



Monthly Report

March 2004

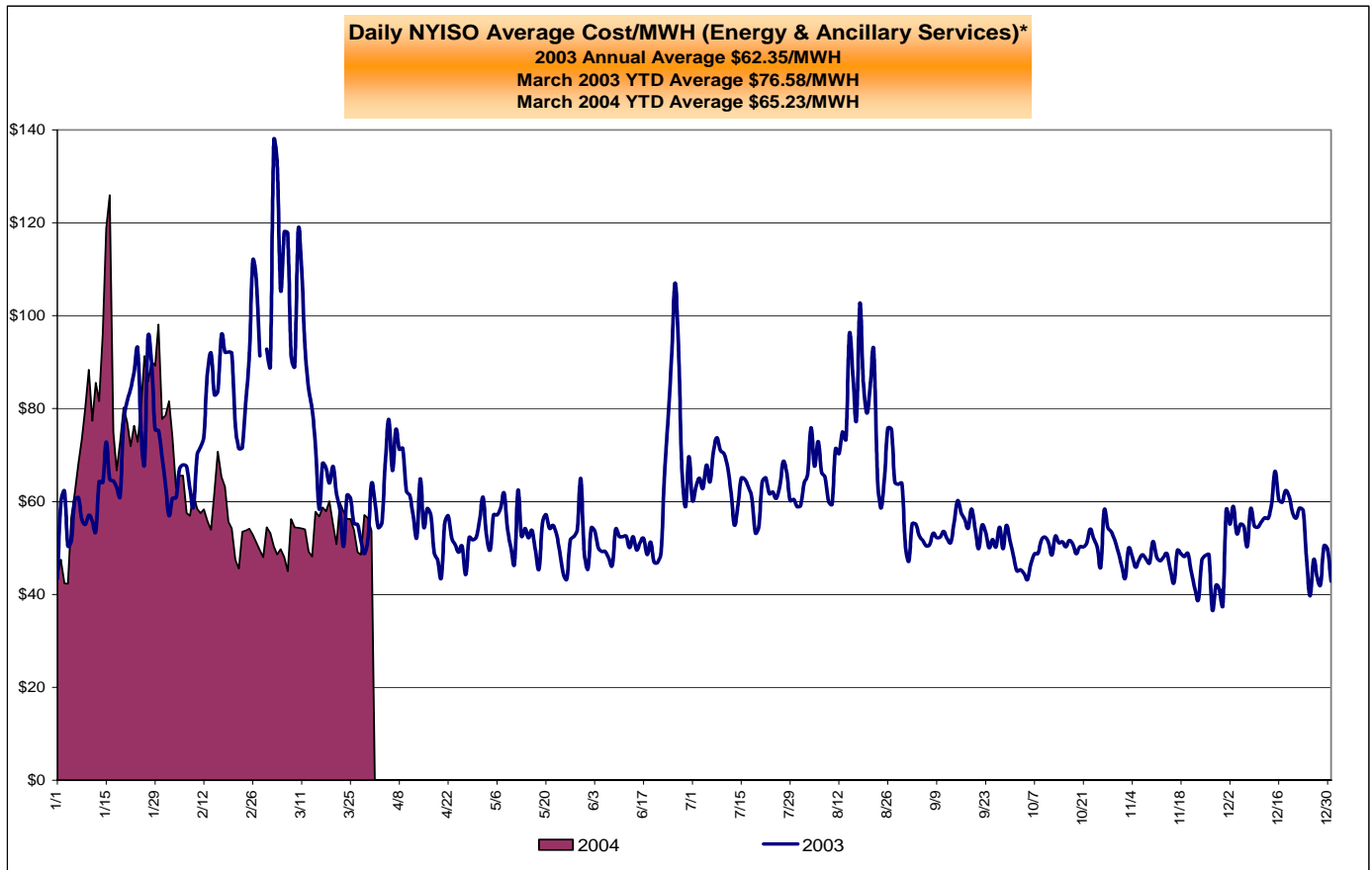
Ken Davis

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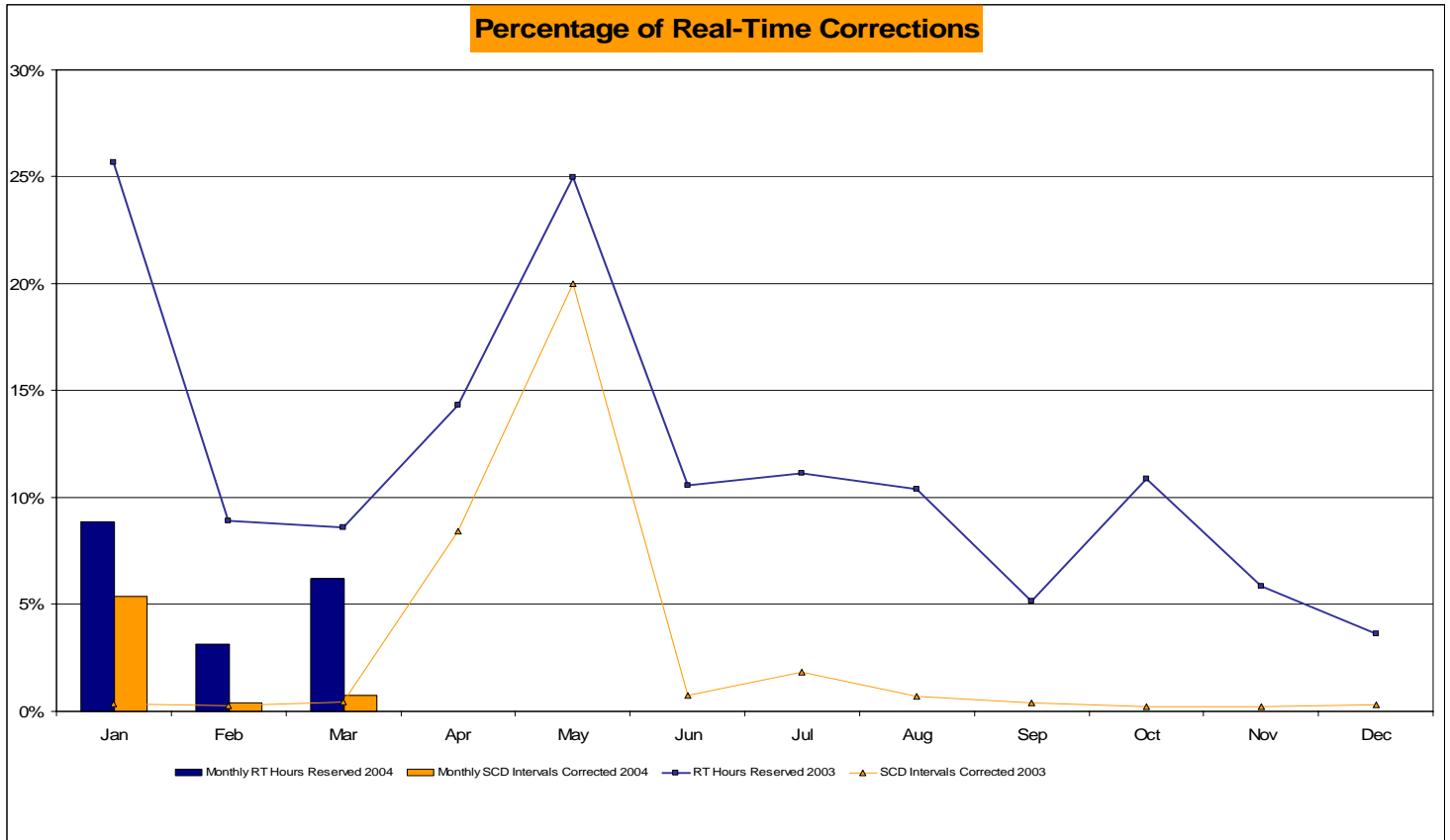
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1. Executive Summary

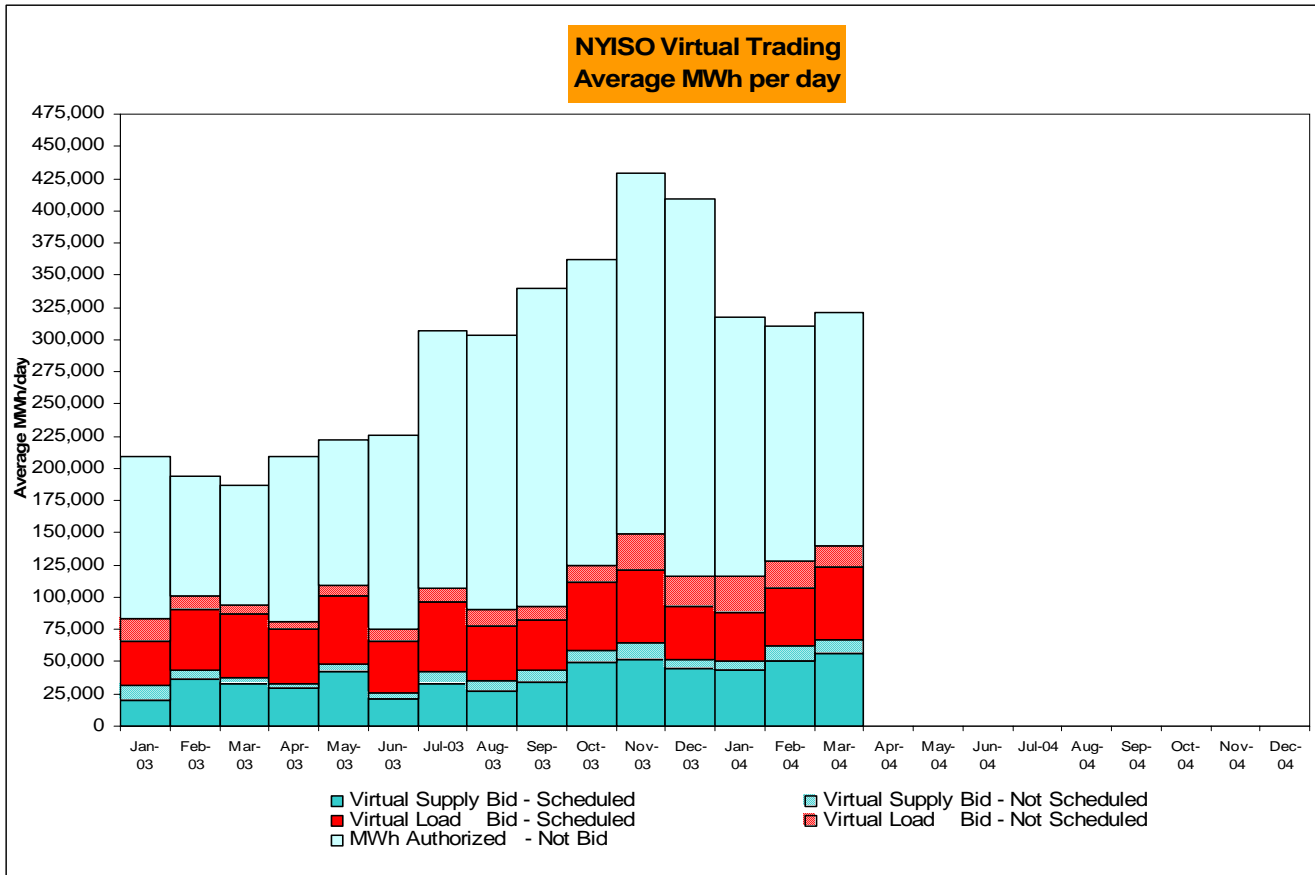
On average, "all-in" market prices for March 2004 were 34 percent lower than in March 2003 due to a combination of more moderate weather and lower fuel prices. For the second month in a row, natural gas prices were below both Kerosene and No. 2 fuel oil.



The percentage of hours reserved increased this month, as did the percentage of intervals corrected. The percentage of hours reserved remains below the rate in March 2003, while the percentage of intervals corrected is slightly higher this year than last.



Virtual Load and Supply bid volumes continue to increase, as has the percentage of Virtual Load bids accepted.



SMD2 reports were positive, with ABB meeting the key milestone of finishing development work on Phase 2a, the last coding work required for "Go-live."

During March, FERC issued letter orders accepting the NYISO's second quarterly report on the status of the 10-Minute Non-Synchronous Reserve Market, the NYISO's compliance report on the operation of the scarcity pricing provisions, and scarcity pricing compliance filing tariff revisions. The NYISO made 12 filings during the month, including tariff revisions to Modify Pricing Rules at a Non-Competitive External Proxy Generator Bus, two filings requesting rehearing of portions of the RTS Order, a compliance filing Regarding RTS, and a Notice of Early Implementation of Certain Mitigation Measures.

Due to the high priority and extra resources dedicated to resolving billing issues, March 2004 saw all billing issues requiring IT involvement closed for the first time since the internal Billing Issues Group was formed.

2. System Operations

Management Summary

Peak load for the month was 22,141 MW, which occurred on Tuesday, March 16. No Major Emergencies were declared during March. Alert states were declared on 24 occasions, with 15 attributable to system frequency excursions. Reserve energy was activated on 25 occasions during March; with 13 due to large control area errors and three due to activations of shared reserves. CPS1 was 178%; CPS2 was 96.3%. NERC Policies 5, 6, and 9 were presented to the NERC Operating Committee at its March meeting and are presently being voted on by the standing committees. Staff continues to prepare for the NERC Control Area readiness audit that is scheduled for April 13-15.

Staff participated in the NERC Operations Blackout Investigation Team as part of a follow-up site visit, and provided comments on the working draft of the Joint Task Force report (expected in early April). Staff is also working with the SOAS and SPAS in follow-up activities to develop responses to the NERC Recommendations and remedial actions. Work on the 2004 Short Circuit Case is nearing completion. The NYISO is awaiting updates from Niagara Mohawk, ISO-NE and Ontario – all are expected the first week of April, after which, work on the case will be completed. Work will begin on the Summer 2004 Short Circuit Assessment immediately following completion of the 2004 base case. Staff has received extensive questions from OSTF and other transmission owner representatives concerning the revised Load Power Factor Assessment report, including “follow-up” questions from previous responses. Staff presented a summary of the questions/responses and a revised draft report at the March SOAS meeting. Staff has completed the revised Interface Stability Limits for Outage Conditions Report and distributed for SOAS discussion at its March meeting. The SOAS recommended approval of the Report to the Operating Committee. This report confirms the present line outage stability limits with both the Athens generation facility and the Marcy FACTS (STATCOM) in service. Staff continues to work on supporting the DOE Eastern Interconnection Phasor Project. A second meeting was held in March with NYPA, Macrodyne and the NYISO to discuss issues related to the Phase I Implementation; Matt Donnelly (BPAA/DOE) also participated in the meeting. It was agreed that Macrodyne would install a trial interface at the Marcy substation to demonstrate that the PMU could export data to the NYPA network. There were seven Kp=5 events. During the month, 12 events resulted in excursions of more than 30 MHz or a loss of greater than 1000 MW.

Staff continues to meet with IT to create a hardware platform that Market Operations can use and control. The new hardware has been delivered and loaded with the software. Configuration and access to the hardware is still being completed. Several RANGER-in-a-Box systems have been configured and are being verified for Market Operation's use. Staff continues working on the network data and the model load process on the RANGER system. There has been some success with model loading although data errors still occur with constant changes to the DE Tool and RANGER database. The procedure will have to be performed on the new Market Operations hardware to support future modeling changes and State Estimator tuning. Market Operations staff discussed the potential for improved software and modeling capabilities for combined cycle plant operation with the Scheduling and Pricing Working Group. Market Operations staff, as well as Regulatory and Market Services staff, discussed recent TCC market rule changes related to the ISO Day-Ahead Market congestion rent shortfalls. The ISO Outage Scheduling process, including the recent request to improve transmission outage scheduling and cancellation rules, was also discussed. A review of NYISO, ISO-NE, PJM, and IMO transmission outage rules is being conducted. Staff worked with ISO-NE staff to produce a document detailing ISO-NE and NYISO Scheduling Rules for transactions over the New York-New England interconnections. In March, scheduling staff processed 419 requests for generating unit DMNC testing and unit maintenance outages, confirmed 2,023 external control area transactions in the Day-Ahead Market checkout, and scheduled 674 NYS transmission facility maintenance outages.

The following table shows the number of reserve activations and the number that did not result in crossing zero, and the number of alert states in the current and past two years.

	2002			2003			2004		
	No. of Reserve Activations	No. of Alert States	Non-Zero Crossing	No. of Reserve Activations	No. of Alert States	Non-Zero Crossing	No. of Reserve Activations	No. of Alert States	Non-Zero Crossing
January	5	9	0	30	24	10	36	21	6
February	20	24	3	23	21	5	15	7	3
March	24	31	6	24	10	7	25	24	2
April	25	25	9	16	24	2			
May	11	19	2	10	13	2			
June	13	14	3	15	12	2			
July	66	33	41	12	18	1			
August	25	10	12	24	22	4			
September	23	20	9	12	6	0			
October	28	24	11	25	21	3			
November	25	26	4	17	12	3			
December	32	27	8	40	16	4			
Totals	297	262	108	248	199	43	76	52	11

Attachments

Attachment 2-A, NERC Control Performance Standard

3. Market Services

Management Summary

Customer Relations:

Four new customers were added during the month of March, making the total number of NYISO Customers 222.

As part of our Customer support efforts, the NYISO is tracking responsiveness to Customer inquiries. For 2004, the Customer Relations goal has been set at a 95% favorable target. For March, the Customer Resolution Survey was sent out with 95 answers to prior Customer inquiries, no responses were received. Therefore, a 100% rate was achieved for the month. (See Attachment 3-A)

Another Customer Relations goal is to trend the backlog of open inquiries. Attachment 3-B is a graph of open and closed tracking tickets; Attachment 3-C shows the length of time that tickets have been open, and Attachment 3-D shows the number of days that inquiries have been open as of the end of March.

During the month, Customer Relations continued meeting with Customer organizations as part of efforts to learn more about our Customers' businesses and their objectives for interactions with the NYISO. Eleven of these Customer visits took place in March.

Customer Technical Services:

This month's significant communications to Market Participants included notification of Committee Sector Meetings held from March 22nd through March 26th; the announcement of a March 3 on-line WebEx course on the NYISO Decision Support System (DSS); a response from Bill Museler to FERC Chairman Pat Wood's letter regarding the FERC Technical Conference on the New York wholesale electric power market platform issues held on October 20th; notice of an SMD2 Technical Conference for March 31, 2004; a communication regarding significant enhancements to the Market Information System (MIS) that will impact the way NYISO responds to NERC E-Tags; the March 17th issue of the NYISO's Market Participant Newsletter, "NYISO Insider;" Technical Bulletin # 117, describing Station Power program registration and data models; # 118 outlining Station Power reporting; #119, describing Station Power the calculations and settlements used in determining Station Power; #120 highlighting how Web-based Reconciliation is used to report and view Station Service data; # 121 explaining ancillary service charges for 3rd party Station Power suppliers; # 122 describing changes to the consolidated invoice resulting from Station Power; # 123 clarifying Real Time Settlement Rules at External Proxy Buses during BME Constrained Hours (Rules Formerly Applied under ECA b); and, # 124 disseminating the download templates for Station Power. Revised versions of Technical Bulletins # 27 and #88 were also released.

The following Technical Bulletins were revised and distributed to Market Participants: #27, describing new E-Tag functionality; and, #88, which was revised for the change from Eastern Standard Time to Daylight Savings Time. Additionally, the following new Technical Bulletins were created and distributed to Market Participants: seven individual Technical Bulletins related to Station Power (#117-122 and,24) and Technical Bulletin #123, which explains instances (formerly applied under ECA b) where BME is used as the real-time settlement price at external competitive proxy buses.

CTS participated in the Market Structures Working Group, the Scheduling & Pricing Working Group, and the Generator Issues Task Force; as well as took minutes at the March BIC.

CTS completed work on version 1.0 of the Web-based Reconciliation User's Guide; CTS continued work on the ICAP Market Automation User's Guide; CTS continued work on version 2.0 of the DSS User's Guide; CTS began work on a marketing material for DSS; and CTS assisted the Training Department in completing the MPUG.

CTS Staff prepared and made three presentations at the Kansai-NYISO Spring 2004 corporate liaison meetings as well as performed other technical exchange initiatives.

CTS Staff also provided an August 14 Blackout presentation for the Metro-North Power System Division.

Product Development

◆ Environmental:

Attended the kickoff meeting of the Regional Greenhouse Gas Initiative stakeholder process involving Northeastern states – NYISO, along with PJM and ISO-NE, is a resource panel member.

◆ Demand Response Programs:

- Staff participated in four demand response workshops in New York City, Buffalo, Syracuse and Albany, co-sponsored by NYSERDA and the NYSDPS. Attendance figures indicate roughly 20 percent increase over 2003 workshops.
- Obtained approval from BIC for changes to the EDRP Manual.
- Continued discussions with market participants on possible design changes to the Day-Ahead Demand Response Program.
- Staff made presentation (March 23) to Con Edison staff on NYISO demand response programs.
- Staff presented “Demand Response as a Tool During Blackout Restoration” at CBI Demand Response Programs Conference, March 25, Alexandria, VA.

◆ ICAP:

- Continued to work on a longer-term resource adequacy component for ICAP markets.

◆ New Issues:

- Product Development staff participated as one of three teams engaged in on-site review of power plant communications related to generator dragging.
- Worked on the interim solution for Cross Sound Cable project.

Resource Adequacy

◆ Resource Reliability:

Staff completed the April 2004 monthly ICAP and Spot Market Auctions and the summer 2004 Strip auction. The fourth iteration of construction for the UCAP Automation project is on schedule. A demonstration of the UCAP application was provided to Market Participants. Thirty-two Market Participants and 20 internal staff attended the demonstration. Two significant comments received from Market Participants will be included in the final product. A decision was made to deploy the UCAP application after SMD2.

◆ Transmission Congestion Contracts:

Staff completed the April 2004 Reconfiguration Auction and rounds three through six of the Spring 2004 TCC Auction. Worked with Market Participants to obtain approval by the Business Issues Committee for revisions to the TCC Auction rules allowing Transmission Owners the option of paying for congestion rent collection shortfalls in the DAM or at TCC auction prices.

Look Ahead

Customer Technical Services:

CTS will revise the Station Power Technical Bulletins and release a new Technical Bulletin regarding Grandfathered Rights settlements. CTS will draft Technical Bulletins on the Cross Sound Cable Crossing Interim Solution and the elimination of grouped units.

CTS will continue to provide documentation for the UCAP Automation project; CTS will continue work on version 2.0 of the DSS User's Guide.

Product Development:

- Meeting with PJM, ISO-NE and stakeholder committee chairs to review seams progress document (April 8).
- Plan to complete outside contractor work on cost/benefit analysis handbook and spreadsheet.
- Product Development personnel involved in instructing NYMOC training and in special presentation to NYSERDA.

Resource Adequacy

◆ Resource Reliability:

Complete the regular monthly ICAP auctions for April including the Spot Market Auction. Work with the UCAP Automation project vendor and NYISO Quality Assurance Department to test the application.

◆ Transmission Congestion Contracts:

Complete the May 2004 TCC Reconfiguration Auction and the final rounds of the Spring 2004 TCC Auction. Work with the Market Structures Working Group (MSWG) to develop a methodology for the release of transmission capacity back into the monthly TCC auctions reserved in the Capability Period TCC auction by the Transmission Owners. Work with the MSWG and NYISO consultants on a process to introduce TCC options on the control area borders in the TCC auctions. A revised Transmission Services Manual will be presented for approval to the Business Issues Committee at their May meeting.

Attachments

- Attachment 3-A, Customer Resolution Survey
- Attachment 3-B, Tickets Open, Tickets Closed as of End of March 2004
- Attachment 3-C, Open Tickets by Month 2004
- Attachment 3-D, Number of Tickets Open by Days March 2004

4. Corporate and Market Risk Management

Management Summary

Risk Assessment:

The Enterprise Risk Management (ERM) department continued to provide reports to the CEO and Board Audit and Compliance Committee. Staff continued the process of monthly risk assessment reports and prepared accompanying recommendations. The internal risk committee met in March to review the progress of the program, assess risk exposure in February, and measure the effectiveness of mitigation efforts. Throughout March, ERM staff interacted with all sections of the Customer Settlements Department to gain a fuller understanding of all billing processes.

Industry Affairs

- NAESB Seams Issues:

NAESB plans to evaluate 42 Seams Issues from the Seams matrix that could fall under its scope. NAESB has asked industry participants to rank each of the 42 issues as a "must do," defer until some future year, or as "out of scope." Initial comments are due to NAESB by April 14. The NYISO will coordinate an ISO/RTO consensus response through the ISO/RTO Standards Review Committee.

The JIC reviewed the current seams catalog at its February meeting. The issues were divided into National and Regional types. It was noted that out of the 134 issues, 33 items had disparate organization assignments between NERC and NAESB. The IRC members were in general agreement with the organization assignments on all but five issues.

- OASIS Standards:

Three OASIS-related business practice standard proposals are in the NAESB process for development:

- i. Acceptance of the current OASIS Phase 1A Business Practices, Standards and Communication Protocol Standards (S&CP), and standards referenced in various FERC orders, including 889 and 605.
- ii. Acceptance of the NAESB IT subcommittee's recommended actions on the OASIS 1A issues that were left over from the OASIS Scheduling Collaborative ("OSC").
- iii. Review existing OASIS standards and Commission proceedings and develop a body of standards that would be considered OASIS Phase 2.

- NAESB Coordinate Interchange Business Practice Standard:

NAESB posted its Coordinated Interchange Business Practice Standard for comment. The ISO/RTO Standards Review Committee prepared and submitted consensus ISO/RTO comments to NAESB. NAESB's WEQ Executive Committee is expected to take action on this at its May meeting.

This is the first Business Practice Standard anticipated to be developed in conjunction with the transition of NERC Policies to Reliability Standards and associated Business Practice Standards by NAESB. This standard represents Business Practices that are consistent with the current version of NERC Policy 3. The intent is for this standard to complement NERC compliance templates associated with Policy 3, and ultimately facilitate the implementation of the NERC Coordinate Interchange Reliability Standard currently under development as part of the NERC Standards process.

- NERC Standards Development and Review

NERC posted a revised version of the proposed *Operate Within Interconnection Reliability Limits* standard-200 and the first draft of standard 1400, *Certification of the Balancing Authority Function*, for industry review and comment. The NYISO will coordinate consensus positions and comments with the various industry groups.

Internal Audit:

During March, an audit report was issued for:

- Bid Production Cost Guarantee/Residuals – account accuracy
- Grouped GT Basepoints (focused review)
- Market Monitoring Unit: Mitigation
- Line Losses
- Quality Assurance

Project Process Scorecards were issued for:

- SMD2.0 (Standard Market Design) (continuing review)

Draft reports and/or report reviews were in progress for:

- Curtailments (focused review)
- IT Configuration Standards
- Management Letter Follow-Up

Fieldwork and/or planning were in process for reviews of:

- Billing Simulator – Project Process
- Insurance (focused review)
- KPMG Billing Issues Recommendations
- LECG Oversight
- MIS Application Security
- Payroll
- Regulation – account accuracy
- Storm Contingencies
- Transmission/Interconnection

The January through November 2004 SAS 70 Type 2 audit scope period is underway, all subject to review by KPMG, the SAS 70 external auditor.

Monitoring of Year 2004 Corporate Incentive Goals continued during March.

Internal Audit met with the MPAAS during March, reviewing account accuracy audits and progress on the IA Plan.

Market Monitoring:

- ◆ Market Review for March 2004:

Prices in the Day-Ahead Market (DAM) and Real-Time (RT) Market decreased this month relative to last month due to decreases in fuel prices and daily sendouts.

Prices:

The March 2004 Average Monthly cost was \$53.94, down from \$59.54 last month (Attachment 4, Table 4-B). The Year-to-Date Average Cost of \$65.23 in March 2004 is lower than the March 2003 YTD price of \$76.58 (Attachment 4, Chart 4-A).

LBMPs in the NYCA decreased in all markets from February to March 2004. Prices in all three markets are also down compared to March 2003. The load weighted average DAM price fell from \$56.90/MWh in February

2004 to \$50.44/MWh in March 2004, a decrease of 11.3%. The load-weighted RT price decreased from \$54.33/MWh in February 2004 to \$51.27/MWh in March 2004, a decrease of 5.6%. (Table 4.1 below and Attachment 4, Table 4-E).

Table 4.1 Monthly Price Summary

	March 2004		
	DAM LBMP	HAM LBMP	RT LBMP
Price	\$49.08/MWh	\$53.01/MWh	\$49.56/MWh
Standard Deviation	\$10.90	\$16.25	\$17.75
Load-weighted Price	\$50.44/MWh	\$54.71/MWh	\$51.27/MWh
Percent change over February 2004	-11.3%	- 2.1%	- 5.6%
Percent change over March 2003	-33.8%	-29.3%	-30.7%

Monthly uplift increased from \$16,791,107 in February 2004 to \$27,626,782 in March 2004. Although many of the categories have changed from last month, most of the change stems from an increase in the Bid Production Cost Guarantee Balancing (Attachment 4, Chart 4-C).

Transactions:

Most energy transactions were either internal bilaterals (42% in March, down from 44% in February) or LBMP purchases (56% in March, up from 54% in February). The percentage of DAM transactions decreased slightly from 97.9% in February 2004 to 96.2% in March 2004 (Attachment 4, Table 4-D).

Sendout:

The March 2004 sendout was 12,910 GWh. The March 2004 daily average sendout of 416 GWh/day was lower than the February 2004 daily average sendout of 440 GWh/day. Compared to March 2003, the average daily sendout this month was down by 0.5% (Table 4.2 below).

Table 4.2 Monthly Summary Comparisons

	March 2004	February 2004	January 2004	December 2003	November 2003
Monthly Peak (Hourly Load): MW	22,140	22,944	25,262	23,483	21,647
Average Daily Sendout: GWh	416	440	464	435	402
Percent change over the previous year	-0.5%	-2.2%	+1.3%	-1.1%	-2.7%
Monthly Sendout: GWh	12,910	12,746	14,384	13,494	12,066

Fuel Costs:

Fuel prices are all down this month relative to the prices last month and are substantially down when compared to prices in March 2003.

No. 6 Fuel Oil prices saw the largest decrease (15.7%) relative to February 2004, followed by Natural Gas, Kerosene and No. 2 Fuel Oil (decreases of 8.3%, 5.2% and 1.0%, respectively).

All fuel prices for this month are lower than the prices in March 2003. No. 6 Fuel Oil is showing the largest price decrease relative to last year (25.9% lower than March 2003), followed by Natural Gas (25.2% lower), No. 2 Fuel Oil (6.7% lower) and Kerosene (1.2% lower). All fuel prices are stated in \$/MMBtu (Table 4.3 below).

Table 4.3 Summary of Fuel Costs for March 2004

	No. 6 Fuel Oil	Natural Gas	No. 2 Fuel Oil	Kerosene
Price: \$/MMBtu	\$4.62	\$5.84	\$6.46	\$7.16
Change from February 2004	-15.7%	- 8.3%	-1.0%	-5.2%
Change from March 2003	- 25.9%	-25.2%	-6.7%	-1.2%

Ancillary Services:

DAM Ten Minute Spinning Reserves increased by 20.4% in the East and 26.6% in the West from February 2004 to March 2004. On a year-to-year comparison, DAM Ten Minute Spinning Reserves are down 44.7% in the East and 43.1% in the West in March 2004.

DAM Regulation prices are down 22.5% this month compared to February 2004. Compared to March 2003, the DAM Regulation prices are down by 33.3% (Attachment 4, Chart 4-W and Table 4-X).

◆ Price Reservations and Corrections:

The percentage of hours reserved increased this month, as did the percentage of intervals corrected. The percentage of hours reserved this month was 6.18%, up from 3.16% in February 2004. The percentage of intervals corrected increased from 0.38% in February 2004 to 0.75% this month. There were 11 days without price corrections during March. (Attachment 4, Table 4-Q and Chart 4-R).

◆ Investigation and Physical Audit:

During the month of March 2004, four new audits were opened, two audits were closed, and one investigation was requested and initiated.

◆ Mitigations and Penalties:

DAM In-city mitigations occurred every day in March 2004. In-city RT Mitigation operated on all days this month. The DAM Automated Mitigation Procedure (AMP) did not arm during February 2004. There were no other mitigations during March 2004.

Look Ahead

Risk Assessment:

Staff has developed methodologies for including more prospective analysis in future risk reports. Staff is also working on a continual process improvement program that includes a real-time risk response capability and enhanced risk awareness across the NYISO. These enhancements are to be implemented throughout 2004. Staff is developing a Statement of Work for engaging an outside consultant to review the NYISO's enterprise risk management process and expects to undertake this review in the second quarter.

Market Monitoring:

MMP staff has released the request for Generator information supporting the summer reference level update. Generators are requested to return the data by April 15 in order to meet our goal of updating all reference levels by May 1.

Attachments

Attachment 4-A,	Average Daily NYISO-Administered Total Price 2002-2003
Attachment 4-B,	Average Monthly Rates NYISO-Administered Total Price 2000-2003
Attachment 4-C,	OATT Schedule 1 – Uplift 2000 to 2003
Attachment 4-D,	NYISO Markets 2002-2003 Transactions
Attachment 4-E,	NYISO Markets 2002-2003 Energy Statistics
Attachment 4-F,	NYISO Monthly Average Internal LBMP Prices 2002-2003
Attachment 4-G,	Zonal Statistics for NYISO
Attachment 4-H,	West Monthly Average LBMP Prices 2002-2003
Attachment 4-I,	Capital Monthly Average LBMP Prices 2002-2003
Attachment 4-J,	Hudson Valley Monthly Average LBMP Prices 2002-2003
Attachment 4-K,	NYC Monthly Average LBMP Prices 2002-2003
Attachment 4-L,	Long Island Monthly Average LBMP Prices 2002-2003
Attachment 4-M,	DAM and RT Zonal Unweighted Monthly Average LBMP Components
Attachment 4-N,	External Comparison ISO-NE
Attachment 4-O,	External Comparison PJM
Attachment 4-P,	External Comparison Ontario IMO
Attachment 4-Q,	Price Correction Statistics
Attachment 4-R,	Percentage of Real-Time Corrections
Attachment 4-S,	Virtual Trading Averages
Attachment 4-T,	Virtual Load and Supply Zonal Statistics
Attachment 4-U,	Multi-Hour Block Transaction Totals
Attachment 4-V,	NYISO Monthly Average Ancillary Service Prices, DAM 2002-2003
Attachment 4-W,	NYISO Monthly Average Ancillary Service Prices, BME 2002-2003
Attachment 4-X,	NYISO Markets 2002-2003 Ancillary Service Statistics
Attachment 4-Y,	NYISO In City Mitigation - 2003
Attachment 4-Z,	NYISO Average Daily Load Bid Summary (New Chart)
Attachment 4-AA,	NYISO LBMP Zone Map with Super-zones
Attachment 4-AB,	2004 Corporate Goals and Objectives

5. Strategic Development

Management Summary

Business Planning

- ◆ Business Plan and Incentive Goals:

The 2004 Business Plan and Incentive Goals are being implemented and monitored.

- ◆ Strategic Plan:

The Five-Year Strategic Plan is being implemented; monitoring and analysis of 2004 activities is continuing. Planning for 2005 activities is beginning.

System & Resource Planning

- ◆ Resource Adequacy:

Provided preliminary results of alternate locational requirements methodology. Assembled load and capacity numbers for 2004 and 2008 Outlook. Developed preliminary analysis showing difference between GADS derates and those reported in PI. Staff reviewed results for the NPCC CP-8 2004 Summer Assessment. Staff continues to participate in the NPCC tie benefits study.

- ◆ Transmission Planning:

Work on the Initial System Planning Study continues. Consultants GE and PowerGem continue to assist in various aspects of the planning study. The Operating Committee approved the SRISs for the Conjunction Empire Connection HVDC and Entergy Indian Point Uprates projects. The SRIS for the Ecogen Prattsburgh Wind Farm project is under review. The Class 2001 cost allocation settlement proceeding is still in progress. The subsequent Class Year cost allocations remain on hold. The 2003 NY Area Transmission Review Report was approved by TPAS, the Operating Committee, and the NPCC Task Force on System Studies (TFSS). Staff attended the March 18 NPCC RCC meeting and the March 23-24 TFSS meeting. The RCC directed TFSS to make changes to the proposed Northeast Blackout Study Plan. Staff continues to participate in NERC/MEN/NPCC study activities related to the August 14 Blackout. Work on Phase 2 of the NYISO/NYSERDA Wind Generation Integration Study continues. Transmission sections of the annual NPCC Survey and the NYISO 2004 Load & Capacity Data Report ("Goldbook") were completed. The NYISO 2004 Annual Transmission Planning and Evaluation Report (FERC Form 715), which included six power flow base cases, also was completed and filed on the April 1 due date.

- ◆ Load Forecasting:

The March Day-Ahead forecast average absolute error for the NYCA peak was 2.50% and the weather-adjusted error was 2.29%. Corresponding year-to-date numbers are 2.03% and 1.11%, respectively. Revised models for the Day-Ahead forecast have been developed and installed by Market Operations.

The NYCA Electric System Planning Process forecast for system energy and summer and winter peaks was finished. These were submitted for the EIA-411 form. Zonal forecasts are being developed.

Tracking of the ISO-New England and PJM day-ahead forecast errors was begun.

Staff is participating in evaluation of the RTS forecasting components.

An analysis of 1993 – 2003 energy and peak growth and capacity changes by region was completed.

Staff attended the SAS training.

Look Ahead

Business and Strategic Planning:

A measurement and monitoring program for implementing the Strategic and Business Plans is in progress. Initial Coordination with the Budget, Standards and Performance Subcommittee on 2005 Incentive Goals will begin in April.

System & Resource Planning

- ◆ **Resource Adequacy:**

Participate in Gas Reliability Advisory Group and develop Gas Study objective #2 (gas supply and delivery). Continue to research capacity unavailable during peak load conditions. Perform analysis on alternate methodology #2 (GE method) for locational requirements. Develop draft NYCA Resource.

Attachments

Attachment 5-A, NYISO Daily Peak Load

Attachment 5-B, Day-Ahead Forecast (Weather-Adjusted) Performance Tracking

Attachment 5-C, Plot of 12-Month Moving Total of NYCA Weather Adjusted Energy Sendout

Attachment 5-D, Plot of Weather Adjusted 12-Month Moving Total Energy Sendout Annual Percent Change

Attachment 5-E, Plot of 12 Month Moving Total of NYCA Energy Sendout and Effective Degree Days for 10 Years

Attachment 5-F, Plot of 12 Month Total Energy Sendout Annual Percent Change for 10 Years

6. Regulatory Affairs and General Counsel

Management Summary

The NYISO made 12 FERC filings in March 2004. Various Market Participants made four NYISO-related filings (or groups of filings). FERC issued four substantive, two procedural orders and one request for additional information regarding NYISO dockets. Listings of the NYISO related regulatory filings and FERC orders issued in March are included as Attachments 6-A and 6-B.

NYISO Filing of an Emergency Request for Rehearing, Request for Expedited Commission Action and Request for Extension of Time Regarding the RTS Order (ER04-230-002) – Filed March 5, 2004

The NYISO filed an emergency request for rehearing of one aspect of the February 11, 2004 order on the RTS system: the ruling that the NYISO may not assign a \$0/MWh default availability bid for Day-Ahead reserves to non-ICAP suppliers that voluntarily offer flexible capacity into the Day-Ahead market. The NYISO asked FERC to reverse this ruling on an expedited basis because it is not needed to protect the legitimate interests of non-ICAP suppliers, is not required by FERC precedent, and will necessitate major software changes to accommodate “partial” ICAP suppliers, which would substantially delay RTS implementation. The NYISO emphasized that uncertainty over whether the ruling will stand, and thereby disrupt the NYISO’s software coding and testing schedule, is already harming the RTS implementation effort. On March 11, 2004, FERC granted an extension of the deadline for submitting compliance default bidding sheets until thirty days after FERC action on the emergency request for rehearing. On April 5th, FERC issued a tolling order granting rehearing for the purpose of further consideration.

NYISO Filing of a Request for Rehearing and Clarification Regarding the RTS Order (ER04-230-002) – Filed March 12, 2004

The NYISO asked FERC to modify two aspects of their February 11, 2003 RTS Order: 1) accept the NYISO’s proposal to apply real-time automated mitigation procedures (AMP) outside of New York City to individual generators that have previously violated the conduct and impact mitigation screens; and 2) extend FERC’s November 1, 2004 deadline for the implementation of rules that would afford non-dispatchable generators greater flexibility in responding to price changes (price chasing). In addition, the NYISO asked FERC to clarify its directive that the NYISO include demand side resources in RTS.

NYISO Compliance Filing Regarding RTS and Notice of Early Implementation of Certain Mitigation Measures (ER04-230-003) – Filed March 12, 2004

Modified tariff sheets were filed to comply with FERC’s directives to: 1) more clearly define the term “unjustifiable changes” in operating parameters under the Market Mitigation Measures (MMM) and delete the rest-of-state real-time AMP. The NYISO explained that providing a fifteen-minute scheduling option would be the best alternative to reinstatement of price chasing, but the NYISO did not include implementing tariff changes in this filing. Instead, the NYISO explained that it intends to take the time to further discuss various design issues with its stakeholders and then make another compliance filing which will include all necessary tariff revisions. The RTS Order authorized the NYISO to implement parts of the filing before the rest of RTS, provided that it: (i) gave FERC and stakeholders at least two weeks notice of implementation; and (ii) posted a notice of the effective date on its website at least forty eight hours in advance. In this filing, the NYISO provided notice that it will be activating most of the approved enhancements to its MMM effective on May 1, 2004, the start of the Summer Capability Period. These components can be activated prior to the implementation of the RTS software and there is, therefore, no reason to delay their introduction.

NYISO Filing of a Compliance Report Addressing Settlement and Credit Procedures (ER03-552-008) – Filed March 29, 2004

In a September 22, 2003 Order, FERC directed the NYISO to explore through its stakeholder process whether changes to the NYISO’s settlement or credit procedures should be made. This filing reports on the results of that stakeholder process. The NYISO reported that it continues to believe its overall approach to addressing customer credit risk is sound and that it appropriately protects the NYISO and its customers against credit risk

without creating undue barriers to entry into the markets it administers. The report identified the following potential settlement and scheduling enhancements: 1) improving the existing settlement system and deploying a state-of-the-art settlement system; 2) allowing customers to schedule bilateral contracts without identifying a specific generation source and 3) shortening the 12-month true-up period before final bills are issued. The NYISO also reported on changes already made following the September 22 Order: 1) filed tariff changes to permit netting of a customer's positions by allowing the customer to treat as cash collateral the amount that is owed to it after the NYISO makes payment for services provided in the previous month; 2) made a separate compliance filing to reduce the collateral requirement of a customer entering into a prepayment agreement with the NYISO; and 3) developed tariff revisions that will extend to the New York Municipal Power Agency (NYMPA) a starting point for determining its unsecured credit of up to the amount that would have been granted to its various members.

NYISO Filing of Tariff Revisions to Modify Pricing Rules at a Non-Competitive External Proxy Generator Bus (ER04-696-000) – Filed March 31, 2004

The NYISO filed to revise the special pricing rules approved by FERC for the Hydro Quebec (HQ) proxy bus. When FERC approved these rules, it imposed the condition that they be limited to situations in which it is necessary to schedule counterflows at the HQ Proxy Generator Bus. In this filing, the NYISO explains that it has determined that the costs of applying FERC's condition would greatly exceed the benefits it would produce and requests the removal of that condition.

Letter Orders:

During March 2004, FERC issued letter orders accepting the NYISO's second quarterly report on the status of the 10-Minute Non-Synchronous Reserve Market (ER03-836-000), the NYISO's compliance report on the operation of the scarcity pricing provisions (ER03-766-002) and scarcity pricing compliance filing tariff revisions (ER03-766-001).

Litigation Summary:

On March 16, 2004 the United States Court of Appeals for the District of Columbia Circuit issued a decision in PSEG Energy Resources & Trade, LLC v. Federal Energy Regulatory Commission, Case No. 02-1276. The underlying case involves a challenge to the NYISO's correction of prices on May 8 and 9, 2000 pursuant to its TEP authority. The appeals court remanded the matter to FERC for further proceedings examining the basis for invoking the TEP.

Look Ahead

The NYISO is preparing FERC filings regarding: response to FERC's information request regarding the NYISO's RTS rehearing request; FERC's NOPR on pipeline creditworthiness standards; request for clarification/waiver/rehearing regarding interconnection standards; supplement to the January interconnection filing; Order 2003-A generator interconnection procedures and agreement compliance filing; request for clarification regarding expiration of scarcity pricing; Cross Sound Cable interim solution; and annual FERC program costs (FERC-582) .

Attachments

- Attachment 6-A, NYISO Regulatory Filings – March 2004
- Attachment 6-B, NYISO related FERC Orders – March 2004

7. Committee Activities

Management Summary

Management Committee (MC): The MC met on March 2, 2004 in Albany, New York.

- The MC approved tariff provisions to account for Wholesale Transmission Service Charges (WTSC) in a Customer's Operating Requirement (Credit limit) in accordance with the March 2, 2004 presentation.
- A motion to authorize creation of a new sub-sector for Demand Response Providers and Distributed Generation failed.

Business Issues Committee (BIC): The BIC met on March 17, 2004.

- The BIC unanimously approved, with abstentions, modifications to the Ancillary Services, Installed Capacity, and Emergency Demand Response Manuals.

Operating Committee (OC): The OC met on March 18, 2004.

- The OC unanimously approved, with abstentions, the 2003 (NPCC) New York Area Transmission Review, revisions to the Ancillary Services and Emergency Operations Manuals, and SRISs for Conjunction Empire Connection and Entergy Indian Point Uprate.

New York State Reliability Council (NYSRC):

- Review Of The Procedures And Methodology For Establishing LSE Locational Installed Capacity Requirements:

The New York Independent System Operator (NYISO) and New York State Reliability Council (NYSRC) will perform a joint study to review the procedures and methodology for establishing LSE Locational Installed Capacity Requirements for applicable NYCA zones consistent with New York Reliability Rule A-R2. The purpose of this review is to strengthen the integration of Installed Reserve Margin (IRM) and Locational Capacity Requirements (LCR) studies used to ensure compliance with NYS Reliability Rules A-R1 and A-R2, which govern capacity adequacy in the New York Control Area (NYCA).

Look Ahead

Management Committee:

- At the Joint MC/Board meeting in April, David Patton and Bill Museler will report on the state of the market. Two Market Participant manuals will also be discussed, as well as the electric system planning process, the enhancement of the billing cycle, and which entities have responsibilities for reliability.

New York State Reliability Council (NYSRC):

- The next two meetings are scheduled for April 15, 2004 and May 13, 2004 respectively.

Attachments

Attachment 7-A, MC Motions

8. Information Technology

Management Summary

Resolution and validation has been completed for all SMD2 Critical and High severity software defects, as identified in the ABB Phase 1 software delivery. This March accomplishment was on target as per the revised project schedule, and triggered acceptance of the SMD2 contract milestone associated with it. The defects that were corrected were identified during last summer's Factory Acceptance Test (FAT) activities at the ABB facility in Houston.

The ABB project team completed software development activities for Phase 2a of the SMD2 project. These targets were achieved on schedule, and represent significant progress towards the delivery of this required functionality. The SCADA/EMS software has been tested by the ABB development staff and is being prepared for acceptance testing by the NYISO staff during April. The BMS application (e.g. SCUC, RTS, etc.) software development has been completed, and the ABB development staff has started their own preliminary testing on it in preparation of delivery to the NYISO for acceptance testing in May.

The internal testing portion of the Market Trial testing process is ongoing at NYISO facilities. Integration testing between ABB products and NYISO applications has been successful, and functional testing of the core applications is tracking to plan. Upload/Download testing for bid submission was initiated with a limited number of participants; open sandbox testing for this functionality will follow these successful preliminary tests.

A second SMD2 Technical Conference was held for Market Participants on March 31st. The target audience for the all-day session was individuals who will be participating in the actual trial exercises through the Summer period. The event was well attended, and positive feedback was received regarding the content.

Development activities for the E-Tagging project have been completed, and final Quality Assurance testing is underway. This enhancement to the NYISO software will enable more flexible management of transaction data and will enable the Operations staff to more easily maintain compliance with NERC guidelines for managing transaction tags.

Development activities for the AMP III/IV (A620) and the Station Power Final Phase Project (A647) have been completed and are in final Quality Assurance Testing.

Look Ahead

The SMD2 project team will perform formal Factory Acceptance Testing (FAT) at NYISO facilities during April for the SCADA / EMS software. The ABB development team will complete the pre-acceptance testing for the BMS applications in April and deliver the systems to the NYISO to perform formal FAT in May. This testing is required to demonstrate the readiness of the products to initiate integrated Market Trials in June.

Market Trial exercises will become more interactive with Market Participants when the Upload/Download sandbox testing is initiated for all Market Participants. This capability will allow MPs to validate the data transfer compatibility of the bidding systems against a complete replica of NYISO's bidding interface.

The E-Tagging Project (A660) software will complete integration testing and be deployed into the NYISO Production System.

The Station Power Final Phase Project (A647) will complete integration testing and be deployed into the NYISO Production System.

Infrastructure updates to the Weblogic Servers to support Application Clustering of the Production Web Servers will complete testing and be deployed into the NYISO Production System.

The AMP III/IV Project (A620) will complete integration testing and be deployed into the NYISO Production System.

9. Human Resources

Management Summary

Four new employees and two new contractors were hired in March.

Total new employees hired for 2004 is 18; total new contractors hired is eight.

There were three terminations in March.

A total of 47 interviews (for both employee and contractor positions) were conducted in March. From these interviews, eleven external offers were made (nine direct hire, two contractor), ten accepted.

The Web-based Safety and Code of Conduct re-certification course was conducted on-line for all employees and contractors. Student feedback was excellent. A number of suggestions were made for further enhancing this means of training.

Work is continuing on market training programs for the SMD2/RTS Energy Management System implementation to be delivered this spring. Employee, contractor and Market participant programs were announced and enrollment is now taking place.

On-line DSS introductory courses and E-tagging training consisting of a written tutorial (developed by Sapiant) and a narrated on-line Power point introductory course (created by J. Valentine) were also conducted. On-line Webex question sessions are planned for April.

NYISO rolled out the new "Wellness in the Workplace" program for all employees.

Forty-four Power Plus Awards were awarded to employees in Corporate and Risk Management, IT, Market Services, Finance, HR, General Counsel, Admin & Compliance and Operations.

Look Ahead

The 2004 Learning Connection and Organizational Excellence program is being developed for delivery to NYISO employees and managers.

The next two NYMOC courses will be conducted on April 19-22 and June 8-11.

DEPARTMENT	Current Staff 03/31/2004	Current Openings	Total Budgeted Employees 12/31/2004
Executive	2	1	3
Finance	28	7	35
Human Resources	15	1	16
Information Systems	111	20	131
Market Services	43	4	47
Operations	73	3	76
Strategic Planning	14	0	14
Corporate & Market Risk	39	3	42
Government Affairs & Comm. Communications	1 5	1 0	2 5
General Counsel Regulatory Affairs	7 5	1 0	8 5
Administration & Compliance	19	2	21
Total	362	43	405

10. Government Affairs and Communications

Management Summary

Media Inquires:

The NYISO managed 40 inquiries for March.

Interviews & Presentations:

Mar 3 Interview, WAMC Public Radio, Albany – Mike Calimano

Government Affairs:

Mar 9 Briefed Senate Energy Committee on 2003 Blackout

Tours:

Mar 15 Henan Power Co. of China
Mar 24 JP Morgan Chase
Mar 24 Energy Enterprise, Inc.
Mar 26 Han Viet Electrical Technology Co., Viet Nam
Mar 26 China Electric Industry Bureau

Internal Communications:

Web Site: 237 postings were added to the site, and 32 Webmaster requests were resolved.
Mar 24 "The Independent" was published and issued.
Mar 26 Wellness Program Kick-Off

Look Ahead

Apr 1 Tour, Croatia Utility Commissioners
Apr 8 Tour, Tokyo Electric
Apr 21 Tour, Israel Electric

11. Finance

Management Summary

Budget:

The 2003 budget vs. actual results indicate a spending underrun of \$1.3 million. An overcollection on load during 2003 also exists, bringing the total potential refund to Market Participants to \$2.2 million. The refund components were reviewed with the Budget, Standards, and Performance Subcommittee ("BSP") at its February 17 meeting. The 2003 underrun has been audited as part of NYISO's 2003 financial statement audit, and will be presented to the Board of Directors in April. Any refunds would be processed in the May-June timeframe to those Market Participants who contributed to Rate Schedule 1 during 2003.

2004 spending is tracking within budget.

Credit Department:

Market Settlements Activities:

The consolidated invoice issued in March 2004 represented the February 2004 Energy & ICAP charges, the February 2003, and October 2003 settlement adjustments, and the February 2002 final settlement.

Other Matters:

On March 16, the Public Service Commission approved NYISO's petition for a new \$100 million financing facility covering anticipated budget needs for 2004 – 2006. NYISO subsequently closed on this facility on March 17 and entered into interest rate cap agreements to hedge future interest rate exposure on this facility on March 18.

At the March 19 BSP meeting, a presentation was given on the status of the Rate Schedule 1 unbundling study. The presentation focused on revised recommendations for service categories and the initial recommendations for billing determinants.

On March 26, Deloitte & Touche issued an unqualified opinion on NYISO's 2003 financial statements. NYISO will be issuing its 2003 annual report, containing the 2003 financial statements, in April.

Look Ahead

The next BSP meeting is scheduled for April 16. The primary purpose of this meeting will be to finalize recommendations to unbundle Rate Schedule 1.

NYISO will submit the 2003 FERC Form 1 by the April 30, 2004 deadline.

Attachments

- Attachment 11-A, NYISO Budget vs. Actual Analysis
- Attachment 11-B, Gross Revenue – Energy Market
- Attachment 11-C, Market Participant Energy Billings – Receivables
- Attachment 11-D, Market Participant Energy Billings – Payables

12. Administration and Compliance

Management Summary

Facilities and Security:

Work is progressing on the Phase I security upgrades at the Carman Road Facility. Preliminary designs are being developed for Phase II of the security upgrades. Facilities staff, in conjunction with IT staff, has spent considerable time with ME Engineering studying all of the NYISO Computer Room HVAC and UPS demands and has developed a draft report and recommendations for immediate and mid-term solutions. NOVA has presented a list of recommended enhancements to the Carman Road facility for protection against lightning strikes, which are currently being evaluated.

Project plans for the expansion of the guard force in order to include all NYISO facilities on a 24/7 basis has been created.

The NYISO Training Department has deployed a computer based compliance training program that includes a security component prepared with the participation of Security Staff.

Contract Administration:

Rapid support action continues to uphold the established schedules for the PCC renovation and continued forward movement for the new facility. Timely placement of facility-related contracts has been critical for obtaining critical infrastructure information.

Project Management:

One major project deployment took place in March:

A556 Documentum Implementation

After more than a year of development and testing, Documentum, an electronic document management system, was put on-line for use by the Regulatory Affairs and Committee Support departments. The next business groups to be added will be IT and Finance. This project qualified and achieved both the schedule and cost targets for incentive goal 9.

The table below summarizes the number of projects currently defined in the projects portfolio.

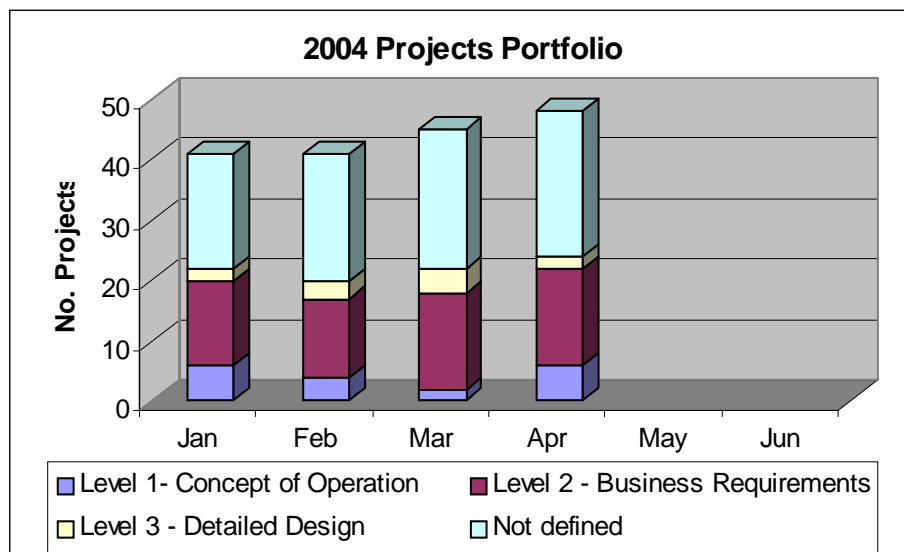
Project Category	Previously Scheduled ¹	Completed	Added	Currently Scheduled ²
Priority Projects	45	1	3	47
Studies and Training	16	3		13
Total	61	4	3	60

Notes: ¹ Previously Scheduled – reflects status as of the Mar. 8
² Currently Scheduled - reflects status as of April 9

The table below summarizes changes to the projects portfolio over the past month:

Projects Completed	
A686	Allocation Adjustments (EDRP, TA, QSR)
A212	2002 New York Area Transmission Review
A678	SRIS for Conjunction Empire Conn. HVDC Project
A695	SRIS for Uprates of the Entergy Indian Point Nuclear Units
Projects Added	
A667	Scarcity Pricing in SMD
A737	Migration to New facility
A739	Capital Improvements of PCC In Guilderland

The graph below illustrates the number of Priority Projects (excluding Studies and Training) in the projects portfolio and their status within the project lifecycle.



Level 1 indicates a project in its preliminary stage with a completed Concept of Operation document.

Level 2 is achieved when the Business Requirements document (aka FRS) is completed and the project scope is clearly defined.

Level 3 is reached when a system design specification (SDS), defining the software requirements, is completed. As a project progresses through these levels the resource and cost estimates become more accurate.

Look Ahead

Project Management:

Planned project deployments in April include:

A647 Station Power Accounting

A620 AMP IV including Start-up and Min Gen Mitigation

A660 E-Tagging Integration

A663 DSS Settlements Datamart IV

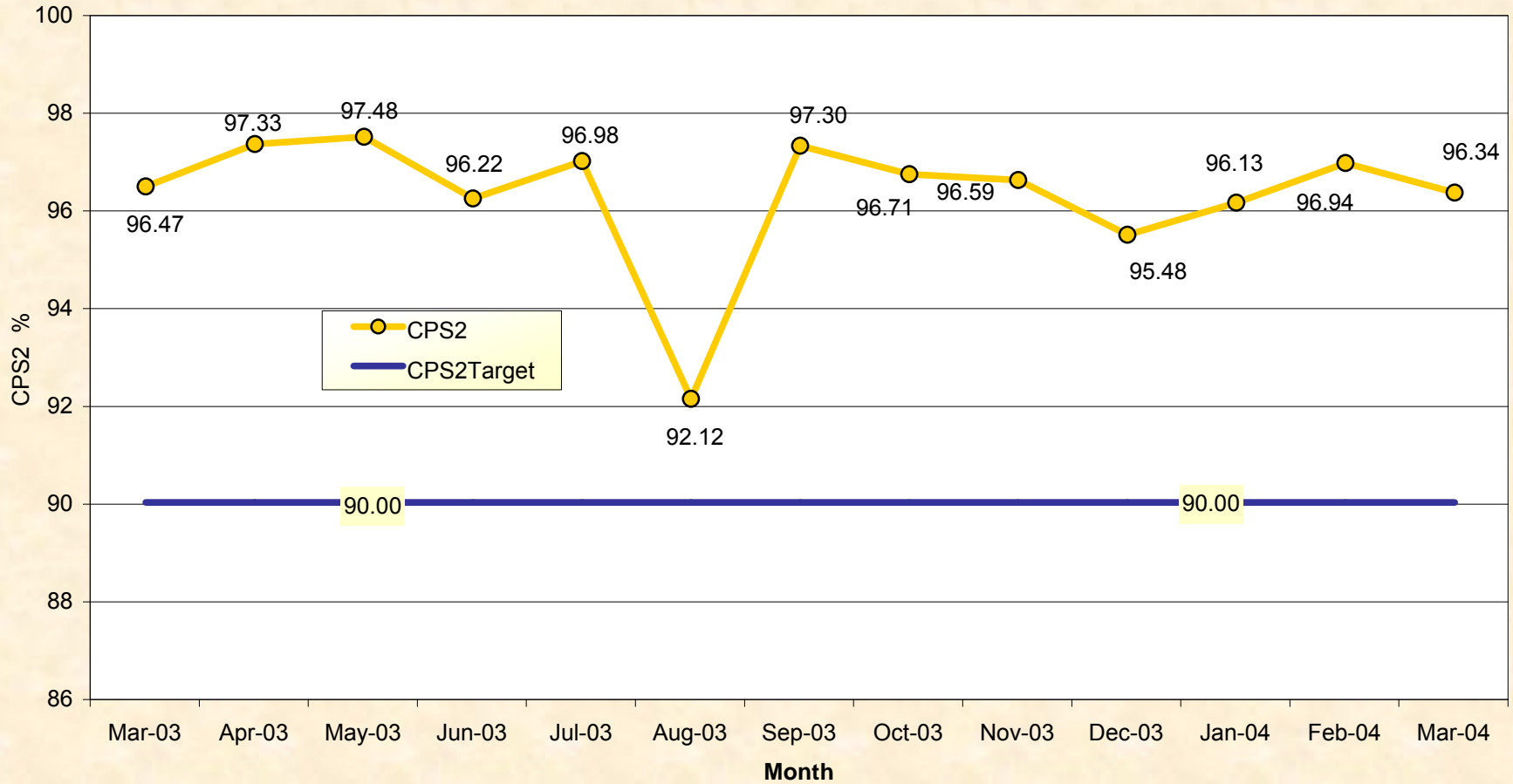
Attachments

Attachment 12-A, Summary report - Status of Priority Projects

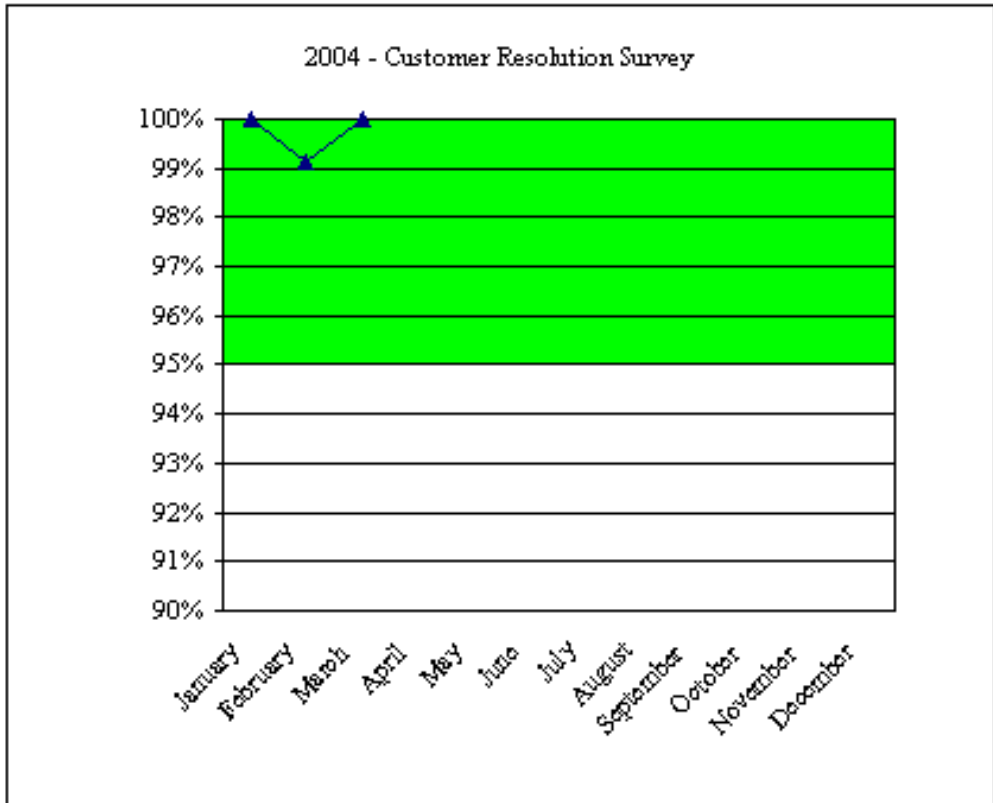
Attachment 12-B, Projects Portfolio

NERC Control Performance Standard

NYISO Compliance
Year 2003/2004

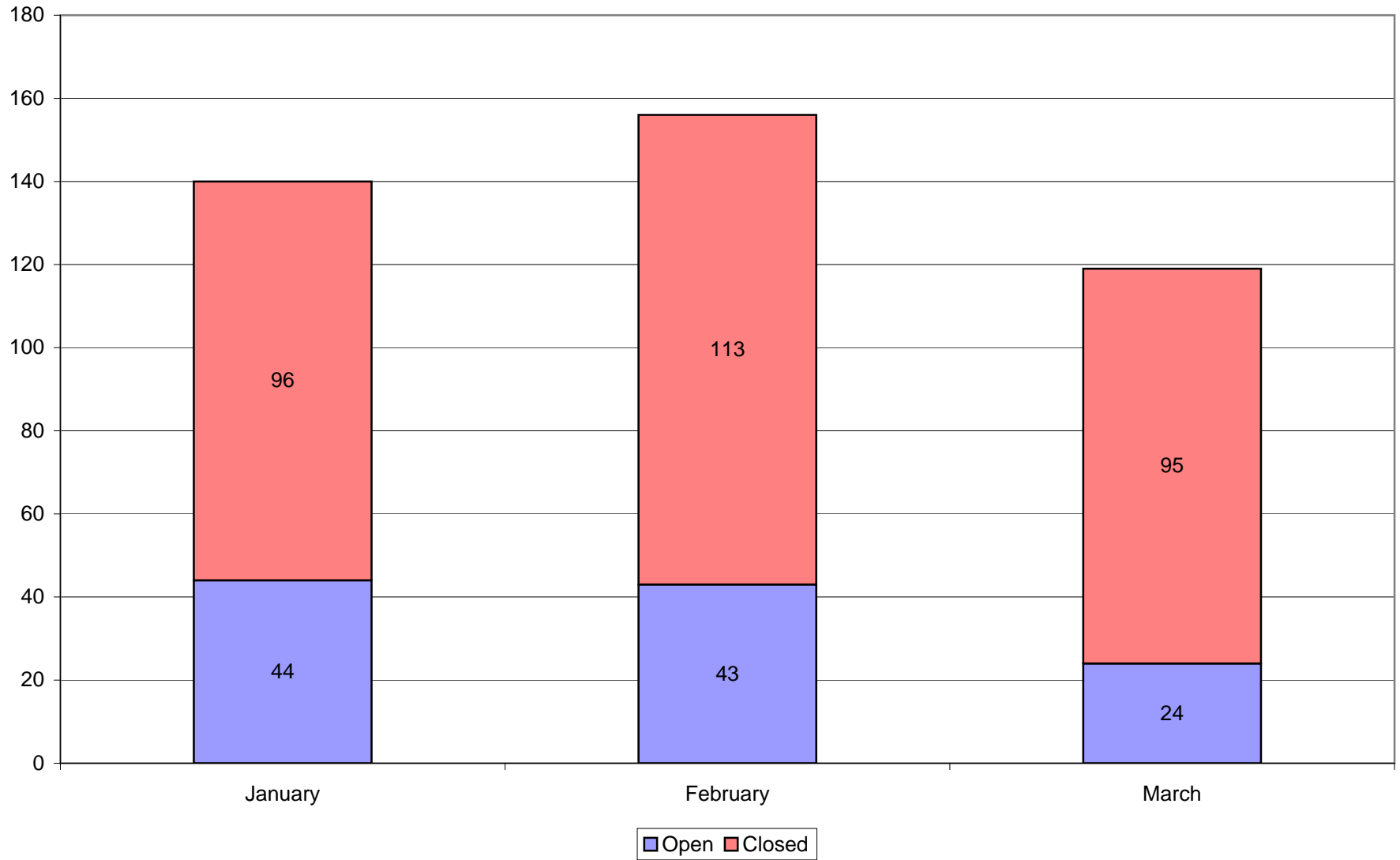


CPS2 for March = 96.34% Compliance Threshold = 90%
CPS2 measures excessive unscheduled power flow resulting from large Area Control Error (ACE)

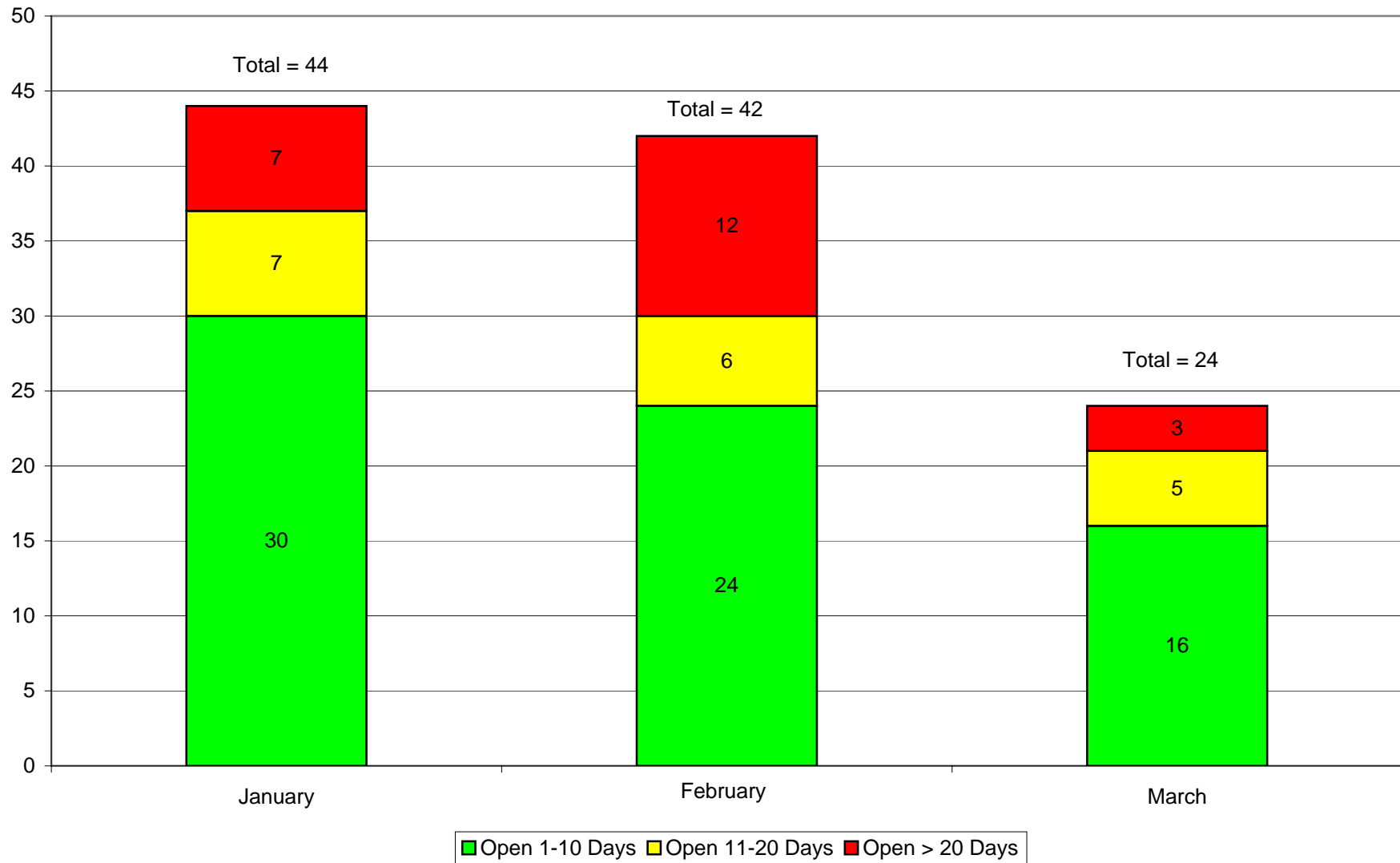


The Customer Resolution Survey Goal for 2004, has been set at 95%. For the month of March, 95 inquiries were sent out. No replies were received that the response was not timely. A 100% (superior) level was achieved for the month. For the period January-March, a total of 304 inquiries were sent out, one (1) customer indicated that the response was not timely. A 99.7% level was achieved.

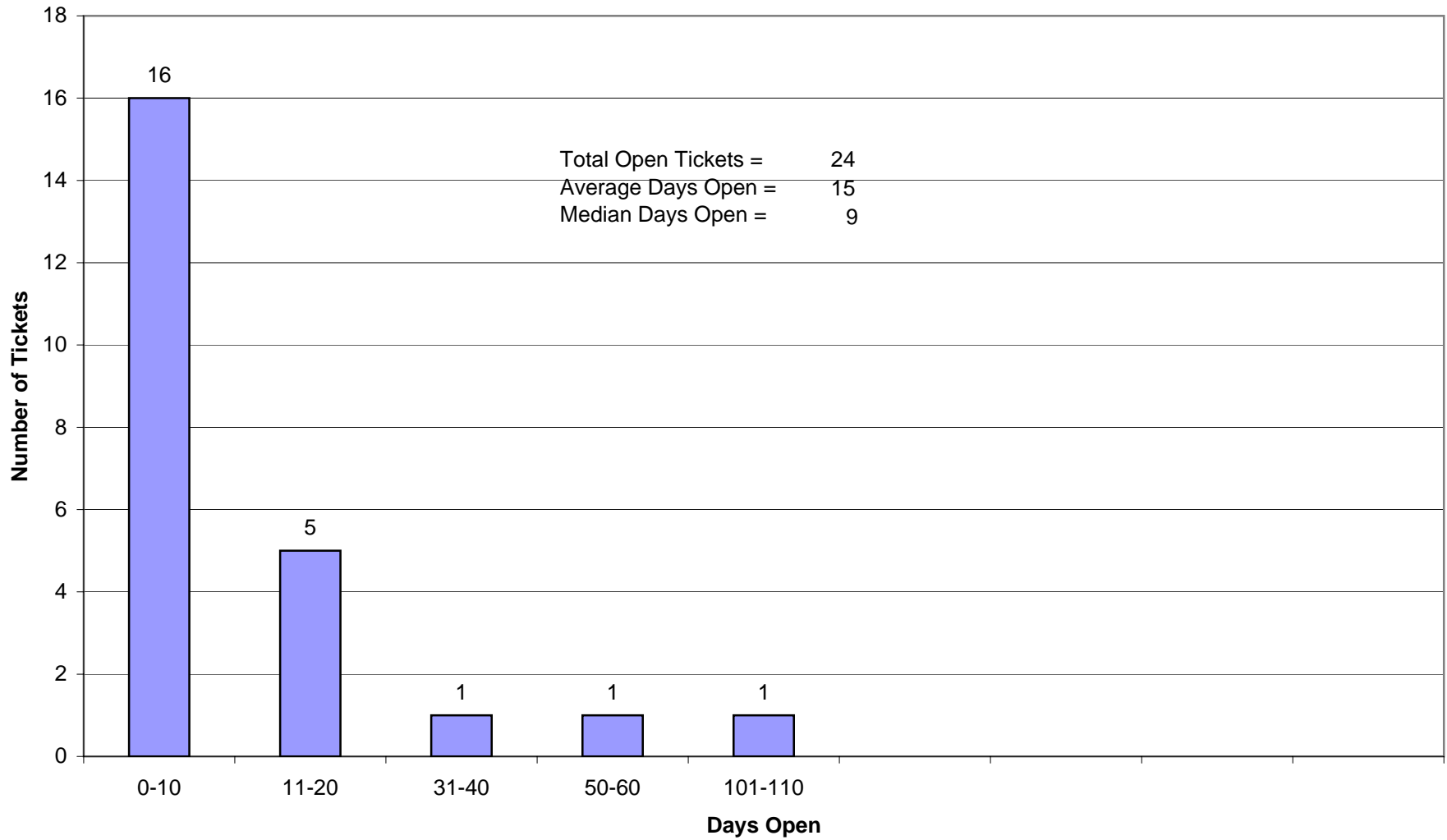
Tickets Open, Tickets Closed as of End of March, 2004



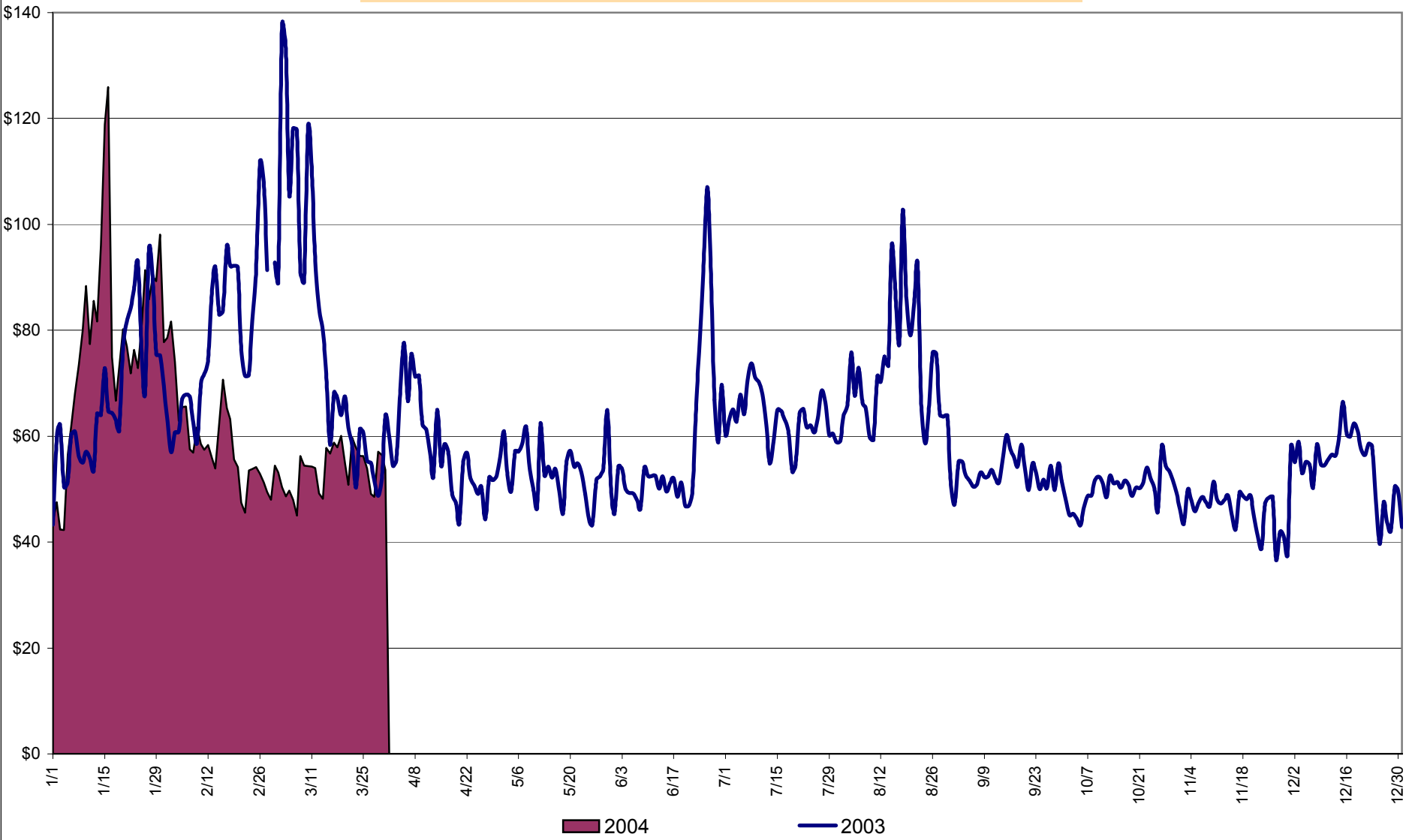
Open Tickets by Month March 2004



Number of Tickets Open By Days March 2004



Daily NYISO Average Cost/MWH (Energy & Ancillary Services)*
2003 Annual Average \$62.35/MWH
March 2003 YTD Average \$76.58/MWH
March 2004 YTD Average \$65.23/MWH



4-A

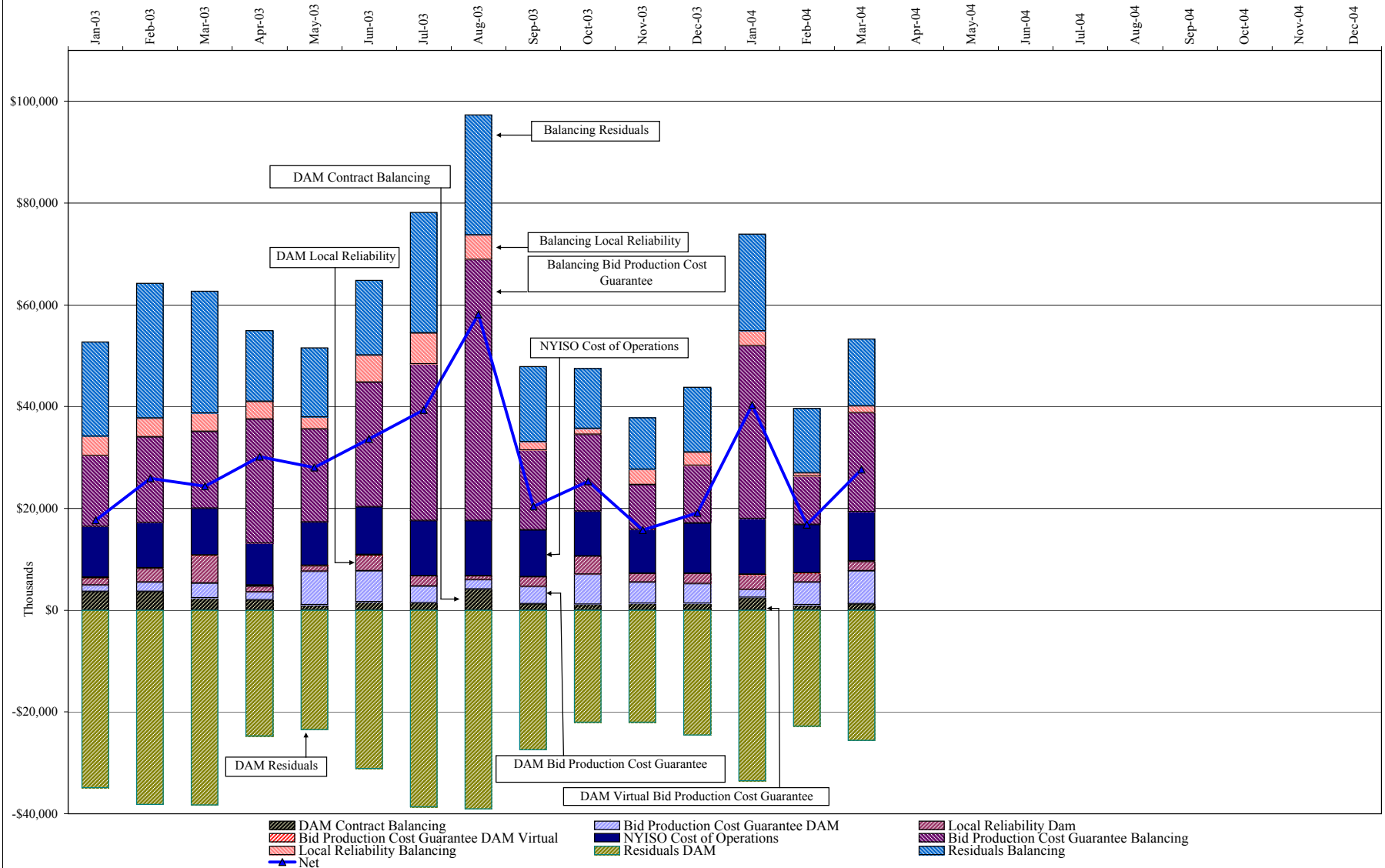
**NYISO Average Cost/MWH (Energy and Ancillary Services)*
from the LBMP Customer point of view**

2004		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	75.70	57.11	50.60									
	NTAC	0.47	0.42	0.55									
	Reserve	0.27	0.14	0.20									
	Regulation	0.18	0.31	0.25									
	NYISO Cost of Operations	0.73	0.73	0.73									
	Uplift	1.88	0.47	1.25									
	Voltage Support and Black Start	<u>0.36</u>	<u>0.36</u>	<u>0.36</u>									
	Avg Monthly Cost	79.60	59.54	53.94									
	 Avg YTD Cost	79.60	70.60	65.23									

2003		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	66.34	76.59	78.31	54.27	49.76	57.37	60.10	68.14	50.82	47.05	43.37	52.40
	NTAC	0.42	0.36	0.67	0.46	0.45	0.40	0.54	0.37	0.25	0.29	0.52	0.37
	Reserve	0.47	0.35	0.45	0.40	0.47	0.25	0.15	0.22	0.13	0.10	0.18	0.16
	Regulation	0.27	0.28	0.39	0.32	0.65	0.32	0.19	0.18	0.33	0.51	0.46	0.25
	NYISO Cost of Operations	0.70	0.69	0.69	0.69	0.69	0.70	0.70	0.70	0.70	0.70	0.69	0.70
	Uplift	0.30	1.09	0.95	1.71	1.51	1.70	1.79	2.73	0.77	1.21	0.45	0.57
	Voltage Support and Black Start	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>	<u>0.34</u>
	Avg Monthly Cost	68.83	79.71	81.81	58.20	53.88	61.08	63.82	72.68	53.35	50.20	46.01	54.80
	 Avg YTD Cost	68.83	74.02	76.58	72.22	68.83	67.45	66.80	67.72	66.19	64.70	63.14	62.41

* Excludes ICAP payments

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

Transactions by Market 2004	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWH	14,614,304	12,806,346	12,836,889									
DAM LSE Internal LBMP Energy Sales	52%	50%	51%									
DAM External TC LBMP Energy Sales	4%	2%	3%									
DAM Bilateral - Internal Bilaterals	41%	45%	44%									
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%	1%	1%									
Balancing Energy Market MWH	367,460	269,220	508,837									
Balancing Energy LSE Internal LBMP Energy Sales	66%	31%	61%									
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%									
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%									
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%									
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%									
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%									
Transactions Summary												
LBMP	58%	54%	56%									
Internal Bilaterals	40%	44%	42%									
Import Bilaterals	1%	1%	1%									
Export Bilaterals	1%	1%	1%									
Wheels Through	1%	0%	1%									
Market Share of Total Load												
Day Ahead Market	97.5%	97.9%	96.2%									
Balancing Energy †	2.5%	2.1%	3.8%									
Total MWH	14,981,764	13,075,566	13,345,726									
Average Daily Energy Sendout/Month GWh	464	440	416									

Transactions by Market 2003

Transactions by Market 2003	January	February	March	April	May	June	July	August	September	October	November	December
Day Ahead Market MWH	14,187,752	12,695,868	13,126,563	11,997,655	12,029,453	13,341,831	15,444,857	15,759,082	13,003,309	12,507,780	12,332,456	13,973,266
DAM LSE Internal LBMP Energy Sales	46%	48%	46%	49%	46%	48%	55%	57%	49%	48%	47%	48%
DAM External TC LBMP Energy Sales	1%	1%	1%	1%	2%	2%	1%	0%	1%	2%	2%	2%
DAM Bilateral - Internal Bilaterals	50%	49%	50%	46%	49%	46%	43%	40%	48%	47%	48%	46%
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	2%	2%	2%	1%	1%	1%	1%	1%	2%
Balancing Energy Market MWH	347,539	285,381	376,222	235,800	278,939	291,519	208,142	-55,913	394,363	338,562	319,065	385,707
Balancing Energy LSE Internal LBMP Energy Sales	58%	35%	52%	72%	48%	39%	53%	-146%	65%	53%	26%	43%
Balancing Energy External TC LBMP Energy Sales	58%	80%	95%	73%	69%	78%	79%	242%	44%	61%	77%	68%
Balancing Energy Bilateral - Internal Bilaterals	-6%	-10%	-2%	0%	-5%	5%	-2%	-75%	1%	3%	0%	-2%
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	4%	1%	1%	1%	1%	0%	0%	2%	0%	0%	0%	0%
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	-38%	0%	0%	0%	0%	-14%	0%	0%	0%	0%
Balancing Energy Bilateral - Wheel Through Bilaterals	-14%	-7%	-8%	-46%	-14%	-23%	-31%	-109%	-10%	-16%	-3%	-9%
Transactions Summary												
LBMP	49%	50%	49%	52%	49%	52%	56%	58%	51%	52%	51%	52%
Internal Bilaterals	48%	47%	48%	45%	48%	46%	42%	40%	46%	46%	47%	45%
Import Bilaterals	1%	1%	1%	1%	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%	1%	1%	1%	1%	1%	1%	1%	0%	1%	1%	2%
Market Share of Total Load												
Day Ahead Market	97.6%	97.8%	97.2%	98.1%	97.7%	97.9%	98.7%	100.4%	97.1%	97.4%	97.5%	97.3%
Balancing Energy †	2.4%	2.2%	2.8%	1.9%	2.3%	2.1%	1.3%	-0.4% *	2.9%	2.6%	2.5%	2.7%
Total MWH	14,535,291	12,981,249	13,502,785	12,233,455	12,308,392	13,633,350	15,652,999	15,703,169	13,397,672	12,846,342	12,651,521	14,358,973
Average Daily Energy Sendout/Month GWh	458	450	418	393	382	432	497	498	433	397	402	435

† 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 2004 Energy Statistics

	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Price *	\$72.12	\$55.31	\$49.08									
Standard Deviation	\$25.99	\$14.40	\$10.90									
Load Wtg.Price **	\$75.01	\$56.90	\$50.44									
<u>BME *** LBMP</u>												
Price *	\$77.51	\$54.41	\$53.01									
Standard Deviation	\$37.54	\$15.73	\$16.25									
Load Wtg.Price **	\$80.51	\$55.89	\$54.71									
<u>REAL TIME LBMP</u>												
Price *	\$73.72	\$52.95	\$49.56									
Standard Deviation	\$32.61	\$15.04	\$17.75									
Load Wtg.Price **	\$76.85	\$54.33	\$51.27									
Average Daily Energy Sendout/Month GWh	464	440	416									

NYISO Markets 2003 Energy Statistics

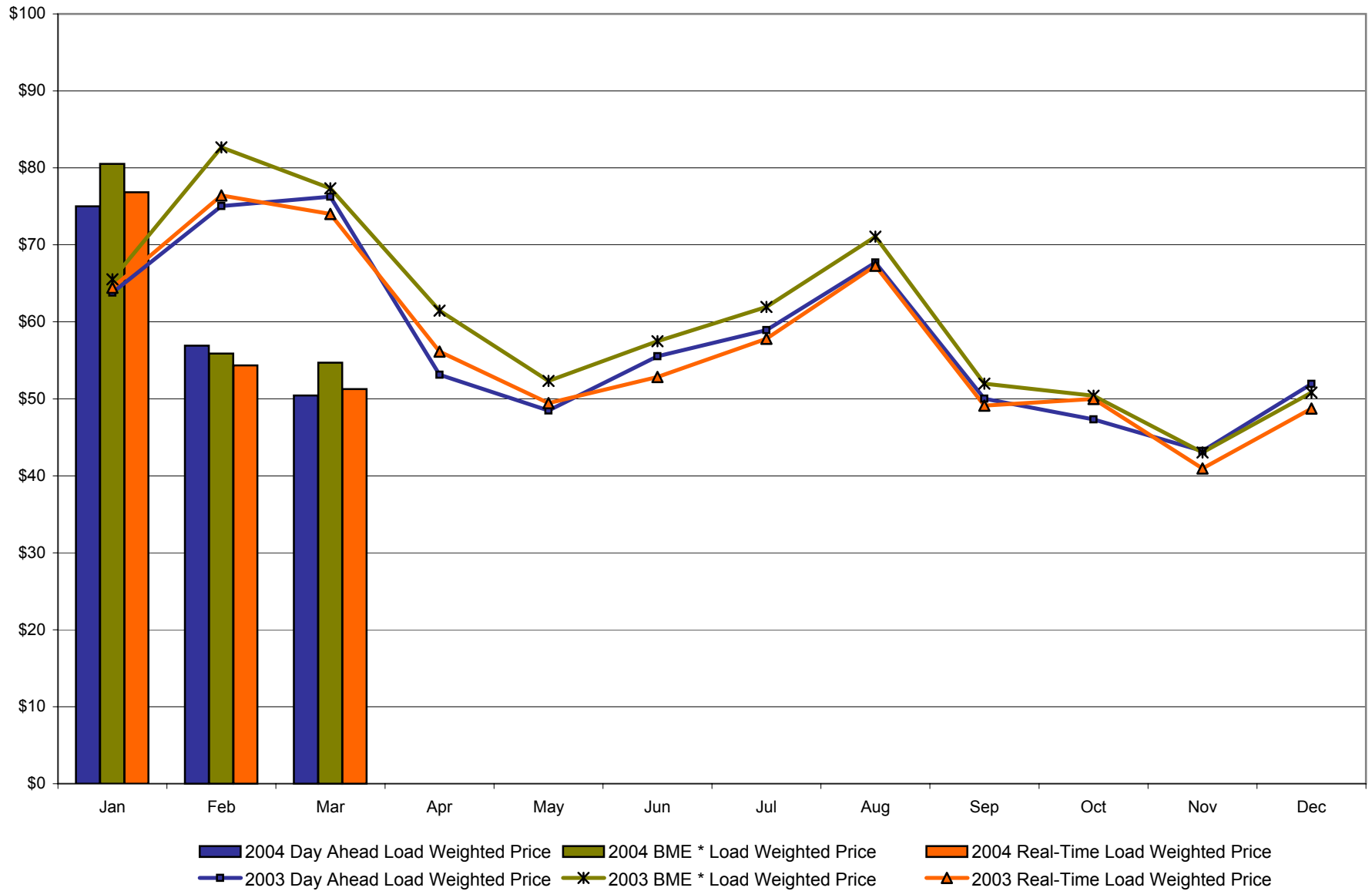
	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Price *	\$61.33	\$72.81	\$73.18	\$51.58	\$46.43	\$51.45	\$57.10	\$64.94	\$48.29	\$45.81	\$41.58	\$50.07
Standard Deviation	\$20.09	\$21.12	\$29.70	\$12.47	\$14.03	\$21.27	\$11.88	\$18.06	\$11.04	\$10.91	\$12.06	\$14.92
Load Wtg.Price **	\$63.81	\$75.03	\$76.25	\$53.14	\$48.47	\$55.52	\$58.93	\$67.71	\$50.02	\$47.34	\$43.21	\$51.95
<u>BME *** LBMP</u>												
Price *	\$63.19	\$80.25	\$74.27	\$59.22	\$50.27	\$53.84	\$59.99	\$67.63	\$50.34	\$48.74	\$41.01	\$48.73
Standard Deviation	\$25.43	\$41.53	\$32.77	\$25.00	\$16.37	\$22.27	\$14.82	\$72.20	\$14.01	\$15.35	\$18.51	\$18.89
Load Wtg.Price **	\$65.54	\$82.65	\$77.33	\$61.45	\$52.31	\$57.49	\$61.94	\$71.07	\$51.96	\$50.39	\$43.05	\$50.81
<u>REAL TIME LBMP</u>												
Price *	\$61.53	\$74.03	\$70.54	\$53.94	\$46.74	\$48.96	\$55.94	\$64.32	\$47.24	\$48.57	\$38.72	\$46.45
Standard Deviation	\$30.16	\$37.46	\$37.97	\$28.70	\$23.03	\$21.57	\$13.68	\$34.91	\$15.52	\$25.74	\$22.35	\$20.55
Load Wtg.Price **	\$64.43	\$76.41	\$74.02	\$56.14	\$49.44	\$52.82	\$57.79	\$67.27	\$49.12	\$49.98	\$40.96	\$48.73
Average Daily Energy Sendout/Month GWh	458	450	418	393	382	432	497	498	433	397	402	435

* Average zonal load weighted prices

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

*** Commonly referred to as Hour Ahead Market (HAM)

**NYISO Monthly Average Internal LBMPs
2003 - 2004**



* Commonly referred to as Hour Ahead Market (HAM)

4-F

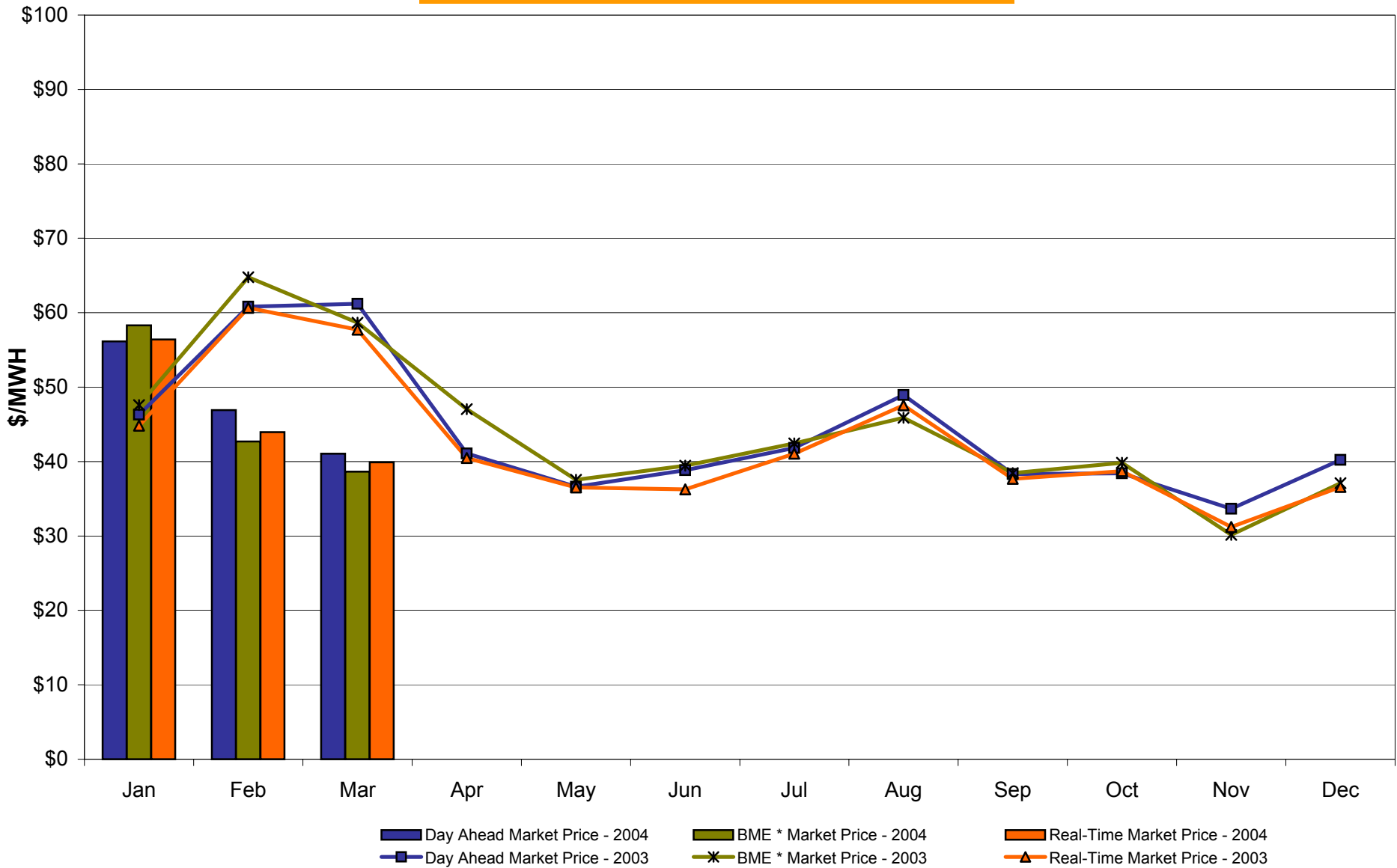
March 2004 Zonal Statistics for NYISO (\$/MWH)

	WEST Zone A	GENESEE Zone B	NORTH Zone D	CENTRAL Zone C	MOHAWK VALLEY Zone E	CAPITAL Zone F	HUDSON VALLEY Zone G	MILLWOOD Zone H	DUNWOODIE Zone I	NEW YORK CITY Zone J	LONG ISLAND Zone K
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	41.05	43.92	44.97	43.98	45.65	47.72	47.25	47.38	48.32	54.52	53.61
Standard Deviation	8.97	9.57	9.22	9.54	9.72	10.33	10.12	10.26	10.72	14.50	11.21
<u>BME ** LBMP</u>											
Unweighted Price *	38.66	40.14	43.92	42.74	44.17	45.06	45.68	45.65	46.28	68.40	59.50
Standard Deviation	11.49	11.76	12.07	12.34	12.55	12.82	12.99	13.43	13.62	26.24	31.08
<u>REAL TIME LBMP</u>											
Unweighted Price *	39.89	43.74	44.13	42.98	44.73	47.83	45.37	45.94	46.68	57.29	54.13
Standard Deviation	15.25	16.68	16.79	16.39	17.02	17.74	17.06	17.33	17.66	21.67	21.01
	ONTARIO HYDRO Zone O	HYDRO QUEBEC Zone M	PJM Zone P	NEW ENGLAND Zone N							
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	40.52	45.25	41.73	47.51							
Standard Deviation	8.64	9.35	9.91	10.22							
<u>BME ** LBMP</u>											
Unweighted Price *	37.85	43.74	40.41	45.17							
Standard Deviation	11.25	12.18	12.92	12.92							
<u>REAL TIME LBMP</u>											
Unweighted Price *	39.92	43.75	40.53	45.65							
Standard Deviation	15.16	16.45	15.81	16.93							

* Straight zonal LBMP averages

** Commonly referred to as Hour Ahead Market (HAM)

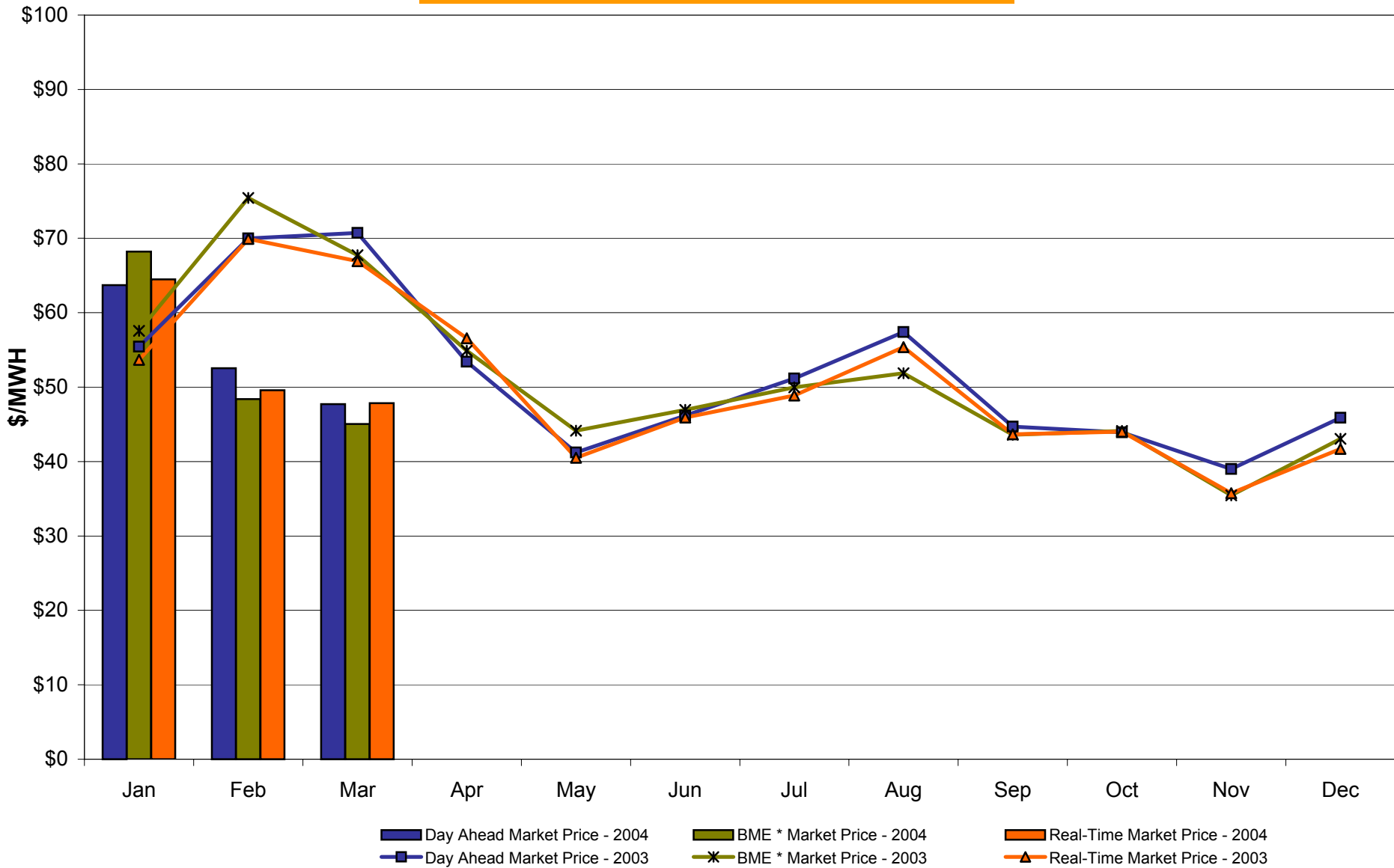
West Zone A Monthly Average LBMP Prices 2003 - 2004



4-H

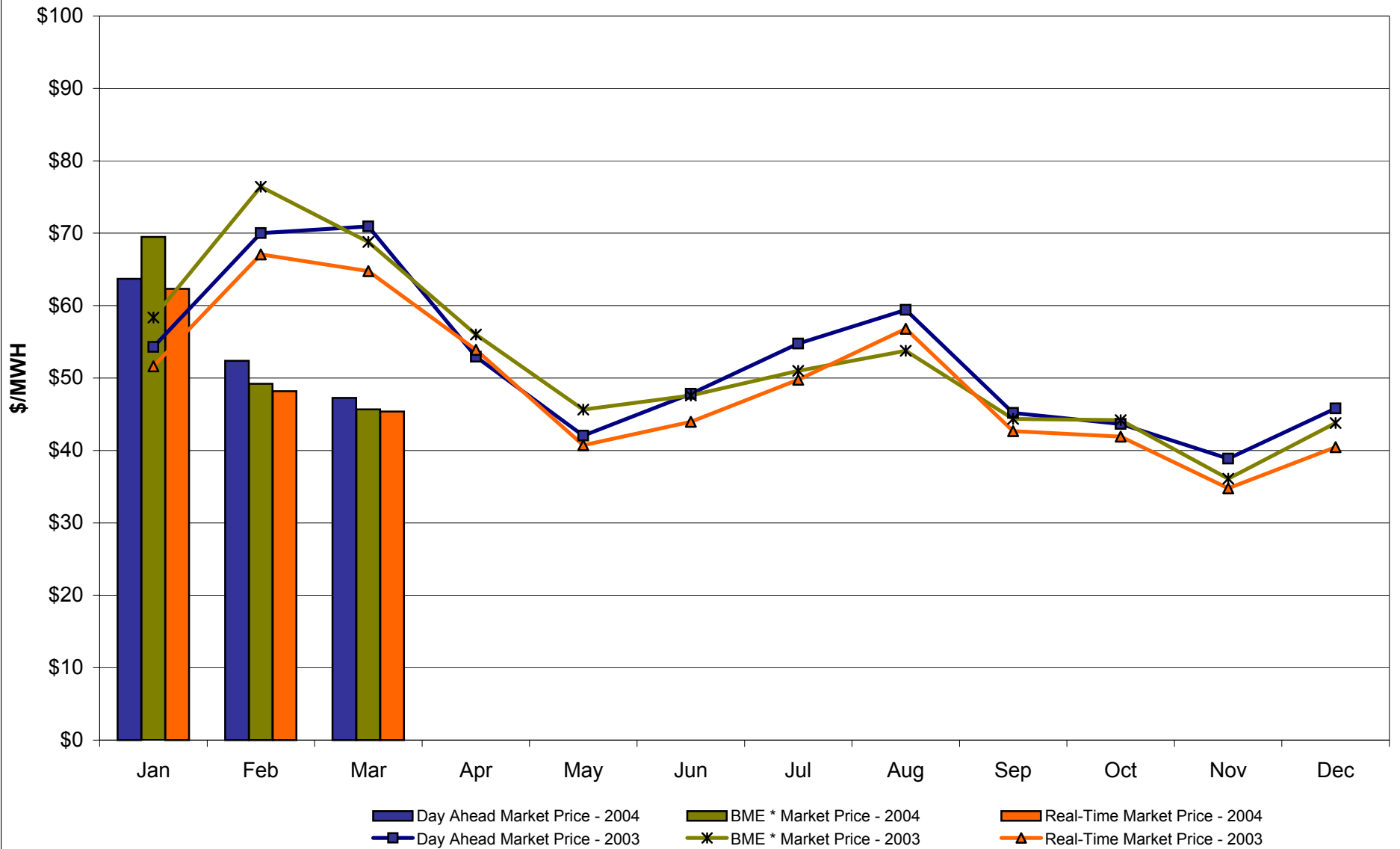
* Commonly referred to as Hour Ahead Market (HAM)

Capital Zone F Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

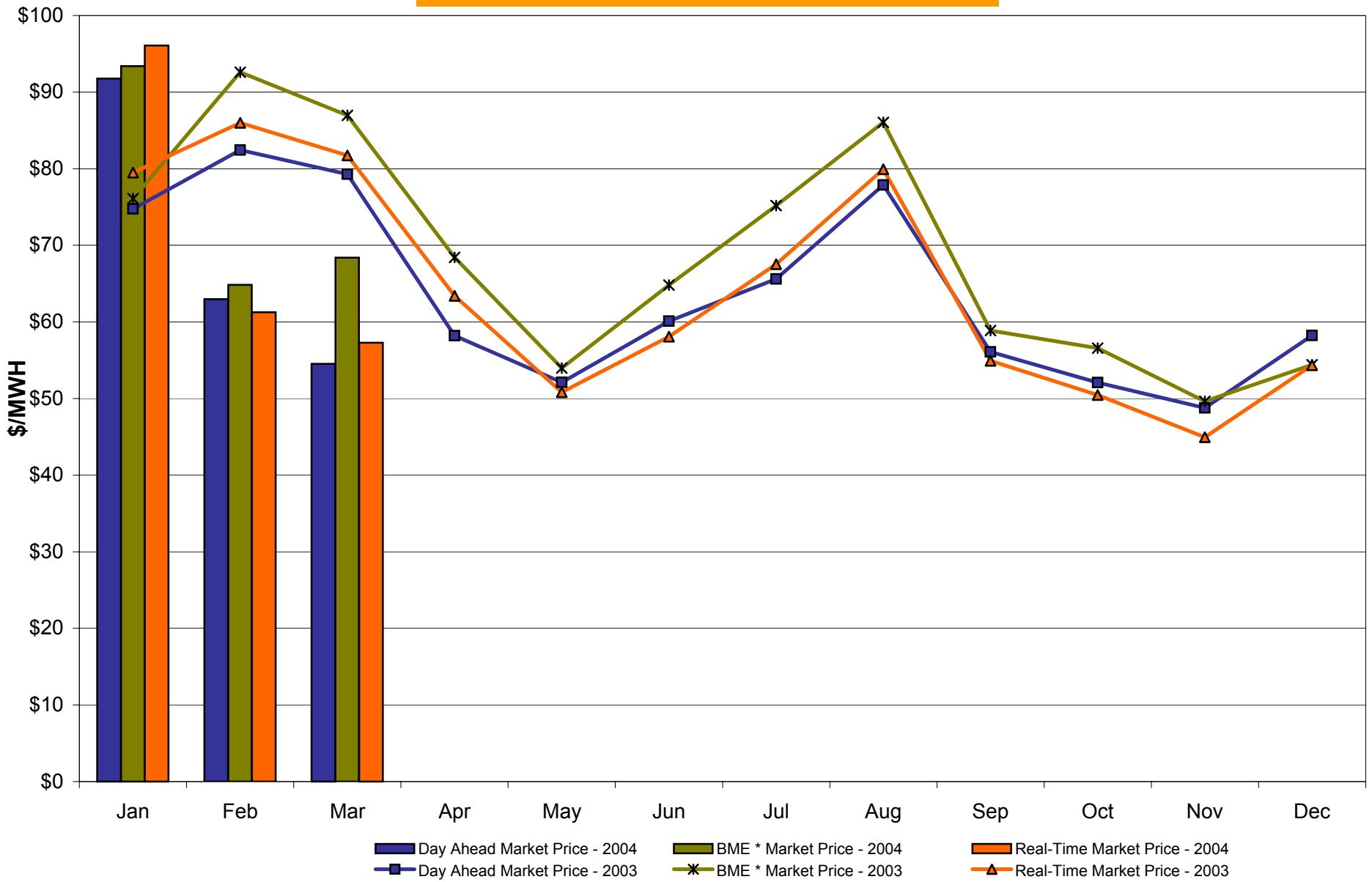
Hudson Valley Zone G Monthly Average LBMP Prices 2003 - 2004



4-J

* Commonly referred to as Hour Ahead Market (HAM)

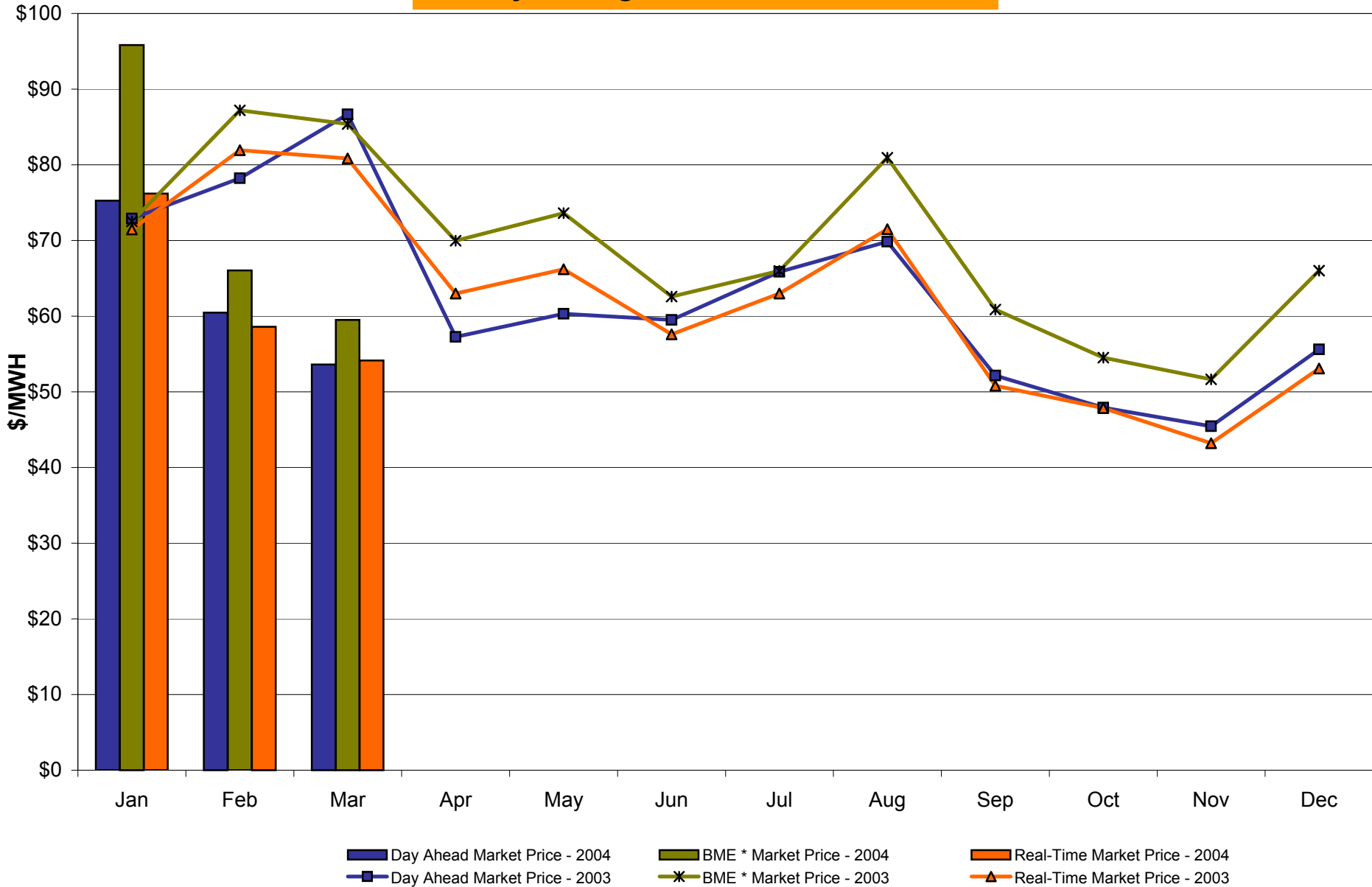
NYC Zone J Monthly Average LBMP Prices 2003 - 2004



4-K

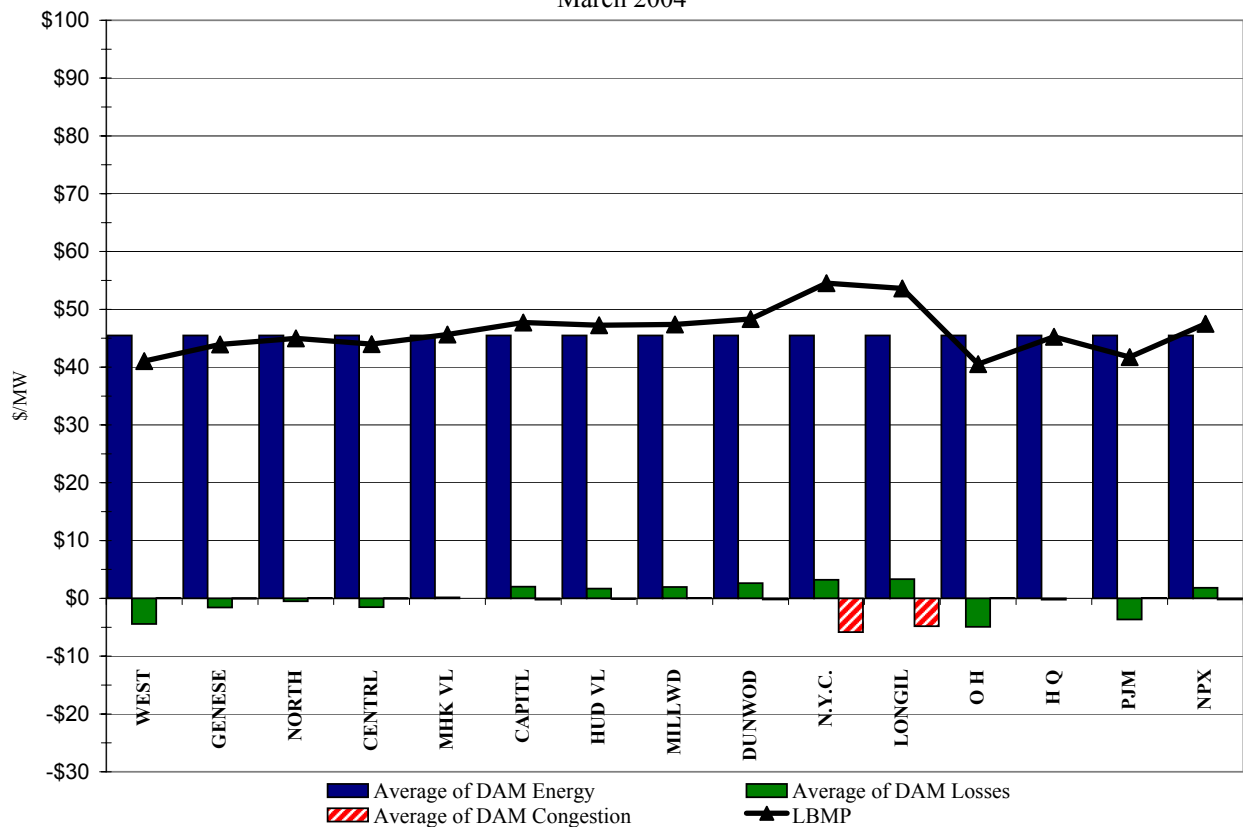
* Commonly referred to as Hour Ahead Market (HAM)

Long Island Zone K Monthly Average LBMP Prices 2003 - 2004

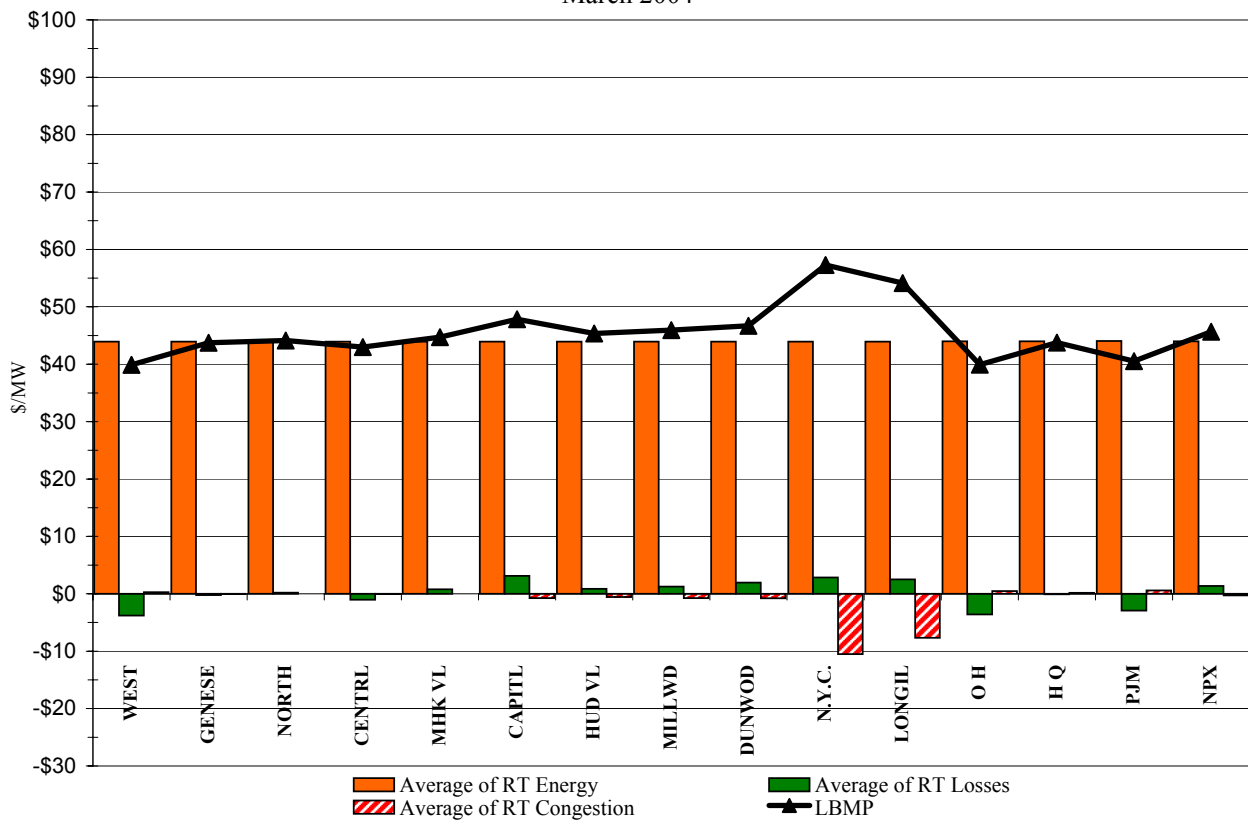


* Commonly referred to as Hour Ahead Market (HAM)

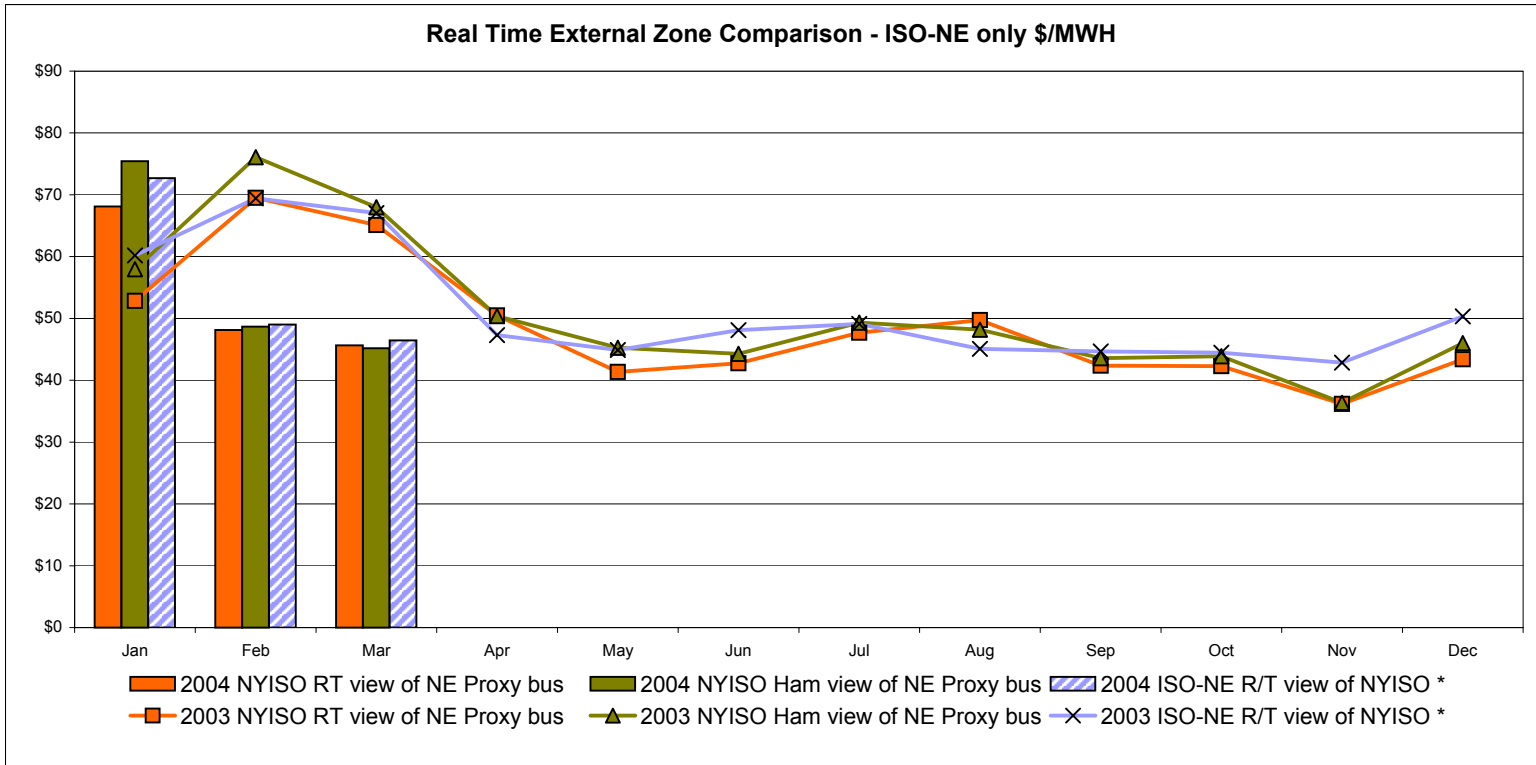
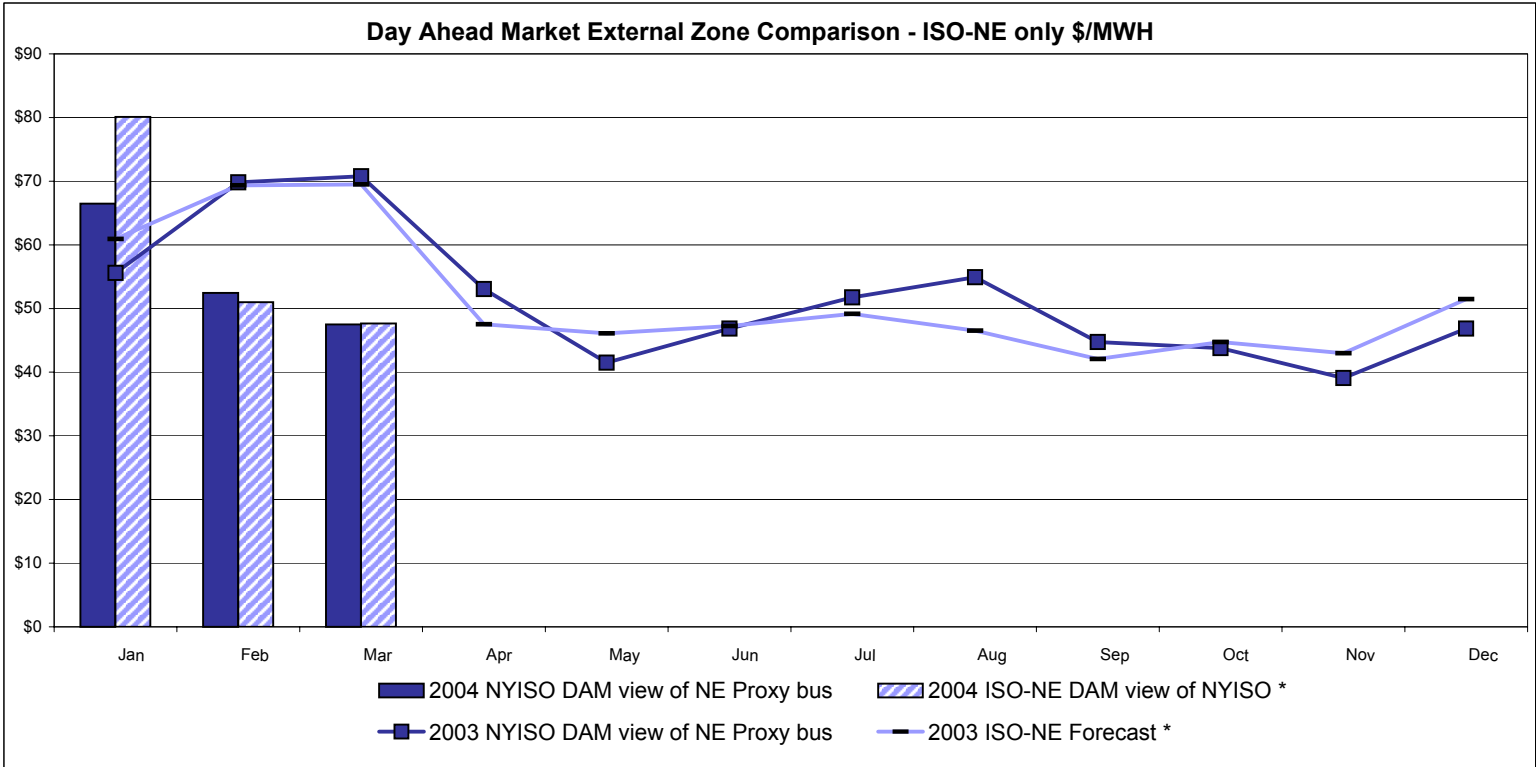
DAM Zonal Unweighted Monthly Average LBMP Components
March 2004



RT Zonal Unweighted Monthly Average LBMP Components
March 2004



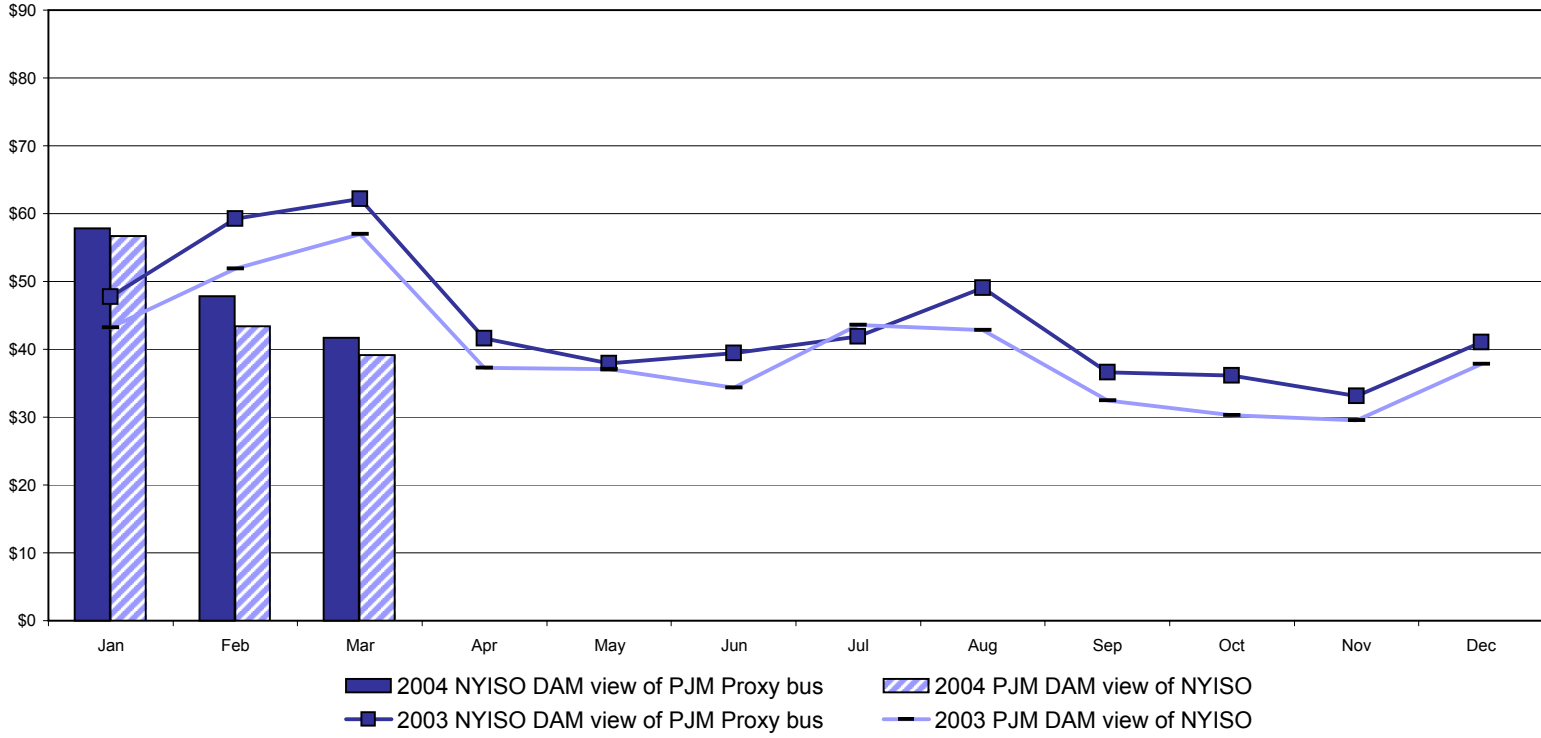
External Comparison ISO-NE



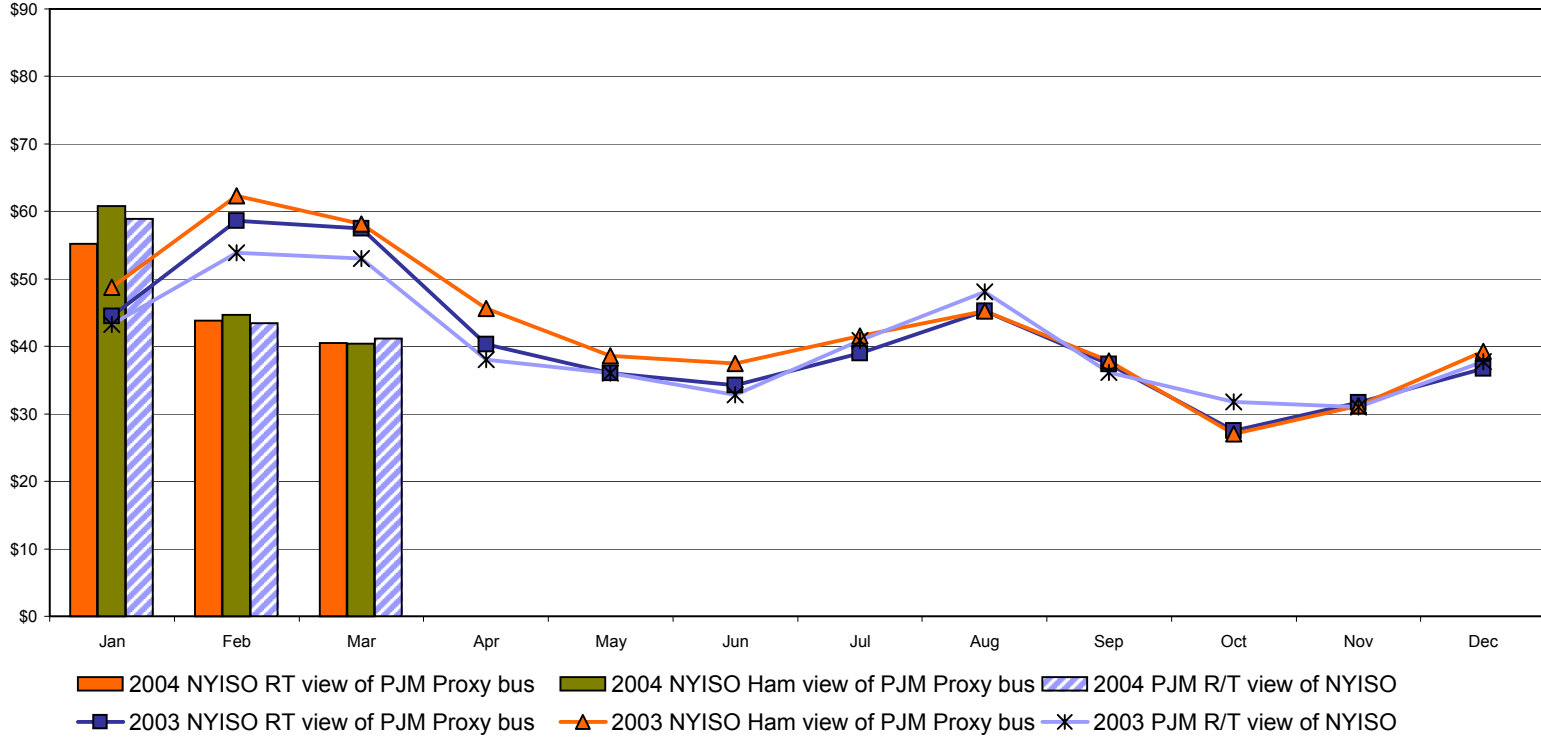
Note:
 ISO-NE Forecast is an advisory posting @ 18:00 day before
 * Effective 3/1/2003 SMD implemented by ISO-NE. The DAM and R/T prices at the Roseton interface are now used.

External Comparison PJM

Day Ahead Market External Zone Comparison - PJM only \$/MWH

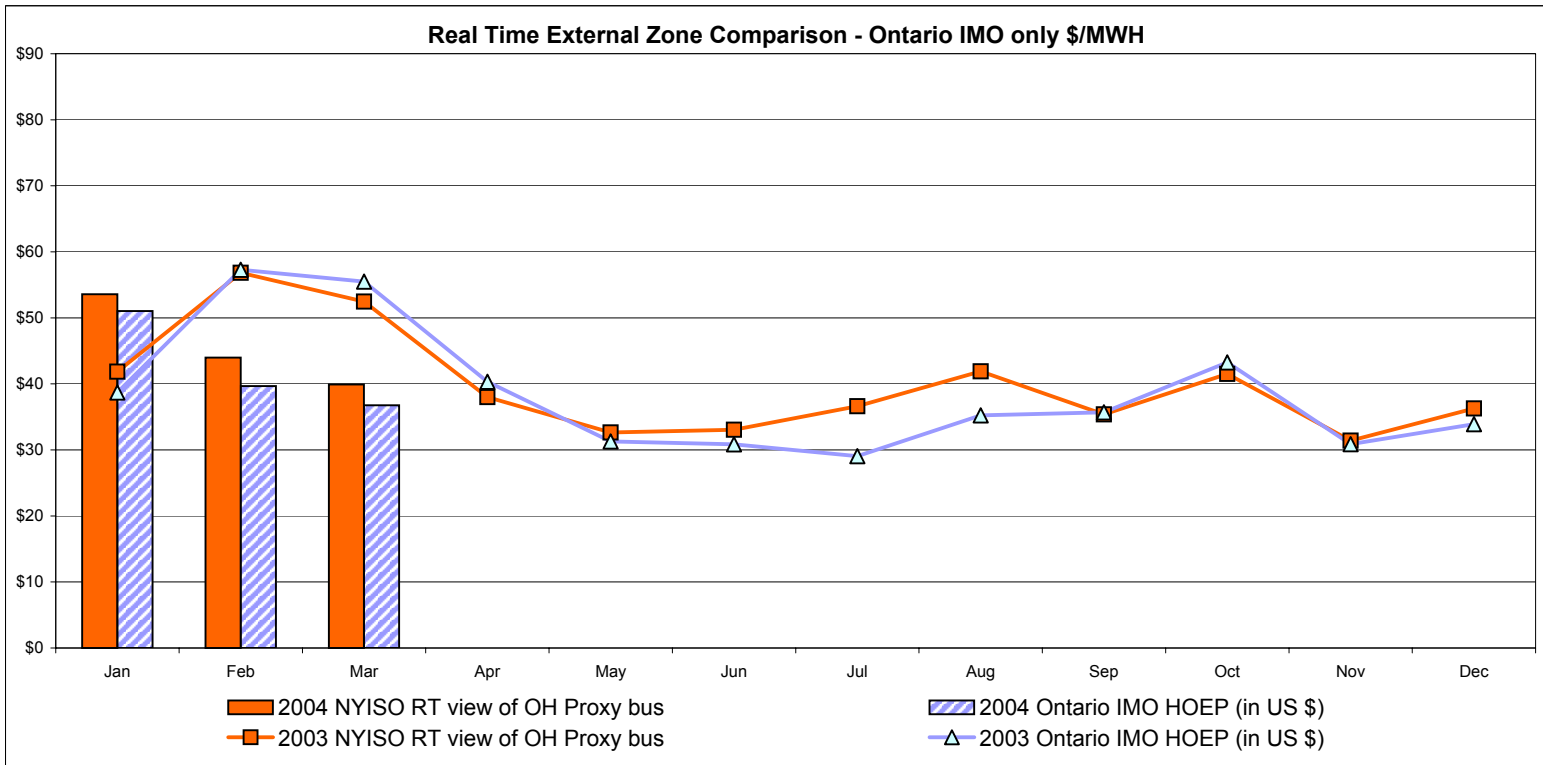
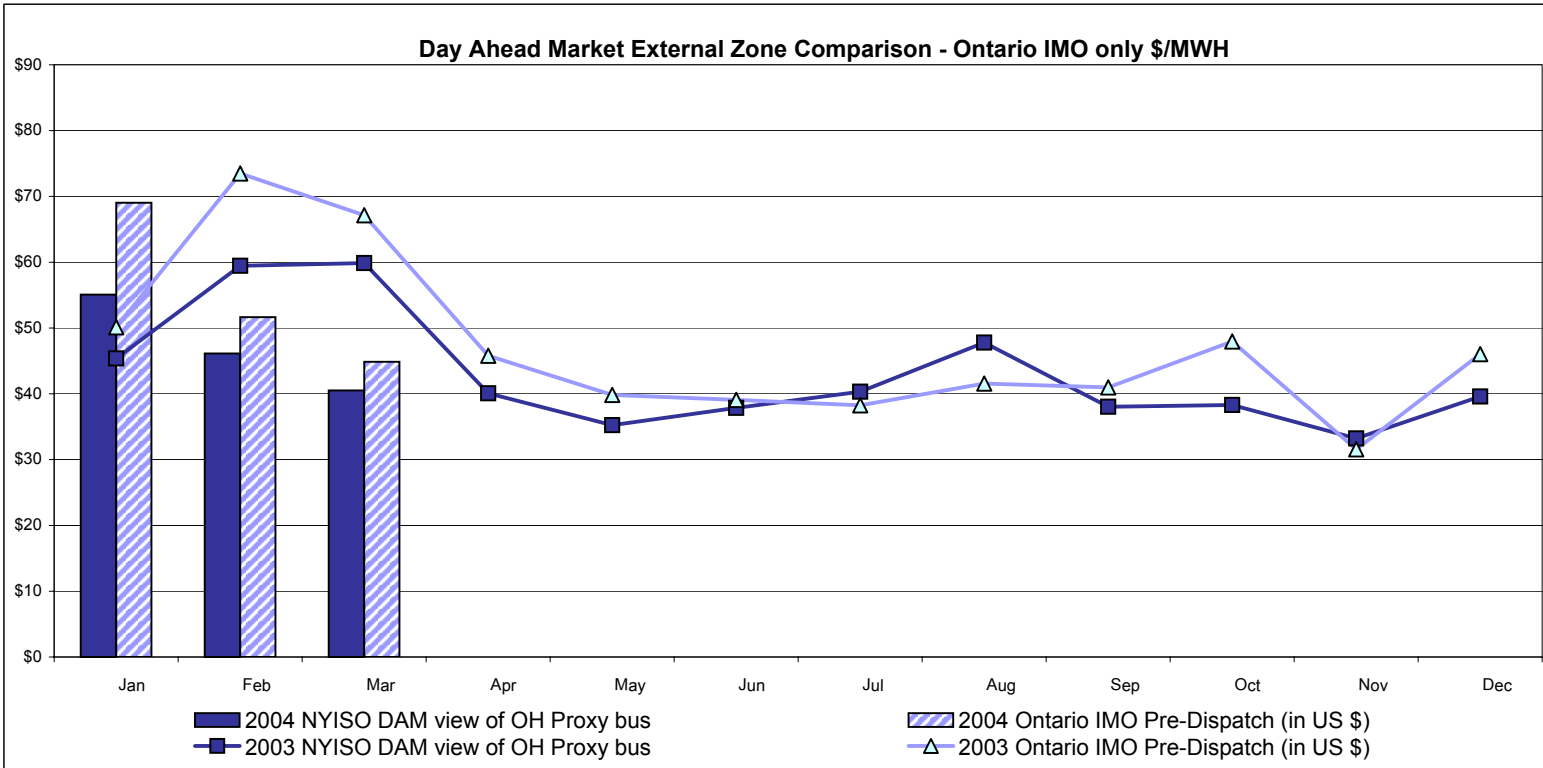


Real Time External Zone Comparison - PJM only \$/MWH



Note:
After 5/1/02 PJM lists only one interface as NYIS

External Comparison Ontario IMO



Notes: Exchange factor used for February 2004 was .75 to US \$
 HOEP: Hourly Ontario Energy Price
 Pre-Dispatch: Projected Energy Price
 Pre-Dispatch data from 8/14/03 Hr 15 thru 8/21/03 not included

NYISO Price Correction Statistics

NYISO Price Corrections 2004

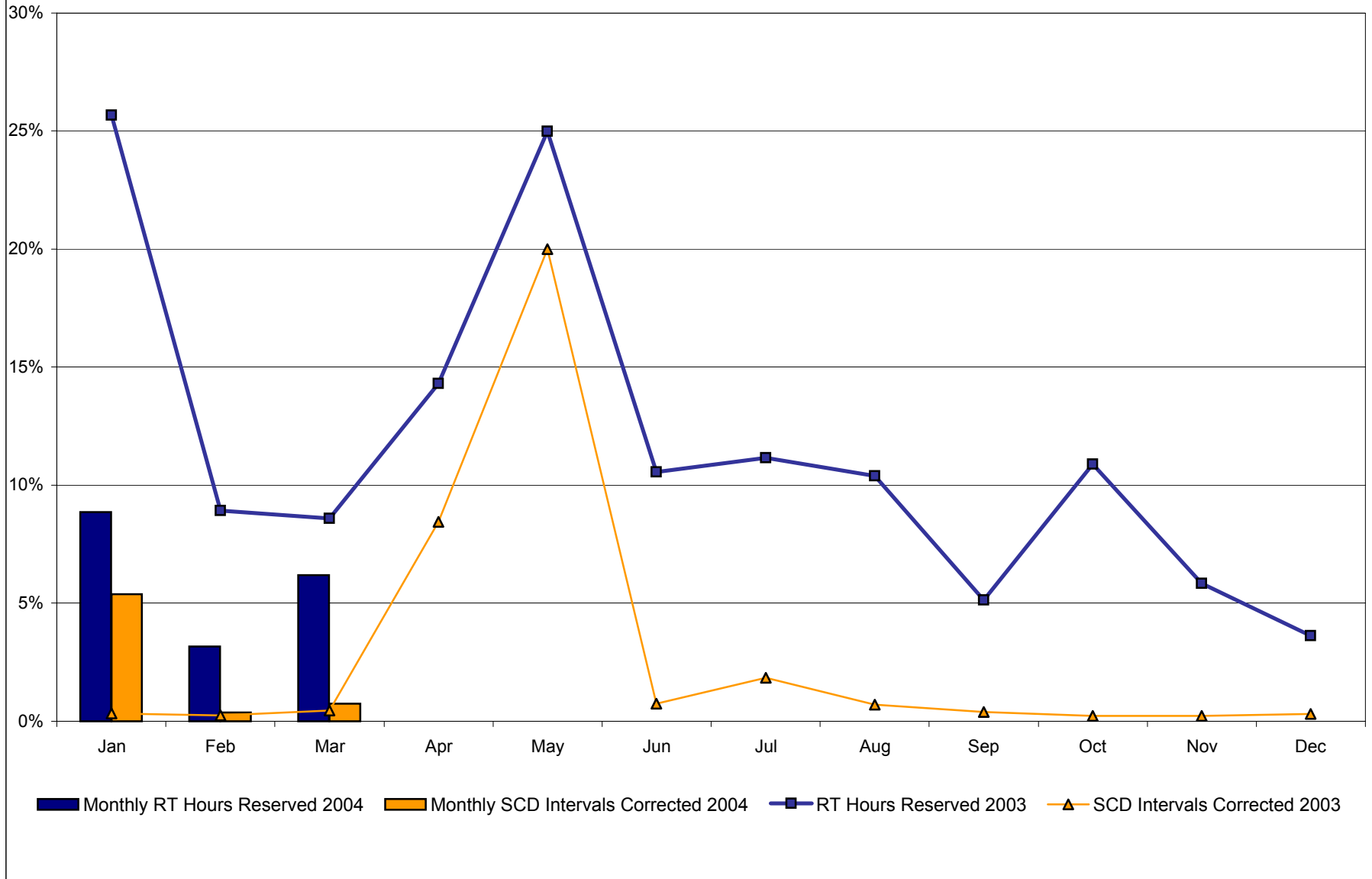
<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	597	40	83									
Number of Intervals in the month	11,089	10,495	11,085									
Percentage of intervals corrected in the month	5.38%	0.38%	0.75%									
Number of Intervals corrected Year-to-date	597	637	720									
Number of Intervals Year-to-date	11,089	21,584	32,669									
Percentage of intervals corrected Year-to-date	5.38%	2.95%	2.20%									
<u>Hours Reserved</u>												
Number of hours reserved in the month	66	22	46									
Number of hours in the month	744	696	744									
Percentage of hours reserved in the month	8.87%	3.16%	6.18%									
Number of hours reserved Year-to-date	66	88	134									
Number of hours Year-to-date	744	1,440	2,184									
Percentage of hours reserved Year-to-date	8.87%	6.11%	6.14%									
<u>Days Without Corrections</u>												
Days without price corrections in the month	14	20	11									
Days without price corrections Year-to-date	14	34	45									

NYISO Price Corrections 2003

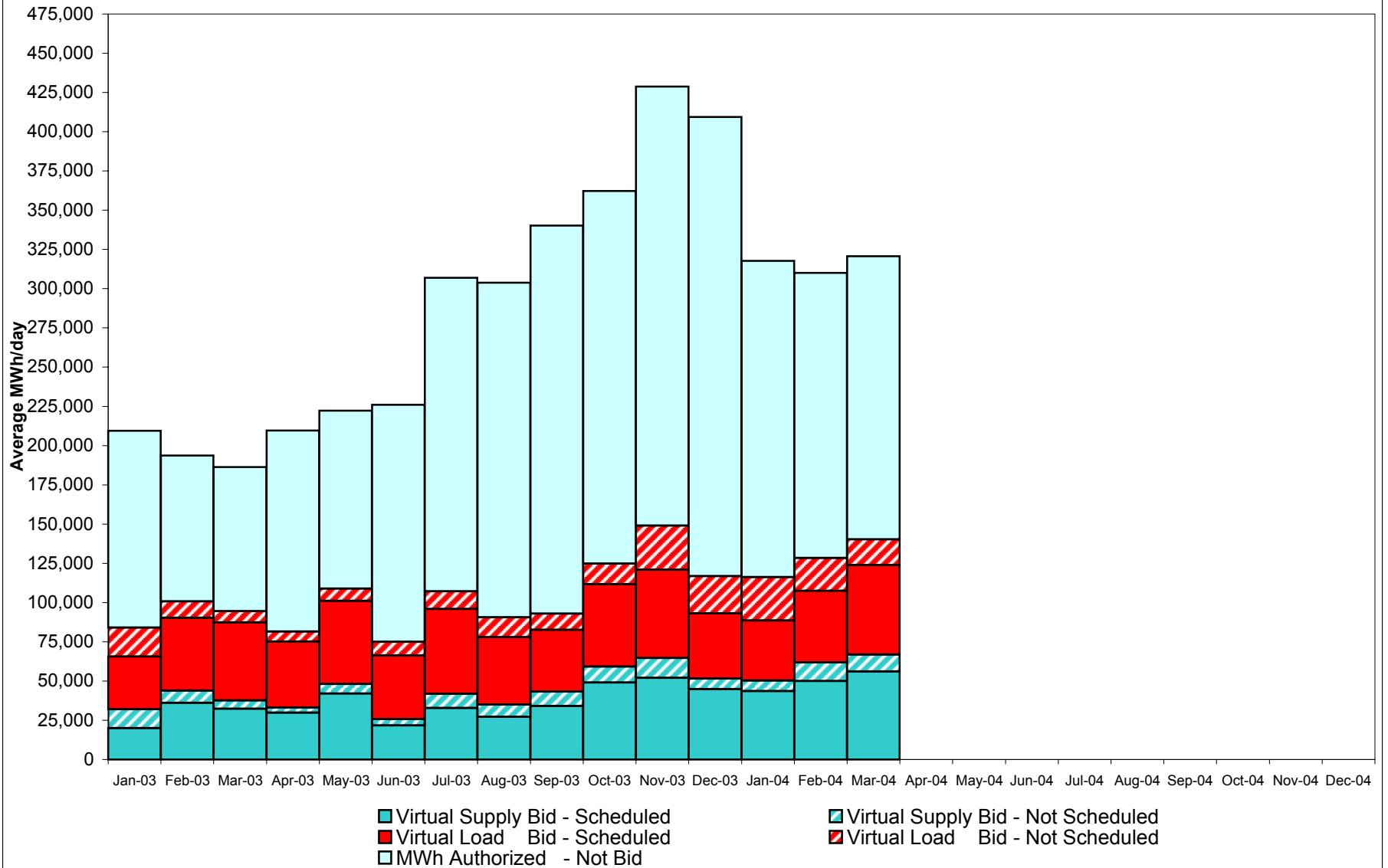
<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	36	25	49	891	2,254	79	202	71	41	25	25	34
Number of Intervals in the month	10,986	10,197	10,918	10,554	11,274	10,729	10,998	9,973	10,620	11,248	10,629	11,175
Percentage of intervals corrected in the month	0.32%	0.25%	0.45%	8.44%	19.99%	0.74%	1.84%	0.71%	0.39%	0.22%	0.24%	0.30%
Number of Intervals corrected Year-to-date	36	61	110	1,001	3,255	3,334	3,536	3,607	3,648	3,673	3,698	3,732
Number of Intervals Year-to-date	10,986	21,183	32,101	42,655	53,929	64,658	75,656	85,629	96,249	107,497	118,126	129,301
Percentage of intervals corrected Year-to-date	0.32%	0.28%	0.34%	2.35%	6.04%	5.16%	4.67%	4.21%	3.79%	3.42%	3.13%	2.89%
<u>Hours Reserved</u>												
Number of hours reserved in the month	191	60	64	103	186	76	83	69	37	81	42	27
Number of hours in the month	744	672	744	720	744	720	744	664 *	720	744	720	744
Percentage of hours reserved in the month	25.67%	8.93%	8.60%	14.31%	25.00%	10.56%	11.16%	10.39%	5.14%	10.89%	5.83%	3.63%
Number of hours reserved Year-to-date	191	251	315	418	604	680	763	832	869	950	992	1,019
Number of hours Year-to-date	744	1,416	2,160	2,880	3,624	4,344	5,088	5,752	6,472	7,216	7,936	8,680
Percentage of hours reserved Year-to-date	25.67%	17.73%	14.58%	14.51%	16.67%	15.65%	15.00%	14.46%	13.43%	13.17%	12.50%	11.74%
<u>Days Without Corrections</u>												
Days without price corrections in the month	17	15	14	9	8	8	7	5	9	17	15	14
Days without price corrections Year-to-date	17	32	46	55	63	71	78	83	92	109	124	138

* 80 hours not included due to suspended market during system disruption

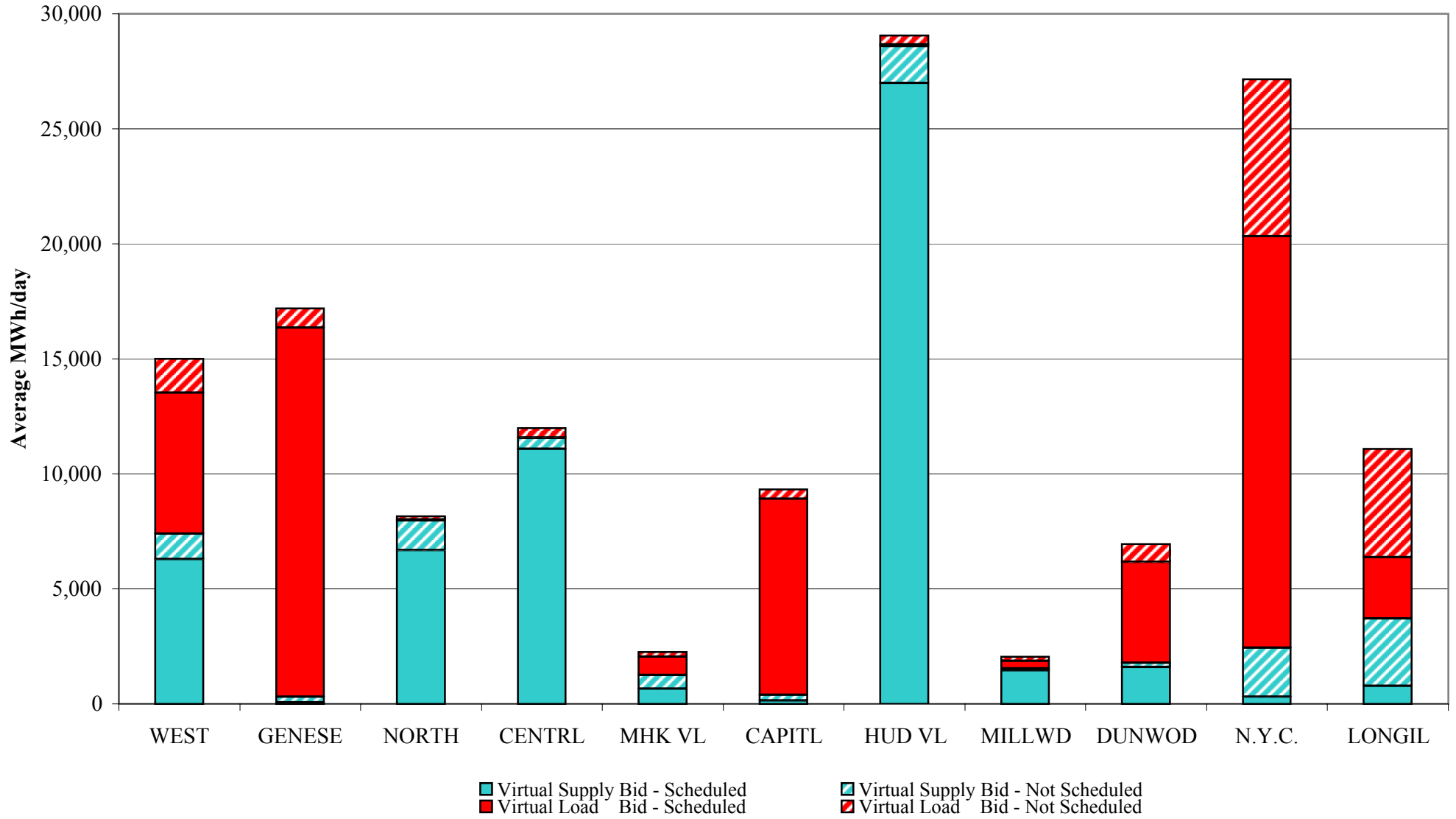
Percentage of Real-Time Corrections



**NYISO Virtual Trading
Average MWh per day**

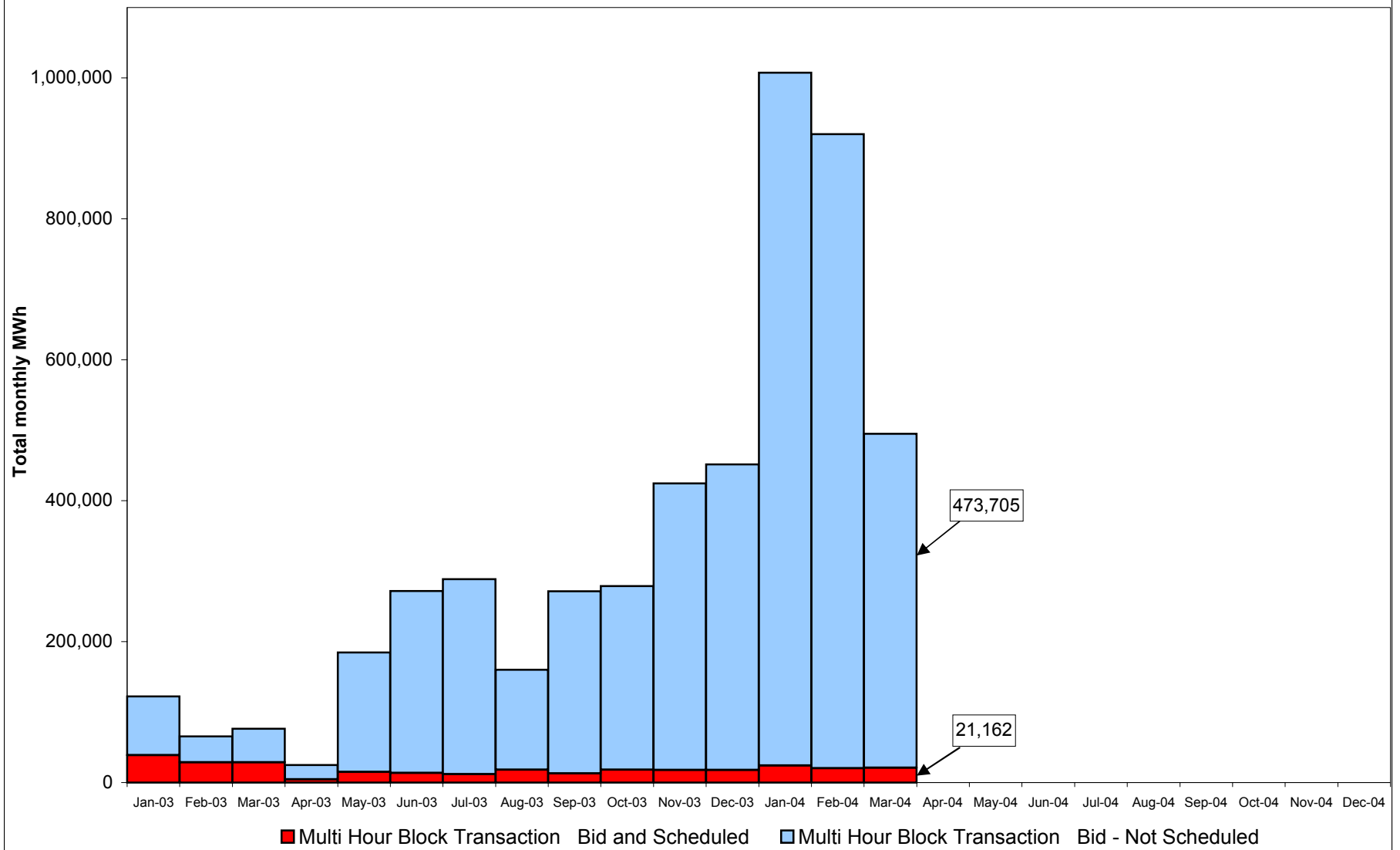


Virtual Load and Supply Zonal Statistics March 2004

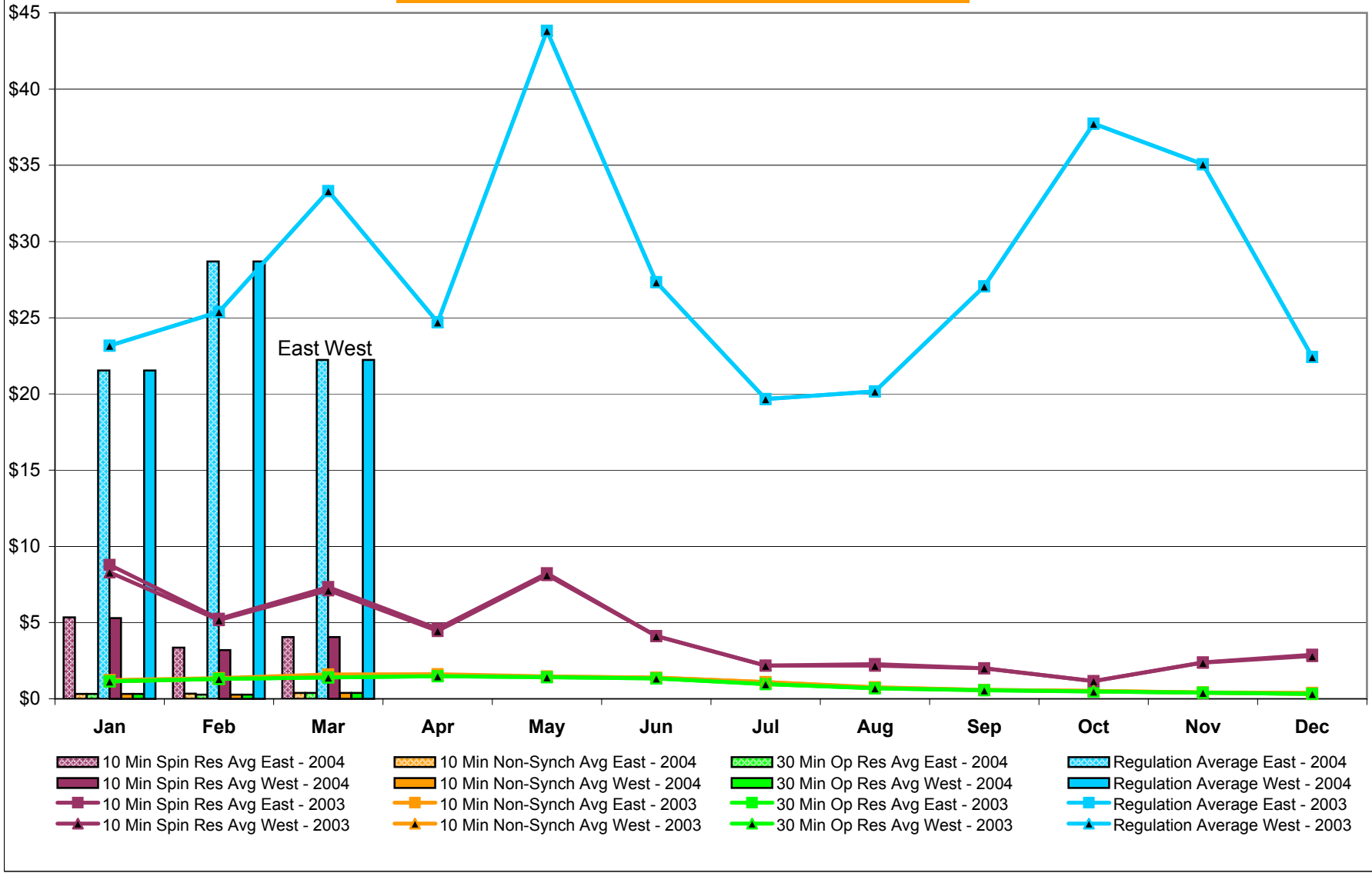


4-T

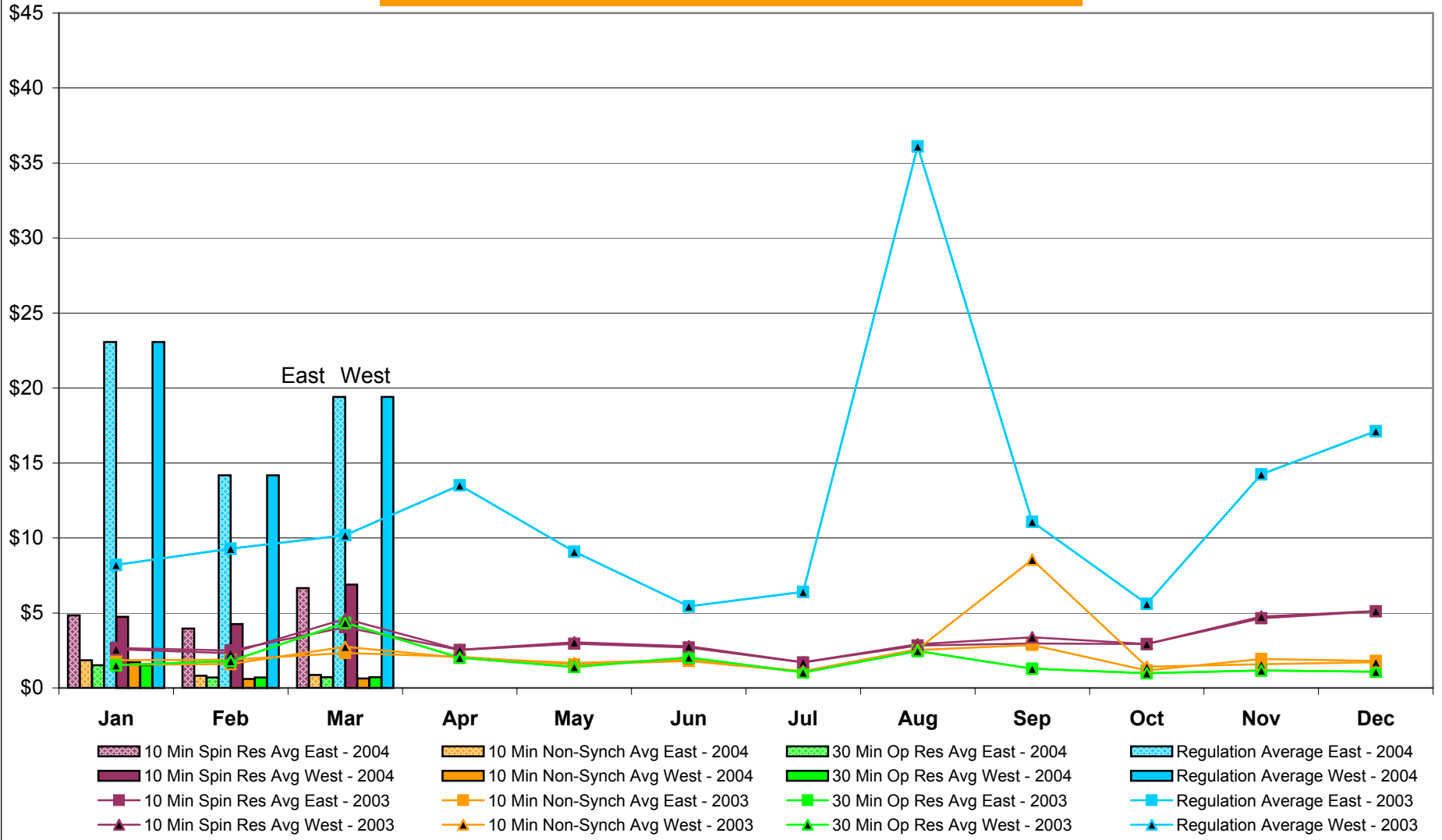
NYISO Multi Hour Block Transactions Monthly Total MWh



NYISO Monthly Average Ancillary Service Prices Day Ahead Market 2003 - 2004



NYISO Monthly Average Ancillary Service Prices BME * 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

NYISO Markets Ancillary Services Statistics

January February March April May June July August September October November December

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2004

Day Ahead Market

10 Min Spin East	5.35	3.36	4.05
10 Min Spin West	5.29	3.20	4.05
10 Min Non Synch East	0.33	0.33	0.39
10 Min Non Synch West	0.32	0.27	0.39
30 Min East	0.32	0.27	0.39
30 Min West	0.32	0.27	0.39
Regulation East	21.54	28.69	22.23
Regulation West	21.54	28.69	22.23

BME* Market

10 Min Spin East	4.84	3.96	6.65
10 Min Spin West	4.75	4.27	6.89
10 Min Non Synch East	1.85	0.81	0.87
10 Min Non Synch West	1.71	0.60	0.64
30 Min East	1.51	0.70	0.72
30 Min West	1.51	0.70	0.72
Regulation East	23.07	14.18	19.41
Regulation West	23.07	14.18	19.41

ANCILLARY SERVICES Unweighted Price (\$/MWH) 2003

Day Ahead Market

10 Min Spin East	8.78	5.24	7.33	4.60	8.24	4.12	2.18	2.28	2.01	1.17	2.39	2.89
10 Min Spin West	8.30	5.17	7.12	4.45	8.12	4.11	2.18	2.18	2.00	1.17	2.37	2.81
10 Min Non Synch East	1.22	1.36	1.60	1.61	1.48	1.40	1.09	0.76	0.58	0.52	0.41	0.38
10 Min Non Synch West	1.15	1.32	1.45	1.54	1.45	1.39	1.09	0.72	0.58	0.52	0.40	0.32
30 Min East	1.14	1.30	1.41	1.48	1.42	1.35	0.97	0.69	0.56	0.48	0.40	0.32
30 Min West	1.14	1.30	1.41	1.48	1.42	1.35	0.97	0.69	0.56	0.48	0.40	0.32
Regulation East	23.17	25.39	33.31	24.70	43.82	27.33	19.67	20.17	27.06	37.74	35.07	22.43
Regulation West	23.17	25.39	33.31	24.70	43.82	27.33	19.67	20.17	27.06	37.74	35.07	22.43

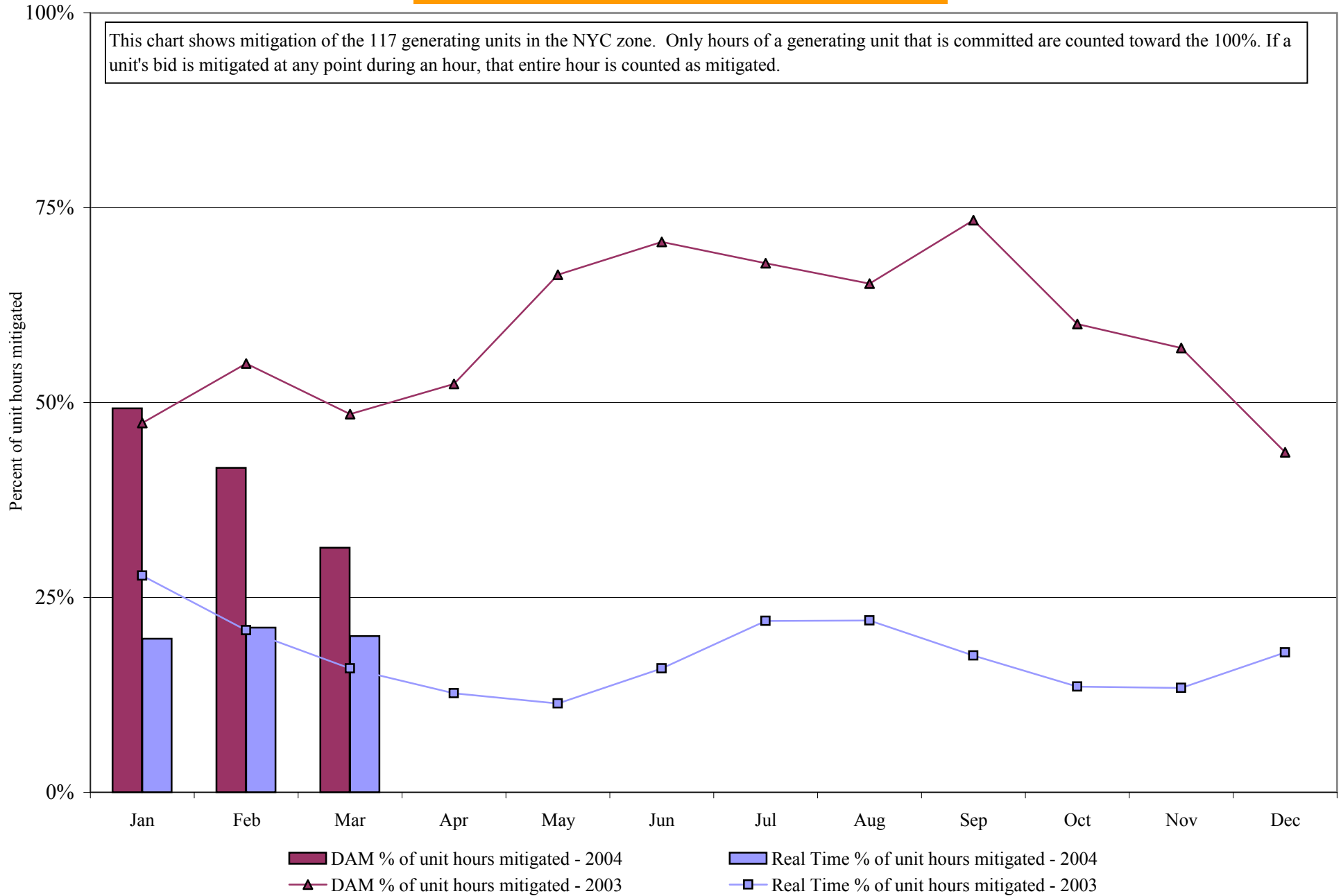
BME* Market

10 Min Spin East	2.67	2.50	4.05	2.54	2.95	2.69	1.69	2.82	2.96	2.92	4.65	5.11
10 Min Spin West	2.59	2.32	4.61	2.55	3.04	2.78	1.72	2.91	3.38	2.94	4.76	5.13
10 Min Non Synch East	1.85	1.89	2.34	2.07	1.57	1.80	1.09	2.53	2.87	1.17	1.92	1.80
10 Min Non Synch West	1.53	1.59	2.75	2.02	1.67	1.88	1.11	2.58	8.55	1.41	1.57	1.71
30 Min East	1.52	1.80	4.34	2.02	1.40	2.03	1.04	2.46	1.28	0.97	1.17	1.07
30 Min West	1.52	1.80	4.34	2.02	1.40	2.03	1.04	2.46	1.28	0.97	1.17	1.07
Regulation East	8.21	9.28	10.19	13.52	9.08	5.44	6.41	36.11	11.09	5.60	14.24	17.12
Regulation West	8.21	9.28	10.19	13.52	9.08	5.44	6.41	36.11	11.09	5.60	14.24	17.12

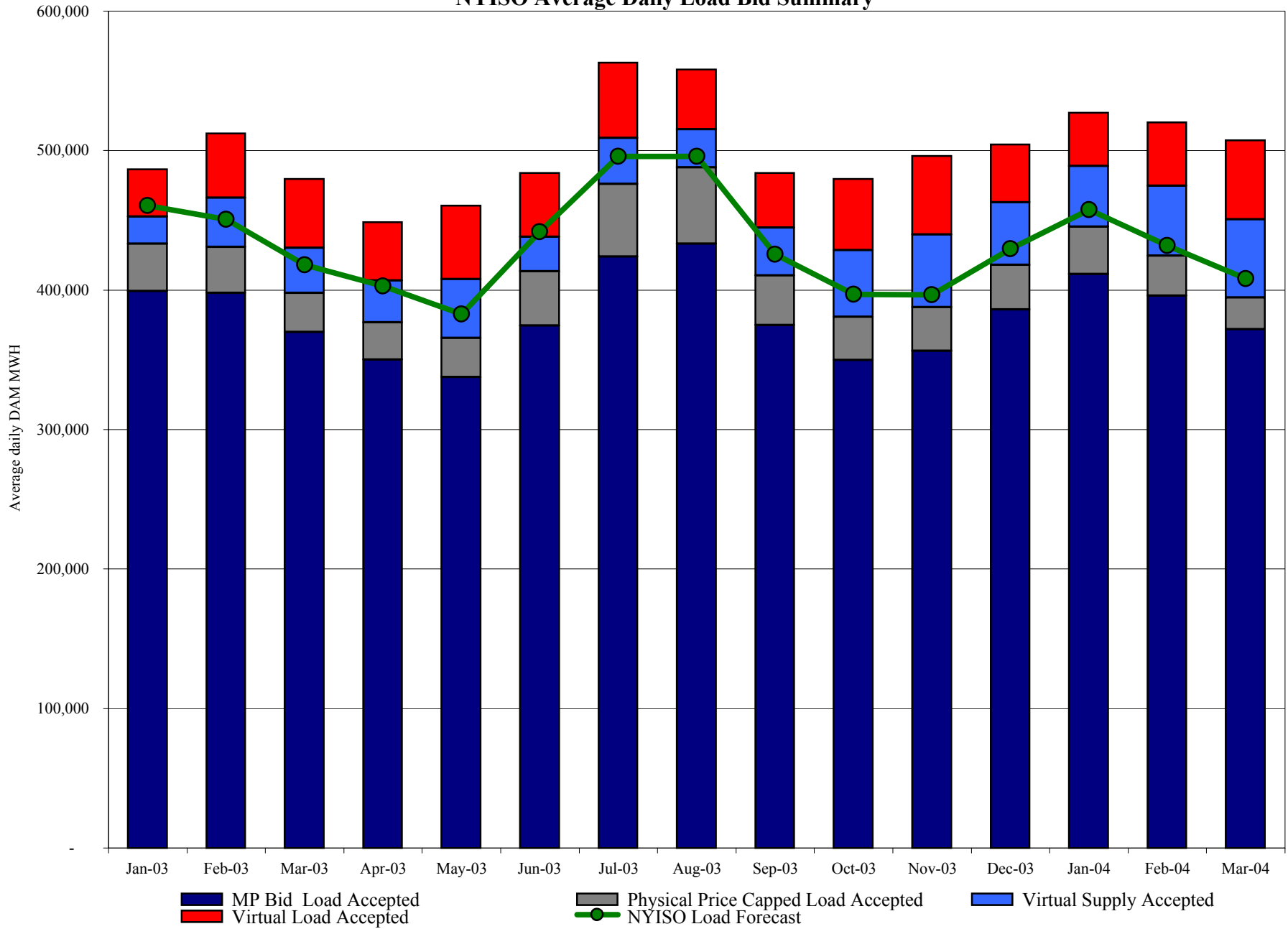
* Commonly Referred to as Hour Ahead Market (HAM)

NYISO In City Mitigation (NYC Zone) 2003-2004

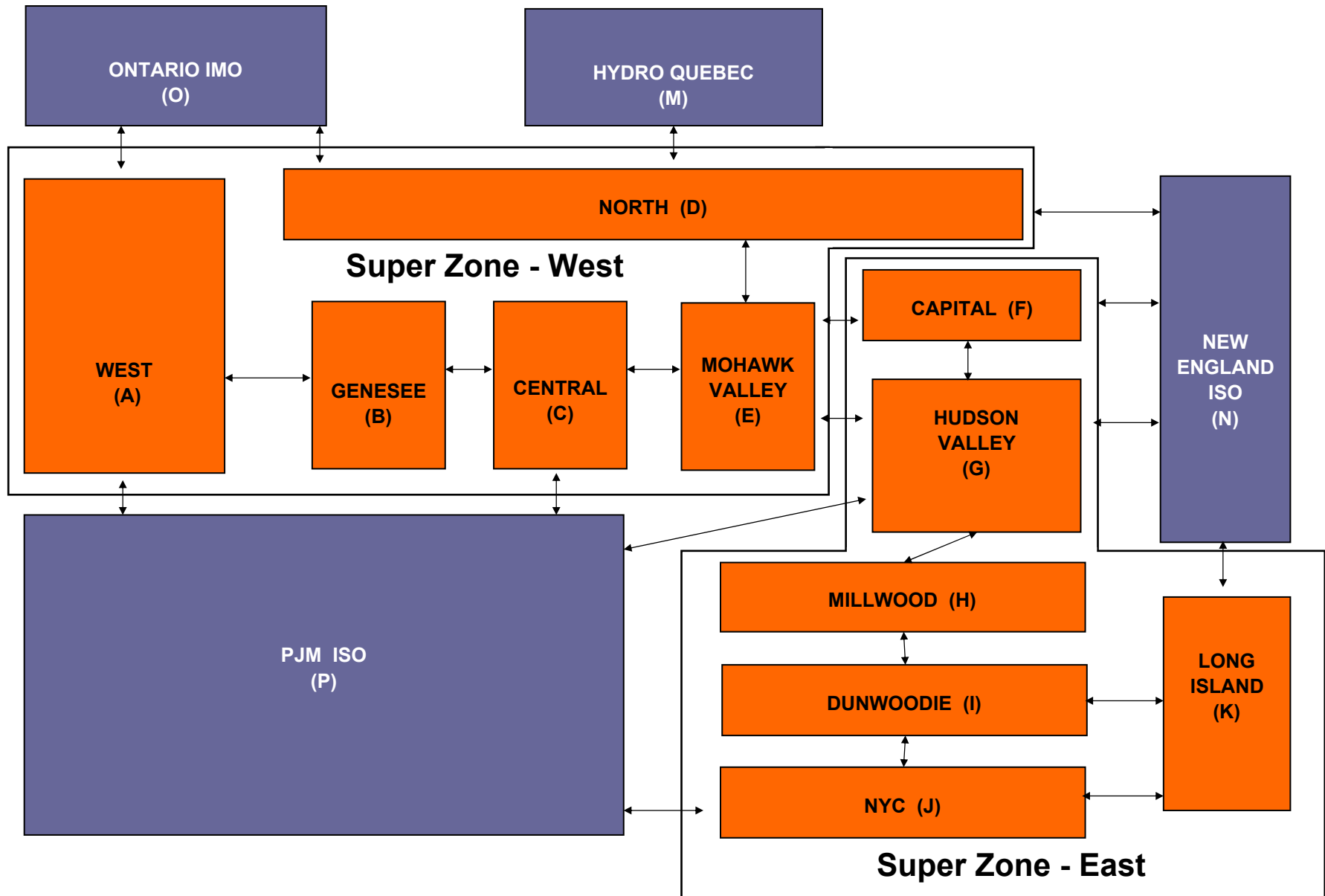
Percentage of committed unit-hours mitigated




NYISO Average Daily Load Bid Summary




NYISO LBMP ZONES



















RELIABILITY GATEWAY GOAL

1. Maintain service to NYCA load. No interruption of load because of improper implementation of NYISO operating procedures by the NYISO.		--	No loss of load or deliberate load shedding triggering a NERC reportable event (>300MW for >15 minutes)
---	---	----	---

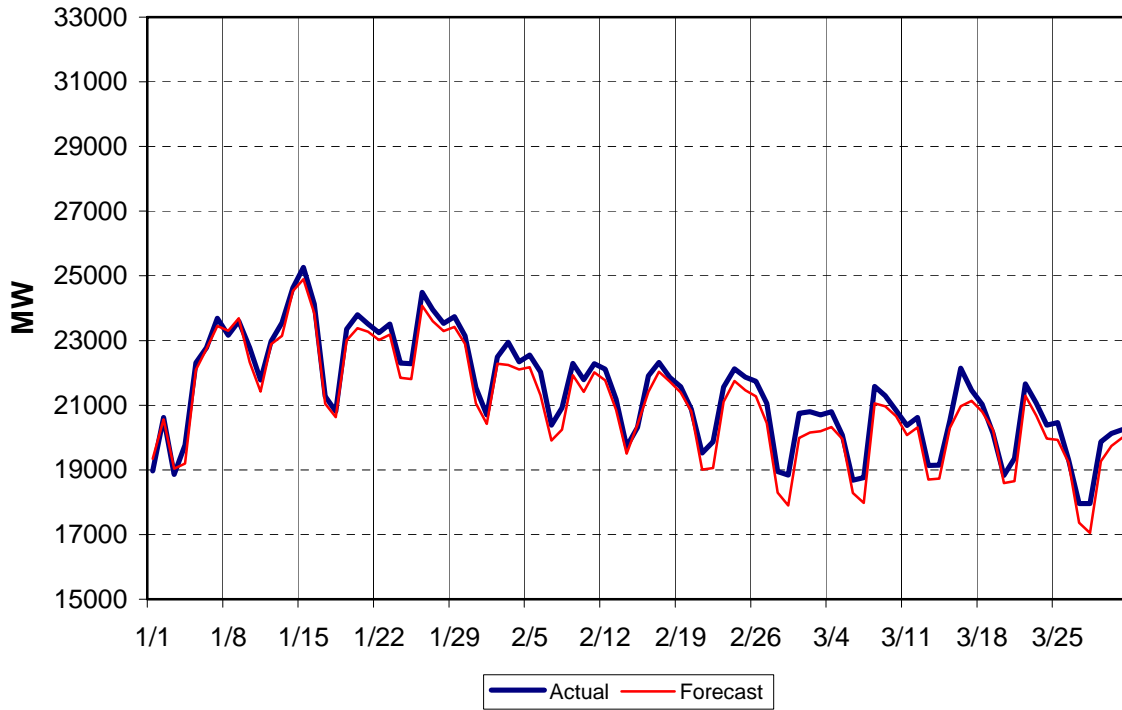
MARKET GATEWAY GOAL

2. Successfully post DAM schedules/forward contracts.		--	DAM schedules/forward contracts are posted >=99.7% of the time during 2004
---	---	----	--

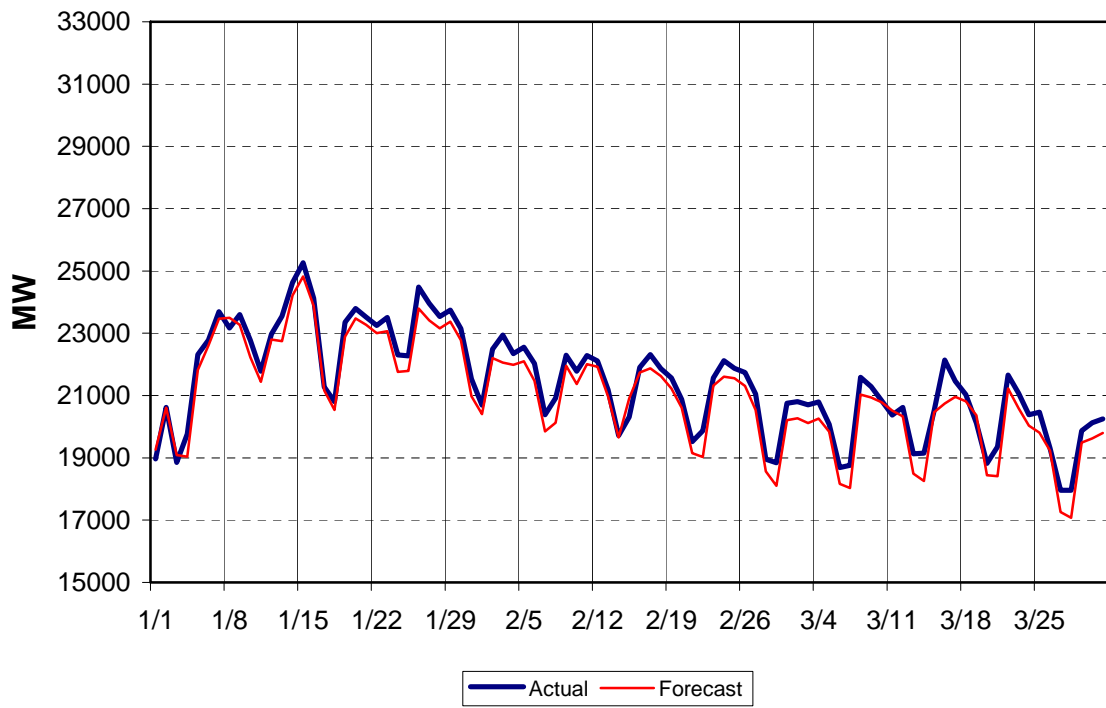
Goal Values

Goal Description	YTD Data	Threshold Payout-50%	Target Payout-100%	Superior Payout-150%
3. Comprehensive Electric System Planning a. Complete Phase I Study b. Complete FERC filing of Phase II	 	-- --	7/1/04 12/1/04	6/1/04 11/1/04
4. Comply with NERC/NAERO Operating Standards a. CPS-2: b. Disturbance Control Standards (DCS):	 	3/3 months Mar – 96.334 3/3 months	10 of 12 months 10 of 12 months	12 of 12 months 11 of 12 months
5.a. Achieve timely posting of DAM schedules and forward contracts. Post by 11 a.m.: b. i) MIS availability >= 9x.x% as planned, based on current availability metrics ii) During the year, an individual occurrence of unplanned (i.e., <48 hours' notice) service interruptions will not be greater than 4 hours; there won't be more than:	  	91/91 postings March – 99.06% 3 occurrences	360/366 postings 10 of 12 months 3 occurrences of 1-4 hours each	363/366 postings 11 of 12 months 2 occurrences of 1-4 hours each
6. Improve the certainty and accuracy of Real-Time prices: a. Hours reserved: b. Intervals corrected:	 	Through Mar – 6.14% 2.20%	<= 12% <= 0.6%	<= 10% <= 0.5%
7. Improve the billing and true-up process: a. Posting of all invoices within 5 business-days of the month according to invoice schedule b. Metering improvements c. Turnaround of Billing Defects (from NYISO notification)	  	3/3 months -- 31 B-Ds	10 of 12 months Finalize a formal meter quality and tracking program 40 B-Ds	11 of 12 months Implement program with Meter Authority agreement 35 B-Ds
8. Improve Customer Satisfaction with NYISO services as determined via surveying three times annually (average baseline score: 6.397)		1 st survey April	Score of >= 6.525	Score of >= 6.653
9. Project execution (weighted 20%) a. 1) Project Management – Scheduling 2) Project Management - Costs b. SMD 2.0	  	2 projects qualified – 1 comp (sch); 1 comp (cost)	3 misses 3 misses	2 misses 2 misses TO BE DETERMINED

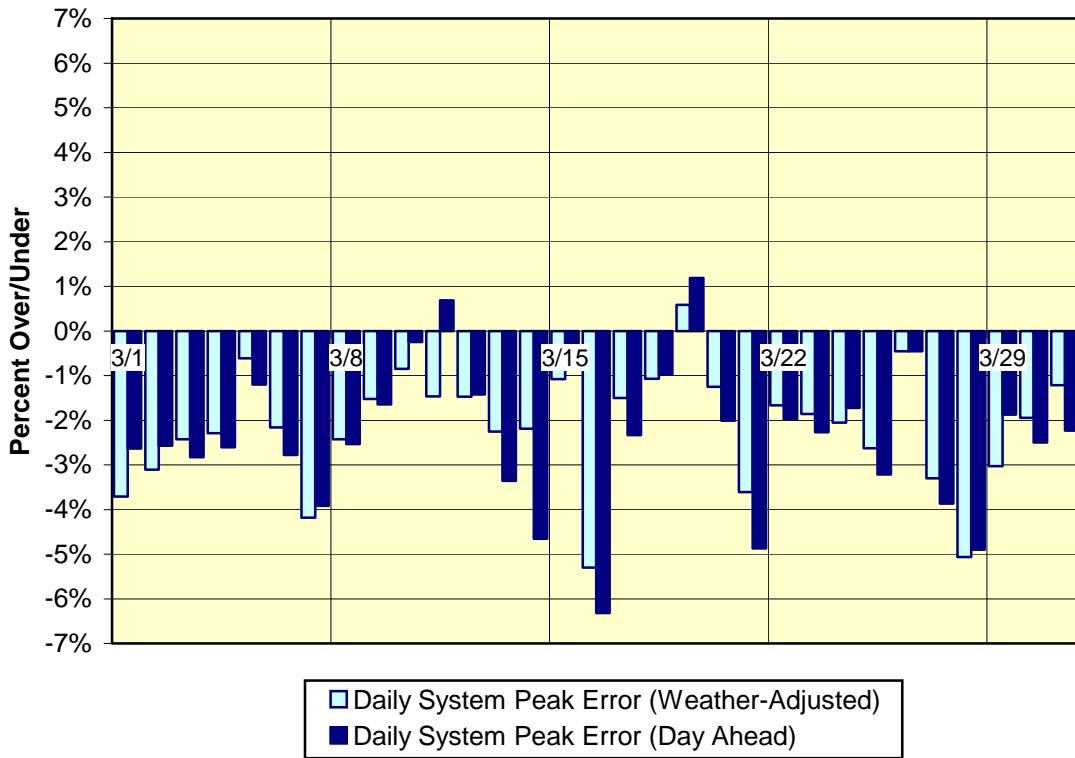
**NYISO Daily Peak Load
Actual vs. Weather-Adjusted Forecast**



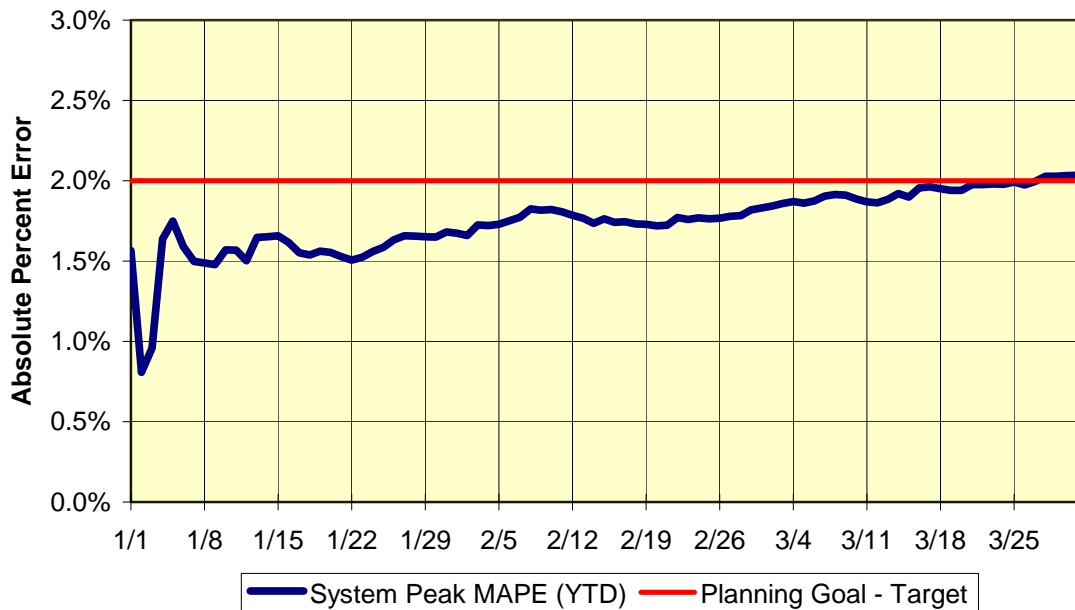
**NYISO Daily Peak Load
Actual vs. Forecast**



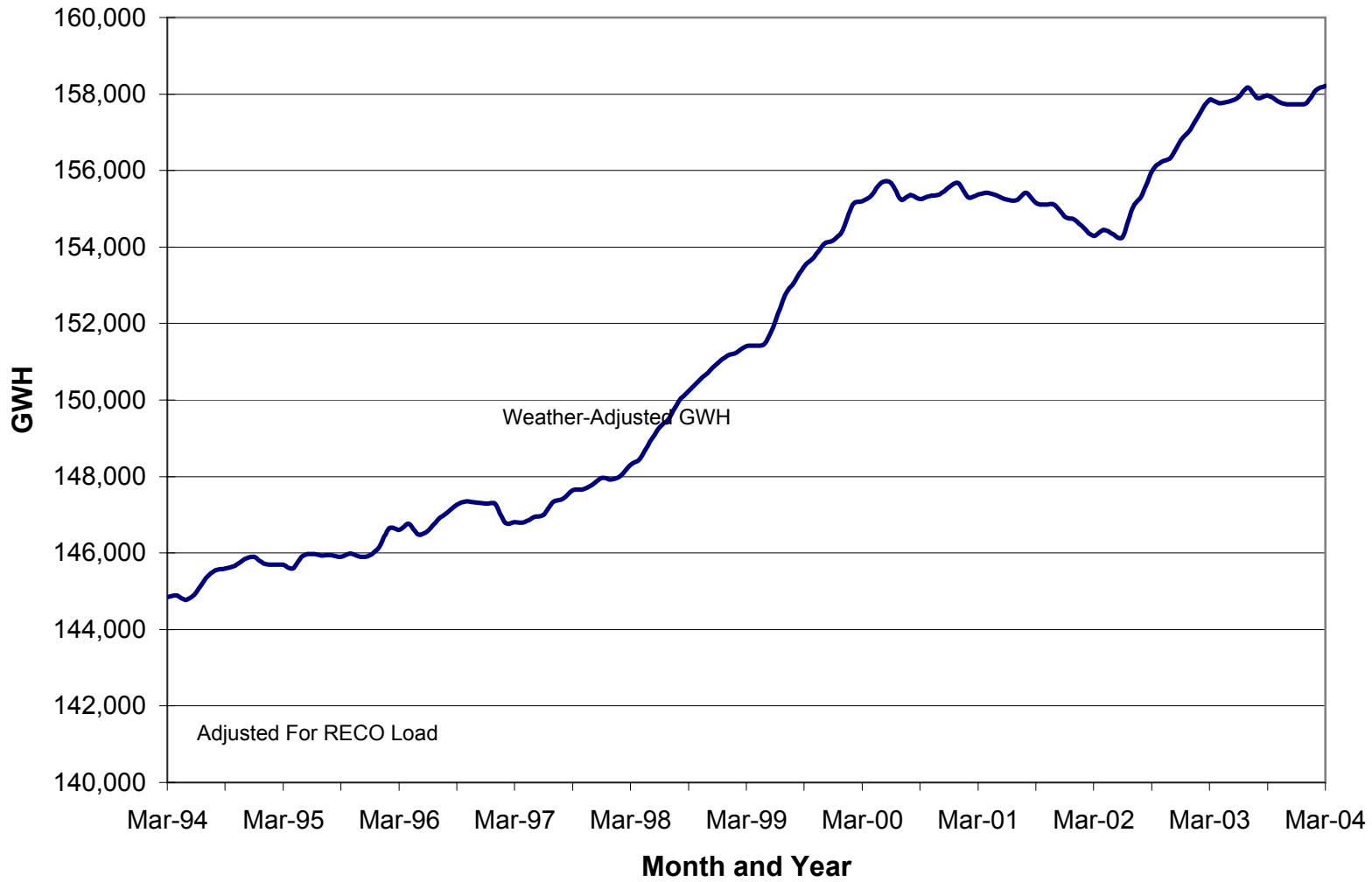
**Day-Ahead Forecast
Daily Forecast Errors of System Peak
March, 2004**



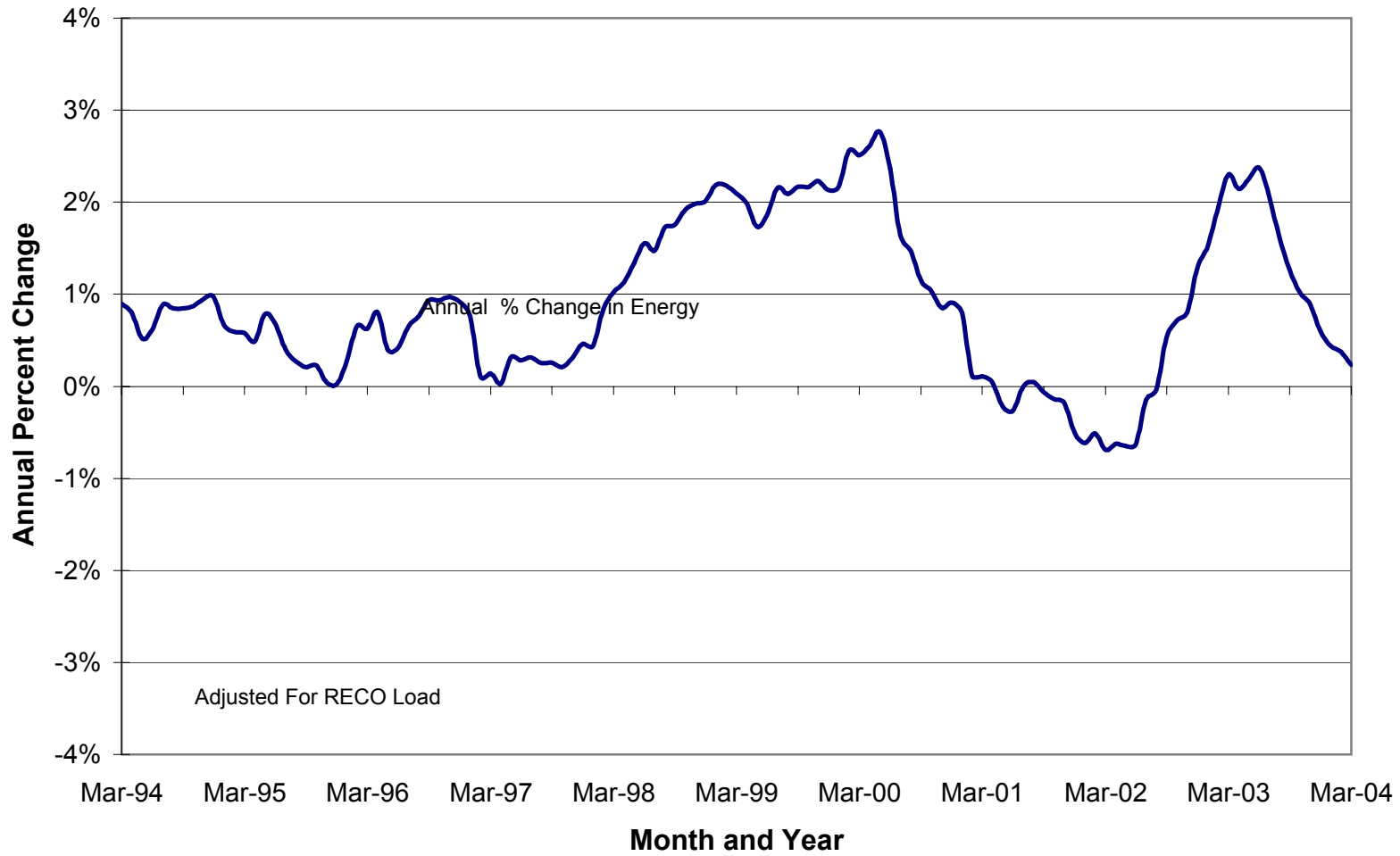
**Day-Ahead Forecast
Cumulative Performance - Daily System Peak
2004 Year-to-Date**



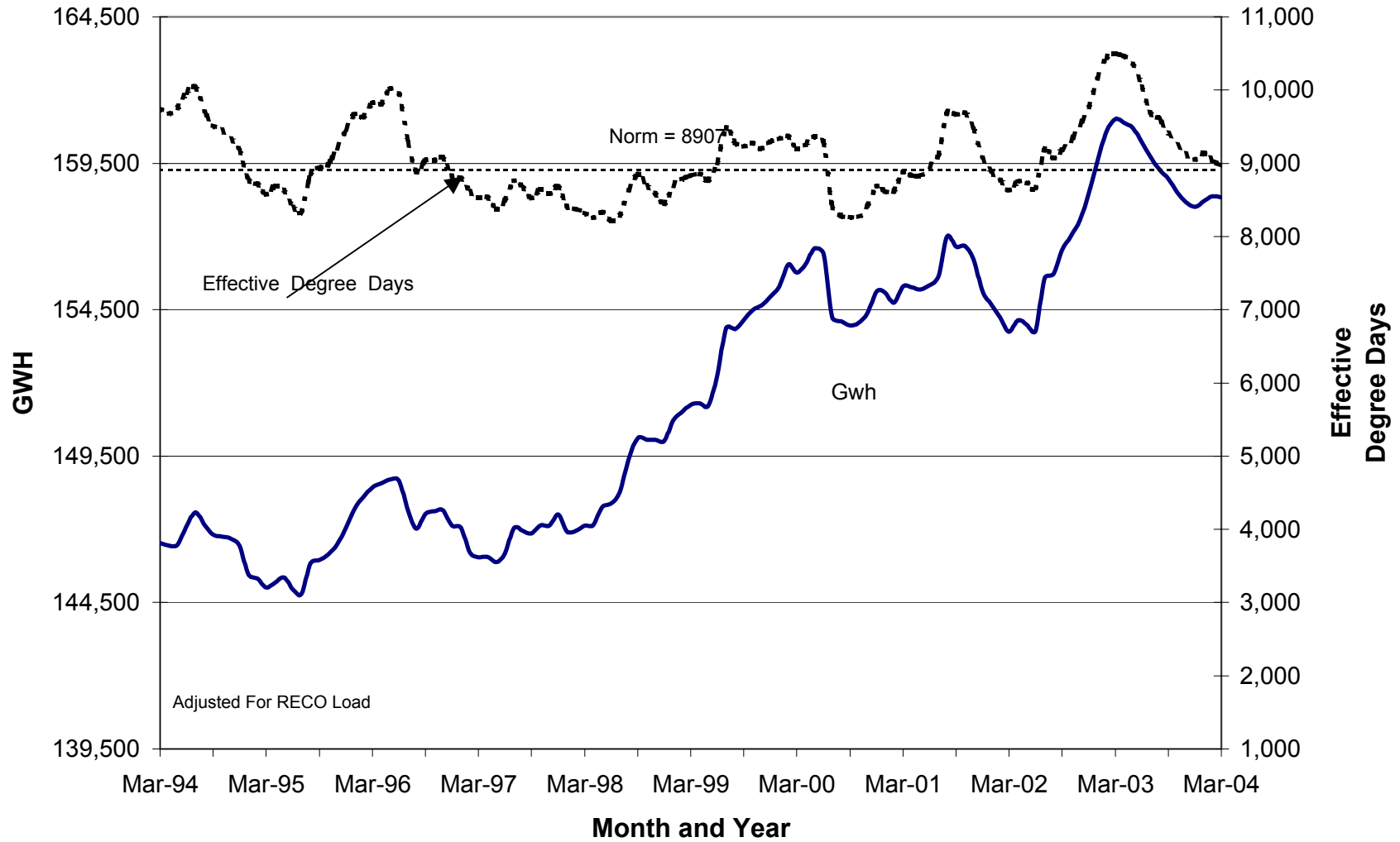
Plot Of 12 Month Moving Total Of NYCA Weather Adjusted Energy Sendout



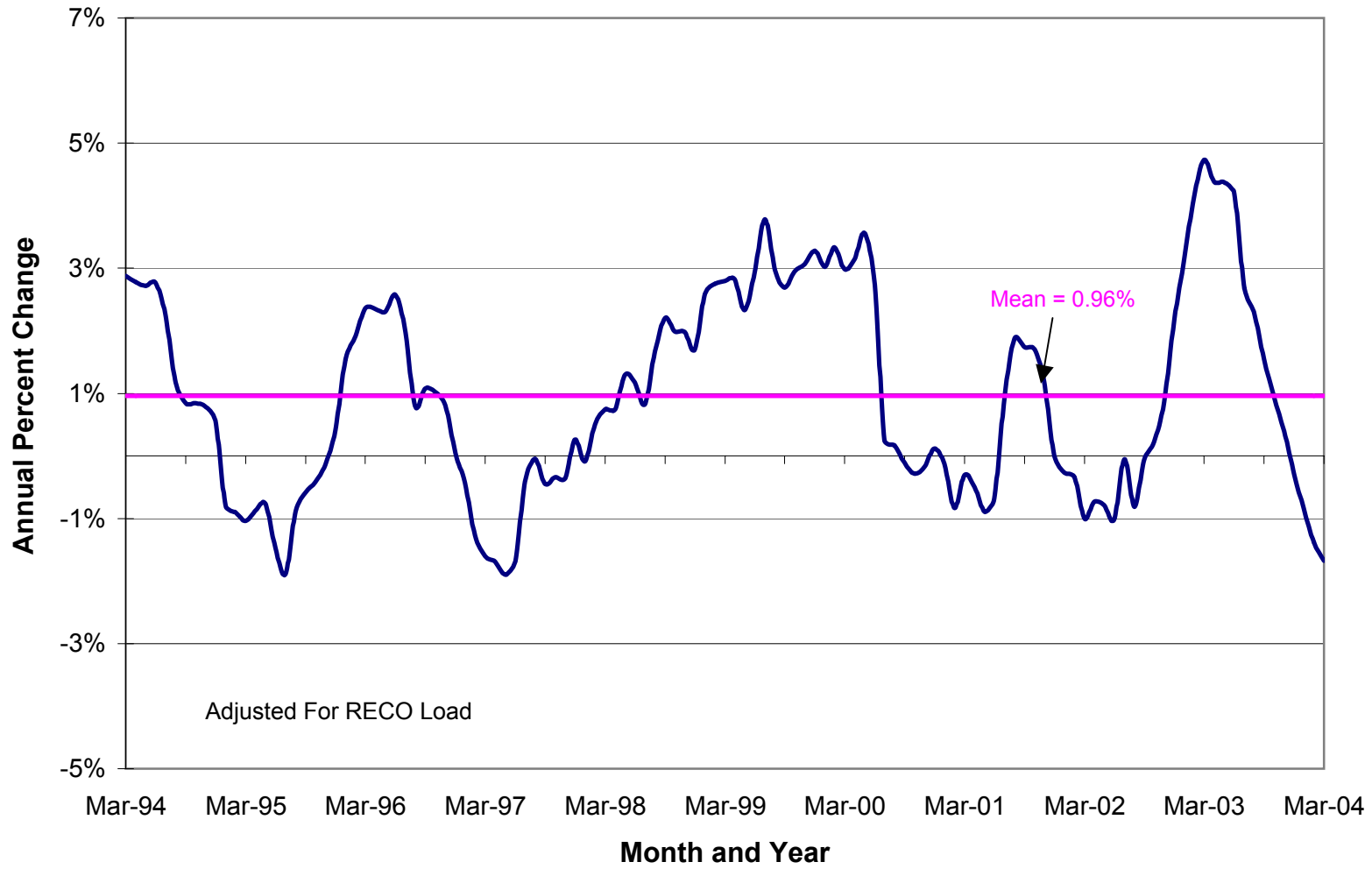
Plot Of Weather Adjusted 12 Month Moving Total Energy Sendout Annual Percent Change



**Plot Of 12 Month Moving Total Of NYCA Energy Sendout
And Effective Degree Days For 10 Years**



**Plot Of 12 Month Moving Total Energy Sendout
Annual Percent Change For 10 Years**



NYISO Regulatory Filings March 2004

- Mar. 3, 2004 NYISO compliance filing of tariff revisions to reduce the magnitude of congestion rent shortfalls (ER04-294-001)
- Mar. 3, 2004 NYISO filing of revision of NYISO's tariffs to modify the endpoints of two sets of Existing Transmission Capacity for Native Load Tables from the December 12, 2003 filing (ER04-615-000)
- Mar. 5, 2004 NYISO filing of emergency request for rehearing, expedited commission action and extension for time regarding SMD 2.0/Real time scheduling order (ER04-230-002)
- Mar. 5, 2004 NYISO filing of response to the court's order to show cause and request for an order granting leave to file a separate intervenor brief regarding demand curve (No. 03-1449)
- Mar. 5, 2004 NYISO filing corrected compliance filing of tariff revisions replacing attachments I & II and refilling if attachments III & IV regarding reduction of congestion rent shortfalls (ER04-294-000)
- Mar. 12, 2004 NYISO filing request for rehearing and clarification of February 11, 2004 FERC order regarding NYISO's real time scheduling (ER04-230-002)
- Mar. 12, 2004 NYISO compliance filing of proposed tariff revisions and notice of early implementation of certain mitigation measures regarding NYISO's real time scheduling system (ER04-230-003)
- Mar. 12, 2004 New York Transmission Owners filing request for rehearing of commission's order issued on February 11, 2004 regarding NYISO's real time scheduling (RTS) system (ER04-230-003)
- Mar. 16, 2004 National Energy Marketers Association filing of comments regarding NYISO's February 24, 2004 data response regarding its proposed creditworthiness requirements (ER03-552-000)
- Mar. 16, 2004 New York Transmission Owners filing of motion to intervene regarding proposed creditworthiness requirements for customers participating in the NYISO administered markets (ER03-552-007)
- Mar. 18, 2004 Third party filing of a motion to intervene regarding NYISO's report on status of regional adequacy markets working group (ER03-647-005)
- Mar. 19, 2004 NYISO filing of comments on the Phase I report regarding the impact of large scale wind generation on the reliability of New York State's bulk transmission system (Case 03-E-0188)
- Mar. 19, 2004 NYISO filing of request for extension of one week to submit FERC ordered compliance filing regarding customer credit requirements (ER03-552-000)
- Mar. 22, 2004 NYISO filing of a motion to intervene in response to ISO-NE March 1, 2004 compliance filing regarding a proposed locational installed capacity market for New England (ER03-563-030)
- Mar. 24, 2004 NYISO filing of motion to intervene in proceeding of NUSCO Application regarding continued operation of the 1385 Cables (TX04-1-000)
- Mar. 29, 2004 NYISO filing of compliance report addressing NYISO's settlement and credit procedures ordered September 22, 2003 by the commission (ER03-552-008)
- Mar. 31, 2004 NYISO filing of pricing rules approved by FERC for the Hydro Quebec Proxy Generator Bus (ER04-696-000)

NYISO related FERC Orders March 2004

- Mar. 3, 2004 FERC letter order accepting NYISO's second quarterly report regarding the current status of the 10 Minute Non-Synchronous Reserve Market (NSR Market) (ER03-836-000)
- Mar. 5, 2004 FERC order on rehearing reaffirms its determinations and clarifying certain provisions regarding standardization of generator interconnection agreements and procedures (RM02-1-001)
- Mar. 11, 2004 FERC notice of extension of time for making compliance tariff filing and including thirty days after commission action on the emergency request for rehearing regarding application of zero availability reserve bid to only ICAP suppliers (ER04-230-001)
- Mar. 11, 2004 FERC ALJ order scheduling a settlement conference regarding a Keyspan complaint v. NYISO concerning cost allocation for new interconnection facilities for April 15, 2004 and April 26, 2004 (EL02-125-001)
- Mar. 18, 2004 FERC letter requesting New York Independent System Operator, Inc to provide additional information to assist FERC Staff in their analysis of the 3/5/04 emergency rehearing request by 4/16/04 regarding SMD2.0/RTS Emergency Request for Rehearing (ER04-230-002)
- Mar. 19, 2004 FERC letter order accepting NYISO compliance filing of a report on the operation of the scarcity pricing provisions (ER03-766-002)
- Mar. 19, 2004 FERC letter order accepting NYISO's July 21, 2003 compliance filing of scarcity pricing (ER03-766-001)
- Mar. 23, 2004 FERC letter notice granting an extension of time to comply with FERCs's September 22 order regarding customer credit requirements (ER03-552-000)

NYISO Management Committee Meeting

March 2, 2004

NYS Nurses Association, Latham, NY

MOTIONS FROM THE MEETING

Motion #1:

The Management Committee (MC), having reviewed the proposal for an interim solution to permit scheduling by parties in addition to the Long Island Power Authority over the Cross Sound Cable (CSC), discussed today and at the February 18, 2004 Business Issues Committee (BIC), hereby approves the recommendation to effectuate the CSC interim solution and recommends that the Board join it in making a filing to FERC pursuant to Section 205 of the Federal Power Act. Final tariff language should be reviewed by the chairs and vice chairs of the Management Committee with the advice of the MSWG prior to filing.

(Motion passed unanimously by show of hands with abstentions)

Motion #2:

The Management Committee (MC), hereby approves tariff provisions in accordance with the March 2, 2004 presentation to the MC authorizing the NYISO to:

1. Account for Wholesale Transmission Service Charges ('WTSC') in a customer's Operating Requirement;
2. Terminate service to a customer that fails to pay its WTSC;
3. Collect unpaid WTSC in excess of available collateral through Rate Schedule 1 and;
4. Aggregate the individual unsecured credit allocated to Municipal Electric Systems that operate through a joint action agency, all as more fully described in the presentation materials.

The Management Committee recommends that the Board join it in filing these amendments at FERC pursuant to Section 205 of the Federal Power Act.

(Motion passed by majority show of hands)

Motion #3:

Motion to approve the Minutes from the February 4, 2004 MC meeting.

(Motion passed unanimously by show of hands)

Motion #4:

The Management Committee, having reviewed the proposal for the creation of a new sub-sector for Demand Response Providers and Distributed Generators presented at the February 24, 2004 By-Laws Committee and the March 2, 2004 Management Committee, hereby approves the proposal and requests the ISO to file an amended ISO Agreement with FERC pursuant to Section 206 of the Federal Power Act. This motion, upon passage, shall supercede where applicable, the motion passed at the immediately prior meeting of this Committee regarding Distributed Generators and Demand Response Providers.

(Motion failed with 37.27% affirmative votes)

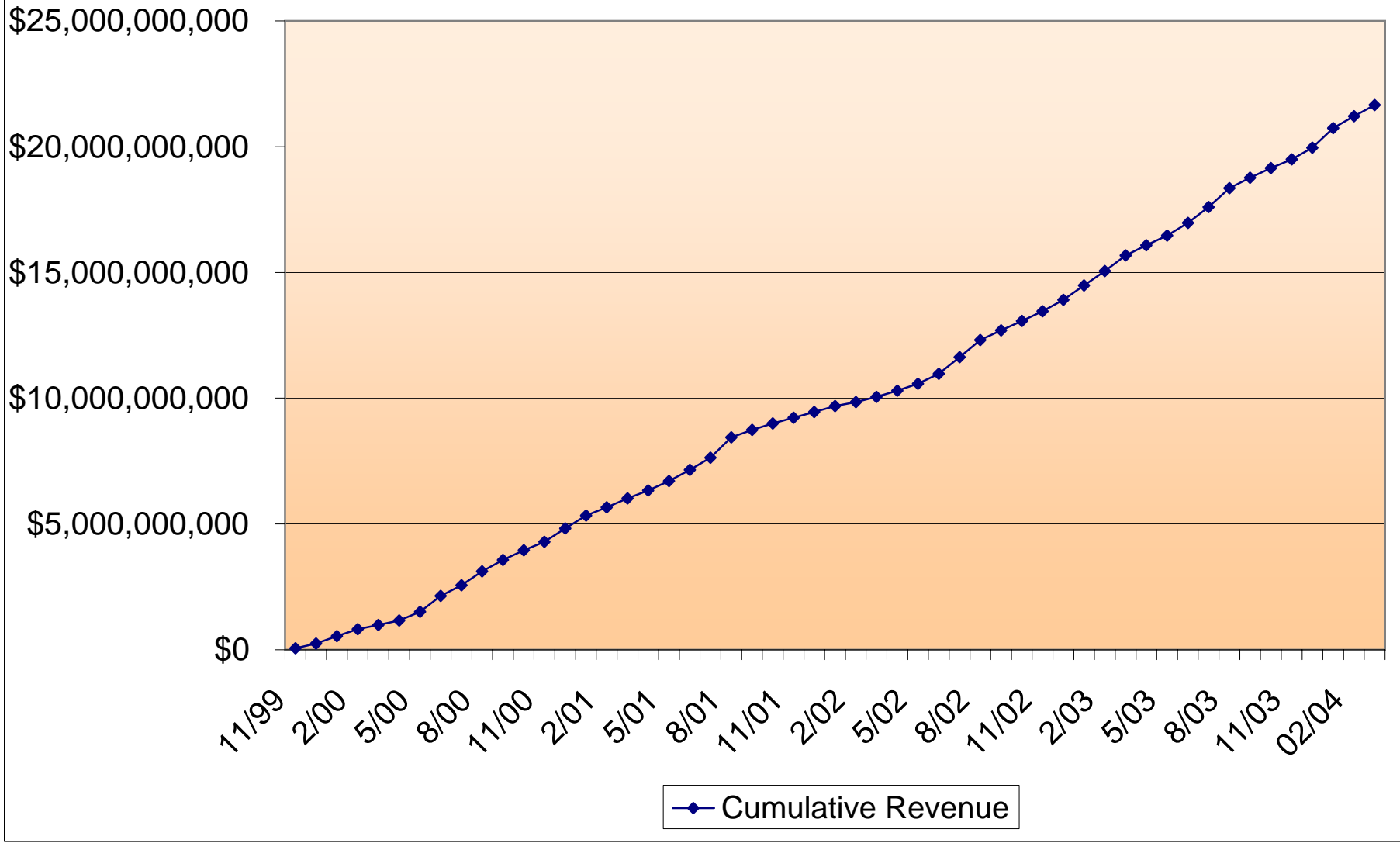


2004 BUDGET VS. ACTUAL VARIANCES

(dollar amounts in thousands)

	<u>YTD through March 2004</u>				<u>2004 Annual Totals</u>			
	<u>Original Budget</u>	<u>Actuals</u>	<u>\$ Var.</u>	<u>% Var.</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>\$ Var.</u>	<u>% Var.</u>
Capital Assets	\$ 4,539	\$ 1,081	\$ (3,458)	-76%	\$ 18,155	\$ 17,405	\$ (750)	-4%
Salaries & Benefits	10,959	10,089	(870)	-8%	43,836	\$ 43,835	(1)	0%
Consultants	6,292	4,736	(1,556)	-25%	25,166	\$ 25,147	(19)	0%
Legal	1,500	1,559	59	4%	6,000	\$ 6,000	0	0%
Building Services	878	838	(40)	-5%	3,513	\$ 3,522	9	0%
Computer Services	6,388	8,674	2,286	36%	18,914	\$ 19,756	842	4%
Insurance	1,928	1,463	(465)	-24%	7,713	\$ 7,604	(109)	-1%
Telecommunications	719	997	278	39%	2,875	\$ 2,875	0	0%
Board of Directors	231	223	(8)	-4%	925	\$ 925	0	0%
Meetings, Travel, Training	726	516	(210)	-29%	2,902	\$ 2,930	28	1%
NPCC Fees	381	424	43	11%	1,525	\$ 1,525	0	0%
FERC Fees	2,000	2,000	0	0%	8,000	\$ 8,000	0	0%
Debt Service & Bank Fees	5,547	5,284	(264)	-5%	30,221	\$ 30,221	0	0%
TOTAL BUDGET SPENDING	\$ 42,088	\$ 37,884	\$ (4,204)	-11%	\$ 169,745	\$ 169,745	\$ -	0%
Less: Miscellaneous Revenues	(266)	(283)	(17)	6%	(1,065)	(1,065)	0	0%
Less: Net Proceeds from Bank Financing	0	0	0	0%	(44,821)	(44,821)	0	0%
EQUALS: Funds Needed via RS#1	\$ 41,821	\$ 37,600	\$ (4,221)	-10%	\$ 123,859	\$ 123,859	\$ -	0%
COMPARED TO: Funds Received via RS#1			538		123,859	124,397	538	0%
EQUALS: Total Budget & Load Over/(Under) Run			\$ 4,759		\$ -	\$ 538	\$ 538	

Cumulative Gross Revenue of all Monthly Components



**NYISO
MARKET PARTICIPANT ENERGY BILLINGS
SUMMARY OF NET RECEIVABLES**

****RECEIVABLES****

	ORIGINAL INVOICE	4 MO TU	12 MO TU	24 MO TU	REBILL	TU TOTAL	% OF TU		
Nov-99	\$ 41,914,277	\$ -	\$ 4,601,583	11%	\$ 1,653,001	4%	\$ 6,254,584	15%	
Dec-99	\$ 133,158,638	\$ -	\$ 9,535,988	7%	\$ 1,707,927	1%	\$ 11,243,915	8%	
Jan-00	\$ 217,994,281	\$ -	\$ 13,514,891	6%	\$ 6,139,030	3%	\$ 19,653,921	9%	
Feb-00	\$ 186,799,918	\$ -	\$ 13,029,978	7%	\$ 1,518,328	1%	\$ 14,548,307	8%	
Mar-00	\$ 124,028,665	\$ -	\$ -	0%	\$ 889,309	1%	\$ 24,987,775	21%	
Apr-00	\$ 135,512,224	\$ -	\$ -	0%	\$ 1,287,032	1%	\$ 1,287,032	1%	
May-00	\$ 222,997,916	\$ -	\$ 19,374,704	9%	\$ 7,788,534	3%	\$ 27,163,238	12%	
Jun-00	\$ 415,492,540	\$ -	\$ 27,121,792	7%	\$ 12,457,711	3%	\$ 39,579,503	10%	
Jul-00	\$ 252,252,351	\$ -	\$ 19,489,697	8%	\$ 2,724,735	1%	\$ 22,214,432	9%	
Aug-00	\$ 361,947,692	\$ -	\$ 35,775,647	10%	\$ 5,508,600	2%	\$ 41,284,247	11%	
Sep-00	\$ 319,094,875	\$ -	\$ 31,071,138	10%	\$ 6,605,678	2%	\$ 37,676,816	12%	
Oct-00	\$ 274,787,453	\$ 15,496,075	6%	\$ 3,205,891	1%	\$ 3,745,905	1%	\$ 22,447,871	8%
Nov-00	\$ 256,009,720	\$ 16,262,668	6%	\$ 2,052,169	1%	\$ 1,784,229	1%	\$ 20,099,066	8%
Dec-00	\$ 396,610,564	\$ 19,537,029	5%	\$ 4,026,996	1%	\$ 4,066,092	1%	\$ 27,630,117	7%
Jan-01	\$ 344,295,355	\$ 12,571,017	4%	\$ 2,521,671	1%	\$ 1,474,285	0%	\$ 16,566,973	5%
Feb-01	\$ 234,382,099	\$ 9,148,844	4%	\$ 1,699,302	1%	\$ 1,263,189	1%	\$ 12,111,335	5%
Mar-01	\$ 245,443,896	\$ 9,390,961	4%	\$ 1,698,249	1%	\$ 743,656	0%	\$ 796,426	0%
Apr-01	\$ 231,563,601	\$ 11,382,682	5%	\$ 2,133,766	8%	\$ 890,456	0%	\$ 658,768	0%
May-01	\$ 258,524,171	\$ 16,241,860	6%	\$ 9,994,318	4%	\$ 1,825,702	1%	\$ 1,368,697	1%
Jun-01	\$ 295,777,209	\$ 15,607,316	5%	\$ 4,491,251	2%	\$ 1,542,666	1%	\$ 1,187,881	0%
Jul-01	\$ 331,328,591	\$ 12,637,804	4%	\$ 1,772,024	1%	\$ 1,625,857	0%	\$ 1,603,042	0%
Aug-01	\$ 569,513,449	\$ 15,344,918	3%	\$ 3,305,630	1%	\$ 4,545,234	1%	\$ 4,801,994	1%
Sep-01	\$ 193,119,838	\$ 6,492,345	3%	\$ 1,089,635	1%	\$ 2,225,022	1%	\$ 689,003	0%
Oct-01	\$ 167,598,022	\$ 7,307,617	4%	\$ 1,514,234	1%	\$ 5,582,048	3%	\$ 14,403,899	9%
Nov-01	\$ 152,726,458	\$ 5,896,866	4%	\$ 1,932,100	1%	\$ 891,443	1%	\$ 8,720,410	6%
Dec-01	\$ 162,617,275	\$ 4,249,430	3%	\$ 995,912	1%	\$ 1,795,660	1%	\$ 7,041,002	4%
Jan-02	\$ 169,114,538	\$ 4,603,989	3%	\$ 1,328,924	1%	\$ 999,869	1%	\$ 6,932,782	4%
Feb-02	\$ 128,174,423	\$ 4,949,637	4%	\$ 988,313	1%	\$ 760,711	1%	\$ 6,698,661	5%
Mar-02	\$ 173,757,055	\$ 7,871,772	5%	\$ 1,361,075	1%	\$ 1,070,136	1%	\$ 591,897	0%
Apr-02	\$ 227,372,883	\$ 8,763,681	4%	\$ 799,348	0%	\$ 3,012,033	1%	\$ 12,575,062	6%
May-02	\$ 193,153,839	\$ 4,859,821	3%	\$ 1,976,821	1%			\$ 6,836,641	4%
Jun-02	\$ 243,510,171	\$ 10,447,096	4%	\$ 2,158,556	1%			\$ 12,605,652	5%
Jul-02	\$ 423,363,985	\$ 14,296,715	3%	\$ 3,381,899	1%			\$ 17,678,614	4%
Aug-02	\$ 417,275,164	\$ 10,037,896	2%	\$ 2,592,885	1%			\$ 12,630,782	3%
Sep-02	\$ 254,643,037	\$ 8,336,608	3%	\$ 3,209,330	1%			\$ 11,545,938	5%
Oct-02	\$ 259,006,539	\$ 5,948,283	2%	\$ 2,087,459	1%	\$ 2,139,799	1%	\$ 10,175,540	4%
Nov-02	\$ 253,526,260	\$ 5,452,407	2%	\$ 1,839,940	1%	\$ 2,351,205	1%	\$ 9,643,551	4%
Dec-02	\$ 299,517,867	\$ 8,205,366	3%	\$ 1,386,782	0%	\$ 2,029,395	1%	\$ 11,621,543	4%
Jan-03	\$ 399,263,104	\$ 9,844,614	2%	\$ 2,098,338	1%	\$ 1,191,493	0%	\$ 13,134,445	3%
Feb-03	\$ 418,175,564	\$ 11,981,141	3%	\$ 2,458,047	1%	\$ 1,187,456	0%	\$ 15,626,644	4%
Mar-03	\$ 426,467,140	\$ 9,873,309	2%	\$ 1,267,254	0%	\$ 1,773,369	0%	\$ 12,913,933	3%
Apr-03	\$ 288,946,161	\$ 7,395,252	3%						
May-03	\$ 248,638,313	\$ 5,874,403	2%						
Jun-03	\$ 300,747,684	\$ 7,396,478	2%						
Jul-03	\$ 418,581,237	\$ 13,132,010	3%						
Aug-03	\$ 514,126,607	\$ 13,977,562	3%						
Sep-03	\$ 283,123,546	\$ 6,445,812	2%						
Oct-03	\$ 245,463,938	\$ 5,837,631	2%						
Nov-03	\$ 216,846,601	\$ 9,096,310	4%						
SUBTOTAL	\$ 13,328,286,734	\$ 372,195,224	\$ 244,883,537	\$ 85,112,042	\$ 50,370,235	\$ 683,405,583	5%		
Dec-03	\$ 287,418,382								
Jan-04	\$ 505,153,722								
Feb-04	\$ 312,550,760								
Mar-04	\$ 300,111,357								
GRAND TOTAL	\$ 14,733,520,955	\$ 372,195,224	\$ 244,883,537	\$ 85,112,042	\$ 50,370,235	\$ 683,405,583	5%		

**24 month True ups for May 2000 & June 2000 were fairly high due to significant adjustments to two customers' congestion rent. (\$5M in May 2000 & \$11M in June 2000)

**NYISO
MARKET PARTICIPANT ENERGY BILLINGS
SUMMARY OF NET PAYABLES**

****PAYABLES****

	ORIGINAL INVOICE	4 MO TU	12 MO TU	24 MO TU	REBILL	TU TOTAL	% OF TU				
Nov-99	\$ 35,518,827	\$ -	\$ 4,367,509	12%	\$ 1,679,571	5%	\$ 6,894,549	19%			
Dec-99	\$ 102,079,272	\$ -	\$ 8,340,216	8%	\$ 1,696,026	2%	\$ 19,259,690	19%			
Jan-00	\$ 183,037,026	\$ -	\$ 12,925,858	7%	\$ 6,158,187	3%	\$ 28,756,693	16%			
Feb-00	\$ 185,282,663	\$ -	\$ 12,448,203	7%	\$ 1,547,338	1%	\$ 21,902,850	12%			
Mar-00	\$ 122,503,213	\$ -	\$ -	0%	\$ 1,160,468	1%	\$ 31,123,571	25%			
Apr-00	\$ 124,848,119	\$ -	\$ 9,564,586	8%	\$ 1,593,548	1%	\$ 11,158,134	9%			
May-00	\$ 232,582,089	\$ -	\$ 18,902,475	8%	\$ 7,780,529	3%	\$ 26,683,004	11%			
Jun-00	\$ 406,914,315	\$ -	\$ 26,020,673	6%	\$ 12,146,262	3%	\$ 38,166,935	9%			
Jul-00	\$ 243,016,054	\$ -	\$ 18,485,919	8%	\$ 2,720,323	1%	\$ 21,206,242	9%			
Aug-00	\$ 361,347,651	\$ -	\$ 35,133,640	10%	\$ 5,522,743	2%	\$ 40,656,383	11%			
Sep-00	\$ 294,082,367	\$ -	\$ 30,486,502	10%	\$ 6,594,252	2%	\$ 37,080,754	13%			
Oct-00	\$ 266,390,264	\$ -	\$ 2,714,042	1%	\$ 3,747,010	1%	\$ 21,819,570	8%			
Nov-00	\$ 246,642,946	\$ -	\$ 1,641,605	1%	\$ 1,788,082	1%	\$ 15,630,189	6%			
Dec-00	\$ 385,457,152	\$ -	\$ 3,608,151	1%	\$ 4,070,768	1%	\$ 27,238,727	7%			
Jan-01	\$ 334,775,998	\$ 12,164,291	4%	\$ 2,555,817	1%	\$ 1,505,088	0%	\$ 20,149,851	6%		
Feb-01	\$ 227,544,273	\$ 8,654,168	4%	\$ 1,776,808	1%	\$ 1,256,091	1%	\$ 14,800,320	7%		
Mar-01	\$ 234,105,528	\$ 7,955,548	3%	\$ 1,720,487	1%	\$ 748,584	0%	\$ 14,489,543	6%		
Apr-01	\$ 223,148,288	\$ 11,261,833	5%	\$ 2,545,748	1%	\$ 891,614	0%	\$ 15,357,752	7%		
May-01	\$ 250,351,122	\$ 16,266,662	6%	\$ 10,011,715	4%	\$ 1,839,840	1%	\$ 29,498,559	12%		
Jun-01	\$ 283,165,040	\$ 15,595,541	6%	\$ 4,128,716	1%	\$ 1,542,154	1%	\$ 1,311,283	0%		
Jul-01	\$ 319,423,484	\$ 13,300,599	4%	\$ 2,091,582	1%	\$ 1,642,515	1%	\$ 1,592,304	0%		
Aug-01	\$ 554,917,297	\$ 15,292,776	3%	\$ 3,690,366	1%	\$ 4,308,889	1%	\$ 4,797,469	1%		
Sep-01	\$ 182,063,076	\$ 6,493,353	4%	\$ 1,429,526	1%	\$ 2,218,595	1%	\$ 688,997	0%		
Oct-01	\$ 157,220,616	\$ 7,283,603	5%	\$ 1,830,221	1%	\$ 2,087,459	1%	\$ 11,201,283	7%		
Nov-01	\$ 143,420,554	\$ 5,970,571	4%	\$ 1,932,886	1%	\$ 870,293	1%	\$ 8,773,751	6%		
Dec-01	\$ 154,098,810	\$ 4,286,144	3%	\$ 999,872	1%	\$ 1,765,734	1%	\$ 7,051,750	5%		
Jan-02	\$ 160,819,725	\$ 4,626,721	3%	\$ 1,299,584	1%	\$ 1,005,172	1%	\$ 6,931,478	4%		
Feb-02	\$ 120,848,588	\$ 4,931,677	4%	\$ 989,372	1%	\$ 743,028	1%	\$ 6,664,077	6%		
Mar-02	\$ 165,725,539	\$ 7,827,174	5%	\$ 1,411,595	1%	\$ 1,045,083	1%	\$ 592,554	0%		
Apr-02	\$ 222,151,382	\$ 8,779,909	4%	\$ 832,067	0%	\$ 2,982,051	1%	\$ 10,876,406	7%		
May-02	\$ 183,815,292	\$ 4,546,883	2%	\$ 1,976,201	1%			\$ 12,594,028	6%		
Jun-02	\$ 246,221,592	\$ 10,434,484	4%	\$ 2,155,248	1%			\$ 6,523,084	4%		
Jul-02	\$ 409,240,558	\$ 14,528,756	4%	\$ 3,375,870	1%			\$ 12,589,732	5%		
Aug-02	\$ 404,158,825	\$ 10,211,707	3%	\$ 2,426,894	1%			\$ 17,904,627	4%		
Sep-02	\$ 243,973,745	\$ 8,363,796	3%	\$ 3,174,497	1%			\$ 12,638,601	3%		
Oct-02	\$ 248,659,897	\$ 5,971,255	2%	\$ 1,740,455	1%	\$ 2,130,811	1%	\$ 11,538,293	5%		
Nov-02	\$ 243,580,981	\$ 5,477,164	2%	\$ 1,818,673	1%	\$ 2,336,086	1%	\$ 9,842,521	4%		
Dec-02	\$ 288,570,651	\$ 8,221,256	3%	\$ 1,368,392	0%	\$ 2,029,091	1%	\$ 9,631,923	4%		
Jan-03	\$ 386,692,211	\$ 9,867,267	3%	\$ 2,071,685	1%	\$ 1,195,113	0%	\$ 11,618,739	4%		
Feb-03	\$ 407,240,054	\$ 12,015,097	3%	\$ 2,443,568	1%	\$ 1,185,813	0%	\$ 13,134,066	3%		
Mar-03	\$ 415,026,752	\$ 9,888,707	2%	\$ 1,259,304	0%	\$ 1,773,369	0%	\$ 15,644,478	4%		
Apr-03	\$ 278,826,241	\$ 7,393,788	3%					\$ 12,921,381	3%		
May-03	\$ 238,359,528	\$ 5,856,019	2%								
Jun-03	\$ 289,166,413	\$ 7,355,535	3%								
Jul-03	\$ 404,807,368	\$ 13,029,763	3%								
Aug-03	\$ 494,075,742	\$ 14,065,141	3%								
Sep-03	\$ 271,779,605	\$ 6,246,294	2%								
Oct-03	\$ 234,334,309	\$ 5,816,672	2%								
Nov-03	\$ 206,281,555	\$ 9,061,998	4%								
SUBTOTAL	\$ 12,818,292,597	\$ 319,042,153	2%	\$ 247,696,526	2%	\$ 81,675,249	1%	\$ 50,464,227	0%	\$ 720,078,197	6%
Dec-03	\$ 275,110,914										
Jan-04	\$ 491,534,651										
Feb-04	\$ 300,622,192										
Mar-04	\$ 287,880,497										
GRAND TOTAL	\$ 14,173,440,850	\$ 319,042,153		\$ 247,696,526		\$ 81,675,249		\$ 50,464,227		\$ 720,078,197	

NYISO Projects Portfolio
Status Report
March 2004

NYISO Projects Portfolio Status Report

This report provides the current status of projects prioritized by the Project Prioritization Team (PPT). Please refer to the accompanying Projects Portfolio (Gantt chart) for the latest scheduling and deployment information. This information is updated monthly in preparation for the scheduled PPT meetings.

Priority Projects

A600 Open Billing Issues

- The Billing Issues Group (BIG), chaired by the CFO, is responsible for resolving all identified billing issues. The A600 project was established to ensure timely action on internal billing issues (not including external items such as bad or missing metering data). Incentive Goal 7 tracks performance on the timely correction of these internal billing issues. The table below shows the total number of open billing issues coincident with the last BIG meeting, the meeting a month prior and the meeting six-months prior.

*A600 – Open Billing Issues Status			
Number of Open Issues Needing Work	03/31/2004	03/02/2004	10/01/2003
Total Goal 7 Issues	0	4	4
Total Non-Goal 7 Issues	4	4	10
Total Issues	4	8	14

* Note – the table structure and layout have changed to reflect the BIG committee review process.
(Source Billing Issues Group weekly report)

A649 Oracle 9i Upgrades (Financials)

- The next phase of this project includes upgrading the Oracle Financials application to 11i, upgrading the database to 9i, and moving application & data to new hardware.
- FRS draft completed and resources have been assigned.

A683 BEA Upgrade

- The primary deliverable of the second phase of this project has changed and is effectively a Proof of Concept of BEA clustering for use in the SMD2 project.
- Work on the project has been put on hold for the last 3 weeks as resources were pulled off the project to address some production issues.
- The Proof of Concept is scheduled for completion in early April so that BEA clustering can be implemented in SMD prior to the beginning of Market Trials.

A620 AMP IV including Start-up and Min Gen Mitigation

- Project is currently in Phase E –QA Testing Underway
- Target Implementation Date is April 20,2004
- AMP IV will be incorporated into Legacy for pre-summer deployment, then into SMD2.

NYISO Projects Portfolio Status Report March 2004

A688 Inadvertent Package Replacement

- Project is currently in Phase E – System Operational / Functional Test.
- This project is required to replace the current inadvertent interchange billing application that will be eliminated when SMD is deployed. The new application can be deployed once it has completed testing, as it is not dependent upon the SMD deployment.
- A prototype application has been developed however further development efforts are on hold pending the availability of resources.

A697 Auto Sys Replacement

- The scope of the project was altered to address only non-SMD scheduling jobs.
- A new baseline is being reworked reflecting the scope changes.
- Integration efforts are underway with the other SMD project managers.

Next Steps:

- Finalize new project schedule baseline as per the changes in scope of this project.
- Update the Risk Management Plan based on the changes in scope of this project
- Continue coordination efforts with the other SMD project managers in order to integrate all work and testing schedules.

A696 SMD-DAC

- Modifications were made to the final draft of the FRS and it is now out for final review and approval.
- Preliminary testing on the RTU has been performed and testing is progressing well.
- Once ABB delivers the model to Ranger, this project team will finish the remainder of testing to include the point-to-point testing of the Mapboard.
- Due to FAT (Factory Acceptance Testing) of Ranger, we will not be able to begin testing the Mapboard until the Ranger FAT testing has completed so as to not interfere with all that is being performed during FAT.
- Efforts continue to coordinate with the other SMD project managers to integrate all work and testing schedules.
- Test plan has been baselined and has distributed for final review and comments.

Next Steps:

- Receive final approval on the baseline FRS.
- Complete the last of development tasks.
- Continue coordination efforts in linking the SMD-DAC project schedule.
- Finalize test plans.

A647 Station Power Accounting

- Station Power FRS and SDS final versions are complete.
- Phase 2 of Con Invoice code was deployed into QA.
- Test scenarios have been created and testing is underway.
- Coordination efforts are underway for UAT testing.
- On schedule for an April 20 deployment.

Next Steps:

- Continue QA testing efforts.
- Finalize technical bulletins and publish in their final versions.

NYISO Projects Portfolio Status Report March 2004

A574 SMD 2.0 ABB System Implementation Support

- Software development activities for Phase 2a (SCADA/EMS and BMS) have completed at the ABB factory. A new software release will be delivered to the NYISO site in early April to support the start of the Phase 2a Factory Acceptance Tests (FAT).
- Software fixes were provided by ABB for all the Phase 1 high severity defects. Those fixes were validated by the NYISO staff and the project milestone related to this activity was approved.
- The ABB development team has completed their internal testing in advance of Factory Acceptance Testing (Pre-FAT). This test constitutes a complete trial exercise of FAT test procedures in advance of the actual structure FAT exercises.
- System design document review and approval is being conducted with ABB staff, and test planning activities for the upcoming Phase 2 acceptance tests are continuing.
- The internal testing portion of the Market Trial testing process is ongoing at the NYISO facilities. Integration testing between ABB products and NYISO application has been successful, and functional testing of the core applications is tracking to plan.

A573 SMD 2.0 Internal NYISO System Implementation

- MIS interfaces are in Phase E – Project System Operation/Functional Test Phase.
- BAS re-bills are in Phase E – Project System Operation/Functional Test Phase.
- MIS rules changes are in Phase E – Project System Operation/Functional Test Phase.
- BAS rules changes are in Phase D – Build/Unit-Sub System Test.
- Upload/Download is in Phase E – Project System Operation/Functional Test Phase.
- Bid Post is in Phase E – Project System Operation/Functional Test Phase.
- The PTS replacement is in Phase D – Build/Unit-Sub System Test.
- Price Verification is in Phase D – Build/Unit-Sub System Test.
- MMRD is in Phase D - Build/Unit-Sub System Test
- Probe support is in Phase B – Concept.
- The new Load Forecaster is in Phase E – Project System Operation/Functional Test Phase.

A667 Scarcity Pricing in SMD [NEW]

- This project is required for performing Scarcity Pricing calculations in SMD2.
- FRS is being created in 3 sections - Scarcity Pricing for Energy, Operating Reserves, and Regulation.
- FRS drafts for Energy and Operating Reserves are complete.
- SDS is in progress.

A709 Reserve Pickup Reporting

- Project is currently in Phase D - Development

NYISO Projects Portfolio Status Report March 2004

A577 SMD2 Integration

- Various Project activities are in Phases D & E, Development and QA Testing.
- Phase D Development activities are underway for an application to create preMGF files for Transmission Owners
- Phase E QA testing has been completed on the interface to provide actual load values to the Load Forecast application; will be deployed once the PI system is complete.
- The second iteration of Phase D Development activities has been initiated for the Price Verification (LECG) interface; this planned iteration addresses SMD2 Phase II designs.

A710 SMD Web Environment

- SMD Web physical environments for Market Trial Sandbox testing and Market Trial Interactive testing are complete and available. Activities and procurements to establish the ACC (Wolf Road) physical Web environments are underway.
- The Sandbox version of SMD2's bidpost.nyiso.com has been made available to NYPA for preliminary Market Participant testing.
- Activities for SMD's Web Posting of OASIS data span Phases C, D and E. Approximately 50% of the OASIS postings have completed QA, 30% are under development and the remaining 20% are under design.
- A second iteration of development activities is underway for bidpost.nyiso.com, to incorporate MP's billing information into the download templates. This effort is currently in the Phase B, specifying detailed requirements.

A729 MIS / BAS Cluster and Site Failover [NEW]

- Clustering postponed until a later date - TBD.
- Failover includes hardware mirror for MIS/LF & BAS/HIST, DataGuard for MIS/LF & Oracle Forms failover.
- Configuration of hardware mirror in process, to be completed mid-April.
- Configuration of DataGuard & Forms Failover scheduled for end of April.

A732 Oracle Forms Upgrade to 6i [NEW]

- Scheduled to deploy after SMD2.
- FRS draft completed
- Initial project meeting scheduled for 04/07/04.

A657 15-Minute Schedules and ICAP Prescheduling (OSS SMD2 Support)

- Development complete. Targeted for integration with SMD SAT testing.
- Contingency plan under development to allow deployment to legacy base code in Spring 04.

A619 Controllable Tie Lines Scheduling & Pricing

- Project is currently in Phase B – Requirements.
- Project being re-scoped for internal and external controllable tie lines including CSC and 1385.

NYISO Projects Portfolio Status Report March 2004

A730 CSC Interim Solution

- Project is currently in Phase B – Requirements
- Completion of contract with Scheduling Agent (SA) in progress.
- Requirements for SA and NYISO being defined.

A543 UCAP Market Automation

- Project is currently in Phase E – Construction Phase - Week 32.
- The contractor delivered five code builds.
- QA environment testing the delivered builds.

A658 Facilitated Checkout

- NYISO has implemented the production checkout service. ISO-NE plans to utilize the service in their control room applications starting in early May 2004.
- ISO-NE plans to implement the production checkout service in early May. NYISO operations display to utilize this data targeted for release shortly thereafter.

A660 E-Tagging Integration

- QA testing underway.
- Target Implementation Date is April 26,2004

A663 DSS Settlements Datamart IV

- Continue to work on Holes Set 1, which is scheduled to deploy on April 6th & April 7th.
- This project is expected to close end of April.

A556 Documentum Implementation

- End user training for the initial rollout was completed on March 10th.
- The deployment to the initial departments (Committee Support and Regulatory Affairs) was completed on March 23rd.
- The next phase of the project will implement Documentum within IT.
- Work on the FRS and SDS for the next phase has begun.

A725 2004 SAS 70 Type 2 Audit

- KPMG auditing NYISO Bid-to-Bill process – progress continues.
- Audit scope period ends November 30th.
- Designated as “exempt” priority meaning that resources are made available when and as needed to support the audit.

A541 TCC Online Auction Automation

- Project to resume after A543 completed.

A630 Automate Voltage Support Billing Calculation

- Project is in Phase B – Requirements Development however, the ability to move forward with the project is dependent upon the availability of resources.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

NYISO Projects Portfolio

Status Report

March 2004

A636 85/15 Schedule 1 Split - Phase 1

- This project has been placed on hold pending the availability of resources.
- Customer Settlements will continue to calculate this component of customer bills manually until a software solution is made available.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A664 DSS Enhancements V

- ADD Phase 1: Worked on SDS and proof-of-concepts; begins development.
- Automated Invoice and Transportable Table Space: scheduled to deploy on April 6th & April 7th.
- Training and Mentoring:
 - Continue Quickstart/Mentoring program with Customer Settlement.
 - Conducted Quickstart/Mentoring sessions with Market Monitoring
 - Completed Billing and Accounting Manual.
- Deployed the November 1999 phase 2 changes, awaiting BAS deployment so that work on phase 3 can begin.
- Sign Convention: Working on impacts to DSS; need to be created as a new track of work.
- Resource: Working on staffing level for the DSS for the remainder of this year.

A675 Billing Simulator

- A feasibility study has been completed.
- A proof-of-concept demonstration has been provided and the statement of work has been completed and signed.
- Hardware and software configurations have been completed.
- Use case reviews are on going.

A676 Automate DAM Congestion Shortfall Calculation

- Automation of the billing process is delayed pending availability of resources.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A687 Automate Local Black Start Calculation

- Project is delayed pending availability of resources
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

A689 Store Intermediate Billing Calculation Data

- The project is currently on hold.

A690 Grouped Units

- It was determined that this project must proceed as is has become a critical component for SMD. This project is now in Phase B – Requirements.
- For prioritization purposes, this project is considered as a part of the Billing Automation projects.

NYISO Projects Portfolio
Status Report
March 2004

A699 MDEX Enhancements

- Scope and requirements have yet to be fully defined.

A700 Computer System Availability Monitoring

- Scope and requirements have yet to be fully defined.

A701 New Technology Initiatives

- Scope and requirements have yet to be fully defined.

A702 Enhanced Market Security

- Scope and requirements have yet to be fully defined.

A703 SW Development Lifecycle Tools

- Bearing Point has been hired to perform an assessment of our SW development lifecycle.

A704 Operational Information to the Marketplace

- This project has not yet kicked off. Scope and project requirements/deliverables are not yet defined.

A705 Inter-ISO Standards for Market Messages

- Scope and requirements have yet to be fully defined.

A706 Develop a Virtual Regional Dispatch

- This project has not yet kicked off. Scope and project requirements/deliverables are not yet defined.

A707 Assess Options to shorten Billing Cycle

- Project requirements are currently being defined.

A708 Consolidate NYISO Offices

- A Project Plan has been developed.
- The development of a detailed layout (Phase II Lamb Report) is in progress
- The Site Selection process is continuing.

A724 PCC Modifications – Security

- A Project Plan is being developed for Phase I of the project. We are waiting on a detailed timeline from our Owners Rep.
- Bi-weekly meetings with the Owner Rep and sub contractors have been scheduled and are in progress
- Phase I includes work in the Lobby and Guard House at the PCC
- Phase I Construction has begun at the PCC.

A734 Guard Deployment – 24 x 7

- A Project Plan has been developed.

NYISO Projects Portfolio
Status Report
March 2004

- Security stations have been set up at the PCC with others in the process of being configured.
- A redundant server has been ordered for the Diamond II system.

A737 Migration to New Facility [NEW]

- A preliminary project plan has been developed

A739 Capital Improvements at PCC in Guilderland [NEW]


- A preliminary project plan has been developed.
- Meetings have been held to analyze and identify possible modifications.

Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2004											
								Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
1 -- Priority Projects																			
A725	2004 SAS 70 Type 2 Audit	Exempt		RUBIN	BUDD	N/A	N/A												
A649	Oracle 9i Upgrades	1	02/11/04	FARNEY	FELL	2	1,104												
A683	BEA Upgrade	2	03/01/04	FARNEY	FELL	2	550												
A573	SMD 2.0 Internal NYISO System Implementation	3	09/15/04	SMITH	CALIMANO & KING	2	39,285												
A574	SMD 2.0 ABB System Implementation Support	3	09/15/04	MILLS	CALIMANO & KING	2	16,751												
A620	AMP IV Including Startup & Mingen Mitigation	3	04/15/04	PELUSO	BUDD	2	510												
A688	Inadvertent Package Replacement	3	04/19/04	MCGINNIS	FRANKOWSKI	2	177												
A697	AutoSys Replacement	3		VETTER	FELL	N/A	N/A												
A696	SDAC Replacement	3	05/07/04	VETTER	FELL	2	1,513												
A647	Station Power Accounting	3	03/13/04	VETTER	FRANKOWSKI	2	791												
A686	Allocation Adjustments (EDRP, TA, QSR)	3	Deployed	MCGINNIS	FRANKOWSKI	3	295												
A710	SMD Web Environment	3		MILLER	FELL	2	1,226												
A709	Reserve Pickup Reporting	3	11/15/04	MCGINNIS	CALIMANO	3	N/A												
A577	SMD 2.0 Integration	3		MILLER	FELL	N/A	N/A												
A729	MIS / BAS Cluster and Site Failover	3		RINALDI	FELL	N/A	N/A												
A732	Oracle Forms Upgrade to 6i	3		RINALDI	FELL	N/A	N/A												
A600	Open Billing Issues	4		DUFFY	FRANKOWSKI	1	3,245												
A630	Automate the Voltage Support Service Corrections	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A687	Automate Local Black Start Calculation	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A636	85/15 Rate Schedule 1 Split - Phase 1	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A689	Store Intermediate Billing Calculation Data	4		MCGINNIS	FRANKOWSKI	1	1,222												
A690	Grouped Units	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A676	Automate DAM Congestion Shortfall Calculation	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A713	Process for Creation of New Meter Authorities	4	Deployed	MCGINNIS	FRANKOWSKI	N/A	N/A												
A714	Working Capital Clearing Account	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A715	Credit Policy Administration / Working Capital Rebalancing	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A716	NYPA NTAC and TSC Rate Management	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A717	FERC Form 582 Preparation	4		MCGINNIS	FRANKOWSKI	N/A	N/A												

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Legend
Estimate Level









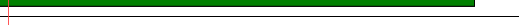


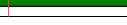
- 1 - Class 100 Estimate Based on Concept of Operations
- 2 - Class 50 Estimate Based on Functional Requirements Specification
- 3 - Class 10 Estimate Based on Detailed Design
- * - Estimate Through Identified Deployments Only

 Duration Based Schedule 

 Resource Limited Schedule 

 Deployment Milestone 

 Estimated FRS Completion 




Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2004											
								Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
A718	FERC Form 714 Preparation	4		MCGINNIS	FRANKOWSKI	N/A	N/A												
A619	Controllable Tie Lines Scheduling and Pricing	5		FITTS	CALIMANO	2	5,948												
A730	CSC Interim Solution	5	04/08/04	FITTS	CALIMANO	2	277												
A675	Billing Simulator	6		PELUSO	FRANKOWSKI	N/A	N/A												
A708	Consolidated NYISO Offices	7		FARNEY	RAGOGNA	N/A	N/A												
A724	PCC Modifications - Security	7		FARNEY	RAGOGNA	N/A	N/A												
A734	Guard Deployment - 24 x 7	7		FARNEY	RAGOGNA	N/A	N/A												
A658	Facilitated Checkout	8	02/13/04	MARTIN	FELL	2	4,103												
A543	UCAP Market Automation	9		FITTS	KING	3	11,098												
A541	TCC Online Auction Automation	10		FITTS	KING	N/A	N/A												
A706	Develop a Virtual Regional Dispatch	11		VETTER	KING	N/A	N/A												
A663	DSS Settlements Datamart IV	12	12/08/03	LE	FELL	2	1,118												
A664	DSS Market Monitoring Datamart I	13		LE	FELL	2	16,031												
A700	Computer Systems Availability Monitoring	14		RINALDI	FELL	N/A	N/A												
A699	MDEX Enhancements	15		LE	MURPHY	N/A	N/A												
A704	Operational Information to the Marketplace	16		VETTER	KING	N/A	N/A												
A707	Process to Enhance the Settlement Cycle	17		MCGINNIS	FRANKOWSKI	N/A	N/A												
A705	Inter-ISO Standards for Market Messages	18		PELUSO	FELL	N/A	N/A												
A556	Documentum Implementation	19	03/09/04	FARNEY	SANFORD	3	585												
A703	SW Development Lifecycle Tools	20		FITTS	FELL	N/A	N/A												
A701	New Technology Initiatives	21		PELUSO	FELL	N/A	N/A												
A657	OSS SMD Support (15-Min Schedules and ICAP Prescheduling)	22		PELUSO	FELL	2	2,804												
A660	E-Tagging Integration	23	04/20/04	PELUSO	FELL	2	796												
A702	Enhanced Market Security	25		FITTS	FELL	N/A	N/A												

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Legend

Estimate Level

- 1 - Class 100 Estimate Based on Concept of Operations
- 2 - Class 50 Estimate Based on Functional Requirements Specification
- 3 - Class 10 Estimate Based on Detailed Design
- * - Estimate Through Identified Deployments Only


- Duration Based Schedule 
- Resource Limited Schedule 
- Deployment Milestone 
- Estimated FRS Completion 

Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2004											
								Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
2 -- Studies & Training																			
A212	2002 New York Area Transmission Review	1		COREY	BROWN	2	N/A												
A680	Annual (2003) New York Area Transmission Review	2	04/15/04	COREY	BROWN	2	N/A												
A037	NYISO/TO Baseline Plan Study - 2001	3		COREY	BROWN	2	N/A												
A591	Calpine (was SkyGen) Waterford	6	04/05/04	COREY	BROWN	2	N/A												
A208	NYSEG Solutions So. Glens Falls Expansion (Reimbursable)	7	03/01/04	COREY	BROWN	2	N/A												
A678	SRIS for the Conjunction Empire Conn. HVDC Project	10	03/01/04	COREY	BROWN	2	N/A												
A679	SIS for Liberty Proposed Transmission Expansion	11	09/24/04	COREY	BROWN	2	N/A												
A682	NYISO Transmission Planning Process	12	12/28/04	COREY	BROWN	2	N/A												
A692	NYISO-NYSERDA Wind Generation Integration Study	15	01/06/05	COREY	BROWN	2	N/A												
A695	SRIS for Uprates of the Entergy Indian Point Nuc Units [NEW]	17		COREY	BROWN	2	N/A												
A726	SRIS for the East Coast Power Linden Gen Expansion Project	18		COREY	BROWN	2	N/A												
A727	SRIS for the East Coast Power Linden VFT Inter-Tie Project	19		COREY	BROWN	2	N/A												
A621	Restoration Sensitivity Studies	N/A		WALDELE	CALIMANO	N/A	N/A												
A645	Operations Reactive Study	N/A		WALDELE	CALIMANO	N/A	N/A												
A672	Quebec - New York Interconnection Limit Analysis	N/A		WALDELE	CALIMANO	N/A	N/A												
A673	Athens Generation In-Service Operating Study	N/A		WALDELE	CALIMANO	N/A	N/A												

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Legend
Estimate Level

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 Deployment Milestone 

 Estimated FRS Completion 