

*“NYISO Reliability Assessment
for
Summer 2000”*

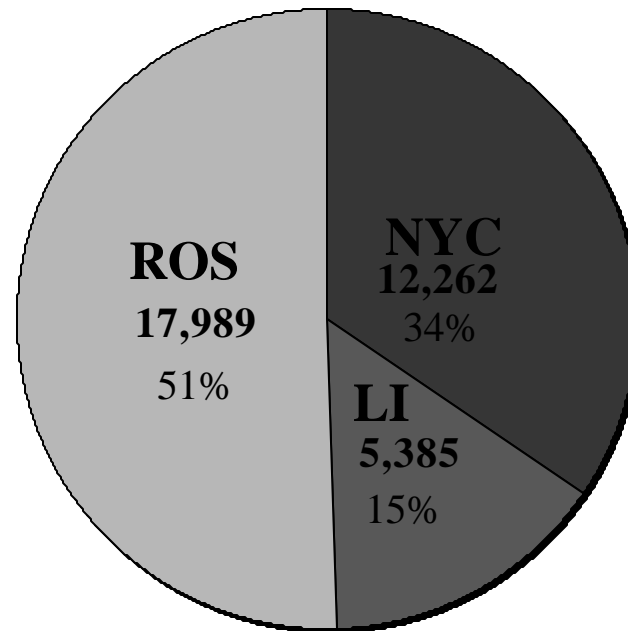
Historic New York ISO Peak Loads

	<u><i>Actual Peak</i></u>	<u><i>Weather Adjusted Peak</i></u>
1996	25,587 MW	27,800 MW
1997	28,700 MW	28,400 MW
1998	28,166 MW	28,166 MW
1999	30,311 MW	29,700 MW
2000 (Forecast)	30,200 MW	30,200 MW

NYCA ICAP Requirements

Summer 2000

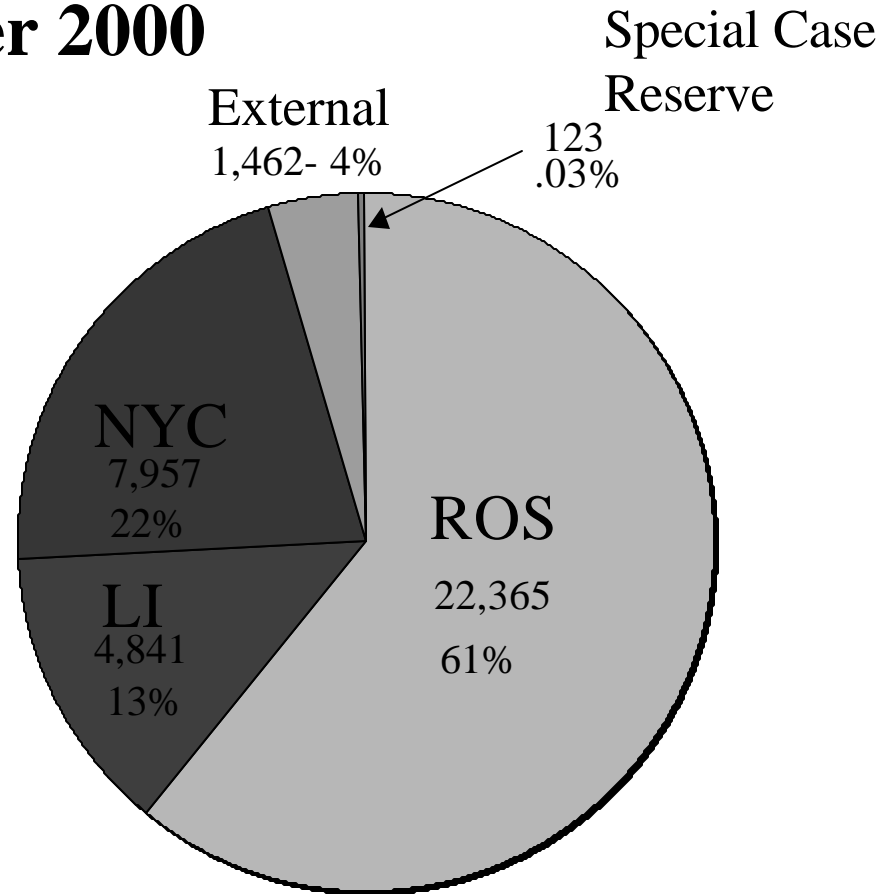
↘ Requirements total
35,636 MW, 118% of
2000 load forecast of
30,200 MW.



NYCA ICAP Supply Sources

Summer 2000

- ↘ Sources total 36,748 MW.
- ↘ Requirements of 35,636 MW.
- ↘ Excess of 1112 MW in Rest of State (ROS).
- ↘ NYC locational requirement of 8,272 is not met.

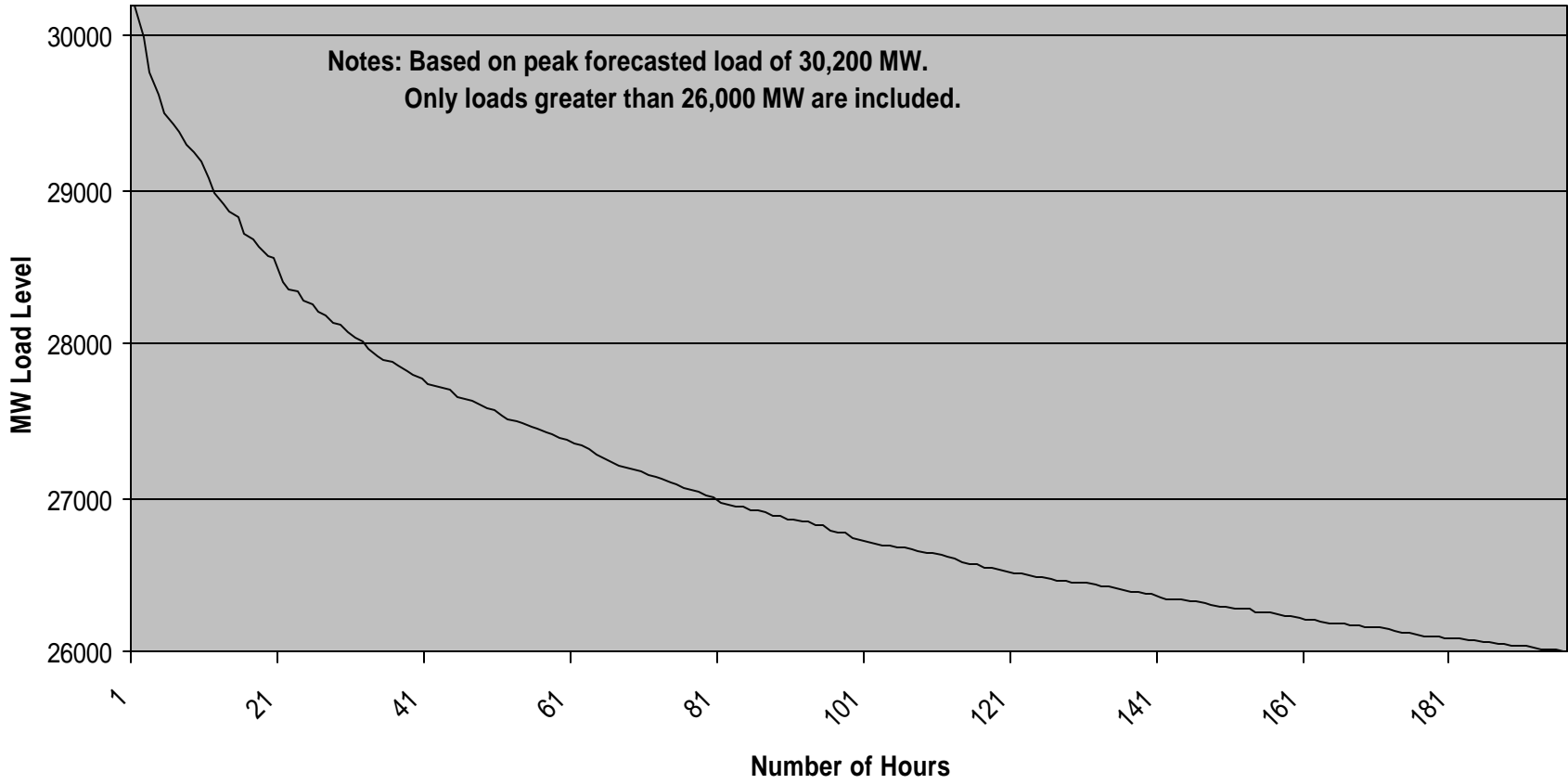


New York ISO Operating Reserve Requirement

**“1 1/2 Times the Single Largest
Contingency on the System”**

$$1 \frac{1}{2} \times 1,200 \text{ MW} = \underline{\underline{1,800 \text{ MW}}}$$

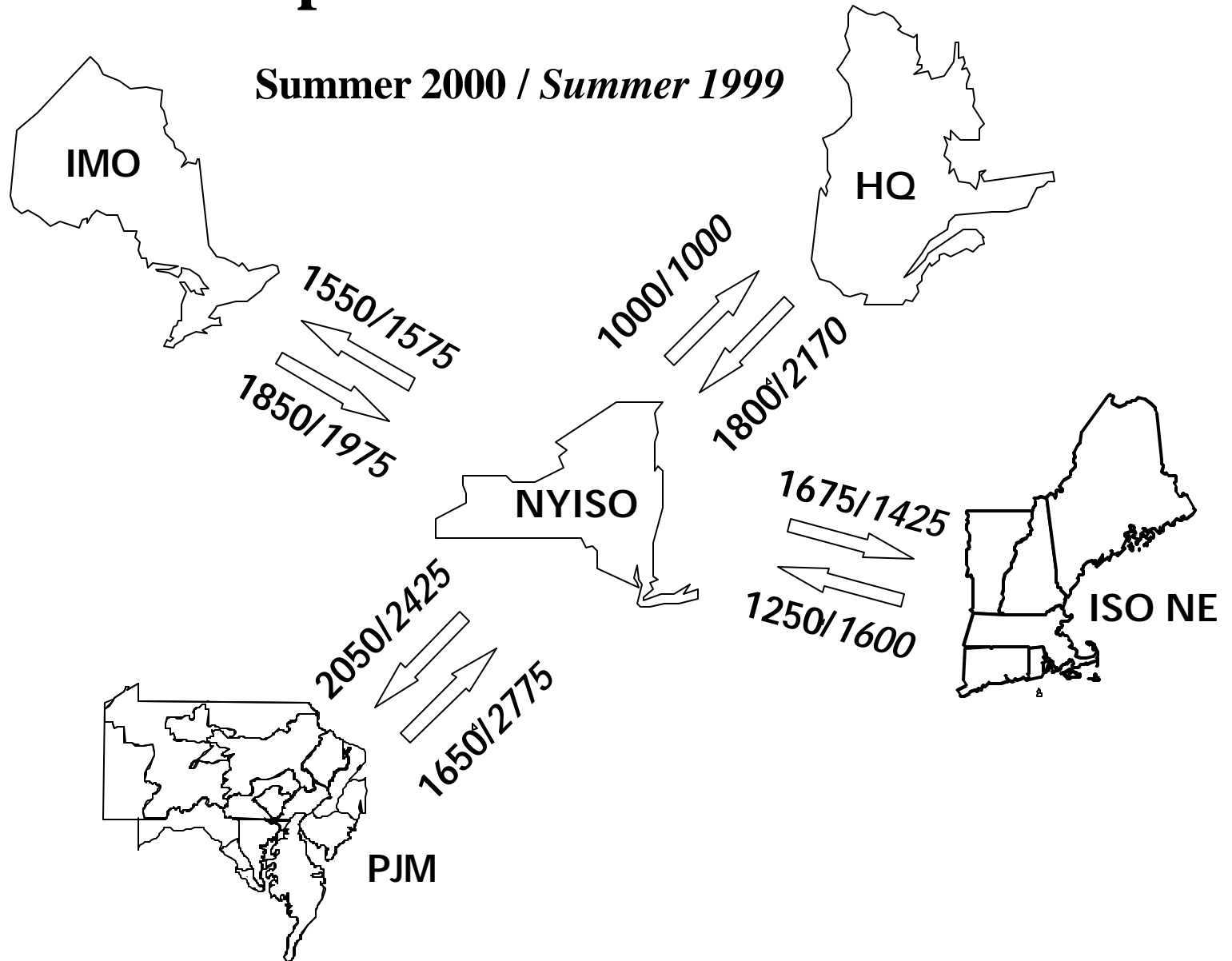
Hourly Load Duration Curve Summer 2000



TRANSMISSION SYSTEM

- ↘ Phase Angle Regulator Added in Ontario & Michigan to Reduce “Lake Effect.”**
- ↘ Hudson Farragut Transformer Out of Service.**
- ↘ Phase Angle Regulator at Plattsburgh Out for the Summer.**
- ↘ Norwalk - Northport Line Will be Back in Service.**

Summer 2000 NYISO Transfer Limits Compared to Summer 1999



IN SUMMARY...

- Overall supply is adequate, but tight
- Summer capacity meets 18% statewide requirement
- NYC capacity requirement is ~300MW short
- Final summer software improvements are on schedule
- Coordination with neighboring ISO's is improved
- Prices should reflect supply and demand
- NY market should attract more supply than '99 ('99 NY cost-based prices sent MW's to PJM & NE for higher prices)
- NYISO now has Market Power Mitigation Authority
- Demand side response will improve this summer- real time prices are now seen by 1000 MW of load