

PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
AS OF MAY 21, 2006

I. Business rule modifications and data corrections pending resolution

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Incorrect DAM Congestion Balancing Allocation Factors.	TBD	• January 2004 – October 2005	• N/A	• 336	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• Correct factors under development and will be used in close-out settlements.
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.	TBD	• January 2004 – present	• N/A	• 226	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1/04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Implementation of real-time mitigation of guaranteed payments for all in-city units. Per a FERC order, this will also address any errors in mitigating SRE and OOM units during this time-frame.	TBD	• February 1, 2005 forward	•	• 354	• Generators: Certain in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide / Con Edison Transmission District withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• NYISO is committed to software deployment prior to close-out settlement of February 2005 scheduled to be posted for review in September 2006.
Misallocation of net excess auction revenues from Spring 2004 TCC Auction.	TBD	• TBD	•	•	• Transmission Owners: May experience a decrease in allocation of auction revenues.	• Transmission Owners: May experience an increase in allocation of auction revenues.	• Resolution under review.

II. Resolved business rule modifications and data corrections pending adjustment through the normal settlement cycle

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Error in administration of Fall 2003 TCC Auction	Maximum individual market participant impact of approximately \$1,500.	• November 2004	•	•	• Transmission Owners: May experience a decrease in allocation of revenues from this Auction.	• Transmission Owners: May experience an increase in allocation of revenues from this Auction.	• To be invoiced in close-out of November 2004.
Misallocation of net excess auction revenues	Manual adjustments to range from \$2200 to \$243,000	• July 2004	•	•	• Transmission Owners: May experience a decrease in allocation of auction revenues.	• Transmission Owners: May experience an increase in allocation of auction revenues.	• To be invoiced in close-out of July 2004.
Local Black Start Collection of Fees	~\$6.35M (Con Ed and O & R Transmission Districts for period through September 2005) - \$4.1M annual payments (Con Ed Transmission District; October 2005 forward)	• November 1999 forward	• N/A	• 58	• Transmission Customers: Customers will fund locational Black Start costs per their ratio share of locational withdrawals	• Generators: Customers will realize additional Black Start revenue.	• Dispute Resolution settlement for all periods through September 2005 to be invoiced across four months (April 2006-July 2006). • FERC approved the NYISO's Local Black Start filing for the Con Edison Transmission District for October 2005 forward. Invoicing is pending receipt of documentation from participant generators and Con Edison. Documentation has been received from 2 of the 4 providers.
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	Refer to monthly data in Section III: Final Bill Challenges of this report for monthly impacts	• January 2004 – January 2005	• N/A	• 264	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs. • Generators: Certain in-city Suppliers may	• ConEd transmission district withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs. • Generators: Certain in-city Suppliers	• For the period of June 2002 through August 2002, corrections will be rendered through invoice-level adjustments to the close-out settlements contained in the January 6,

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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
					realize decreased bid production cost guarantee revenue	may realize increased bid production cost guarantee revenue	2006 consolidated invoice <ul style="list-style-type: none"> For the periods after August 2002, properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the affected months respective close-out invoice. Refer to Final Bill Challenge details below for monthly financial impacts for the period of June 2002 – April 2004. May 2004 – January 2005 impacts pending.
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	Refer to monthly data in Section III: Final Bill Challenges of this report for monthly impacts	<ul style="list-style-type: none"> January 2004 – January 2005 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> 326 	<ul style="list-style-type: none"> NYISO-wide withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs. Generators: certain in-city Suppliers may realize decreased bid production cost guarantee revenue 	<ul style="list-style-type: none"> NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs. Generators: Certain in-city Suppliers may realize increased bid production cost guarantee revenue 	<ul style="list-style-type: none"> For the period of June 2002 through August 2002, corrections will be rendered through invoice-level adjustments to the close-out settlements contained in the January 6, 2006 consolidated invoice For the periods after August 2002, properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the affected months respective close-out invoice. Refer to Final Bill Challenge details below for monthly financial impacts for the period of June 2002 – April 2004. May 2004 – January 2005 impacts pending.
Station Power Package not applying charges to the invoice	TBD	<ul style="list-style-type: none"> January 2004 - Current 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> 261/351 	<ul style="list-style-type: none"> Transmission Customers: Station Power energy costs will increase when corrected. 	<ul style="list-style-type: none"> Transmission Customers: Schedule 1 Balancing energy residuals will decrease when corrected. 	<ul style="list-style-type: none"> Settlements will be corrected through normal settlement adjustment invoicing cycle.
In-hour curtailments not passed to the Billing System from Operations	TBD	<ul style="list-style-type: none"> May 2005 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> 339 	<ul style="list-style-type: none"> Transmission Customers: LBMP energy import Transmission Customers whose transactions have been curtailed in-hour may observe a decrease in their LBMP energy revenue. Transmission Customers: Transmission Customers whose transactions have been curtailed in-hour may observe an increase in their transmission usage charges, especially those which may be related to import transactions which may then be purchasing replacement energy at the border to support the curtailed capacity 	<ul style="list-style-type: none"> Withdrawals: Withdrawals may observe a decrease in their balancing market residuals costs. Transmission Customers: Transmission Customers whose transactions have been curtailed in-hour may observe a decrease in their transmission usage charges. 	<ul style="list-style-type: none"> Software fixed in the October 11, 2005 release. Settlements will be corrected through normal settlement adjustment invoicing cycle.
Under-generation Penalty forgiveness being pursued for GTs that are operating.	~\$658K	<ul style="list-style-type: none"> January 2004 - August 2004; July 2005 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> 298 	<ul style="list-style-type: none"> Transmission Customers: Regulation Service costs will increase. 	<ul style="list-style-type: none"> Suppliers: Regulation Penalty costs will decrease. 	<ul style="list-style-type: none"> FERC approval received August 5, 2005 and software resolution implemented August 9, 2005.

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30-minute GTs' energy payments limited by Energy Payment Limit when already at schedule at beginning of the hour. Code should recognize they are already at schedule and not base reasonableness of output on a ramped performance metric.	~\$150K	• January 2004 – June 2004	• N/A	• 299	• Transmission Customers: Energy residual costs may increase and Bid Production Cost Guarantee costs may decrease	• Suppliers: Energy revenue may increase and Bid Production Cost Guarantee revenue may decrease.	• Due to the limited number of occurrences issue will likely be resolved via invoice-level adjustments versus a software rewrite.
Thunderstorm Alert cost allocations made to all ConEd sub-zonal load versus only NYC	Non-NYC LSEs will realize a complete refund of TSA costs; Refer to past invoice adjustments for individual LSE quantification	• January 2004 – May 2004	• N/A	• 255	• NYC Transmission Customers: Bid production cost guarantee uplift costs will increase when corrected.	• Non-NYC Transmission Customers: Bid production cost guarantee uplift costs will decrease when corrected.	• To be corrected retroactively through monthly invoice adjustments
Minimum generation cost recovery not prorated for generation dispatched below mingen	TBD	• January 2004	• N/A	• 243	• Transmission Customers: Bid production cost guarantee uplift costs may increase when corrected.	• Generators: Bid production cost guarantee revenue may increase when corrected.	• Fixed prospectively at SMD deployment; Corrected retroactively by applying settlements computed through the Billing Simulator in monthly invoice adjustments
DAM Margin Preservation overpaid when unit(s) under-generating	TBD	• January 2004	• N/A	• 232	• Generators: DAM Margin Preservation revenue will decrease;	• Transmission Customers: DAM Margin Preservation Schedule 1 residuals costs will decrease.	• Fixed prospectively at SMD deployment; Corrected retroactively by applying settlements computed through the Billing Simulator in monthly invoice adjustments

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II. Final Bill Challenges

January 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with NYISO Market Mitigation Measures	~\$1.2M	• January 2004	• N/A	• 326	• Generators: Certain in-city Supplier(s) will realize decreased bid production cost guarantee revenue	• ConEd transmission district withdrawals: Customers will realize ~\$1.2M decrease in real-time bid production cost guarantee uplift costs. • Generators: Certain in-city Supplier(s) will realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	~\$66K	• January 2004	• N/A	• 326	• Generators: Certain in-city Supplier(s) will realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers will realize ~\$66K decrease in real-time bid production cost guarantee uplift costs..	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• January 2004	• 20050211161241 • 20050316085124	• 100438 • 100452	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Incorrect sub-zonal load allocations for NYC withdrawals		• January 2004	• 20041217132327 • 20050214100548	• 100399 • 100400	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice.
Incorrect generator MWh		• January 2004	• 20050303170647 • 20050607162727	• 100534 • 100545	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy & changes in residual adjustments.	• Generator: Under-paid Customer may realize increased energy and ancillary services reveune.	• Corrected metering data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Under-payment of Bid Production Cost Guarantee		• January 2004	• 20050607162727	• 100542	• Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	• Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Corrections will be provided through reprocessing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Under-payment of DAM Margin Preservation		• January 2004	• 20050607162727	• 100543	• Transmission Customers: Customers may realize increased DAM Margin Preservation residual costs.	• Generators: Affected Supplier(s) may realize increased DAM Margin Preservation revenue.	• Corrections will be provided through reprocessing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Station Power MWh's are incorrect		• January 2004	• 20050428094056 • 20050216092009 • 20050422065219	• 100511 • 100443 • 100492	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice.

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February 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	~\$12K	• February 2004	• N/A	• 326	<ul style="list-style-type: none"> Generators: Certain in-city Supplier(s) will realize decreased bid production cost guarantee revenue 	<ul style="list-style-type: none"> ConEd transmission district withdrawals: Customers will realize ~\$12K decrease in real-time bid production cost guarantee uplift costs. Generators: Certain in-city Supplier(s) will realize increased bid production cost guarantee revenue 	<ul style="list-style-type: none"> Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• February 2004	<ul style="list-style-type: none"> 20050428095105 20050316085124 	<ul style="list-style-type: none"> 100508 100453 	<ul style="list-style-type: none"> Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs. 	<ul style="list-style-type: none"> Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs. 	<ul style="list-style-type: none"> OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Incorrect sub-zonal load allocations for NYC withdrawals		• February 2004	• 20050601130243	• 100539	<ul style="list-style-type: none"> Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy. 	<ul style="list-style-type: none"> Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy. 	<ul style="list-style-type: none"> Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Station Power MWh's are incorrect		• February 2004	<ul style="list-style-type: none"> 20050428094318 20050513091738 20050422065219 	<ul style="list-style-type: none"> 100509 100523 100493 	<ul style="list-style-type: none"> Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy. 	<ul style="list-style-type: none"> Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy. 	<ul style="list-style-type: none"> Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice.

March 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	~\$66K	• March 2004	• N/A	• 326	<ul style="list-style-type: none"> ConEd transmission district withdrawals: Customers will realize ~\$66K increase in real-time bid production cost guarantee uplift costs. 	<ul style="list-style-type: none"> Generators: Certain in-city Supplier(s) will realize increased bid production cost guarantee revenue 	<ul style="list-style-type: none"> Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	~\$16K	• March 2004	• N/A	• 326	<ul style="list-style-type: none"> NYISO-wide withdrawals: Customers will realize ~\$16K increase in real-time bid production cost guarantee uplift costs. Generators: Certain in-city Supplier(s) will realize decreased bid production cost guarantee revenue 	<ul style="list-style-type: none"> Generators: Certain in-city Supplier(s) will realize increased bid production cost guarantee revenue. 	<ul style="list-style-type: none"> Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice

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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• March 2004	• 20050513124414 • 20050601123044	• 100550 • 100535	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Under-payment of Bid Production Cost Guarantee		• March 2004	• 20050805121857 • 20050805121857	• 100632 • 100633	• Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	• Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Corrections will be provided through reprocessing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Under-payment of DAM Margin Preservation		• March 2004	• 20050805121857	• 100631	• Transmission Customers: Customers may realize increased DAM Margin Preservation residual costs.	• Generators: Affected Supplier(s) may realize increased DAM Margin Preservation revenue.	• Corrections will be provided through reprocessing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Incorrect sub-zonal load allocations for NYC withdrawals		• March 2004	• 20050601130243	• 100540	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice.
Station Power MWh's are incorrect		• March 2004	• 20050513091738 • 20050721154206 • 20050601124040	• 100524 • 100617 • 100537	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice

April 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	~\$122K	• April 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers will realize ~\$122K increase in real-time bid production cost guarantee uplift costs.	• Generators: Certain in-city Supplier(s) will realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	~\$11K	• April 2004	• N/A	• 326	• NYISO-wide withdrawals: Customers will realize ~\$11K increase in real-time bid production cost guarantee uplift costs. • Generators: Certain in-city Supplier(s) will realize decreased bid production cost guarantee revenue	• Generators: Certain in-city Supplier(s) will realize increased bid production cost guarantee revenue.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• April 2004	• 20050511103627 • 20050601123044	• 100585 • 100536	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Under-payment of Bid Production Cost Guarantee		• April 2004	• 20050812144709	• 100666	• Transmission Customers: Customers may realize increased Balancing Market Bid	• Generators: Affected Supplier(s) may realize increased Bid Production Cost	• Corrections will be provided through reprocessing of close-out settlements, due to be invoiced in June 9,

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FOR DISCUSSION PURPOSES ONLY

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Incorrect sub-zonal load allocations for NYC withdrawals		• April 2004	• 20050601130243	• 100541	Production Cost Guarantee uplift costs. • Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	Guarantee revenue. • Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	2006 consolidated invoice • Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice
Station Power MWh's are incorrect		• April 2004	• 20050513091738 • 20050721154218 • 20050601124040	• 100525 • 100618 • 100538	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 consolidated invoice.

May 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$141K	• May 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs.	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$303K	• May 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• May 2004	• 20050721153717 • 20050728111331	• 100621 • 100626	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Incorrect sub-zonal load allocations for Long Island withdrawals		• May 2004	• 20050603150325	• 100586	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 invoice.
Station Power MWh's are incorrect		• May 2004	• 20050819145529 • 20050721154224 • 20050728114217	• 100667 • 100619 • 100622	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 invoice.

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June 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$772K	• June 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs.	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$571K	• June 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the June 9, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• June 2004	• 20050721152644 • 20050728111331	• 100622 • 100627	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Incorrect sub-zonal load allocations for Long Island withdrawals		• June 2004	• 20050620084706	• 100630	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 invoice.
Station Power MWh's are incorrect		• June 2004	• 20050819145529 • 20050721152124 • 20050728114217	• 100668 • 100620 • 100629	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the June 9, 2006 invoice.

July 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$270K	• July 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs.	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$38K	• July 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice

PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• July 2004	•	•	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Incorrect sub-zonal load allocations for Long Island withdrawals		• July 2004	• 20050809084137	• 100634	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice
Station Power MWh's are incorrect		• July 2004	• 20050819145529	• 100669	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice

August 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$391K	• August 2004	• 20060105100645	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs.	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$278K	• August 2004	• 20060105100645	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs. • Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• August 2004	•	•	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Station Power MWh's are incorrect		• August 2004	• 20050819145529	• 100669	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice
Incorrect generator MWhs		• August 2004	• 20060105100645	• 100769	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-	• Generator: Under-paid Customer may realize increased energy and ancillary services reveune.	• Under review

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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Under-payment of Bid Production Cost Guarantee		• August 2004	• 20060105100645	• 100770 • 100771	allocation of retail unaccounted for energy & changes in residual adjustments. • Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	• Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Under review
Under-payment of DAM Margin Preservation		• August 2004	• 20060105100645	• 100772	• Transmission Customers: Customers may realize increased DAM Margin Preservation residual costs.	• Generators: Affected Supplier(s) may realize increased DAM Margin Preservation revenue.	• Under review
Incorrect sub-zonal load allocations for NYC withdrawals		• August 2004	• 20060105111323	• 100773	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice.

September 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$386K	• September 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs. • Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$50K	• September 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• September 2004	•	•	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Station Power MWh's are incorrect		• September 2004	• 20050819145529	• 100669	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice.
Incorrect sub-zonal load allocations for NYC withdrawals		• September 2004	• 20060105112319	• 100774	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice.

PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
AS OF MAY 21, 2006

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Under-payment of Bid Production Cost Guarantee (Start-upcosts)		• September 2004	• 20060208110524	• 100796 • 100795 • 100794	energy. • Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	retail unaccounted for energy. • Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Under review
Under-payment of DAM Margin Preservation		• September 2004	• 20060208110524	• 100797	• Transmission Customers: Customers may realize increased DAM Margin Preservation residual costs.	• Generators: Affected Supplier(s) may realize increased DAM Margin Preservation revenue.	• Under review

October 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$179K	• October 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs. • Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$30K	• October 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• October 2004	• 20060308174102	• 100811	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Station Power MWh's are incorrect		• October 2004	• 20050819145529	• 100669	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 invoice.
Incorrect sub-zonal load allocations for Long Island withdrawals		• October 2004	• 20060310075054	• 100812	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review
Real-Time Bid Production Cost Guarantee, including Start-Up costs (specific generators)		• October 2004	• 20060306164022	• 100802 • 100803 • 100804	• Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	• Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Under review
Balancing energy payments (specific generators)		• October 2004	• 20060307153042	• 100805 • 100807	• Transmission Customers: Customers may realize increased residual charges.	• Generators: Affected Supplier(s) may realize increased balancing energy	• Under review

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PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Regulation penalties (specific generators)		• October 2004	• 20060307153042	• 100809	• Transmission Customers: Customers may realize increased ancillary services.	payments. • Generators: Affected Supplier(s) may realize decreased regulation penalty charges.	• Under review
Incorrect sub-zonal load allocations for NYC withdrawals		• October 2004	• 20060105112544 • 20060222141947	• 100775 • 100801	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice.
Under-payment of Bid Production Cost Guarantee		• October 2004	• 20060306164022	• 100802 • 100803 • 100804	• Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	• Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Under review

November 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$404K	• November 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs.	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$100K	• November 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• November 2004	• 2006020214426	• 100786	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Station Power MWh's are incorrect		• November 2004	• 20060213115405	• 100798	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 invoice.
No billing activity on Station Power load buses.		• November 2004	• 20060118133413	• 100785	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to correct implementation of Station Power program.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to correct implementation of Station Power program.	• Pending deployment of Station Power software fix on May 30, 2006, settlements have been manually corrected.
Incorrect sub-zonal load allocations for Long Island		• November 2004	• 20060310075054	• 100813	• Transmission Customers: Under-charged Customers may realize increased energy	• Transmission Customers: Over-charged Customers may realize	• Under review

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PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
withdrawals					and ancillary services costs due to re-allocation of retail unaccounted for energy.	decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	
Day-Ahead Margin Assurance Payment (specific generators)		• November 2004	• 20060411180422	• 100828	• Transmission Customers: Customers may realize increased DAM Margin Preservation residual costs.	• Generators: Affected Supplier(s) may realize increased DAM Margin Preservation revenue.	• Under review
Real-Time Bid Production Cost Guarantee (specific generators)		• November 2004	• 20060411180422	• 100827	• Transmission Customers: Customers may realize increased Balancing Market Bid Production Cost Guarantee uplift costs.	• Generators: Affected Supplier(s) may realize increased Bid Production Cost Guarantee revenue.	• Under review
Balancing energy payments (specific generators)		• November 2004	• 20060412133034	• 100831 • 100829	• Transmission Customers: Customers may realize increased residual charges.	• Generators: Affected Supplier(s) may realize increased balancing energy payments.	• Under review
Regulation penalties (specific generators)		• November 2004	• 20060412133034	• 100833	• Transmission Customers: Customers may realize increased ancillary services.	• Generators: Affected Supplier(s) may realize decreased regulation penalty charges.	• Under review
Incorrect sub-zonal load allocations for NYC withdrawals		• November 2004	• 20060105112544	• 100776	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice.

December 2004 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$251K	• December 2004	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs. • Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$190K	• December 2004	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the July 7, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• December 2004	• 20060310080834	• 100787	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Station Power MWh's are incorrect		• December 2004	• 20060213115405	• 100799	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 invoice.

PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Incorrect sub-zonal load allocations for Long Island withdrawals		• December 2004	• 20060310075054	• 100814	allocation of retail unaccounted for energy. • Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	services costs due to re-allocation of retail unaccounted for energy. • Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review
Incorrect sub-zonal load allocations for NYC withdrawals		• November 2004	• 20060105112807	• 100777	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the July 7, 2006 consolidated invoice.
No billing activity on Station Power load buses.		• December 2004	• 20060118133413	• 100784	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to correct implementation of Station Power program.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to correct implementation of Station Power program.	• Pending deployment of Station Power code fix on May 30, 2006, settlements have been manually corrected.

January 2005 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Real-time mitigation of in-city units committed through Supplemental Resource Evaluation [SRE] performed inconsistent with the NYISO Market Mitigation Measures	\$61K	• January 2005	• N/A	• 326	• ConEd transmission district withdrawals: Customers may realize an increase in real-time bid production cost guarantee uplift costs.	• Generators: Some in-city Suppliers may realize increased bid production cost guarantee revenue	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the September 7, 2006 consolidated invoice
Real-time mitigation of in-city units operated out of economic merit [OOM] performed inconsistent with the NYISO Market Mitigation Measures	\$67K	• January 2005	• N/A	• 326	• Generators: Some in-city Suppliers may realize decreased bid production cost guarantee revenue	• NYISO-wide withdrawals: Customers may realize a decrease in real-time bid production cost guarantee uplift costs.	• Properly mitigated/unmitigated bids will be entered into the MIS and processed through settlements. The resultant corrections will then be rendered through the close-out settlements contained in the September 7, 2006 consolidated invoice
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.		• January 2005	• 20060310080834	• 100818	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Station Power MWh's are incorrect		• January 2005	• 20060213115405	• 100800	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Corrected retail load data will be provided prior to processing of close-out settlements, due to be invoiced in the September 7, 2006 consolidated invoice
Incorrect sub-zonal load allocations for Long Island	TBD	• January 2005	• 20060310075054	• 100815	• Transmission Customers: Under-charged Customers may realize increased energy	• Transmission Customers: Over-charged Customers may realize	• Under review

PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
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DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
withdrawals					and ancillary services costs due to re-allocation of retail unaccounted for energy.	decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	
Self-Supply of Station Service (verify that station power load buses have been created for specific generators and that station power software code is properly settling self-supply station power)	TBD	• January 2005	• 20060310075751	• 100816	• Transmission Customers: May realize increased ancillary service charges.	• Generator owner: May realize decreased ancillary service, NTAC, and Schedule 1 charges.	• Station Power code fixes to be complete with May 30, 2006 deployment. Prior to code deployment, manual adjustments will ensure proper station power accounting.
Incorrect sub-zonal load allocations for Niagara Mohawk withdrawals	TBD	• January 2005	• 20060404153317	• 100821	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review

February 2005 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
January 1, 2004, the allocation of Day-Ahead Market (DAM) congestion rent excess/shortfall balancing was revised.	TBD	• February 2005	• 20060310080834	• 100819	• Transmission Owners: Application of new allocation factors may cause additional DAM Congestion shortfall balancing costs.	• Transmission Owners: Application of new allocation factors may cause decrease in DAM Congestion shortfall balancing costs.	• OATT Attachment N provisions, effective 1/1//04, for rebalancing due to TO-specific facilities causing shortfalls not yet implemented.
Self-Supply of Station Service (verify that station power load buses have been created for specific generators and that station power software code is properly settling self-supply station power)	TBD	• February 2005	• 20060310075751	• 100817	• Transmission Customers: May realize increased ancillary service charges.	• Generator owner: May realize decreased ancillary service, NTAC, and Schedule 1 charges.	• Station Power code fixes to be complete with May 30, 2006 deployment. Prior to code deployment, manual adjustments will ensure proper station power accounting.
Incorrect sub-zonal load allocations for Long Island withdrawals		• February 2005	• 20060310081117	• 100820	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review
Incorrect sub-zonal load allocations for Niagara Mohawk withdrawals	TBD	• February 2005	• 20060404153317	• 100822	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review
Station Power MWh's are incorrect		• February 2005	• 20060517170333	•	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of	• Under review

PENDING BUSINESS RULE DESIGN CHANGES, DATA CORRECTIONS, AND FINAL BILL CHALLENGES
AS OF MAY 21, 2006

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
					energy.	retail unaccounted for energy.	

March 2005 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Station Power MWh's are incorrect		• March 2005	• 20060517170752	•	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review

April 2005 Final Bill Challenges

DESCRIPTION	ESTIMATED IMPACT	PERIOD(S) AFFECTED	CRITAR TICKET XREF	BILLING ISSUE XREF	EXPOSURE	BENEFIT	Status
Incorrect sub-zonal load allocations for NYC withdrawals		• April 2005	• 20060406102212	• 100826	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Incorrect sub-zonal load allocations for NYC withdrawals
Station Power MWh's are incorrect		• April 2005	• 20060517170752	•	• Transmission Customers: Under-charged Customers may realize increased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Transmission Customers: Over-charged Customers may realize decreased energy and ancillary services costs due to re-allocation of retail unaccounted for energy.	• Under review