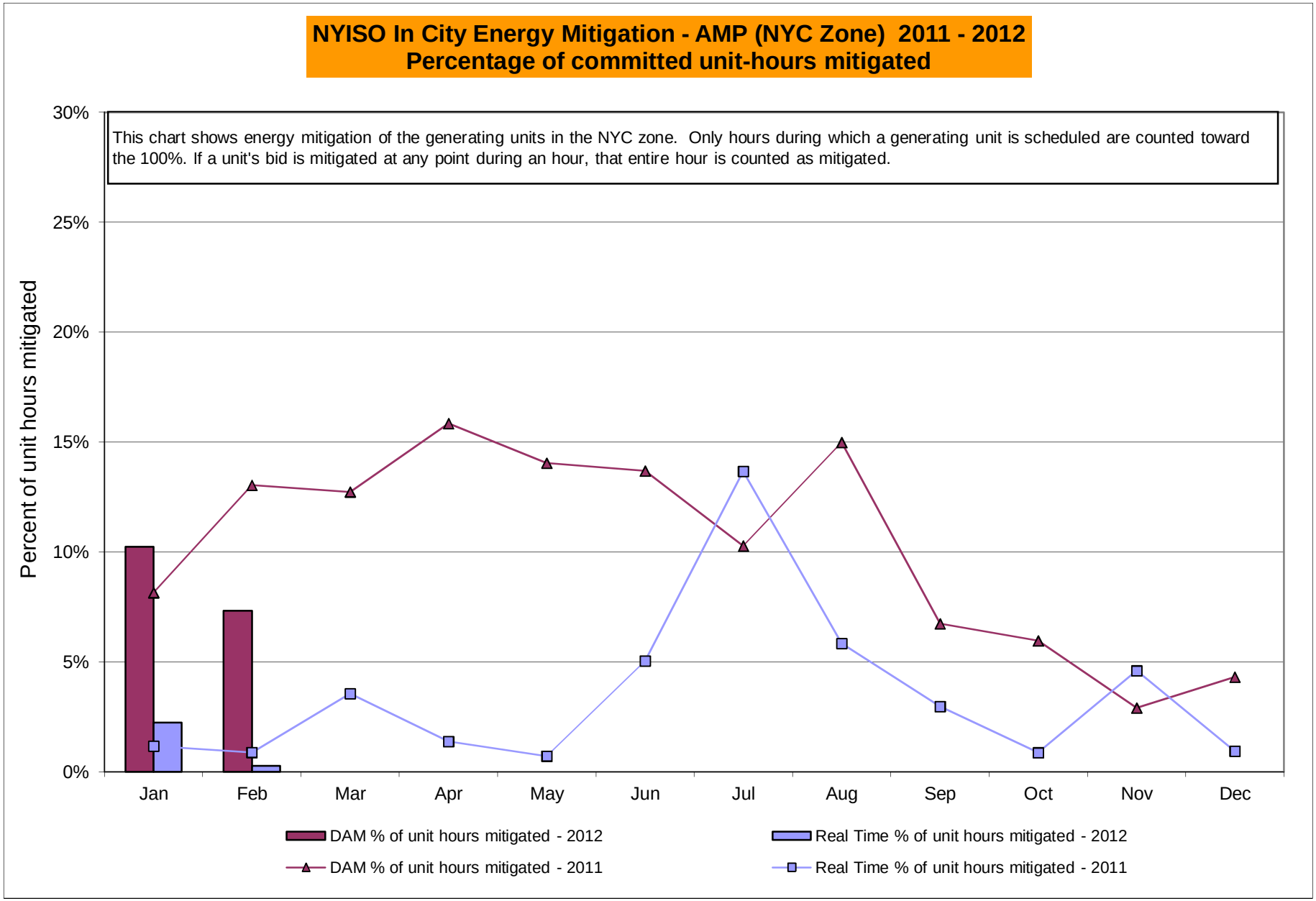
AD

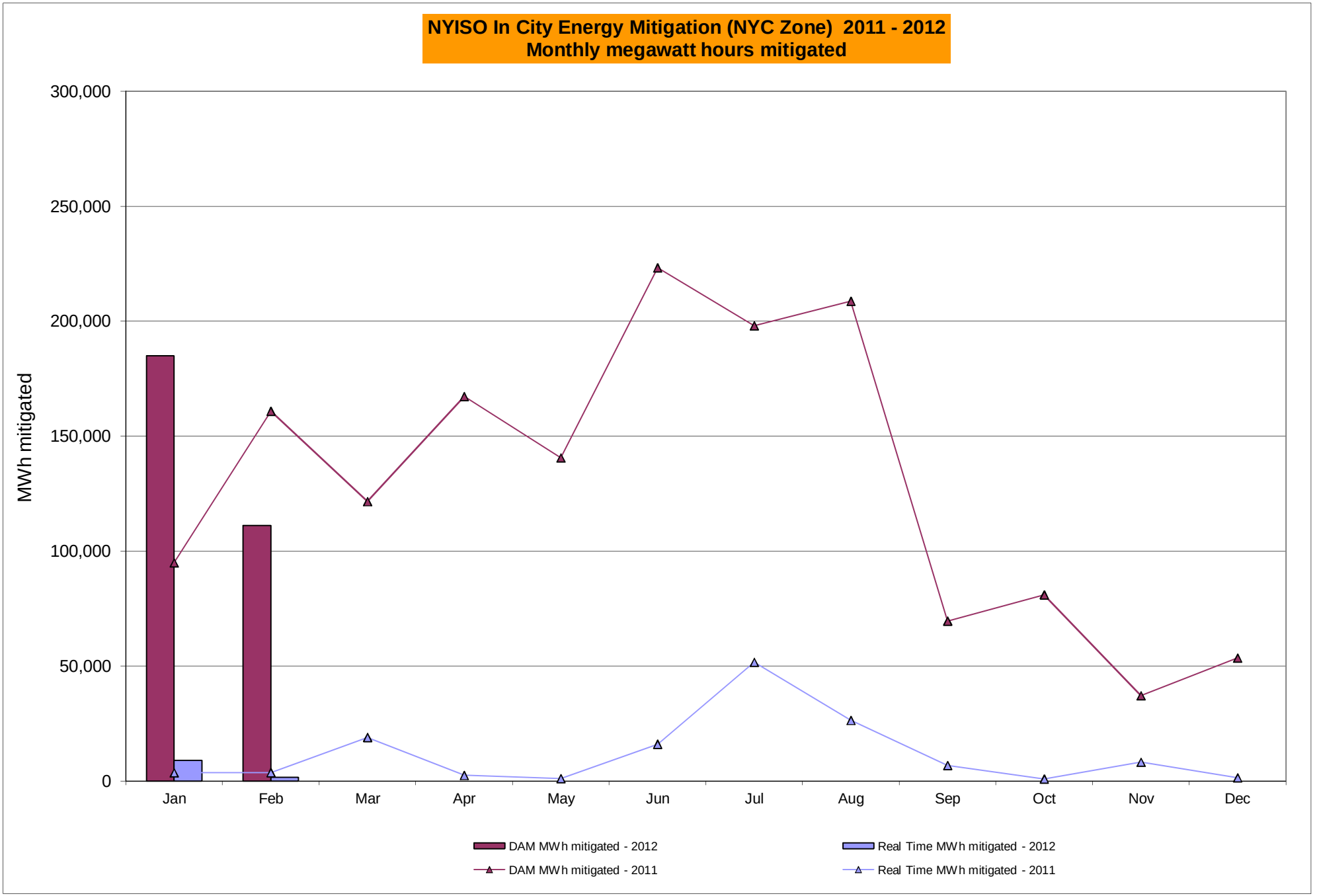
NYISO Markets Ancillary Services Statistics - Unweighted Price ($/MWH)

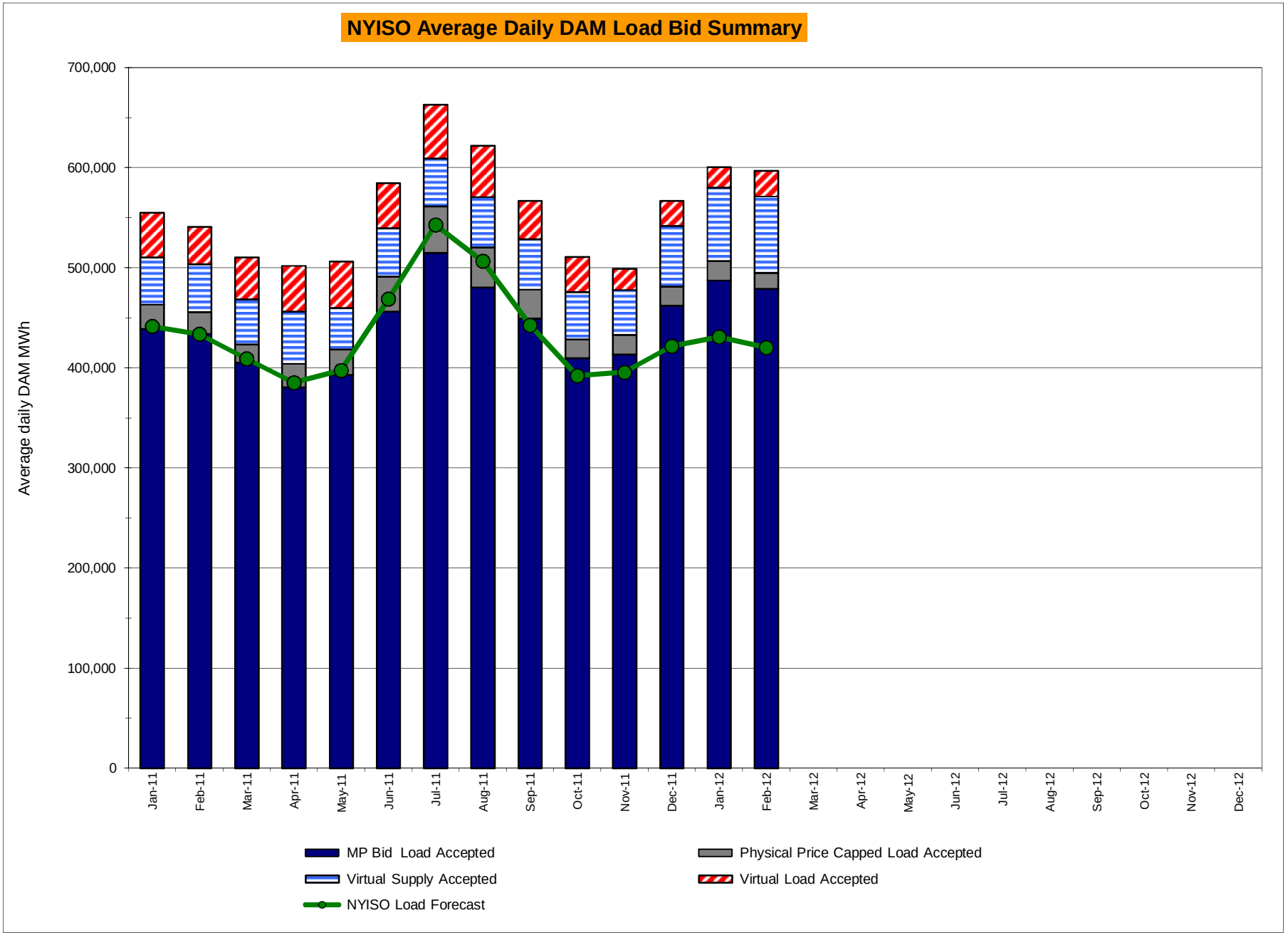
2012	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market												
10 Min Spin East	6.26	4.01										
10 Min Spin West	1.34	0.56										
10 Min Non Synch East	4.71	3.64										
10 Min Non Synch West	0.15	0.18										
30 Min East	0.15	0.18										
30 Min West	0.15	0.18										
Regulation East	9.01	7.11										
Regulation West	9.01	7.11										
RTC Market												
10 Min Spin East	2.64	0.99										
10 Min Spin West	2.16	0.55										
10 Min Non Synch East	0.17	0.13										
10 Min Non Synch West	0.00	0.00										
30 Min East	0.00	0.00										
30 Min West	0.00	0.00										
Regulation East	10.31	7.31										
Regulation West	10.31	7.31										
Real Time Market												
10 Min Spin East	2.21	1.61										
10 Min Spin West	1.89	1.09										
10 Min Non Synch East	0.03	0.17										
10 Min Non Synch West	0.00	0.00										
30 Min East	0.00	0.00										
30 Min West	0.00	0.00										
Regulation East	10.49	7.89										
Regulation West	10.49	7.89										

2011	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market												
10 Min Spin East	10.15	10.66	8.76	8.87	9.30	7.35	7.18	4.47	5.46	7.76	4.48	4.72
10 Min Spin West	4.55	4.56	4.67	4.72	4.30	3.80	3.12	2.42	2.62	3.15	1.32	1.25
10 Min Non Synch East	4.99	5.48	3.90	3.60	4.75	3.51	4.10	2.19	2.75	4.62	3.33	3.55
10 Min Non Synch West	0.02	0.02	0.02	0.03	0.03	0.10	0.17	0.19	0.15	0.14	0.18	0.17
30 Min East	0.02	0.02	0.02	0.03	0.03	0.10	0.17	0.19	0.15	0.14	0.18	0.17
30 Min West	0.02	0.02	0.02	0.03	0.03	0.10	0.17	0.19	0.15	0.14	0.18	0.17
Regulation East	19.14	16.33	13.53	11.34	10.51	14.26	15.29	10.23	8.32	8.02	7.01	7.85
Regulation West	19.14	16.33	13.53	11.34	10.51	14.26	15.29	10.23	8.32	8.02	7.01	7.85
RTC Market												
10 Min Spin East	3.32	1.88	2.96	1.74	3.52	6.74	11.34	7.84	4.33	3.84	3.46	2.47
10 Min Spin West	0.83	0.89	2.37	1.23	3.05	2.03	6.33	3.04	2.38	2.23	2.41	2.08
10 Min Non Synch East	1.48	0.25	0.04	0.05	0.35	4.69	7.23	5.54	0.91	0.10	0.37	0.09
10 Min Non Synch West	0.00	0.00	0.00	0.00	0.15	0.07	2.51	1.31	0.16	0.00	0.01	0.00
30 Min East	0.00	0.00	0.00	0.00	0.00	0.13	1.01	0.47	0.00	0.00	0.00	0.00
30 Min West	0.00	0.00	0.00	0.00	0.00	0.07	1.00	0.45	0.00	0.00	0.00	0.00
Regulation East	18.91	15.65	14.60	12.59	12.77	16.54	18.93	14.03	10.24	9.62	9.16	10.18
Regulation West	18.91	15.65	14.60	12.59	12.77	16.54	18.93	14.03	10.24	9.62	9.16	10.18
Real Time Market												
10 Min Spin East	4.59	2.12	2.61	1.74	4.49	6.52	12.08	8.94	4.75	3.03	3.72	2.24
10 Min Spin West	1.25	1.12	1.92	1.26	3.92	2.23	6.66	3.27	2.12	1.50	2.49	1.86
10 Min Non Synch East	2.31	0.35	0.19	0.13	0.37	4.38	8.52	6.60	1.71	0.21	0.77	0.15
10 Min Non Synch West	0.02	0.02	0.00	0.00	0.10	0.18	3.31	1.44	0.17	0.00	0.16	0.00
30 Min East	0.00	0.00	0.00	0.00	0.00	0.24	3.22	0.52	0.00	0.00	0.00	0.00
30 Min West	0.00	0.00	0.00	0.00	0.00	0.18	2.47	0.50	0.00	0.00	0.00	0.00
Regulation East	20.34	16.65	14.48	12.57	14.17	17.94	21.72	15.41	10.51	9.34	9.53	10.32
Regulation West	20.34	16.65	14.48	12.57	14.17	17.94	21.72	15.41	10.51	9.34	9.53	10.32

NYISO In City Energy Mitigation - AMP (NYC Zone) 2011 - 2012
Percentage of committed unit-hours mitigated




NYISO In City Energy Mitigation (NYC Zone) 2011 - 2012
Monthly megawatt hours mitigated
MWh mitigated
300,000
250,000
200,000
150,000
100,000
50,000
0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
DAM MWh mitigated - 2012
Real Time MWh mitigated - 2012
DAM MWh mitigated - 2011
Real Time MWh mitigated - 2011



Market Mitigation and Analysis
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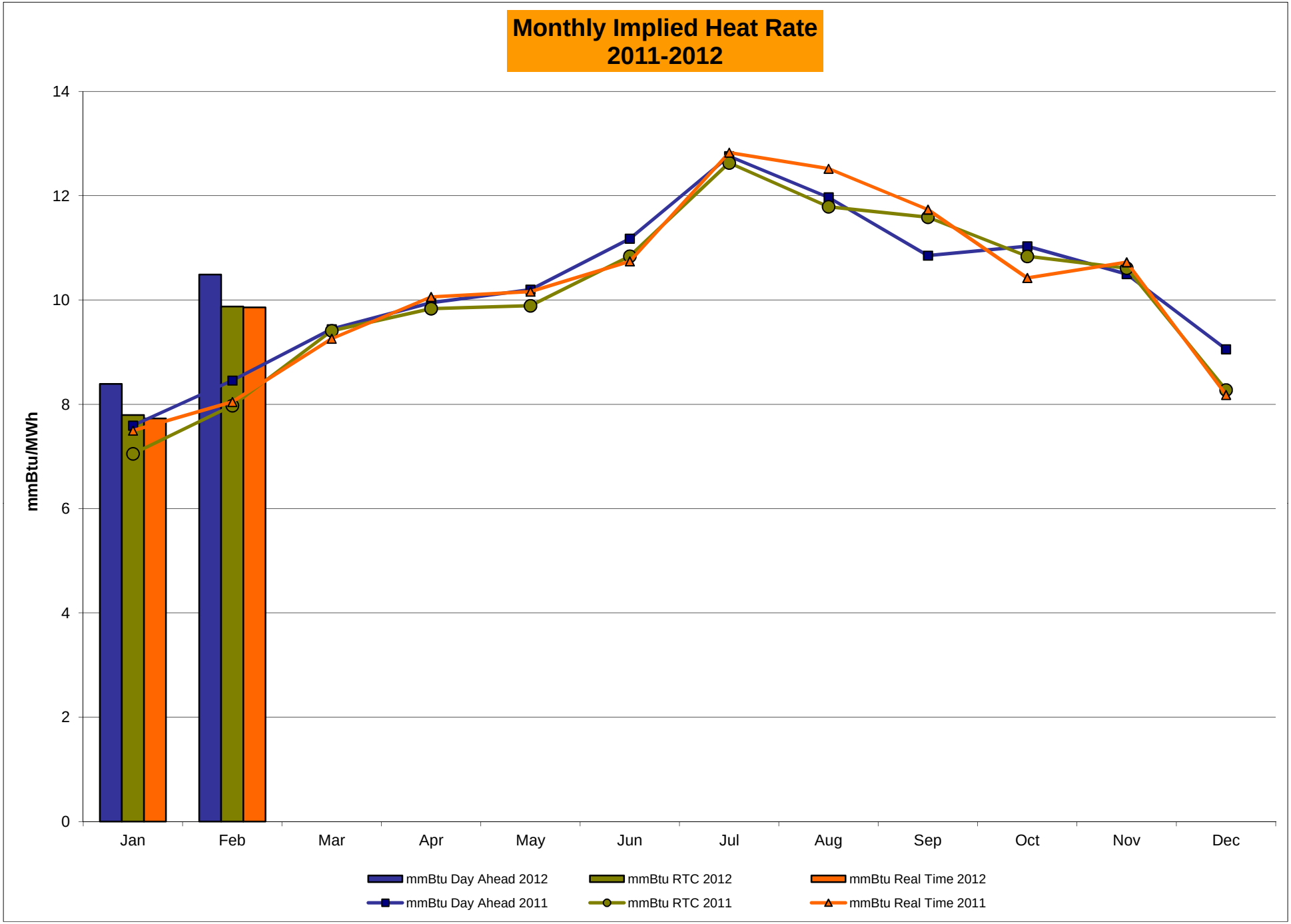
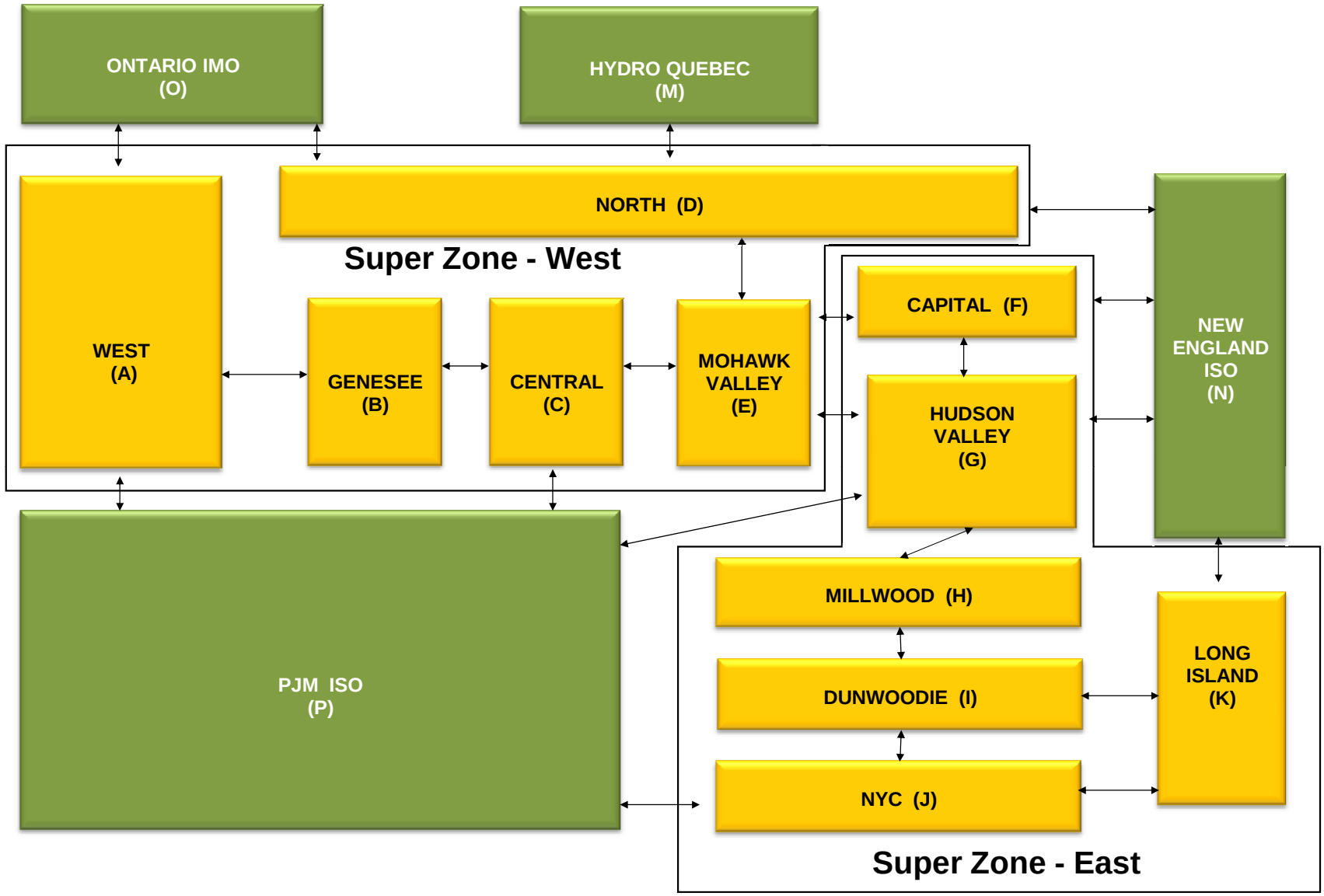
Monthly Implied Heat Rate
2011-2012

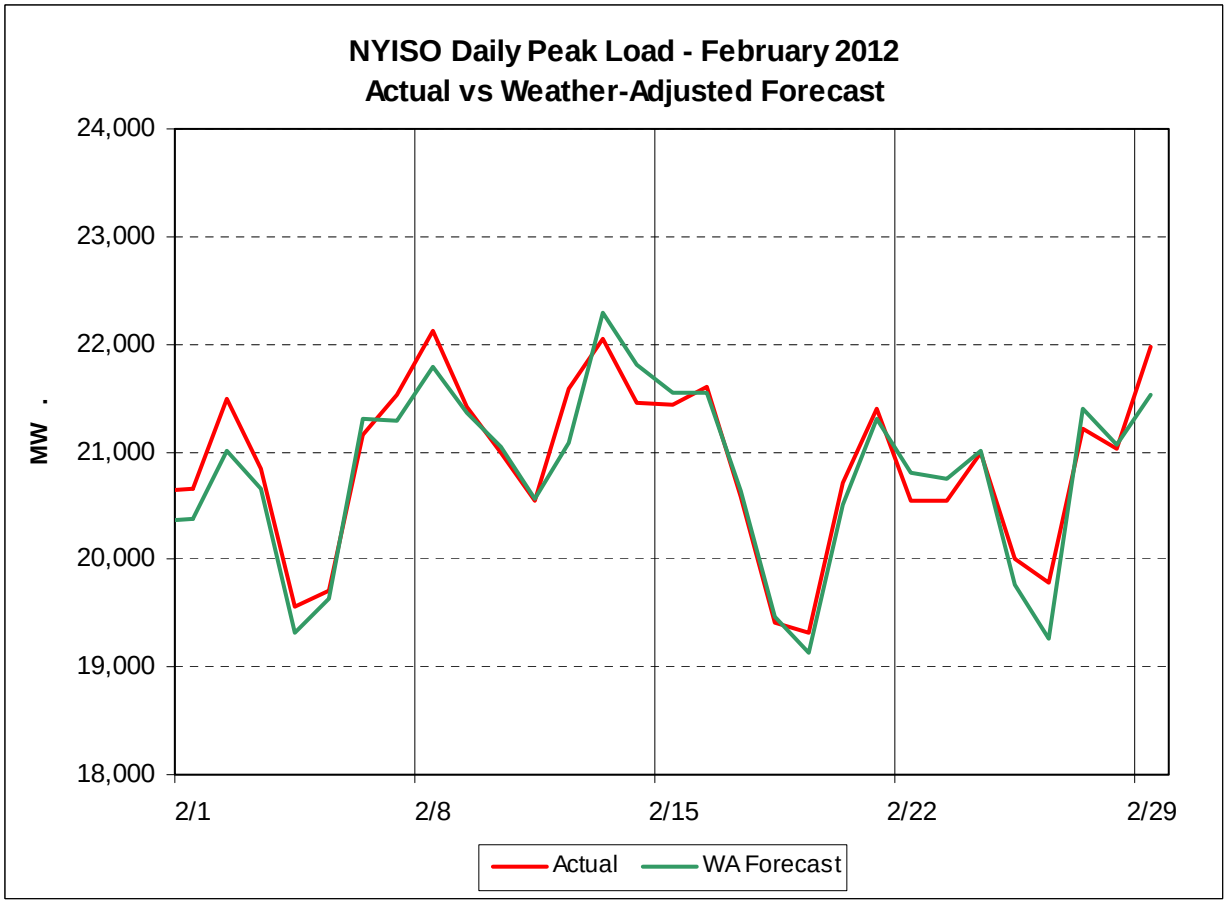


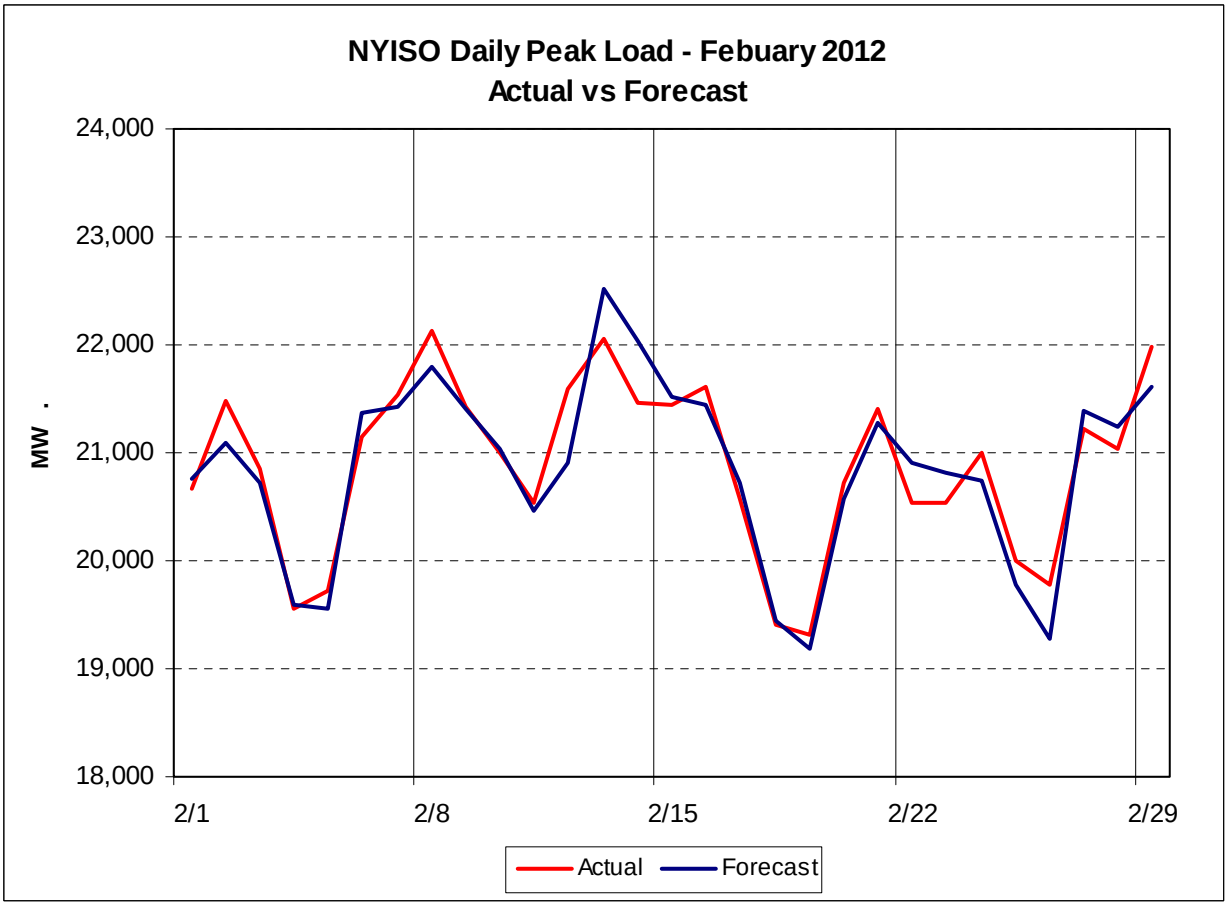
NYISO LBMP ZONES

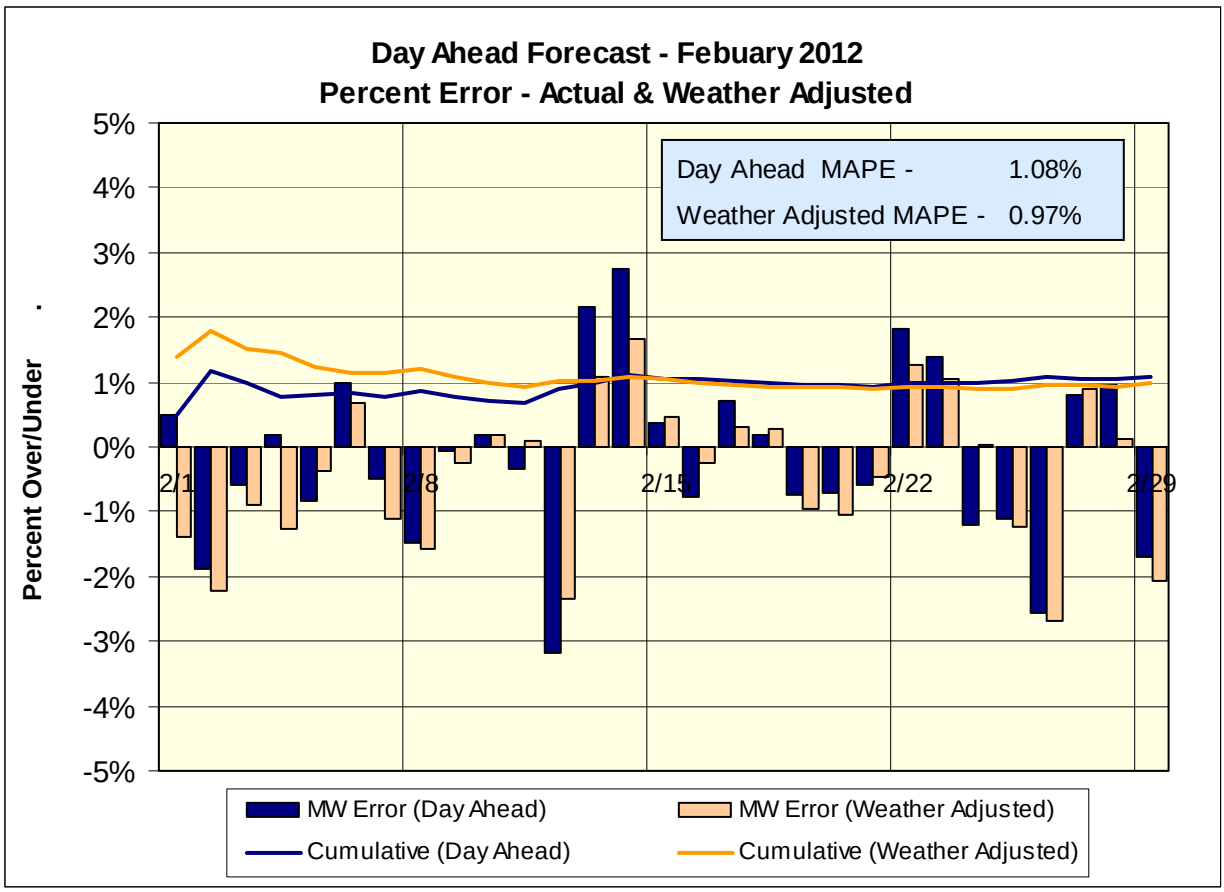


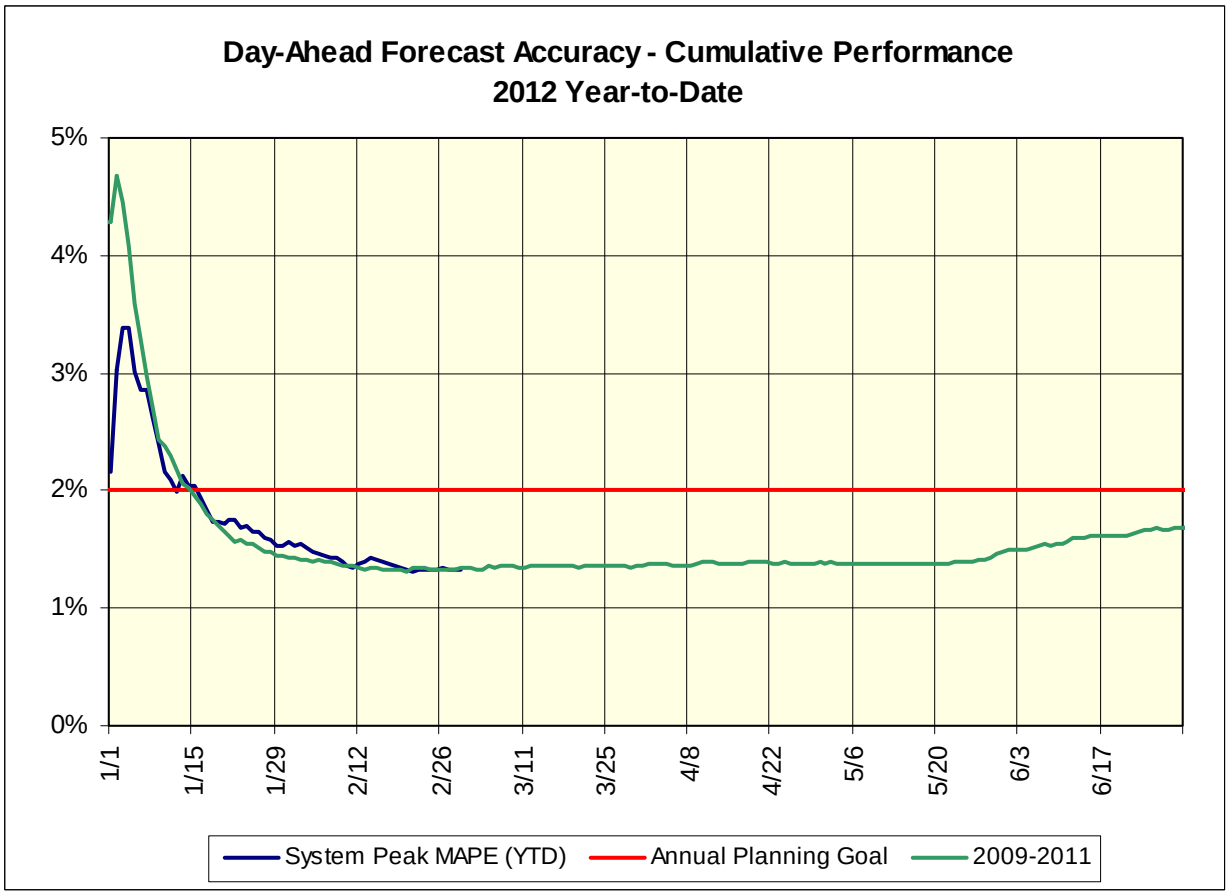
Billing Codes for Chart 4-C

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	84001	EDRP/SCR Demand Response - Local
Bid Production Cost Guarantee DAM	84101	EDRP/SCR Demand Response - NYISO Wide
Bid Production Cost Guarantee DAM	81401	DAM Price Responsive Load Program
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 Balancing	83901	Margin Restoration (MOB) Revenue
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


NYISO Daily Peak Load - February 2012
Actual vs Weather-Adjusted Forecast
MW
24,000
23,000
22,000
21,000
20,000
19,000
18,000
2/1
2/8
2/15
2/22
2/29
Actual
WA Forecast


NYISO Daily Peak Load - Febuary 2012
Actual vs Forecast
MW
24,000
23,000
22,000
21,000
20,000
19,000
18,000
2/1
2/8
2/15
2/22
2/29
Actual
Forecast


Day Ahead Forecast - Febuary 2012
Percent Error - Actual & Weather Adjusted
Percent Over/Under .
5%
4%
3%
2%
1%
0%
-1%
-2%
-3%
-4%
-5%
2/1
2/8
2/15
2/22
2/29
Day Ahead MAPE - 1.08%
Weather Adjusted MAPE - 0.97%
MW Error (Day Ahead)
MW Error (Weather Adjusted)
Cumulative (Day Ahead)
Cumulative (Weather Adjusted)


Day-Ahead Forecast Accuracy - Cumulative Performance
2012 Year-to-Date
5%
4%
3%
2%
1%
0%
1/1
1/15
1/29
2/12
2/26
3/11
3/25
4/8
4/22
5/6
5/20
6/3
6/17
System Peak MAPE (YTD)
Annual Planning Goal
2009-2011

Project	Status and Milestone Deliverables
Business Intelligence Products	
Market and Settlement Data Management Phase I: Broader Regional Markets	**Status:** Broader Regional Markets (BRM) initiatives will require reporting and analysis on historical BMS and MIS data beginning in 2012. Analysis will need to be performed over a large time span of data. BMS data that is currently retained for only ten days will be retained for up to five years for analysis. This deployment is scheduled for the 4th quarter in support of Market to Market with PJM. **Deliverables:** To achieve BRM reporting and analysis requirements, this project will provide a platform for analytics and reporting as well as analytics of other control area data that may be required.
eTariff Public Website Module	**Status:** This project will add the eTariff Public Website module to www.nyiso.com. This deployment is targeted for the 2nd quarter. **Deliverables:** The 2012 project will provide Market Participants with new functionality that allows searching and viewing capabilities for NYISO tariffs, filings and docket numbers.
Public Website: Publishing Process	**Status:** The NYISO public website uses several older systems to maintain the content on the website. This deployment is scheduled for the 4th quarter. **Deliverables:** This project will replace the current content management technology and the portal technology with a single, more efficient, and cost-effective solution using Microsoft SharePoint to maintain and post documents to the public website.
Capacity Market Products	
Additional Capacity Zones	**Status:** The NYISO and stakeholders developed the rationale in 2010 for creating additional capacity zones, identified as a recommendation in the 2009 State of the Market report. NYISO submitted a FERC compliance filing in January 2011 to define the criteria for creating new capacity zones. The Market Design Concept was discussed with stakeholders in late October 2011 and the compliance filing was submitted in November 2011. Deployment is scheduled for 2014 consistent with the next Demand Curve Reset. Completion of the functional requirements specification is scheduled for the end of 1st quarter 2012. **Deliverables:** The 2012 project will focus on completing the functional requirements specification for additional capacity zones and initiating the software development process.

Project	Status and Milestone Deliverables
Demand Response Products	
DSASP Direct Communication Phase 2	**Status:** Based on the NYISO's response to FERC Order 719, in 2010 NYISO and stakeholders discussed the changes needed to accommodate aggregated small demand response resources providing ancillary services (DSASP). The Market Design Concept to treat aggregations in the same manner as individual DSASP resources was proposed and approved by Market Participants at the December 2010 BIC. Functional requirements for direct communications were successfully completed and communicated to the Market Participants in 2011. Market rule changes and software changes are required to support the implementation of DSASP Aggregations. The deployment is targeted for 2nd Q 2012. **Deliverables:** The focus of the 2012 project is the implementation of the required rule changes and software changes.
Demand Response Information System: Event Notification	**Status:** NYISO currently handles event notification for Demand Response through a vendor who is no longer reliable in delivering notification, which has resulted in NYISO Operations having to utilize manual processes for sending event notification to stakeholders. Replacement of NYISO's existing event notification system with DRIS will enhance reliability by ensuring that demand response aggregators receive notifications in a consistent and timely manner. Integration with DRIS reduces duplication of event information and facilitates event response reporting. This deployment is targeted for 2nd quarter 2012. **Deliverables:** The focus of the project in 2012 is the implementation of a replacement of the event notification vendor to allow for integration with the Demand Response Information System (DRIS).
Demand Response – Real Time Energy Market	**Status:** NYISO will focus on the development of market rules and identification of software changes required to permit demand response entities to participate in the NYISO's real-time energy market. Market Design approval is targeted for 4th quarter 2012. **Deliverables:** Market Design Approval is the focus of the project in 2012.
Order 745 – Day Ahead Demand Response Program (DADRP) Compliance	**Status:** NYISO will implement the net benefits test based on the compliance filing submitted in 2011. Also, as part of the compliance obligation, NYISO will conduct a study to evaluate the feasibility of incorporating a dynamic net benefits test into the day-ahead and real-time unit commitment and scheduling processes. Implementation of the net benefits test was scheduled for a March deployment; however, as of March 8, 2012, FERC has not responded to NYISO's August 2011 compliance filing on the net benefits test; NYISO notified FERC in mid-February that it would not be able to implement on the proposed effective without an answer from FERC; project is temporarily reprioritized pending a response from FERC. A compliance filing detailing the results of the feasibility study is due to FERC on September 21, 2012. **Deliverables:** The focus of this project in 2012 is the implementation of the Net Benefits test as filed with FERC in 2011 and completion of the dynamic net benefits study.

Project	Status and Milestone Deliverables
Energy Markets Products	
Ancillary Services Mitigation	**Status:** Per recommendation of NYISO's Market Advisor, NYISO should modify two mitigation provisions that may limit competitive 10-minute reserves offers in the day-ahead market. A market design concept was presented to stakeholders in the 4th quarter of 2011. Tariff changes and software changes are planned for 4th quarter 2012. **Deliverables:** This project will focus on implementation of required tariff changes and software changes to support the market design.
Market to Market Coordination - PJM	**Status:** In late-2006, PJM approached NYISO, interested in developing a program to allow inter-control area dispatch to help manage congestion. PJM has implemented a program with MISO. In 2007, NYISO initiated discussions with PJM to further understand the MISO program and begin to outline a conceptual straw proposal for a similar program between PJM and NY. NYISO has continued to define the details of a Market to Market (formerly known as Congestion Management) protocol between NYISO and PJM. In 2009, NYISO worked with PJM and NYISO stakeholders to develop a Market to Market protocol. Protocol development was not completed in 2009. The question of entitlement rights on coordinated flow gates could not be addressed until the NYISO had developed or procured a market flow calculator. In 2011 the NYISO implemented the market flow calculator and continued to work with PJM to meet the 2010 FERC Order to implement Market to Market coordination. The software deployment is targeted for 4th quarter 2012. **Deliverables:** The focus of this project in 2012 is to deploy all of the required software changes to enable Market to Market coordination between PJM and NY.
Interregional Transaction Coordination Phases I and III	**Status:** Interregional Transaction Coordination is a Broader Regional Markets initiative that provides more frequent scheduling of external energy transactions with the interfaces. Currently, energy transactions between NY and other control areas are evaluated economically once for the hour. The 2008 and 2009 State of the Market recommendation #2 is, "NYISO continue its work with neighboring control areas to better utilize the transfer capability between regions." Phase I of this project will enable more frequent scheduling with Hydro Quebec (HQ). Phase III will enable more frequent scheduling with PJM. Phase I is complete. Phase III is targeted for deployment in June 2012. **Deliverables:** The focus of this project in 2012 is to deliver the necessary software enhancements and tools to implement intra-hour energy transaction scheduling with PJM.
Interregional Transaction Coordination Phase IV – ISO-NE Intra-hour Transaction Scheduling (IRIS)	**Status:** This project expands upon the work completed in Phases I and III by implementing Intra-hour energy transaction scheduling capabilities with ISO-NE. The 2008 and 2009 State of the Market recommendation #2 is, "NYISO continue its work with neighboring control areas to better utilize the transfer capability between regions." The tariff filing was submitted in 4th Q 2011. The Architectural Design Specification is targeted for 4th quarter 2012. **Deliverables:** The focus of the project in 2012 is to complete the Architectural Design Specification.
Interregional Transaction Coordination	**Status:** This project expands upon the work of Phase 4 by leveraging the designs with New England on Coordinated

Project	Status and Milestone Deliverables
Phase V – PJM Coordinated Transaction Scheduling	Transaction Scheduling. PJM is hoping to evolve transaction scheduling with the NYISO to gain full efficiencies for both regions. A market design concept is targeted for the 4th quarter 2012. **Deliverables:** The focus of this project in 2012 is the proposal of a market design concept.
Order 755: Regulation Compensation	**Status:** FERC issued Order 755 in October 2011 with a compliance filing detailing design and implementation plan due in April 2012, followed by implementation in October 2012. This project is targeted for deployment in the 4th quarter 2012. **Deliverables:** The focus of this project in 2012 is the deployment of software changes necessary to support NYISO's compliance filing due in April 2012.
Scheduling and Pricing: Enhanced Scarcity Pricing	**Status:** The 2010 State of the Market recommends the NYISO investigate the possibility of more efficient price setting when energy within the NYCA is scarce. The NYISO will evaluate the causes for the pricing inefficiency and, if necessary, develop and review with stakeholders potential market enhancements that will best capture most efficient price for periods with scarce energy. **Deliverables:** The focus of this project in 2012 is stakeholder approval of the market design.
Enterprise Technology Products	
Ranger Messaging Integration	**Status:** Market to Market Coordination requires near real-time business messages to be exchanged between NYISO and the market systems of its external partners in support of the flow gate coordination process. This project will augment existing integration capabilities to include secure near real-time exchange of structured business data between NYISO's market system, PJM, and other partners. Near real-time messaging will increase as NYISO processes increasingly interact with external partners and customers. Deployment of ranger messaging integration is targeted for 4th quarter 2012 in support of Market to Market Coordination with PJM. **Deliverables:** The focus of this project in 2012 is to implement a new platform to enable near real-time message exchange.
Enterprise Project Management (EPM) Platform: Phase I	**Status:** This initiative will deliver Microsoft Project 2010 in a robust, hosted environment that will provide NYISO with up-to-date project scheduling and tracking tools, centralized and consistent project reporting for improved portfolio management, and improved project team collaboration. This platform will also enable future enhancements to NYISO's project resource planning and management process. Phase I is scheduled for implementation in 2nd quarter 2012. **Deliverables:** The focus of Phase I is implementation of the hosted solution combined with training and updated business process to effectively utilize the platform.
Finance Products	

Project	Status and Milestone Deliverables
Bad Debt Processing Flexibility	**Status:** This project will provide NYISO the ability to place Bad Debt Losses on any invoice (Flexible Invoice Period [FIP] or Monthly) to reduce exposure and aid in timely recovery of funds. Currently, bad debt losses can only be applied to a monthly invoice, creating a potential delay of 3-4 weeks should a bad debt loss occur shortly after monthly invoice issuance This project would reduce the length of time funds are borrowed from Working Capital and reduce credit risk exposure. The software deployment is targeted for end of 1st Quarter 2012. **Deliverables:** The focus of this project is implementation of the required software changes.
ICAP Weekly Invoicing Automation	**Status:** This project will automate the process of assessing ICAP charges/credits on Flexible Invoicing Period (FIP) and Monthly invoices. This is a manually intensive process today spanning multiple departments. This project would eliminate the need for manual entry and reduce the potential for errors associated with manual processes. The software deployment of these changes is planned for January 2012. This project is complete. **Deliverables:** The focus of this project is the automation of the existing manual process.
Transaction Credit Enhancements	**Status:** Enhancements to the CMS application are needed to better align the credit requirements for external transactions (imports, exports, wheels) to the evolving market design for transactions occurring as part of the Broader Regional Markets initiatives. Market rules have been approved by stakeholders and detailed requirements are complete. Completion of the software development is scheduled for 4th quarter 2012 with plans to implement in 1st quarter 2013. **Deliverables:** The focus of this project in 2012 is to complete all of the software development.
Operations & Reliability Products	
Energy Management System (EMS) Visualization	**Status:** This is a multi-year project to determine the requirements, design and to implement the necessary situational awareness, data redundancy and communication infrastructure to facilitate operational control from the new Krey Primary Control Center. The Architectural Design is scheduled for completion in the 3rd quarter. **Deliverables:** The focus of this project in 2012 is completion of the Architectural Design.
Phase I Meter Upgrade	**Status:** The focus of this project is to move existing and new circuits to a new configuration and to add the new building to the network, which is required in order to fully support Phase I data needs in the new control center. The Architectural Design is scheduled for completion in the 3rd quarter. **Deliverables:** The focus of this project in 2012 is completion of the Architectural Design.

Project	Status and Milestone Deliverables
Hudson Transmission Partners (HTP) Controllable Tie Line	**Status:** This project would support the implementation of a new controllable tie line from PJM into NYCA. Targeted commercial date is early 2013. Software changes are targeted for 4th quarter 2012. **Deliverables:** The focus of this project in 2012 is to deploy the required software changes in support of the targeted commercial operation date.
Rest of State (ROS) DAM Mitigation Automation	**Status:** Currently MMA monitors for ROS DAM BPCG mitigation in a very labor intensive and time consuming manner. All other BPCG mitigation has been automated (i.e. DAM and RT for NYC and RT for ROS). The implementation of ROS DAM BPCG is the last remaining tariff defined full threshold BPCG mitigation that needs to be automated. Approval of the market design is targeted for 4th quarter 2012. **Deliverables:** The focus of this project in 2012 is stakeholder approval of the market design.
Planning and TCC Market Products	
TCC Multi-Duration/Non-Historic Fixed-Price TCC Phase I	**Status:** This project continues the 2010 efforts to provide for TCC Auction 'End State' functionality; in 2010 NYISO implemented functionality for MPs to sell TCCs in any round. Continuing efforts will focus on the implementation of Non-Historic Fixed Price TCCs, multi-duration capability period auctions, and balance of period TCCs. NYISO completed the functional requirements in 2011 as planned. NYISO is targeting a 4th quarter software deployment to support offering Non-Historic Fixed Price TCCs beginning with the Spring 2013 Capability Period Auction. **Deliverables:** The focus of this project is a software deployment in support of NYISO's Non-Historic Fixed-Price TCC Compliance Filing.
High Performance Computing for Planning Studies Phase II	**Status:** This is a project to put in place the infrastructure required to enable System Resource Planning to conduct large, data intensive planning studies. The solution for MARs was successfully deployed in August 2011. Phase II of this project will deploy MAPS on the High Performance Computing platform. This deployment is targeted for 3rd quarter 2012. **Deliverables:** The focus of this project in 2012 is the implementation of the solution for MAPS.
Siemens PTI Model-on-Demand Phase II	**Status:** The second phase of this project will focus on maintenance and consulting for implementation of the Siemens PTI Model-on-Demand (MOD) web portal, which will allow TOs and MPs to review and approve data in a structured, interactive manor. The software design is targeted for completion in the 4th quarter 2012. **Deliverables:** The focus of this project in 2012 is the completion of the software design.

Summary Description of FERC Regulatory Filings, Investigations and Rulemakings and Related Orders in NYISO Matters February 2012

Filing Date	Filing Summary	Docket	Order Date	Order Summary	Outcome
12/21/2011	NYISO 205 filing re: revisions to MMP to delegate oversight of the MMA to the COO	ER12-650-000	02/02/2012	FERC letter order accepting revisions effective 2/22/12 as requested	Accepted
12/22/2011	NYISO 205 filing re: exemption of solar-fueled generators from Scheduling and DA bidding requirements	ER12-666-000	02/02/2012	FERC letter order accepting revisions effective 2/20/12 as requested	Accepted
01/30/2012	NYISO Tenth Non-Public Quarterly Audit Report to FERC Division of Audits	PA08-3-000	02/10/2012	FERC email to NYISO closing further compliance report obligations	Accepted
Filing Date	**Filing Summary**	**Docket**	**Order Date**	**Order Summary**	**Filing Date**
02/08/2012	NYISO and PJM joint answer and comments on PSEG protest re: 12/30/11 NYISO Market to Market filing	ER12-718-000			
02/14/2012	NYISO and RG&E joint 205 filing of SGIA No. 1829 re: Browns Race Facility	ER12-1086-000			
02/14/2012	NYISO letter to FERC requesting timely Commission action in response to the NYISO's 8/19/11 Order No.745 compliance filing	ER11-4338-000			
2/15/2012	NYISO filing of a certificate of service for its 2/14/12 letter	ER11-4338-000			
2/23/2012	NYISO filing of a motion to defer the proposed effective date of its demand response (Order No. 745) compliance tariff revisions	ER11-4338-000			
2/28/2012	NYISO filing of a Petition for a Declaratory Order re: FERC's 12/30/10 PARs Allocation Order in MISO Docket No. ER11-1844-000	EL12-38-000			
2/29/2012	ISO/RTO Council ("IRC") comments on FERC white paper re: Commission's role regarding EPA's Mercury and Air Toxics Standards	AD12-1-000			