

OPEN ACCESS TRANSMISSION & MARKET ADMINISTRATION AND CONTROL AREA SERVICES TARIFFS

SCHEDULE 1 RATES FOR April 2006 - Draft - For Discussion Only

The intent of this posting is to describe the April 2006 monthly Schedule 1 rates that will be charged under the Open Access Transmission [OATT] and Market Administration and Control Area Services Tariffs [MST].

The forecasted volumes used to compute the April 2006 rates are based upon monthly forecasts for April 2006 withdrawals and injections. It should be duly noted that the NYISO Market Participants have requested NYISO to administer the Schedule 1 rates for both tariffs to provide for a fixed monthly rate of \$0.802 per megawatthour for 2006; however, the rate design provides for monthly variances to address seasonal volume variations. As a result of the fixed rate mandate, there is the potential to over-/under-collect for these costs. NYISO will monitor the cost recovery of Schedule 1 and will report such trends to market participants periodically throughout a given year.

Total NYISO Costs to be Recovered (80% allocated to withdrawals; 20% to injections)

| | |
|--------------------------|---------------|
| NYISO Cost of Operations | \$10,269,719 |
| NYISO Start-Up Cost | \$0 |
| FERC Fees | \$821,483 |
| Rate stabilization | (\$1,591,404) |

Rate Schedule 1 for Withdrawals

| | |
|--|-------------------|
| A. Forecasted Monthly NYCA & Non-NYCA LSE withdrawals | 11,597,670 MWh |
| B. Forecasted Monthly Export Bilateral Transmission Service | 145,504 MWh |
| C. Forecasted Monthly Wheel-Through Bilateral Transmission Service | <u>56,135 MWh</u> |
| Total Forecasted Monthly Transmission Service | 11,799,308 MWh |

| | |
|-----------------------------|---------------|
| D. NYISO Cost of Operations | \$8,215,775 |
| E. NYISO Start-Up Cost | \$0 |
| F. FERC Fees | \$657,187 |
| G. Rate stabilization | (\$1,273,123) |

OATT NYISO Cost of Operations Allocation to Schedule 1 Rate Calculation:
 $\{D \div (A + B + C)\}$; or \$0.696293 megawatthour

OATT Start-up Cost Allocation to Schedule 1 Rate Calculation:
 $\{(E \div 2) \div (A + B + C)\}$; or \$0.000000 megawatthour

FERC Fees recovered through OATT Schedule 1 Rate Calculation:
 $\{F \div (A + B + C)\}$; or \$0.055697 per megawatthour

Rate stabilization adjustment to maintain \$0.802/MWh Schedule 1 rate:
 $\{G \div (A + B + C)\}$; or (\$0.107898) per megawatthour

| | |
|---------------------------------------|-----------------------------|
| NYISO OATT Cost component of rate: | \$0.696293 per MWh |
| Start-up Cost component of rate: | \$0.000000 per MWh |
| FERC Fee Cost component of rate: | \$0.055697 per MWh |
| Rate stabilization component of rate: | <u>(\$0.107898) per MWh</u> |
| OATT Schedule 1 Rate: | \$0.644092 per MWh |

MST Start-up Cost Allocation to Schedule 1 Rate Calculation:
 $\{(E \div 2) \div A\}$; or \$0.000000 per megawatthour

| | |
|---|---------------------------|
| OATT Schedule 1 Rate for Withdrawals: | \$0.644092 per MWh |
| MST Schedule 1 Rate for Withdrawals: | <u>\$0.000000 per MWh</u> |
| Combined Schedule 1 Rate for Withdrawals: | \$0.644092 per MWh |

FERC Accounting (Withdrawals)

| | | | |
|-------|--|---------------------------|-------------|
| 575.7 | Market Administration, Monitoring & Compliance Services: | \$0.314818 per MWh | 48.9% |
| 561.4 | Scheduling, System Control & Dispatching Services: | \$0.289119 per MWh | 44.9% |
| 561.8 | Reliability Planning and Standards Development Services: | <u>\$0.040155 per MWh</u> | <u>6.2%</u> |
| | Combined Schedule 1 Rate for Withdrawals: | \$0.644092 per MWh | 100.0% |

Rate Schedule 1 for Injections - Draft - For Discussions Only

| | |
|--|-------------------|
| A. Forecasted Monthly DAM NYCA & Non-NYCA Injections | 11,933,225 MWh |
| B. Forecasted Monthly Import Bilateral Transmission Service | 42,792 MWh |
| C. Forecasted Monthly Wheel-Through Bilateral Transmission Service | <u>56,046 MWh</u> |
| Total Forecasted Monthly Transmission Service | 12,032,063 MWh |
| D. NYISO Cost of Operations | \$2,053,944 |
| E. NYISO Start-Up Cost | \$0 |
| F. FERC Fees | \$164,297 |
| G. Rate stabilization | (\$318,281) |

OATT NYISO Cost of Operations Allocation to Schedule 1 Rate Calculation:
 $\{D \div (A + B + C)\}$; or \$0.170706 megawatthour

OATT Start-up Cost Allocation to Schedule 1 Rate Calculation:
 $\{(E \div 2) \div (A + B + C)\}$; or \$0.000000 megawatthour

FERC Fees recovered through OATT Schedule 1 Rate Calculation:
 $\{F \div (A + B + C)\}$; or \$0.013655 per megawatthour

Rate stabilization adjustment to maintain \$0.802/MWh Schedule 1 rate:
 $\{G \div (A + B + C)\}$; or (\$0.026453) per megawatthour

| | |
|---------------------------------------|-----------------------------|
| NYISO OATT Cost component of rate: | \$0.170706 per MWh |
| Start-up Cost component of rate: | \$0.000000 per MWh |
| FERC Fee Cost component of rate: | \$0.013655 per MWh |
| Rate stabilization component of rate: | <u>(\$0.026453) per MWh</u> |
| OATT Schedule 1 Rate for Injections: | \$0.157908 per MWh |

FERC Accounting (Injections)

| | | | |
|-------|--|---------------------------|-------------|
| 575.7 | Market Administration, Monitoring & Compliance Services: | \$0.077182 per MWh | 48.9% |
| 561.4 | Scheduling, System Control & Dispatching Services: | \$0.070881 per MWh | 44.9% |
| 561.8 | Reliability Planning and Standards Development Services: | <u>\$0.009845 per MWh</u> | <u>6.2%</u> |
| | Combined Schedule 1 Rate for Injections: | \$0.157908 per MWh | 100.0% |

Combined Withdrawal and Injection Rate

| | |
|---|---------------------------|
| Combined Schedule 1 Rate for Withdrawals: | \$0.644092 per MWh |
| OATT Schedule 1 Rate for Injections: | <u>\$0.157908 per MWh</u> |
| Tariff Rate: | \$0.802000 per MWh |