

NYISO President's Report

Management Committee Meeting

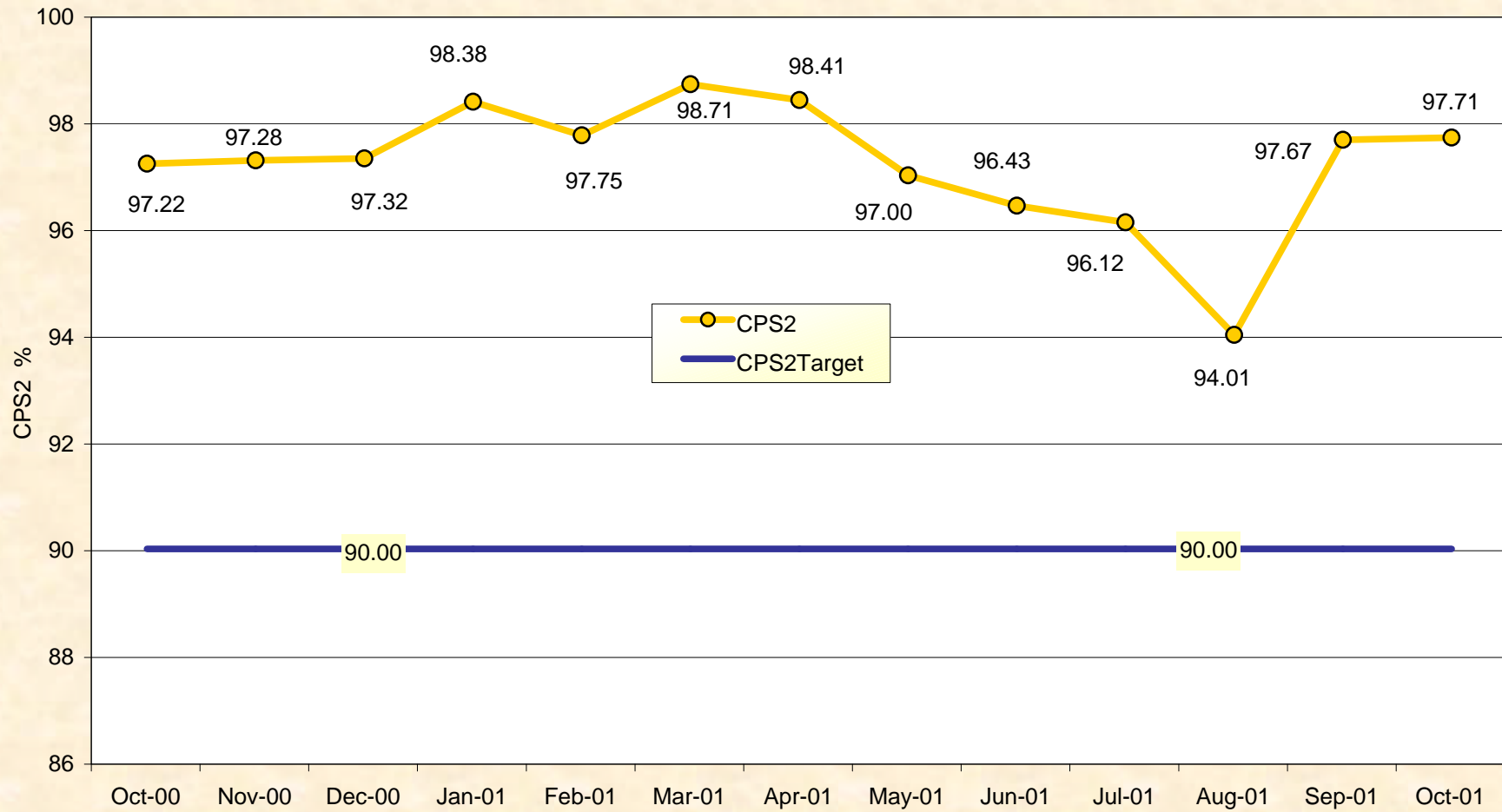
November 9, 2001

Bill Museler, NYISO President and CEO

President's Report

- 1) Reliability Indicators
 - *NERC Criteria (CPS-2 Curve)*
- 2) Market Performance Highlights
- 3) Billing Issues
- 4) Virtual Bidding
- 5) Progress on GE/NYISO Northeast RTO Economic
- 6) Customer Satisfaction Survey Results
- 7) Network Model Exchange Status (NY/NE/PJM)

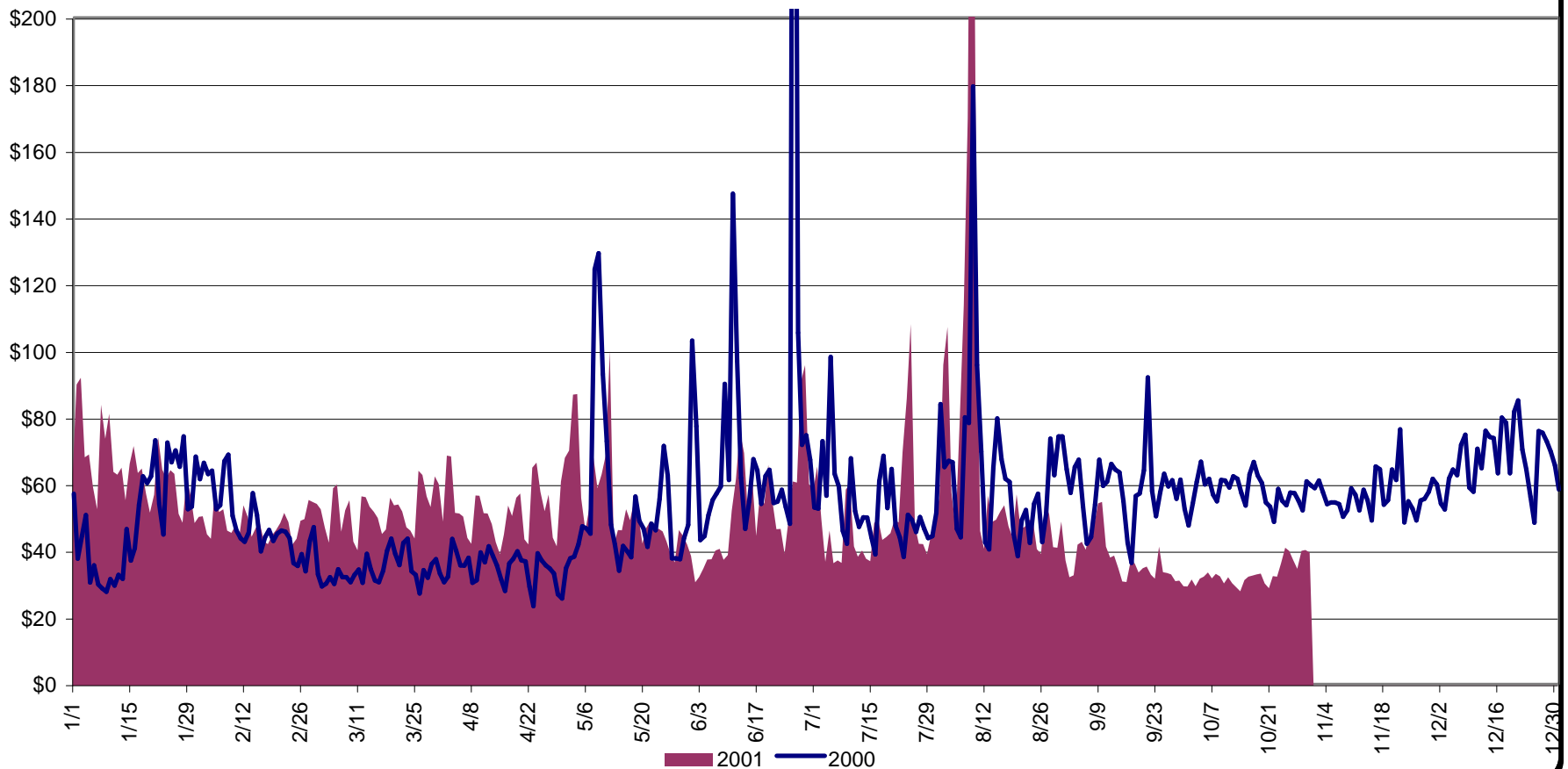
NERC Control Performance Standard
NYISO Compliance
Year 2000/2001



Average Daily NYISO - Administered Total Price (Energy & Ancillary Services)
2000 Annual Average \$57.81/MWH
Jan to October 2000 Average \$57.06/MWH
Jan to October 2001 Average \$54.61/MWH

June 26, 2000 Daily Average 414.14

August 9, 2001 Daily Average 337.84



NYISO Markets 2001 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Unweighted Price	\$56.41	\$42.09	\$46.94	\$45.53	\$46.19	\$42.47	\$40.99	\$57.96	\$32.27	\$29.90		
Standard Deviation	\$17.87	\$9.65	\$11.93	\$14.27	\$15.77	\$21.07	\$14.15	\$64.21	\$8.58	\$6.23		
Load Wtg.Price	\$58.34	\$43.25	\$48.23	\$47.48	\$48.57	\$46.48	\$43.26	\$64.71	\$33.67	\$30.65		
<u>BME * LBMP</u>												
Unweighted Price	\$54.40	\$47.43	\$53.87	\$56.37	\$199.56	\$63.91	\$277.09	\$183.30	\$62.80	\$32.31		
Standard Deviation	\$16.85	\$15.62	\$52.54	\$39.25	\$3,150.85	\$125.01	\$2,893.71	\$1,232.69	\$464.41	\$9.27		
Load Wtg.Price	\$55.95	\$48.86	\$55.98	\$59.22	\$218.73	\$71.44	\$356.20	\$238.34	\$71.23	\$33.31		
<u>REAL TIME LBMP</u>												
Unweighted Price	\$50.15	\$41.84	\$48.43	\$41.94	\$47.81	\$39.23	\$41.42	\$58.77	\$34.18	\$30.10		
Standard Deviation	\$19.32	\$22.21	\$35.68	\$28.52	\$51.99	\$38.69	\$39.51	\$67.56	\$26.68	\$9.93		
Load Wtg.Price	\$51.66	\$42.94	\$50.27	\$44.44	\$51.16	\$43.61	\$45.98	\$65.48	\$36.54	\$31.00		
Average Daily Energy Sendout/Month GWh	443	434	423	388	397	460	460	512	421	400		

NYISO Markets 2000 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Unweighted Price	\$38.64	\$37.09	\$29.24	\$29.55	\$37.73	\$57.96	\$40.66	\$50.18	\$46.47	\$51.91	\$50.07	\$58.34
Standard Deviation	\$16.64	\$12.75	\$8.22	\$9.57	\$16.65	\$67.35	\$18.96	\$37.40	\$15.52	\$12.64	\$9.67	\$18.03
Load Wtg.Price	\$40.09	\$38.31	\$30.05	\$30.60	\$39.80	\$64.23	\$43.32	\$54.34	\$48.50	\$53.46	\$51.13	\$60.81
<u>BME * LBMP</u>												
Unweighted Price	\$52.24	\$52.40	\$27.44	\$30.95	\$135.39	\$230.91	\$40.26	\$121.45	\$59.17	\$55.44	\$49.31	\$61.57
Standard Deviation	\$391.99	\$244.80	\$21.97	\$14.13	\$5,206.45	\$2,355.22	\$34.84	\$1,207.51	\$92.35	\$21.42	\$14.92	\$31.11
Load Wtg.Price	\$55.95	\$55.25	\$28.21	\$31.93	\$210.52	\$290.60	\$42.26	\$137.53	\$61.96	\$57.29	\$50.59	\$65.35
<u>REAL TIME LBMP</u>												
Unweighted Price	\$49.46	\$34.52	\$27.40	\$27.04	\$41.17	\$46.26	\$36.81	\$48.86	\$50.12	\$51.74	\$48.89	\$58.28
Standard Deviation	\$99.49	\$20.65	\$20.80	\$13.14	\$74.60	\$91.83	\$21.87	\$59.58	\$53.73	\$19.28	\$19.89	\$48.47
Load Wtg.Price	\$54.16	\$36.06	\$28.57	\$28.11	\$48.07	\$53.28	\$39.42	\$54.84	\$54.11	\$53.62	\$50.41	\$60.38
Average Daily Energy Sendout/Month GWh	444	431	404	391	400	456	450	468	432	399	415	450

* Commonly referred as Hour Ahead Market (HAM)

NYISO Markets 2001 Transactions

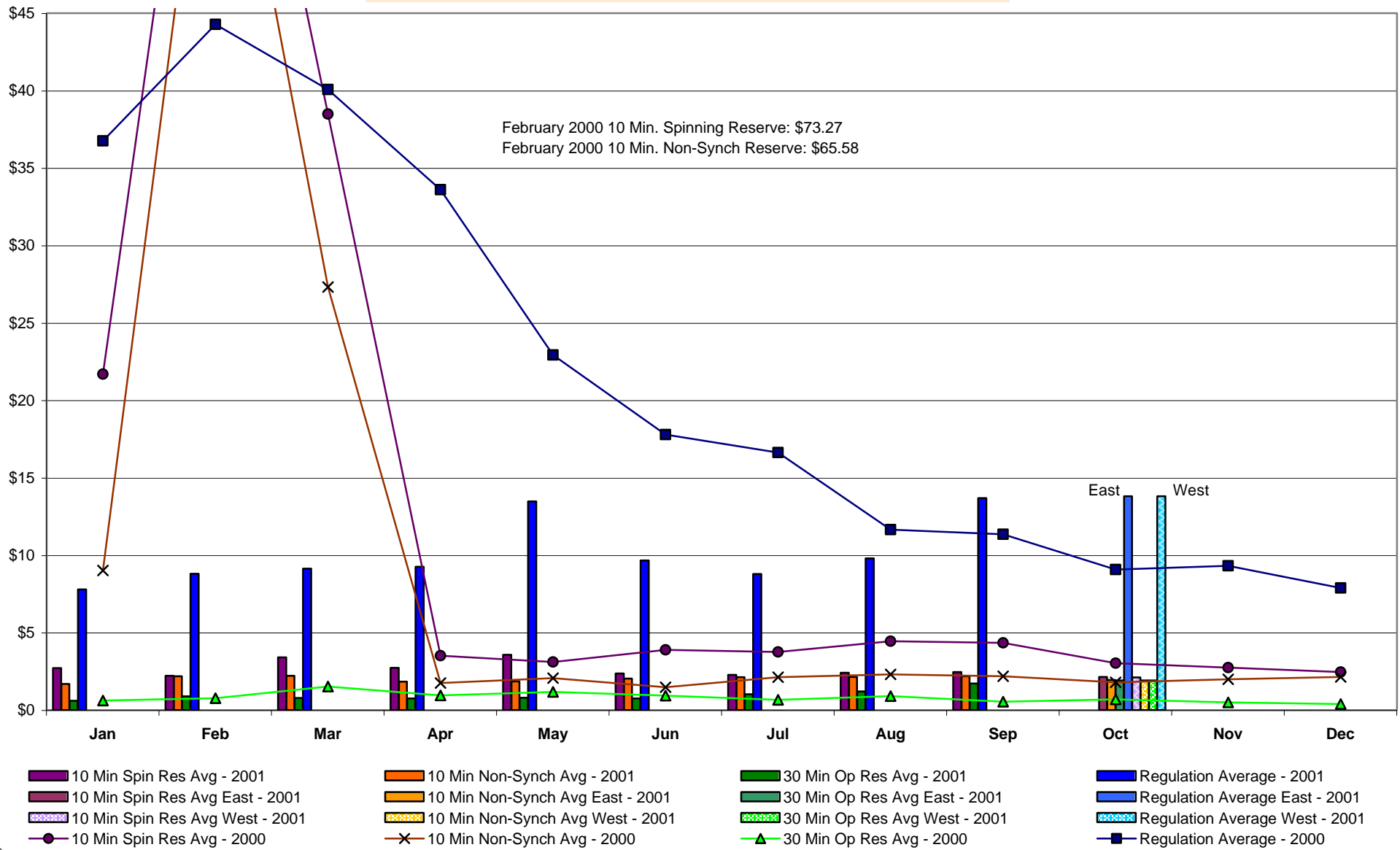
	January	February	March	April	May	June	July	August	September	October	November	December
Transactions by Market												
DAM LSE Internal LBMP Energy Sales	41%	39%	37%	36%	38%	43%	52%	53%	48%	49%		
DAM External TC LBMP Energy Sales	3%	2%	1%	2%	1%	2%	1%	2%	2%	3%		
DAM Bilateral - Internal Bilaterals	50%	51%	55%	55%	54%	51%	44%	41%	46%	45%		
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	0%	0%	0%	0%	0%	1%	0%	0%		
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%		
DAM Bilateral - Wheel Through Bilaterals	4%	6%	5%	5%	4%	3%	2%	2%	2%	2%		
Day Ahead Market	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Balancing Energy LSE Internal LBMP Energy Sales	63%	13%	97%	-1%	65%	-4%	74%	85%	79%	132%		
Balancing Energy External TC LBMP Energy Sales	56%	81%	26%	39%	59%	93%	20%	11%	20%	-4%		
Balancing Energy Bilateral - Internal Bilaterals	-8%	-1%	-7%	138%	-2%	19%	8%	0%	8%	-1%		
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	2%	23%	11%	6%	2%	14%	6%	15%	3%	5%		
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	0%	0%	2%	1%	1%	0%	0%		
Balancing Energy Bilateral - Wheel Through Bilaterals	-13%	-17%	-27%	-82%	-24%	-24%	-8%	-11%	-10%	-31%		
Balancing Energy *	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Transactions Summary												
LBMP	45%	42%	40%	38%	41%	45%	54%	56%	53%	54%		
Internal Bilaterals	49%	51%	54%	57%	54%	51%	43%	41%	45%	44%		
Import Bilaterals	1%	1%	1%	0%	0%	1%	0%	1%	0%	0%		
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%		
Wheels Through	4%	5%	4%	4%	4%	2%	1%	1%	1%	1%		
Market Share of Total Load												
Day Ahead Market	97.71%	98.07%	98.03%	98.65%	98.20%	98.66%	97.35%	97.47%	95.95%	97.24%		
Balancing Energy *	2.29%	1.93%	1.97%	1.35%	1.80%	1.34%	2.65%	2.53%	4.05%	2.76%		
Total MWH	14,684,835	13,195,754	13,898,304	11,960,273	13,211,577	14,536,199	14,749,317	16,502,710	13,269,422	12,855,350		

NYISO Markets 2000 Transactions

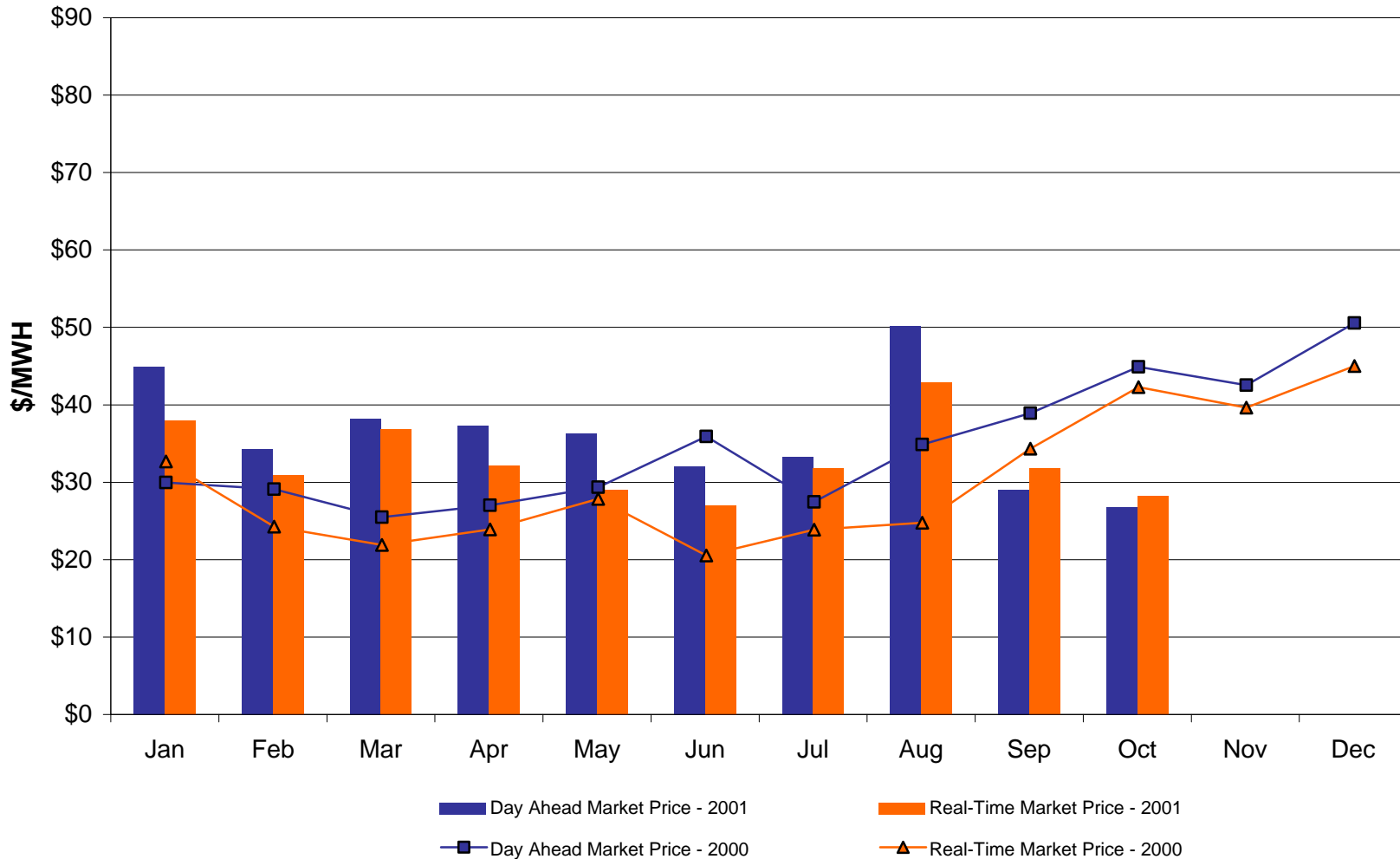
	January	February	March	April	May	June	July	August	September	October	November	December
Transactions Summary												
LBMP	30%	31%	35%	37%	42%	44%	45%	45%	50%	48%	43%	47%
Internal Bilaterals	64%	63%	60%	58%	52%	51%	50%	51%	45%	48%	51%	48%
Import Bilaterals	2%	2%	2%	2%	1%	1%	1%	1%	2%	1%	1%	1%
Export Bilaterals	1%	1%	1%	1%	1%	1%	2%	1%	1%	2%	2%	0%
Wheels Through	2%	3%	1%	1%	4%	3%	3%	2%	2%	1%	3%	3%
Market Share of Total Load												
Day Ahead Market	97.97%	97.85%	97.25%	96.18%	98.52%	98.70%	101.33%	102.12%	96.98%	98.29%	96.11%	96.22%
Balancing Energy *	2.03%	2.15%	2.75%	3.82%	1.48%	1.30%	-1.33%	-2.12%	3.02%	1.71%	3.89%	3.78%
Total MWH	13,979,215	12,933,930	12,616,286	11,800,570	12,940,566	13,964,207	14,199,309	15,011,759	13,321,117	12,516,751	12,635,197	14,740,664

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

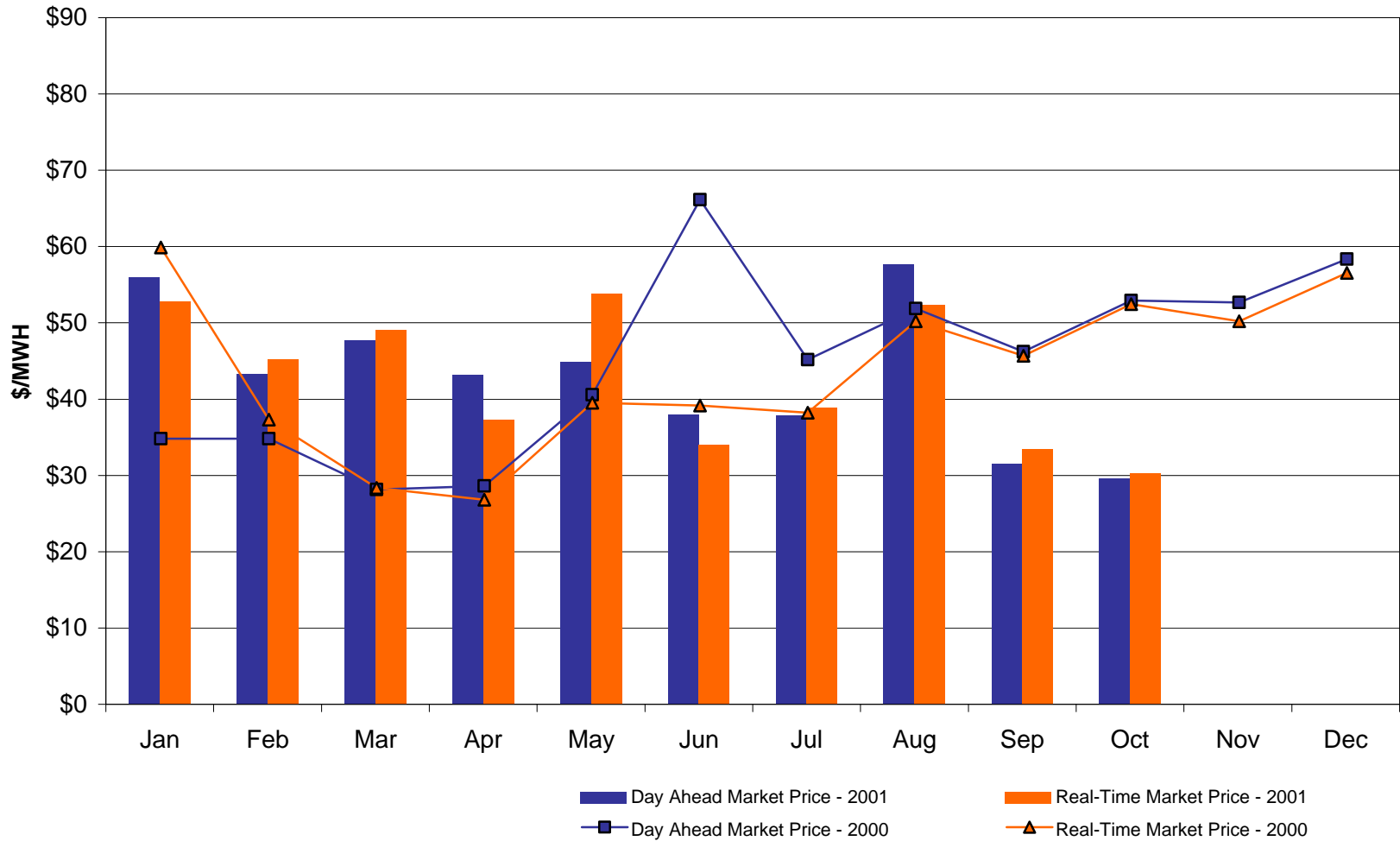
NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2000 - 2001



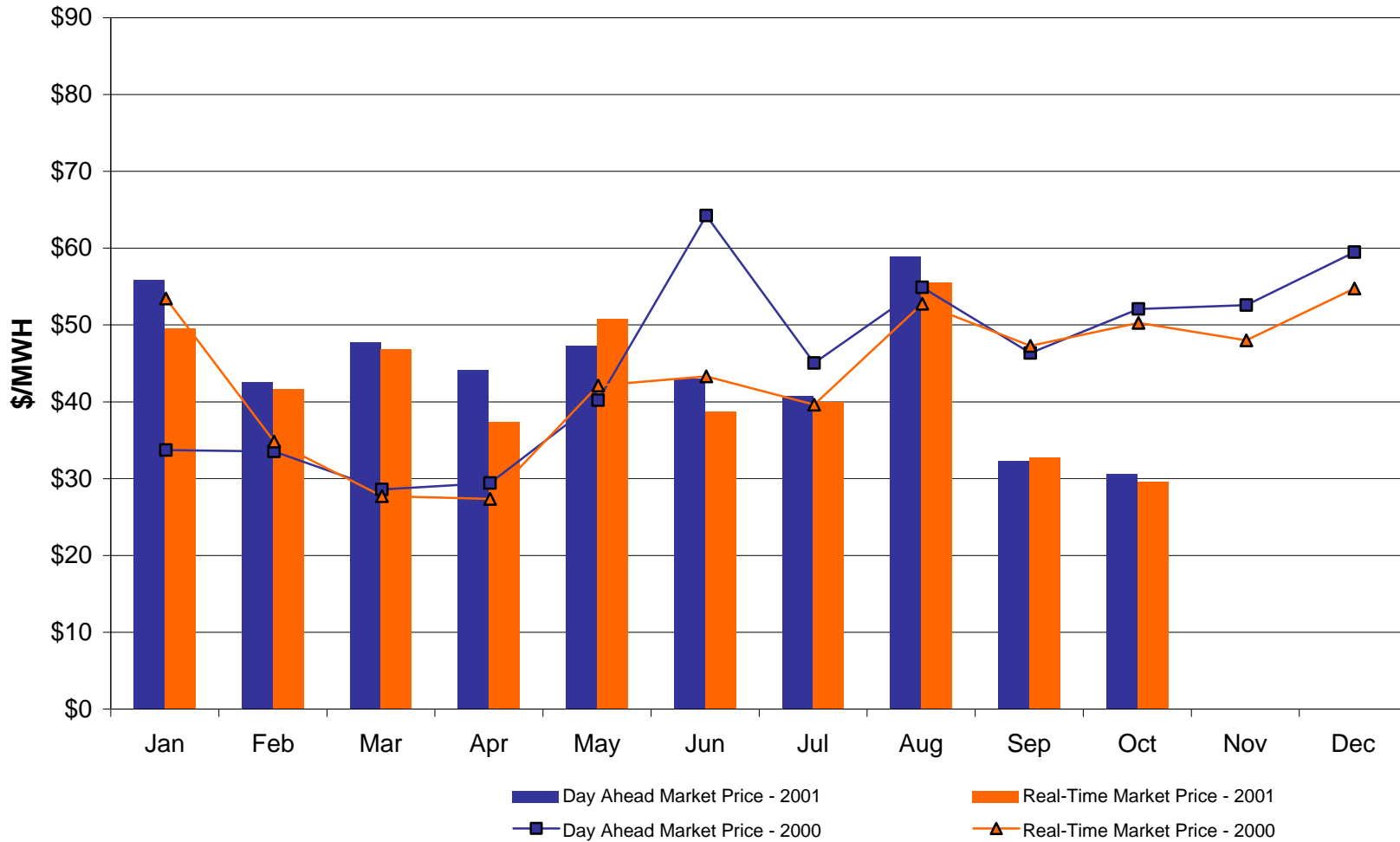
West Zone A Monthly Average LBMP Prices 2000 - 2001



Capital Zone F Monthly Average LBMP Prices 2000 - 2001



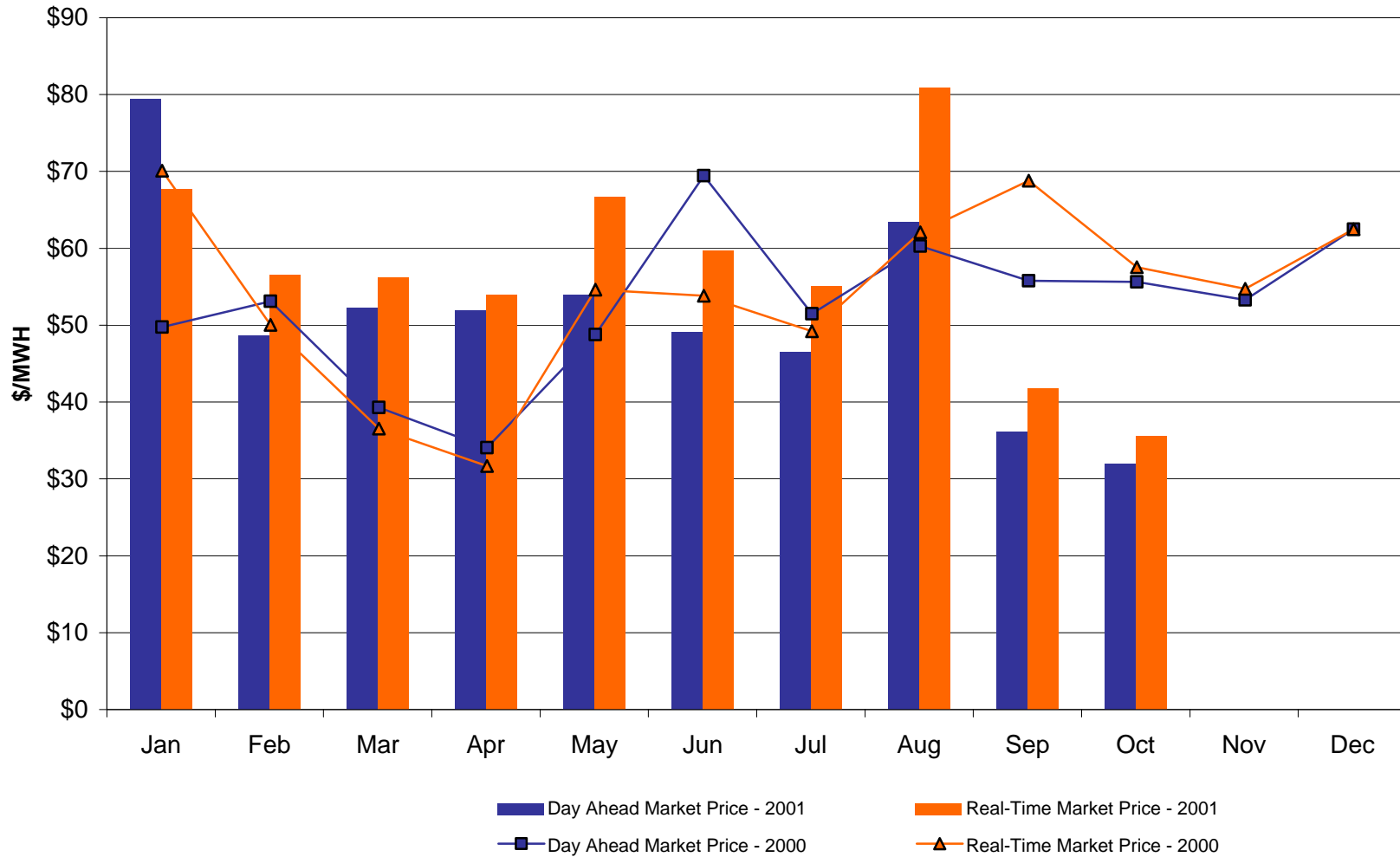
Hudson Valley Zone G Monthly Average LBMP Prices 2000 - 2001



NYC Zone J Monthly Average LBMP Prices 2000 - 2001



Long Island Zone K Monthly Average LBMP Prices 2000 - 2001



Billing

We've come a long way

- Daily Advisory Bill is out earlier

- More detailed data is available
 - ***Generator SCD schedule***
 - ***Generator PTS data per SCD interval***
 - ***Generator PTS data per hour***
 - ***Generator adjusted MWs***

- Starting this month – Consolidated Invoices

Coming soon

A comprehensive review is underway to improve the overall efficiency of the billing process to produce a more accurate settlement adjustment process and reduce invoice cycle time.

NYISO Customer Satisfaction Survey

Survey Results

Sorted by % increase	2000	2001	% increase
Communication to Customers	2.1	3.2	53.8
Administered Tariff	2.6	3.3	25.2
Customer Support	2.7	3.4	24.2
Billing	2.3	2.8	21.8
Maintain Confidentiality	3.4	4.1	19.6
NYMOC Training	2.9	3.4	16.5
Operational Data via Website	2.9	3.4	16.1
Website - MIS	3.1	3.5	13.5
Maintain System Reliability	3.4	3.8	13.0
Help Desk	3.1	3.4	11.3
Website - Public	3.2	3.4	5.4
Reports/Releases/Manuals/	3.4	3.5	2.2
Total Average:	2.9	3.4	17.1

Survey Results

Sorted by 2000 satisfaction order	2000	2001	% increase
Maintain Confidentiality	3.4	4.1	19.6
Maintain System Reliability	3.4	3.8	13.0
Reports/Releases/Manuals/	3.4	3.5	2.2
Website - Public	3.2	3.4	5.4
Website - MIS	3.1	3.5	13.5
Help Desk	3.1	3.4	11.3
NYMOC Training	2.9	3.4	16.5
Operational Data via Website	2.9	3.4	16.1
Customer Support	2.7	3.4	24.2
Administered Tariff	2.6	3.3	25.2
Billing	2.3	2.8	21.8
Communication to Customers	2.1	3.2	53.8
Total Average:	2.9	3.4	17.1

Summary of Observations

- **All surveyed areas increased !**
- **Individual topic area increased from 2% to 54%**
- **Overall average went from 2.9 to 3.4 or 17%**
- **Highest 2000 score = 3.4 = Average 2001 score**
- **Spread of 2000 = spread of 2001 = 1.3
(i.e. top value moved up same as bottom value)**
- **2000 values more evenly distributed vs 2001 values
mostly around 3.4 (i.e. even slope vs plateau)**