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# **NYISO President's Report**

*Management Committee Meeting  
December 7, 2005*

*Agenda #3*

# Report Items

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- Market Performance Highlights
- Update on Price Error Elimination Progress
- TCC Settlement Audit Update
- NYISO Re-organization
- Move to New Headquarters

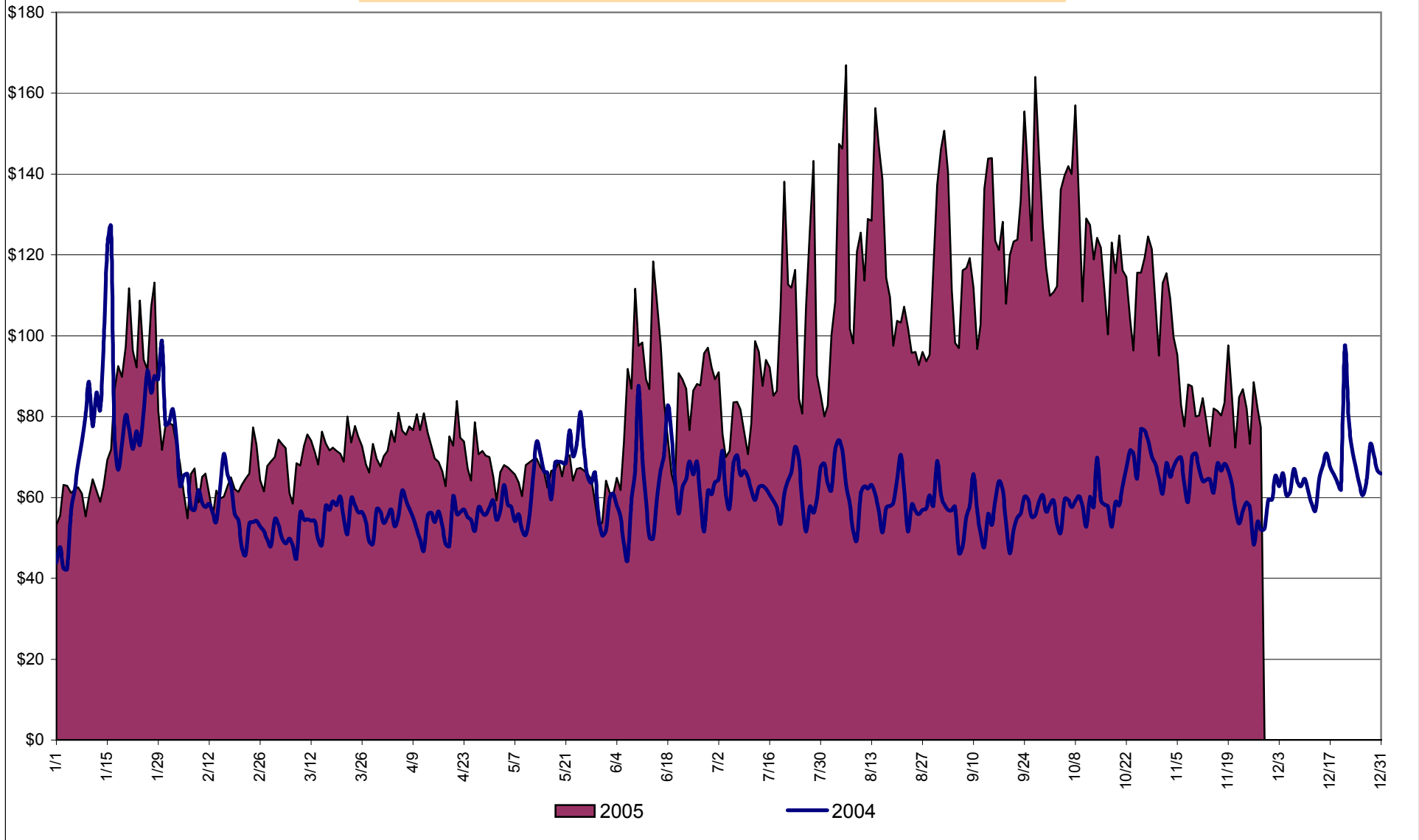
# Market Performance Highlights for November 2005

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## PRELIMINARY DATA THROUGH 11/27

- **NYISO LBMP and Average Cost have decreased this month relative to October.**
  - *LBMP for November is \$81.90/MWh, down from \$118.56/MWh in October.*
  - *Average cost is \$85.81/MWh, down from \$121.32/MWh in October.*
  - *Both Day Ahead and Real Time LBMPs have decreased this month.*
- **Fuel prices (thru 11/29) are uniformly down this month**
  - *Kerosene is \$13.06/mmBTU, down from \$15.67/mmBTU in October*
  - *No. 2 Fuel Oil is \$12.05/mmBTU, down from \$13.51/mmBTU in October*
  - *Natural Gas is \$10.38/mmBTU, down from \$14.40/mmBTU in October*
  - *No. 6 Fuel Oil is \$8.45/mmBTU, down from \$9.68/mmBTU in October*
- **Uplift has increased this month relative to October 2005 and relative to November 2004.**
  - *Uplift (not including NYISO cost of operations) is \$1.46/MWh, up from \$0.52/MWh in October 2005.*
- **Regulation Prices increased slightly in the Day Ahead market and declined in the Real Time market this month.**

**Daily NYISO Average Cost/MWh (Energy & Ancillary Services)\***  
**2004 Annual Average \$62.80/MWh**  
**November 2004 YTD Average \$62.45/MWh**  
**November 2005 YTD Average \$92.69/MWh**



\* Excludes ICAP payments

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

<b>2005</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	75.70	64.03	69.95	71.28	63.13	84.83	92.41	115.20	122.44	118.56	81.90	
NTAC	0.43	0.36	0.23	0.49	0.40	0.58	0.46	0.25	0.10	0.03	0.39	
Reserve	0.25	0.08	0.17	0.21	0.20	(0.01)	0.11	0.02	0.31	0.54	0.35	
Regulation	0.32	0.40	0.34	0.22	0.25	0.20	0.14	0.06	0.41	0.64	0.70	
NYISO Cost of Operations	0.79	0.79	0.79	0.79	0.79	0.63	0.79	0.79	0.79	0.63	0.63	
Uplift	1.99	(0.59)	(0.47)	0.29	0.30	1.85	1.92	2.86	1.71	0.52	1.46	
Voltage Support and Black Start	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	0.39	
<b>Avg Monthly Cost</b>	<b>79.86</b>	<b>65.45</b>	<b>71.38</b>	<b>73.67</b>	<b>65.46</b>	<b>88.48</b>	<b>96.21</b>	<b>119.56</b>	<b>126.16</b>	<b>121.32</b>	<b>85.81</b>	
<b>Avg YTD Cost</b>	<b>79.86</b>	<b>73.34</b>	<b>72.67</b>	<b>72.90</b>	<b>71.60</b>	<b>74.94</b>	<b>78.94</b>	<b>85.61</b>	<b>90.42</b>	<b>93.20</b>	<b>92.69</b>	

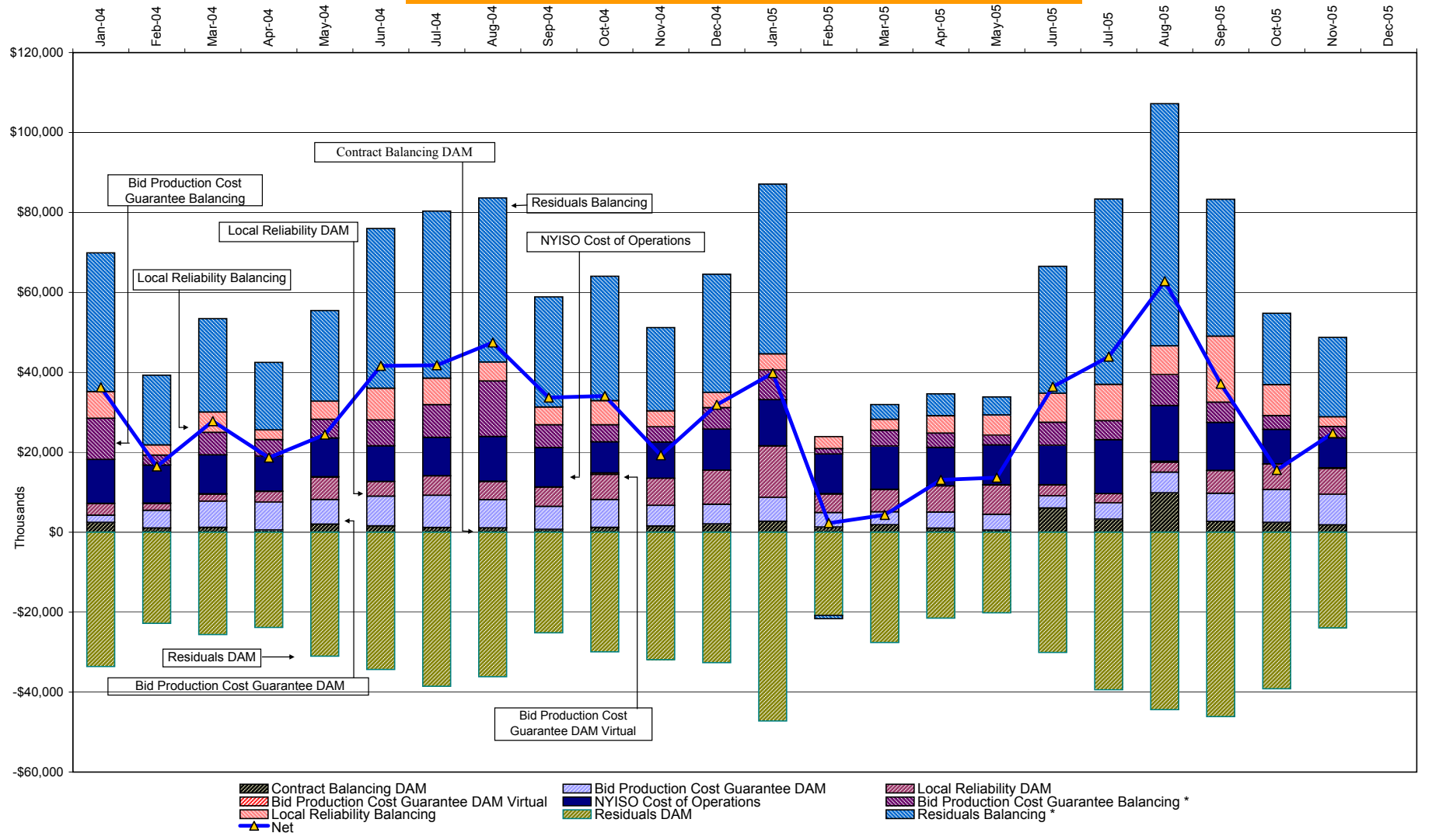
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<b>2004</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	76.13	57.13	50.56	52.48	61.23	59.79	59.60	57.20	53.01	58.66	59.79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

\* Excludes ICAP payments

These numbers reflect the rebilling of prior periods

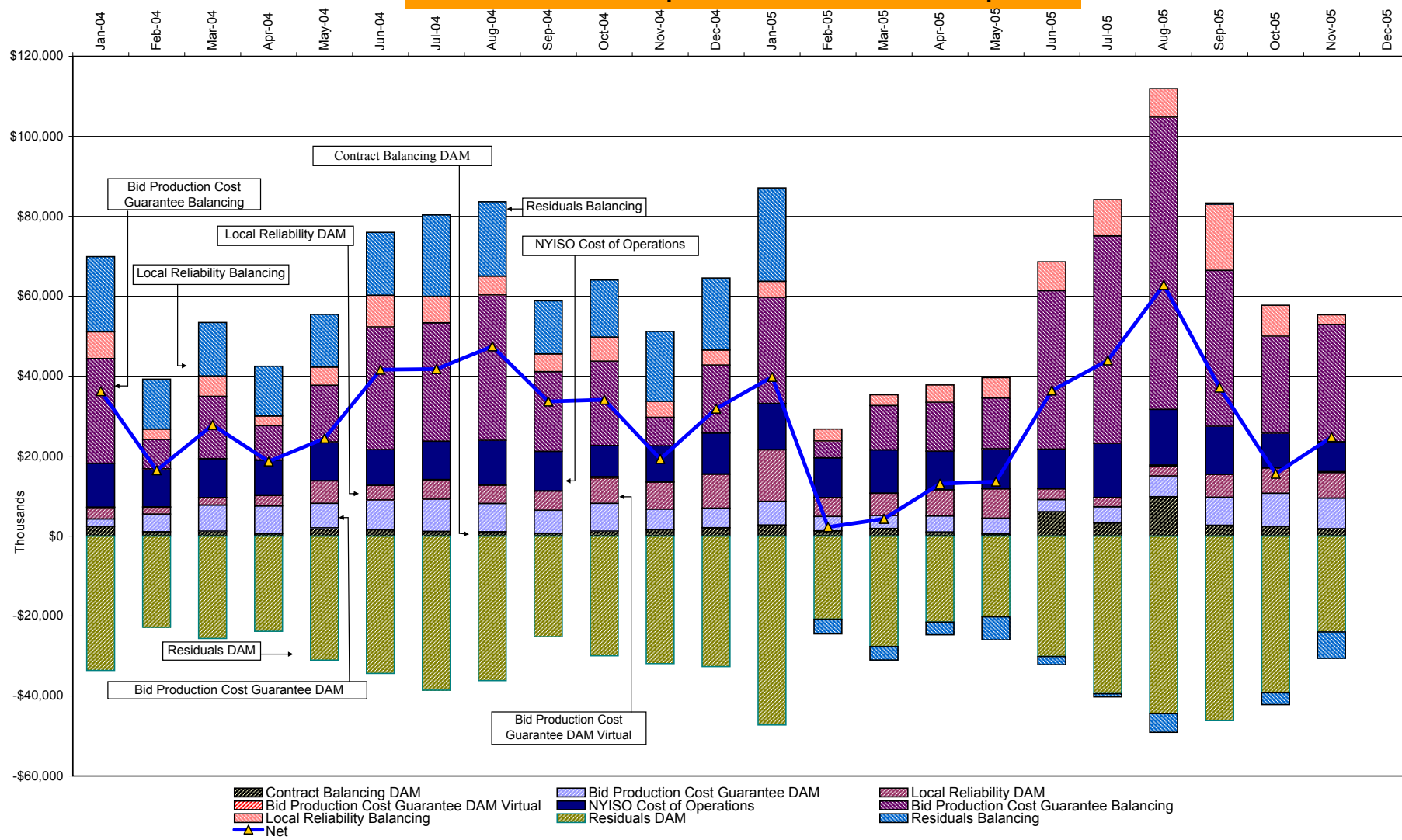
## NYISO Dollar Flows - Uplift - OATT Schedule 1 components



DAM Contract Balancing amounts are for payments made to generating units to make them whole for being dispatched below their Day-Ahead schedule, as a result of out-of-merit dispatches.  
 DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.  
 DAM residuals are revenue charged or returned to customers due to the under or over collection of funds. On this chart, negative values represent funds returned to Transmission Customers (through Transmission Owners' Transmission Service Charges).

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

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



DAM Contract Balancing amounts are for payments made to generating units to make them whole for being dispatched below their Day-Ahead schedule, as a result of out-of-merit dispatches.  
 DAM Bid Production Cost Guarantees for Virtual Transactions are included in the chart and are shown from the inception of Virtual Transactions. These values are small and cannot be identified on the chart.  
 DAM residuals are revenue charged or returned to customers due to the under or over collection of funds. On this chart, negative values represent funds returned to Transmission Customers (through Transmission Owners' Transmission Service Charges).

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

**NYISO Markets Transactions**

<b>2005</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Day Ahead Market MWh</b>	14,281,481	12,510,148	13,410,579	12,215,628	12,773,478	14,981,363	16,344,465	16,587,663	14,706,243	13,309,658	11,550,343	
DAM LSE Internal LBMP Energy Sales	48%	49%	52%	52%	45%	50%	53%	52%	49%	46%	45%	
DAM External TC LBMP Energy Sales	3%	1%	1%	1%	3%	3%	3%	4%	6%	4%	4%	
DAM Bilateral - Internal Bilaterals	47%	48%	45%	44%	50%	44%	42%	42%	43%	47%	48%	
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	1%	1%	1%	2%	2%	2%	
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	
DAM Bilateral - Wheel Through Bilaterals	1%	0%	1%	0%	0%	1%	0%	0%	0%	0%	0%	
<b>Balancing Energy Market MWh</b>	419,365	127,124	348,162	54,545	-114,876	678,572	804,232	1,115,203	556,961	384,383	309,583	
Balancing Energy LSE Internal LBMP Energy Sales	78%	-35%	26%	-365%	-282%	54%	73%	73%	34%	4%	-17%	
Balancing Energy External TC LBMP Energy Sales	42%	156%	73%	494%	183%	38%	23%	20%	50%	93%	101%	
Balancing Energy Bilateral - Internal Bilaterals	-13%	-9%	6%	-29%	5%	5%	6%	6%	13%	4%	13%	
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	0%	0%	3%	2%	1%	1%	0%	0%	1%	1%	
Balancing Energy Bilateral - Wheel Through Bilaterals	-8%	-13%	-5%	-2%	-7%	3%	-2%	1%	3%	-1%	2%	
<b>Transactions Summary</b>												
LBMP	53%	51%	54%	54%	47%	55%	58%	58%	56%	52%	50%	
Internal Bilaterals	45%	47%	44%	44%	50%	42%	40%	39%	42%	45%	47%	
Import Bilaterals	1%	1%	1%	0%	0%	1%	1%	1%	1%	2%	2%	
Export Bilaterals	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%	
Wheels Through	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	
<b>Market Share of Total Load</b>												
Day Ahead Market	97.1%	99.0%	97.5%	99.6%	100.9%	95.7%	95.3%	93.7%	96.4%	97.2%	97.4%	
Balancing Energy +	2.9%	1.0%	2.5%	0.4%	-0.9% *	4.3%	4.7%	6.3%	3.6%	2.8%	2.6%	
Total MWh	14,700,846	12,637,272	13,758,741	12,270,173	12,658,602	15,659,935	17,148,697	17,702,866	15,263,205	13,694,041	11,859,926	
Average Daily Energy Sendout/Month GWh	462	447	433	399	395	501	536	549	478	418	417	
<b>2004</b>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Day Ahead Market MWh</b>	14,614,304	12,806,346	12,836,889	11,818,317	13,026,160	13,737,390	15,071,422	14,939,105	13,228,022	12,375,053	12,214,936	13,471,387
DAM LSE Internal LBMP Energy Sales	52%	50%	51%	51%	47%	49%	53%	54%	53%	52%	53%	49%
DAM External TC LBMP Energy Sales	4%	2%	3%	3%	4%	3%	2%	1%	1%	0%	0%	2%
DAM Bilateral - Internal Bilaterals	41%	45%	44%	44%	46%	45%	43%	43%	44%	45%	44%	48%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	1%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%
<b>Balancing Energy Market MWh</b>	367,460	269,220	508,837	238,876	380,696	424,726	139,472	297,506	322,983	68,554	275,972	574,623
Balancing Energy LSE Internal LBMP Energy Sales	66%	31%	61%	84%	30%	29%	-46%	35%	19%	-9%	24%	70%
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%	38%	77%	74%	170%	73%	50%	125%	69%	30%
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%	-9%	3%	5%	13%	5%	39%	23%	11%	3%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	1%	1%	0%	1%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%	-14%	-11%	-8%	-39%	-13%	-8%	-40%	-5%	-3%
<b>Transactions Summary</b>												
LBMP	58%	54%	56%	55%	53%	54%	55%	56%	54%	53%	55%	52%
Internal Bilaterals	40%	44%	42%	43%	45%	44%	43%	43%	44%	45%	44%	46%
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	0%	1%	0%	1%	1%	0%	1%	1%	0%	0%	0%
<b>Market Share of Total Load</b>												
Day Ahead Market	97.5%	97.9%	96.2%	98.0%	97.2%	97.0%	99.1%	98.0%	97.6%	99.4%	97.8%	95.9%
Balancing Energy +	2.5%	2.1%	3.8%	2.0%	2.8%	3.0%	0.9%	2.0%	2.4%	0.6%	2.2%	4.1%
Total MWh	14,981,764	13,075,566	13,345,726	12,057,193	13,406,856	14,162,116	15,210,894	15,236,611	13,551,005	12,443,607	12,490,908	14,046,010
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485	447	403	415	447

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

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

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



### NYISO Markets 2005 Energy Statistics

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b><u>DAY AHEAD LBMP</u></b>												
Price *	\$69.55	\$61.04	\$67.17	\$68.14	\$59.59	\$75.49	\$83.75	\$102.33	\$115.47	\$110.99	\$78.41	
Standard Deviation	\$23.42	\$12.00	\$12.49	\$14.20	\$13.39	\$22.85	\$24.32	\$31.65	\$32.31	\$28.39	\$21.17	
Load Wtg.Price **	\$72.26	\$62.42	\$68.61	\$69.92	\$61.44	\$79.64	\$88.09	\$107.34	\$120.22	\$115.20	\$80.87	
<b><u>RTC *** LBMP</u></b>												
Price *	\$74.47	\$55.93	\$70.40	\$69.92	\$61.59	\$85.42	\$94.96	\$129.60	\$116.00	\$108.53	\$74.23	
Standard Deviation	\$44.64	\$16.80	\$26.13	\$23.51	\$59.20	\$62.91	\$68.35	\$116.09	\$44.35	\$42.95	\$34.31	
Load Wtg.Price **	\$77.48	\$57.10	\$72.12	\$71.72	\$64.16	\$90.25	\$100.76	\$138.00	\$120.72	\$112.25	\$76.83	
<b><u>REAL TIME LBMP</u></b>												
Price *	\$70.25	\$57.57	\$68.04	\$64.95	\$57.20	\$77.75	\$90.48	\$122.21	\$114.94	\$110.90	\$74.89	
Standard Deviation	\$31.79	\$20.48	\$32.50	\$26.06	\$42.34	\$55.70	\$72.95	\$103.00	\$42.92	\$55.35	\$36.89	
Load Wtg.Price **	\$73.26	\$58.86	\$69.88	\$66.77	\$59.04	\$83.96	\$96.82	\$130.69	\$120.36	\$115.69	\$77.72	
Average Daily Energy Sendout/Month GWh	462	447	433	399	395	501	536	549	478	418	417	

### NYISO Markets 2004 Energy Statistics

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

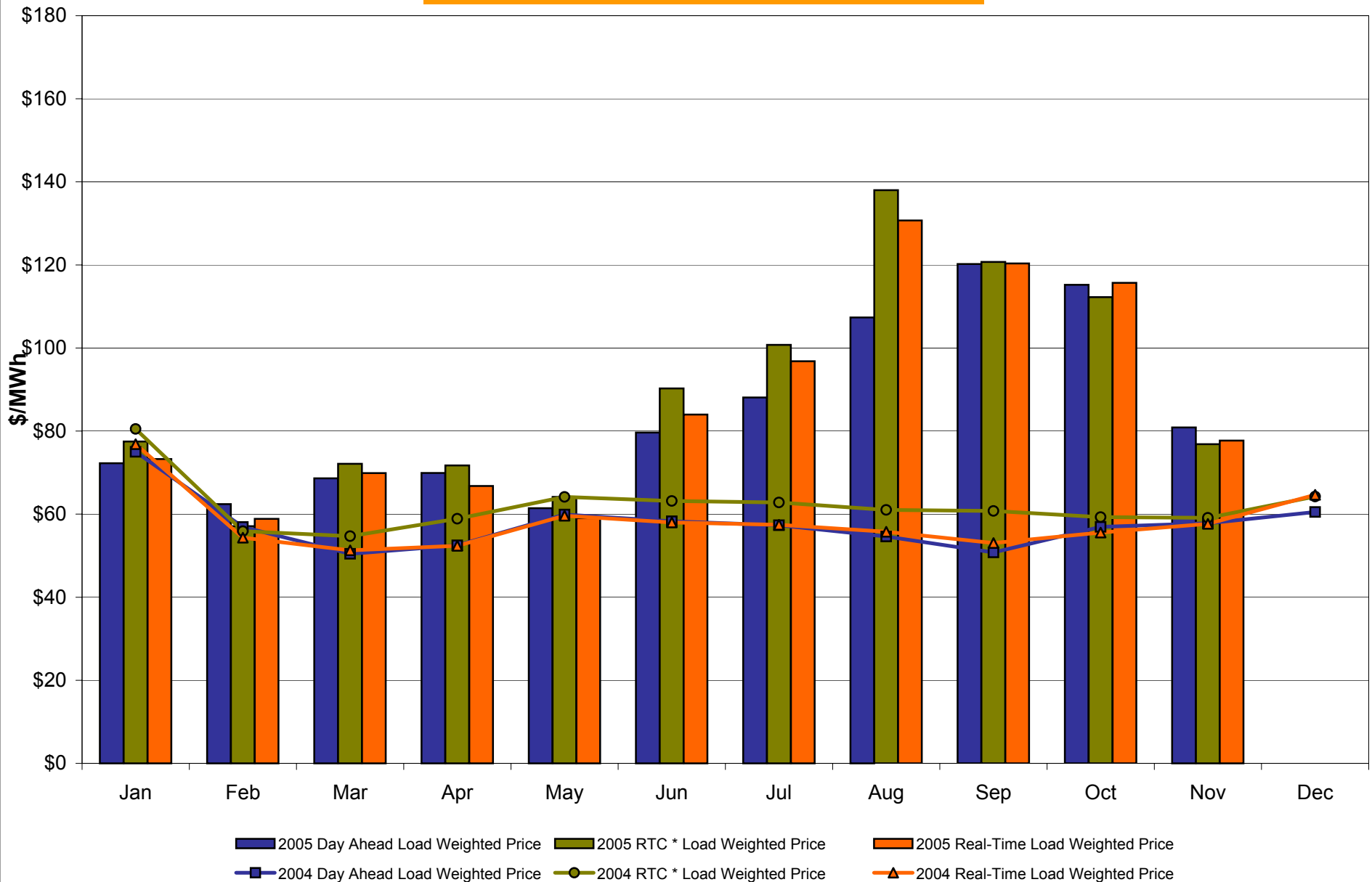
\* Average zonal load weighted prices

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

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

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

## NYISO Monthly Average Internal LBMPs 2004 - 2005



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

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

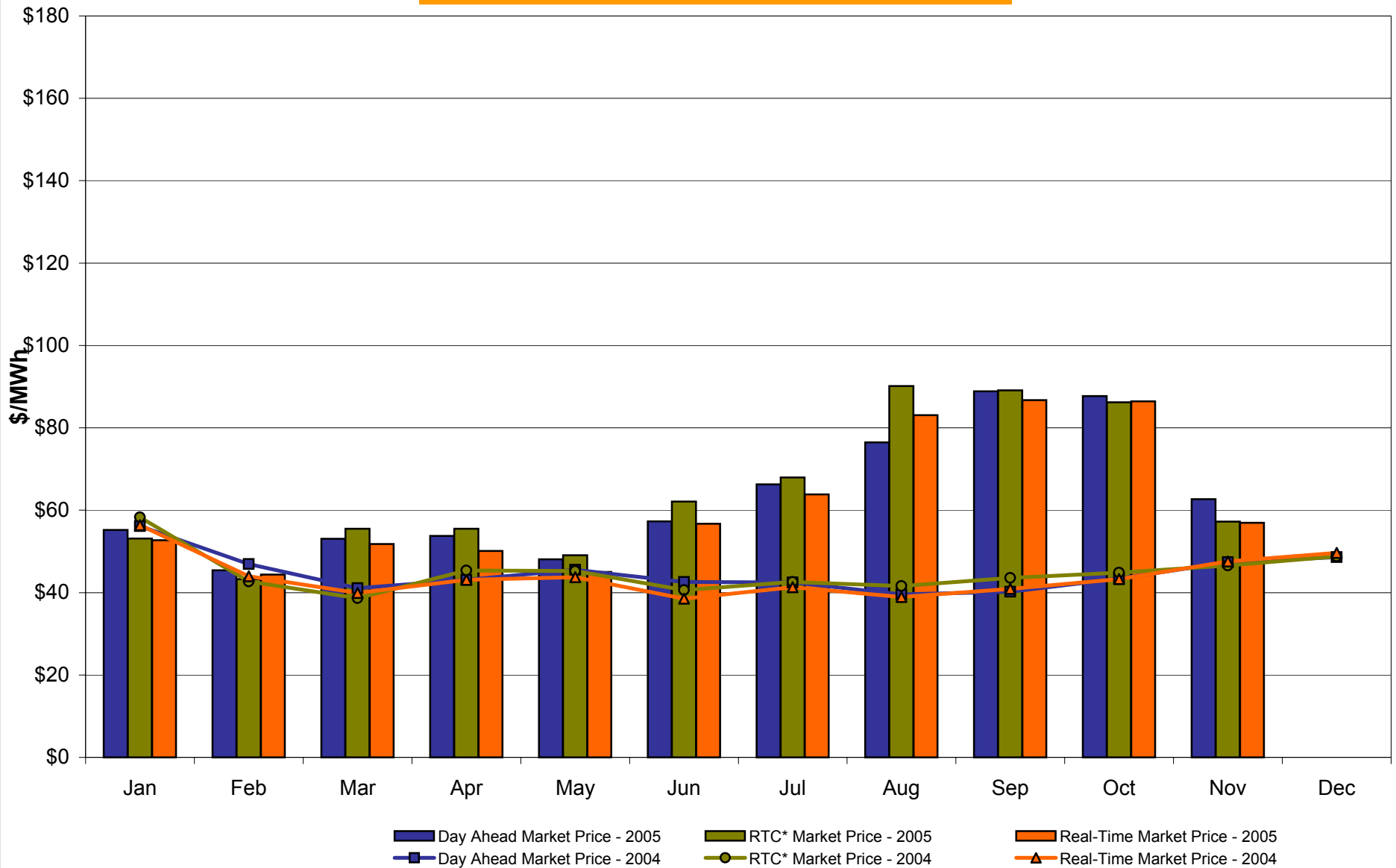
	<u>WEST</u> <u>Zone A</u>	<u>GENESEE</u> <u>Zone B</u>	<u>NORTH</u> <u>Zone D</u>	<u>CENTRAL</u> <u>Zone C</u>	<u>MOHAWK</u> <u>VALLEY</u> <u>Zone E</u>	<u>CAPITAL</u> <u>Zone F</u>	<u>HUDSON</u> <u>VALLEY</u> <u>Zone G</u>	<u>MILLWOOD</u> <u>Zone H</u>	<u>DUNWOODIE</u> <u>Zone I</u>	<u>NEW YORK</u> <u>CITY</u> <u>Zone J</u>	<u>LONG</u> <u>ISLAND</u> <u>Zone K</u>
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	62.70	66.33	69.81	69.00	71.36	77.11	77.61	79.23	80.03	86.12	91.41
Standard Deviation	18.35	19.76	19.87	20.45	20.92	22.93	23.65	24.05	24.07	24.67	17.57
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	57.24	61.70	64.50	63.77	65.83	69.75	70.85	71.12	71.26	85.54	86.38
Standard Deviation	31.69	33.02	33.33	33.79	34.55	36.18	36.61	36.75	36.80	37.14	34.03
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	56.93	61.50	64.08	63.48	65.47	69.92	70.85	71.12	71.25	87.67	87.53
Standard Deviation	36.24	38.55	40.93	39.23	40.64	39.66	39.33	39.47	39.53	40.34	36.32
	<u>ONTARIO</u> <u>IESO</u> <u>Zone O</u>	<u>HYDRO</u> <u>QUEBEC</u> <u>Zone M</u>	<u>PJM</u> <u>Zone P</u>	<u>NEW</u> <u>ENGLAND</u> <u>Zone N</u>	<u>CROSS</u> <u>SOUND</u> <u>CABLE</u> <u>Controllable</u> <u>Line</u>						
<b><u>DAY AHEAD LBMP</u></b>											
Unweighted Price *	60.83	71.82	66.15	77.29	90.26						
Standard Deviation	17.42	19.52	20.94	22.81	16.71						
<b><u>RTC** LBMP</u></b>											
Unweighted Price *	52.27	68.19	52.85	70.16	81.49						
Standard Deviation	19.81	94.90	44.20	20.77	22.40						
<b><u>REAL TIME LBMP</u></b>											
Unweighted Price *	55.79	64.16	55.70	73.08	86.35						
Standard Deviation	32.61	32.98	51.52	35.72	34.80						

\* Straight zonal LBMP averages

\*\* Referred to as RTC beginning February 2005

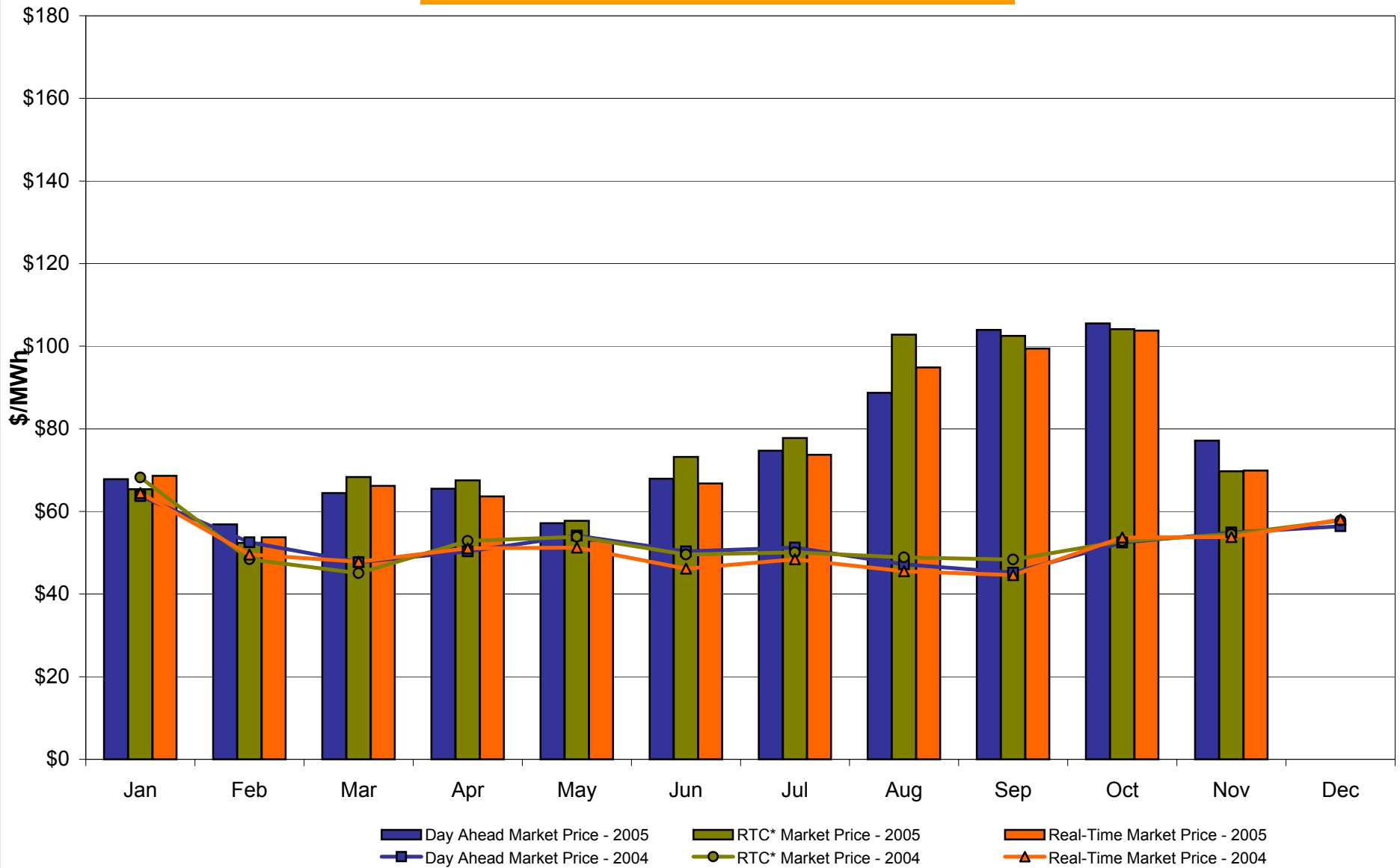
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

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



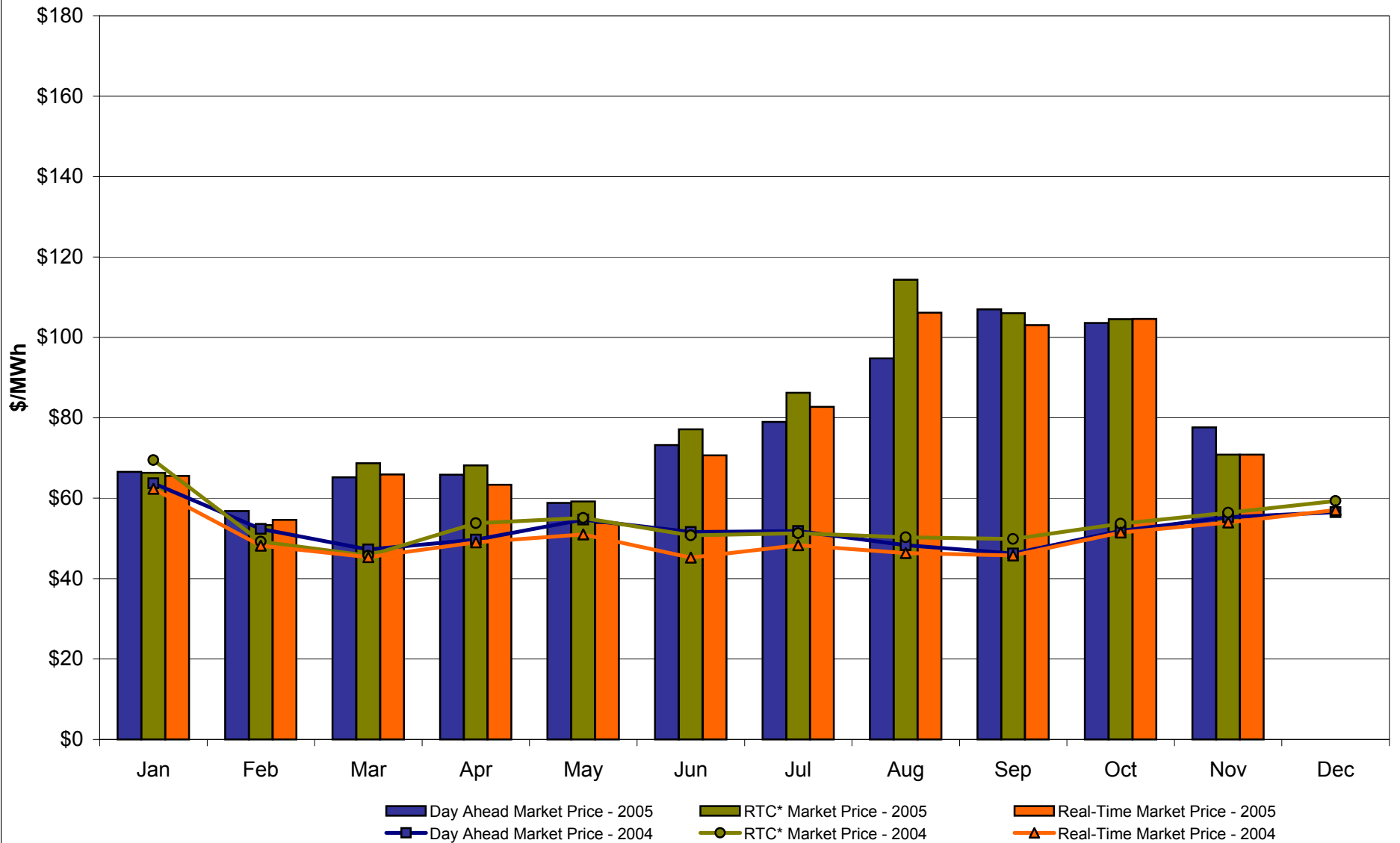
\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## Capital Zone F Monthly Average LBMP Prices 2004 - 2005



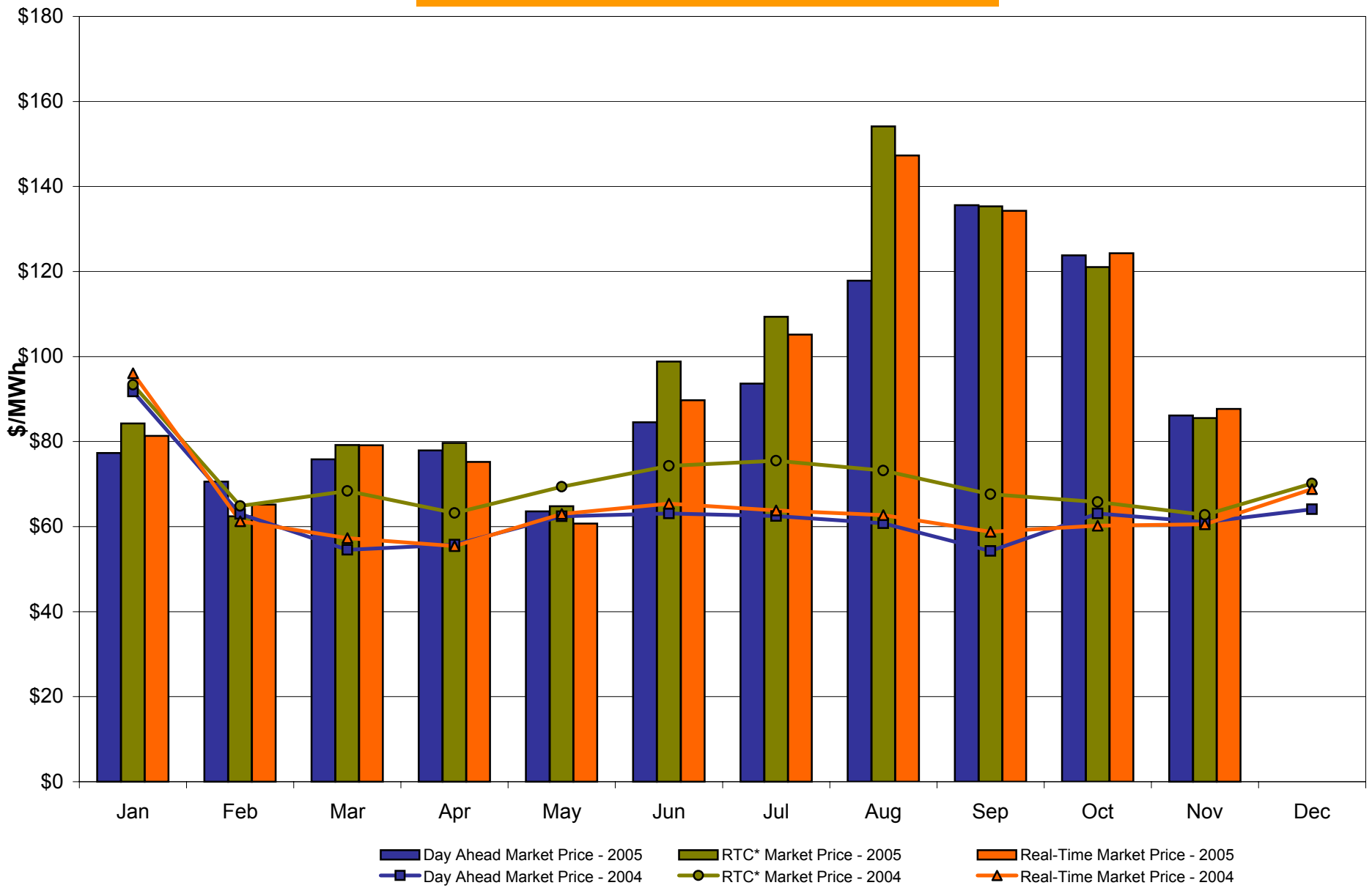
\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## Hudson Valley Zone G Monthly Average LBMP Prices 2004 - 2005



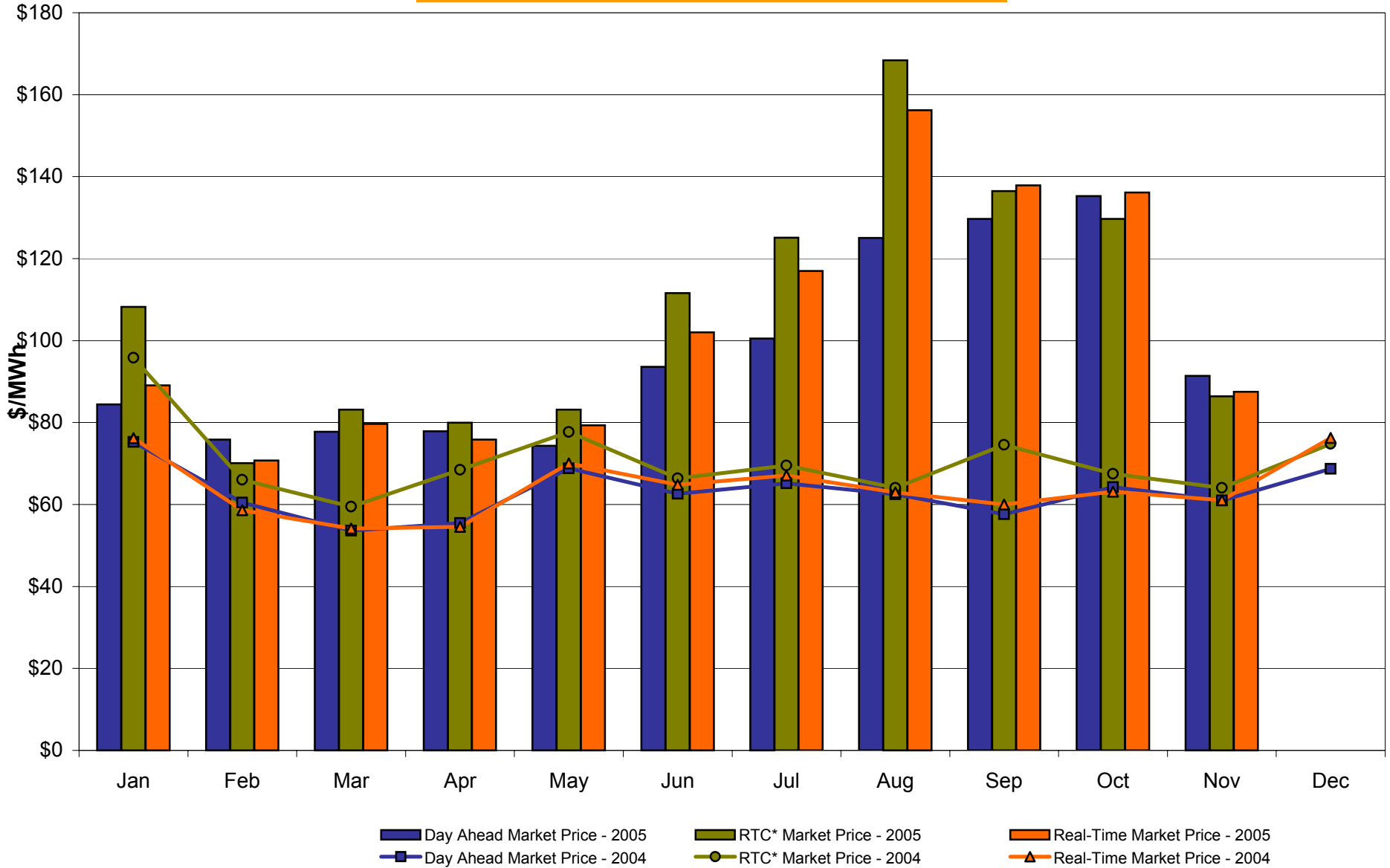
\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

## NYC Zone J Monthly Average LBMP Prices 2004 - 2005



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

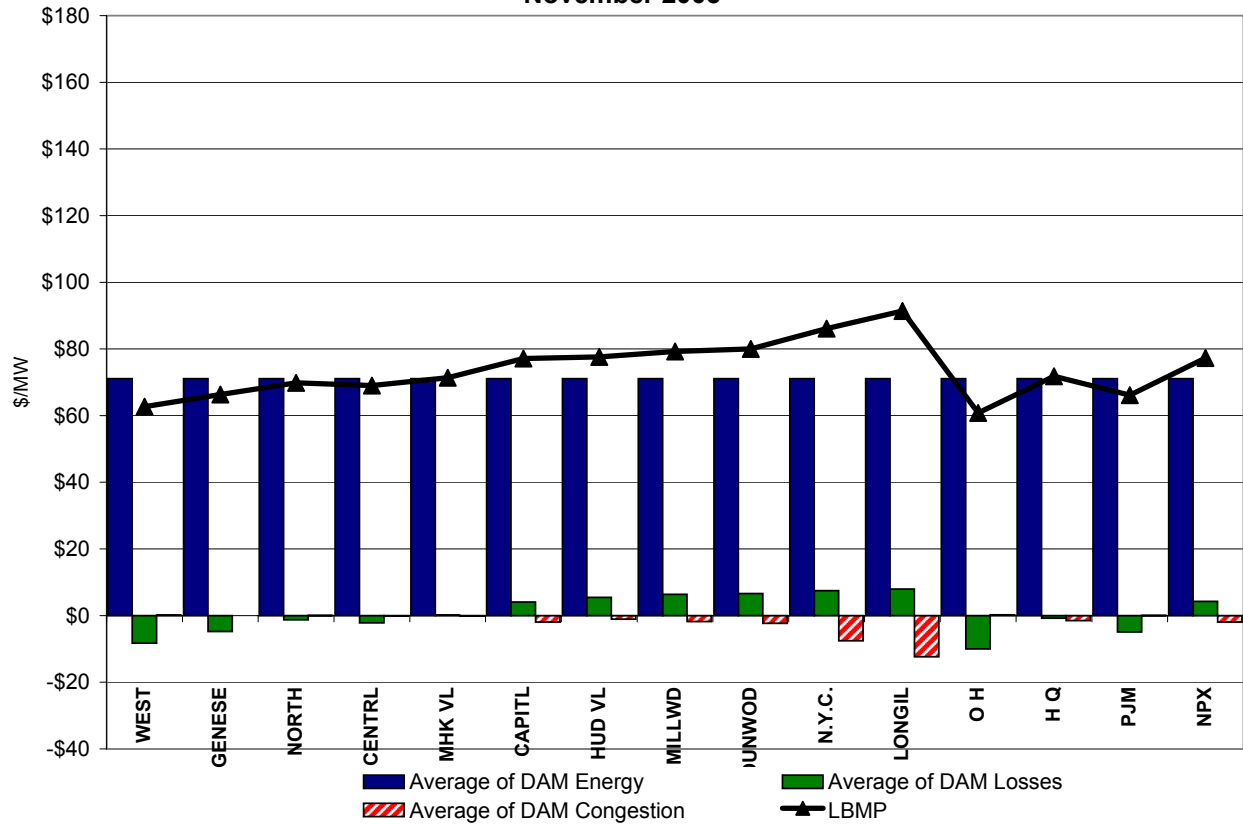
## Long Island Zone K Monthly Average LBMP Prices 2004 - 2005



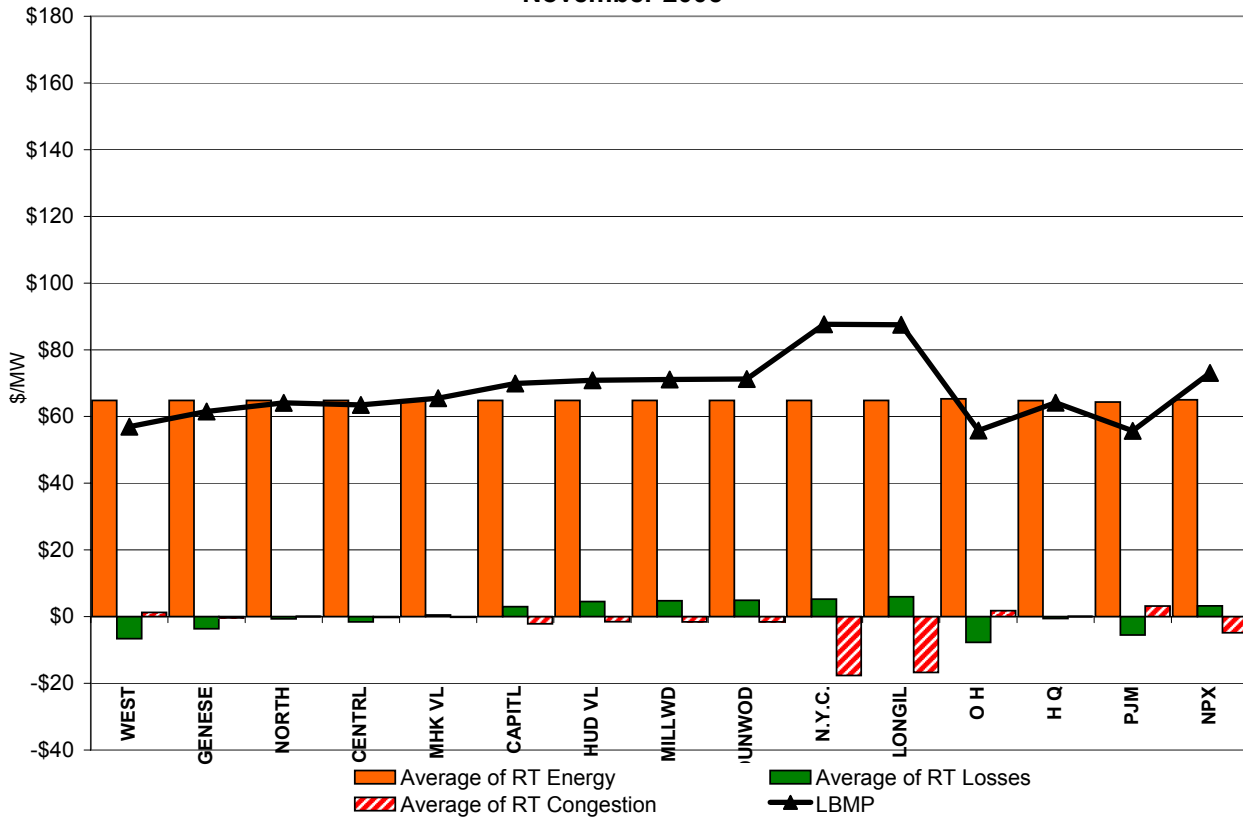
\* Referred to as RTC beginning February 2005  
Prior to February 2005 known as BME or Hour Ahead Market (HAM)



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

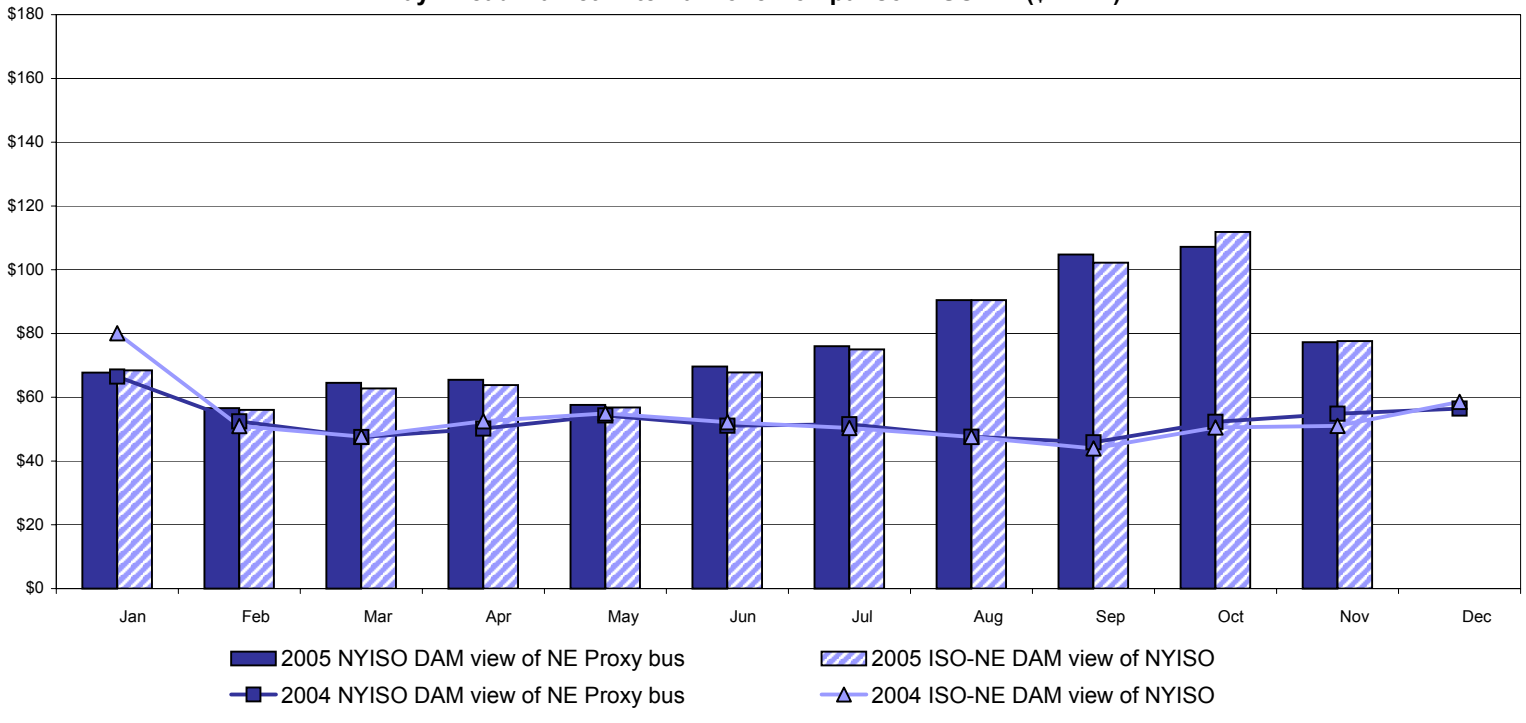


**RT Zonal Unweighted Monthly Average LBMP Components  
November 2005**

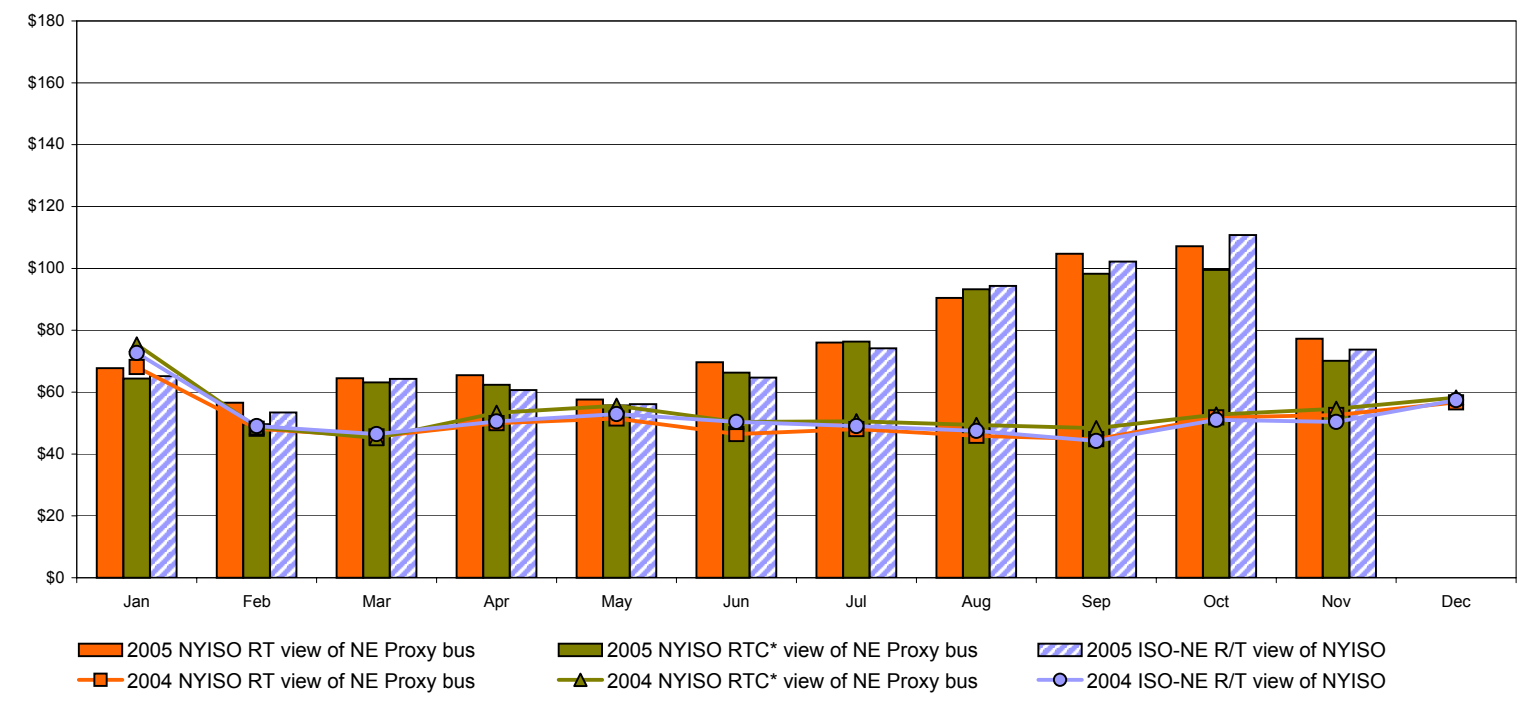


# External Comparison ISO-New England

## Day Ahead Market External Zone Comparison: ISO-NE (\$/MWh)



## Real Time Market External Zone Comparison: ISO-NE (\$/MWh)



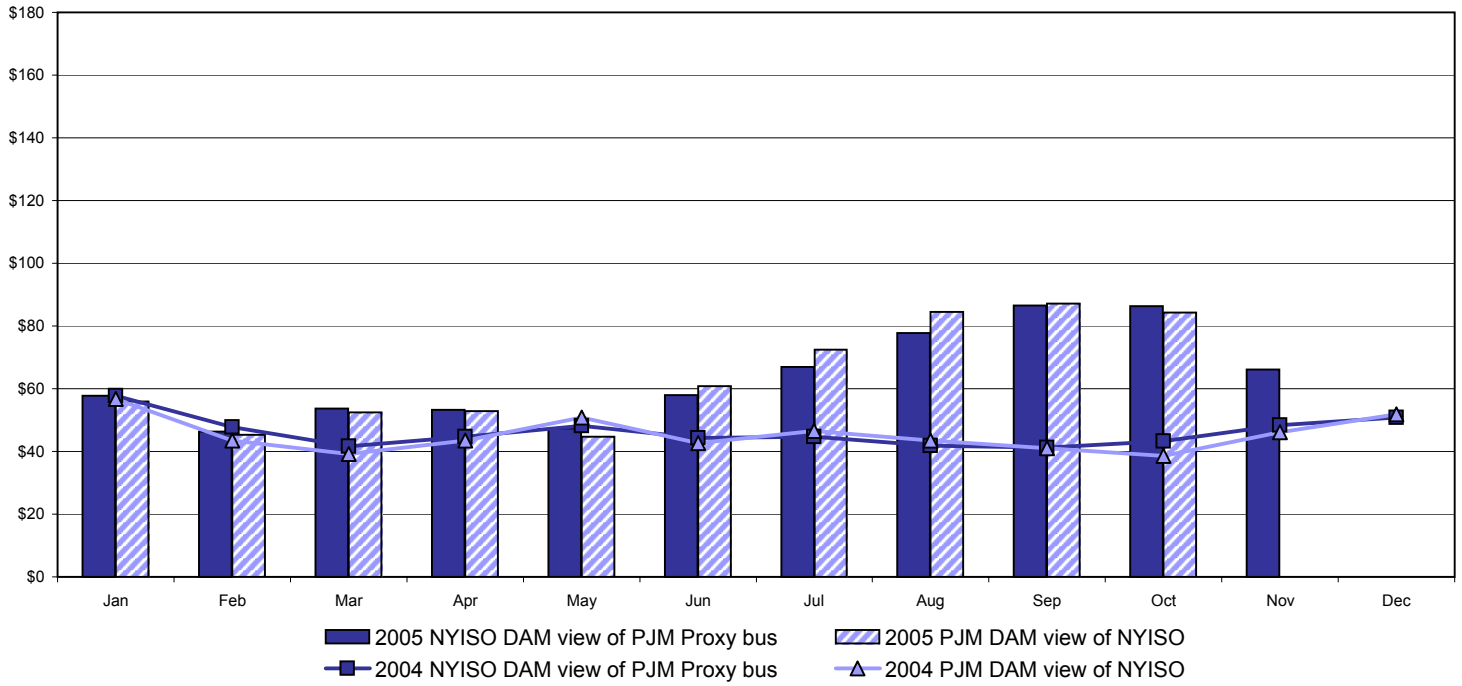
**Note:**

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

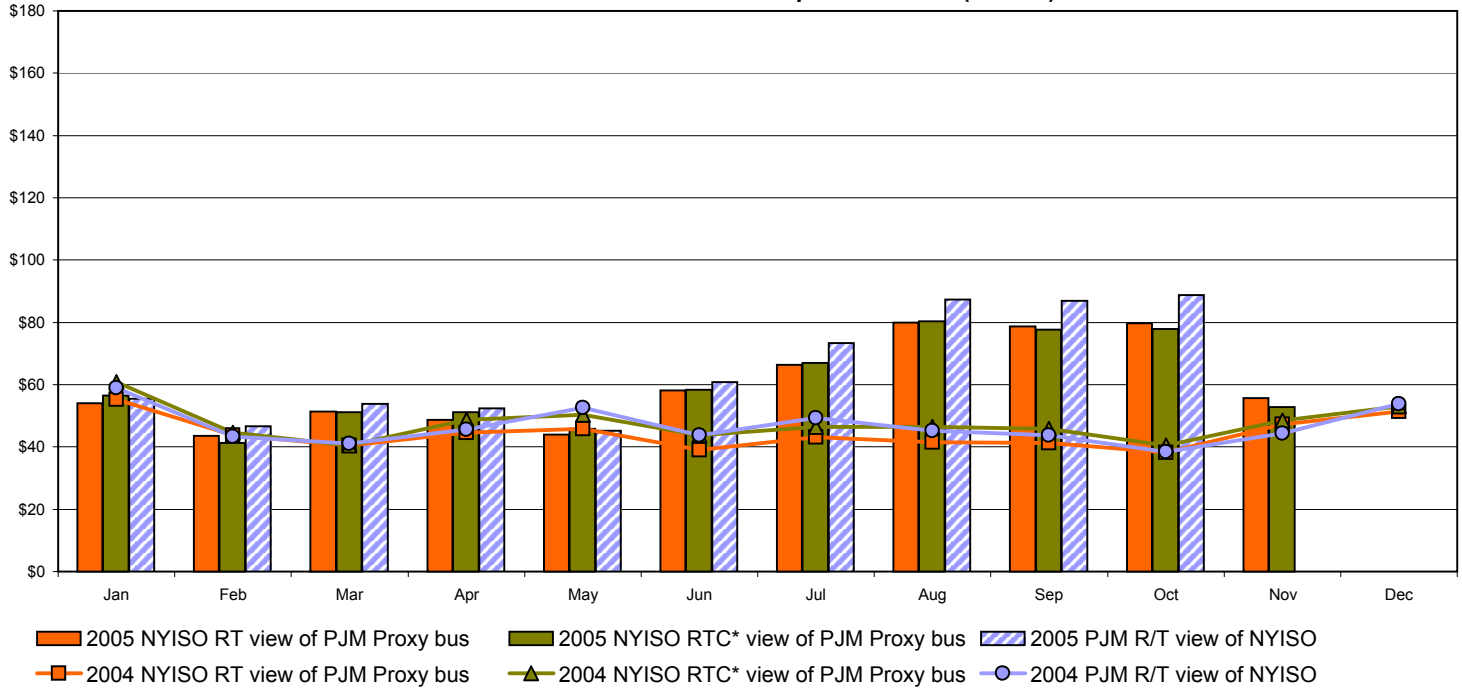
\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

# External Comparison PJM

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



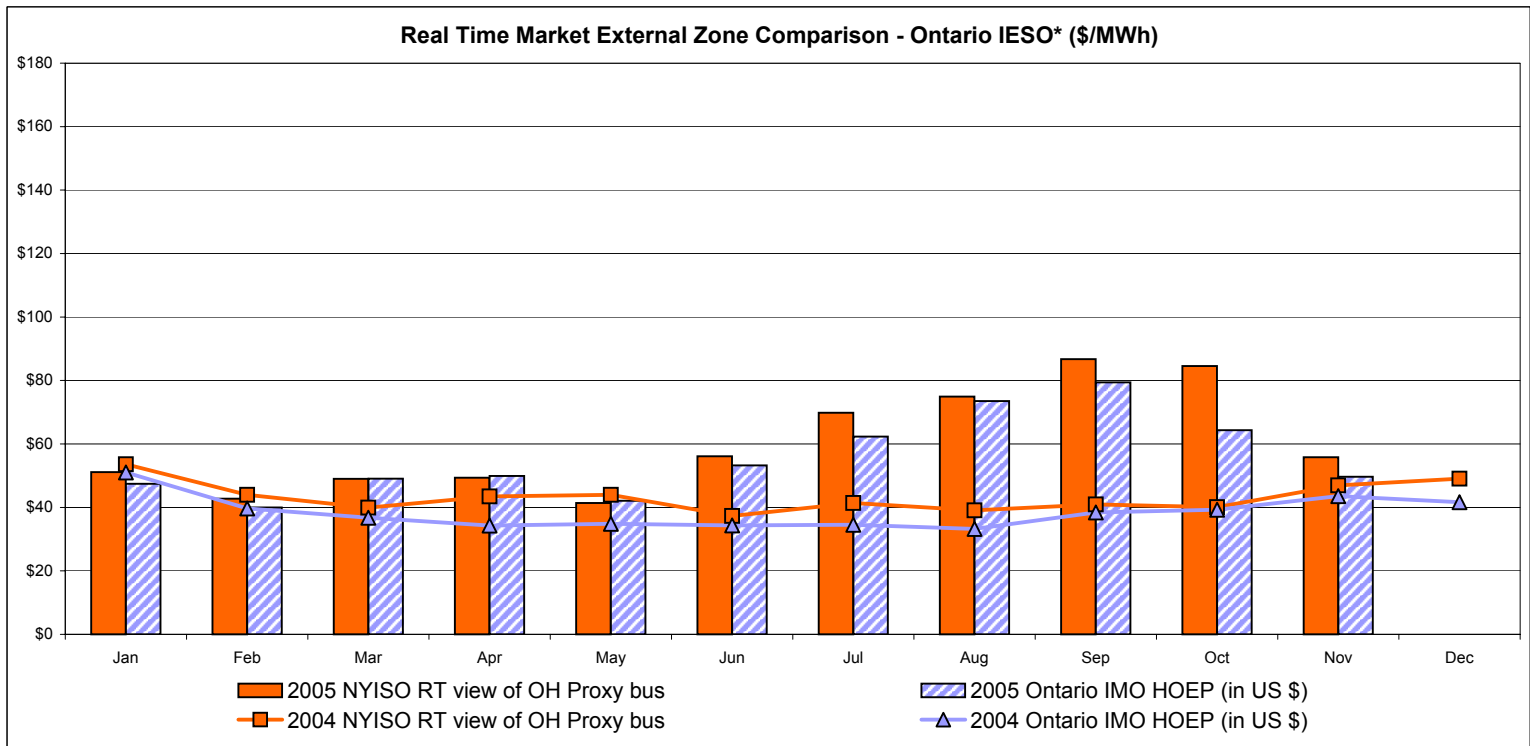
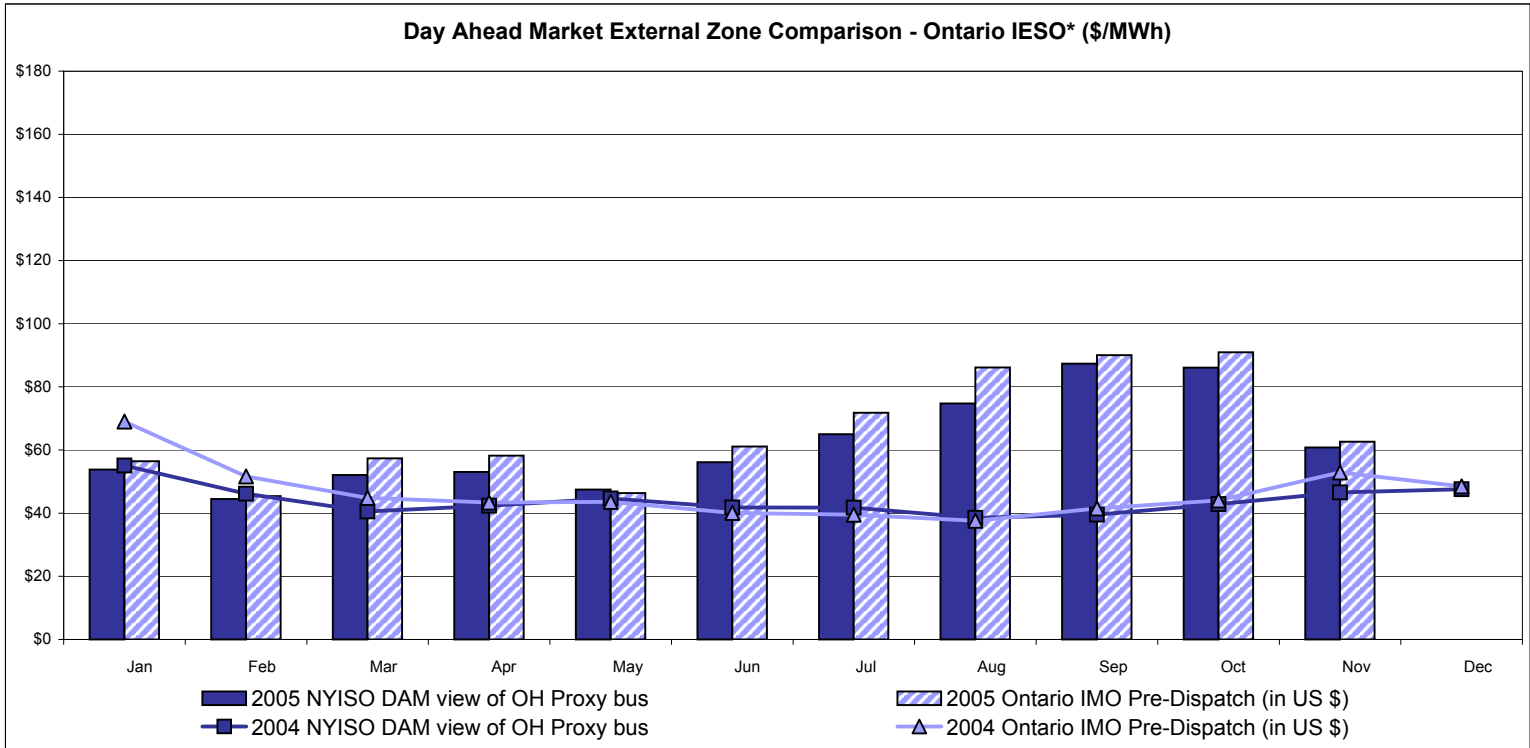
## Real Time Market External Zone Comparison - PJM (\$/MWh)



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

November 2005 data not yet posted by PJM

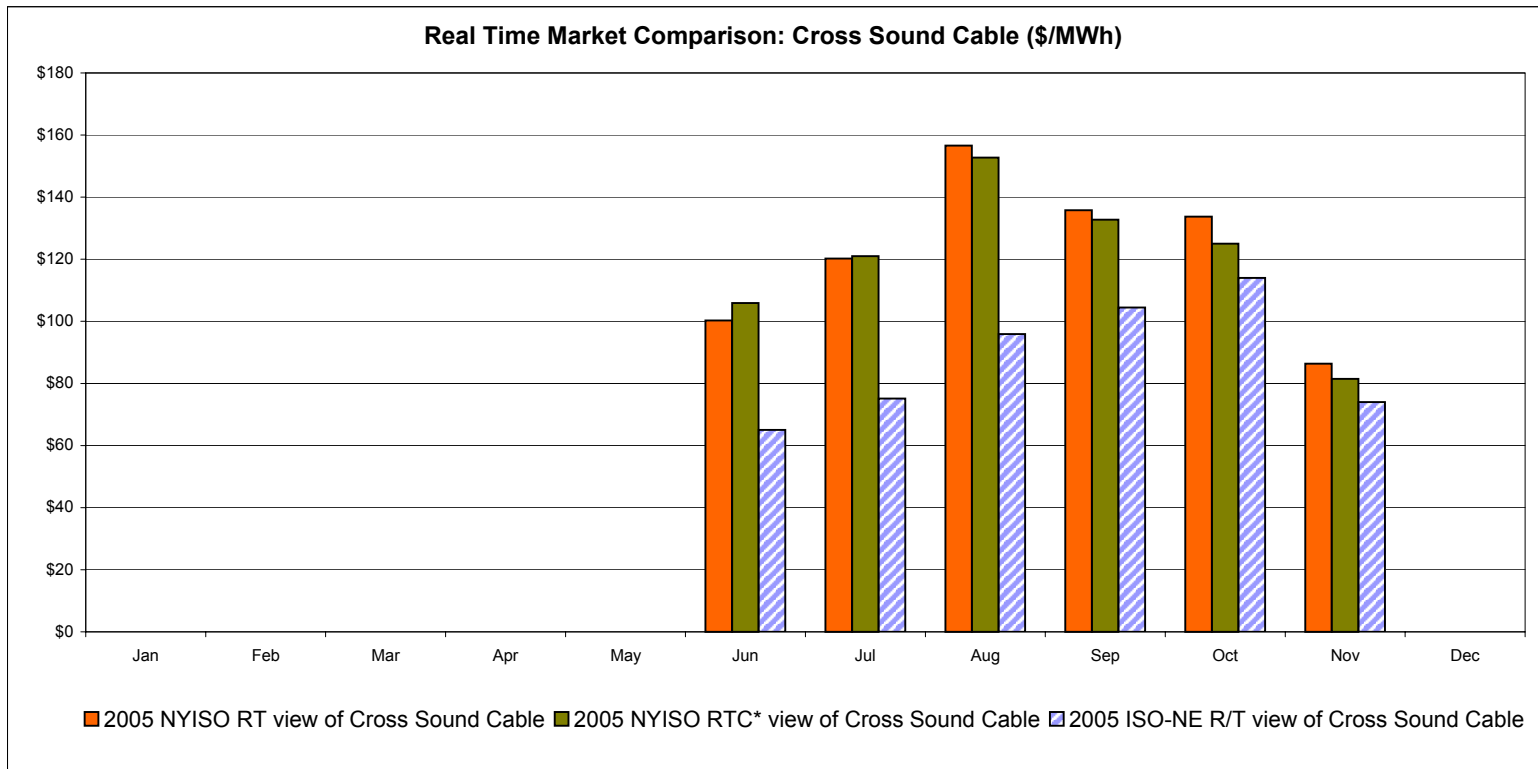
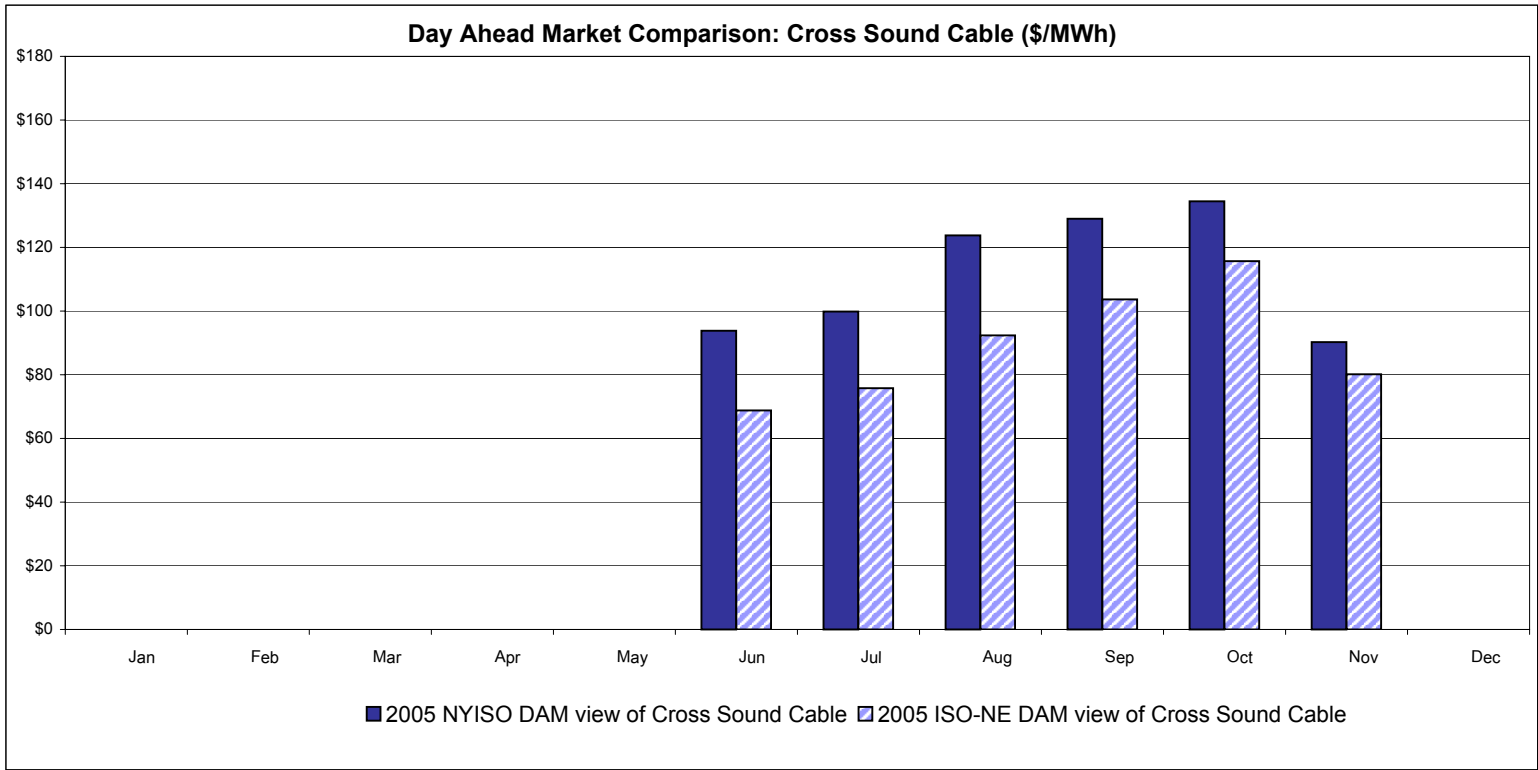
# External Comparison Ontario IESO\*



Notes: Exchange factor used for November 2005 was .85 to US \$  
 HOEP: Hourly Ontario Energy Price  
 Pre-Dispatch: Projected Energy Price

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

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



**Note:**

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

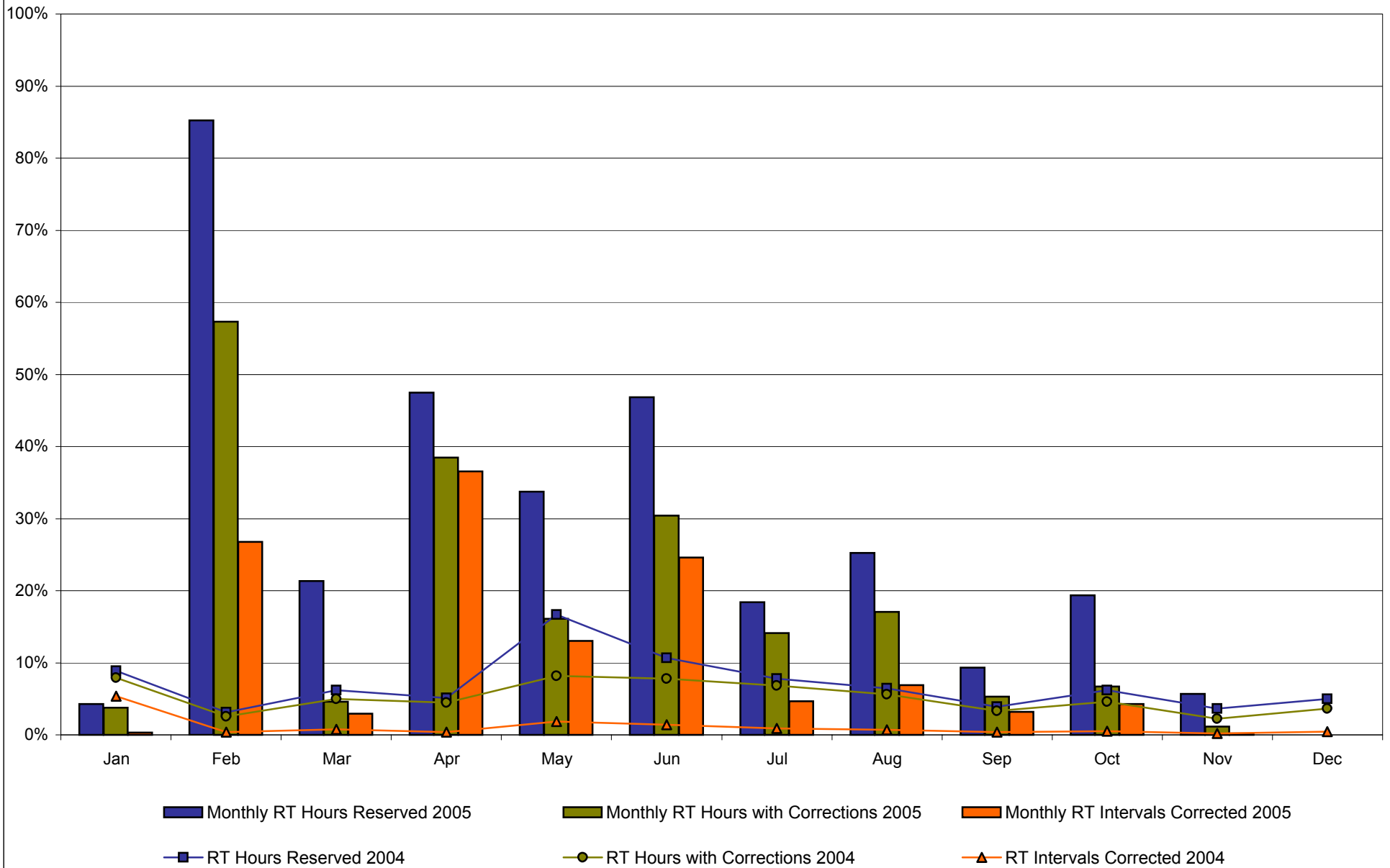
\* Referred to as RTC beginning February 2005  
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

### NYISO Real Time Price Correction Statistics

<b>2005</b>		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November *</u>	<u>December</u>
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	28	385	34	277	120	219	105	127	38	50	6	
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	528	
% of hours with corrections	in the month	3.76%	57.29%	4.57%	38.47%	16.13%	30.42%	14.11%	17.07%	5.28%	6.72%	1.14%	
Number of hours with corrections	year-to-date	28	413	447	724	844	1,063	1,168	1,295	1,333	1,383	1,389	
Number of hours	year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,832	6,552	7,296	7,824	
% of hours with corrections	year-to-date	3.76%	29.17%	20.69%	25.14%	23.29%	24.47%	22.96%	22.21%	20.34%	18.96%	17.75%	
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	37	2,177	266	3,182	1,170	2,145	421	625	281	386	11	
Number of intervals	in the month	11,811	8,131	8,961	8,711	8,972	8,729	9,024	9,065	8,741	9,029	6,386	
% of intervals corrected	in the month	0.31%	26.77%	2.97%	36.53%	13.04%	24.57%	4.67%	6.89%	3.21%	4.28%	0.17%	
Number of intervals corrected	year-to-date	37	2,214	2,480	5,662	6,832	8,977	9,398	10,023	10,304	10,690	10,701	
Number of intervals	year-to-date	11,811	19,942	28,903	37,614	46,586	55,315	64,339	73,404	82,145	91,174	97,560	
% of intervals corrected	year-to-date	0.31%	11.10%	8.58%	15.05%	14.67%	16.23%	14.61%	13.65%	12.54%	11.72%	10.97%	
<b>Hours Reserved</b>													
Number of hours reserved	in the month	32	573	159	342	251	337	137	188	67	144	30	
Number of hours	in the month	744	672	744	720	744	720	744	744	720	744	528	
% of hours reserved	in the month	4.30%	85.27%	21.37%	47.50%	33.74%	46.81%	18.41%	25.27%	9.31%	19.35%	5.68%	
Number of hours reserved	year-to-date	32	605	764	1,106	1,357	1,694	1,831	2,019	2,086	2,230	2,260	
Number of hours	year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,832	6,552	7,296	7,824	
% of hours reserved	year-to-date	4.30%	42.73%	35.37%	38.40%	37.44%	39.00%	35.99%	34.62%	31.84%	30.56%	28.89%	
<b>Days Without Corrections</b>													
Days without corrections	in the month	12	4	16	3	4	4	6	6	17	17	17	
Days without corrections	year-to-date	12	16	32	35	39	43	49	55	72	89	106	
<b>2004</b>		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Hour Corrections</b>													
Number of hours with corrections	in the month	59	18	37	32	61	56	51	42	24	34	16	27
Number of hours	in the month	744	696	744	720	744	720	744	744	720	744	720	744
% of hours with corrections	in the month	7.93%	2.59%	4.97%	4.44%	8.20%	7.78%	6.85%	5.65%	3.33%	4.57%	2.22%	3.63%
Number of hours with corrections	year-to-date	59	77	114	146	207	263	314	356	380	414	430	457
Number of hours	year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	8,784
% of hours with corrections	year-to-date	7.93%	5.35%	5.22%	5.03%	5.67%	6.02%	6.14%	6.08%	5.78%	5.66%	5.35%	5.20%
<b>Interval Corrections</b>													
Number of intervals corrected	in the month	597	40	83	40	220	156	100	84	42	56	19	52
Number of intervals	in the month	11,089	10,495	11,085	10,805	11,740	11,234	11,467	11,552	11,178	11,515	11,217	11,790
% of intervals corrected	in the month	5.38%	0.38%	0.75%	0.37%	1.87%	1.39%	0.87%	0.73%	0.38%	0.49%	0.17%	0.44%
Number of intervals corrected	year-to-date	597	637	720	760	980	1,136	1,236	1,320	1,362	1,418	1,437	1,489
Number of intervals	year-to-date	11,089	21,584	32,669	43,474	55,214	66,448	77,915	89,467	100,645	112,160	123,377	135,167
% of intervals corrected	year-to-date	5.38%	2.95%	2.20%	1.75%	1.77%	1.71%	1.59%	1.48%	1.35%	1.26%	1.16%	1.10%
<b>Hours Reserved</b>													
Number of hours reserved	in the month	66	22	46	37	124	77	58	48	28	46	26	37
Number of hours	in the month	744	696	744	720	744	720	744	744	720	744	720	744
% of hours reserved	in the month	8.87%	3.16%	6.18%	5.14%	16.67%	10.69%	7.80%	6.45%	3.89%	6.18%	3.61%	4.97%
Number of hours reserved	year-to-date	66	88	134	171	295	372	430	478	506	552	578	615
Number of hours	year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	8,784
% of hours reserved	year-to-date	8.87%	6.11%	6.14%	5.89%	8.09%	8.52%	8.41%	8.16%	7.69%	7.54%	7.19%	7.00%
<b>Days Without Corrections</b>													
Days without corrections	in the month	14	20	11	9	8	6	9	12	12	14	19	15
Days without corrections	year-to-date	14	34	45	54	62	68	77	89	101	115	134	149

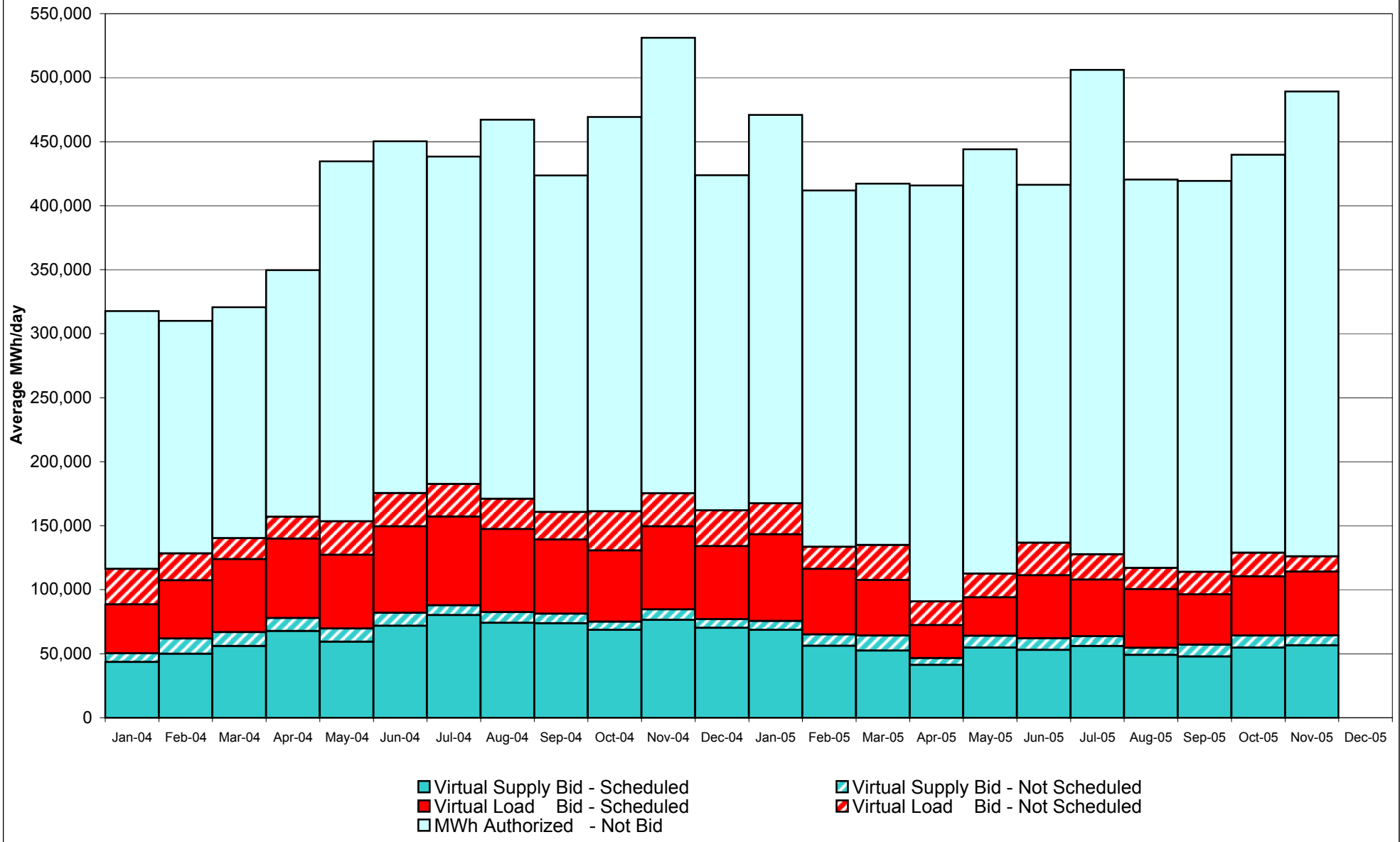
\* November verification pending

## Percentage of Real-Time Corrections



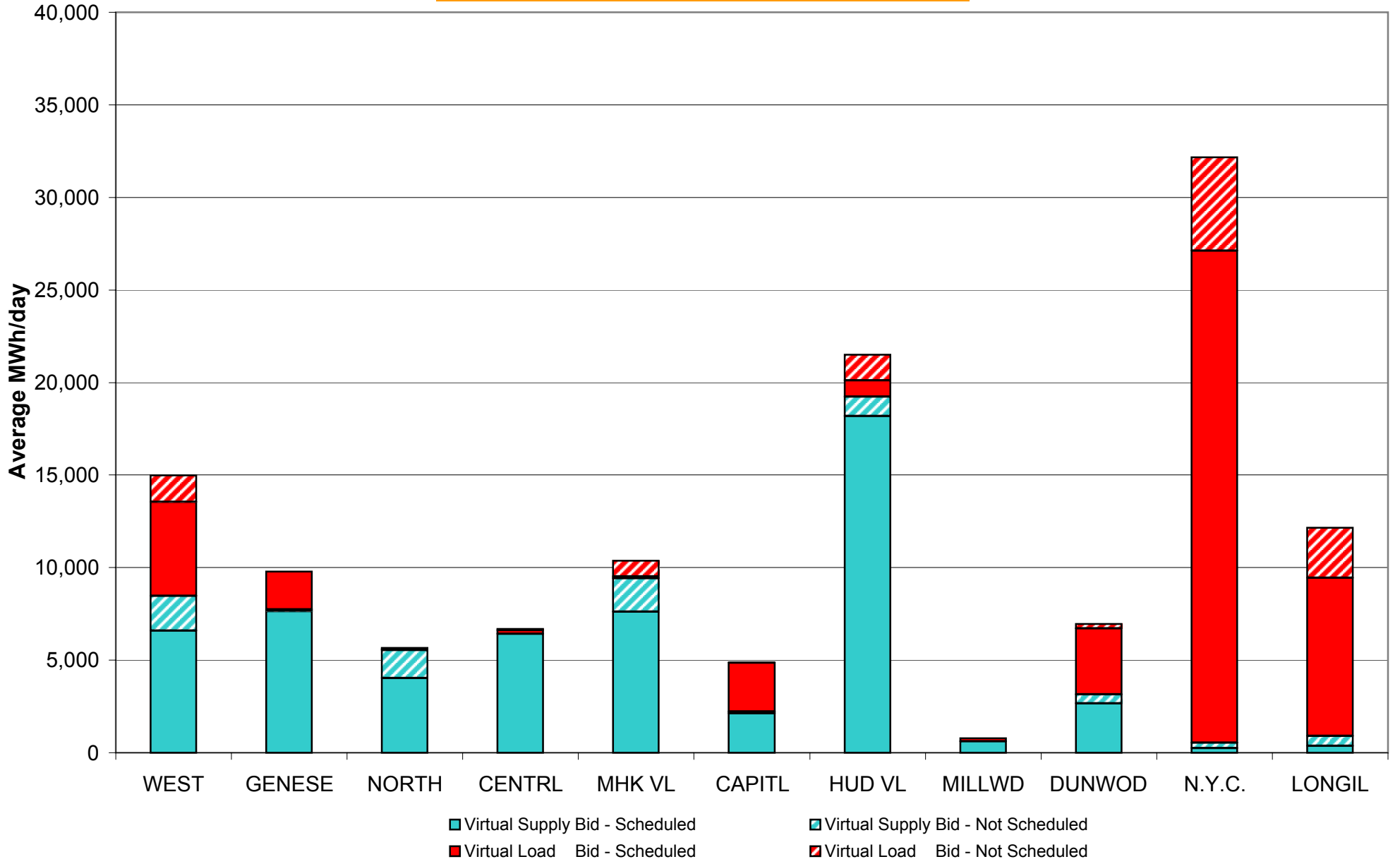
November verification pending

**NYISO Virtual Trading  
Average MWh per day**

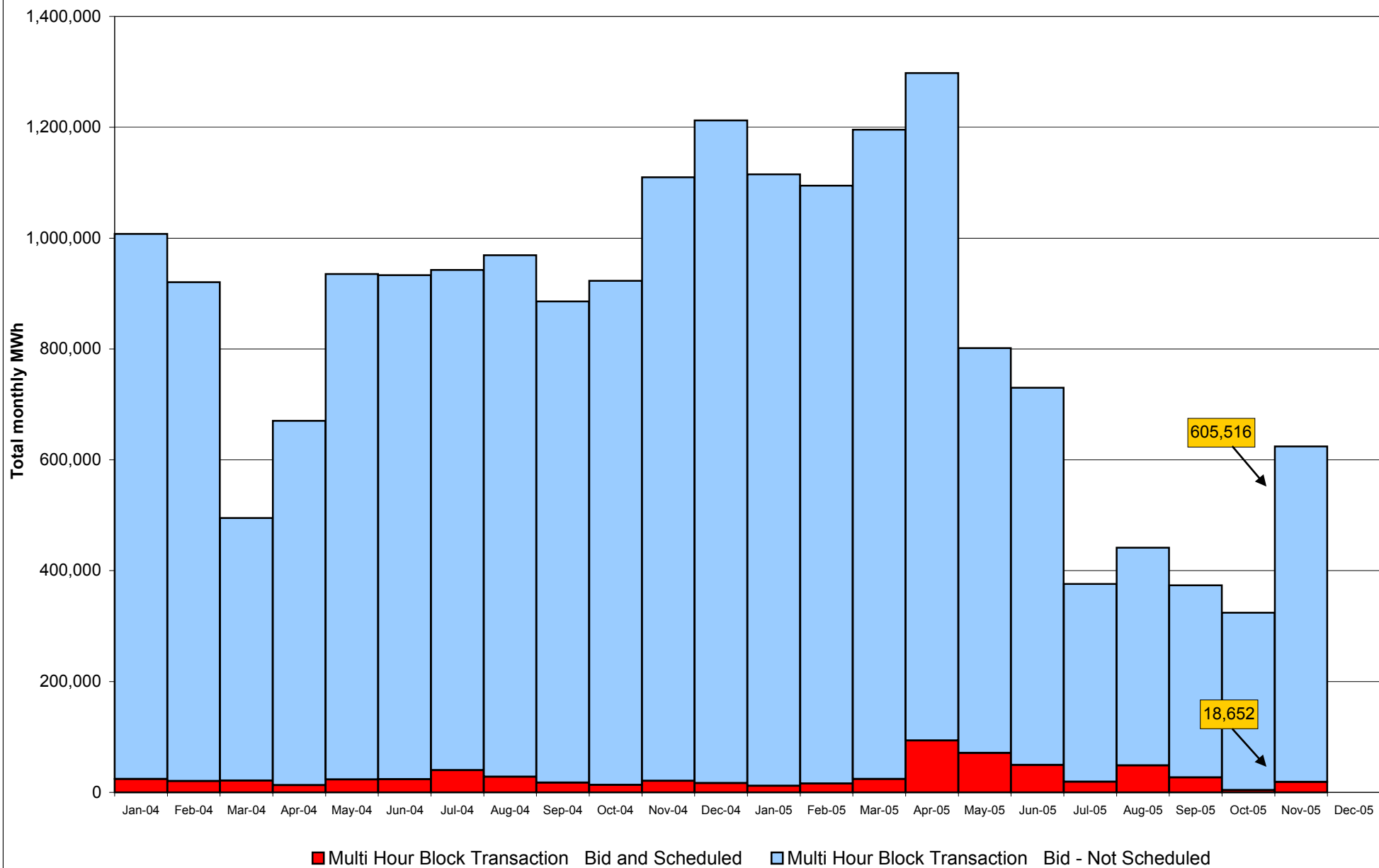




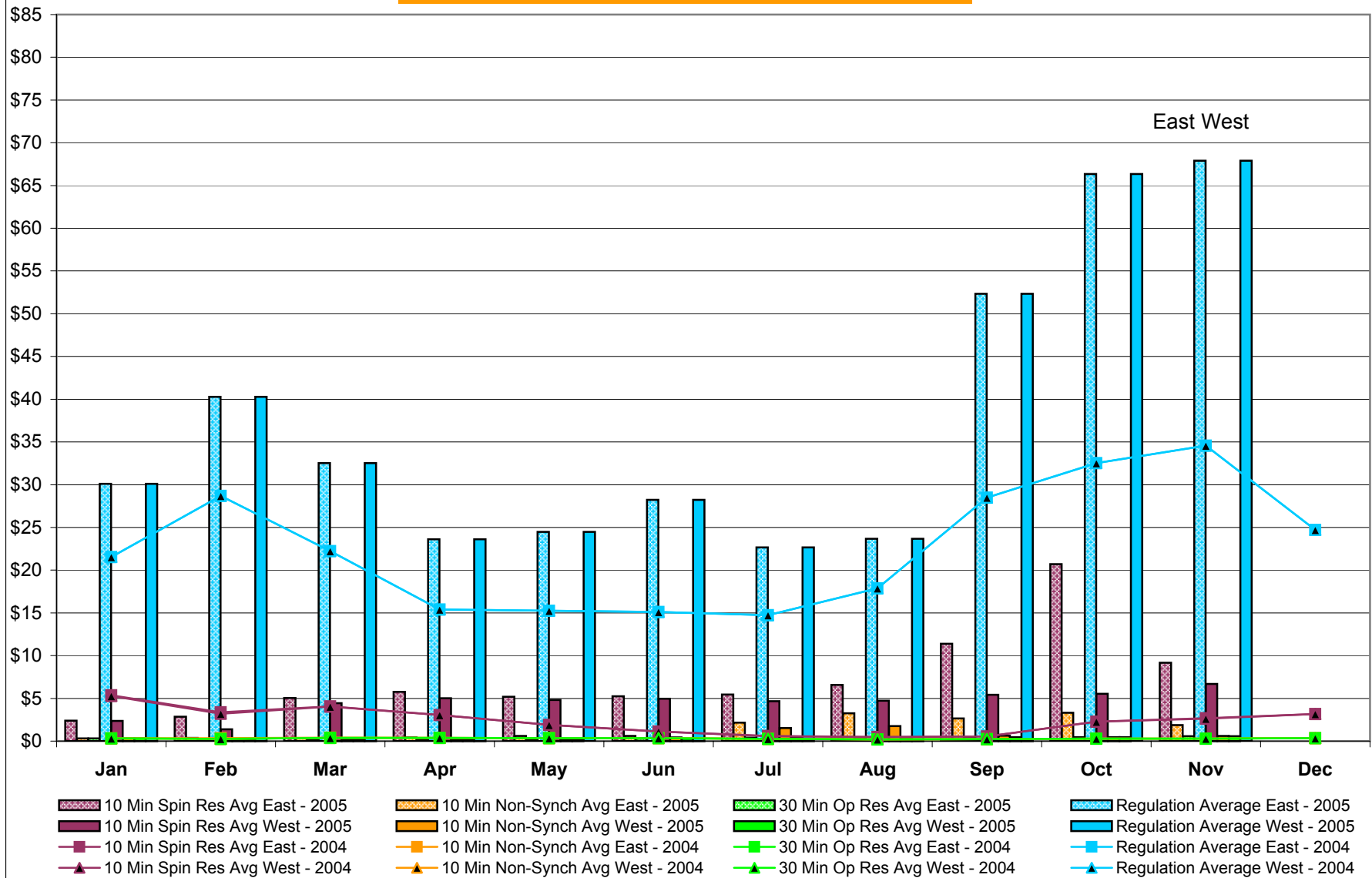
## Virtual Load and Supply Zonal Statistics November 2005



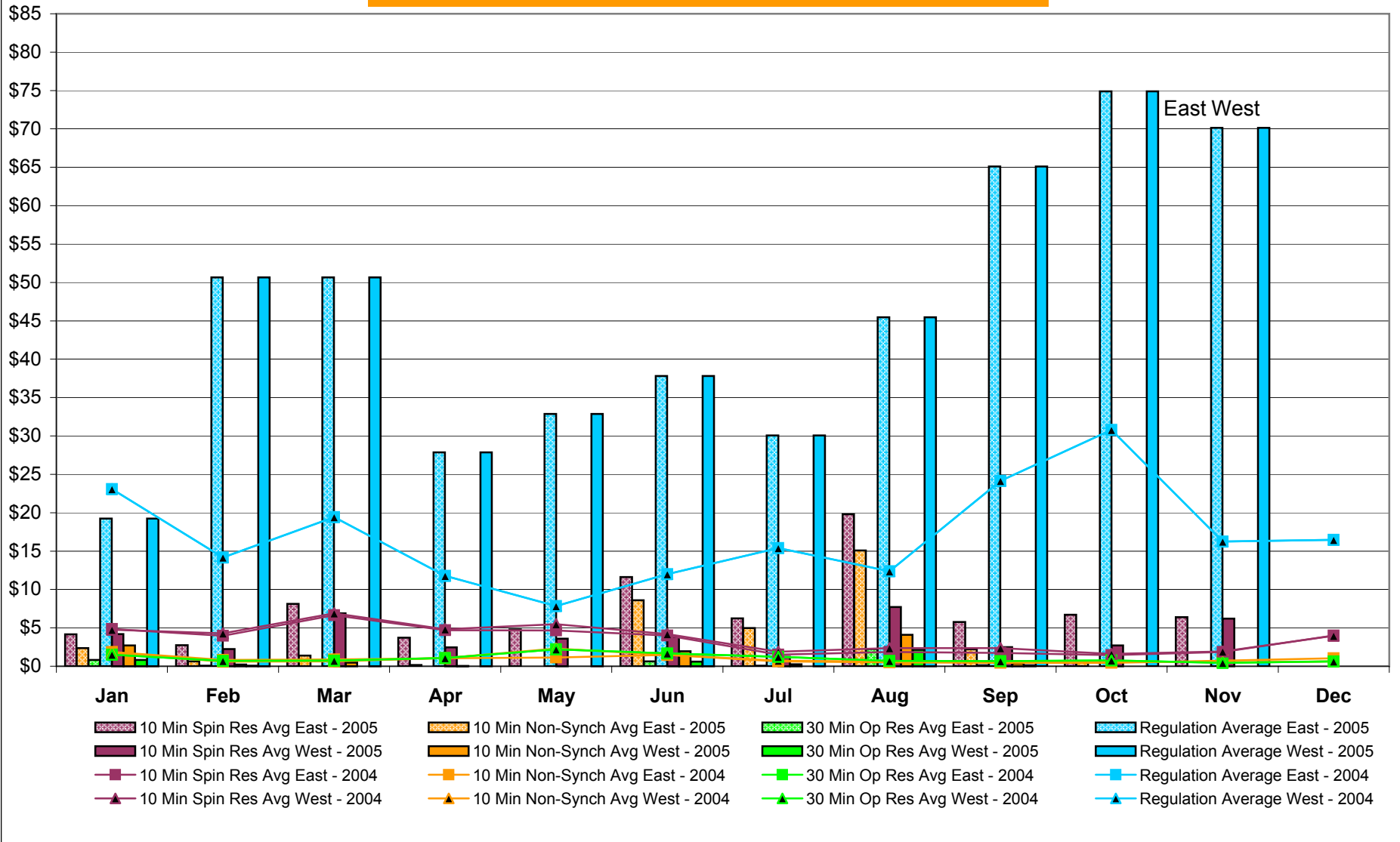
## NYISO Multi Hour Block Transactions Monthly Total MWh



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

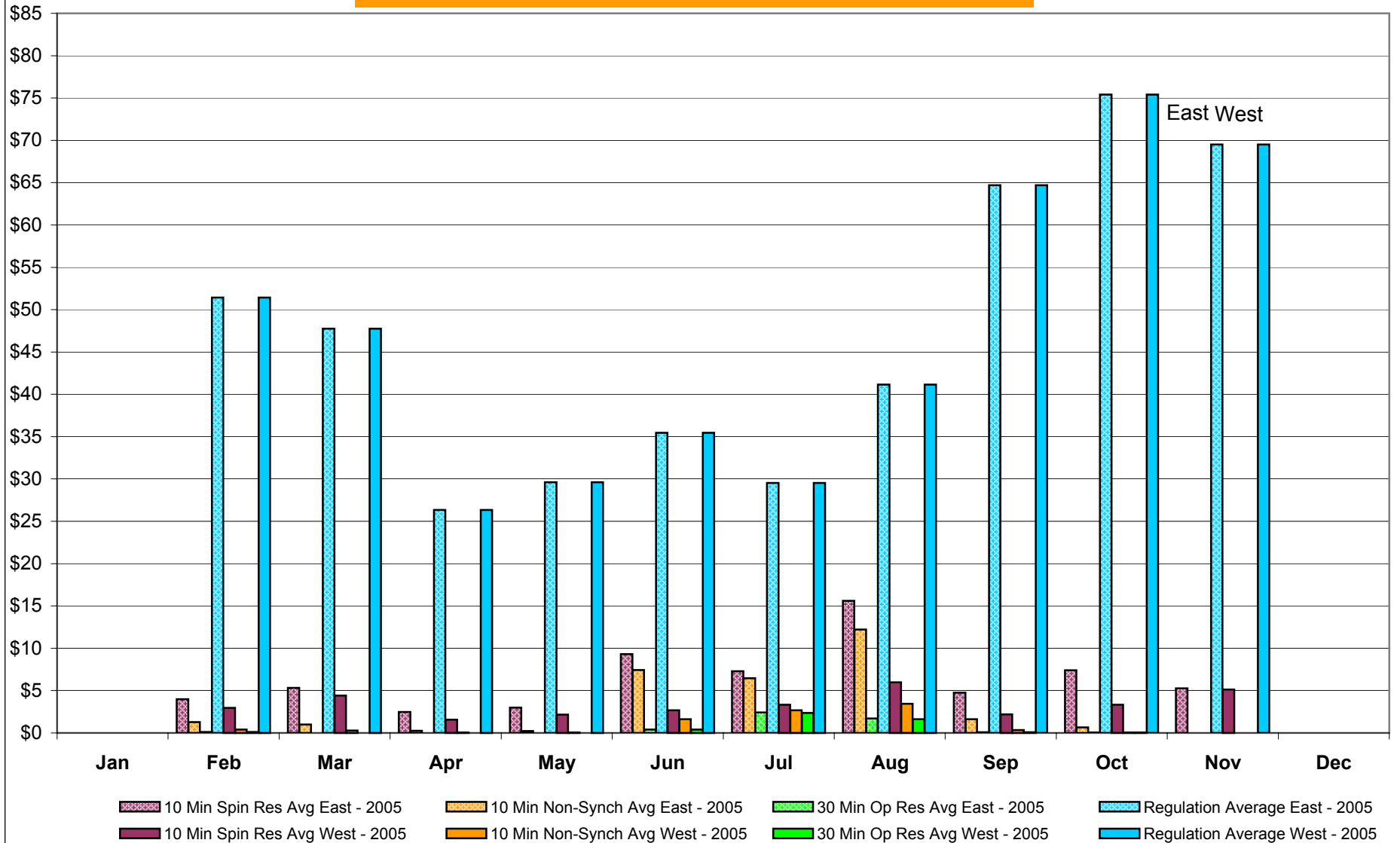


## NYISO Monthly Average Ancillary Service Prices RTC\* Market 2004 - 2005



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

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



\* The Real Time Ancillary Market began in February 2005

## NYISO Markets Ancillary Services Statistics

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

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b><u>Day Ahead Market</u></b>												
10 Min Spin East	2.38	2.87	5.06	5.76	5.19	5.26	5.44	6.59	11.38	20.70	9.16	
10 Min Spin West	2.37	1.39	4.43	5.03	4.80	4.96	4.68	4.73	5.41	5.54	6.69	
10 Min Non Synch East	0.31	0.37	0.31	0.44	0.60	0.61	2.16	3.25	2.65	3.31	1.86	
10 Min Non Synch West	0.31	0.13	0.20	0.24	0.23	0.43	1.54	1.75	0.63	0.47	0.60	
30 Min East	0.31	0.13	0.19	0.24	0.22	0.29	0.41	0.44	0.47	0.46	0.58	
30 Min West	0.31	0.13	0.19	0.24	0.22	0.29	0.41	0.44	0.47	0.46	0.58	
Regulation East	30.10	40.28	32.53	23.61	24.49	28.23	22.66	23.67	52.33	66.33	67.90	
Regulation West	30.10	40.28	32.53	23.61	24.49	28.23	22.66	23.67	52.33	66.33	67.90	
<b><u>RTC* Market</u></b>												
10 Min Spin East	4.15	2.75	8.13	3.71	4.80	11.61	6.23	19.80	5.75	6.72	6.39	
10 Min Spin West	4.20	2.23	6.90	2.46	3.58	3.84	1.24	7.72	2.50	2.69	6.19	
10 Min Non Synch East	2.35	0.62	1.38	0.14	0.00	8.58	4.96	15.08	2.22	0.44	0.01	
10 Min Non Synch West	2.72	0.21	0.47	0.03	0.00	1.96	0.25	4.09	0.37	0.00	0.00	
30 Min East	0.83	0.05	0.00	0.00	0.00	0.62	0.08	2.22	0.12	0.00	0.00	
30 Min West	0.83	0.05	0.00	0.00	0.00	0.61	0.00	2.15	0.12	0.00	0.00	
Regulation East	19.23	50.66	50.65	27.85	32.87	37.80	30.07	45.47	65.10	74.90	70.14	
Regulation West	19.23	50.66	50.65	27.85	32.87	37.80	30.07	45.47	65.10	74.90	70.14	
<b><u>Real Time Market**</u></b>												
10 Min Spin East	-	3.99	5.34	2.47	3.00	9.30	7.30	15.60	4.75	7.40	5.27	
10 Min Spin West	-	2.97	4.42	1.56	2.16	2.69	3.33	5.99	2.19	3.34	5.13	
10 Min Non Synch East	-	1.27	0.98	0.25	0.24	7.43	6.46	12.22	1.63	0.65	0.00	
10 Min Non Synch West	-	0.41	0.29	0.02	0.07	1.63	2.68	3.44	0.33	0.01	0.00	
30 Min East	-	0.12	0.00	0.00	0.00	0.40	2.43	1.71	0.09	0.01	0.00	
30 Min West	-	0.11	0.00	0.00	0.00	0.40	2.36	1.61	0.09	0.01	0.00	
Regulation East	-	51.41	47.74	26.33	29.62	35.47	29.52	41.14	64.70	75.41	69.50	
Regulation West	-	51.41	47.74	26.33	29.62	35.47	29.52	41.13	64.70	75.41	69.50	

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

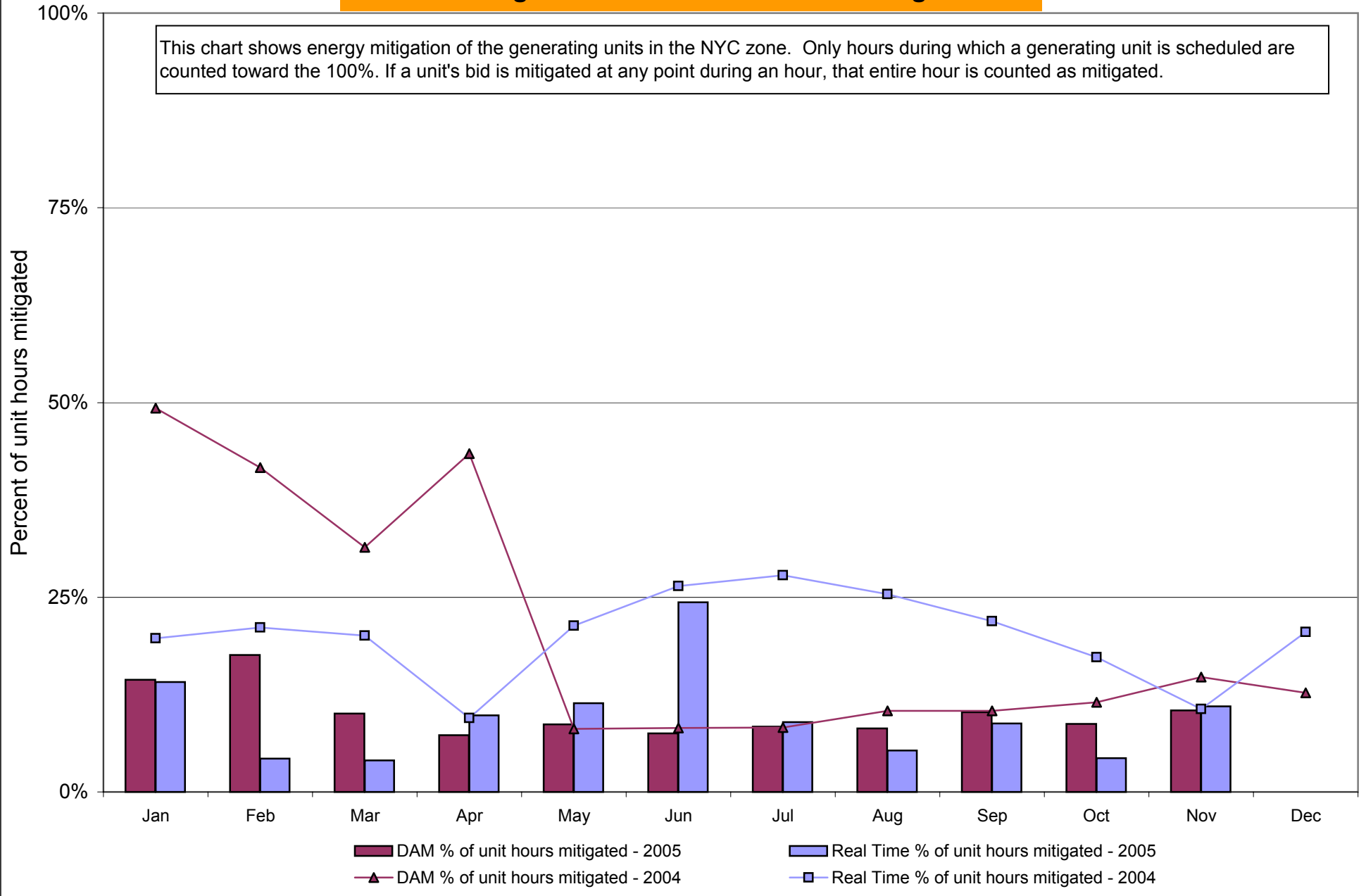
	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b><u>Day Ahead Market</u></b>												
10 Min Spin East	5.35	3.36	4.05	3.04	1.91	1.11	0.60	0.49	0.55	2.28	2.69	3.17
10 Min Spin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

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

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

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

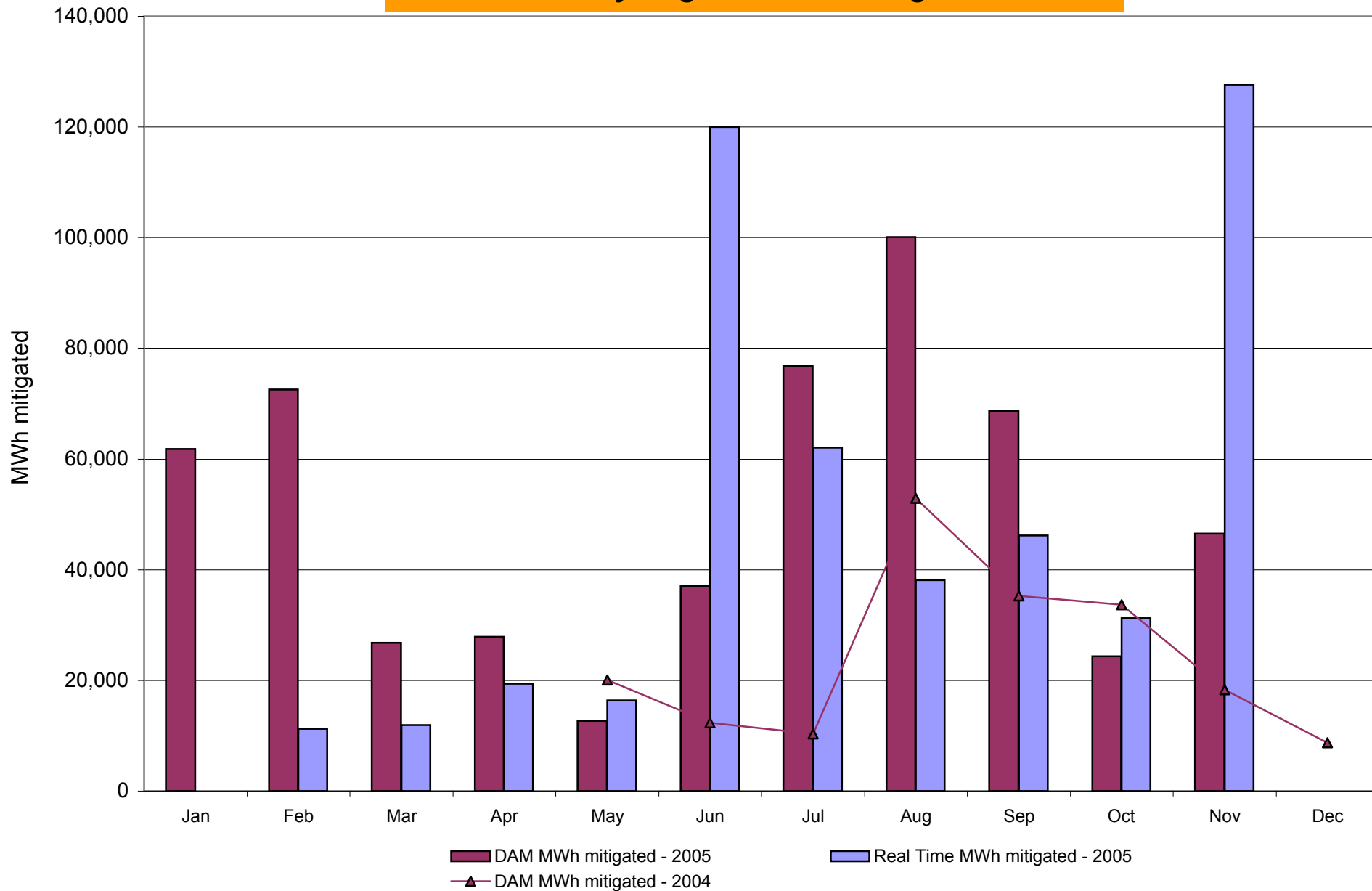
### Percentage of committed unit-hours mitigated



DAM Mitigation software change deployed on 5/1/2004

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

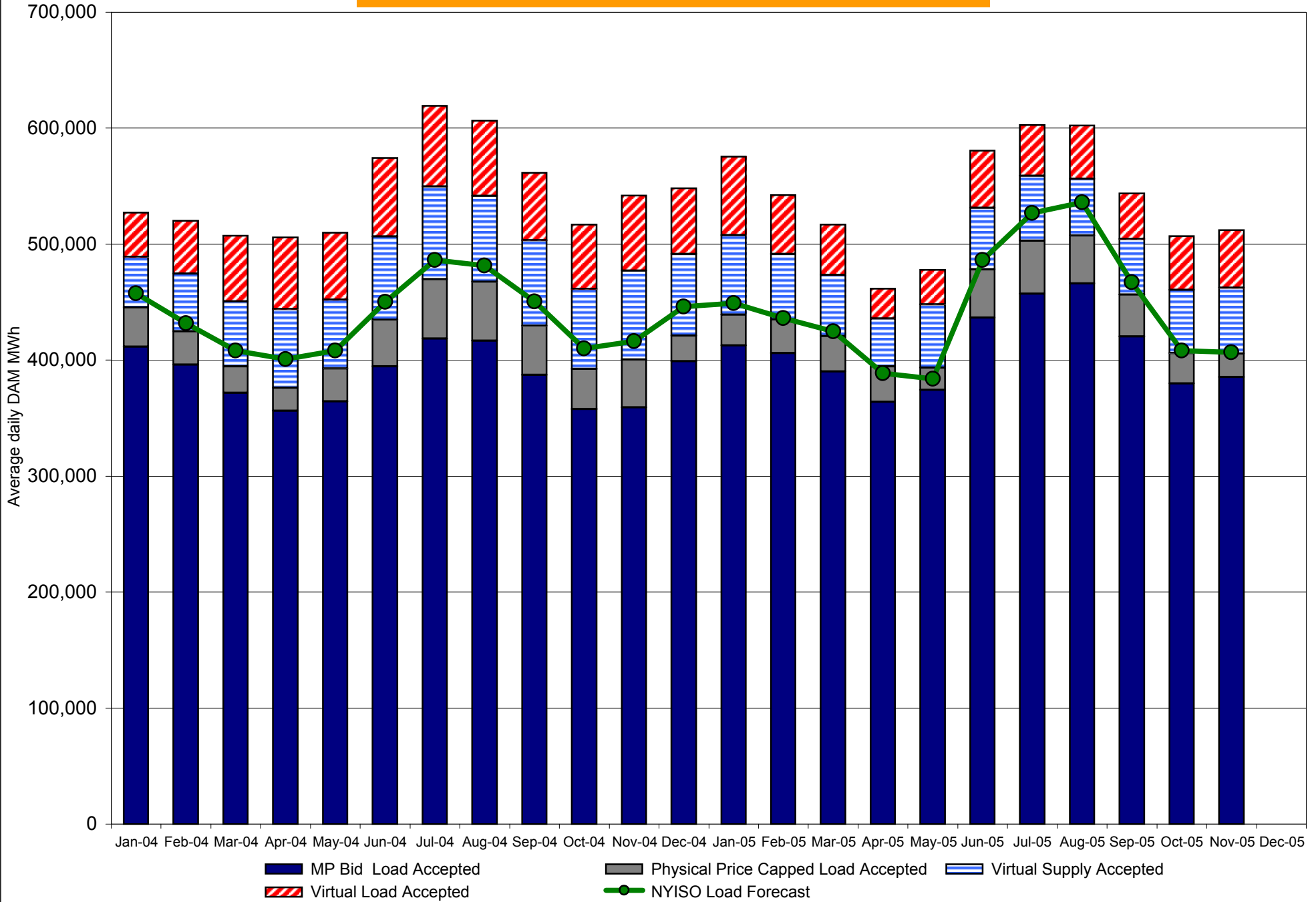
### Monthly megawatt hours mitigated



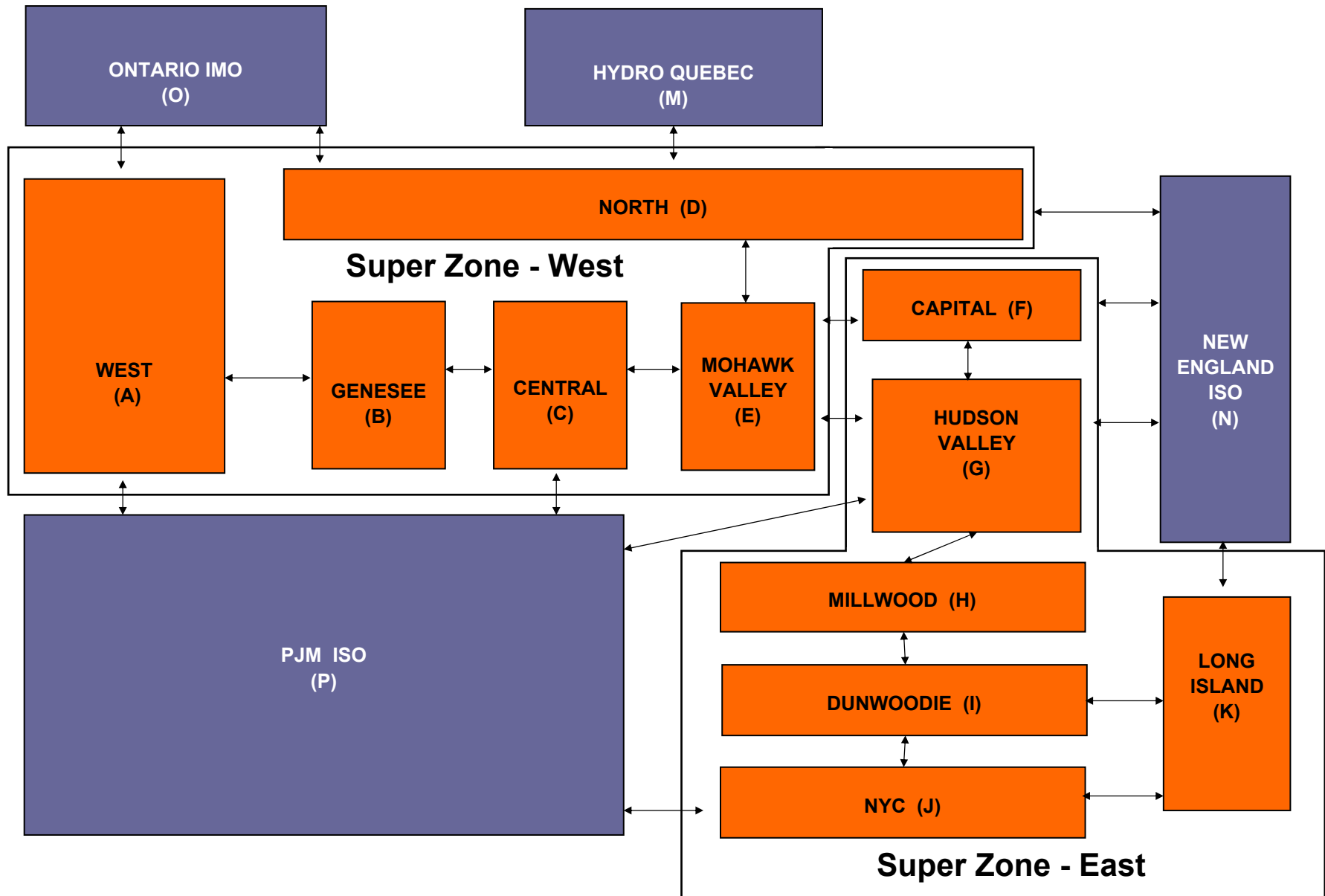
RT mitigation data available with SMD2 deployment  
 DAM mitigation software change deployed on 5/1/2004



# NYISO Average Daily DAM Load Bid Summary



# NYISO LBMP ZONES



**Billing Codes for Chart 4-C**

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

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

**Billing Codes for Chart 4-C**

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

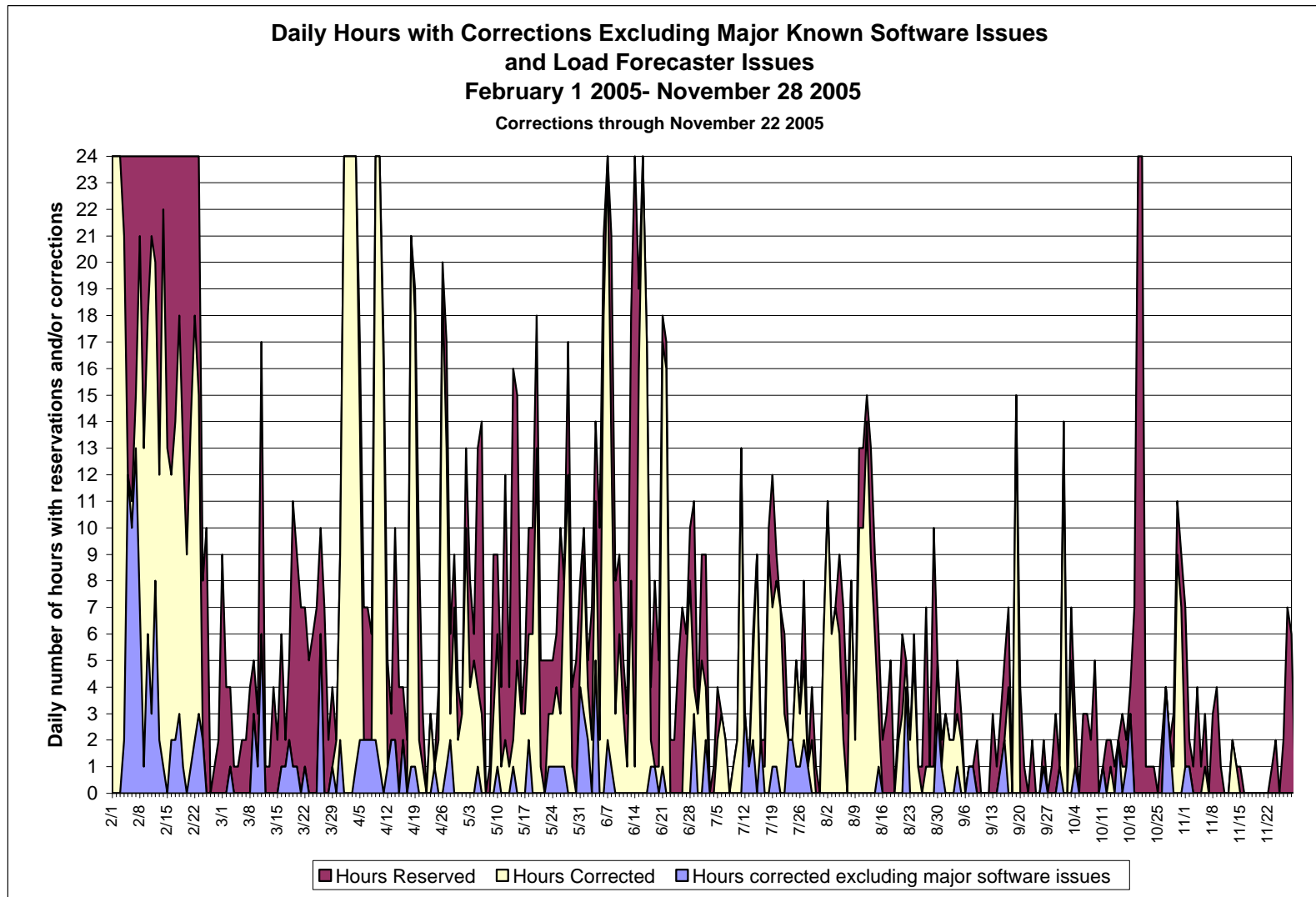
\* This chart reflects the billing code categories that were in effect prior to the November 2005 re-categorization and is meant for comparison purposes only.

# Price Error Elimination Progress

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- Continuation of recent trend in reduction of price reservations and corrections
  
- No known software issues causing price corrections; Development efforts targeting enhancements
  - *Load forecast system tuning*
  - *Enhancements to detect and / or prevent price errors*
  
- Detailed requirements process underway to enhance price validation tools
  - *Improved detection and analysis capabilities*
  - *Automation to speed correction processes*

# Price Correction Statistics



# Update on Price Error Elimination Progress



November	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	Hours Reserved	Hours With Corrections	Hours Released			
11/1/2005																										7	1	6		
11/2/2005																											2	1	1	
11/3/2005																											1	0	1	
11/4/2005																											4	0	4	
11/5/2005																											1	0	1	
11/6/2005																											3	1	2	
11/7/2005																											0	0	0	
11/8/2005																											3	0	3	
11/9/2005																											4	0	4	
11/10/2005																											1	0	1	
11/11/2005																											0	0	0	
11/12/2005																											0	0	0	
11/13/2005																											2	2	0	
11/14/2005																											1	1	0	
11/15/2005																											1	0	1	
11/16/2005																											0	0	0	
11/17/2005																											0	0	0	
11/18/2005																											0	0	0	
11/19/2005																											0	0	0	
11/20/2005																											0	0	0	
11/21/2005																											0	0	0	
11/22/2005																											0	0	0	
11/23/2005																											1	0	1	
11/24/2005																											2	0	2	
11/25/2005																											0	0	0	
11/26/2005																											2	0	0	
11/27/2005																											7	0	0	
11/28/2005																											6	0	0	
11/29/2005																											0	0	0	
11/30/2005																											1	0	0	
<b>Monthly Totals</b>																											<b>49</b>	<b>6</b>	<b>27</b>	<b>Total</b>
																											<b>1.6</b>	<b>0.2</b>	<b>0.9</b>	<b>Average</b>
																											<b>7</b>	<b>2</b>	<b>6</b>	<b>Max</b>
																											<b>0</b>	<b>0</b>	<b>0</b>	<b>Min</b>

# TCC Settlement Audit Update

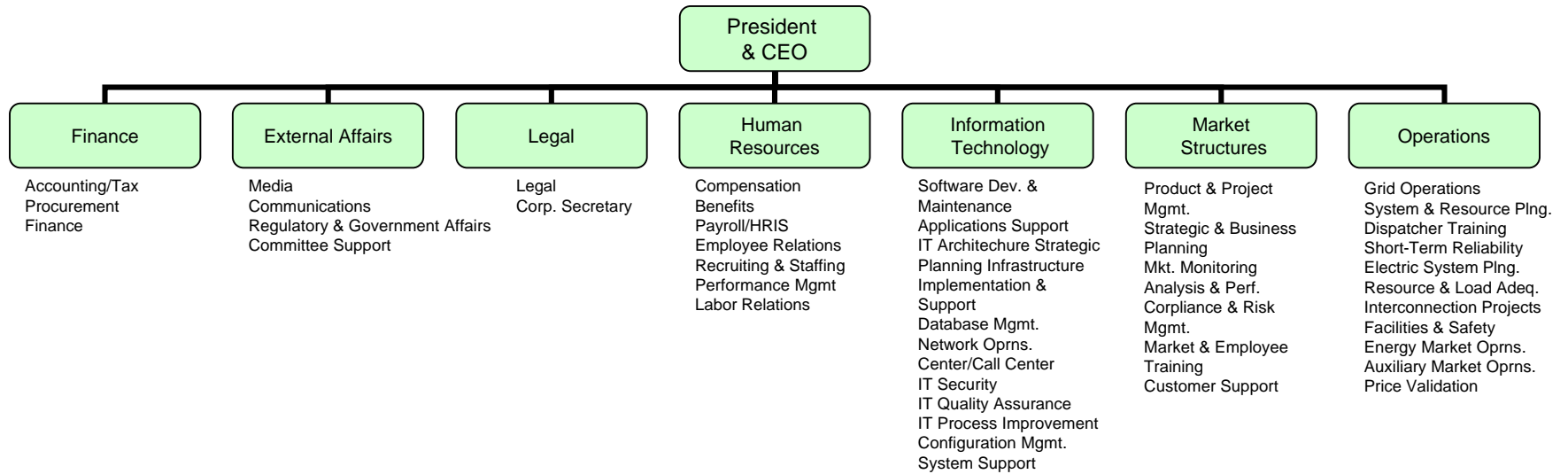
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- Mike Cadwalader and Mark Younger are finalizing their audit reports
  
- Ernst & Young's review of calculations is well underway
  - *Full review of two Capability Periods and sample review of other two Capability Periods in accordance with procedures*
  
- Next review meeting with TOs and TCC Holders scheduled for December 8



# NYISO Re-Organization

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# NYISO Facility Migration Schedule

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## ➤ Headquarters Facility

- *12/02/05 – First phase of moves onto 4<sup>th</sup> floor*
- *12/09/05 – Second phase of moves onto 4<sup>th</sup> floor*
- *01/20/06 – Move onto 4<sup>th</sup> floor complete*
- *No MP meetings will be held here until the Conference Center is completed in Q4 2006*

## ➤ Washington Avenue Facility

- *12/02/05 – Begin moves to HQ and other facilities*
- *01/06/06 – All staff out of the facility*
- *01/31/06 – Lease termination*

- **Annex and Wolf Rd. facilities will be occupied until phase II renovations are complete at HQ. Leases will terminate in Q1 2007.**