

Market Operation's Report

*Business Issue Committee Meeting
April 27, 2005*

Agenda #4

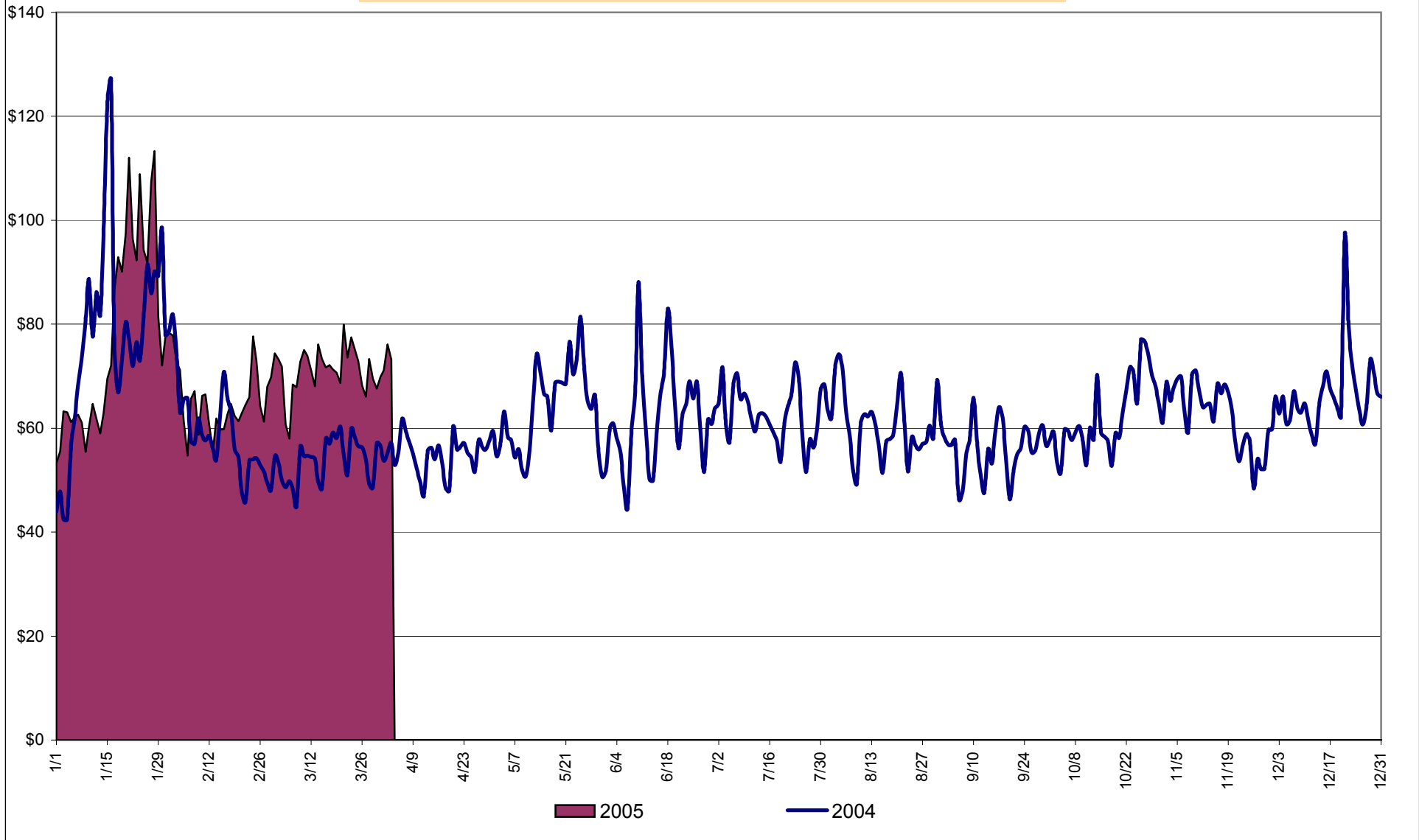
Report Items

- Market Performance Highlights

Market Performance Highlights for March

- NYISO Average Cost and LBMPs are up this month relative to February.
 - *Average cost is \$71.26/MWh, up from \$65.57/MWh in February*
- All fuel prices are up this month relative to January
 - *Kerosene is \$11.76/mmBTU, up from \$10.24/mmBTU;*
 - *No. 2 Fuel Oil is \$11.05/mmBTU, up from \$9.58/mmBTU;*
 - *Natural Gas is \$7.68/mmBTU, up from \$7.06/mmBTU;*
 - *No. 6 Fuel Oil is \$6.60/mmBTU, up from \$6.12/mmBTU.*
- Evidence to date suggests that some costs previously captured in uplift are now reflected directly in the LBMP.
 - *Uplift is -\$0.57/MWh, down from -\$0.32/MWh in February;*
 - *LBMP cost component increases driven by both higher fuel costs and costs shifted from uplift.*

Daily NYISO Average Cost/MWh (Energy & Ancillary Services)*
2004 Annual Average \$62.89/MWh
March 2004 YTD Average \$65.51/MWh
March 2005 YTD Average \$72.71/MWh



* Excludes ICAP payments

4-A

Market Monitoring
 Prepared: 4/8/2005 14:15

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

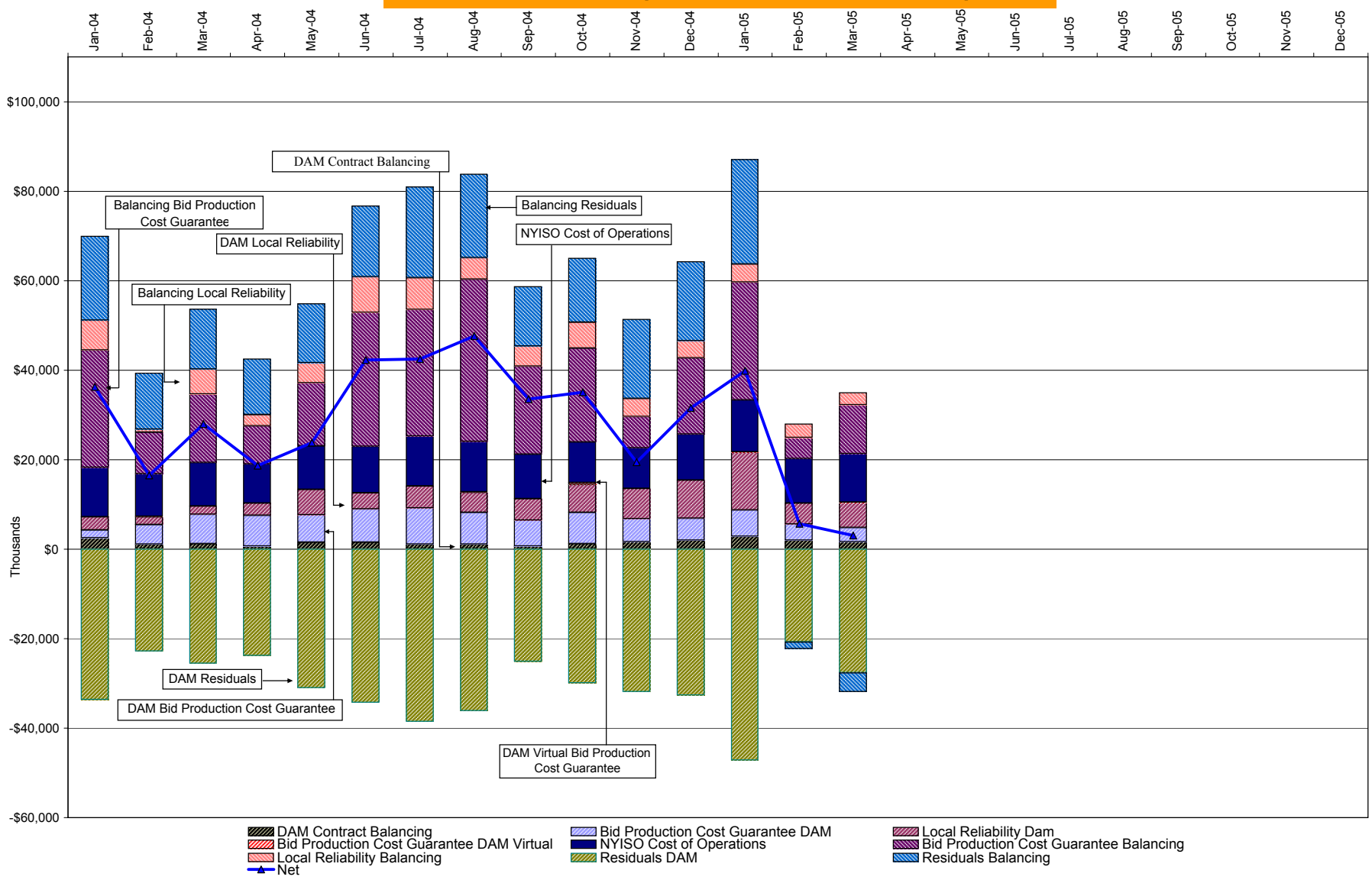
2005	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	75.69	63.91	69.92									
NTAC	0.43	0.36	0.23									
Reserve	0.24	0.06	0.17									
Regulation	0.32	0.39	0.33									
NYISO Cost of Operations	0.79	0.79	0.79									
Uplift	2.14	(0.32)	(0.57)									
Voltage Support and Black Start	<u>0.39</u>	<u>0.39</u>	<u>0.39</u>									
Avg Monthly Cost	80.00	65.57	71.26									
Avg YTD Cost	80.00	73.48	72.71									

2004	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
LBMP	76.13	57.13	50.56	52.48	61.24	59.79	59.59	57.20	53.01	58.66	59.80	62.96
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	0.20	0.17	0.14	0.09	0.07	0.05	0.06	0.12	0.15	0.21
Regulation	0.23	0.34	0.28	0.15	0.13	0.14	0.13	0.17	0.32	0.43	0.45	0.28
NYISO Cost of Operations	0.73	0.73	0.73	0.72	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73
Uplift	1.85	0.59	1.44	0.85	1.15	2.35	2.14	2.49	1.79	2.11	0.91	1.65
Voltage Support and Black Start	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>
Avg Monthly Cost	80.05	59.71	54.12	55.25	64.15	63.99	63.36	61.43	56.51	62.70	62.85	66.88
Avg YTD Cost	80.05	70.93	65.51	63.21	63.39	63.50	63.48	63.19	62.48	62.50	62.53	62.89

* Excludes ICAP payments

These numbers reflect the rebilling of prior periods

NYISO Dollar Flows - Uplift - OATT Schedule 1 components



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

NYISO Markets Transactions

2005	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Day Ahead Market MWh	13,808,688	12,510,148	14,281,481									
DAM LSE Internal LBMP Energy Sales	48%	49%	48%									
DAM External TC LBMP Energy Sales	3%	1%	3%									
DAM Bilateral - Internal Bilaterals	47%	48%	47%									
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%									
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%									
DAM Bilateral - Wheel Through Bilaterals	1%	0%	1%									
Balancing Energy Market MWh	409,695	127,124	419,365									
Balancing Energy LSE Internal LBMP Energy Sales	77%	-35%	78%									
Balancing Energy External TC LBMP Energy Sales	42%	156%	42%									
Balancing Energy Bilateral - Internal Bilaterals	-13%	-9%	-13%									
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	0%	0%									
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	1%	0%	1%									
Balancing Energy Bilateral - Wheel Through Bilaterals	-7%	-13%	-8%									
Transactions Summary												
LBMP	53%	51%	53%									
Internal Bilaterals	45%	47%	45%									
Import Bilaterals	1%	1%	1%									
Export Bilaterals	1%	1%	1%									
Wheels Through	0%	0%	0%									
Market Share of Total Load												
Day Ahead Market	97.1%	99.0%	97.1%									
Balancing Energy †	2.9%	1.0%	2.9%									
Total MWh	14,218,383	12,637,272	14,700,846									
Average Daily Energy Sendout/Month GWh	462	447	433									
2004	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Day Ahead Market MWh	14,614,304	12,806,346	12,836,889	11,818,317	13,026,160	13,737,390	15,071,422	14,939,105	13,228,022	12,375,053	12,214,936	13,471,387
DAM LSE Internal LBMP Energy Sales	52%	50%	51%	51%	47%	49%	53%	54%	53%	52%	53%	49%
DAM External TC LBMP Energy Sales	4%	2%	3%	3%	4%	3%	2%	1%	1%	0%	0%	2%
DAM Bilateral - Internal Bilaterals	41%	45%	44%	44%	46%	45%	43%	43%	44%	45%	44%	48%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	1%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%
Balancing Energy Market MWh	367,460	269,220	508,837	238,876	379,159	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%	84%	19%	-9%	70%
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%	38%	77%	74%	170%	73%	50%	125%	69%	30%
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%	-9%	3%	5%	13%	5%	39%	23%	11%	3%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	1%	1%	0%	1%	0%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%	-14%	-11%	-8%	-39%	-13%	-8%	-40%	-5%	-3%
Transactions Summary												
LBMP	58%	54%	56%	55%	53%	54%	55%	56%	54%	53%	55%	52%
Internal Bilaterals	40%	44%	42%	43%	45%	44%	43%	43%	44%	45%	44%	46%
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Wheels Through	1%	0%	1%	0%	1%	1%	0%	1%	1%	0%	0%	0%
Market Share of Total Load												
Day Ahead Market	97.5%	97.9%	96.2%	98.0%	97.2%	97.0%	99.1%	98.0%	97.6%	99.4%	97.8%	95.9%
Balancing Energy †	2.5%	2.1%	3.8%	2.0%	2.8%	3.0%	0.9%	2.0%	2.4%	0.6%	2.2%	4.1%
Total MWh	14,981,764	13,075,566	13,345,726	12,057,193	13,405,319	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>
<u>DAY AHEAD LBMP</u>												
Price *	\$69.55	\$61.04	\$67.17									
Standard Deviation	\$23.42	\$12.00	\$12.49									
Load Wtg.Price **	\$72.26	\$62.42	\$68.61									
<u>RTC *** LBMP</u>												
Price *	\$74.47	\$56.21	\$70.40									
Standard Deviation	\$44.64	\$17.81	\$26.13									
Load Wtg.Price **	\$77.48	\$57.10	\$72.12									
<u>REAL TIME LBMP</u>												
Price *	\$70.25	\$55.92	\$68.04									
Standard Deviation	\$31.79	\$45.90	\$32.50									
Load Wtg.Price **	\$73.26	\$57.23	\$69.88									
Average Daily Energy Sendout/Month GWh	462	447	433									

NYISO Markets 2004 Energy Statistics

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

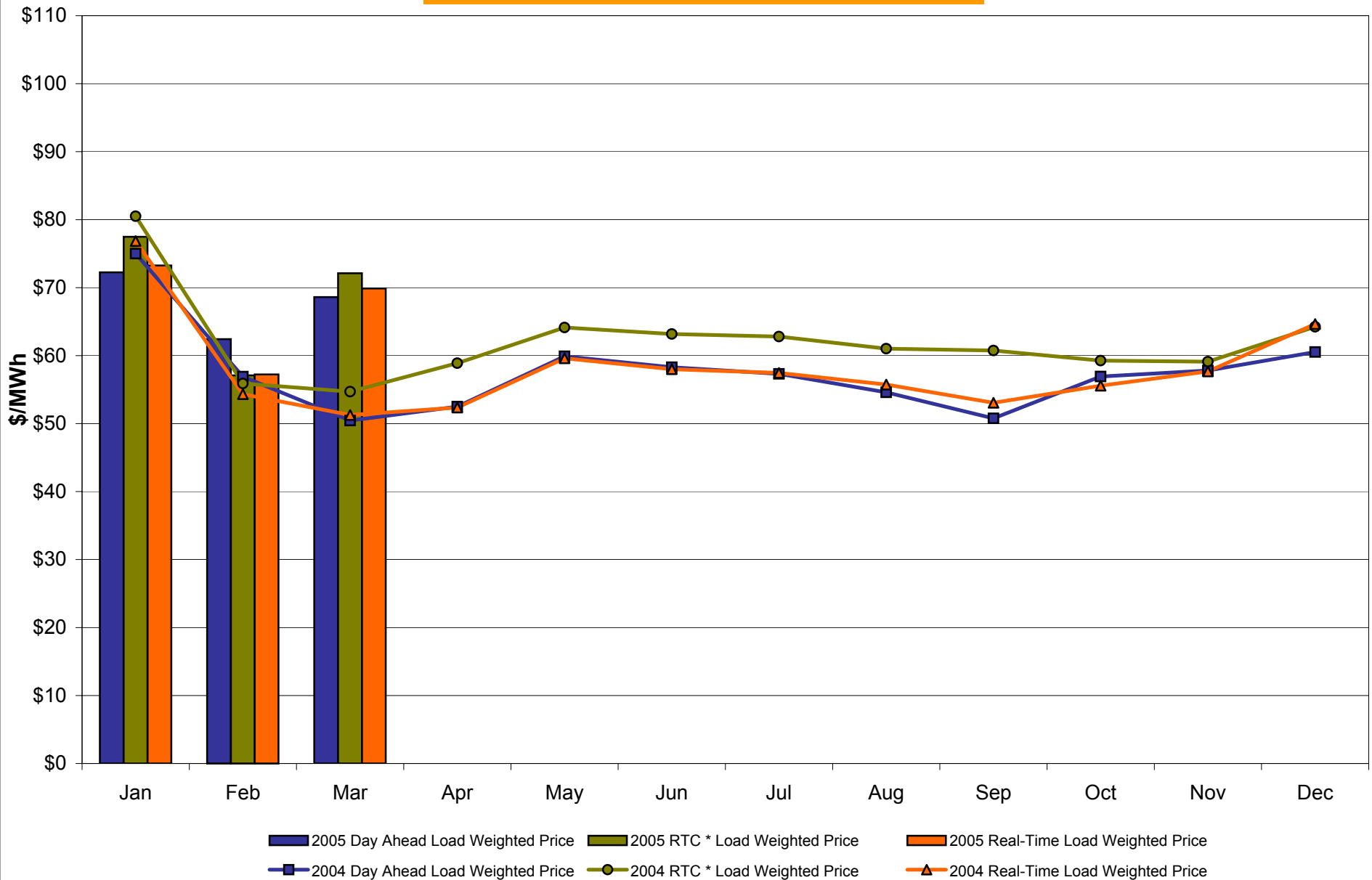
* Average zonal load weighted prices

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

*** Referred to as RTC beginning February 2005

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

NYISO Monthly Average Internal LBMPs 2004 - 2005



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

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

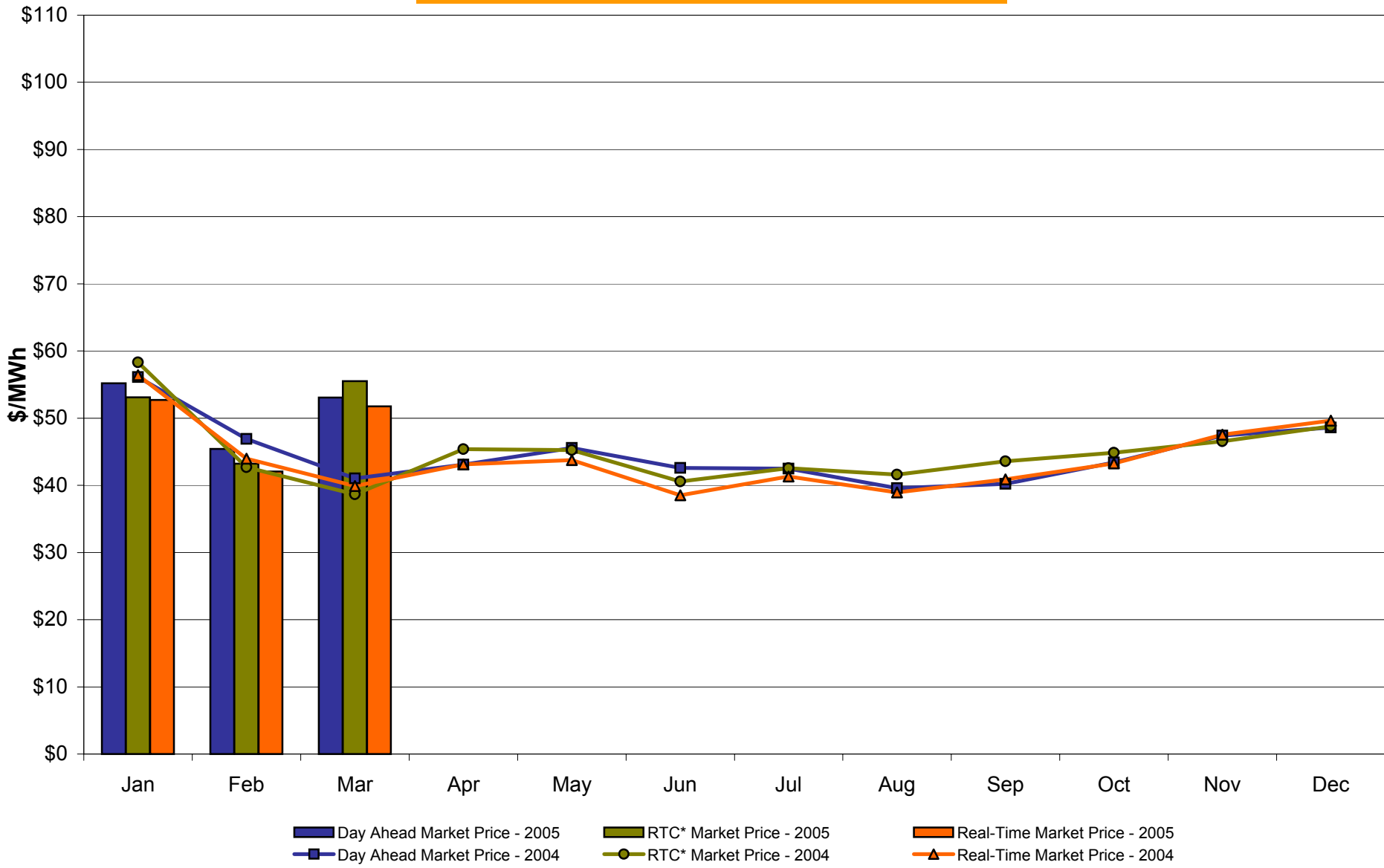
	<u>WEST Zone A</u>	<u>GENESEE Zone B</u>	<u>NORTH Zone D</u>	<u>CENTRAL Zone C</u>	<u>MOHAWK VALLEY Zone E</u>	<u>CAPITAL Zone F</u>	<u>HUDSON VALLEY Zone G</u>	<u>MILLWOOD Zone H</u>	<u>DUNWOODIE Zone I</u>	<u>NEW YORK CITY Zone J</u>	<u>LONG ISLAND Zone K</u>
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	53.08	57.03	57.85	58.20	60.17	64.48	65.22	66.13	66.49	75.85	77.74
Standard Deviation	9.98	10.64	9.92	10.73	10.85	12.42	12.64	13.25	12.99	17.72	12.60
<u>RTC** LBMP</u>											
Unweighted Price *	55.52	58.97	59.80	60.23	62.22	68.35	68.71	69.35	69.45	79.21	83.17
Standard Deviation	31.03	33.95	36.75	33.62	35.58	26.64	24.43	24.47	24.49	28.45	36.55
<u>REAL TIME LBMP</u>											
Unweighted Price *	51.77	54.93	55.49	56.22	57.93	66.21	65.90	66.66	66.74	79.11	79.68
Standard Deviation	17.37	18.61	20.08	18.44	19.27	56.41	41.65	42.78	42.61	50.21	43.60
	<u>ONTARIO IESO Zone O</u>	<u>HYDRO QUEBEC Zone M</u>	<u>PJM Zone P</u>	<u>NEW ENGLAND Zone N</u>							
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	52.09	58.08	53.76	64.51							
Standard Deviation	9.54	10.09	11.39	12.31							
<u>RTC** LBMP</u>											
Unweighted Price *	49.53	54.89	51.13	63.17							
Standard Deviation	40.88	40.73	17.86	13.66							
<u>REAL TIME LBMP</u>											
Unweighted Price *	49.00	55.16	51.37	65.41							
Standard Deviation	42.13	19.88	20.90	50.35							

* Straight zonal LBMP averages

** Referred to as RTC beginning February 2005

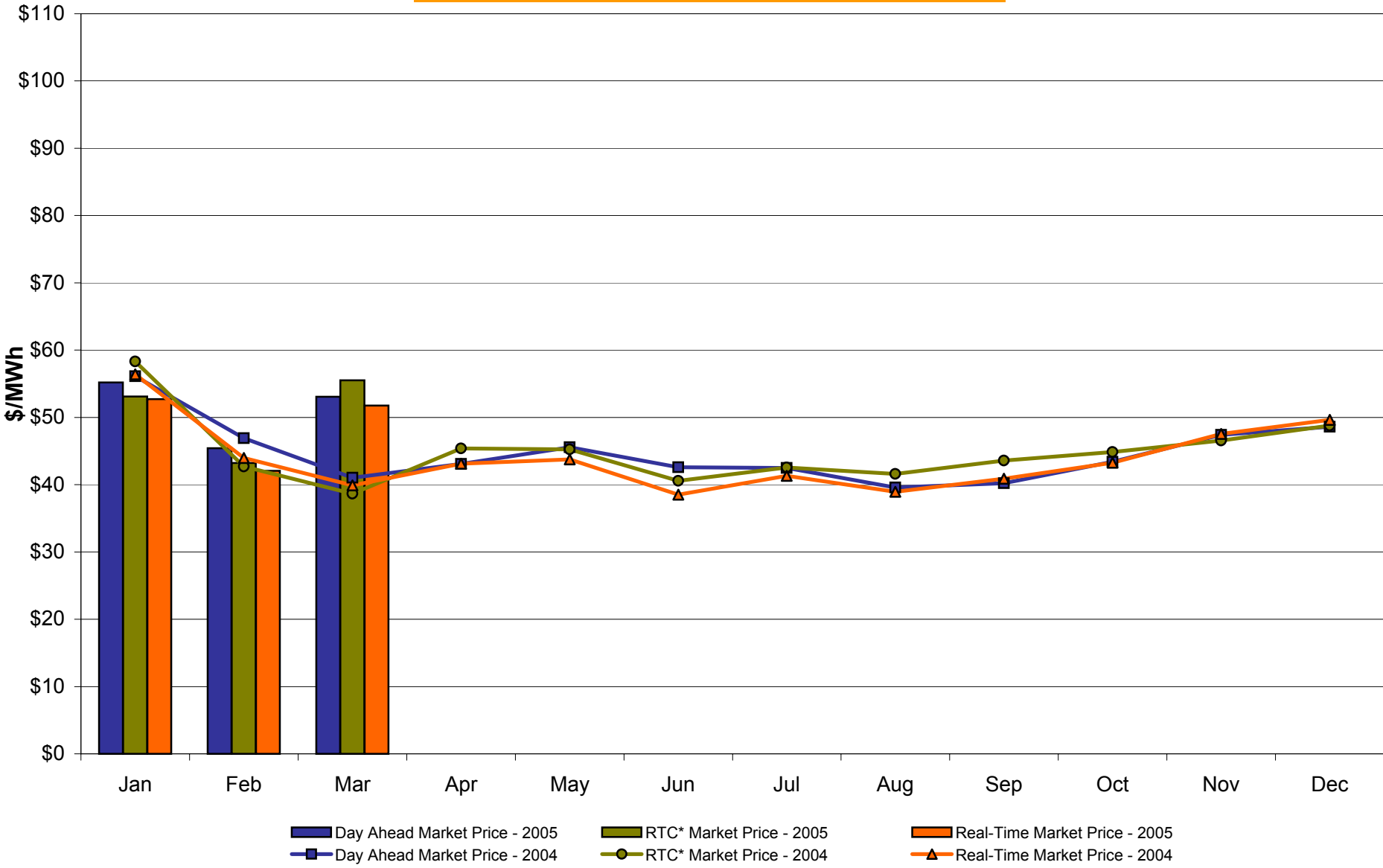
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

West Zone A Monthly Average LBMP Prices 2004 - 2005



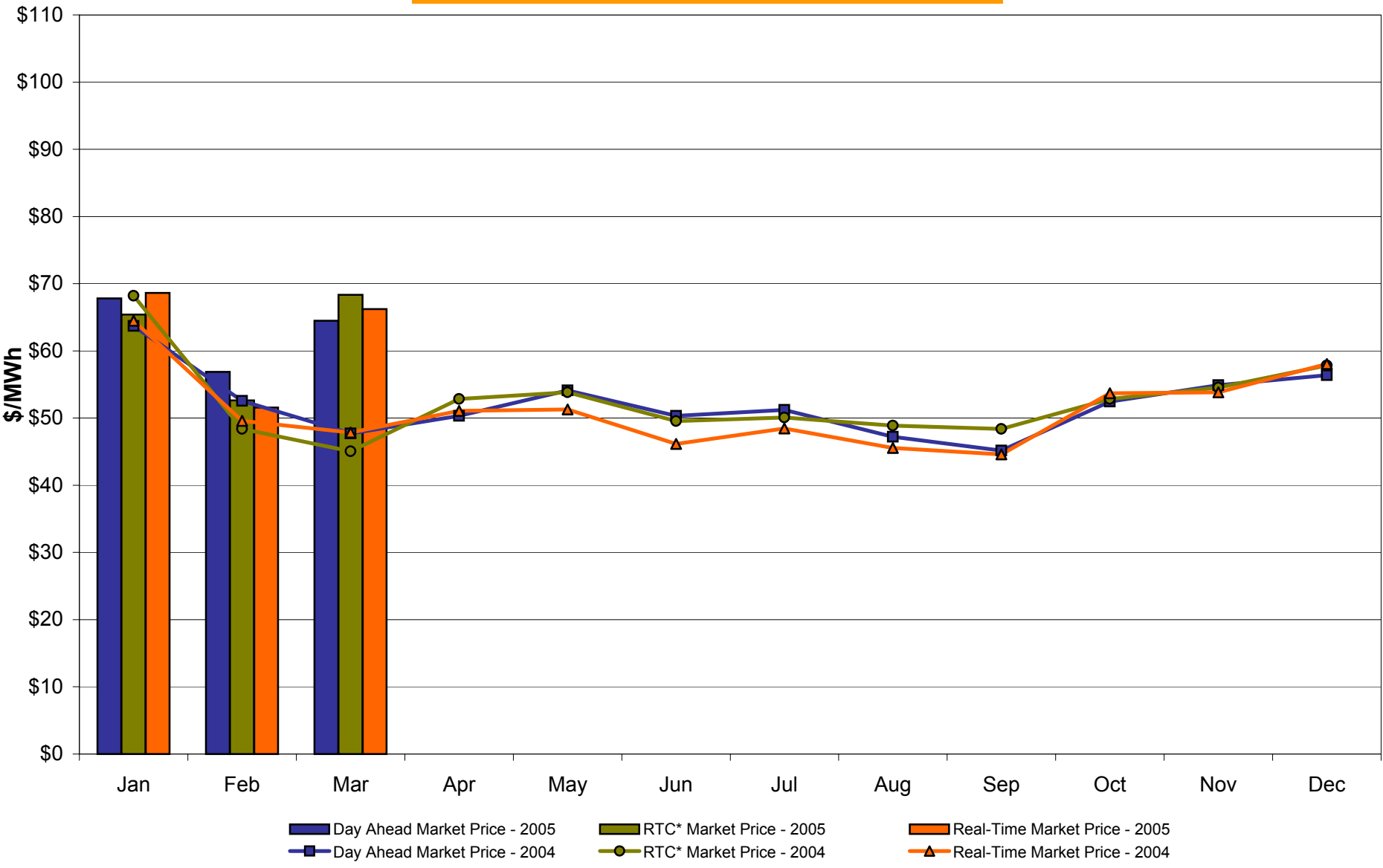
* Referred to as RTC beginning February 2005
Prior to February 2005 known as BME or Hour Ahead Market (HAM)

West Zone A Monthly Average LBMP Prices 2004 - 2005



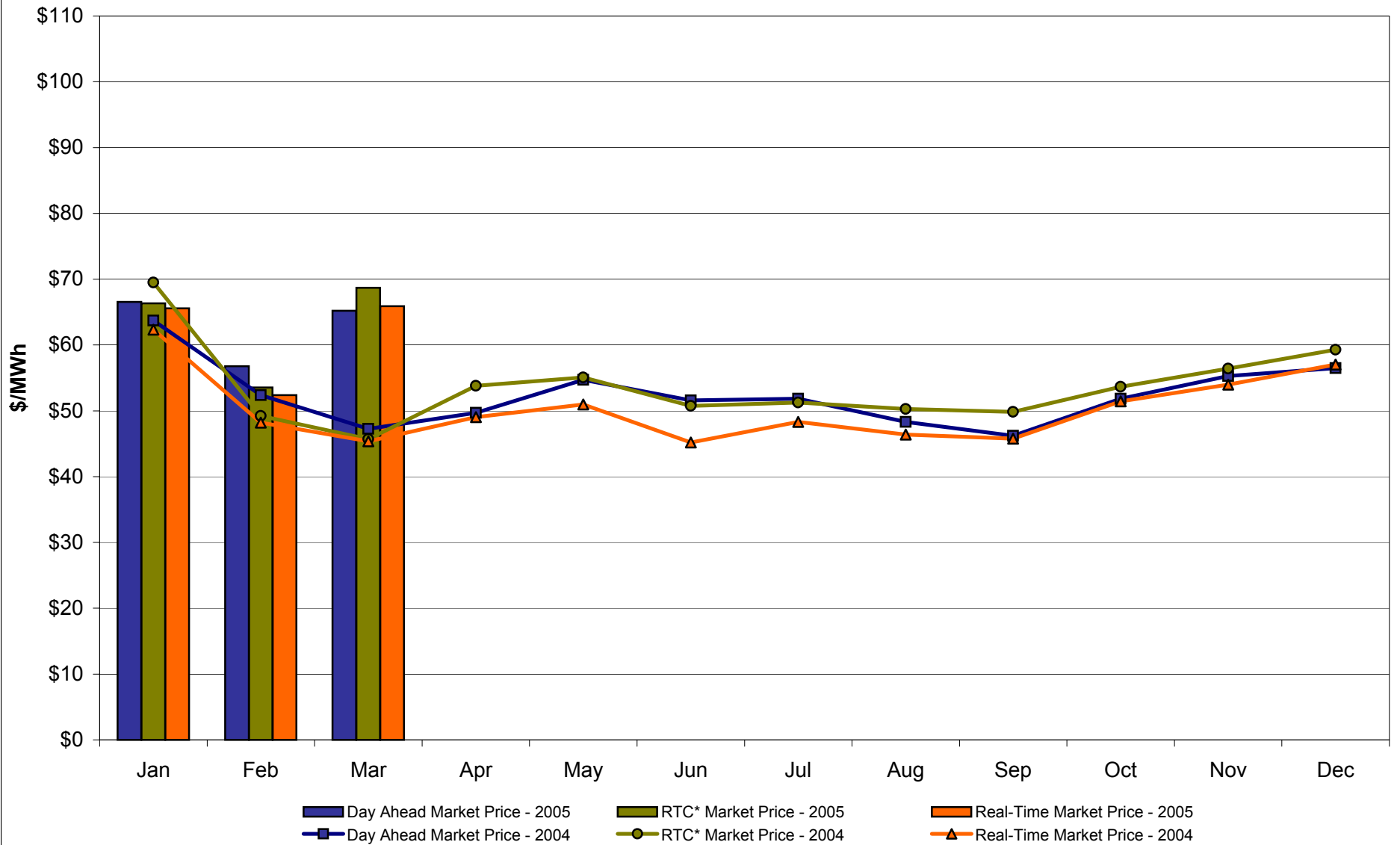
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

Capital Zone F Monthly Average LBMP Prices 2004 - 2005



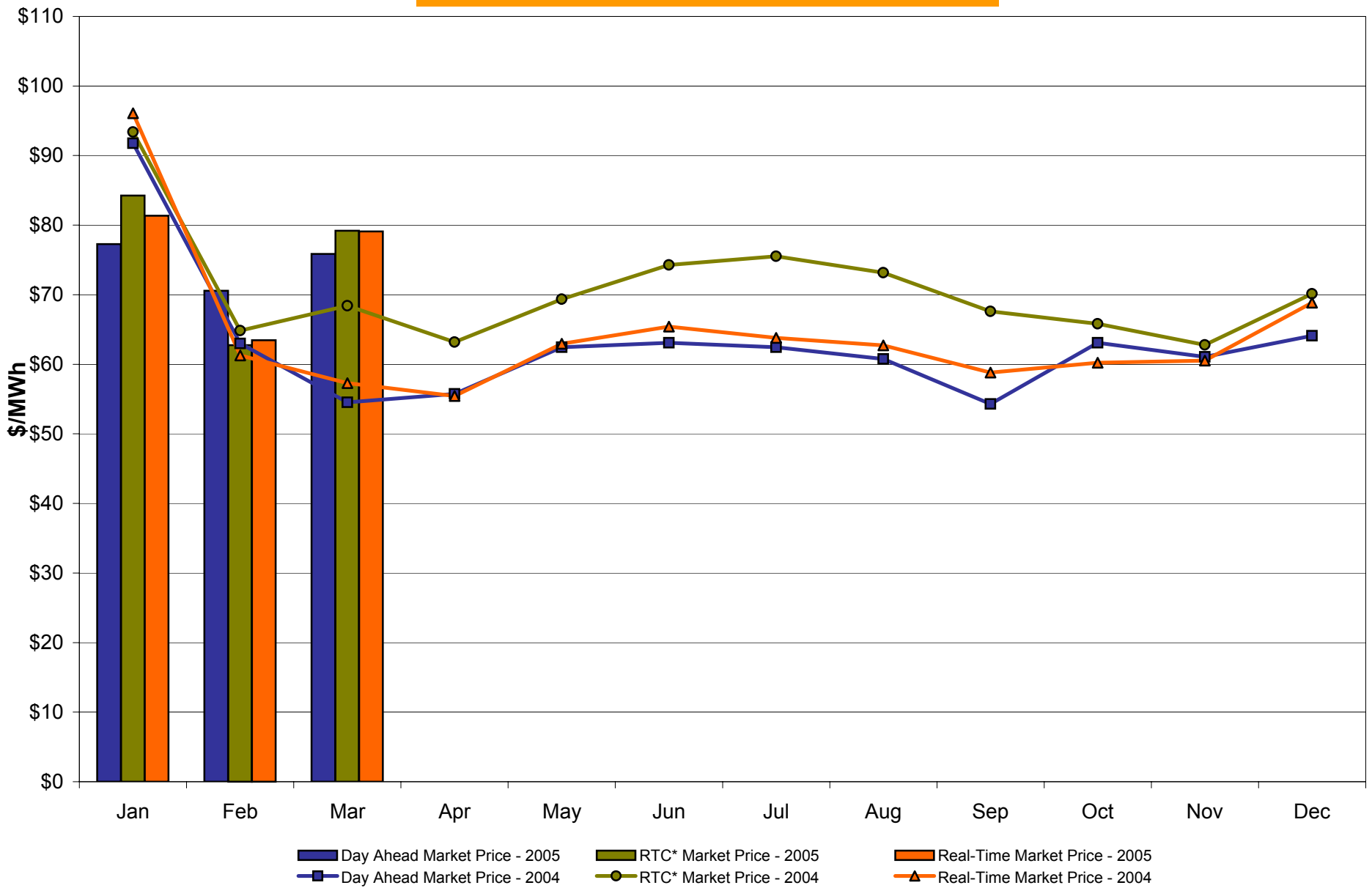
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

Hudson Valley Zone G Monthly Average LBMP Prices 2004 - 2005



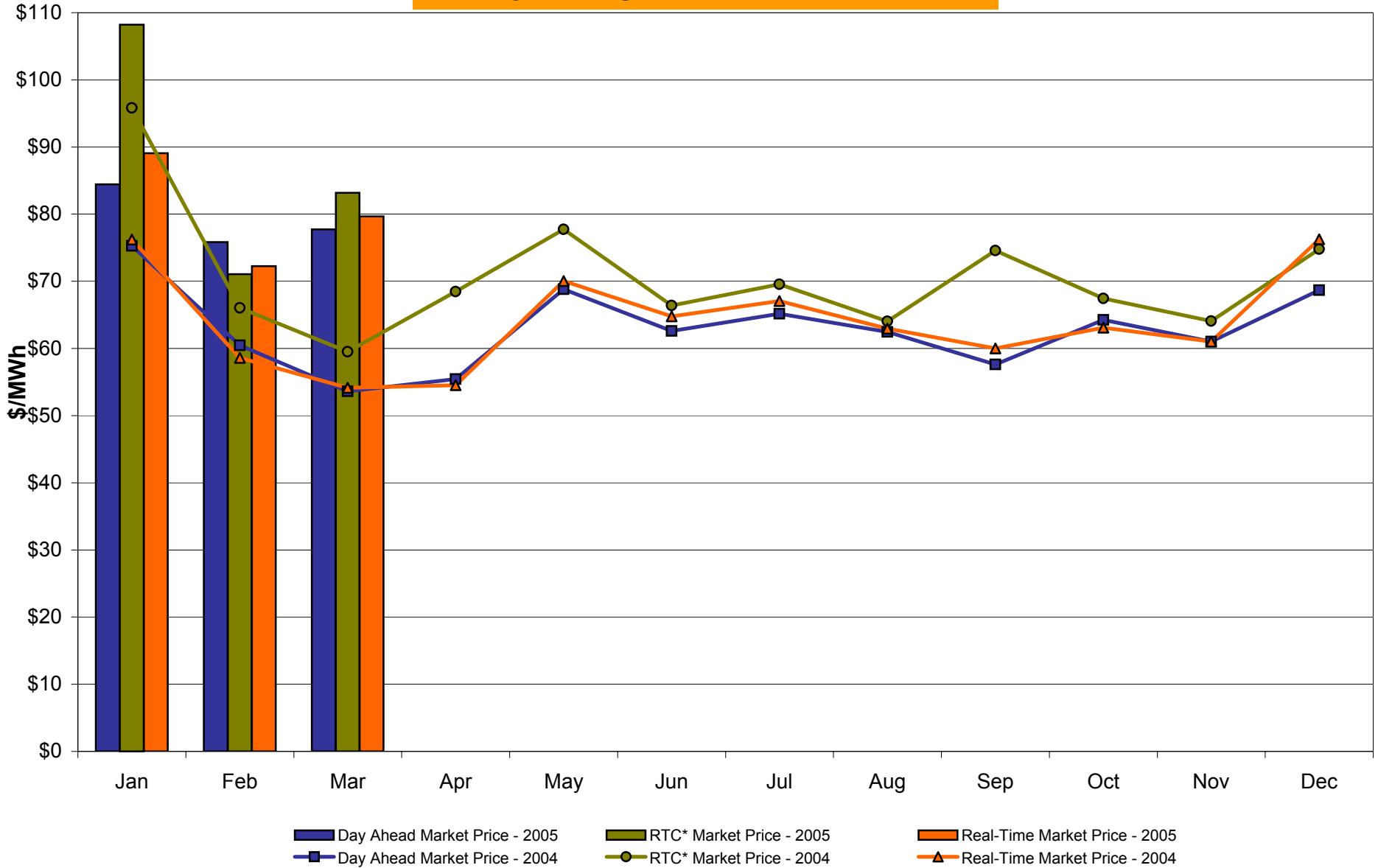
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

NYC Zone J Monthly Average LBMP Prices 2004 - 2005



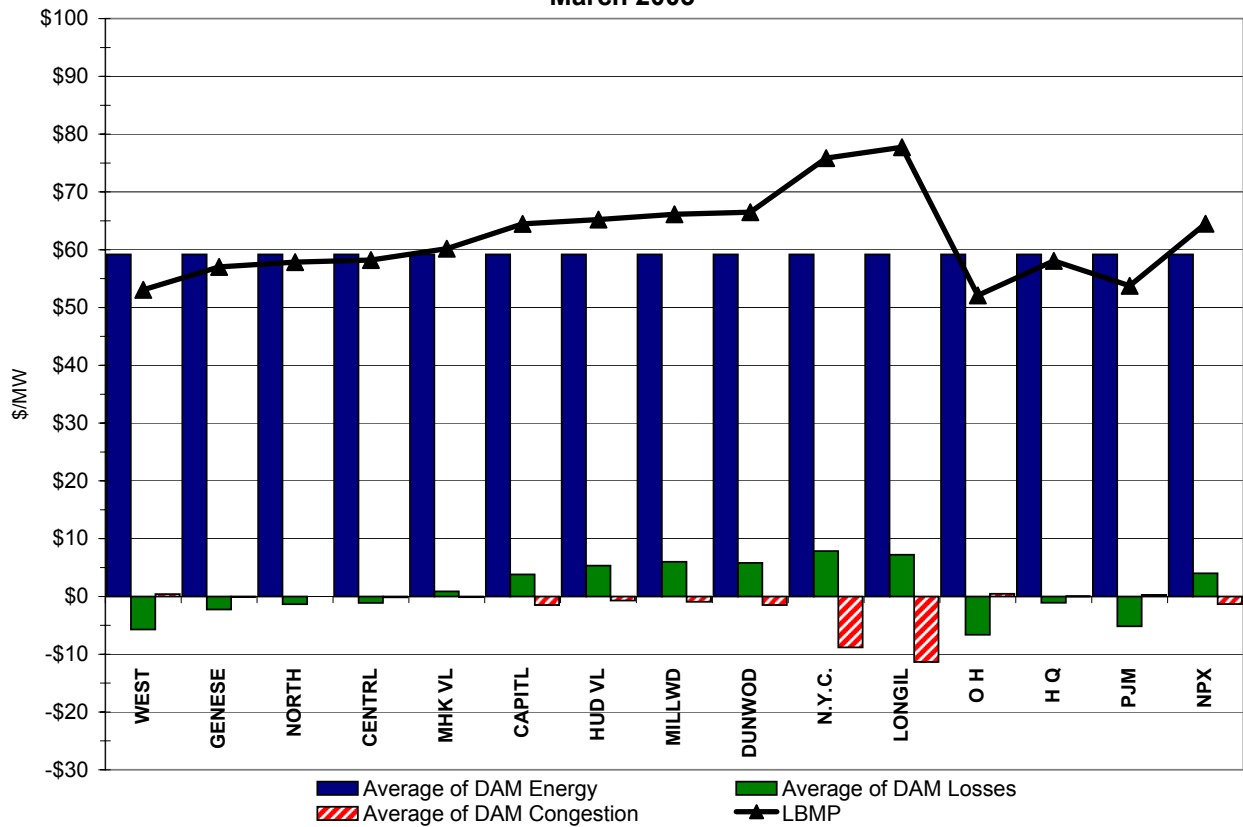
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

Long Island Zone K Monthly Average LBMP Prices 2004 - 2005

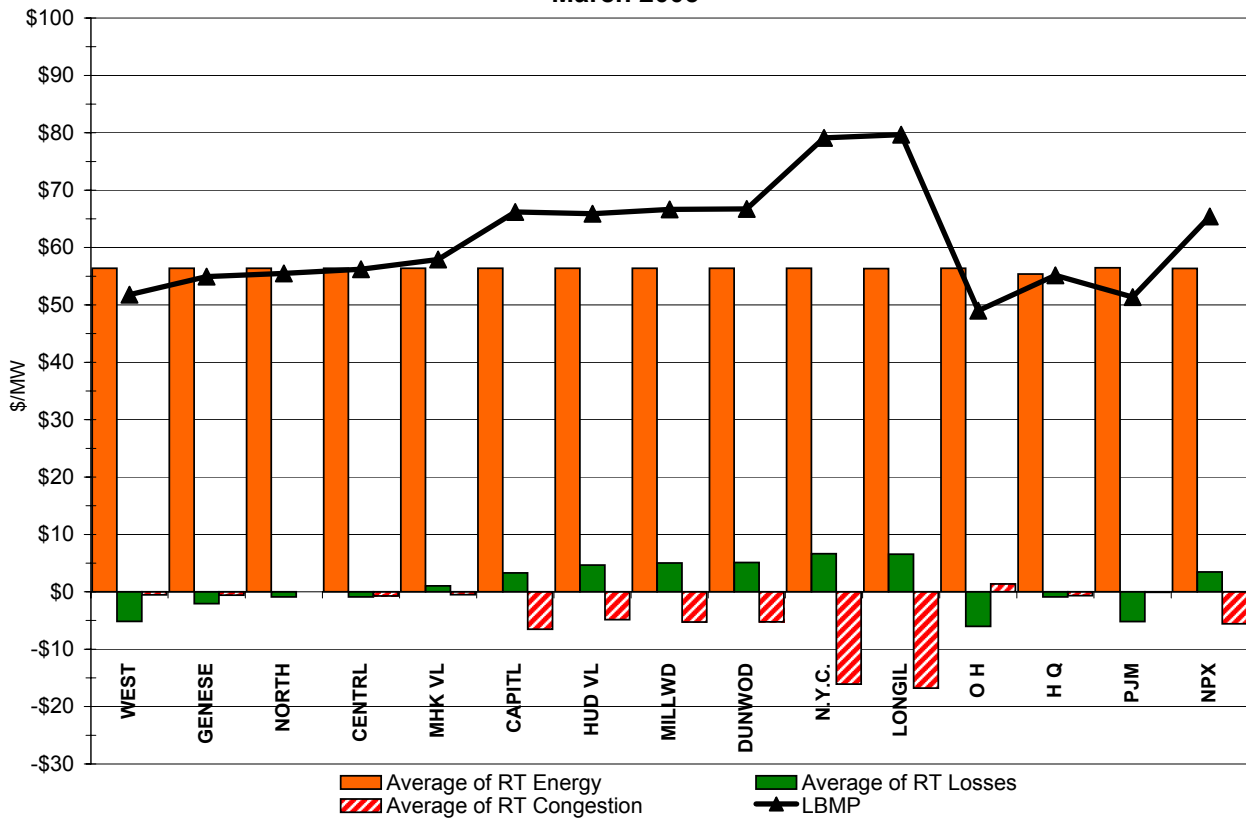


* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

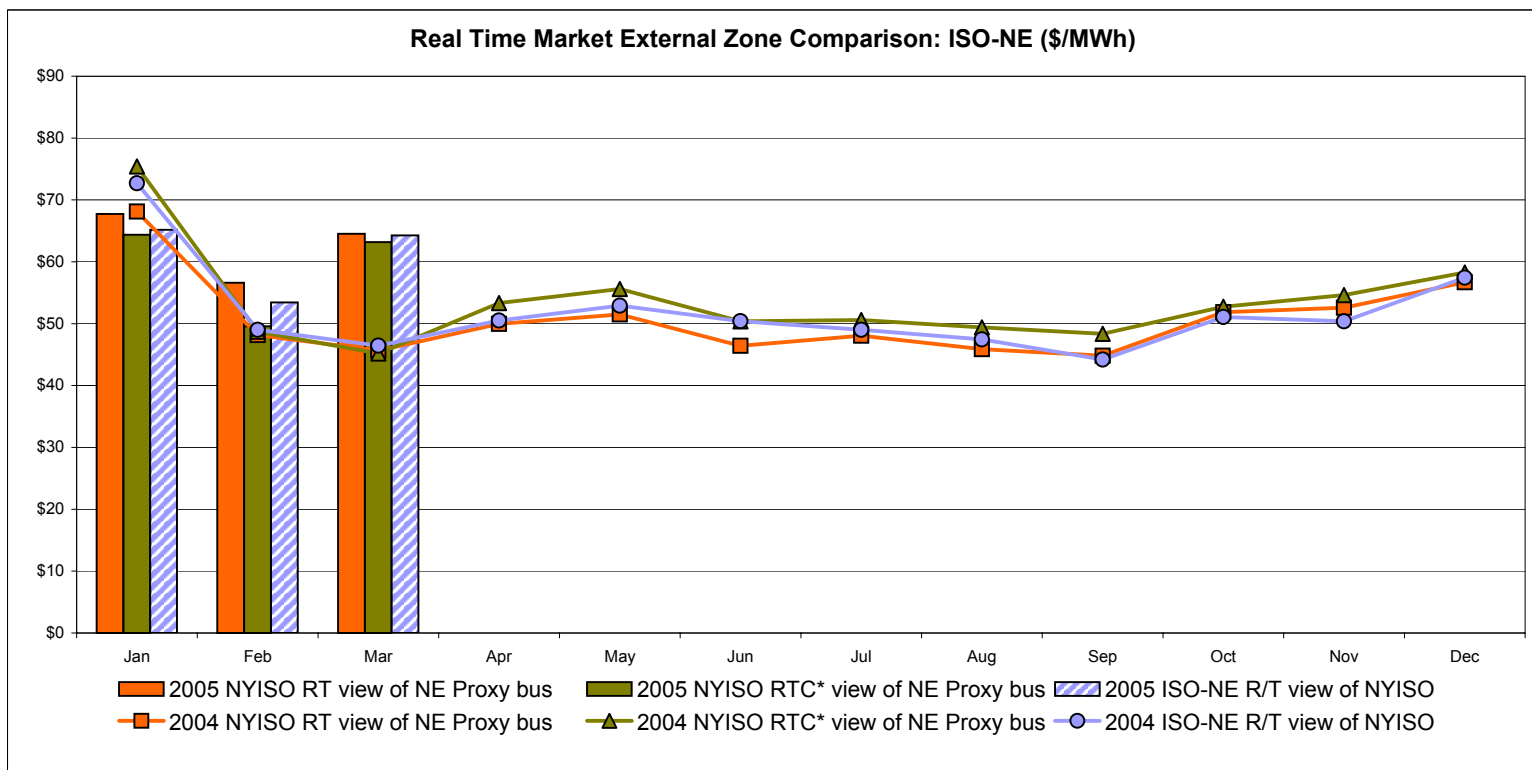
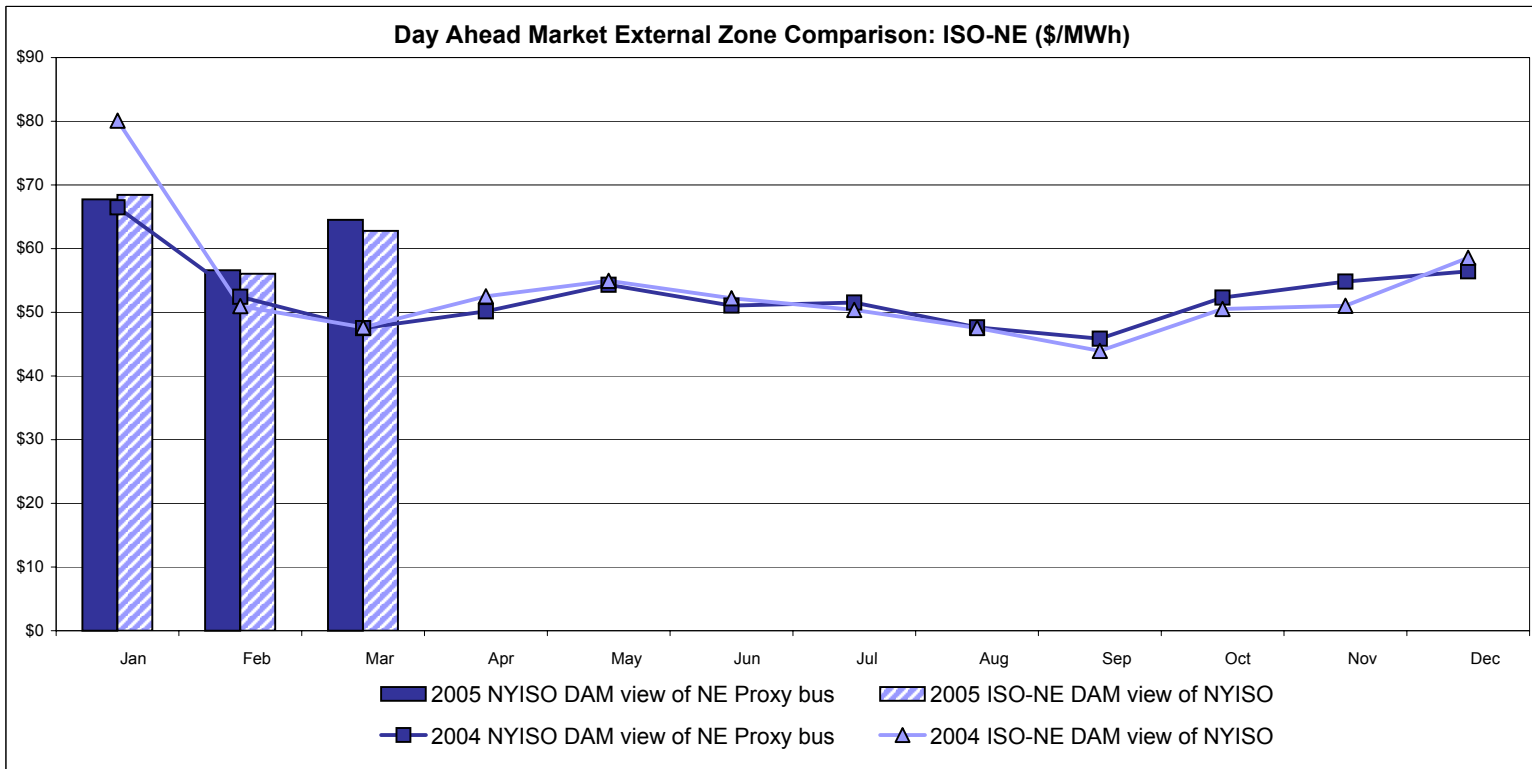
**DAM Zonal Unweighted Monthly Average LBMP Components
March 2005**



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



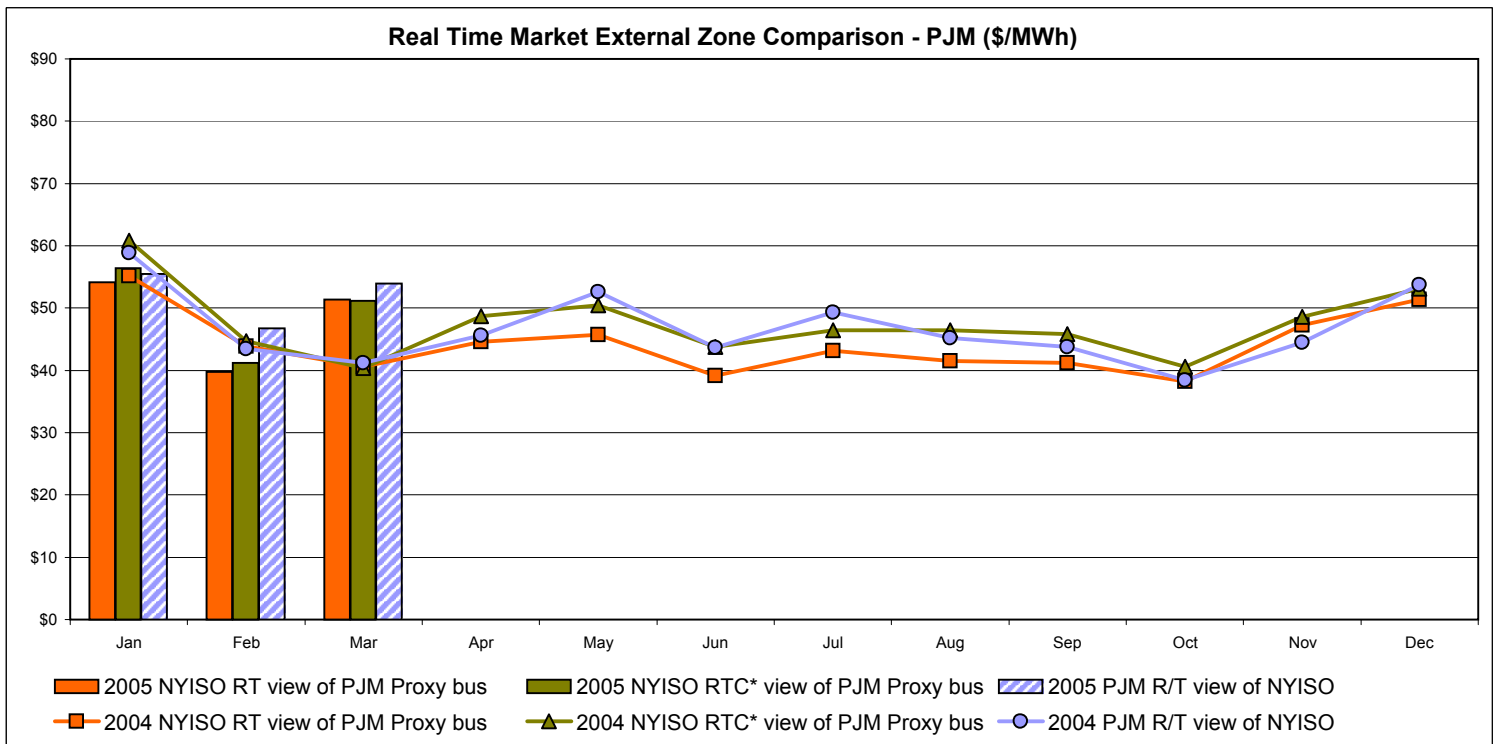
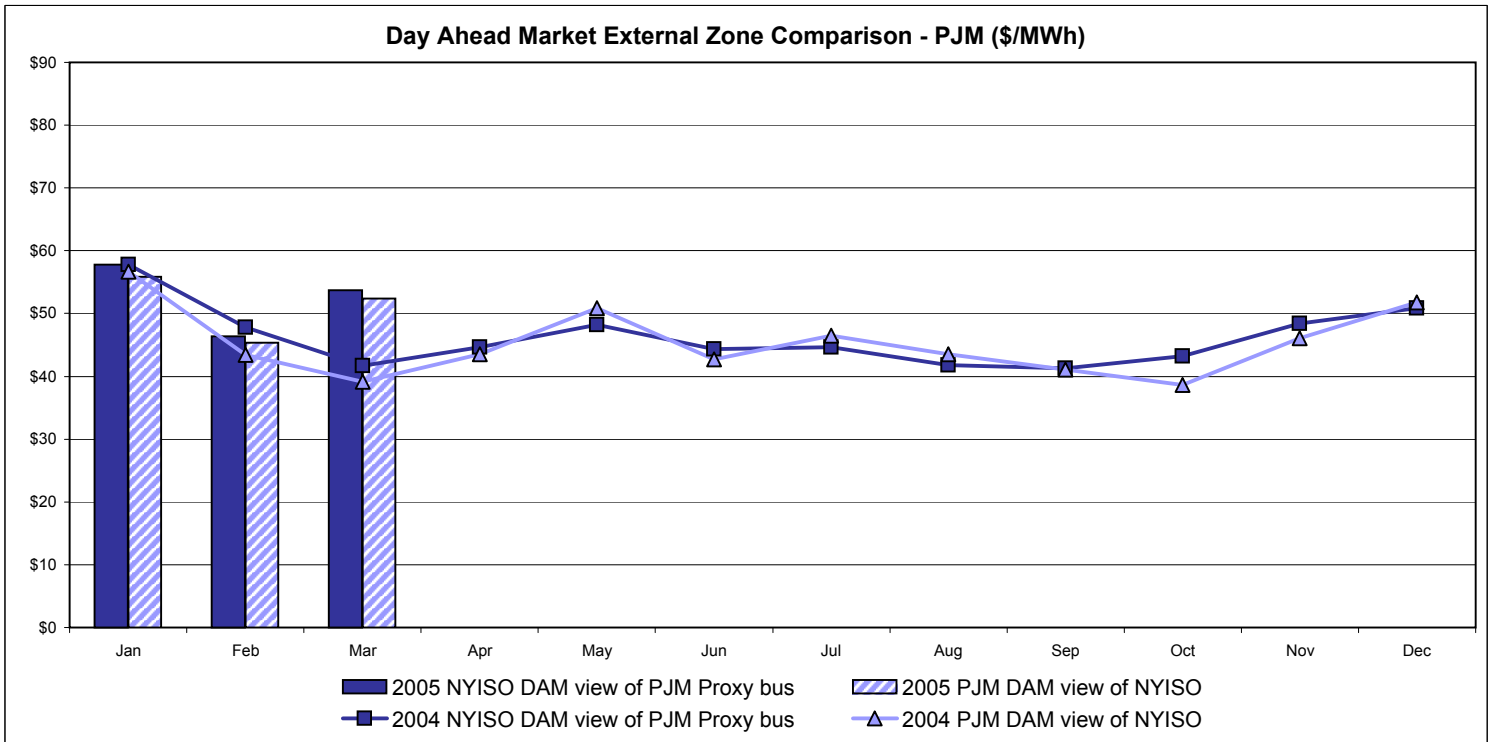
External Comparison ISO-New England



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

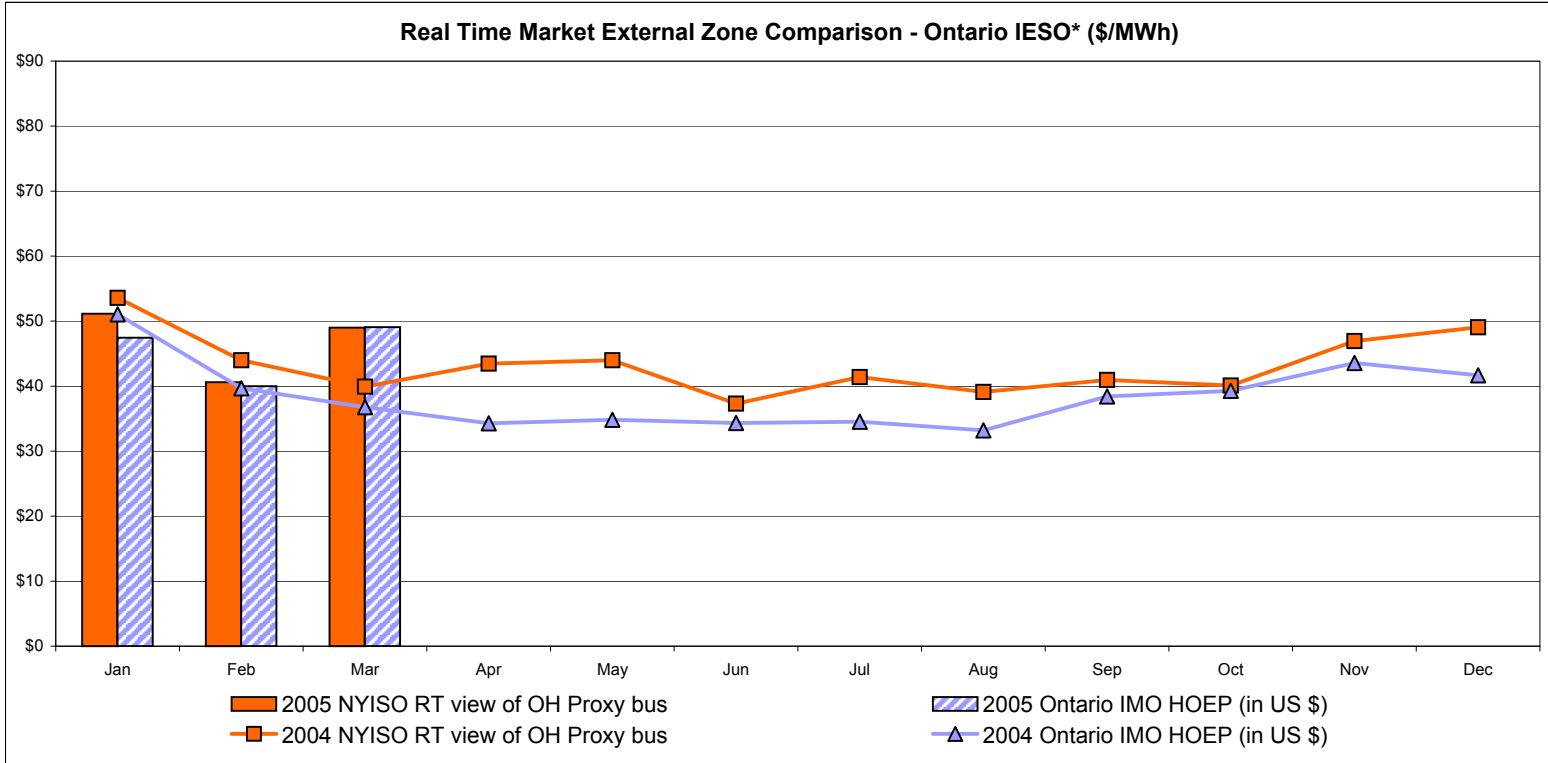
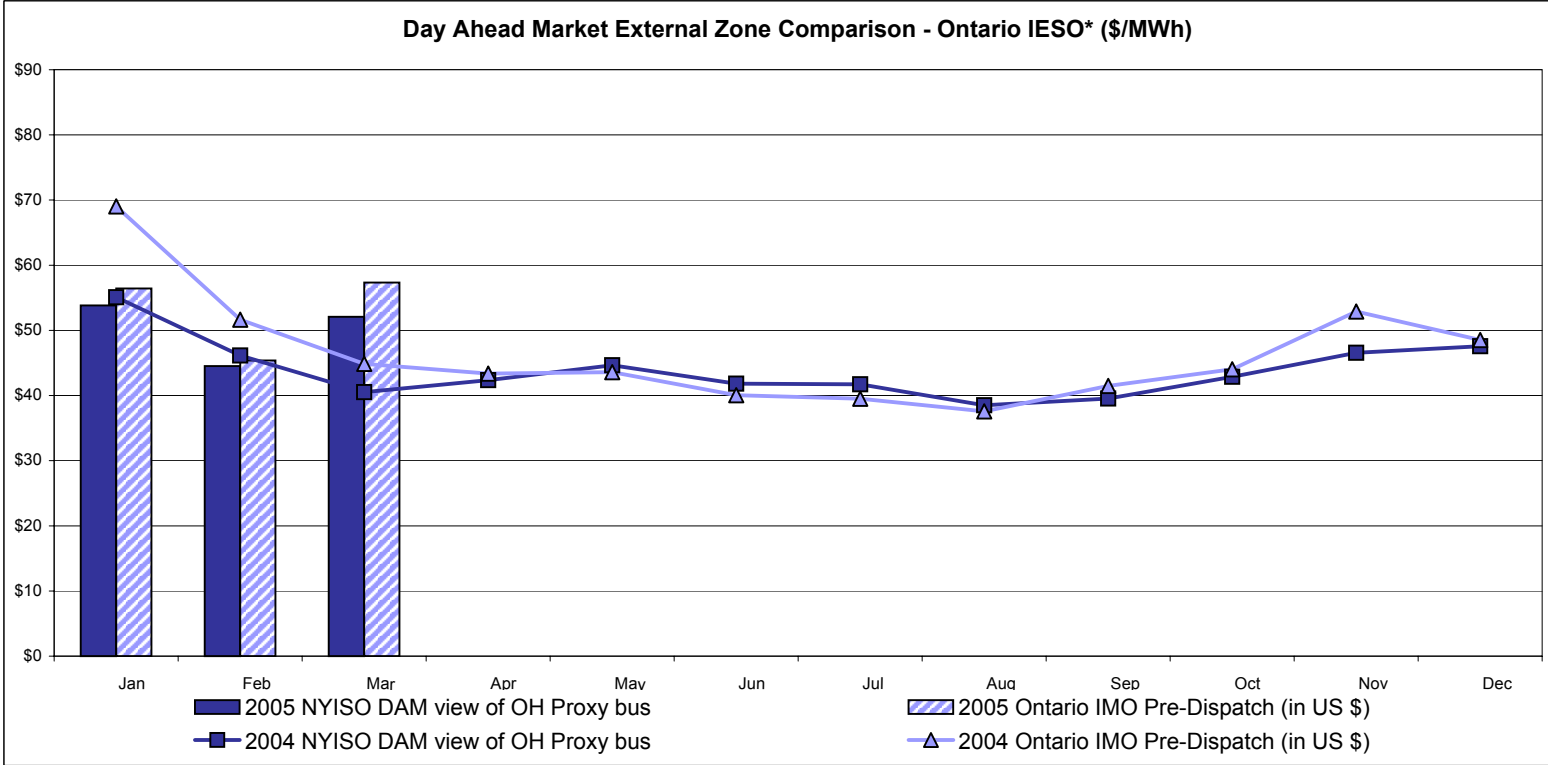
* Referred to as RTC beginning February 2005
 Prior to February 2005 known as BME or Hour Ahead Market (HAM)

External Comparison PJM



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

External Comparison Ontario IESO*



Notes: Exchange factor used for March 2005 was .82 to US \$
 HOEP: Hourly Ontario Energy Price
 Pre-Dispatch: Projected Energy Price

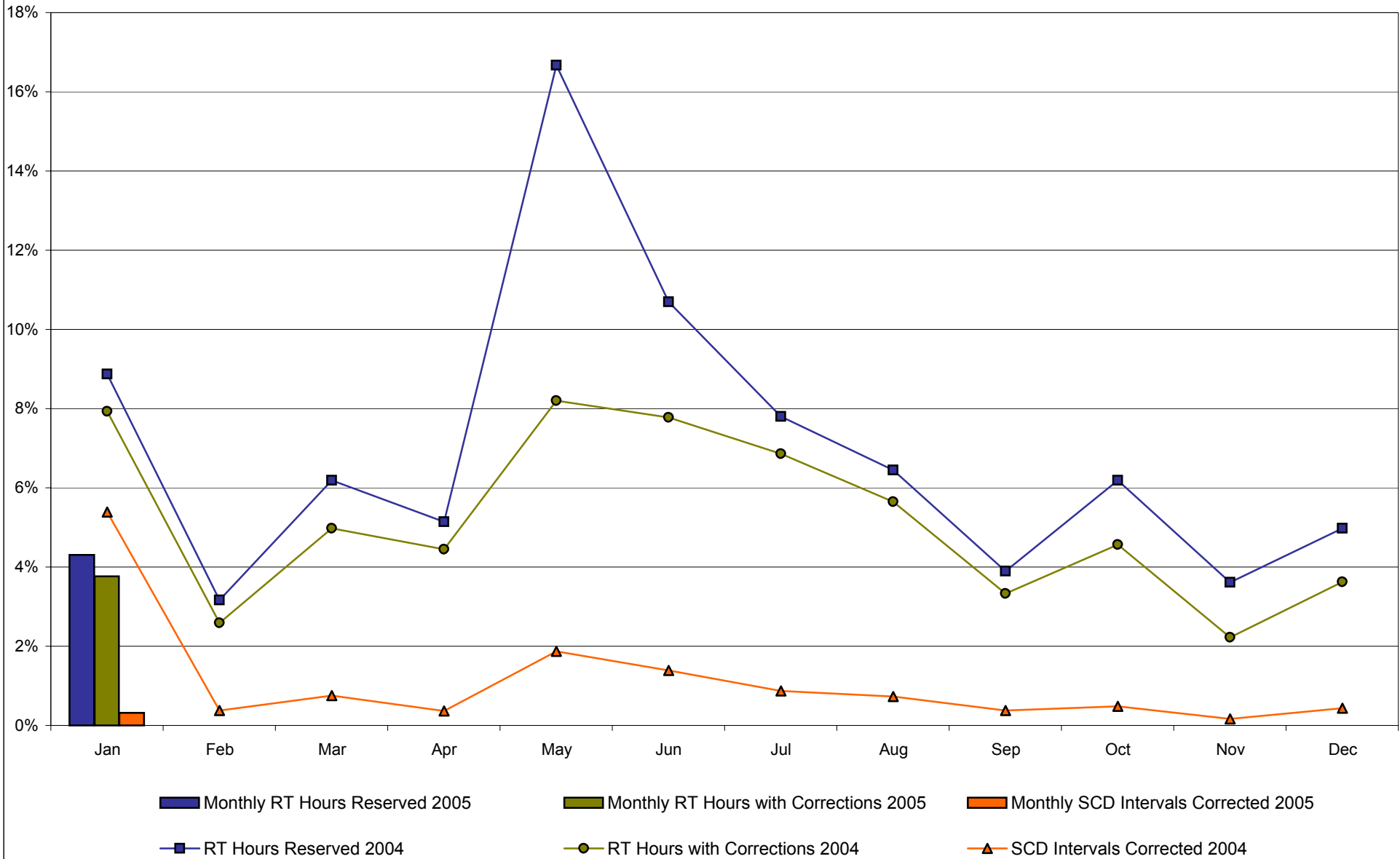
* Independent Electricity System Operator formerly known as the Independent Electricity Market Operator (IMO)

NYISO Price Correction Statistics

		January	February *	March *	April	May	June	July	August	September	October	November	December
2005													
Hour Corrections													
Number of hours with corrections	in the month	28											
Number of hours	in the month	744											
% of hours with corrections	in the month	3.76%											
Number of hours with corrections	year-to-date	28											
Number of hours	year-to-date	744											
% of hours with corrections	year-to-date	3.76%											
Interval Corrections													
Number of intervals corrected	in the month	37											
Number of intervals	in the month	11,811											
% of intervals corrected	in the month	0.31%											
Number of intervals corrected	year-to-date	37											
Number of intervals	year-to-date	11,811											
% of intervals corrected	year-to-date	0.31%											
Hours Reserved													
Number of hours reserved	in the month	32											
Number of hours	in the month	744											
% of hours reserved	in the month	4.30%											
Number of hours reserved	year-to-date	32											
Number of hours	year-to-date	744											
% of hours reserved	year-to-date	4.30%											
Days Without Corrections													
Days without corrections	in the month	12											
Days without corrections	year-to-date	12											
2004													
Hour Corrections													
Number of hours with corrections	in the month	59	18	37	32	61	56	51	42	24	34	16	27
Number of hours	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%
Interval Corrections													
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%
Hours Reserved													
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%
Days Without Corrections													
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

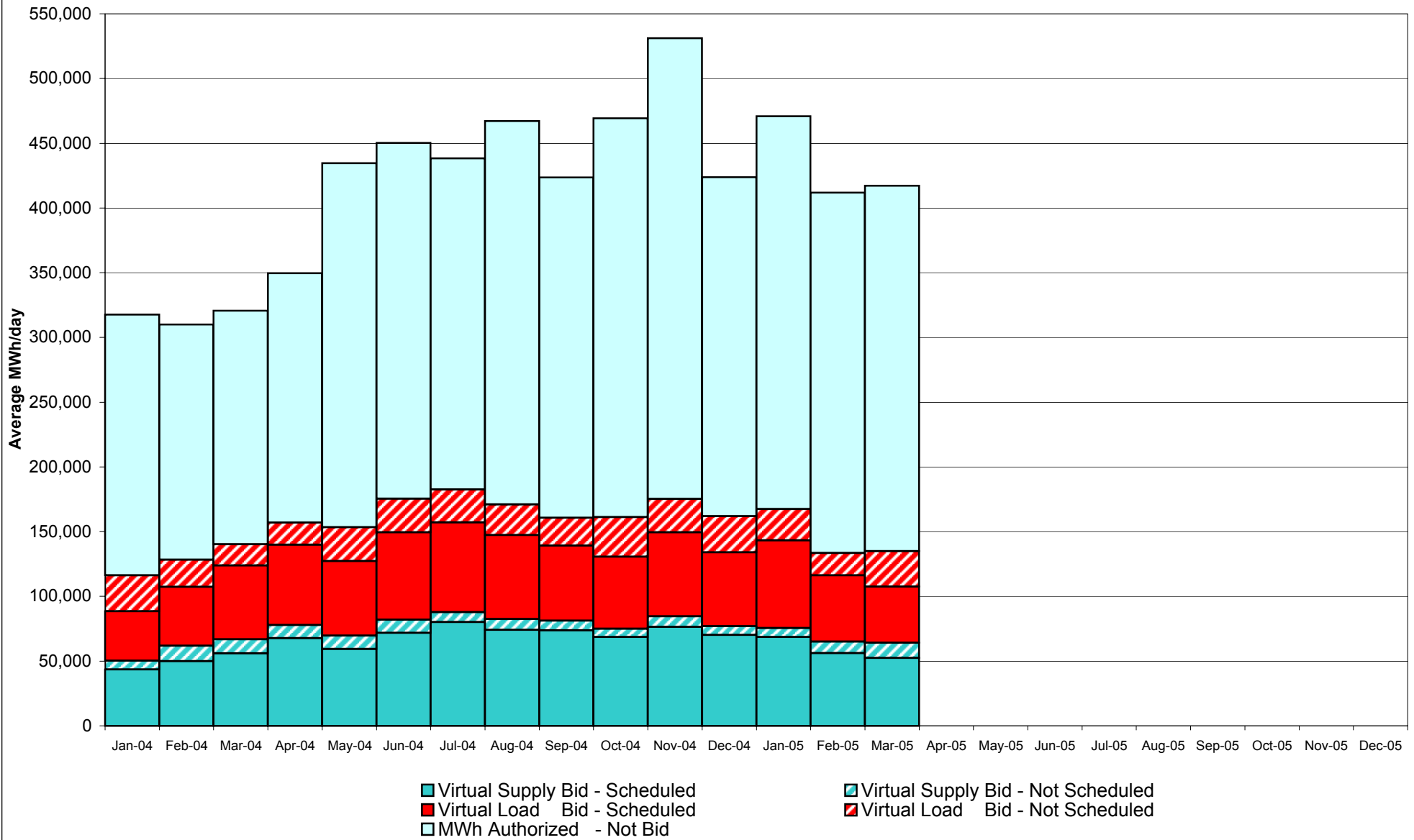
* Price Reservations and Corrections for February and March 2005 are still under review.
 Market Monitoring
 Prepared 4/8/2005 15:00

Percentage of Real-Time Corrections

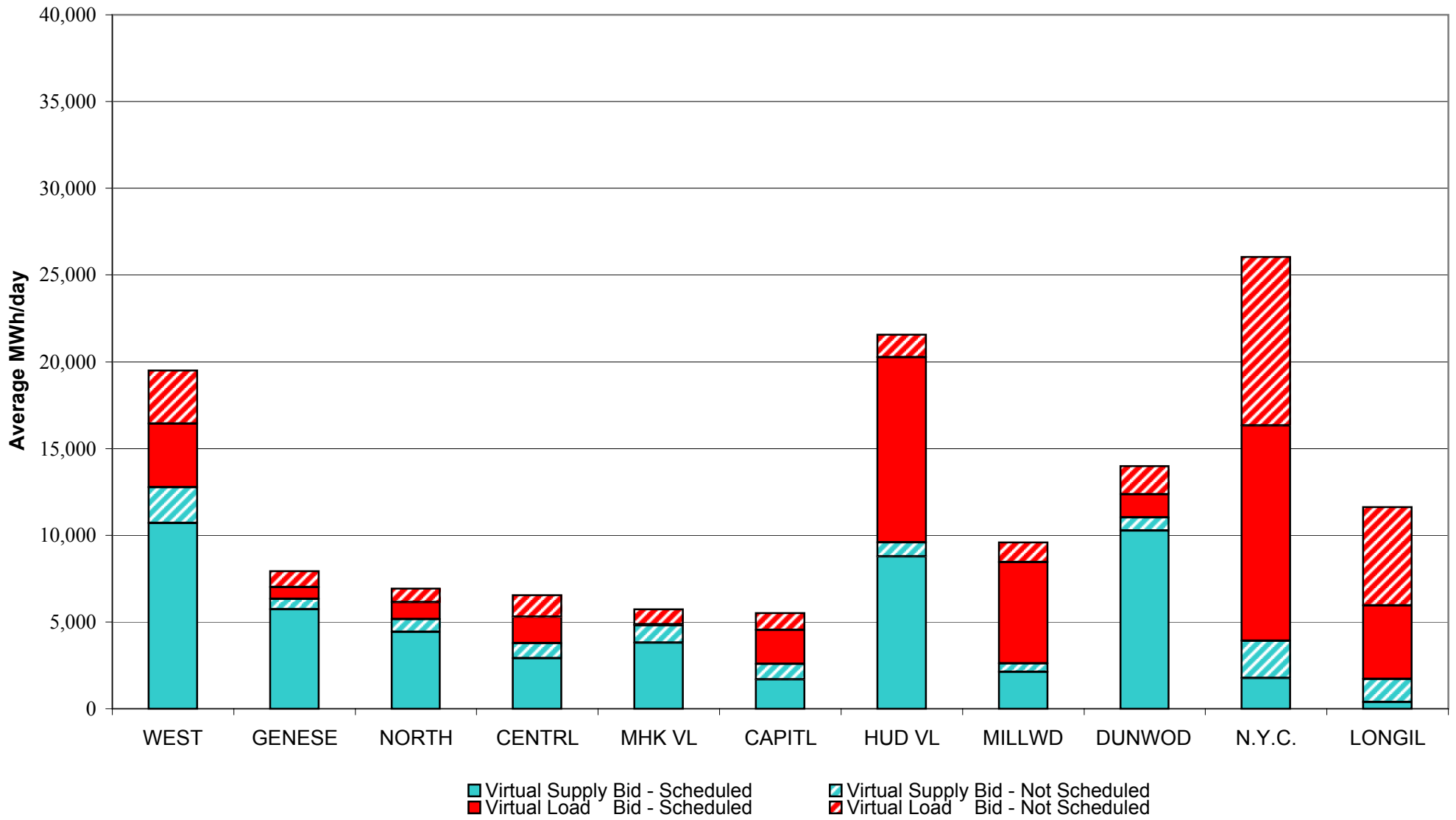


Note: Price Corrections and Reservations for February and March 2005 are still under review.

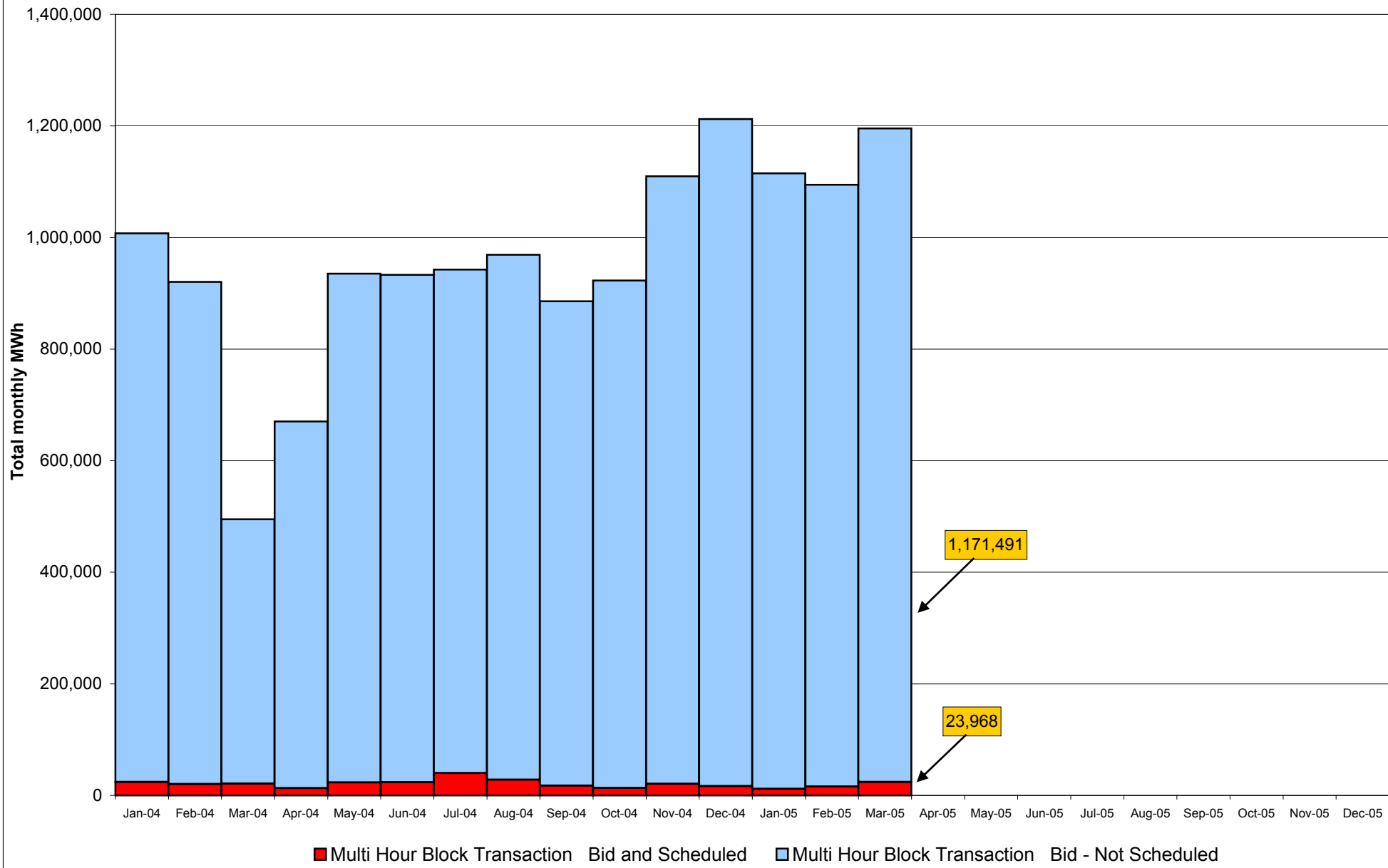
**NYISO Virtual Trading
Average MWh per day**



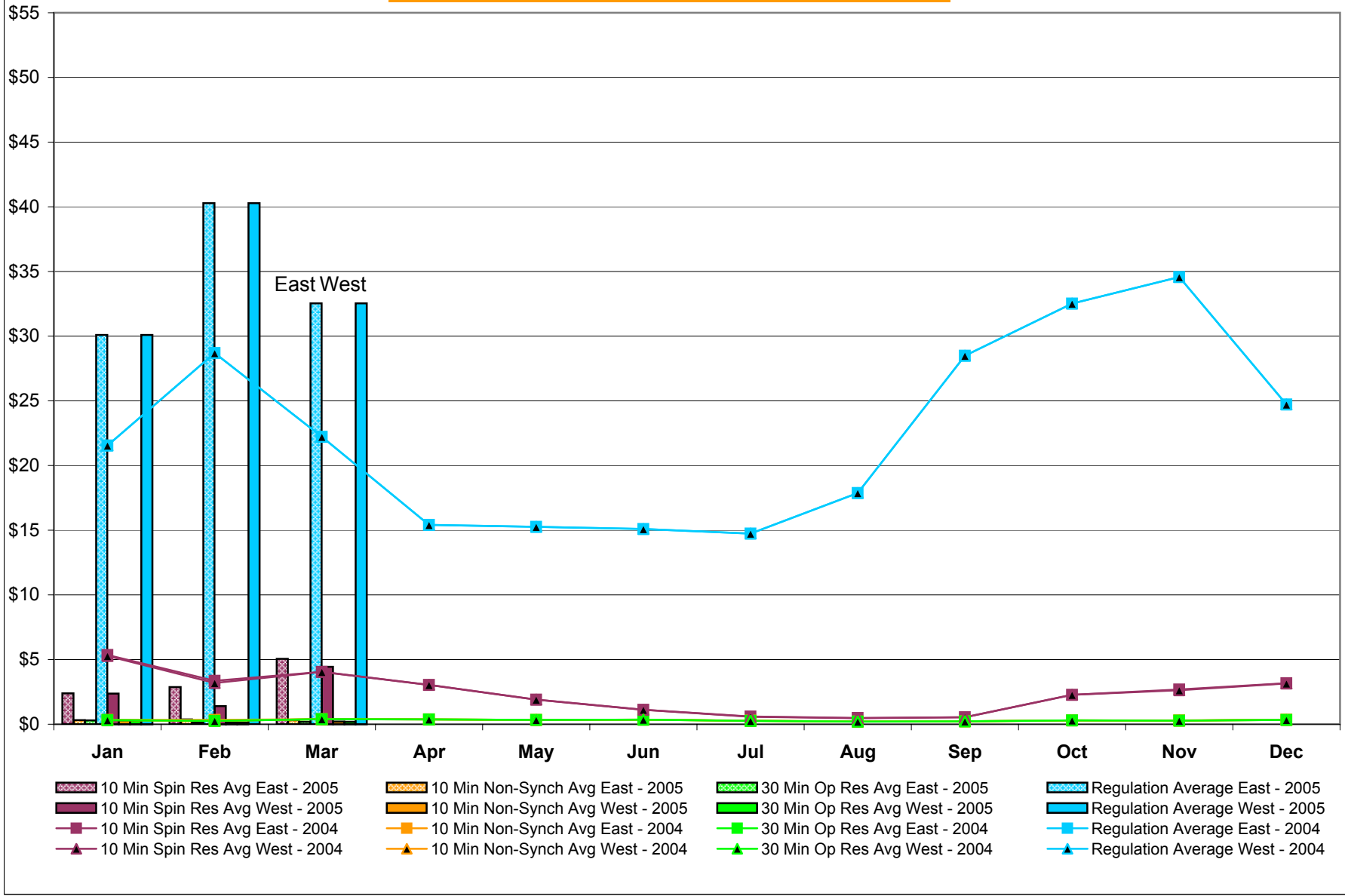
**Virtual Load and Supply Zonal Statistics
March 2005**



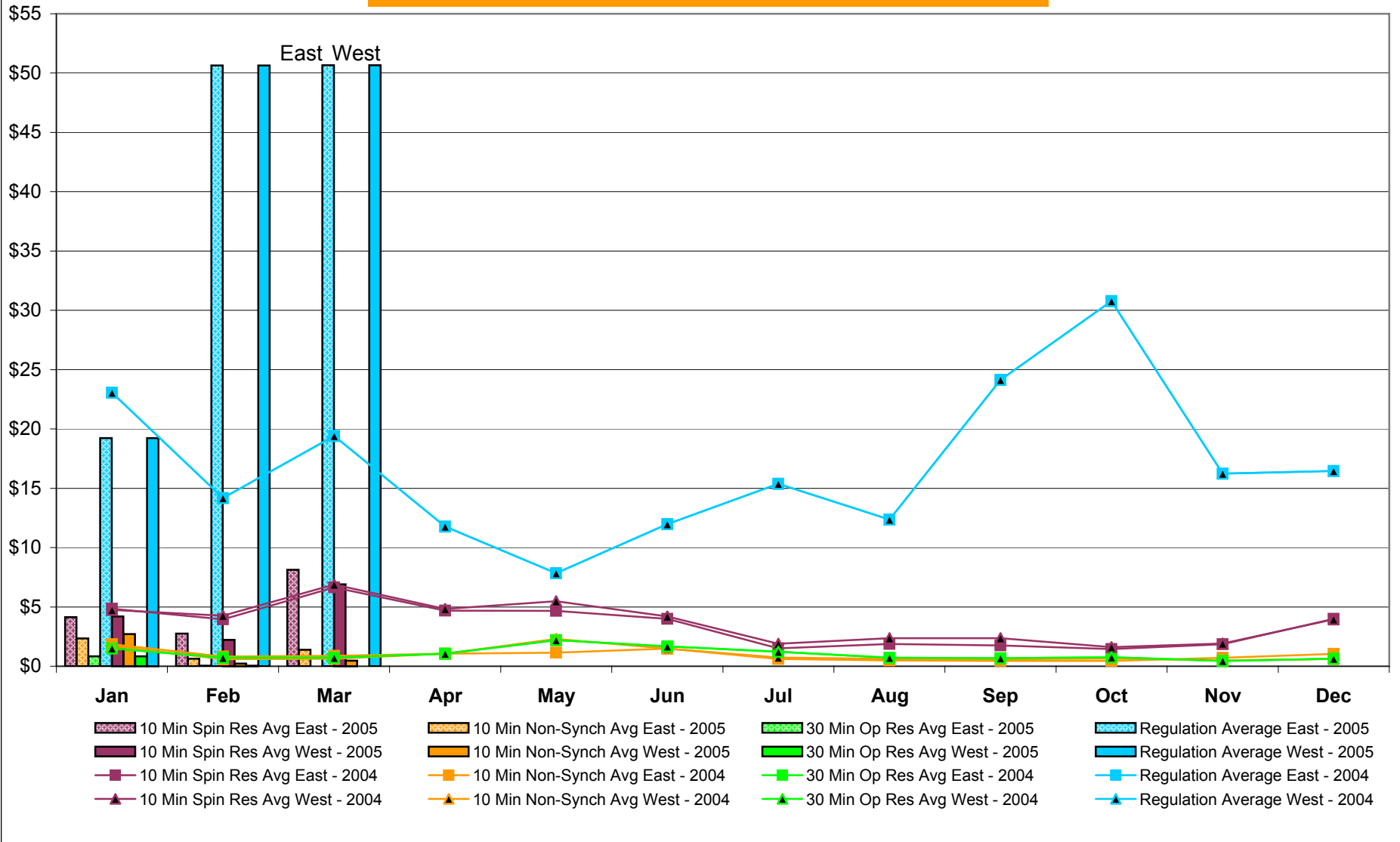
NYISO Multi Hour Block Transactions Monthly Total MWh



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

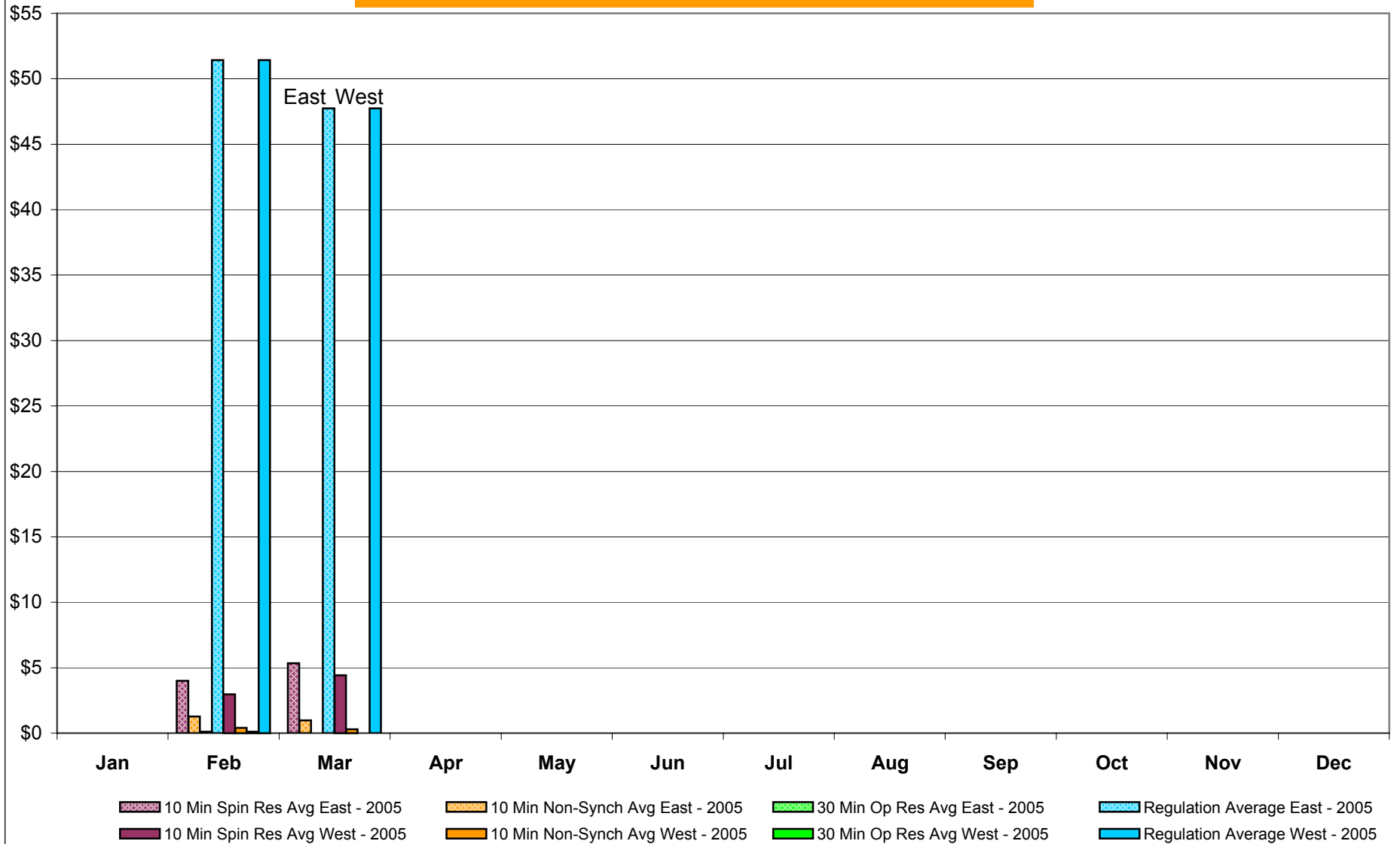


NYISO Monthly Average Ancillary Service Prices RTC* Market 2004 - 2005



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

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



* The Real Time Ancillary Market began in February 2005

NYISO Markets Ancillary Services Statistics

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2005

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>Day Ahead Market</u>												
10 Min Spin East	2.38	2.87	5.06									
10 Min Spin West	2.37	1.39	4.43									
10 Min Non Synch East	0.31	0.37	0.31									
10 Min Non Synch West	0.31	0.13	0.20									
30 Min East	0.31	0.13	0.19									
30 Min West	0.31	0.13	0.19									
Regulation East	30.10	40.28	32.53									
Regulation West	30.10	40.28	32.53									
<u>RTC* Market</u>												
10 Min Spin East	4.15	2.75	8.13									
10 Min Spin West	4.20	2.23	6.90									
10 Min Non Synch East	2.35	0.62	1.38									
10 Min Non Synch West	2.72	0.21	0.47									
30 Min East	0.83	0.05	0.00									
30 Min West	0.83	0.05	0.00									
Regulation East	19.23	50.65	50.65									
Regulation West	19.23	50.65	50.65									
<u>Real Time Market**</u>												
10 Min Spin East	-	3.99	5.34									
10 Min Spin West	-	2.97	4.42									
10 Min Non Synch East	-	1.27	0.98									
10 Min Non Synch West	-	0.41	0.29									
30 Min East	-	0.12	0.00									
30 Min West	-	0.11	0.00									
Regulation East	-	51.42	47.74									
Regulation West	-	51.42	47.74									

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2004

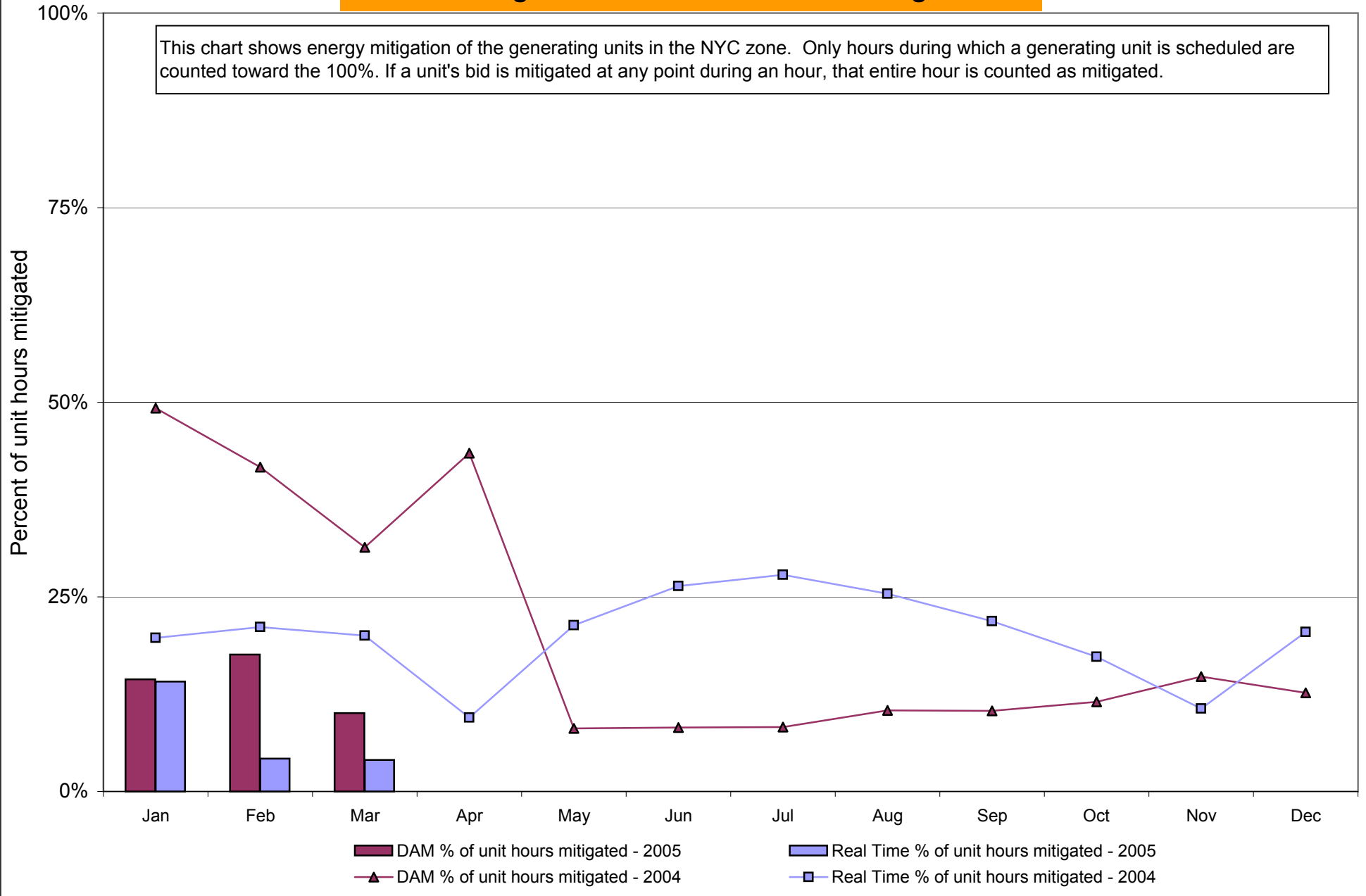
	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>Day Ahead Market</u>												
10 Min Spin East	5.35	3.36	4.05	3.04	1.91	1.11	0.60	0.49	0.55	2.28	2.69	3.17
10 Min Spin West	5.29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

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

** The Real Time Ancillary Market began in February 2005

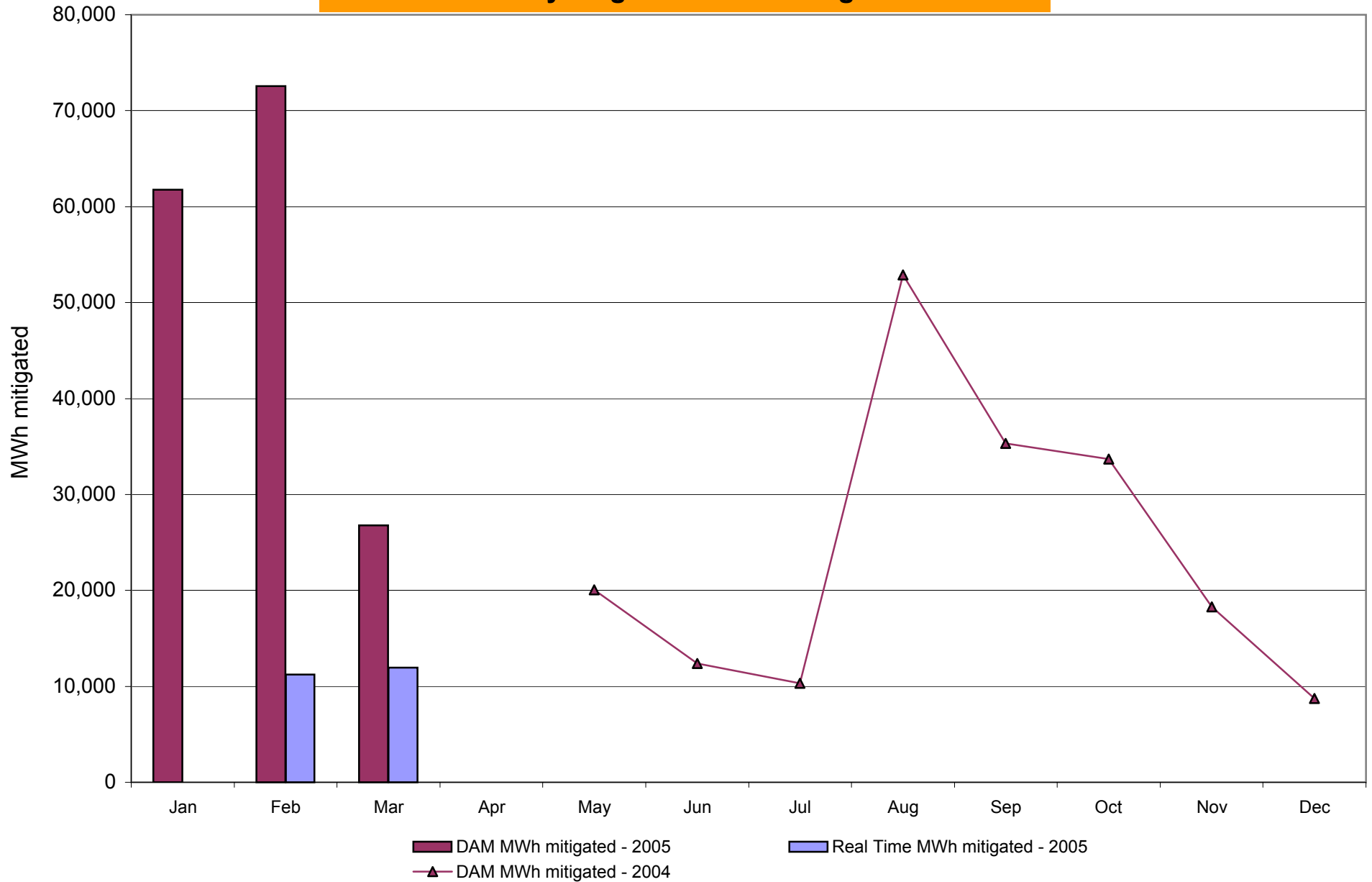
NYISO In City Energy Mitigation (NYC Zone) 2004-2005

Percentage of committed unit-hours mitigated



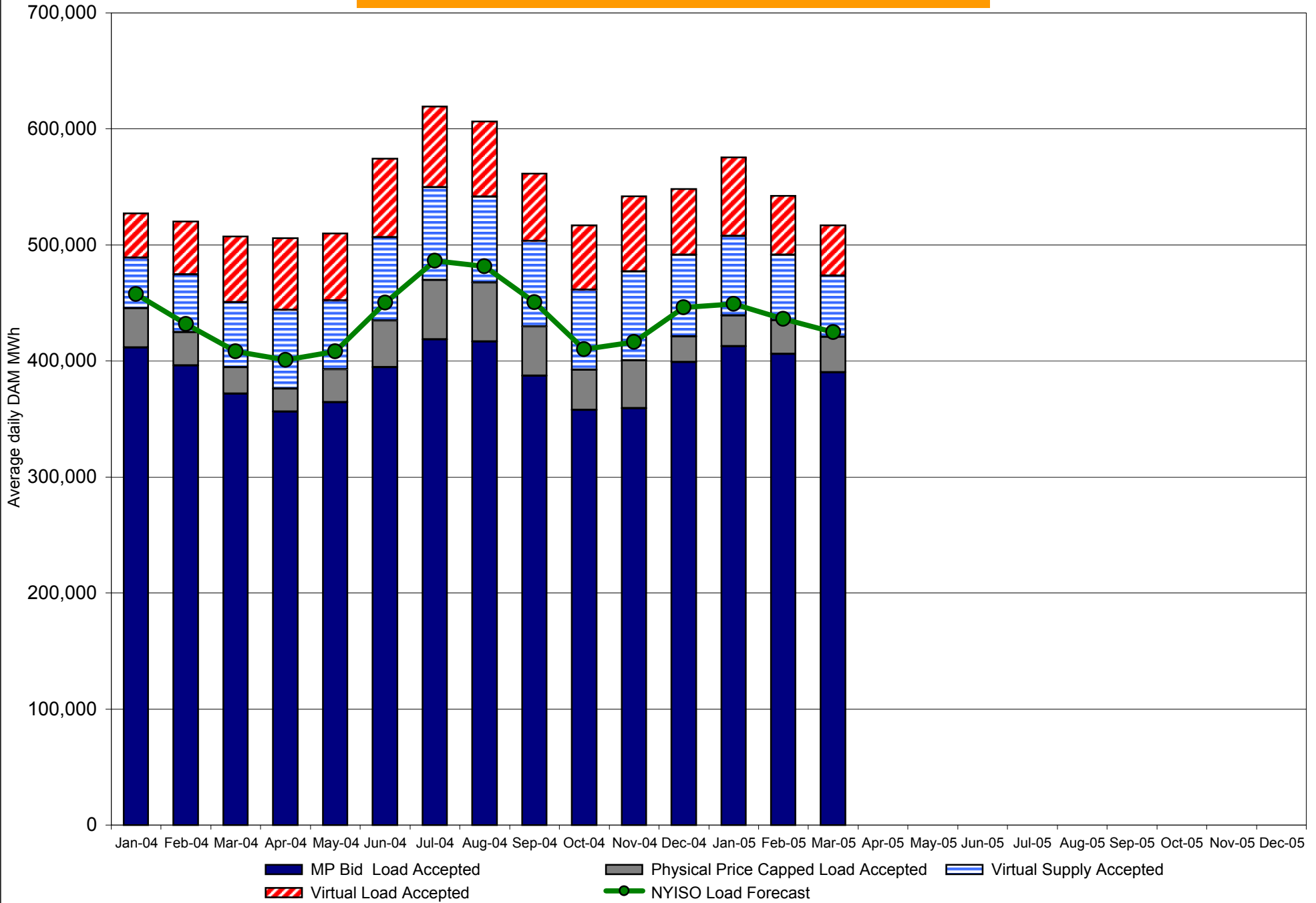
DAM Mitigation software change deployed on 5/1/2004

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

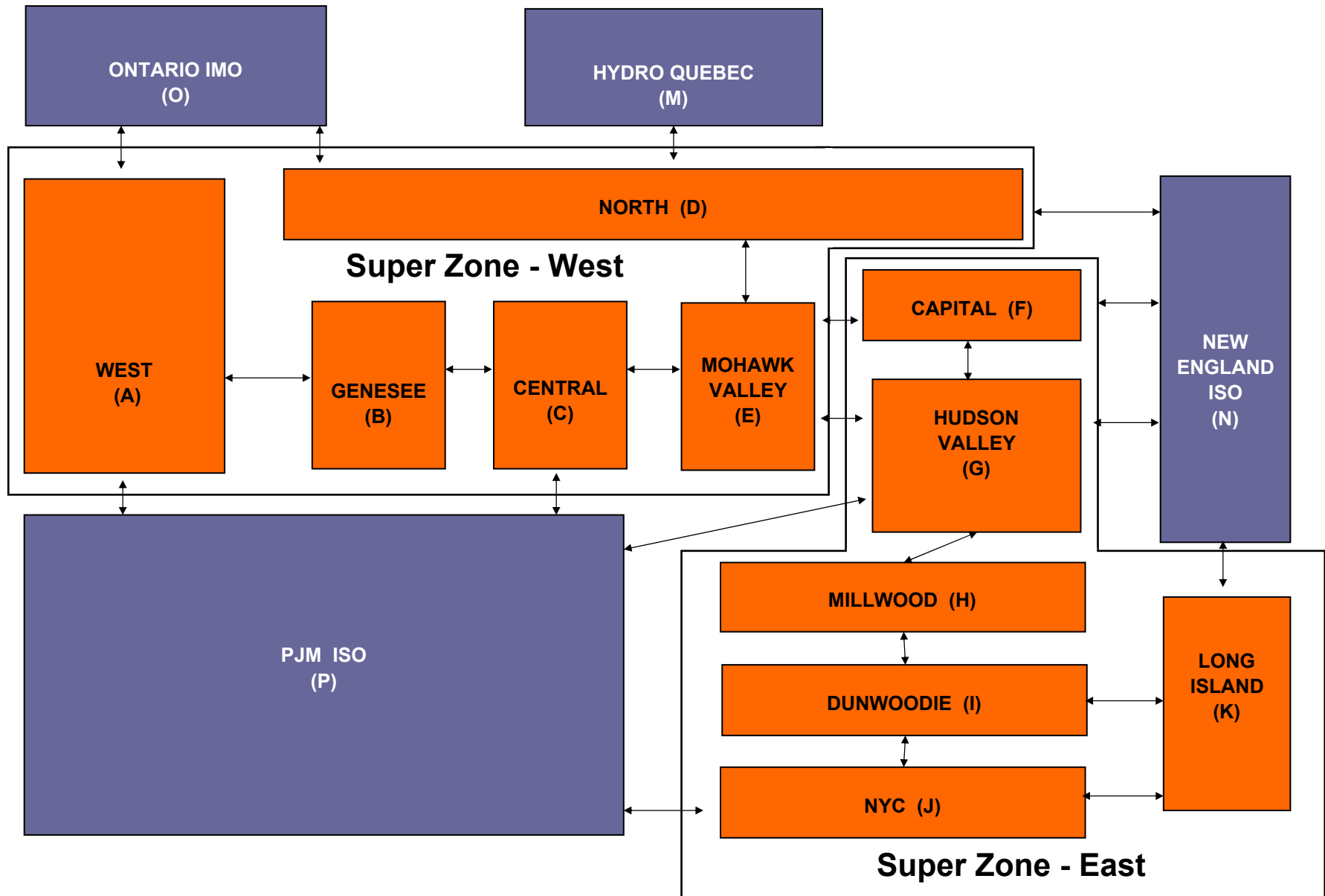


RT mitigation data available with SMD2 deployment
 DAM mitigation software change deployed on 5/1/2004

NYISO Average Daily DAM Load Bid Summary



NYISO LBMP ZONES



Billing Codes for Chart 4-C

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

SMD2 Performance / Rules Assessment

- Immediate Issues
 - Complete* – Steam Host Exemption Revisions
 - In-progress* – Startup/Shutdown Penalties
 - In-progress* – Known market and operational issues
 - SMD2 Issues List (unit cycling, price spikes, etc...)
- Near Term
 - Overall performance analysis of SMD
 - Review of SMD performance in achieving the desired market and operational objectives
- Longer Term (Yet to be initiated)
 - Comprehensive review of scheduling, dispatch, compensation and penalty rules by the ISO
 - To include cost and benefit evaluation