



Monthly Report

November 2004

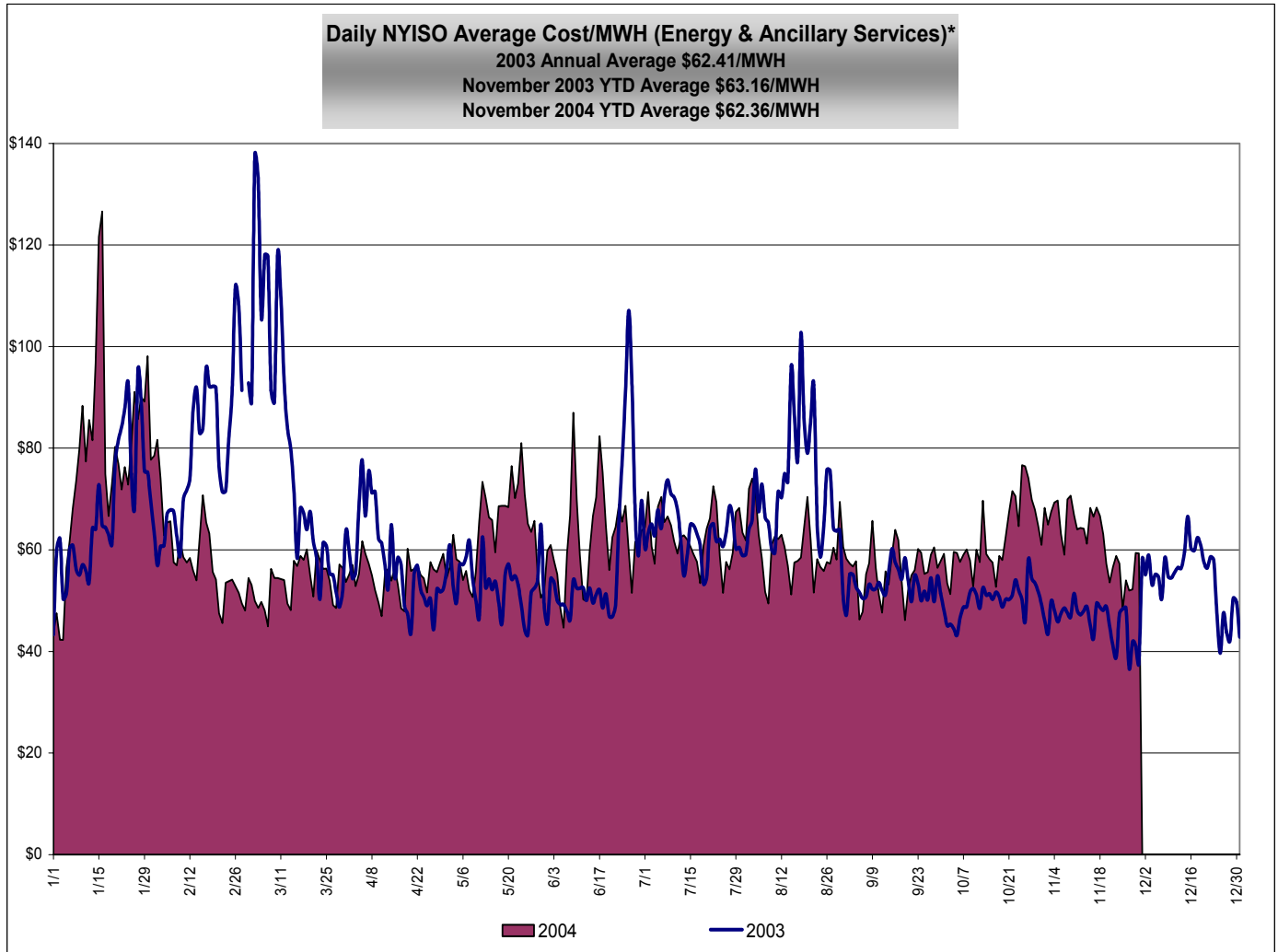
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1. Executive Summary

Higher load levels resulted in higher LBMPs and an increase in the monthly average cost for energy from \$62.51/MWh in October to \$62.62/MWh in November. All fuel prices decreased in November.



The scheduled deployment date for SMD2 is February 1, 2005. The date was changed in mid-November after consideration of concerns raised by Market Participants ("MPs") over the NYISO's planned December 1, 2004, deployment date. MPs felt that the December 1 deployment date, in combination with the NYISO's pending SAS 70 review of SMD2-related controls, could create difficulties in connection with their financial attestations, required under the Sarbanes-Oxley Act for the year ending December 31, 2004. Because of the potential difficulties associated with the planned year-end deployment, NYISO was asked to defer implementation of SMD2. The proposed deferral was discussed at the November 10, 2004, Management Committee ("MC") meeting and all MPs were invited to submit comments before the final deferral decision was made.

As a result of the delay, the SMD2 Readiness Plan was revised to reflect the February 1, 2005, date and to include ten days of parallel operational testing, beginning in late November. Progress continued on testing, training, and departmental readiness activities included in the SMD2 Readiness Plan with a goal of completing all activities by December 1, 2004. The departmental readiness plans address business owner (user acceptance) testing, internal process and procedure development and checkout, staff training, SAS70 compliance considerations, as well as other department specific readiness items. The MP "SMD2 Issues List" was continuously updated and open issues were addressed in working group sessions. SMD2 Settlements training and detailed reviews of the Cut-over/Fall-Back plan were completed in early November. Proposed settlement guidelines, in the event of fallback, were developed and reviewed with MPs. The Parallel Operational Test began on November 29, 2004.

A major accomplishment towards the elimination of remaining seams issues was realized on November 3, 2004, when FERC issued an order approving elimination of export fees between New York and New England. The elimination of these charges becomes effective on December 1, 2004.

The 2005 Budget was approved in November. The primary focus of the 2005 Budget is to resolve billing issues, implement projects and activities designed to mitigate risk, and to continue evaluation of the facility consolidation and implementation of security upgrades at NYISO facilities. The 2005 Projects Plan supports critical infrastructure, business process and automation needs. The NYISO agreed to provide the Budget, Standards and Performance Committee ("BS&P") and the MC in December with a full financial and budget impact evaluation of new facilities' alternatives in advance of a MC vote in January.

2. System Operations

Management Summary

Peak load for the month was 21,994 MW on Tuesday, November 9. There was one Major Emergency ("ME") during the month. The ME was declared on November 29, 2004, at 10:59 when the Phase Angle Regulator on line 901 Jamaica-Valley Stream 138 kV, in the automatic mode, moved from tap 20 to tap 13. The ME was terminated at 11:03. Alert states were declared on 14 occasions, with four attributable to system frequency excursions and 3 attributable to GIC. There were 26 occasions when reserve energy was activated during November with 14 activations due to large control area errors and seven due to activation of shared reserves. CPS1 was 166% and CPS2 was 96.5%. On November 26, 2004, at 13:22 Indian Point 2 tripped while loaded at 950MW. Shared Activation of Reserve was activated at 13:22 and terminated at 13:32 and was in full compliance.

Staff has made substantial progress in refining State Estimator performance and results. As a result of this work, the Ranger and Legacy Contingency results have moved to a point where they can be compared. Work will continue in this area where staff will point out areas of discrepancy. Many discrepancies discovered to this point will be fixed in database #30 that will be deployed during Parallel Operations. Operator Training continued in November with the software and database that was used for Market Trials and had the bids and system conditions from June 17, 2004. The next scheduled upgrade for the training simulator will be done during Parallel Operation. This will fix numerous issues that have been uncovered in that environment. This upgrade will give the operators exposure in the training environment to the Go-Live Software.

The Staff is working with the System Protection Advisory Subcommittee ("SPAS") members to complete the reporting of zone 3-distance protection related to the North American Electric Reliability Council ("NERC")-Blackout Team recommendation 8a. Staff forwarded the NERC template to the 11 Transmission Protection System Owners ("TPSOs") in the New York Control Area in October. These templates are to be completed and returned to NYISO by December 15, 2004, (reports from 4 TPSOs have been received) and forwarded to Northeast Power Coordinating Council. Staff also reviewed the final draft of the NYISO report, and also prepared a draft scope for consideration by the Restoration Working Group ("RWG") (of the System Operations Advisory Subcommittee ("SOAS")) for detailed analysis of their recommendation to include the ConEdison 345kV in-city facilities in the NYISO Restoration Plan. The RWG is scheduled to meet December 6, 2004.

Staff prepared a report on the observed impact on the NYISO system during the GIC events beginning Sunday evening, November 7, through Wednesday, November 10, 2004. Although the coronal mass ejection ("CME") events were not alarmingly large, the CMEs occurred in a sequence where their effects combined and at the time when the material impinged on the Earth's magnetic field was optimum for affecting the northeastern portion of the Eastern Interconnection. A brief summary of the events was presented to the NYISO Operating Committee at their November meeting, and a more detailed presentation will be made at the December SOAS and January SPAS meetings.

Staff completed a dynamic simulation for the addition of 3% series reactors at Sprainbrook and Dunwoodie with a test level of about 4800MW on the Sprain Brook/Dunwoodie – South interface. The draft report and stability results were provided to ConEdison staff to review and comment before distribution to the Operating Studies Task Force ("OSTF"). Comments were received from ConEdison staff, and the revised report incorporating those comments will be distributed to the OSTF in early December. Staff also completed set up of the study's base case, including corrections to the shunt reactor configurations and redispatch to establish the base transfer case for the interface voltage versus transfer assessment as well as prepared additional contingency tests for the Sprain Brook/Dunwoodie vicinity. Staff distributed the Summer 2005 preliminary base case to the OSTF and the SOAS Load Power Factor Review group contacts for detailed review and comment on November 18, 2004. Comments from all transmission owner representatives are due by December 8, 2004. This case will be used for the NYISO Summer 2005 Assessments (seasonal operating study, voltage/transfer limit studies) and for Phase 2 Load Power Factor Assessment.

NOAA/SEC or STD reported nine $K_p=5$, nine $K_p=6$, five $K_p=7$, and five $K_p=8$ events observed during the month. During the month, eight events resulted in frequency excursions of more than 30 MHz or a loss of greater than 1,000 MW in the Eastern Interconnection.

Market Operations staff continues to verify network model readiness for both the SMD2 EMS state estimator/contingency analysis and BMS Real-Time Scheduling systems. Weekly meetings conducted to discuss and prioritize SMD2 network modeling data resulted in additional revisions to the SMD2 Common Information Model network data and the database load process on the RANGER system. Internal work also continued with representatives from Market Operations, Power System Operations, Dispatcher Training, and Information Services. Externally, Staff worked with PJM, Con Edison, and PSEG staff to develop the joint ISO operating protocol to address the Con Edison-PSEG transmission wheel in response to FERC's recent order.

During November Scheduling staff processed 248 requests for generating unit DMNC testing and unit maintenance outages; confirmed 2,834 external control area transactions in the Day-Ahead Market checkout; and scheduled 694 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		
	Number of Reserve Activations	Number of Alert States	Non-Zero Crossing	Number of Reserve Activations	Number of Alert States	Non-Zero Crossing	Number of Reserve Activations	Number 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	17	9	1
May	11	19	2	10	13	2	29	15	4
June	13	14	3	15	12	2	24	8	5
July	66	33	41	12	18	1	14	13	1
August	25	10	12	24	22	4	13	9	1
September	23	20	9	12	6	0	18	13	1
October	28	24	11	25	21	3	20	10	2
November	25	26	4	17	12	3	26	14	3
December	32	27	8	40	16	4			
Totals	297	262	108	248	199	43	237	143	29

Attachments

Attachment 2-A, NERC Control Performance Standard

3. Market Services

Management Summary

Customer Relations:

During the month of November, four new customers were added, making the total number of NYISO Customers 245.

As part of our effort to support our Customers, the NYISO is tracking responsiveness to inquiries. For 2004, the Customer Relations goal has been set at 95%. For November, the Customer Resolution Survey was sent out with 75 answers to Customers' inquiries, no responses were received. Therefore, a 100% rate was achieved for the month. (See attachment 3-A.)

Another of Customer Relations' goals 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 November.

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. Four Customer visits took place in November.

Customer Technical Services ("CTS"):

Market Services – Communications to Market Participants ("MPs"):

This month's significant communications to MPs included:

- A letter from Bill Museler announcing the decision to delay the deployment of SMD2 to February 1, 2005;
- Notification regarding availability for the SMD2 MIS for submitting bids and offers for SMD2 parallel operations (December 1-10, 2004);
- Announcement of a new phone notification service, Dialogic Communicator, being offered to supplement the current SRE process for email solicitation of additional generation;
- Final deployment of the new OASIS Web page;
- Release of the November 22, 2004, issue of the NYISO MP newsletter the *Insider*;
- A letter announcing the revision of 54 Technical Bulletins ("TBs") and the creation of 6 new TBs for SMD2; and
- Release for review of the SMD2 Accounting & Billing Manual and the Draft SMD2 Emergency Operations Manual.

Committee and Working Group Participation:

CTS participated in the Market Structures Working Group ("MSWG"), the Scheduling & Pricing Working Group, and the Generator Issues Task Force.

Technical Documentation and the Guide to Market Rules:

CTS drafted TBs on the use of upper operating limits in SMD for internal review, reconciling DSS postings to Web postings, and qualified to bid flags. These draft TBs were reviewed at the November 9, 2004, MSWG meeting. CTS also drafted new TBs on transmission losses under SMD2 and reporting vegetation outages.

CTS continued work on the ICAP Market Automation User's Guide.

CTS posted all TBs that were revised for SMD2. The break down of this effort is that from the existing 130 TBs, 54 were flagged for revision due to changes resulting from the implementation of SMD2. Of these 54 TBs, 37 encompass administrative changes (i.e., terminology changes such as BME to RTC) and 6 involve

substantive rewrites (rule changes). Eleven TBs have been retired either because the rules addressed in the TB no longer apply under SMD2 or rule changes have been covered in the revised manuals. Additionally, prior to deployment, based on internal and MP requests, we will release six new TBs. The rules addressed in the new TBs include:

- Dual upper operating limits under SMD2 operation;
- The treatment of losses in the SMD2 environment;
- Generator Operating Modes and "Qualified-to-Bid" Flags for Reserve under SMD2;
- Reconciling DSS postings to web postings;
- How the 12th bid block works in the event of mitigation; and
- How the new PTS system relates to pricing in the SMD2 environment.

Surveys and Business Intelligence:

CTS completed and issued two separate web traffic reports: a weekly analysis posted on our intranet site and a monthly in-depth analysis.

CTS staff deployed the annual Fall Customer Opinion Survey with NYISO managers and ODC. Preliminary results should be available in mid December.

CTS staff deployed the third Measuring Customer Satisfaction Survey and preliminary results should be available in late December.

CTS staff attended ISO/RTO Client Services meeting in Chicago where customer service managers of several ISOs discussed the creation of a common metric for all ISOs to capture customer service performance and customer account management techniques. Several ideas were investigated for a common instrument to measure how MPs view our customer service performance even though each ISO is structured differently. We also weighed the benefits and cost of approaches to managing customer accounts.

Research and Development Activities:

CTS represented NYISO at the Power System Engineering Research Center ("PSERC") ISO/RTO forum in Chicago where research issues for our industry were discussed. PSERC is an association of universities that work collaboratively with industry to conduct research on issues of importance to electric power systems.

CTS represented NYISO in an Electric Power Research Institute ("EPRI") meeting with PJM and MISO on alarm management.

CTS initiated an EPRI project on market simulation with autonomous agents.

CTS conducted NYISO inquiries with the owners of combined cycle plants at the Bethlehem Energy Center, Keyspan Ravenswood, Indeck, Athens, Sithe, and NYPA – Poletti facilities.

CTS facilitated two PSERC teleconferences for internal NYISO staff: (1) Structuring Electricity Markets for Demand Responsiveness: Experiments on Efficiency and Operational Consequences and (2) Integrating Wind Energy in the Australian National Electricity Market: Issues, Present Arrangements, and Future Developments.

Product Development ("PD")

Market Issues

PD staff (Lawrence) presented a tutorial on the Northeast electricity markets and their relationship to the ongoing Regional Greenhouse Gas Initiative (RGGI) to RGGI stakeholders on November 30.

PD staff (Lawrence) attended the joint ISO IRC Markets Committee meeting in Napa, CA on November 1-2.

PD continues to work on the Renewable Portfolio Standard market impact study effort of Potomac Economics ("PE"). PE has developed a number of scenario cases that will be run by General Electric ("GE") as part of their Phase II Wind Study effort.

Environmental Issues

The first meeting of the NYISO external Environmental Advisory Council ("EAC") was held on November 17-18, 2004. PD personnel (Lawrence, Breidenbaugh) were among the NYISO staff making presentations to the EAC. It is expected that the next EAC meeting will occur in March 2005, with a portion of the meeting devoted to discussions with NYISO stakeholders.

PD staff (Lawrence, Breidenbaugh) have been meeting with the New York State Department of Public Service and the New York State Energy Research and Development Authority to work on the details associated with implementing the Renewable Portfolio Standard (RPS) order.

Seams Issues

PD staff (Charlton) participated in a teleconference with PJM and ISO-NE on the regional impacts of the PJM RPM and ISO-LICAP proposals currently under development.

Demand Response Programs

PD staff (Breidenbaugh, Goepf, Lawrence), along with the NYISO's consultant on demand response issues, Neenan Associates, prepared the semi-annual FERC filing on demand response which was submitted on December 2, 2004.

SMD2

PD staff (Lemme) worked with MSWG and other working groups and subcommittees to resolve all open SMD2 issues and reach consensus that SMD2 was ready for deployment on December 1, 2004.

PD staff (Lemme) developed and published an "SMD2 Parallel Operations Guide" to support stakeholder participation in the 10-day parallel operation exercise.

Resource Adequacy/ICAP

PD staff (Charlton) developed and submitted the annual demand curve implementation report to FERC on December 1, 2004.

PD staff (Charlton) provided input to and a review of the response to the Keyspan complaint. A brief was filed with FERC on December 3, 2004.

Resource Adequacy

Resource Reliability:

Staff completed the December 2004 monthly ICAP and Spot Market Auctions. A revised implementation schedule has been developed for the UCAP Automation project to reflect required enhancements, additional testing, and staff resource requirements. Staff continues its user acceptance testing of the application with one major module left to test.

Transmission Congestion Contracts:

Staff completed the December Reconfiguration Auction of TCCs. The TOs were provided their net revenues from the autumn, November and December 2004 TCC Auctions.

Look Ahead

Customer Technical Services:

CTS will release new TBs regarding the use of Upper Operating Limits in SMD2, the setting of qualified to bid flags under SMD2, transmission losses under SMD2, reconciling prices in the DSS to Web postings, the twelfth bid block, and the relationship of PTS to the settlements system.

CTS will continue to provide documentation for the UCAP Automation project and will release a revised version of the WBR Users' Guide.

CTS will take minutes at the December BIC meeting and attend the CCT, IMC, and IRT.

CTS will present findings internally of the Fall 2004 survey results in late December.

CTS will begin analysis of the November Measuring Customer Satisfaction Survey results and prepare to present findings internally in late December.

CTS will deliver findings on the Acid Deposition Reduction (RGGI) survey results and will deliver the final report on the Insider newsletter survey.

CTS will begin a white paper on combined cycle modeling.

Product Development

Staff will:

- Organize and develop the SMD2 Deployment Technical Conference scheduled for January 14, 2005; and
- Develop and publish an SMD2 Deployment Guide to support MP deployment efforts.

Resource Adequacy

Resource Reliability:

Staff will:

- Complete the regular monthly ICAP auctions for January 2005, including the Spot Market Auction;
- Continue working with the UCAP Automation project vendor and NYISO IT Quality Assurance Department to test the UCAP automation application; and
- Continue to refine the UCAP Automation project implementation plan.

Transmission Congestion Contracts:

Staff will complete the January 2005 Reconfiguration Auction.

Attachments

Attachment 3-A, Customer Resolution Survey
Attachment 3-B, Tickets Open, Tickets Closed as of End of November 2004
Attachment 3-C, Open Tickets by Month 2004
Attachment 3-D, Number of Tickets Open by Days November 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 in November. Staff continued the process of monthly risk assessment reports and prepared accompanying recommendations. The ERM Committee met in November to review the progress of the program; assess the risk exposure; and measure the effectiveness of mitigation efforts. Staff is completing applications for December insurance policy renewal submissions.

ISO/RTO Council:

The ISO/RTO Council ("IRC") met in November. The IRC reviewed and approved activity reports for the past year and 2005 work plans of the IRC Committees. Key issues discussed included: NERC activities, readiness audits, and standards development. The IRC reviewed and approved the joint ISO/RTO comments to FERC's Notice of Inquiry on Financial Reporting and Cost Accounting, Oversight and Recovery Practices for Regional Transmission Organizations and Independent System Operators. The IRC Chairmanship was also formally passed from NYISO to MISO.

North American Energy Standards Board ("NAESB") Issues:

The ISO/RTO Standards Review Committee ("SRC") prepared and submitted comments to NAESB on its Version 0 Business standards. The ISOs and RTOs expressed concerns that many of the standards that NAESB translated from NERC policies are regional in nature or have significant enough reliability impacts that it is inappropriate to develop as a business standard. There is also concern over a duplicate TLR procedure.

NERC and NAESB have formed a joint subcommittee to begin identifying the reliability standards and business practices that are intertwined in the current NERC TLR Procedure. The procedure, which consists of several appendices to Operating Policy 9, is now embodied in NERC's Version 0 Reliability Standard. NAESB intends to publish the same procedure as part of its Version 0 Business Standards.

NERC Standards Development and Review:

NERC posted the third and final draft of the Version 0 Reliability Standards on November 3. Balloting will run from December 3 through December 13. A recirculation ballot, if required by one or more negative votes with comments, will be conducted from December 20 to January 7. If approved by the industry, the Version 0 standards will be presented to the NERC Board of Trustees for adoption in February 2005. In November NYISO staff participated in NERC's industry-wide web cast to answer questions regarding the Version 0 Reliability Standards.

NERC posted three Standard Authorization Requests (SARs) for industry review and comment through January 7, 2005:

- System Personnel Training;
- Nuclear Offsite Electricity Supply Reliability; and
- Phase III/IV Planning Standards that include: disturbance monitoring and reporting, system modeling, protection and control, and black start capability.

The NYISO is reviewing these SARS and will collaborate on their development with various industry groups.

Internal Audit

During November audit reports were issued for:

- Follow-Up – Customer Settlements
- Follow-Up – Market Monitoring
- IT – External Penetration
- Code of Conduct

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

- IT – COSO Alignment
- KPMG Billing Issues Recommendations
- Price Validation

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

- Contractor Performance
- Enterprise Risk Management
- Follow-Up – Customer Settlements
- Follow-Up – Regulatory
- Follow-Up – Resource Reliability
- ICAP Market
- IT – Remote Security
- IT – Security – UNIX
- IT – Security – NT / Windows 2000
- LBMP
- Legal – COSO Alignment
- Manual Billing Adjustments
- Monthly Billing
- Oracle Financials
- Post-Implementation – E-Tagging
- Power Systems Operator Training / Simulator
- Virtual Bidding

The January through November 2004 SAS 70 Type 2 audit scope period was completed and the audit report is being prepared by KPMG, the SAS 70 external auditors.

Monitoring of Year 2004 Corporate Incentive Goals continued during November.

Market Monitoring

Market Review for November 2004:

The NYISO Day Ahead and Real Time LBMPs, and Average Cost are up this month as loads began to increase. All fuel prices monitored by MMP are down this month relative to last. DAM 10 Minute Spinning Reserve Prices and Regulation prices continue to increase in November.

Prices:

The November 2004 Average Monthly MWh cost was \$62.62/MWh, up from \$62.51/MWh last month. The Year-to-Date (YTD) Average Cost of \$62.36/MWh in November 2004 is lower than the November 2003 YTD price of \$63.16 (Attachment 4, Table 4-B).

Energy prices in the NYCA increased in the Real-Time (RT) and Day-Ahead markets (DAM) from October 2004 to November 2004 while Balancing Market Evaluation (BME) prices decreased. Compared to November 2003, energy prices increased in all markets for November 2004. The load weighted average DAM price increased from \$56.93/MWh in October 2004 to \$57.80/MWh in November 2004, an increase of 1.5%. The load-weighted RT price increased from \$55.57/MWh in October 2004 to \$57.67/MWh in November 2004, an increase of 3.8%. (Table 4.1 below and Attachment 4, Table 4-E).

Table 4.1 Monthly Price Summary

	November 2004		
	DAM LBMP	HAM LBMP	RT LBMP
Price	\$55.89/MWh	\$56.91/MWh	\$55.46/MWh
Standard Deviation	\$14.62/MWh	\$19.63/MWh	\$20.32/MWh
Load-weighted Price	\$57.80/MWh	\$59.12/MWh	\$57.67/MWh
Percent change over October 2004	+ 1.5%	- 0.3%	+ 3.8%
Percent change over November 2003	+33.8%	+37.3%	+ 40.8%

Uplift decreased from \$35,021,430 in October 2004 to \$19,375,221 in November 2004. Although many of the categories have changed from last month, the largest changes come from Bid Production Cost Guarantee Balancing (Attachment 4, Chart 4-C).

Transactions:

Most energy transactions were either bilaterals (44% this month, down from 45% last month) or LBMP purchases (55% this month, up from 53% last month). The percentage of DAM transactions decreased from 99.4% in October 2004 to 97.8% in November 2004 (Attachment 4, Table 4-D).

Send out:

The November 2004 send out was 12,462 GWh. The November 2004 average daily send out of 415 GWh/day was higher than the October 2004 daily average send out of 403 GWh/day (Table 4.2 below). The November 2004 Monthly Peak of 22,064 MW was higher than the October 2004 Monthly Peak of 20,773 MW (Table 4.2 below).

Table 4.2 Monthly Summary Comparisons

	November 2004	October 2004	September 2004	August 2004	July 2004
Monthly Peak (Hourly Load): MW	22,064	20,773	25,274	27,711	27,779
Average Daily Send out: GWh	415	403	447	485	481
Percent change over the previous year	+3.2%	+1.5%	+3.2%	-2.6%	-3.2%
Monthly Send out: GWh	12,462	12,497	13,424	15,045	14,910

Fuel Costs:

Fuel prices were uniformly down relative to last month and uniformly up relative to November of last year. No. 6 Fuel Oil, Natural Gas, No. 2 Fuel Oil and Kerosene decreased 3.1%, 1.5%, 6.2% and 9.1% respectively relative to October 2004.

All fuel prices are higher relative to prices in November 2003. No. 2 Fuel Oil has the largest price increase relative to November 2003 (an increase of 67.2%), followed by Kerosene, Natural Gas, and No. 6 Fuel Oil (increases of 65.6%, 30.0%, and 27.3% respectively). All fuel prices are stated in \$/MMBtu (Table 4.3 below).

Table 4.3 Summary of Fuel Costs for November 2004

	No. 6 Fuel Oil	Natural Gas	No. 2 Fuel Oil	Kerosene
Price:\$/MMBtu	\$6.08	\$6.47	\$9.93	\$10.59
Change from October 2004	- 3.1%	- 1.5%	- 6.2%	- 9.1%
Change from November 2003	+27.3%	+30.0%	+67.2%	+65.6%

Ancillary Services:

DAM 10 Minute Spinning Reserves increased by 18.0% in the East and 15.7% in the West from October 2004 to November 2004 as prices increased from \$2.28 to \$2.69 in the East and \$2.27 to \$2.63 in the West. On a year-to-year comparison, DAM 10 Minute Spinning Reserves have increased 12.6% in the East and 11.1% in the West (compared to November 2003). Other reserve prices were mixed relative to October 2004 and decreased relative to November 2003.

DAM Regulation prices are up 6.3% this month compared to October 2004. Compared to November 2003, the DAM Regulation prices are down 1.4%. (Attachment 4, Chart 4-W and Table 4-X).

Price Reservations and Corrections:

The percentage of hours reserved decreased this month, as did the percentage of intervals corrected. The percentage of hours reserved this month was 3.61%, down from 6.18% in October 2004. The percentage of intervals corrected decreased from 0.49% in October 2004 to 0.17% this month. Both the percentage of hours reserved and the percentage of intervals corrected remain within historical norms. There were nineteen days without price corrections during October (Attachment 4, Table 4-Q and Chart 4-R).

Investigation and Physical Audit:

During the month of November 2004, no investigations were requested, and no audits were conducted or completed. The table below presents the audits conducted by the investigation unit since inception.

Table 4.4 MMP Historical Audit Summaries

	2001	2002	2003	2004	Total
Topics					
Derates & Outages	1	16	7	10	34
Reporting Verifications		1	4	9	14
Parameter Verifications		1	4	11	16
Reserve Shutdowns			8		8
Scheduling			1	2	3
Other	0	0	0	1	1
Total	1	18	24	33	76
Business Type					
Generator	1	14	19	21	55
Transmission Owner		4	1	4	9
Load w/curtailment			4	8	12
Total	1	18	24	33	76

Mitigations and Penalties:

The statewide DAM Automated Mitigation Procedure (AMP) did not arm this month; however, the In-City DAM AMP was triggered on 15 days in November 2004. Attachment 4, Chart 4-Y shows the levels of committed unit hours mitigated In-City. The percent of DAM unit hours mitigated increased from 11.5% in October to 14.8% in November. The percent of RT unit hours decreased from 17.3% in October to 10.6% in November.

In-City RT Mitigation applied in all days this month. There were no other mitigations during November 2004.

Look Ahead

Risk Assessment:

Results of process and data reviews will be incorporated into a risk profile.

Market Monitoring:

Market Monitoring has been actively testing mitigation and related processes as part of the ongoing SMD2 readiness preparation. MMP will be rechecking all processes throughout the period leading up to the February 1, 2005 deployment. Market Monitoring is reviewing the pricing implications associated with the scheduling of merchant transmission facilities.

Attachments

- Attachment 4-A: Daily NYISO Average Cost/MWH (Energy & Ancillary Services)
- Attachment 4-B: NYISO Average Cost/MWH (Energy and Ancillary Services)
- Attachment 4-C: NYISO Dollar Flows – Uplift -OATT Schedule 1 components
- Attachment 4-D: NYISO Market Transactions
- Attachment 4-E: NYISO Markets 2003-2004 Energy Statistics
- Attachment 4-F: NYISO Monthly Average Internal LBMPs
- Attachment 4-G: Zonal Statistics for NYISO (\$/MWH)
- Attachment 4-H: West Zone A Monthly Average LBMP Prices 2003-2004
- Attachment 4-I: Capital Zone F Monthly Average LBMP Prices 2003-2004
- Attachment 4-J: Hudson Valley Zone G Monthly Average LBMP Prices 2003-2004
- Attachment 4-K: NYC Zone J Monthly Average LBMP Prices 2003-2004
- Attachment 4-L: Long Island Zone K Monthly Average LBMP Prices 2003-2004
- 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: NYISO Price Correction Statistics
- Attachment 4-R: Percentage of Real-Time Corrections
- Attachment 4-S: NYISO Virtual Trading Average MWh per day
- Attachment 4-T: Virtual Load and Supply Zonal Statistics
- Attachment 4-U: NYISO Multi-Hour Block Transactions Monthly Total MWh
- Attachment 4-V: NYISO Monthly Average Ancillary Service Prices, DAM 2003-2004
- Attachment 4-W: NYISO Monthly Average Ancillary Service Prices, BME 2003-2004
- Attachment 4-X: NYISO Markets 2003-2004 Ancillary Service Statistics
- Attachment 4-Y: NYISO In-City Mitigation (NYC Zone) 2003-2004 Percentage of committed unit-hours mitigated
- Attachment 4-Z: NYISO Average Daily Load Bid Summary
- 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 in the last month of implementation and monitoring, with progress reports forwarded quarterly to Senior Management. Development of the 2005 Update to the Strategic Plan/Business Plan is in final draft and ready for review by Senior Management. The 2005 Incentive Goals were approved by the Board of Directors ("BOD") in November.

Strategic Plan:

The Five-Year Strategic Plan is being implemented and monitoring and analysis of 2004 activities is nearly complete. The Senior Management Steering Committee is planning implementation of 2005 activities.

Preparation for 2005-2006 Statewide IRM Study

System & Resource Planning

Resource Adequacy:

The Installed Capacity Subcommittee has completed the technical study report titled "New York Control Area Installed Capacity Requirements for the Period May 2005 Through April 2006". This report has been submitted to the Executive Committee of the New York State Reliability Council for consideration in setting the Installed Reserve Margin at their December 10, 2004 meeting. A draft report titled "2004 Interim Review of Resource Adequacy Covering the New York Control Area For The Years 2003-2006" has been completed and is being reviewed internally before submission to Northeast Power Coordinating Council (NPCC) CP-8 working group.

Transmission Planning:

Staff continues to process several proposed projects under the new Interconnection Procedures. Some projects dropped out of the Class Year 2002 cost allocation so staff is preparing a revised Annual Transmission Reliability Assessment and cost allocation for the remaining projects in the 2002 Class. The draft 2004 New York Area Transmission Review Report was presented to Transmission Planning Advisory Subcommittee and the NPCC TFSS for review and comment. Staff met with GE to review the status of the NYISO-NYSERDA Wind Generation Integration Study. Staff attended a number of NPCC meetings including RCC, CP-11, SS-37 and TFSS. The NERC MSDTF met a couple of times to draft parts of the NERC blackout investigation report. Work continues on the NPCC Overall Transmission Study, the NPCC TFSS Blackout Study, follow-up on the NERC blackout recommendations, and the Deliverability Impact Study.

Load Forecasting:

The November Day-Ahead forecast average absolute error for the NYCA peak was 1.38%; the weather-adjusted error was 0.99%. Corresponding year-to-date numbers are 2.16% and 1.90%. Revised models were sent to Market Operations for evaluation.

Staff is monitoring the performance of the RTS forecasting system. It is not functioning on Load Forecasting's workstation.

The 2005 ICAP forecast is in process. Evaluation of TO weather-normalized load is proceeding.

Staff assisted Credit Management in developing a Customer Load Forecast evaluation tool.

Candidates for the vacant Analysts position are being interviewed.

Look Ahead

Business and Strategic Planning

The 2005 Strategic Plan Implementation/Business Plan will be completed in December.

System & Resource Planning

Resource Adequacy:

Complete the NPCC interim review. Study alternate methods for establishing the locational ICAP requirements. Create a draft procedure for setting locational requirements to satisfy an ICS action item and to form the basis for the NYISO response to the audit finding. Create locational requirement versus installed reserve margin graphs. Prepare the IRM base case database for posting on the NYISO website.

Transmission Planning:

Continue to process Interconnection Requests. Present the 2004 New York Area Transmission Review Report to the Operating Committee for approval. Develop work plans for the 2005 studies including the Comprehensive Reliability Planning Study, the 2005 New York Comprehensive Transmission Review, and the Catch-up Class cost allocation. Continue work on the NPCC Overall Transmission Study, the NPCC TFSS Blackout Study, follow-up on the NERC blackout recommendations, Phase 2 of the NYISO-NYSERDA Wind Generation Integration Study, and the Deliverability Impact Study.

Load Forecasting:

Production and test models will continue to be tracked.

Work on the ICAP forecast will continue.

The RTS load forecasting workstation will be made operational and tracking and monitoring systems will be developed.

The vacant Analyst position will be filled.

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 Send out

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

Attachment 5-E, Plot of 12 Month Moving Total of NYCA Energy Send out and Effective Degree Days for 10 years

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

6. Regulatory Affairs and General Counsel

Management Summary

The NYISO made seven FERC filings and one joint filing with the ISO/RTO Council in November 2004. MPs made six NYISO-related filings (or groups of filings). FERC issued three substantive orders, one letter order and two administrative orders regarding NYISO dockets. Listings of the NYISO-related regulatory filings and FERC orders issued in November are included as Attachments 6-A and 6-B.

FERC order accepting the elimination of through and out charges between ISO-NE and the NYISO (ER04-2-001/002/003/004, EL01-39-001/002/003/004, ER04-943-000, ER05-3-000) – Issued November 3, 2004

This order accepted both ISO-NE's and the NYISO's filings to eliminate through and out charges, effective December 1, 2004. With regard to other seams issues, the order: 1) clarified that ISO-NE and the New England TOs' proposed Phase I pilot program implementing Virtual Regional Dispatch, must be made by December 1, 2004; required revision of the Seams Resolution Agreement with the NYISO to provide that, for each remaining seams issue, a proposal must be filed with FERC 60 days prior to the implementation date of the proposal; and also required ISO-NE and the New England TOs to clearly state the implementation dates in the Seams Resolution Agreement and to submit these revisions in a compliance filing within 30 days.

NYISO filing, as a member of the ISO/RTO Council (IRC), of comments on FERC's Notice of Inquiry ("NOI") regarding financial reporting and cost accounting, oversight and recovery practices for RTOs and ISOs (RM04-12-000) – Filed November 9, 2004

The IRC comments support a complete overhaul of the Uniform System of Accounts ("USOA") to provide greater detail, reduce subjective comparisons, and permit comparisons by functions across ISOs and RTOs. The filing stressed that comprehensive reforms to the USOA is an essential first step in addressing the NOI's other issues. The IRC provided 5 guiding principles that FERC should adhere to when considering the NOI's issues: 1) RTOs/ISOs already have incentives to be efficient and accountable; 2) FERC should affirm the principles of Order No. 2000; 3) budgeting should be the responsibility of RTO/ISO Boards; 4) the costs of RTOs/ISOs are nominal compared to the markets they operate; and 5) regional differences should continue to be accommodated.

FERC order accepting proposed revisions to Rate Schedule 1 (RS1) cost allocation (ER04-1229-000) – Issued November 15, 2004

FERC accepted RS1 tariff revisions that would allocate 80 percent to Load and 20 percent to Supply for a minimum term of five years, effective January 1, 2005. FERC directed the NYISO to review the appropriateness of the cost allocation ratio and make a filing with FERC at least 60 days prior to the end of the five-year term of the new cost allocation methodology.

FERC order denied the NYISO's request that FERC vacate an arbitration award compensating Dynegy for the erroneous mitigation and affirmed the Award (EL03-26-000/001/002) – Issued November 17, 2004

In addition to denying the NYISO's request to vacate the arbitration award to Dynegy, FERC denied a request for rehearing of a November 23, 2003 order concerning refusal to consider new exhibits. In this order the NYISO was directed: 1) to recalculate the amount due Dynegy and pay Dynegy this amount to compensate Dynegy for improper mitigation of Dynegy's bid into the August 10, 2001 DAM; 2) to file this calculation and a refund report within 15 days from the date of the order; and to file either a revised Technical Bulletin No. 67 or a revision to the Services Tariff to include the NYISO's remedy for inappropriate mitigation within 30 days from the date of the Order.

NYISO answer to complaint of KeySpan-Ravenswood, LLC regarding the 2002 ICAP/UCAP translation (EL05-17-000) Filed November 22, 2004

In an October 27, 2004 complaint, KeySpan claimed that for the 2002 Summer Capability Period, the NYISO used a long-term generator outage rate to translate the ICAP requirement for LSEs to a UCAP requirement that resulted in the LSEs procuring less capacity than required under the NYSRC's Reliability Rules. As a result, KeySpan asserted that the NYISO violated the Services Tariff reliability obligations and should retroactively determine the results of the 2002 Summer UCAP auctions and make payments to KeySpan and other similarly situated entities. In its answer, the NYISO requested FERC dismiss KeySpan's complaint. The NYISO stated that: 1) the LSE UCAP translation did not violate the NYSRC reliability requirements because the translation used the outage rate that the NYSRC used to determine the load capacity requirement; 2) the NYISO appropriately implemented the Services Tariff by following the stakeholder procedures for the specification of ICAP to UCAP translation methodologies in the ICAP Manual; 3) even if the LSE UCAP translation were determined to violate the tariff, KeySpan is not entitled to their requested relief because KeySpan is not a party to either the NYSRC Agreement or the NYISO/NRSRC Integration Agreement and none of the documents cited provide KeySpan with a right to monetary compensation for reliability violations; and 4) KeySpan did not provide the claimed reliability benefit because it did not bid the UCAP MWs into the Day-Ahead market for which it is demanding payment.

NYISO filing of a status report regarding NYISO settlement and customer credit policies (ER03-552-002, ER03-984-008) Filed November 30, 2004

The NYISO reported that it continues to work with stakeholders to examine possible means by which the NYISO's settlement systems and customer credit requirements can be better tailored to balance the credit risk faced by the NYISO and its customers against the credit requirements imposed on its customers. The NYISO has begun examining its credit and settlement policies in light of FERC's November 18, 2004, policy statement encouraging ISOs to examine and revise their credit and settlement policies. The report specifically addressed; an enhanced settlement system; changes in bilateral scheduling; aggregated treatment of municipals; collateral for wholesale TSC; virtual transactions collateral; and successful implementation of the pay down option.

Letter Orders: During November 2004, FERC issued one letter order. FERC accepted the NYISO's filing to conduct a virtual regional dispatch-testing project (ER04-1263-000).

Look Ahead

The NYISO is preparing FERC filings regarding:

1. Demand curve compliance report;
2. Congestion rent shortfall methodology compliance report;
3. DADRP/new generation compliance report;
4. Revised Market Mitigation Measures operational report;
5. Dynegy arbitration award refund report and revised Tec Bulletin #67;
6. Incentivized Day-Ahead Economic Load Curtailment program extension; and
7. Updated ICAP demand curves.

Attachments

Attachment 6-A, NYISO Regulatory Filings – November 2004
Attachment 6-B, NYISO Related FERC Orders – November 2004

7. Committee Activities

Management Summary

Management Committee (MC): The MC met on November 10, 2004.

The MC elected Jerry Ancona of National Grid as the new Vice Chair for 2005. The current Co-vice Chairs are Chris Wentlent and Larry DeWitt. Chris Wentlent will assume the position of MC Chairman beginning December 1, 2004 and will serve the lead role for the first half of the year with Larry DeWitt acting as the lead MC chair beginning in June of 2005. The MC also approved, by a show of hands, the 2005 NYISO Budget, and a proposal to defer further action on implementing a physical reserve self supply option.

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

The BIC received presentations on the Northeast Seams Report, the Market Operations Report, as well as updates on the SMD2 deployment efforts, and efforts to address issues with the Final Bill process.

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

The OC reviewed and approved the Gotham Power Zerega – Bronx I Project study scope and the NYISO Winter 2004 – 2005 Operating Study. The OC also approved changing the NYISO Manual Review Approval period from 30 days to 15 days.

New York State Reliability Council (NYSRC):

Responsibility for Compliance with the Reliability Rules:

Mr. Gioia counsel to the NYSRC reported to the Executive Committee (“EC”) that he had received an e-mail from the NYISO expressing concern regarding the generic “Non-Compliance Letter” approved at the October 8, 2004 EC meeting. The non-compliance letter would be issued to the NYISO in cases where the non-compliance with a Reliability Rule appears to be the result of the failure of a MP to comply with NYISO procedures. Mr. Gioia responded by providing the reasoning that supports the EC’s decision and reiterating the protections provided to the NYISO prior to issuing such a letter. He also advised the NYISO that the EC had agreed that the NYISO would have an opportunity to raise any concerns with the EC prior to issuance of such a letter. The NYISO has requested a meeting with the NYSRC leadership to discuss the matter further. It was noted that the EC’s “Non-Compliance Letter” is no different than the mechanism currently in place between the NYISO and NPCC. The NYSRC practice with respect to the issuance of a non-compliance letter to the NYISO based on the actions of a MP appears to be similar to the practice currently used by NPCC. The EC requested that a meeting be scheduled with the NYISO to resolve the matter.

Look Ahead

Management Committee (MC):

The next meeting of the MC is scheduled for January 5, 2005. The MC will receive an update on SMD2 Readiness and Billing Issues in addition to the regular reports.

Business Issues Committee (BIC):

The BIC is scheduled to meet again on December 15, 2004. The BIC will receive an update on SMD2 readiness in addition to its regular updates and is expected to consider approval of proposals on Virtual Bidding Credit Policy, NYS Tax Issues, Scheduled Lines Implementation, the Transmission Services Manual, and the Transmission & Dispatching Operations Manual.

Operating Committee (OC):

The OC is scheduled to meet again on December 16, 2004. The OC will consider approval of the Transmission & Dispatch Operations Manual, Control Center Requirements Manual, Emergency Operations Manual, the Con Edison Mott Haven SRIS and the 2004 New York Area Transmission Review. Presentations will include an update on SMD2.

New York State Reliability Council (NYSRC):

- The next two EC meetings are scheduled for January 13, 2005 and February 11, 2005, respectively.

Attachments

Attachment 7-A, MC Motion

8. Information Technology

Management Summary

The SMD2 project team completed all identified readiness tasks necessary to support the cutover to SMD2 on December 1, 2004. Included in this readiness plan were milestones for software development, internal user acceptance testing, Quality Assurance testing of NYISO and ABB software, third party validation of market software results, review of departmental procedures, and review and closure of Market Participant reported issues.

During the course of the Market Participant readiness review, a number of MPs expressed concern that a cutover to SMD2 so close to the end of the calendar year could jeopardize the ability of the NYISO and stakeholders to satisfy audit requirements under SAS-70 and/or Sarbanes-Oxley. In order to eliminate the audit risk associated with this point, the NYISO recommended a delay in the SMD2 deployment to February 1, 2005.

During the period between December 1, 2004 and February 1, 2005, the SMD2 project team will take advantage of the delay by scheduling additional regressions tests and performing a series of parallel operations between the legacy (current) and SMD2 systems. No additional functionality will be added into the scope of the initial SMD2 implementation.

The Billing Simulator project team has completed testing of the current phase of that project. The capability included in this first functional release of that software allows the NYISO to accurately predict billing results for generator settlements based on desired inputs. This capability may allow the NYISO to restart final bill closeouts using the Billing Simulator results to solve a number of billing system defects that would normally have needed to wait for SMD2 to complete. Future phases of this project will also allow accurate determination of billing results for loads and transaction customers.

A Phased Implementation of the IT Solution Management Service Desk was introduced to NYISO. Solution Management's IT Service Desk is focused on its mission of driving and improving service to its internal customers, specifically NYISO's employees and contractors ("NYISO Staff"). Operationally, the IT Service Desk will provide a single point of contact that is governed by the overriding principle of rapid restoration of normal services to all NYISO Staff.

Look Ahead

The SMD2 project team will conduct a parallel operations exercise from December 1-10, 2004. During this test the SMD2 system will be operating side by side with the existing market and Energy Management Systems (EMS) for purposes of comparison and final validation by the Operations group. In order to achieve consistent results during this test, MPs will be required to provide bids for both the Legacy and SMD2 systems.

Full Implementation of the IT Solution Management Service Desk will be rolled out enterprise wide in December. It will then formally begin providing IT Service Desk and Network Operations Center support for all IT-related products and services.

9. Human Resources

Management Summary

Four new employees and no new contractors were hired in November.

Total new employees hired for 2004 is 60; total new contractors hired are ten.

There was one termination in November.

A total of 24 interviews (for employee positions) were conducted in November. From these interviews, five offers for direct hire, 5 accepted.

Fifty-Three Power Plus Awards were awarded to employees in IT, Market Services, Administration & Compliance, HR & Training, Operations, Communications, Finance, and Strategic Development.

The following training activities took place during the month of November:

A NYMOC training course was held with thirty-seven people attending.

Two Accounting Workshops were held with the primary focus on SMD2.

A full-day DSS intermediate course was conducted for MPs and an introductory DSS course.

Eight employee Organizational Excellence Program sessions were conducted during November. They included Managing Meetings that Matter, Leading High Performance Cross-functional Teams, and Personal Leadership.

Rolled out the next Text Messaging system in the PCC and Washington Avenue.

Look Ahead

Flexible Spending Account Open Enrollment information is being prepared for distribution in November.

DEPARTMENT	Current Staff 11/30/2004	Current Openings	Total Budgeted Employees 12/31/2004
Executive	2	1	3
Finance	26	2	28
Administration & Compliance	21	1	22
Human Resources	17	0	17
Information Systems	121	9	130
Market Services	46	1	47
Product & Project Management	1	0	1
Operations	80	2	82
Strategic Development	15	1	16
Corporate & Market Risk	43	1	44
Government Affairs & Comm.	6	0	6
General Counsel	8	0	8
Regulatory Affairs	5	0	5
Total	391	18	409

10. Government Affairs and Communications

Management Summary

Media Inquires and News Releases:

The NYISO managed 18 inquiries.

Tours:

November 19, 2004 ABB Russia
November 30, 2004 New Employees

Internal Communications:

Web Site: 267 postings were added to the site and 38 Webmaster/portal requests were resolved.

November 10, 2004 Grand opening of the PCC lobby and the text messaging systems at the PCC and Washington Avenue buildings
November 12, 2004 United Way Campaign Kick-off breakfast

Look Ahead

December 1, 2004 NYISO Anniversary breakfast
December 1, 2004 Tour - Korean District Heating Corp
December 1, 2004 Tour - State Electric Regulatory Commission, China
December 2, 2004 The Current - published and distributed
December 10, 2004 United Way Pizza Party
December 13, 2004 The Independent November/December issue - publication date

11. Finance

Management Summary

Budget:

Spending in 2004 is tracking within budget. Detailed projections of spending to December 31, 2004, indicate a potential under run of approximately \$6 million, due primarily to under runs on insurance, debt service, and FERC fees. This under run will be utilized to "pay down" existing debt.

On November 16, 2004, the BOD approved the 2005 Budget as proposed. The budget has a Rate Schedule 1 revenue requirement of \$129.0M or \$0.788/MWH.

Credit Department:

The Credit Policy Task Force met on November 23, 2004. Edison Mission will present a proposal at the next BIC meeting to reduce the collateral requirements for the Virtual Bidding market from seven to four days. The proposal will also request that the net amount the NYISO owes to a MP on a monthly basis be used as collateral in the Virtual Bidding market. Currently the net amount owed to a MP on a monthly basis can only be considered as collateral in the TCC and UCAP markets.

The FERC credit policy compliance report was filed on November 30, 2004. This report updated FERC regarding refinements and enhancements made to the NYISO Credit Policy within the last six months through the stakeholder process. Five stakeholder meetings were held during this period to discuss credit issues.

The Pre-payment and Pay-Down programs have been successfully implemented. The MP's participating in these programs have realized a significant reduction in their collateral requirements. The programs also simultaneously reduced the credit exposure these MPs posed to the total market.

Market Settlements Activities:

The consolidated invoice issued in September 2004 represented the August 2004 Energy and ICAP charges, the August 2003 and April 2004 settlement adjustments, and the August 2002 final settlement.

Other Matters:

Testing of internal controls for Sarbanes-Oxley compliance is ongoing. The internal audit department will continue to provide updates to the BOD.

In November, FERC approved the NYISO petition to amend the current 85%/15% Rate Schedule 1 recovery mechanism to an 80%/20% allocation, effective January 1, 2005. The rate structure will continue for 5 years, with a review of its appropriateness in the fifth year.

Look Ahead

A present-value cash flow analysis of the costs to purchase a new Alternate Control Center and consolidated office space is being drafted. The analysis is expected to be distributed to MPs by December 10, 2004, and will be reviewed and discussed at a December 13, 2004, Budget, Standards & Performance subcommittee meeting.

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

Infrastructure Operations and Planning:

- Completion of HVAC/UPS upgrades at the PCC, Wolf Road and Western Turnpike Facilities.
- Completion of diesel generator replacement at Wolf Road facility and relocation of 600KW unit to Carman Road.
- Roof replacement over the PCC Generator Building has been completed.

Security:

- The security enhancements at the PCC building continue as Phase 3 work nears completion. The guard tower at the PCC was opened on November 9, 2004.
- RFP responses for the NYISO guard force have been reviewed and the award will be made in January 2005.

Contract Administration:

- Continued support to upgrade the critical infrastructure and redundancy needs at PCC, Wolf Road, and the Annex.
- Initial preplanning for examination of the Vendor Management process was undertaken.
- Information and planning support continues in the due diligence new facility process particularly in support of leasing feedback and contracts.
- Continued pro-active updating of insurance certificates, conflicts of interest statements and Master Consulting Agreements as necessary across all departments.

Project Management:

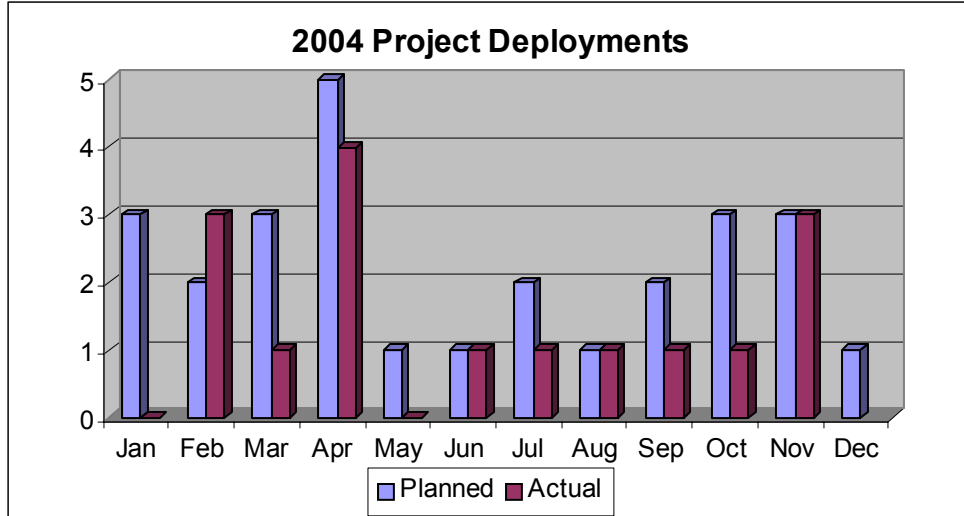
During the month of November there were three project deployments.

A732 Oracle Forms Upgrade to 6j: The final upgrades to Oracle Forms were completed on November 10, 2004. These Forms are used by various NYISO staff to access data in MIS, MISH and BAS systems; however, the underlying data in these systems is not changed. This upgrade was required to move to the fully supported version of the latest Oracle product.

A724 PCC Modifications – PCC modifications completed in November included: the new main entrance, security center, and sidewalks. A third phase of improvements including expanded parking, entrance driveway changes and a security check point will continue over the coming months.

A734 Guard Deployment 24x7 – The security guard force is now fully deployed 24x7 at all four NYISO facilities. This project also included the installation of enhanced security equipment at the PCC that were integrated with the PCC modifications in project A724.

The following graph summarizes planned versus actual project deployments for the year.

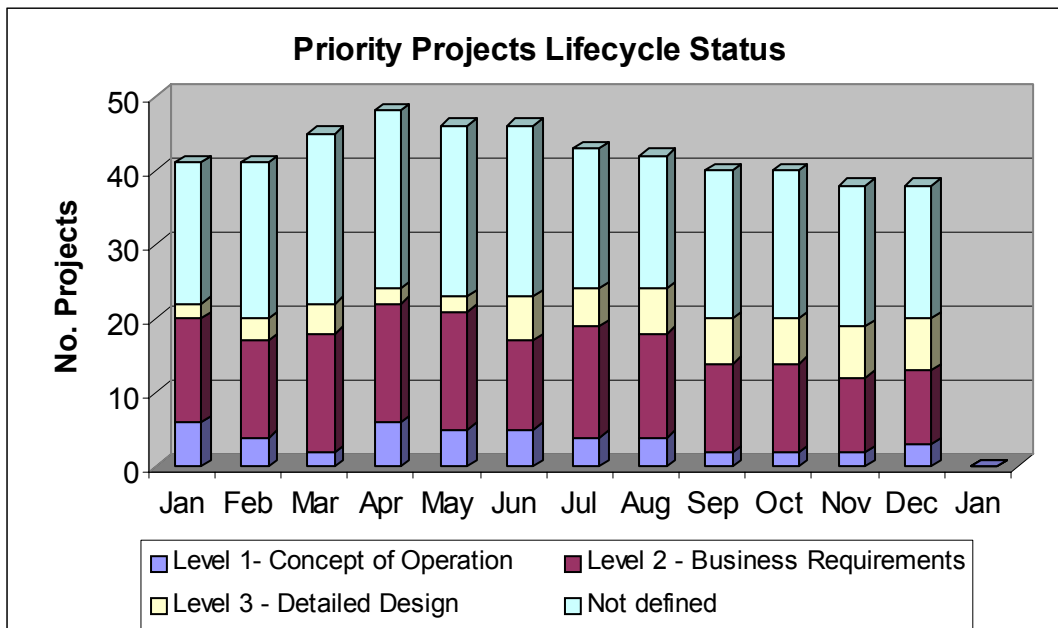


The table below lists the completed project deployments for each month:

Month:	Completed Deployments:	Project Manager:
February	A649 Oracle 9i - BAS A686 Allocations Adjustments (EDRP, TSA, QSR) A713 Creating New Meter Authorities	Larry Farney Jim McGinnis Jim McGinnis
March	A556 Documentum	Larry Farney
April	A647 Station Power A660 E-Tagging Integration A620 AMP IV A664 DSS - Reports and Nov 99 Release	Kathleen Vetter Diane Peluso Diane Peluso Vinh Le
May	No Deployments	
June	A688 Inadvertent Package Replacement	Renee Devine
July	A664 DSS - ADD Features	Vinh Le
August	A664 DSS - ADD Enhancements	Vinh Le
September	A740 Documentum - IT Implementation	Larry Farney
October	A699 MDEX Enhancements	John Bub
November	A732 Oracle Forms Upgrade to 6i A724 PCC Modifications A734 Guard Deployment 24x7	Cynthia Rinaldi Larry Farney Larry Farney

Priority Project Lifecycle Status:

The graph below illustrates the status of Priority Projects within the project lifecycle.



- Level 1 indicates a project in its preliminary or conceptual stage with a completed Issue Discovery or Concept of Operation document. Class 100 estimates for resources, schedule and cost are prepared at this time (assumed to have +/- 100% accuracy).
- Level 2 is achieved when the Business Requirements document (aka FRS) is completed and the project scope is more clearly defined. Class 50 estimates for resources, schedule and cost are prepared at this point in the project lifecycle (assumed to have +/- 50% accuracy).
- Level 3 is reached when a System Design Specification (SDS), defining the detailed software design requirements, is completed. Class 10 estimates for resources, schedule and cost are prepared at this point in the project lifecycle (assumed to have +/- 10% accuracy).
- Not Defined means the project is still in the initial conceptualization phase.

The estimate levels defined above are also shown for each project on the Projects Portfolio Gantt chart. As a project progresses through these levels the resource, schedule and cost estimates become more accurate.

Look Ahead

Project Management:

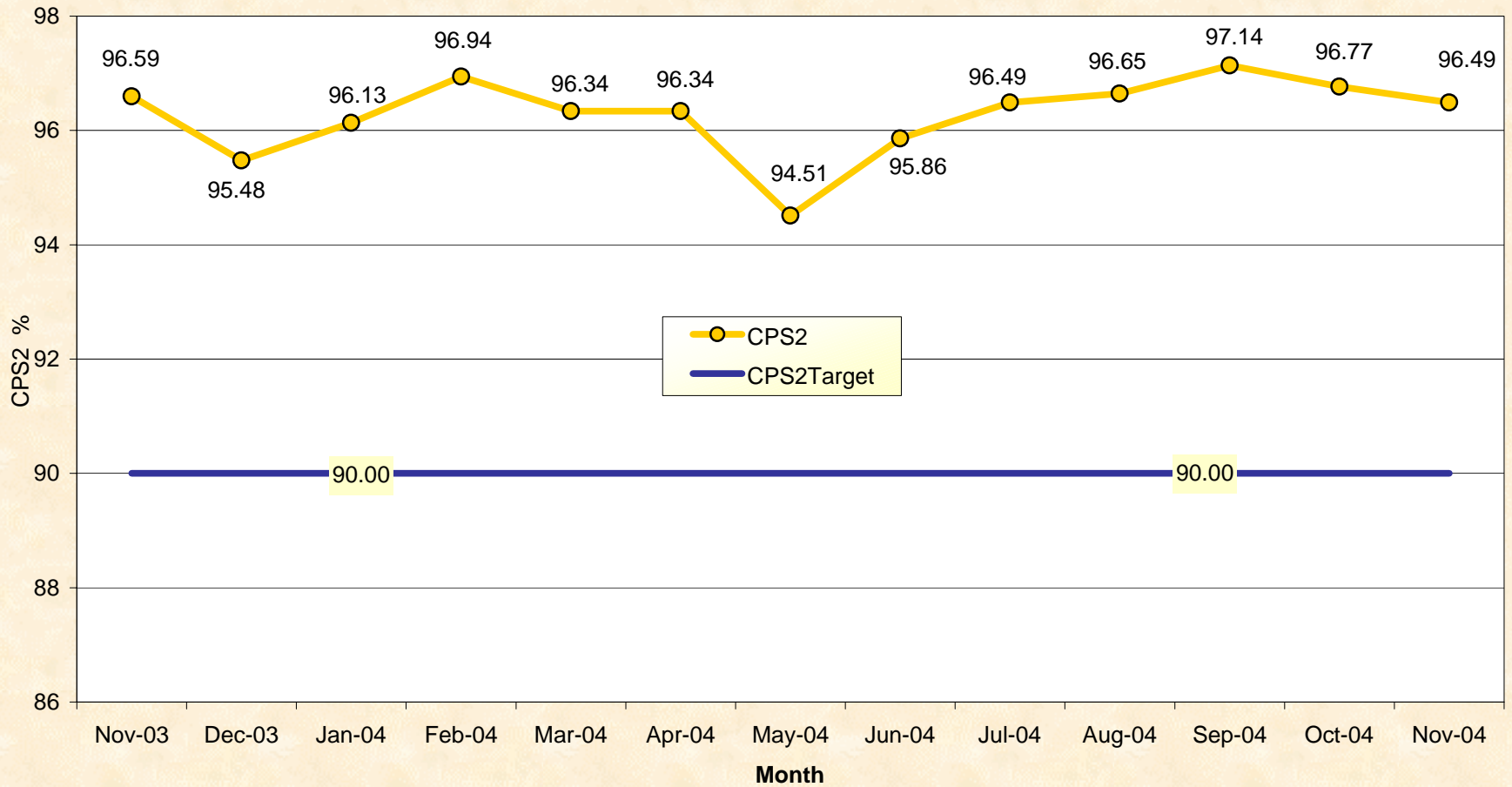
Next month all efforts will be focused on final preparations to support the SMD deployment.

Attachments

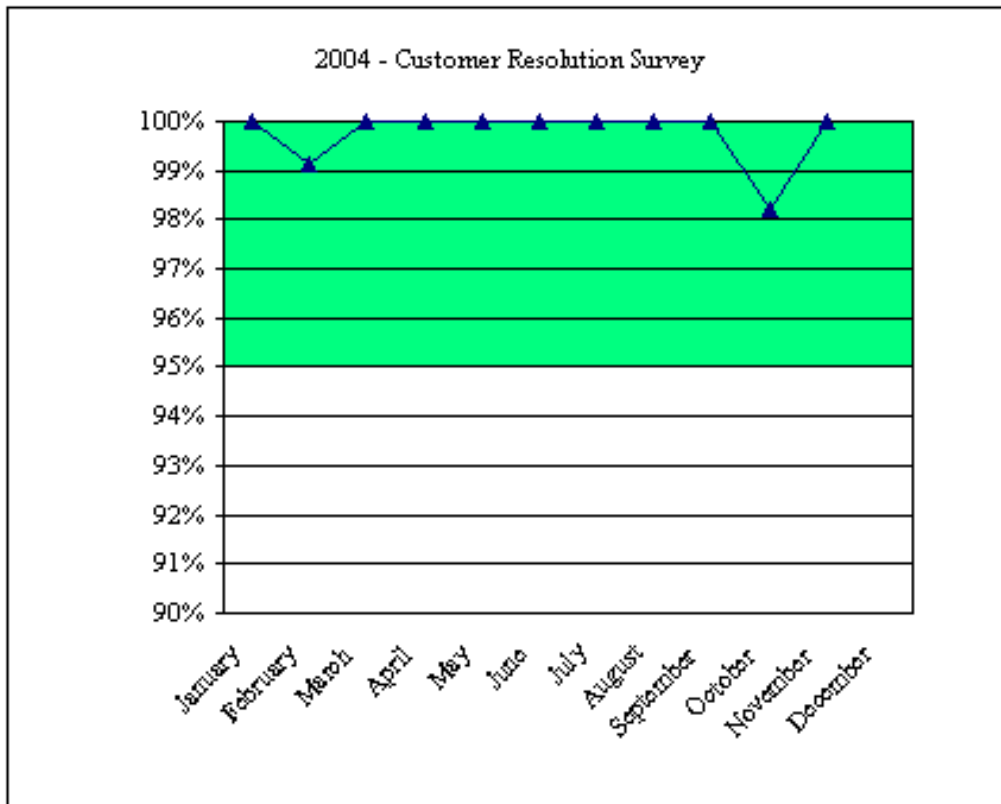
- Attachment 12-A, Summary report - Status of Priority Projects
- Attachment 12-B, Projects Portfolio

NERC Control Performance Standard

NYISO Compliance
Year 2003/2004

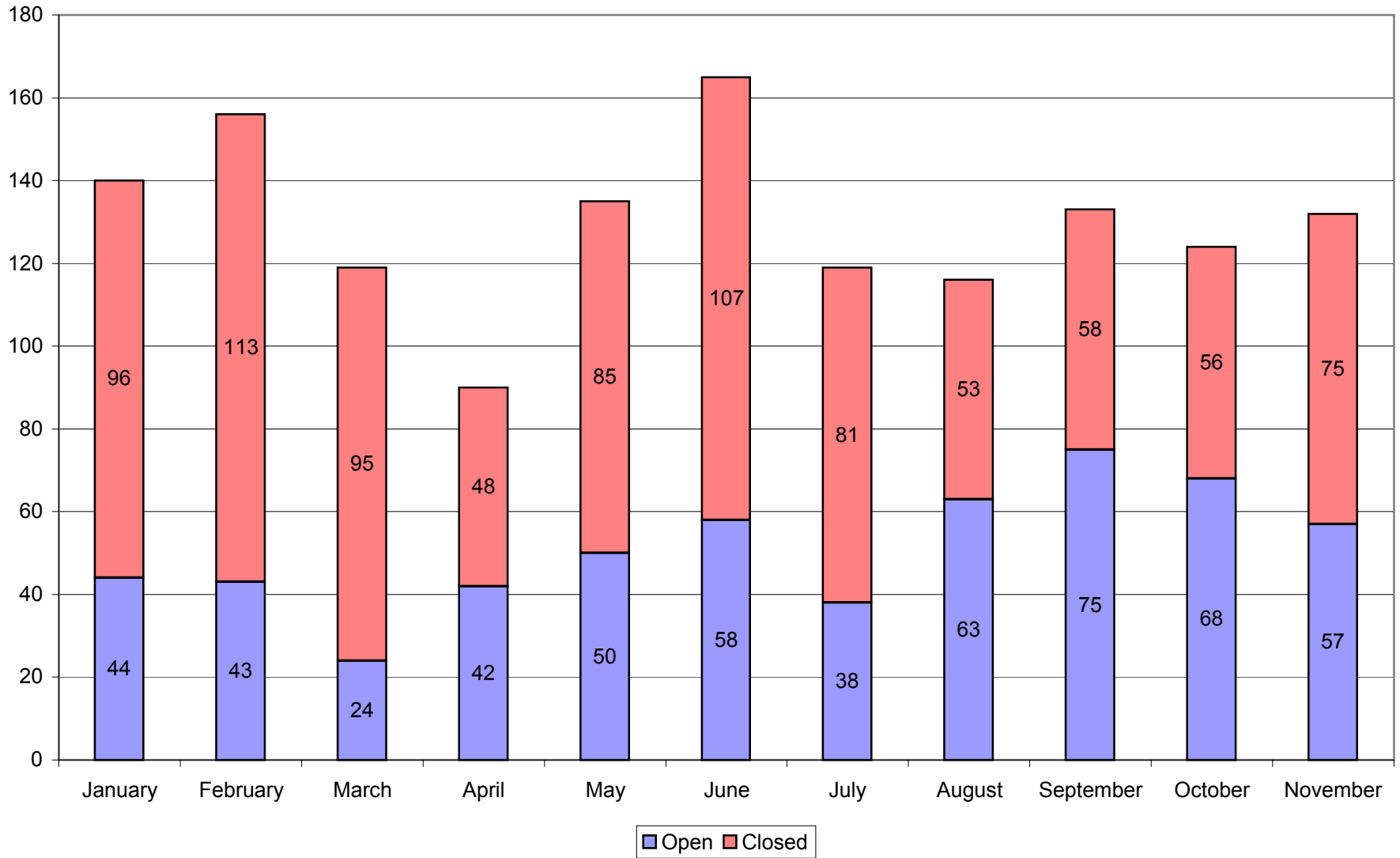


CPS2 for November = 96.49% Compliance Threshold = 90%
CPS2 measures excessive unscheduled power flow resulting from large Area Control Error (ACE)

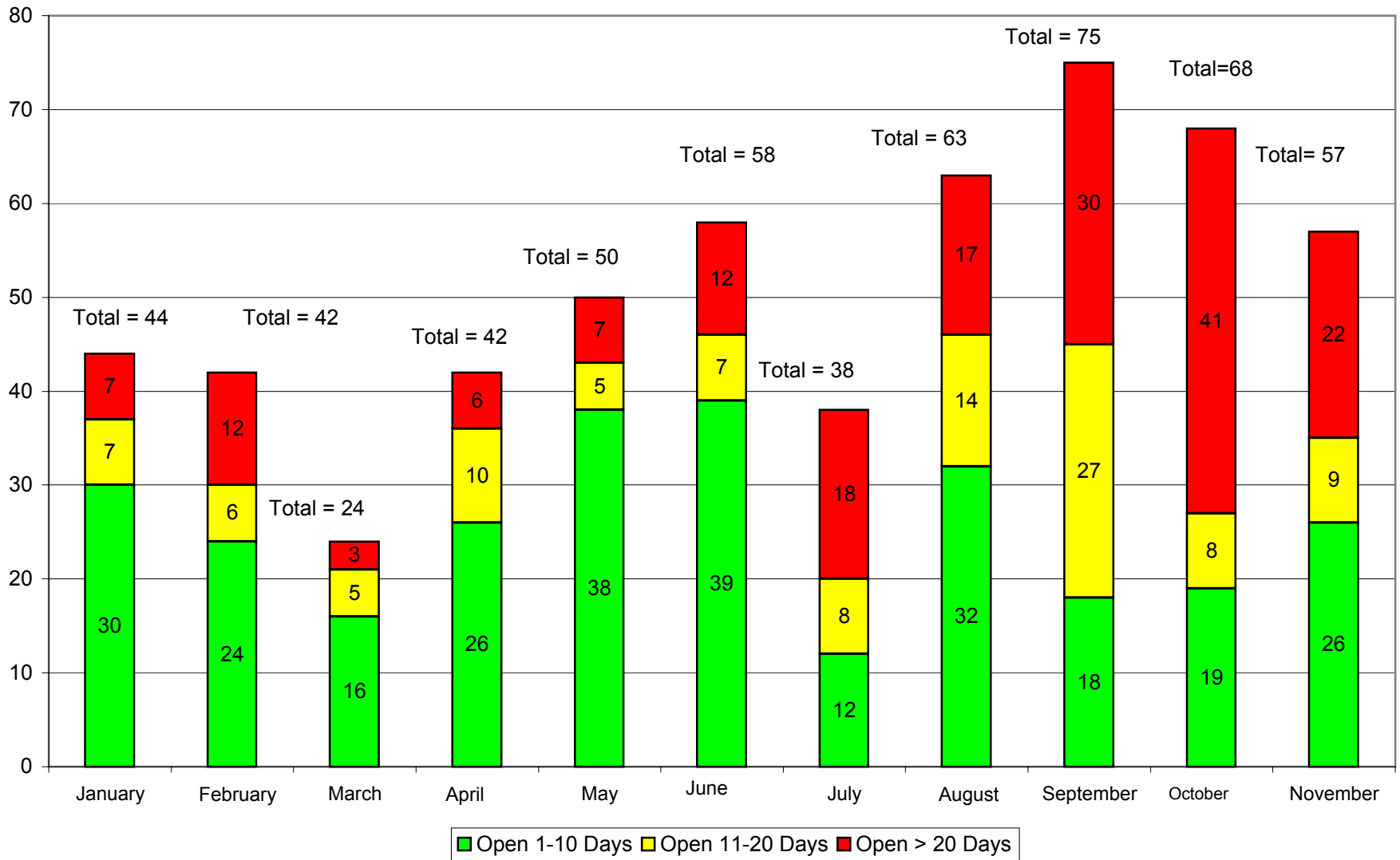


The Customer Resolution Survey Goal for 2004, has been set at 95%. For the month of November, 75 inquiries were sent out. No replies were received that the response was not timely. A 100% (superior) level was achieved for the month. For the period January-November, a total of 867 inquiries were sent out, two (2) customers indicated that the response was not timely. A 99.8% level was achieved.

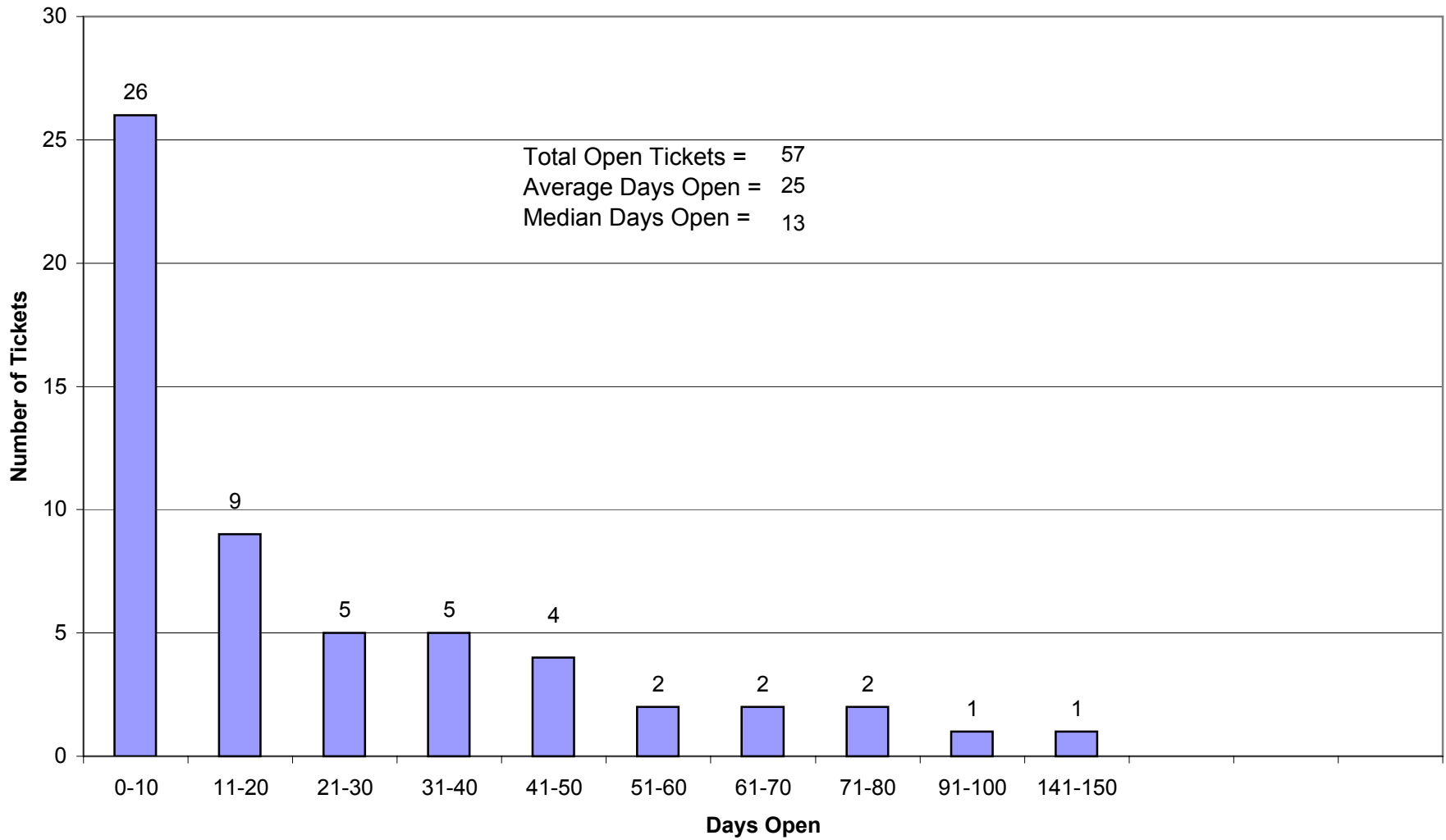
Tickets Open, Tickets Closed as of End of November, 2004



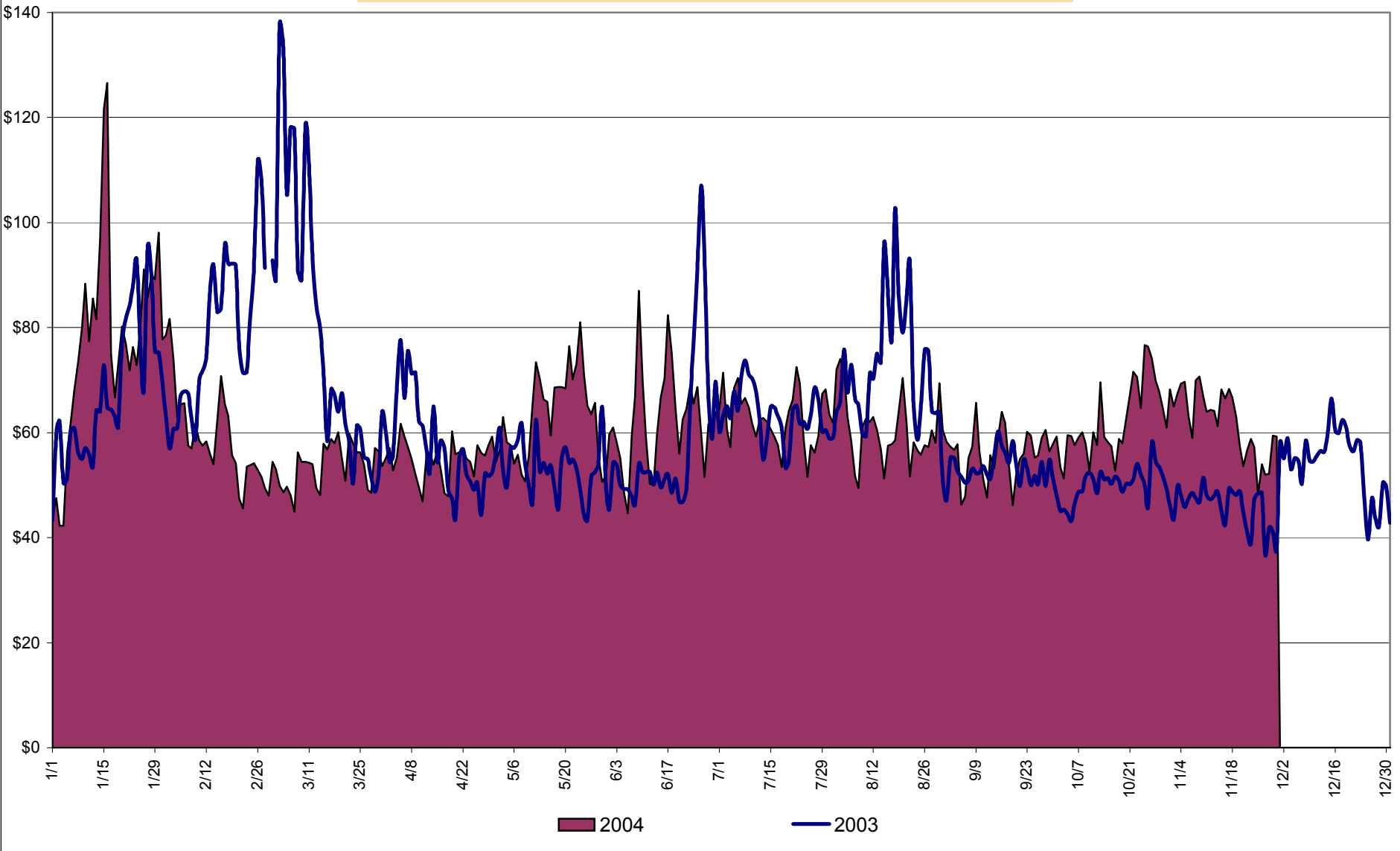
Open Tickets by Month November 2004



Number of Tickets Open By Days November 2004



Daily NYISO Average Cost/MWH (Energy & Ancillary Services)*
2003 Annual Average \$62.41/MWH
November 2003 YTD Average \$63.16/MWH
November 2004 YTD Average \$62.36/MWH



4-A

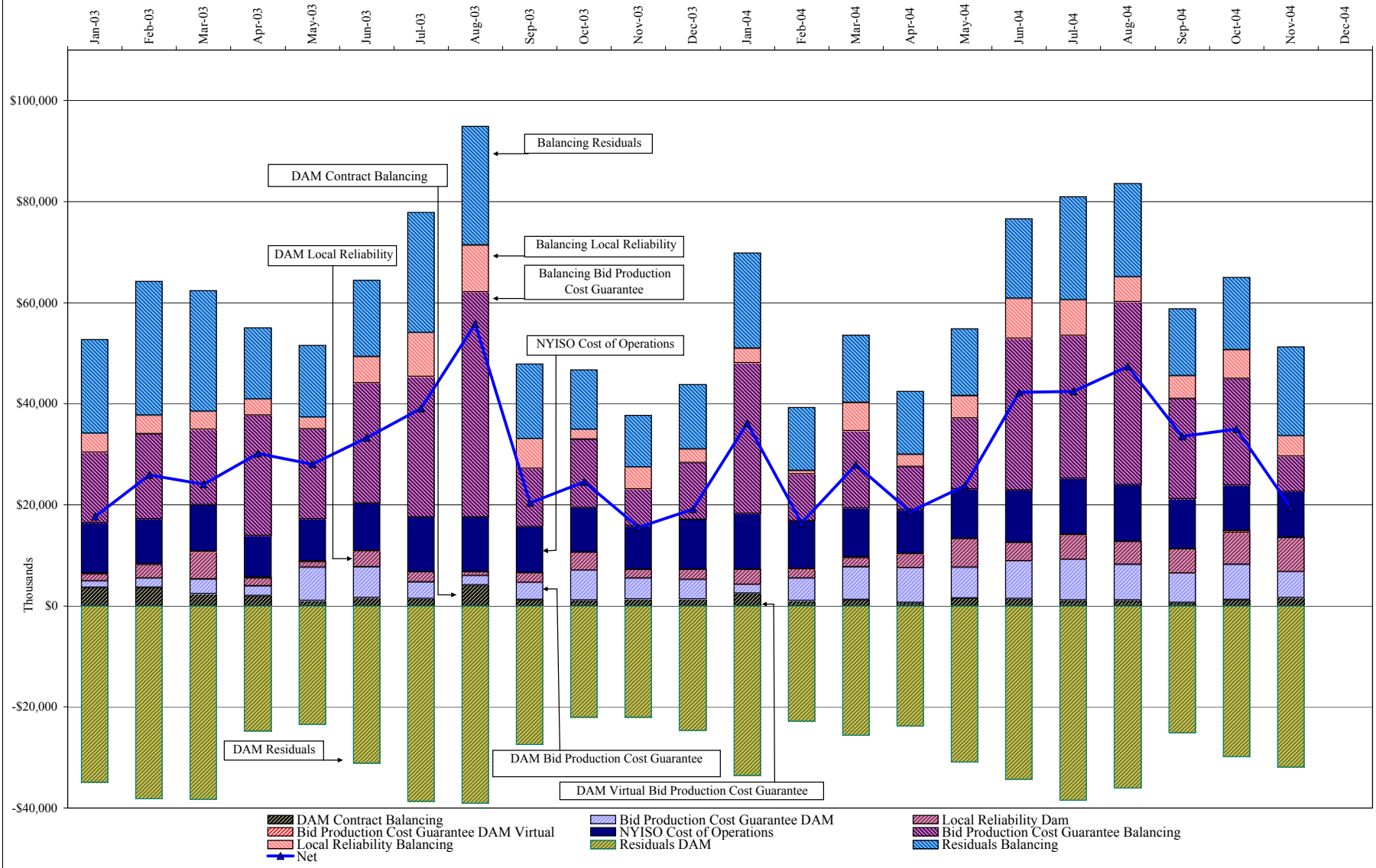
**NYISO Average Cost/MWH (Energy and Ancillary Services)*
from the LBMP Customer point of view**

2004		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	76.13	57.13	50.56	52.48	61.24	59.79	59.59	57.23	53.01	58.66	59.80	
	NTAC	0.47	0.42	0.55	0.51	0.42	0.53	0.34	0.43	0.23	0.29	0.46	
	Reserve	0.27	0.14	0.20	0.17	0.14	0.09	0.07	0.05	0.06	0.12	0.15	
	Regulation	0.18	0.34	0.28	0.15	0.13	0.14	0.13	0.17	0.32	0.43	0.45	
	NYISO Cost of Operations	0.73	0.73	0.73	0.72	0.73	0.73	0.73	0.74	0.73	0.73	0.73	
	Uplift	1.57	0.44	1.27	0.76	0.93	2.16	2.00	2.36	1.71	1.92	0.68	
	Voltage Support and Black Start	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	
	Avg Monthly Cost	79.72	59.56	53.96	55.16	63.94	63.80	63.23	61.34	56.42	62.51	62.62	
	Avg YTD Cost	79.72	70.68	65.29	63.02	63.20	63.30	63.29	63.02	62.32	62.33	62.36	

2003		January	February	March	April	May	June	July	August	September	October	November	December
	LBMP	66.34	76.59	78.31	54.29	49.77	57.46	60.10	68.23	50.82	47.19	43.40	52.19
	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	0.34	0.22	0.21	0.35	0.53	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	0.69	0.69	0.70
	Uplift	0.30	1.09	0.93	1.70	1.51	1.67	1.78	2.57	0.77	1.15	0.44	0.57
	Voltage Support and Black Start	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
	Avg Monthly Cost	68.83	79.71	81.79	58.20	53.89	61.16	63.83	72.65	53.36	50.29	46.03	54.58
	Avg YTD Cost	68.83	74.02	76.58	72.21	68.84	67.47	66.81	67.73	66.20	64.72	63.16	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	11,818,317	13,026,160	13,737,390	15,071,422	14,939,105	13,228,022	12,375,053	12,214,936	
DAM LSE Internal LBMP Energy Sales	52%	50%	51%	51%	47%	49%	53%	54%	53%	52%	53%	
DAM External TC LBMP Energy Sales	4%	2%	3%	3%	4%	3%	2%	1%	1%	0%	0%	
DAM Bilateral - Internal Bilaterals	41%	45%	44%	44%	46%	45%	43%	43%	44%	45%	44%	
DAM Bilateral - Import/Non-LBMP Market Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	
DAM Bilateral - Export/Non-LBMP Market Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
DAM Bilateral - Wheel Through Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	
Balancing Energy Market MWH	367,460	269,220	508,837	238,876	379,159	424,726	139,472	297,506	322,983	68,554	275,972	
Balancing Energy LSE Internal LBMP Energy Sales	66%	31%	61%	84%	30%	29%	-46%	35%	19%	-9%	24%	
Balancing Energy External TC LBMP Energy Sales	57%	78%	41%	38%	77%	74%	170%	73%	50%	125%	69%	
Balancing Energy Bilateral - Internal Bilaterals	-20%	0%	0%	-9%	3%	5%	13%	5%	39%	23%	11%	
Balancing Energy Bilateral - Import/Non-LBMP Market Bilaterals	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Balancing Energy Bilateral - Export/Non-LBMP Market Bilaterals	0%	0%	0%	1%	1%	0%	1%	0%	0%	0%	0%	
Balancing Energy Bilateral - Wheel Through Bilaterals	-4%	-11%	-3%	-14%	-11%	-8%	-39%	-13%	-8%	-40%	-5%	
Transactions Summary												
LBMP	58%	54%	56%	55%	53%	54%	55%	56%	54%	53%	55%	
Internal Bilaterals	40%	44%	42%	43%	45%	44%	43%	43%	44%	45%	44%	
Import Bilaterals	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	
Export Bilaterals	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Wheels Through	1%	0%	1%	0%	1%	1%	0%	1%	1%	0%	0%	
Market Share of Total Load												
Day Ahead Market	97.5%	97.9%	96.2%	98.0%	97.2%	97.0%	99.1%	98.0%	97.6%	99.4%	97.8%	
Balancing Energy +	2.5%	2.1%	3.8%	2.0%	2.8%	3.0%	0.9%	2.0%	2.4%	0.6%	2.2%	
Total MWH	14,981,764	13,075,566	13,345,726	12,057,193	13,405,319	14,162,116	15,210,894	15,236,611	13,551,005	12,443,607	12,490,908	
Average Daily Energy Sendout/Month GWh	464	440	416	393	408	451	481	485	447	403	415	

Transactions by Market 2003

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

NYISO Markets 2003 Energy Statistics

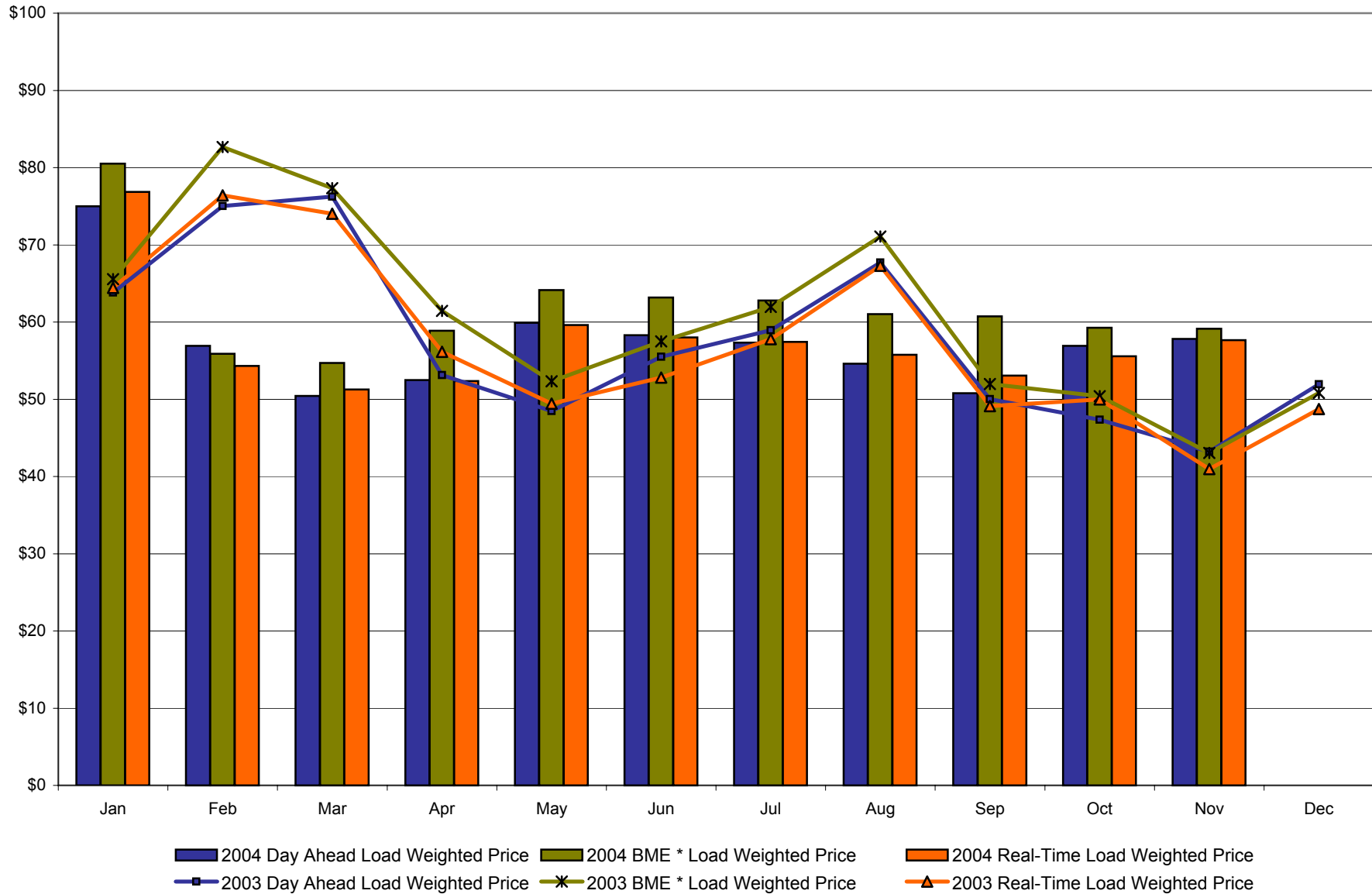
	January	February	March	April	May	June	July	August	September	October	November	December
<u>DAY AHEAD LBMP</u>												
Price *	\$61.33	\$72.81	\$73.18	\$51.58	\$46.43	\$51.45	\$57.10	\$64.94	\$48.29	\$45.81	\$41.58	\$50.07
Standard Deviation	\$20.09	\$21.12	\$29.70	\$12.47	\$14.03	\$21.27	\$11.88	\$18.06	\$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

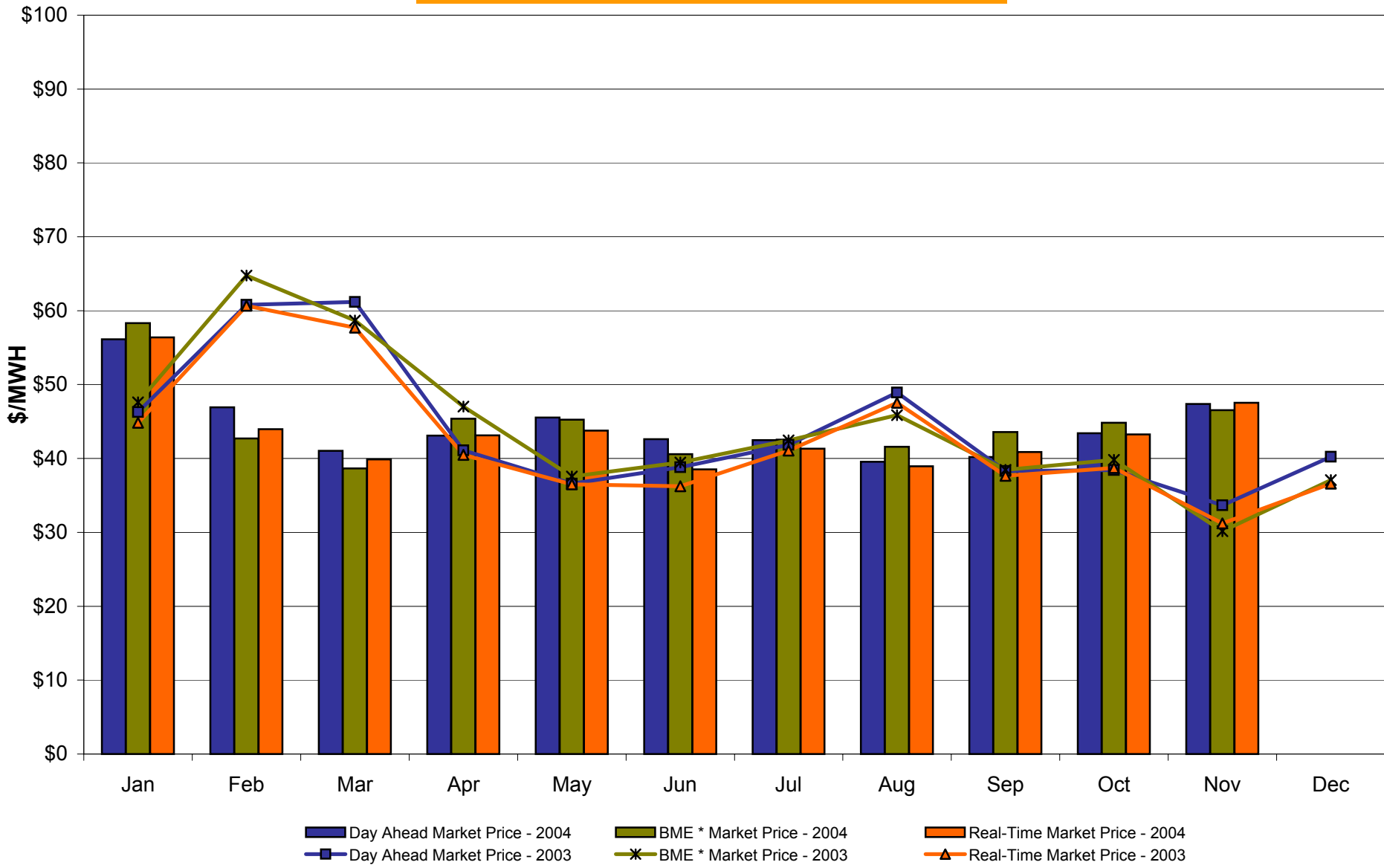
November 2004 Zonal Statistics for NYISO (\$/MWH)

	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 *	47.39	49.88	50.87	50.16	52.06	54.90	55.27	56.06	56.46	61.07	61.01
Standard Deviation	12.02	12.72	12.71	13.03	13.38	14.39	14.80	15.52	15.67	16.56	16.33
<u>BME ** LBMP</u>											
Unweighted Price *	46.55	48.36	51.67	51.56	53.03	54.52	56.41	56.17	56.71	62.78	64.07
Standard Deviation	17.16	17.40	17.44	18.23	18.42	18.86	19.64	19.54	19.72	23.96	19.00
<u>REAL TIME LBMP</u>											
Unweighted Price *	47.54	49.91	50.74	50.01	51.86	51.86	53.99	54.84	55.45	60.54	61.04
Standard Deviation	18.21	19.13	19.08	19.06	19.60	20.08	20.92	21.54	21.77	22.45	22.65
	ONTARIO IMO Zone O	HYDRO QUEBEC Zone M	PJM Zone P	NEW ENGLAND Zone N							
<u>DAY AHEAD LBMP</u>											
Unweighted Price *	46.56	51.01	48.46	54.83							
Standard Deviation	11.64	12.90	13.36	14.41							
<u>BME ** LBMP</u>											
Unweighted Price *	44.77	51.36	48.56	54.61							
Standard Deviation	16.99	17.84	19.40	19.29							
<u>REAL TIME LBMP</u>											
Unweighted Price *	46.93	50.39	47.31	52.58							
Standard Deviation	18.60	19.22	19.36	19.99							

* Straight zonal LBMP averages

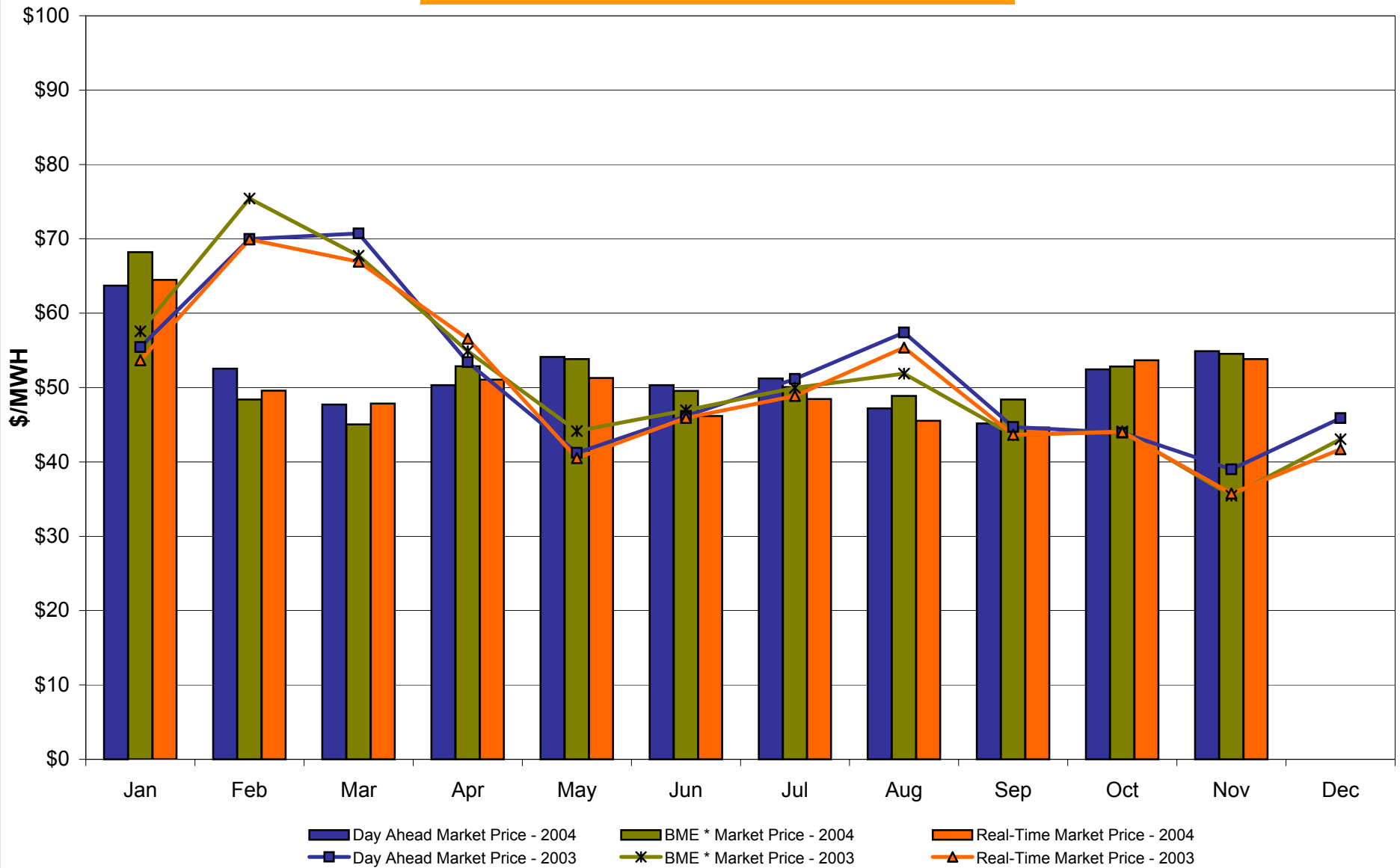
** Commonly referred to as Hour Ahead Market (HAM)

West Zone A Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

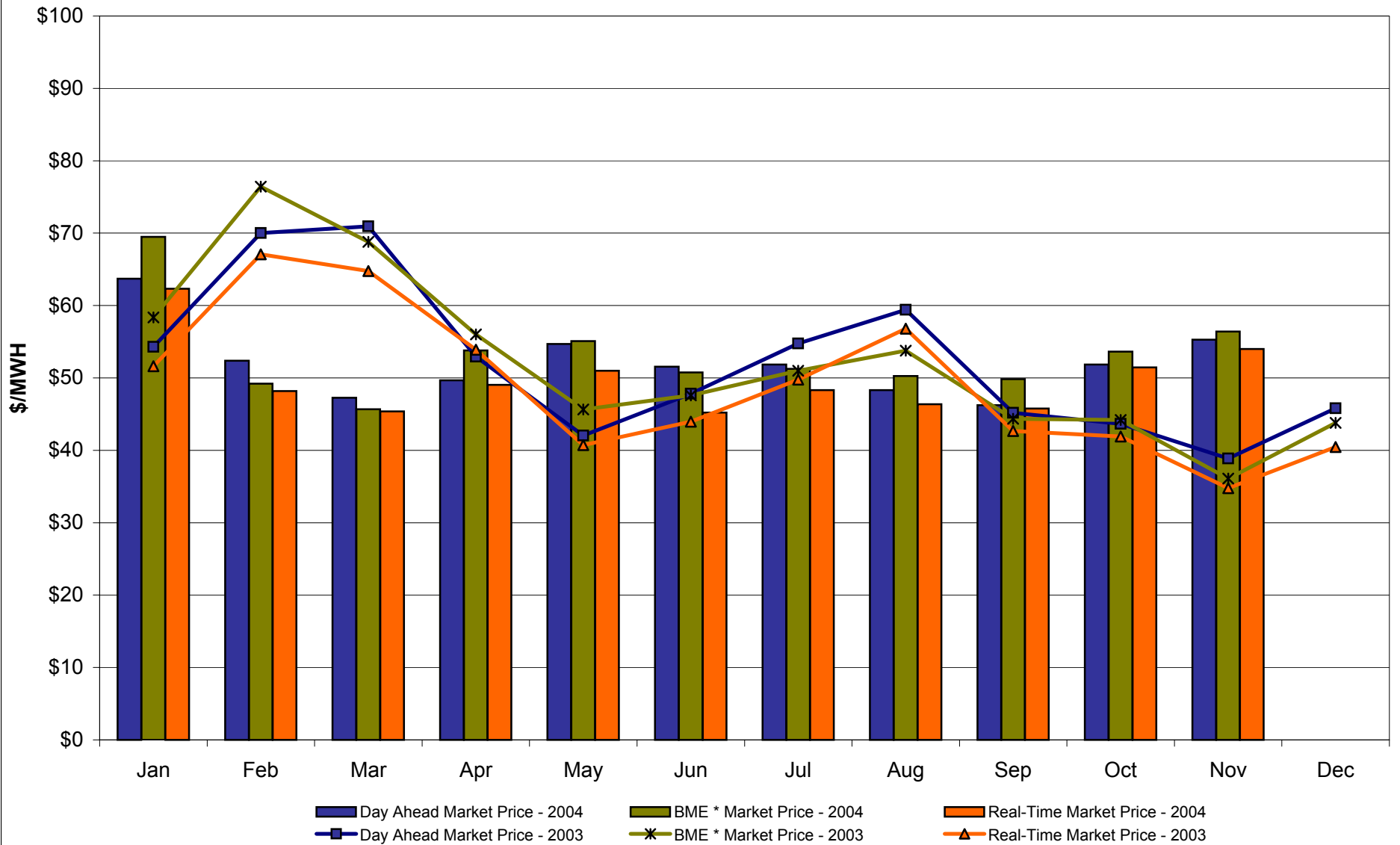
Capital Zone F Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

4-1

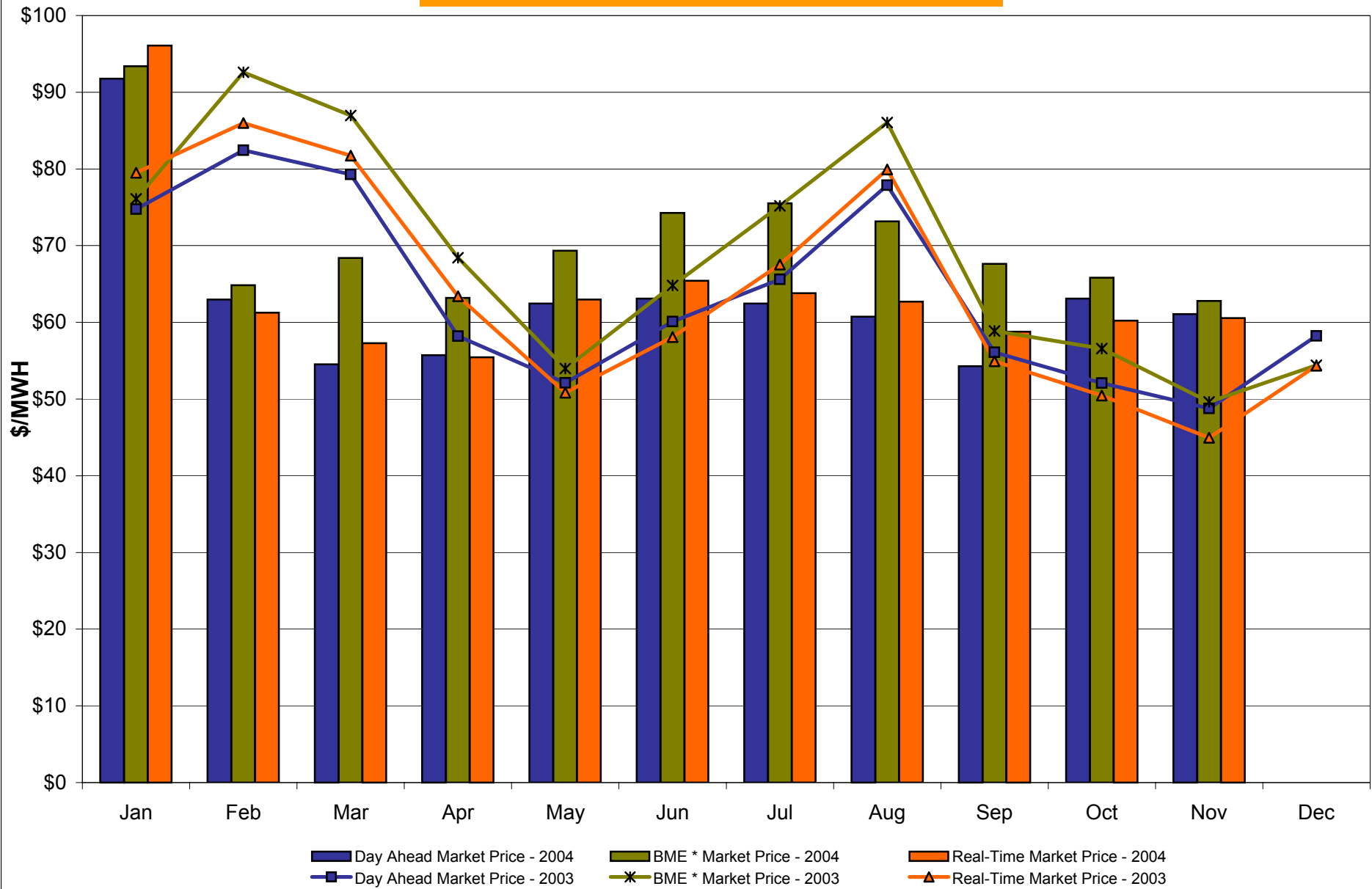
Hudson Valley Zone G Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

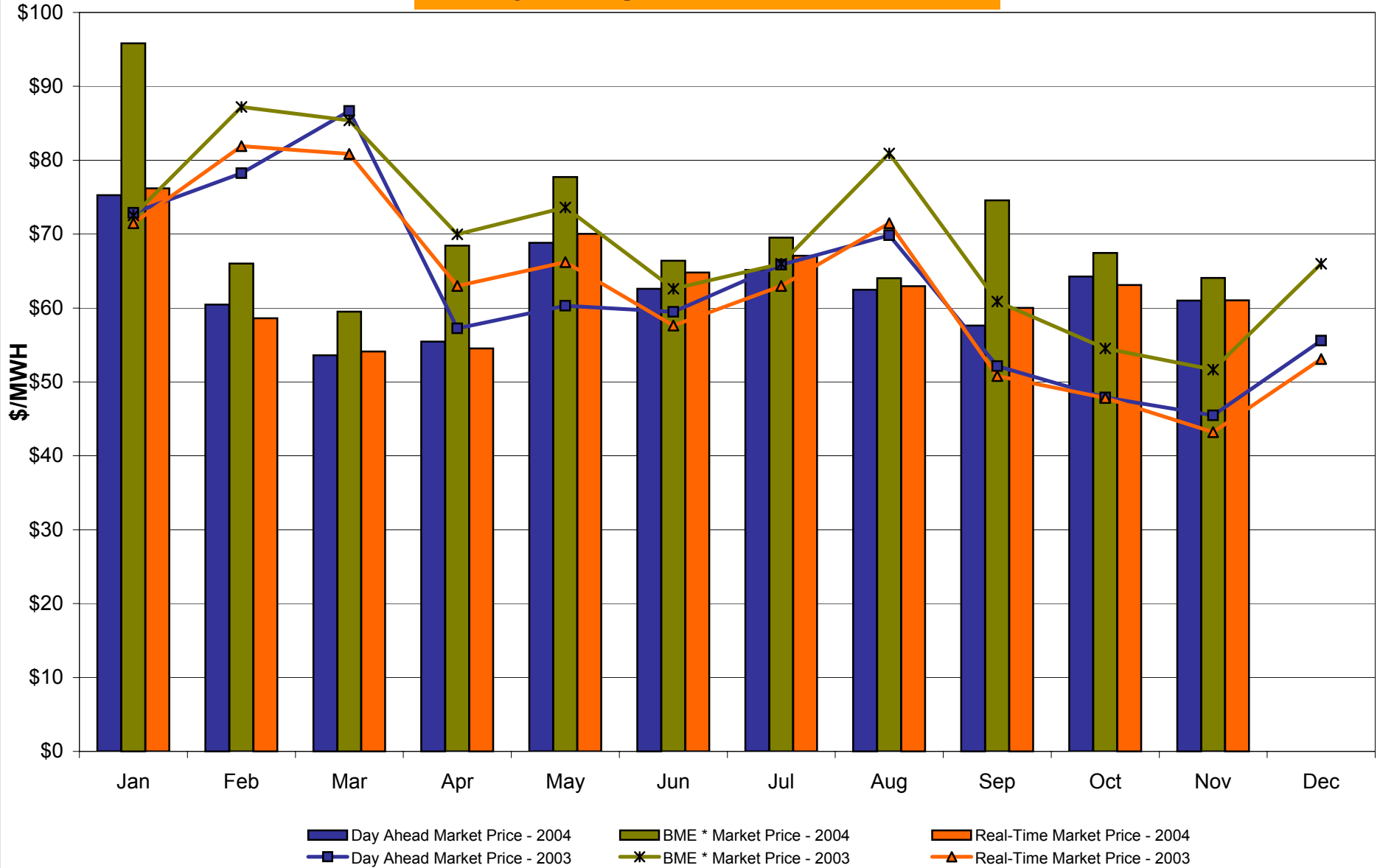
4-J

NYC Zone J Monthly Average LBMP Prices 2003 - 2004



* Commonly referred to as Hour Ahead Market (HAM)

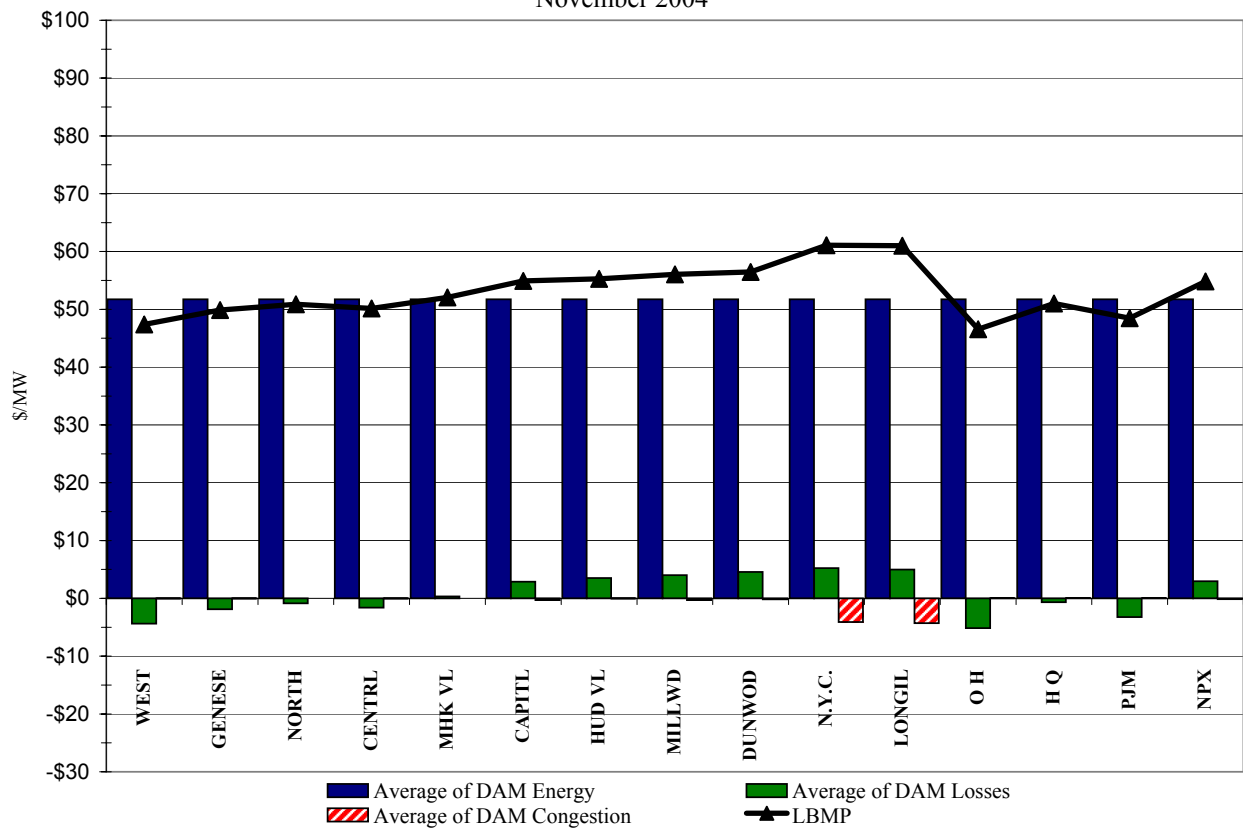
Long Island Zone K Monthly Average LBMP Prices 2003 - 2004



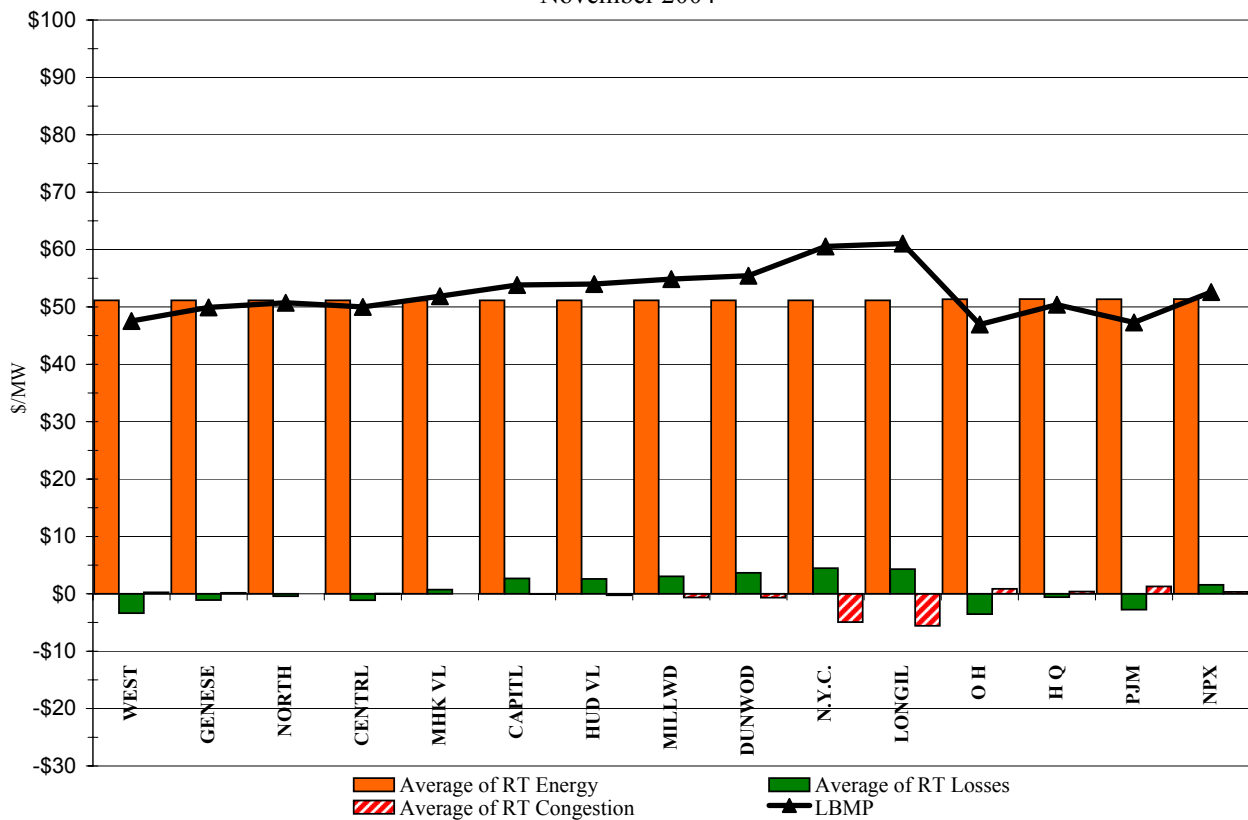
4-L

* Commonly referred to as Hour Ahead Market (HAM)

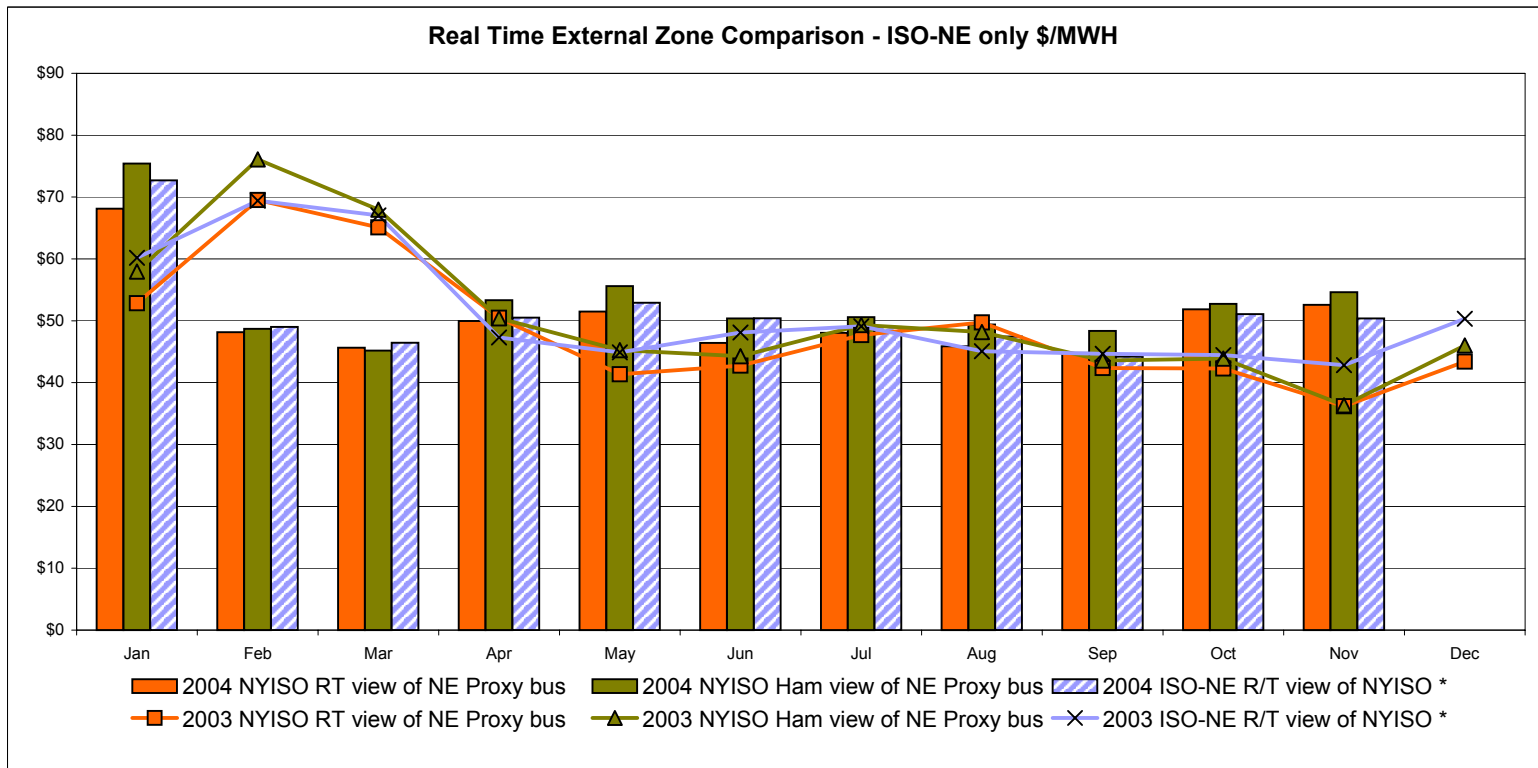
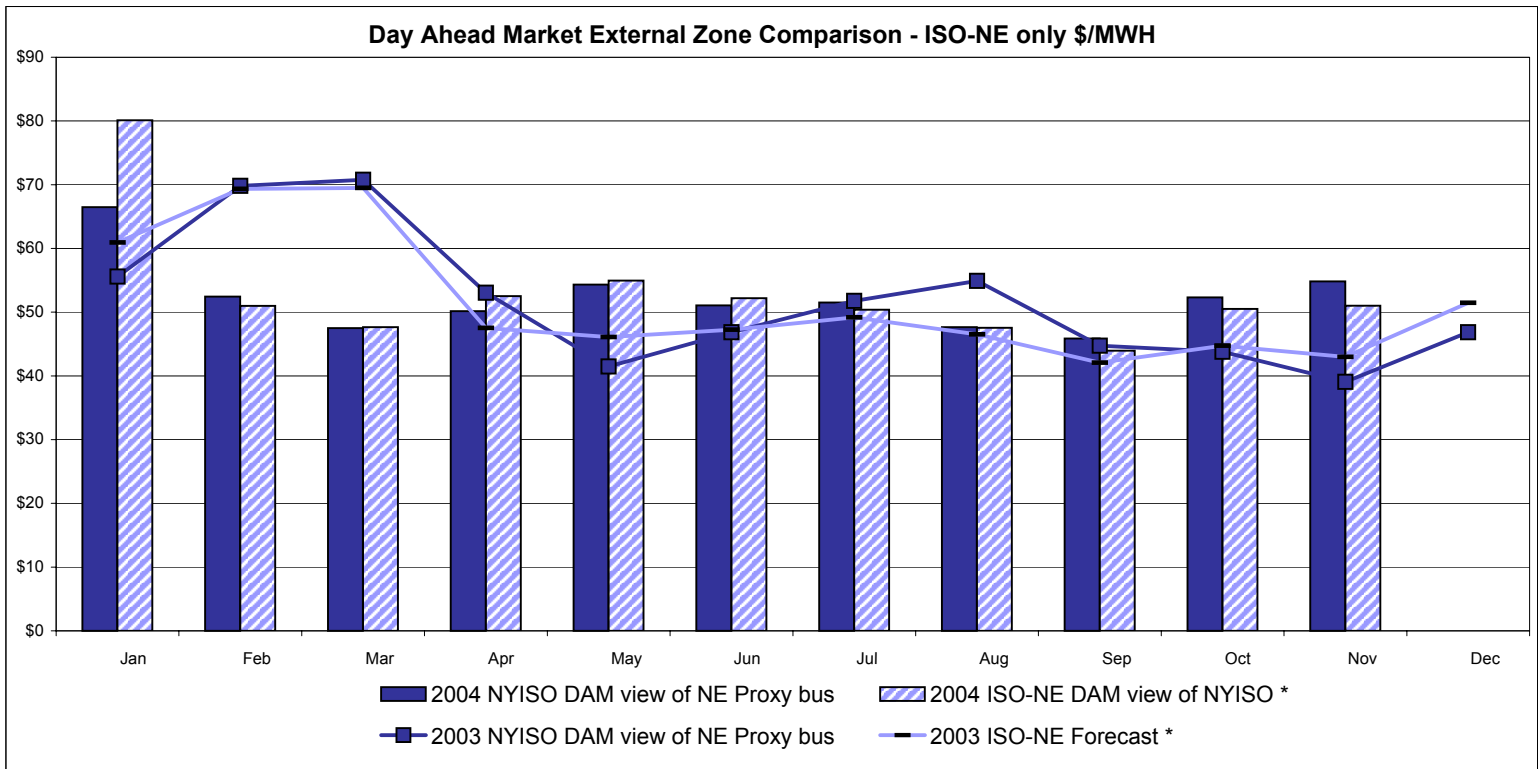
DAM Zonal Unweighted Monthly Average LBMP Components
November 2004



RT Zonal Unweighted Monthly Average LBMP Components
November 2004



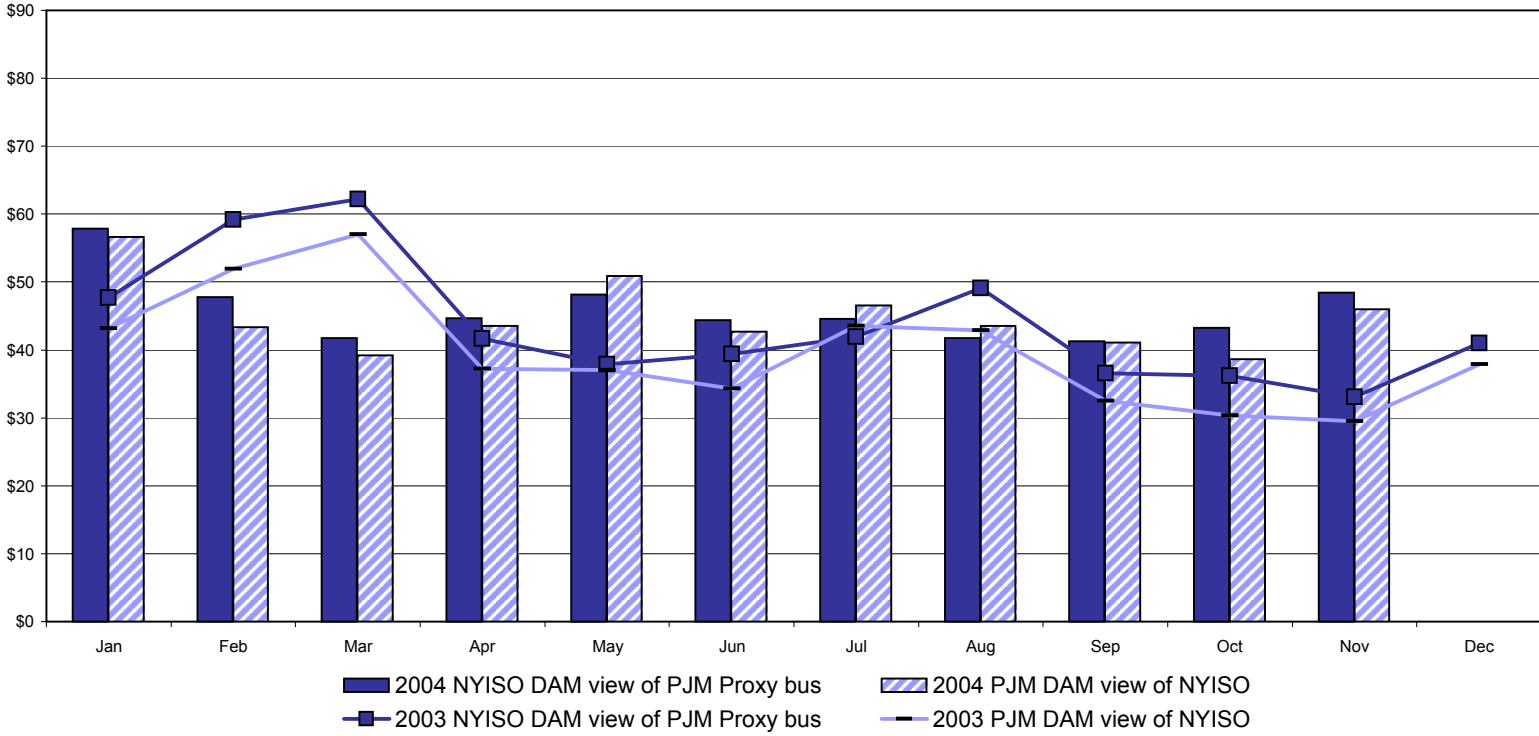
External Comparison ISO-NE



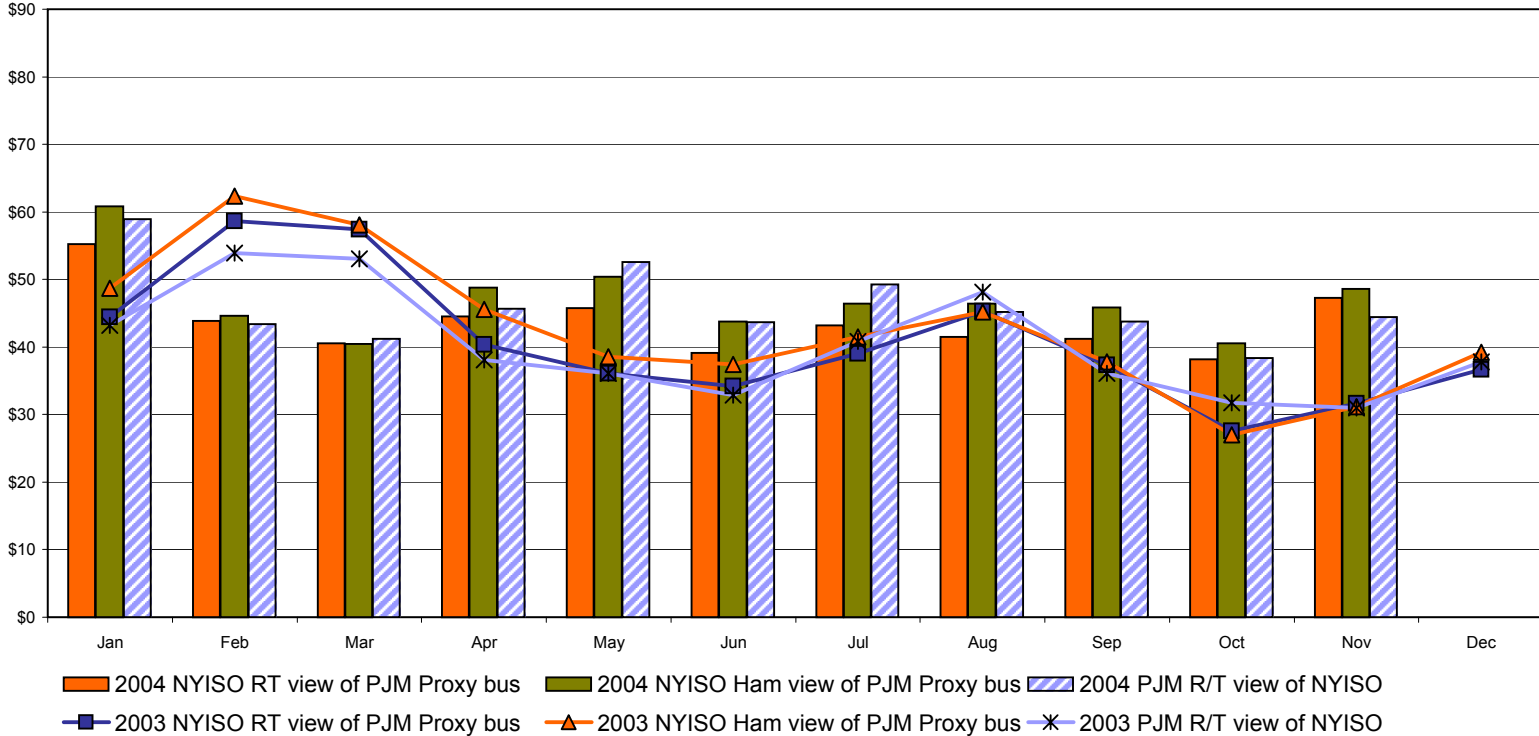
Note:
 ISO-NE Forecast is an advisory posting @ 18:00 day before
 * Effective 3/1/2003 SMD implemented by ISO-NE. The DAM and R/T prices at the Roseton interface are now used.

External Comparison PJM

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

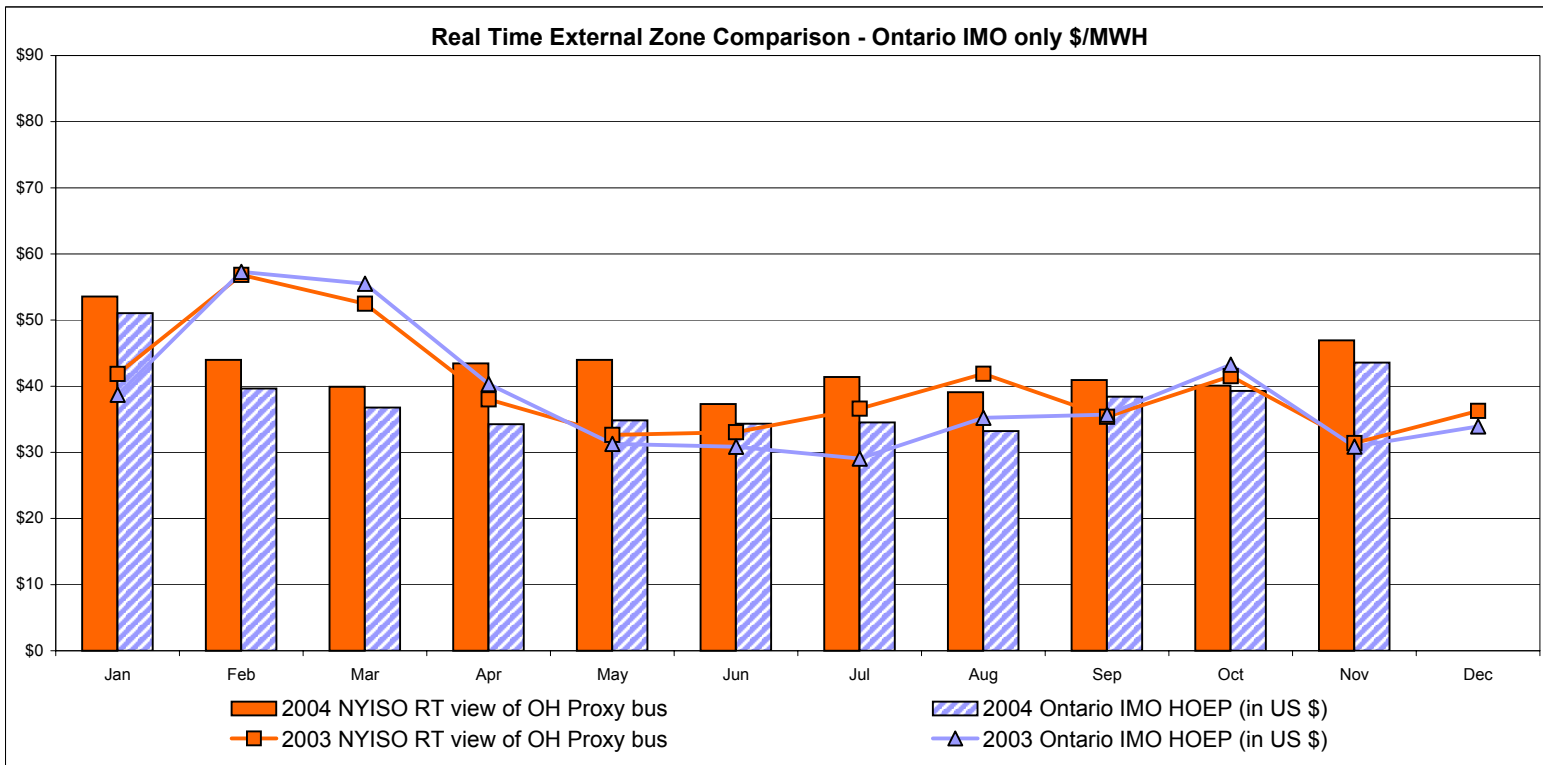
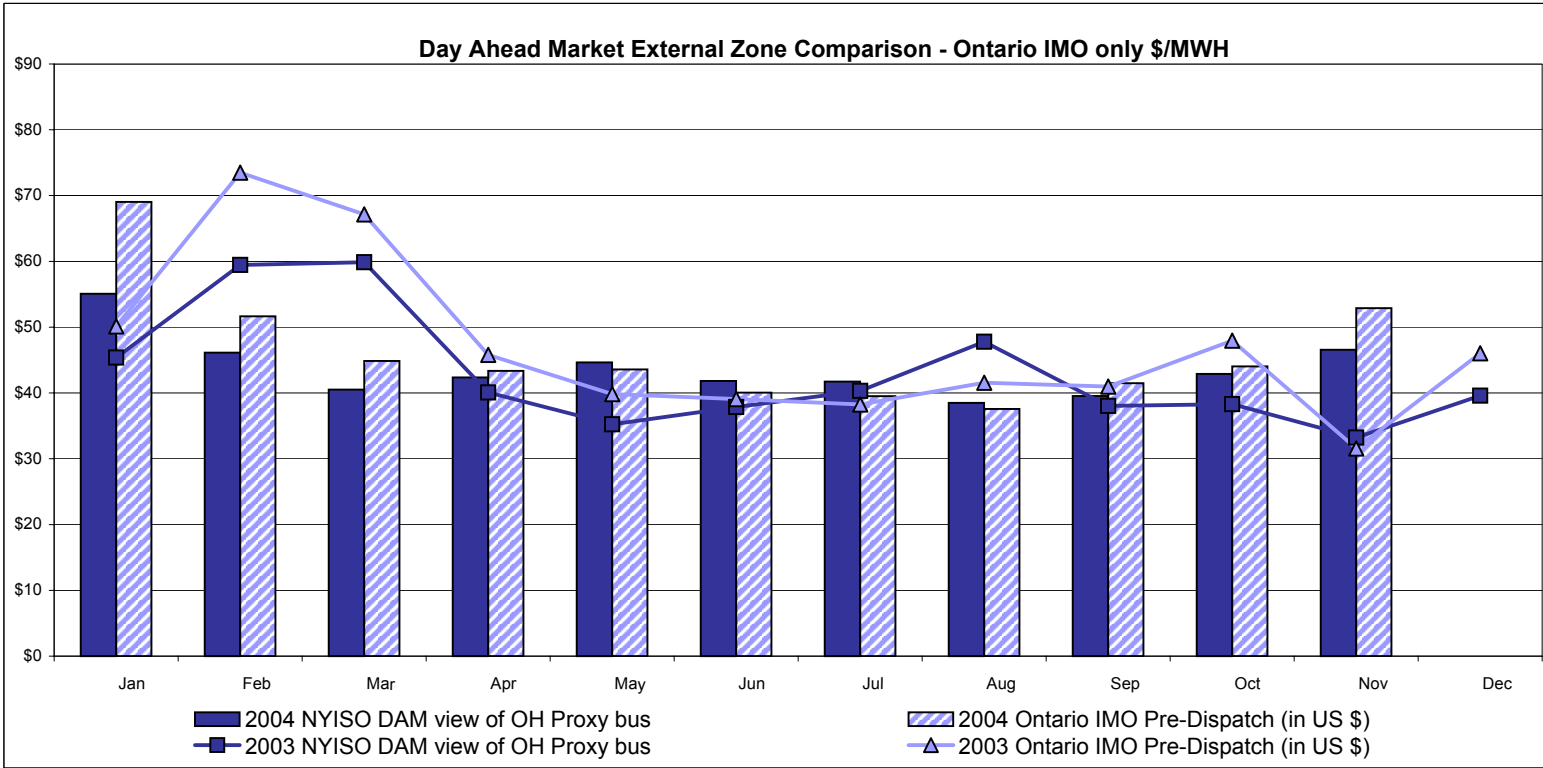


Real Time External Zone Comparison - PJM only \$/MWH



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

External Comparison Ontario IMO



Notes: Exchange factor used for November 2004 was .84 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

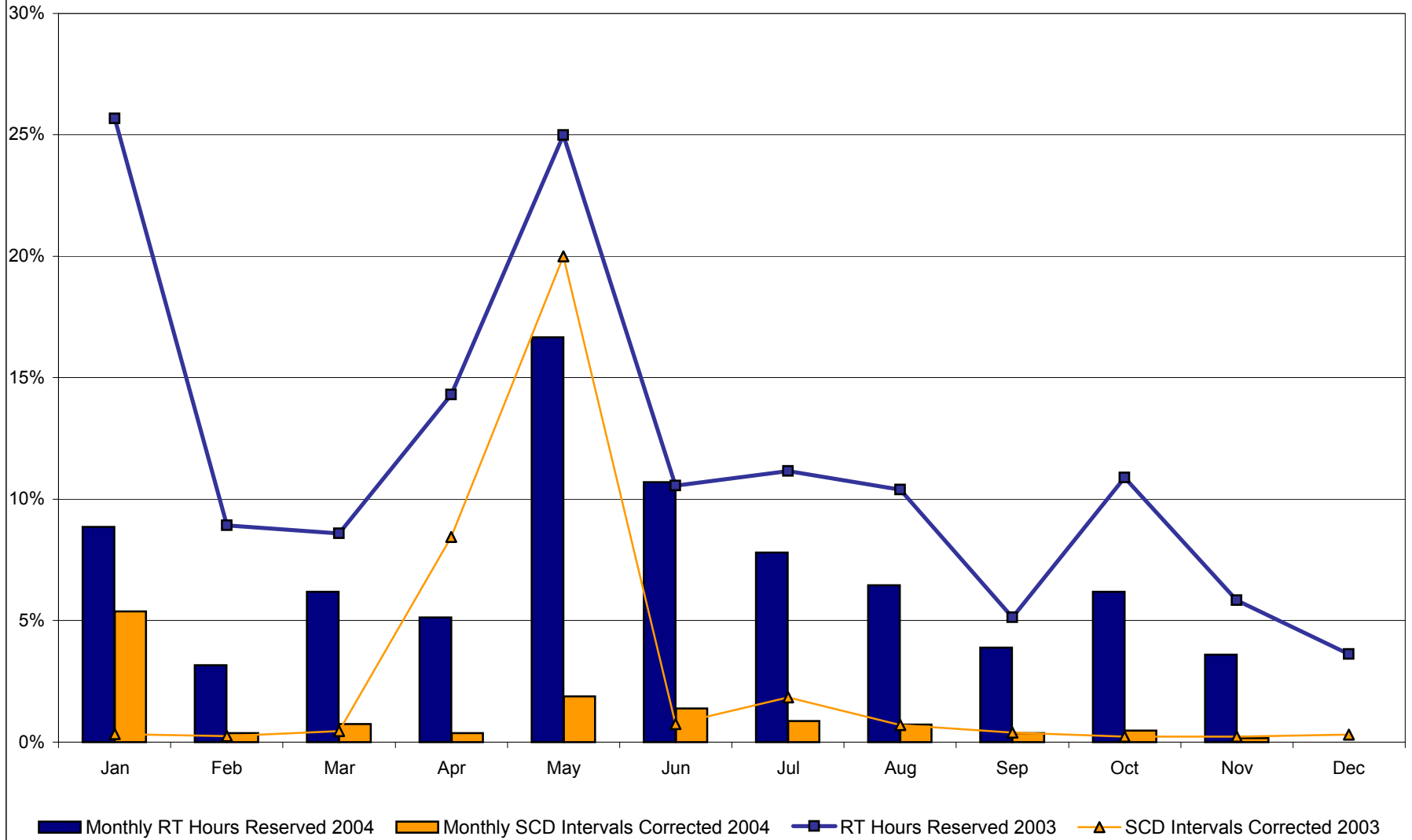
<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	597	40	83	40	220	156	100	84	42	56	19	
Number of Intervals in the month	11,089	10,495	11,085	10,805	11,740	11,234	11,467	11,552	11,178	11,515	11,217	
Percentage of intervals corrected in the month	5.38%	0.38%	0.75%	0.37%	1.87%	1.39%	0.87%	0.73%	0.38%	0.49%	0.17%	
Number of Intervals corrected Year-to-date	597	637	720	760	980	1,136	1,236	1,320	1,362	1,418	1,437	
Number of Intervals Year-to-date	11,089	21,584	32,669	43,474	55,214	66,448	77,915	89,467	100,645	112,160	123,377	
Percentage of intervals corrected Year-to-date	5.38%	2.95%	2.20%	1.75%	1.77%	1.71%	1.59%	1.48%	1.35%	1.26%	1.16%	
<u>Hours Reserved</u>												
Number of hours reserved in the month	66	22	46	37	124	77	58	48	28	46	26	
Number of hours in the month	744	696	744	720	744	720	744	744	720	744	720	
Percentage of hours reserved in the month	8.87%	3.16%	6.18%	5.14%	16.67%	10.69%	7.80%	6.45%	3.89%	6.18%	3.61%	
Number of hours reserved Year-to-date	66	88	134	171	295	372	430	478	506	552	578	
Number of hours Year-to-date	744	1,440	2,184	2,904	3,648	4,368	5,112	5,856	6,576	7,320	8,040	
Percentage of hours reserved Year-to-date	8.87%	6.11%	6.14%	5.89%	8.09%	8.52%	8.41%	8.16%	7.69%	7.54%	7.19%	
<u>Days Without Corrections</u>												
Days without price corrections in the month	14	20	11	9	8	6	9	12	12	14	19	
Days without price corrections Year-to-date	14	34	45	54	62	68	77	89	101	115	134	

NYISO Price Corrections 2003

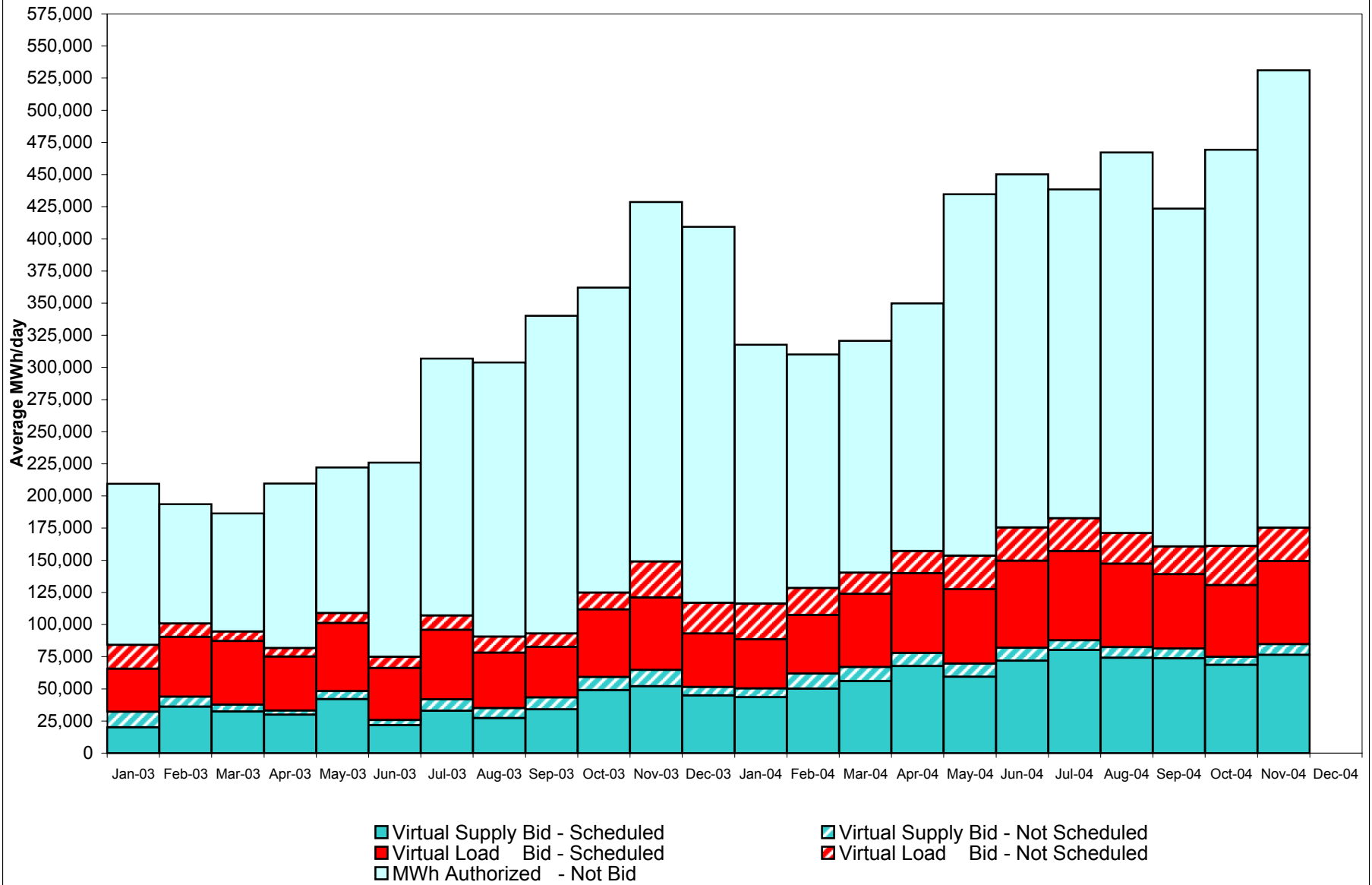
<u>Interval Corrections</u>	January	February	March	April	May	June	July	August	September	October	November	December
Number of Intervals corrected in the month	36	25	49	891	2,254	79	202	71	41	25	25	34
Number of Intervals in the month	10,986	10,197	10,918	10,554	11,274	10,729	10,998	9,973	10,620	11,248	10,629	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

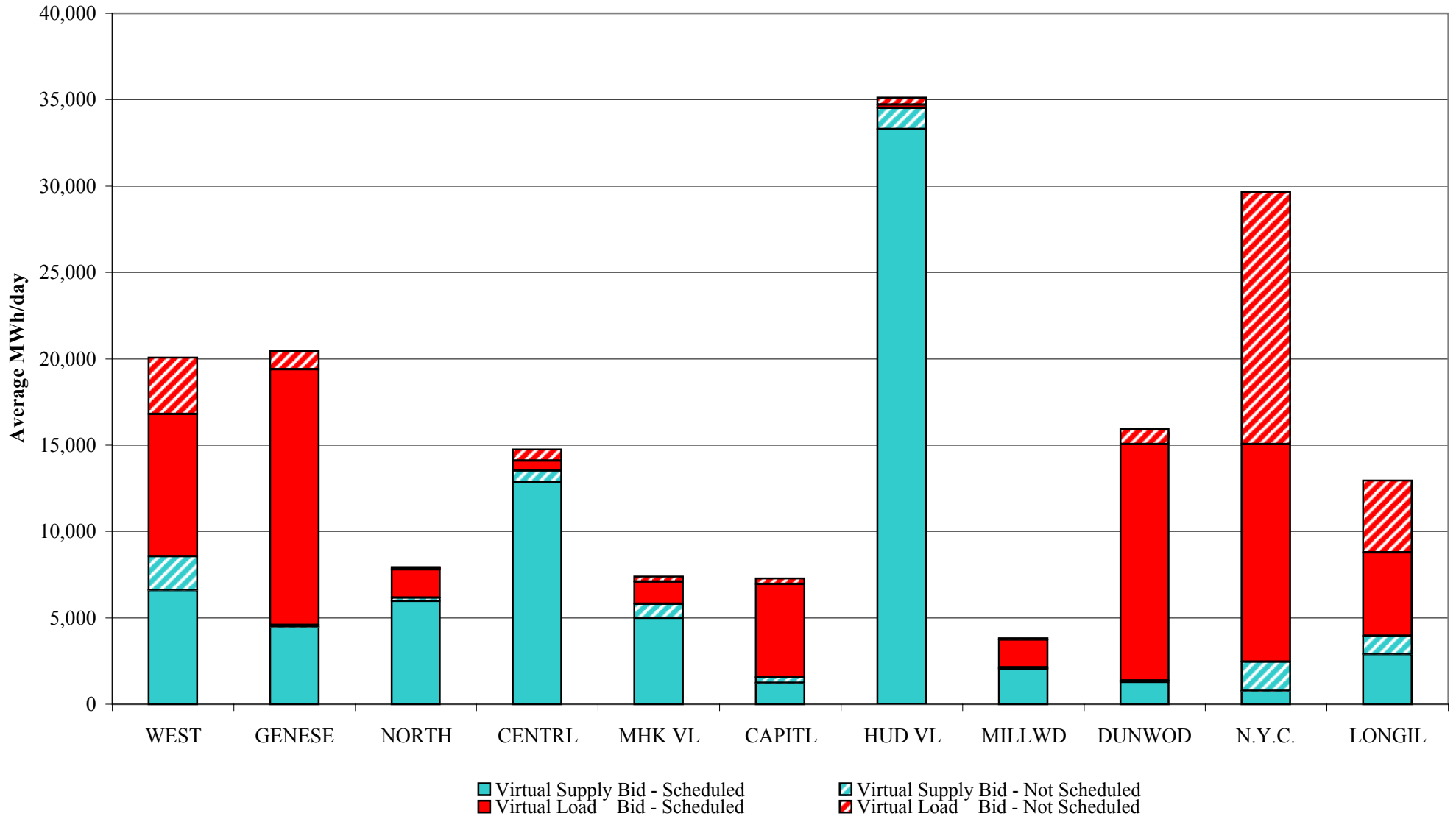
Percentage of Real-Time Corrections



NYISO Virtual Trading Average MWh per day

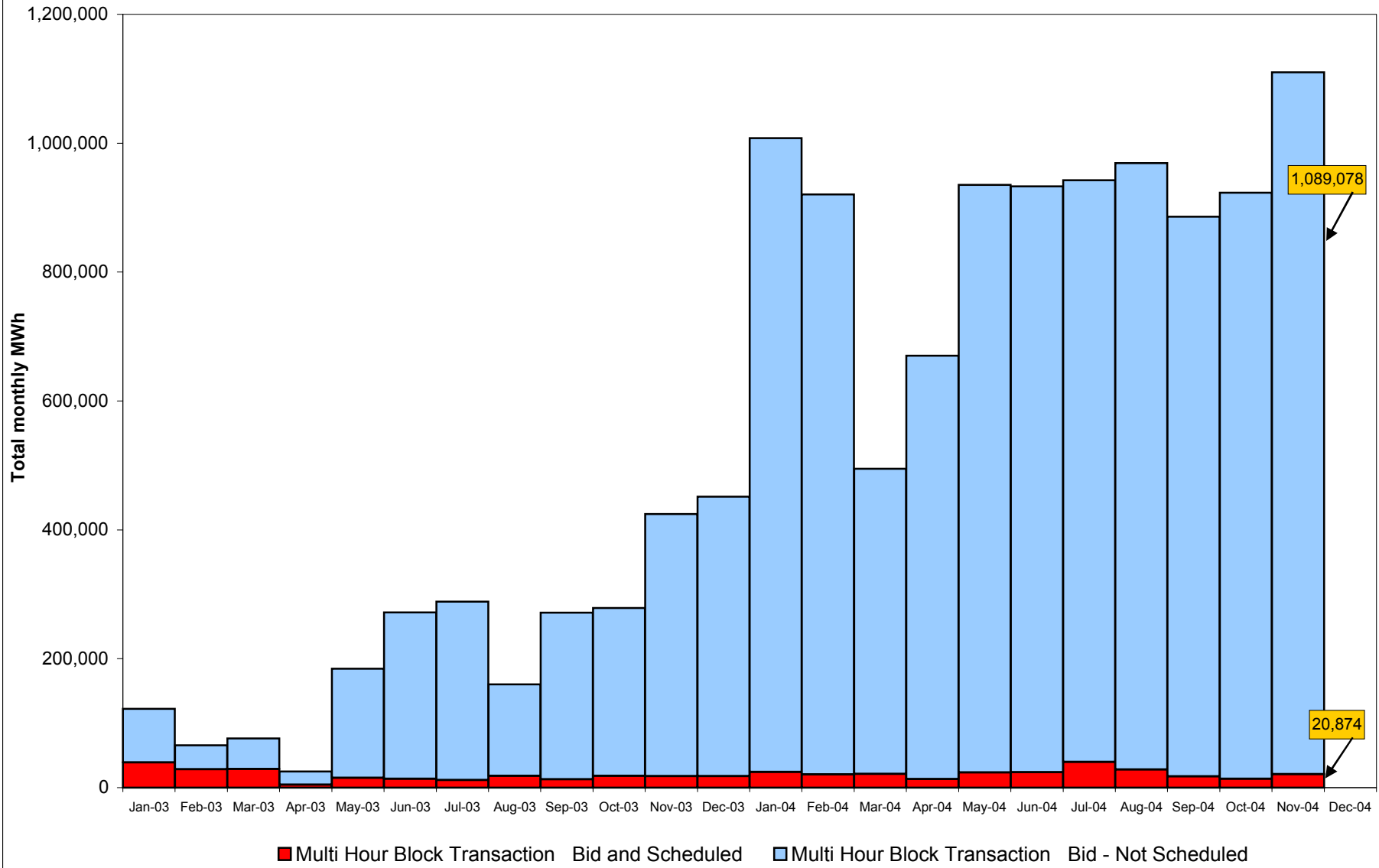


Virtual Load and Supply Zonal Statistics November 2004

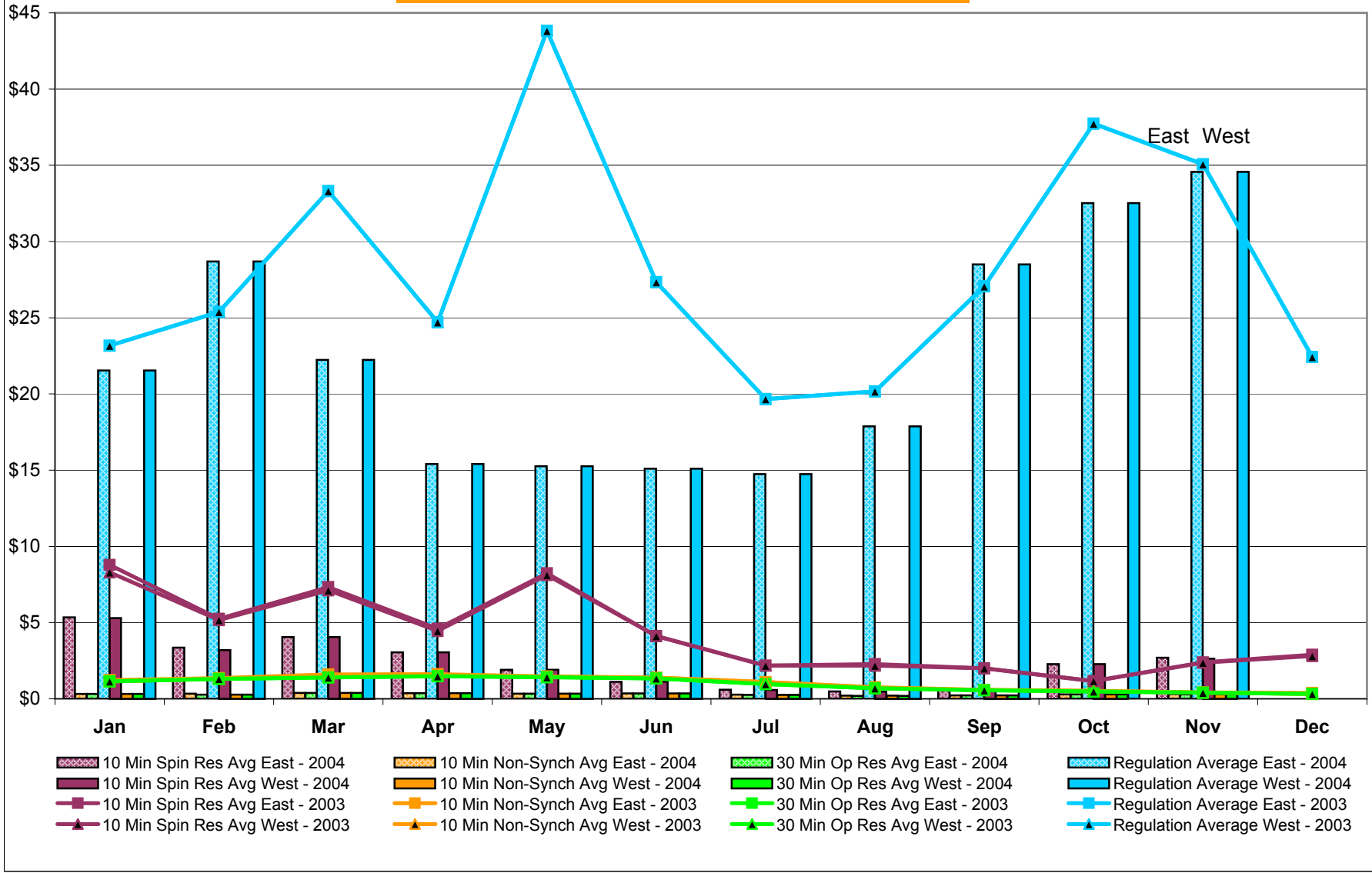


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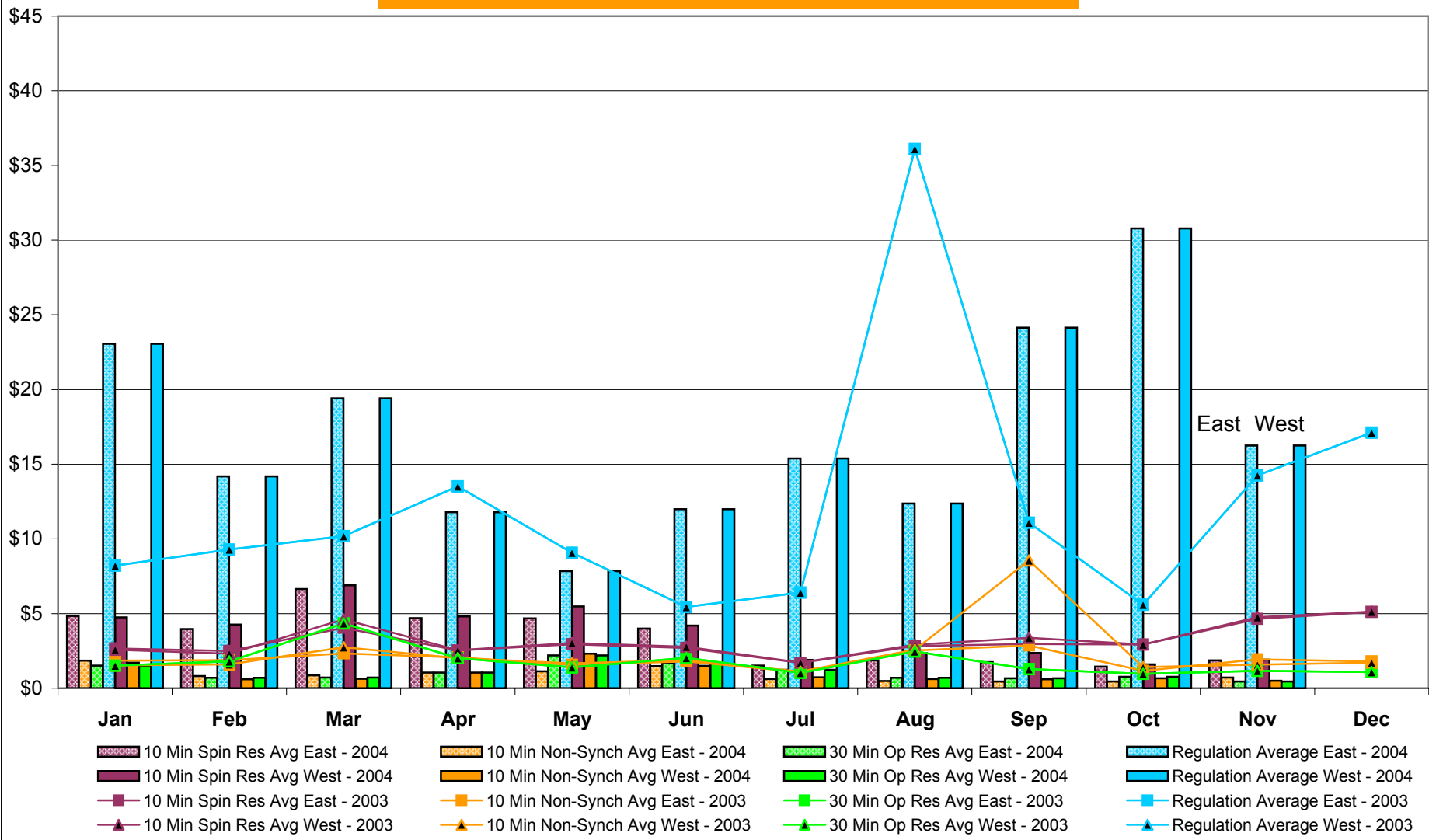
NYISO Multi Hour Block Transactions Monthly Total MWh



**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	3.04	1.91	1.11	0.60	0.49	0.55	2.28	2.69
10 Min Spin West	5.29	3.20	4.05	3.04	1.90	1.11	0.58	0.47	0.54	2.27	2.63
10 Min Non Synch East	0.33	0.33	0.39	0.38	0.34	0.35	0.27	0.21	0.23	0.30	0.30
10 Min Non Synch West	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20	0.22	0.29	0.29
30 Min East	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20	0.22	0.29	0.29
30 Min West	0.32	0.27	0.39	0.38	0.33	0.35	0.26	0.20	0.22	0.29	0.29
Regulation East	21.54	28.69	22.23	15.41	15.26	15.10	14.74	17.88	28.50	32.51	34.56
Regulation West	21.54	28.69	22.23	15.41	15.26	15.10	14.74	17.88	28.50	32.51	34.56

BME* Market

10 Min Spin East	4.84	3.96	6.65	4.69	4.67	3.99	1.51	1.87	1.75	1.45	1.86
10 Min Spin West	4.75	4.27	6.89	4.82	5.48	4.20	1.90	2.36	2.36	1.60	1.92
10 Min Non Synch East	1.85	0.81	0.87	1.05	1.14	1.49	0.62	0.49	0.45	0.45	0.71
10 Min Non Synch West	1.71	0.60	0.64	1.06	2.31	1.49	0.73	0.61	0.60	0.66	0.50
30 Min East	1.51	0.70	0.72	1.06	2.20	1.67	1.23	0.71	0.67	0.76	0.45
30 Min West	1.51	0.70	0.72	1.06	2.20	1.67	1.23	0.71	0.67	0.76	0.45
Regulation East	23.07	14.18	19.41	11.78	7.85	11.98	15.38	12.36	24.14	30.79	16.24
Regulation West	23.07	14.18	19.41	11.78	7.85	11.98	15.38	12.36	24.14	30.79	16.24

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

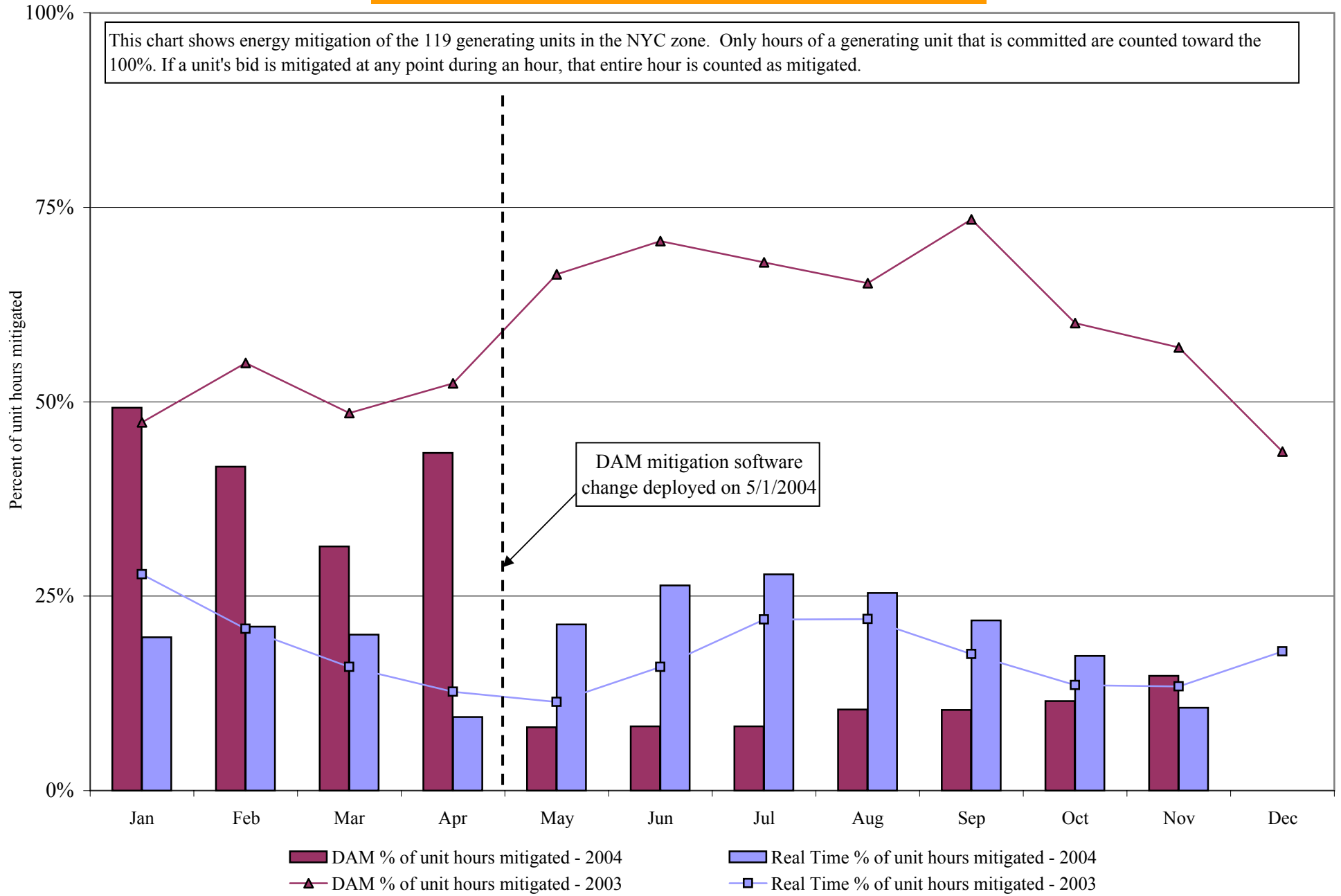
BME* Market

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)

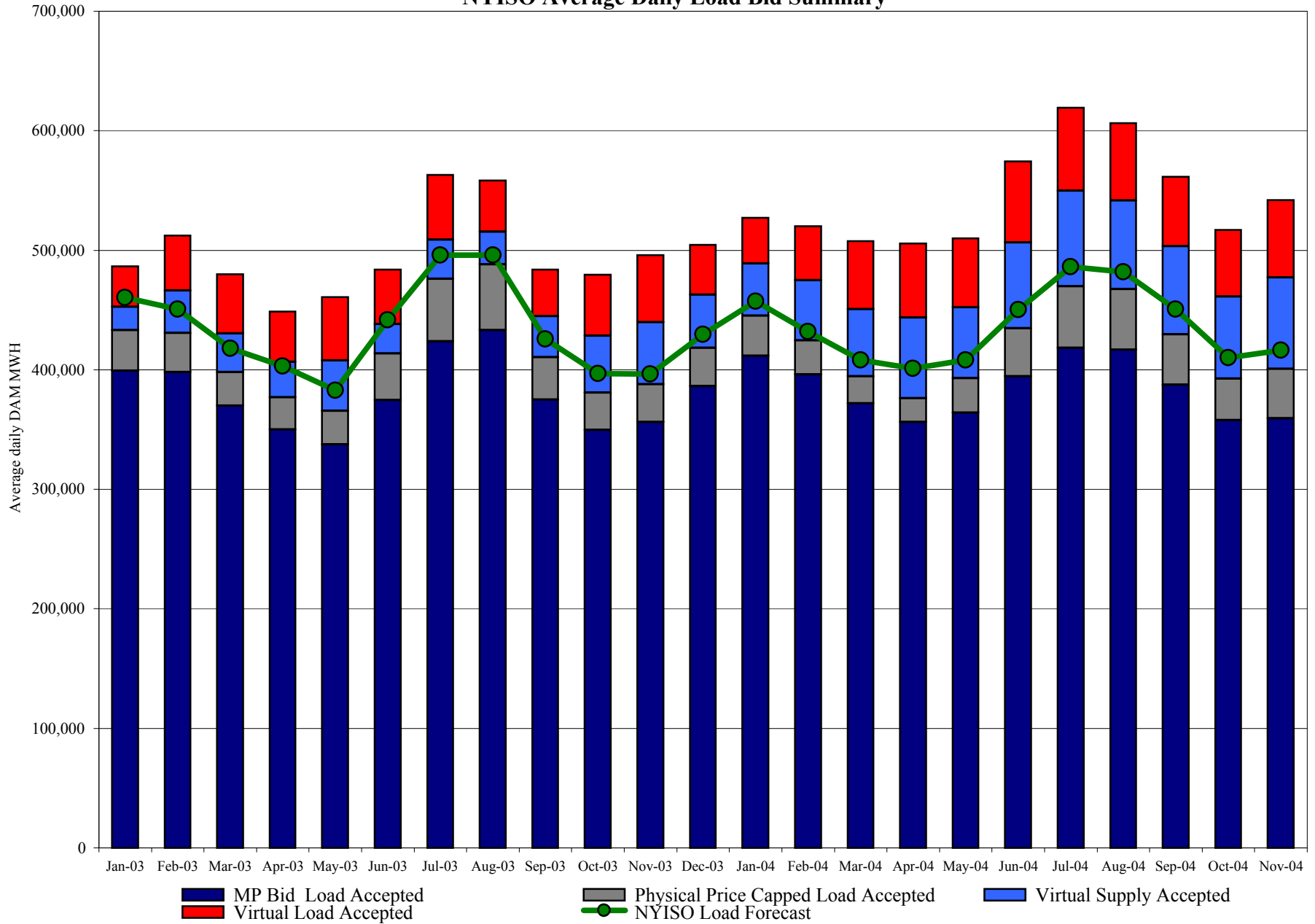
NYISO In City Energy Mitigation (NYC Zone) 2003-2004

Percentage of committed unit-hours mitigated

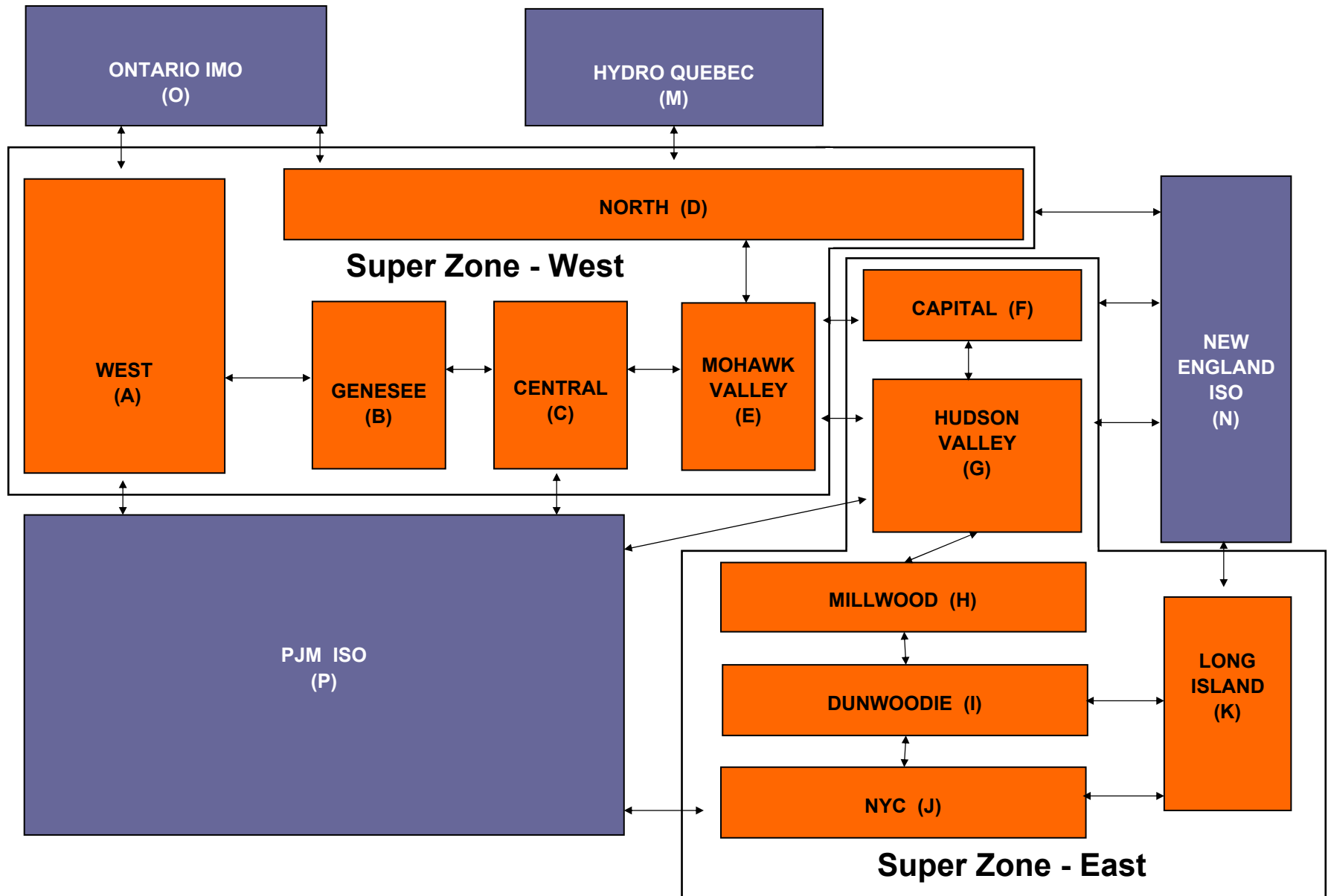


4-Y


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)
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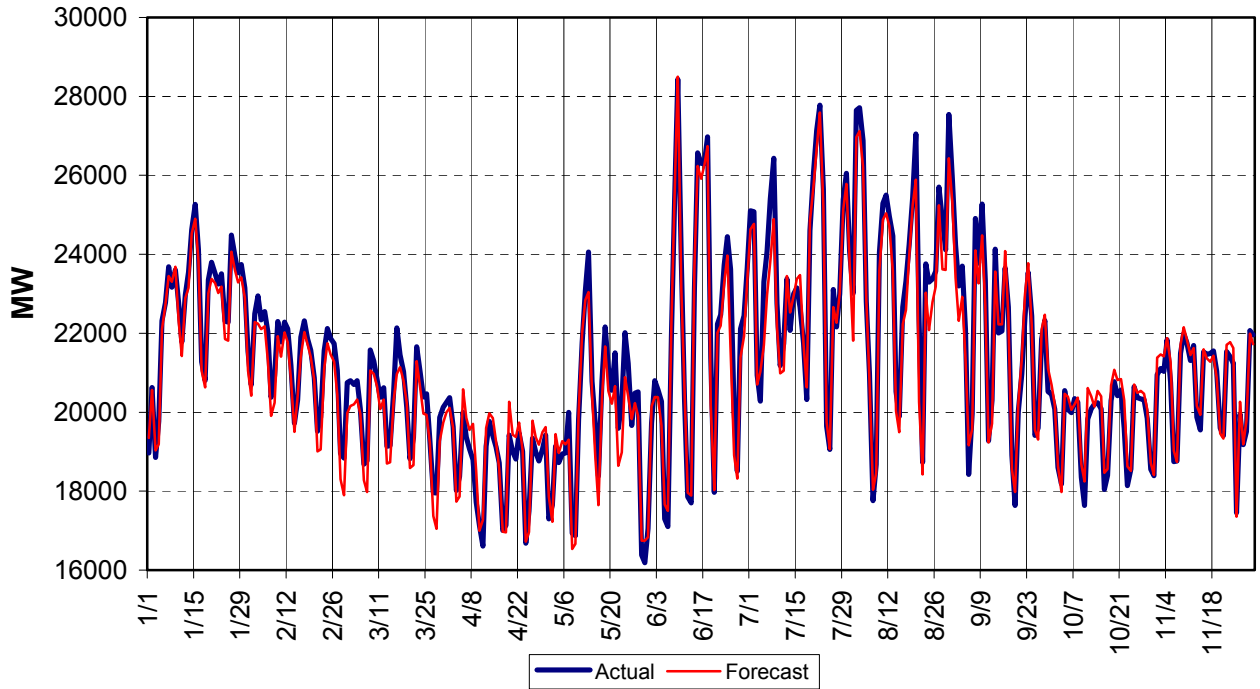
MARKET GATEWAY GOAL

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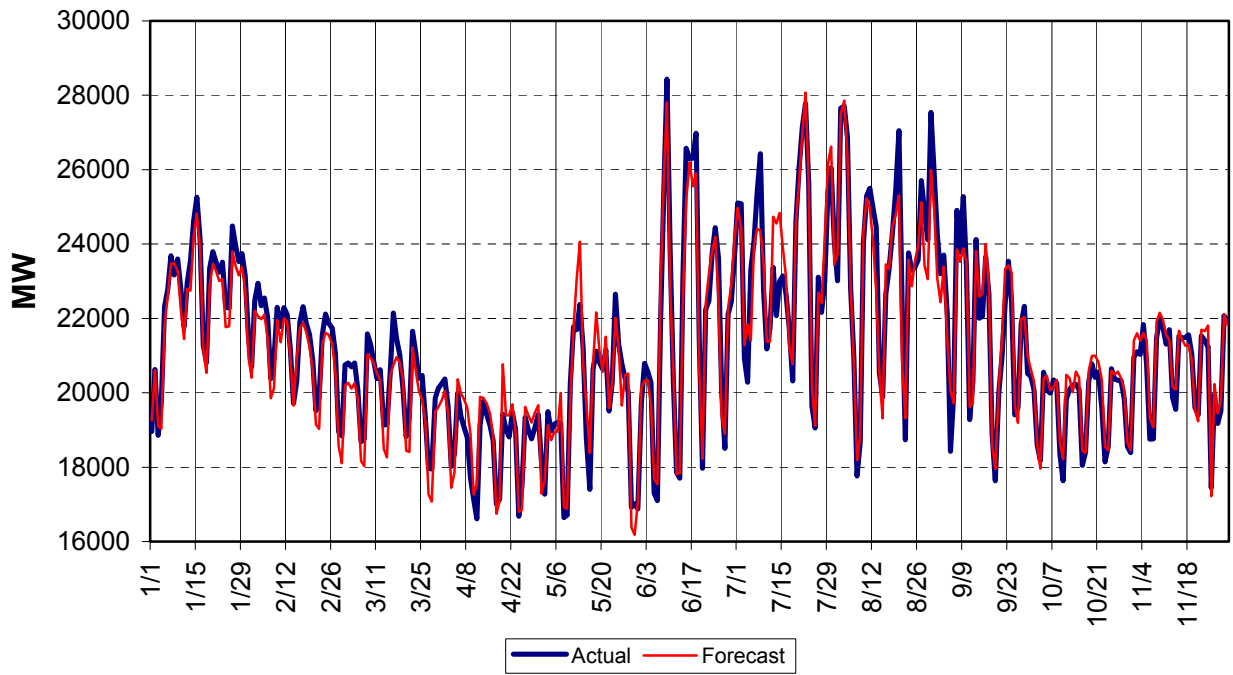
Goal Values

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	 Submitted 5/15 & 8/20	7/1/04 12/1/04	6/1/04 11/1/04	5/15/04 10/1/04
4. Comply with NERC/NAERO Operating Standards a. CPS-2: b. Disturbance Control Standards (DCS):	 11/11 months Nov. – 96.49  11/11 months	10 of 12 months 10 of 12 months	12 of 12 months 11 of 12 months	-- 12 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:	 335/335 postings  November – 99.93%  5 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	366/366 postings 12 of 12 months 1 occurrence of 1-4 hours
6. Improve the certainty and accuracy of Real-Time prices: a. Hours reserved: b. Intervals corrected:	 Through November – 7.19%  1.16%	<= 12% <= 0.6%	<= 10% <= 0.5%	<= 8% <= 0.4%
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)	 9/11 months (12/03-11/04)  --  42 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	12 of 12 months Finalize test schedule & replacement with meter authorities 30 B-Ds
8. Improve Customer Satisfaction with NYISO services as determined via surveying three times annually (average baseline score: 6.397)	 July survey: 6.732; Weighted YTD: 6.738	Score of >= 6.525	Score of >= 6.653	Score of >= 6.781
9. Project execution (weighted 20%) a. 1) Project Management – Scheduling 2) Project Management - Costs b. SMD2	 9 projects qualified – 0 miss (sch);  1 miss (cost) 	3 misses 3 misses 11/16	2 misses 2 misses 10/12	<=1 miss <=1 miss --

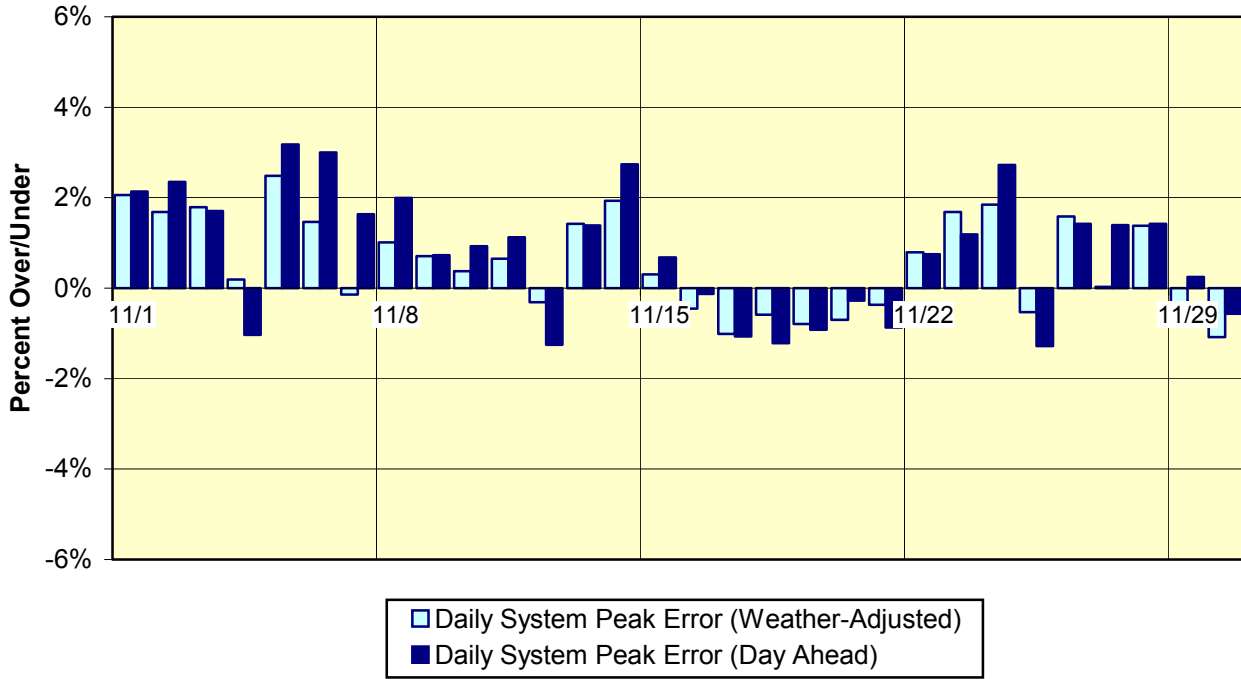
**NYISO Daily Peak Load
Actual vs. Weather-Adjusted Forecast**



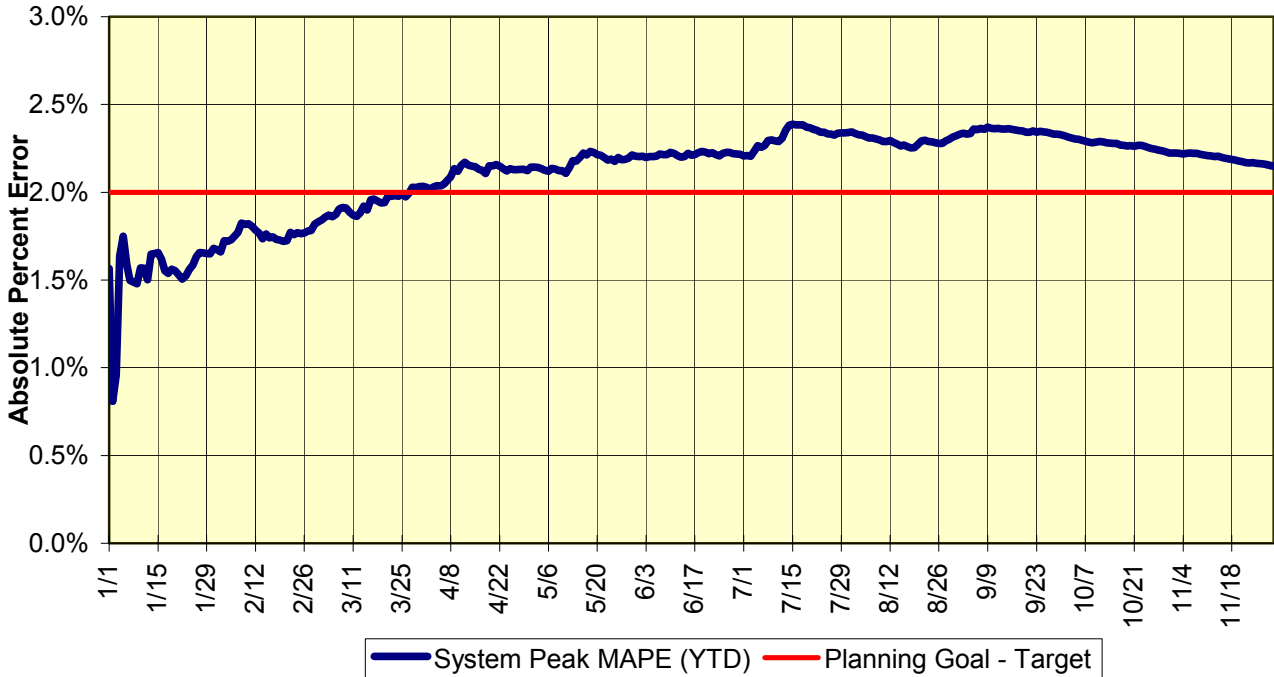
**NYISO Daily Peak Load
Actual vs. Forecast**



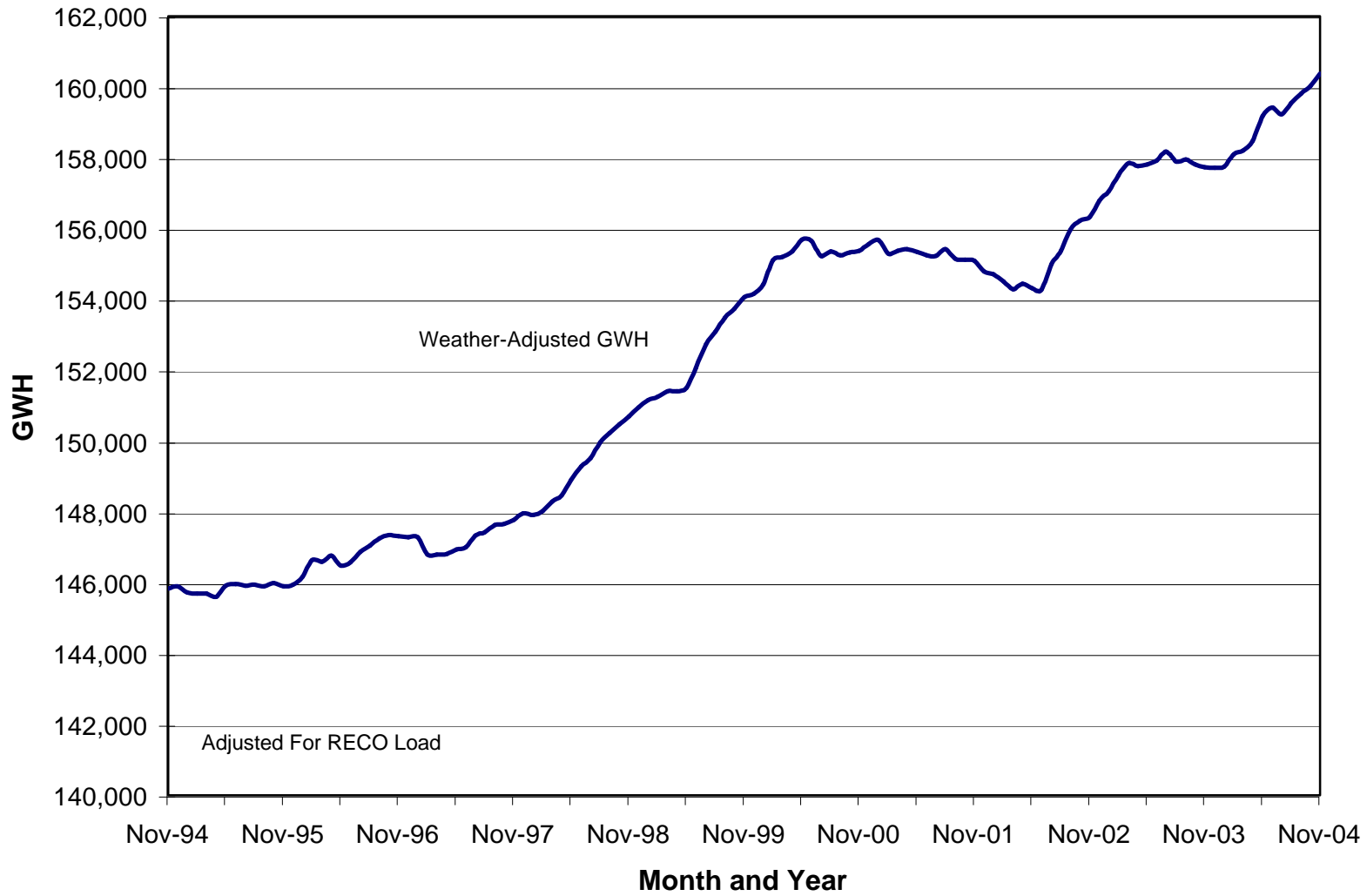
Day-Ahead Forecast Daily Forecast Errors of System Peak November, 2004



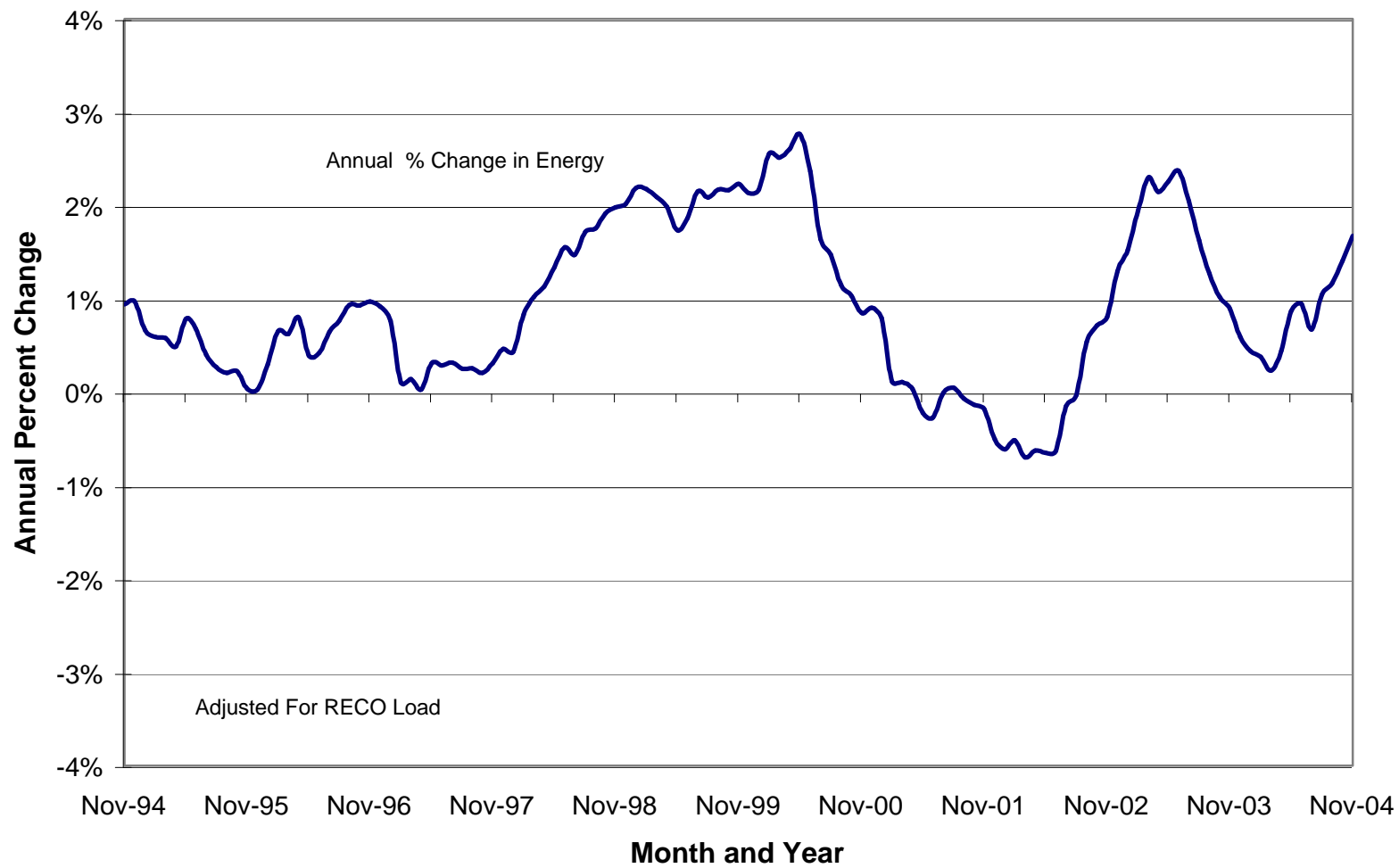
Day-Ahead Forecast Cumulative Performance - Daily System Peak 2004 Year-to-Date



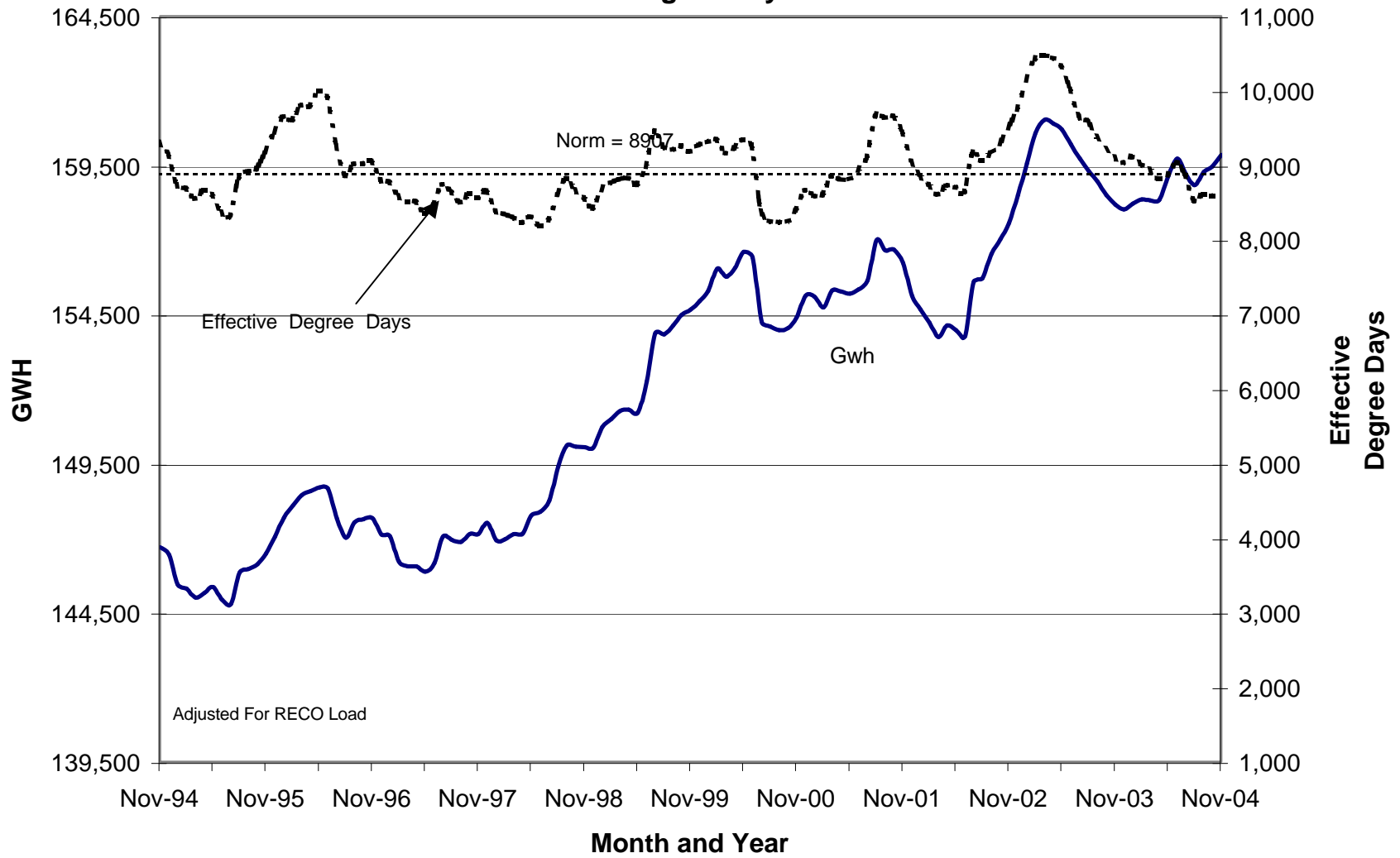
Plot Of 12 Month Moving Total Of NYCA Weather Adjusted Energy Sendout



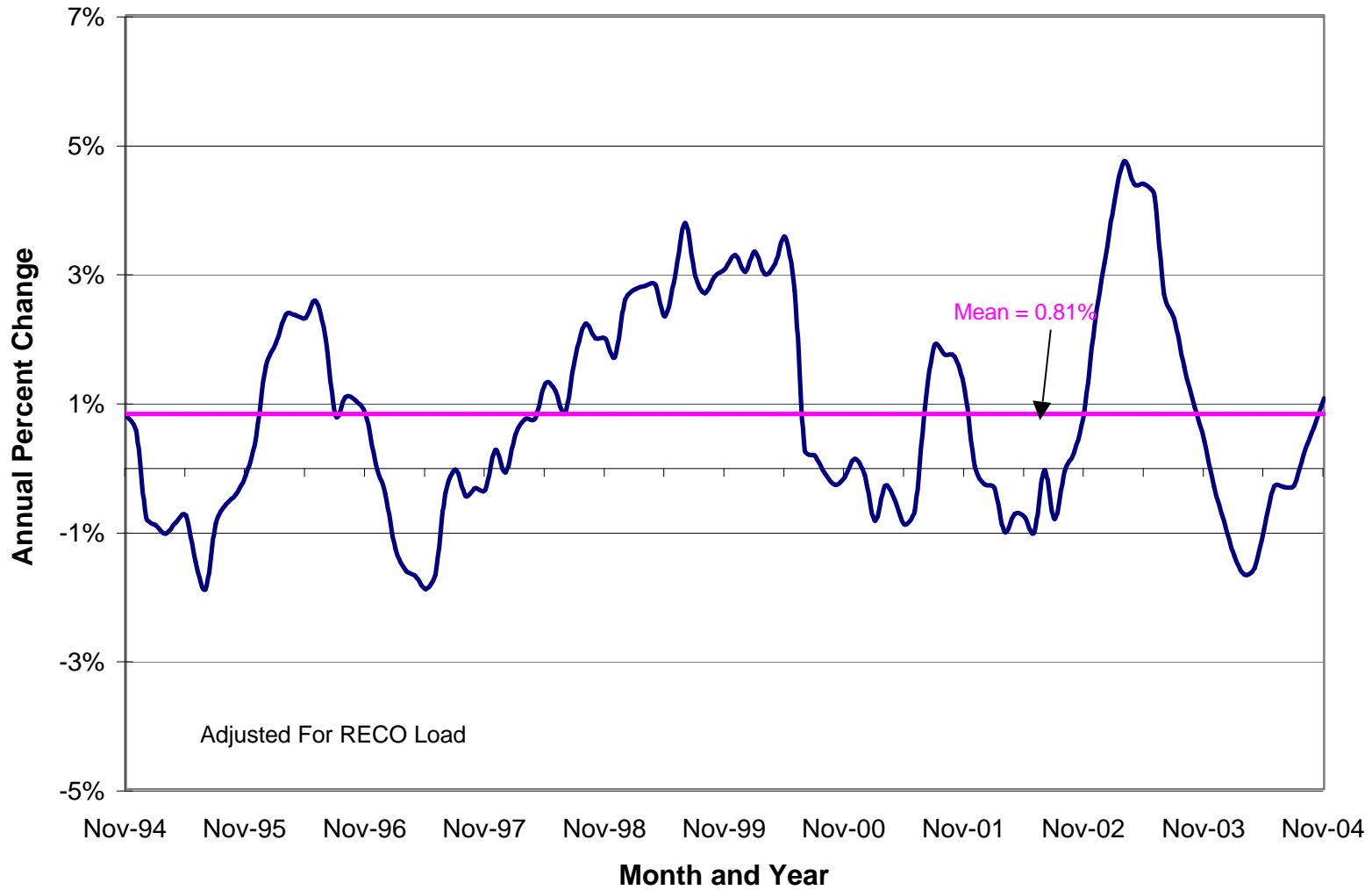
Plot Of Weather Adjusted 12 Month Moving Total Energy Sendout Annual Percent Change



**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 November 2004

- Nov. 1, 2004 Multiple third party filings of comments regarding the NYISO compliance filing concerning cost allocation for new interconnection facilities (EL02-125-002)
- Nov 5, 2004 NYISO filing of a request for an extension of time to answer the Keyspan complaint v NYISO regarding the 2002 ICAP/UCAP translation (EL05-17-000)
- Nov. 8, 2004 NYISO filing of combined cycle modeling quarterly report as proposed by NYISO in its request for rehearing regarding changes made to software modeling requirements and market rules (ER04-230-002/003/004/005, ER01-3155-005, ER01-1385-014, EL01-45-013)
- Nov. 9, 2004 ISO/RTO Council filing of comments regarding the FERC NOI concerning financial reporting requirements for ISOs and RTOs (RM04-12-000)
- Nov. 10, 2004 NYISO filing of an answer to comments regarding its interconnection cost allocation rule compliance filing (EL02-125-002)
- Nov. 15, 2004 Third party filing of answer to NYISO's compliance filing regarding OATT Attachment S (EL02-125-002)
- Nov. 16, 2004 Multiple third party filings of motions to intervene regarding the Keyspan complaint v NYISO concerning the 2002 ICAP/UCAP translation (EL05-17-000)
- Nov. 18, 2004 NYISO filing of its first informational status report on training seminars between NYISO and Con Edison regarding facilitation of data exchanges between the parties (EL02-125-000/001)
- Nov. 19, 2004 NYISO response to FERC request for an external list of ICAP providers
- Nov. 19, 2004 Third party filing of motion to intervene regarding NYISO's 10/29/04 filing of response to FERC deficiency letter (ER04-1144-001)
- Nov. 19, 2004 Multiple third party filings of motions to intervene regarding the NYISO filing requesting an extension of the voltage support service charge for 2005 (ER05-119-000)
- Nov. 22, 2004 NYISO filing of answer to 10/27/04 Keyspan complaint regarding 2002 ICAP/UCAP translation (EL05-17-000)
- Nov. 22, 2004 Multiple third party filings of motions to intervene regarding 10/27/04 Keyspan complaint v NYISO concerning the 2002 ICAP/UCAP translation (EL05-17-000)
- Nov. 30, 2004 NYISO compliance filing of credit policy report on creditworthiness issues and its progress through the stakeholder process (ER03-552-002, ER03-984-008)

NYISO Related FERC Orders November 2004

- Nov. 1, 2004 FERC notice granting NYISO, et. al., an extension of time until 1/18/05 to file operating protocols for power transfers under certain contested transmission service contracts between two third parties
(EL02-23-003)
- Nov. 3, 2004 FERC order conditionally accepting elimination of through and out charges between ISO-NE and NYISO as well as accepting compliance filings and granting rehearing to ISO-NE regarding the establishment of a regional transmission organization
(RT04-2-001/002/003/004, EL01-39-001/002/003/004, ER04-943-000, ER05-3-000)
- Nov. 12, 2004 FERC notice granting NYISO's request for an extension of time to respond to a third party complaint regarding the 2002 ICAP/UCAP translation
(EL05-17-000)
- Nov. 15, 2004 FERC order accepting Rate Schedule 1 tariff revisions regarding the 80% Load/20% Supply allocation for five years
(ER04-1229-000)
- Nov. 17, 2004 FERC order denying NYISO's request for vacating arbitration award and rehearing and ordering recalculation of amount due Dynegy, payment to Dynegy, and filing of a refund report and revised Technical Bulletin or Tariff
(EL03-26-000/001/002)
- Nov. 19, 2004 FERC order clarifying the policy statement on credit-related issues for electric OATT transmission owners, ISO, and RTOs
(PL05-3-000)
- Nov. 22, 2004 FERC letter order accepting NYISO's tariff revisions regarding a virtual regional dispatch pilot program
(ER04-1263-000)

NYISO Management Committee Meeting

November 10, 2004

Albany, NY

MOTION FROM THE MEETING

Motion #1:

Motion to approve the Minutes from the October 1, 2004 and October 14, 2004 MC meetings.

(Motion passed unanimously by show of hands with abstentions)

Motion #2:

The Management Committee (MC) recommends that the Board of Directors approve the proposed Rate Schedule #1 Revenue Requirement Budget of \$129.0M for the 2005 budget year as described in the presentation materials for the October 14, 2004 and November 10, 2004 Management Committee meetings. This budget represents the funding level required to meet NYISO's key objectives and projects scheduled for 2005 while staying within the 2005 target budget. Approval of the budget is subject to the understanding that any proposal for the acquisition of NYISO facilities will be submitted to the Management Committee for approval. The Management Committee also recommends that the Revenue Requirement Budget of \$129.0M be subject to the following provisions:

- a. **Cash Expenditures** – Total amount of budgeted cash expenditures should be \$149.9 million or less.
- b. **Rate Schedule #1** – The budgeted rate schedule 1 charges should be maintained at equal to or less than 0.788 \$/MWH.
- c. **Debt Payment** – If a budget under run occurs, the under run should be reserved for paying down the principal of outstanding debt. This policy should apply for the five-year duration of the 2004 financing.
- d. **Expenditures for Insurance** – Recommend that Board consider eliminating Credit Insurance expenditures in light of current ISO credit policy.
- e. **Reduce Consultant Costs** – Move forward on conversion of LECG price validation efforts to internal resources in 2005 (addition of 4 TEs at \$0.4M could offset \$0.3M in LECG costs in 2005; savings for LECG costs in 2006 would be \$0.7M)
- f. **Obligation for Repayment** – In approving the 2005 budget, the Management Committee acknowledges and agrees that the cost of financing (i) the funds expended on 2003 projects, and (ii) the funds expended on 2004 projects must be repaid in the future NYISO budgets that cover the relevant amortization periods.

(Motion passed by majority show of hands)

Motion #3:

The Management Committee requests NYISO staff to inform the FERC of the conclusions and recommendations contained in this presentation and advise the FERC that it is deferring the schedule for implementing a physical self supply option. The Committee also recommends that the NYISO further inform the FERC that the NYISO may be making a filing in the third quarter of 2005 addressing the implementation of a physical self-supply option in New York's markets or the implementation of alternative market mechanisms.

(Motion passed unanimously by show of hands with abstentions)

* The Management Committee elected Jerry Ancona, to fill the Vice Chair position for December 2004 through November 2005.

(Mr. Ancona was elected MC Vice Chairperson by ballot with 76.75% affirmative votes)

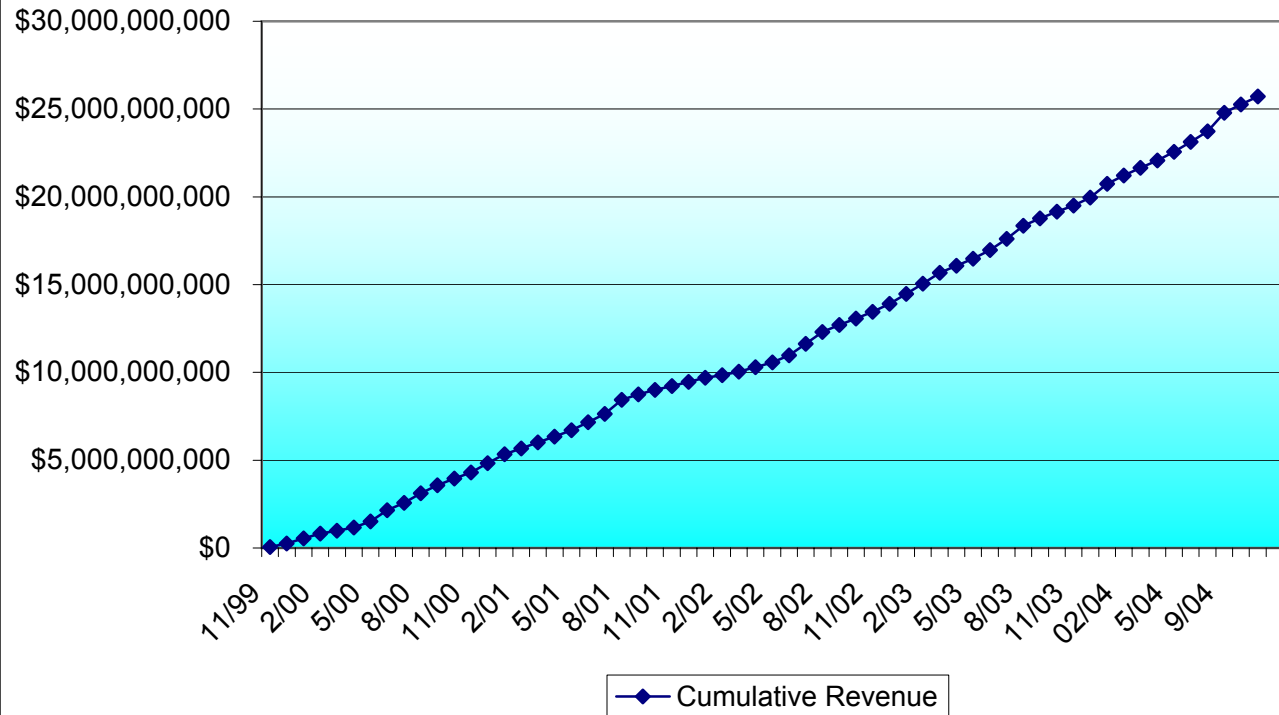


2004 BUDGET VS. ACTUAL VARIANCES

(dollar amounts in thousands)

	YTD through November 2004			
	Budget	Actuals	\$ Var.	% Var.
Capital Assets	\$ 16,642	\$ 9,451	\$ (7,191)	-43%
Salaries & Benefits	40,183	38,130	(2,053)	-5%
Consultants	23,069	21,934	(1,135)	-5%
Legal	5,500	5,300	(200)	-4%
Building Services	3,220	3,695	475	15%
Computer Services	18,260	25,443	7,183	39%
Insurance	7,070	5,950	(1,120)	-16%
Telecommunications	2,635	4,111	1,476	56%
Board of Directors	848	734	(114)	-13%
Meetings, Travel, Training	2,660	2,416	(244)	-9%
NPCC Fees	1,398	1,381	(17)	-1%
FERC Fees	7,333	4,869	(2,464)	-34%
Debt Service & Bank Fees	25,240	24,304	(936)	-4%
TOTAL BUDGET SPENDING	\$ 154,059	\$ 147,718	\$ (6,341)	-4%
Less: Miscellaneous Revenues	(976)	(986)	(10)	1%
Less: Net Proceeds from Bank Financing	(42,000)	(42,000)	0	0%
Plus: Interest on 2004 Bank Financing	1,004	365	(639)	64%
EQUALS: Funds Needed via RS#1	\$ 112,087	\$ 105,097	\$ (6,990)	-6%
COMPARED TO: Funds Received via RS#1			(1,730)	
EQUALS: Total Due (to)/from Market Participants			\$ (8,720)	

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	Final Bill Challenge	TU TOTAL	% OF TU			
Nov-99	\$ 41,914,277	\$ -	\$ 4,601,583	11%	\$ 1,653,001	4%	\$ 435,491	1%	\$ 6,690,076	16%	
Dec-99	\$ 133,158,638	\$ -	\$ 9,535,988	7%	\$ 1,707,927	1%	\$ 3,510,999	3%	\$ 14,754,914	11%	
Jan-00	\$ 217,994,281	\$ -	\$ 13,514,891	6%	\$ 6,139,030	3%	\$ 3,934,882	2%	\$ 23,588,803	11%	
Feb-00	\$ 186,799,918	\$ -	\$ 13,029,978	7%	\$ 1,518,328	1%	\$ 3,133,700	2%	\$ 17,682,007	9%	
Mar-00	\$ 124,028,665	\$ -	\$ -	0%	\$ 889,309	1%	\$ 24,987,775		\$ 25,877,084	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	\$ 396,610,584	\$ 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%	\$ 12,629,292	5%
Apr-01	\$ 231,563,601	\$ 11,382,682	5%	\$ 2,133,766	1%	\$ 890,456	0%	\$ 658,768	0%	\$ 15,065,671	7%
May-01	\$ 258,524,171	\$ 16,241,860	6%	\$ 9,994,318	4%	\$ 1,825,702	1%	\$ 1,368,697	1%	\$ 29,430,577	11%
Jun-01	\$ 295,777,209	\$ 15,607,316	5%	\$ 4,491,251	2%	\$ 1,542,666	1%	\$ 1,187,881	0%	\$ 22,829,115	8%
Jul-01	\$ 331,328,591	\$ 12,637,804	4%	\$ 1,772,024	1%	\$ 1,625,857	0%	\$ 1,603,042	0%	\$ 17,638,727	5%
Aug-01	\$ 569,513,449	\$ 15,344,918	3%	\$ 3,305,630	1%	\$ 4,545,234	1%	\$ 4,801,994	1%	\$ 27,997,775	5%
Sep-01	\$ 193,119,838	\$ 6,492,345	3%	\$ 1,089,635	1%	\$ 2,225,022	1%	\$ 689,003	0%	\$ 10,496,005	5%
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%	\$ 10,894,880	6%
Apr-02	\$ 227,372,883	\$ 8,763,681	4%	\$ 799,348	0%	\$ 1,412,591	1%	\$ 3,012,033	1%	\$ 13,987,653	6%
May-02	\$ 193,153,839	\$ 4,859,821	3%	\$ 1,976,821	1%	\$ 1,470,091	1%		\$ 8,306,733	4%	
Jun-02	\$ 243,510,171	\$ 10,447,096	4%	\$ 2,158,556	1%	\$ 1,668,758	1%		\$ 14,274,410	6%	
Jul-02	\$ 423,363,985	\$ 14,296,715	3%	\$ 3,381,899	1%	\$ 2,954,088	1%		\$ 20,632,701	5%	
Aug-02	\$ 417,275,164	\$ 10,037,896	2%	\$ 2,592,885	1%	\$ 2,379,757	1%		\$ 15,010,539	4%	
Sep-02	\$ 254,643,037	\$ 8,336,608	3%	\$ 3,209,330	1%	\$ 634,667	0%		\$ 12,180,605	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%	\$ 1,494,349	1%				\$ 8,889,601	3%	
May-03	\$ 248,638,313	\$ 5,874,403	2%	\$ 1,274,495	1%				\$ 7,148,897	3%	
Jun-03	\$ 300,747,684	\$ 7,396,478	2%	\$ 1,361,206	0%				\$ 8,757,684	3%	
Jul-03	\$ 418,581,237	\$ 13,132,010	3%	\$ 2,180,703	1%				\$ 15,312,713	4%	
Aug-03	\$ 514,126,607	\$ 13,977,562	3%	\$ 5,647,468	1%				\$ 19,625,030	4%	
Sep-03	\$ 283,123,546	\$ 6,445,812	2%	\$ 2,557,996	1%				\$ 9,003,809	3%	
Oct-03	\$ 245,463,938	\$ 5,837,631	2%	\$ 3,752,128	2%				\$ 9,589,759	4%	
Nov-03	\$ 216,846,601	\$ 9,096,310	4%	\$ 2,203,489	1%				\$ 11,299,799	5%	
Dec-03	\$ 267,418,382	\$ 11,239,879	4%						\$ 11,239,879	4%	
Jan-04	\$ 505,153,722	\$ 27,322,738	5%						\$ 27,322,738	5%	
Feb-04	\$ 312,550,760	\$ 13,321,219	4%						\$ 13,321,219	4%	
Mar-04	\$ 300,111,357	\$ 8,890,522	3%						\$ 8,890,522	3%	
Apr-04	\$ 275,622,576	\$ 8,934,404	3%						\$ 8,934,404	3%	
May-04	\$ 325,883,910	\$ 16,064,781	5%						\$ 16,064,781	5%	
Jun-04	\$ 352,125,882	\$ 12,814,776	4%						\$ 12,814,776	4%	
Jul-04	\$ 381,996,419	\$ 13,324,077	3%						\$ 13,324,077	3%	
SUBTOTAL	\$ 16,069,149,742	\$ 484,107,620	\$ 265,355,372	\$ 95,631,994	\$ 50,370,235		\$ 906,480,297	6%			
Aug-04	\$ 376,111,219										
Sep-04	\$ 308,607,881										
Oct-04	\$ 339,657,358										
Nov-04	\$ 334,355,479										
GRAND TOTAL	\$ 17,427,881,678	\$ 484,107,620	\$ 265,355,372	\$ 95,631,994	\$ 50,370,235		\$ 906,480,297	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	Final Bill Challenge	TU TOTAL	% OF TU			
Nov-99	\$ 35,518,827	\$ -	\$ 4,367,509	12%	\$ 1,679,571	5%	\$ 490,908.55	1%	\$ 7,385,458	21%	
Dec-99	\$ 102,079,272	\$ -	\$ 8,340,216	8%	\$ 1,696,026	2%	\$ 3,616,444.38	4%	\$ 22,876,134	22%	
Jan-00	\$ 183,037,026	\$ -	\$ 12,925,858	7%	\$ 6,158,187	3%	\$ 3,940,531.33	2%	\$ 32,697,224	18%	
Feb-00	\$ 185,282,663	\$ -	\$ 12,448,203	7%	\$ 1,547,338	1%	\$ 3,133,334.38	2%	\$ 25,036,185	14%	
Mar-00	\$ 122,503,213	\$ -	\$ -	0%	\$ 1,160,468	1%	\$ 25,013,672		\$ 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%	\$ 5,523,743	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%	\$ 796,715	0%	\$ 14,489,543	6%
Apr-01	\$ 223,148,288	\$ 11,261,833	5%	\$ 2,545,748	1%	\$ 891,614	0%	\$ 658,557	0%	\$ 15,357,752	7%
May-01	\$ 250,351,122	\$ 16,266,662	6%	\$ 10,011,715	4%	\$ 1,839,840	1%	\$ 1,380,341	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%	\$ 22,577,694	8%
Jul-01	\$ 319,423,484	\$ 13,300,599	4%	\$ 2,091,582	1%	\$ 1,642,515	1%	\$ 1,592,304	0%	\$ 18,627,000	6%
Aug-01	\$ 554,917,297	\$ 15,292,776	3%	\$ 3,690,366	1%	\$ 4,308,889	1%	\$ 4,797,469	1%	\$ 28,089,500	5%
Sep-01	\$ 182,063,076	\$ 6,493,353	4%	\$ 1,429,526	1%	\$ 2,218,595	1%	\$ 688,997	0%	\$ 10,830,471	6%
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%	\$ 10,876,406	7%
Apr-02	\$ 222,151,382	\$ 8,779,909	4%	\$ 832,067	0%	\$ 1,398,781	1%	\$ 2,982,051	1%	\$ 13,992,808	6%
May-02	\$ 183,815,292	\$ 4,546,883	2%	\$ 1,976,201	1%	\$ 1,460,993	1%			\$ 7,984,076	4%
Jun-02	\$ 246,221,592	\$ 10,434,484	4%	\$ 2,155,248	1%	\$ 1,657,710	1%			\$ 14,247,443	6%
Jul-02	\$ 409,240,558	\$ 14,528,756	4%	\$ 3,375,870	1%	\$ 2,925,935	1%			\$ 20,830,561	5%
Aug-02	\$ 404,158,825	\$ 10,211,707	3%	\$ 2,426,894	1%	\$ 2,366,605	1%			\$ 15,005,205	4%
Sep-02	\$ 243,973,745	\$ 8,363,796	3%	\$ 3,174,497	1%	\$ 639,930	0%			\$ 12,178,222	5%
Oct-02	\$ 248,659,897	\$ 5,971,255	2%	\$ 1,740,455	1%			\$ 2,130,811	1%	\$ 9,842,521	4%
Nov-02	\$ 243,580,981	\$ 5,477,164	2%	\$ 1,818,673	1%			\$ 2,336,086	1%	\$ 9,631,923	4%
Dec-02	\$ 288,570,651	\$ 8,221,256	3%	\$ 1,368,392	0%			\$ 2,029,091	1%	\$ 11,618,739	4%
Jan-03	\$ 386,692,211	\$ 9,867,267	3%	\$ 2,071,685	1%			\$ 1,195,113	0%	\$ 13,134,066	3%
Feb-03	\$ 407,240,054	\$ 12,015,097	3%	\$ 2,443,568	1%			\$ 1,185,813	0%	\$ 15,644,478	4%
Mar-03	\$ 415,026,752	\$ 9,888,707	2%	\$ 1,259,304	0%			\$ 1,773,369	0%	\$ 12,921,381	3%
Apr-03	\$ 278,826,241	\$ 7,393,788	3%	\$ 1,500,815	1%					\$ 8,894,603	3%
May-03	\$ 238,359,528	\$ 5,856,019	2%	\$ 1,306,262	1%					\$ 7,162,280	3%
Jun-03	\$ 289,166,413	\$ 7,355,535	3%	\$ 1,414,076	0%					\$ 8,769,611	3%
Jul-03	\$ 404,807,368	\$ 13,029,763	3%	\$ 2,317,535	1%					\$ 15,347,298	4%
Aug-03	\$ 494,075,742	\$ 14,065,141	3%	\$ 5,660,852	1%					\$ 19,725,993	4%
Sep-03	\$ 271,779,605	\$ 6,246,294	2%	\$ 2,794,469	1%					\$ 9,040,763	3%
Oct-03	\$ 234,334,309	\$ 5,816,672	2%	\$ 4,098,476	2%					\$ 9,915,148	4%
Nov-03	\$ 206,281,555	\$ 9,061,998	4%	\$ 2,232,300	1%					\$ 11,294,298	5%
Dec-03	\$ 275,110,914	\$ 11,168,245	4%							\$ 11,168,245	4%
Jan-04	\$ 491,534,651	\$ 27,111,865	6%							\$ 27,111,865	6%
Feb-04	\$ 300,622,192	\$ 13,327,763	4%							\$ 13,327,763	4%
Mar-04	\$ 287,880,497	\$ 8,899,159	3%							\$ 8,899,159	3%
Apr-04	\$ 264,840,195	\$ 8,937,893	3%							\$ 8,937,893	3%
May-04	\$ 313,585,273	\$ 16,100,585	5%							\$ 16,100,585	5%
Jun-04	\$ 338,972,977	\$ 12,836,727	4%							\$ 12,836,727	4%
Jul-04	\$ 367,658,032	\$ 13,335,550	4%							\$ 13,335,550	4%
SUBTOTAL	\$ 15,458,497,327	\$ 430,759,940	3%	\$ 269,021,311	2%	\$ 92,125,202	1%	\$ 50,464,227	0%	\$ 943,577,151	6%
Aug-04	\$ 362,031,970										
Sep-04	\$ 296,158,297										
Oct-04	\$ 328,459,749										
Nov-04	\$ 323,103,189										
GRAND TOTAL	\$ 16,768,250,533	\$ 430,759,940		\$ 269,021,311		\$ 92,125,202		\$ 50,464,227		\$ 943,577,151	

NYISO Projects Portfolio Status Report November 2004

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

A725 2004 SAS 70 Type 2 Audit

- KPMG auditing NYISO Bid-to-Bill process – progress continues.
- Audit scope period ends December 31st.
- Designated as “exempt” priority meaning that resources are made available when and as needed to support the audit.

A573 SMD 2.0 Internal NYISO System Implementation

- Market Information System (MIS) is in Phase E - Project System Operation/Functional Test Phase.
- Billing and Accounting System (BAS) is in Phase E - Project System Operation/Functional Test Phase.
- Performance Tracking System (PTS) is in Phase E - Project System Operation/Functional Test Phase.
- Price Verification is in Phase E - Project System Operation/Functional Test Phase.
- Market Monitoring and Reporting Database (MMRD) Replacement is in Phase E - Project System Operation/Functional Test Phase.
- Probe support is in Phase E - Project System Operation/Functional Test Phase.
- The Load Forecaster is in Phase E - Project System Operation/Functional Test Phase.

A574 SMD 2.0 ABB System Implementation Support

- The SMD2 project team completed all identified readiness tasks necessary to support the cut-over to SMD2 on December 1, 2004.
- Included in this readiness plan were milestones for software development, internal user acceptance testing, Quality Assurance testing of NYISO and ABB software, third party validation of market software results, review of departmental procedures, and review and closure of Market Participant reported issues.
- During the course of the Market Participant readiness review, a number of MPs expressed concern that a cut-over to SMD2 so close to the end of the calendar year could jeopardize the ability of the NYISO and stakeholders to satisfy audit requirements under SAS-70 and / or Sarbanes-Oxley.
- In order to eliminate the audit risk associated with a cut-over so close to the end of the year, the NYISO recommended a delay in the SMD2 deployment to February 1, 2005.
- During the period between December 1, 2004 and February 1, 2005, the SMD2 project team will take advantage of delay by scheduling additional regressions tests and

NYISO Projects Portfolio Status Report November 2004

performing a period of parallel operations between the legacy (current) and SMD2 systems.

- No additional functionality will be added into the scope of the initial SMD2 implementation.

A697 Auto Sys Replacement

- The last of all UAT (user acceptance testing) was officially signed-off. Final testing is being completed. Main testing still to coordinate is an overall site failover of the SMD2 system.

A696 SMD-DAC

- SDAC development has been completed. Final testing of the mapboard from the Ranger side, using Ranger software is being completed. Project team is waiting for a schedule from the Operations group as to when Ranger can be hooked up to the mapboard to run live in parallel with the legacy system.

A667 Scarcity Pricing in SMD

- This project is required for performing Scarcity Pricing calculations in SMD2.
- QA Testing is complete.
- To be deployed with SMD2.

A710 SMD Web Environment

- SMD2's BidPost (marketplace2.nyiso.com) and Upload/Download (bidpost2.nyiso.com) applications have been deployed in final configurations to the SMD2 production environment for use in December parallel operations.
- SMD2's OASIS web postings are complete and available at mis2.nyiso.com. After system cutover, SMD2 postings will be at mis.nyiso.com. Activities have been defined and tested for the consolidation of legacy OASIS data upon the system cutover. The legacy OASIS page has been updated to reflect links for new SMD2 postings and applications.
- SMD2's Control Room Logging application is available for use during parallel operations.
- Scripts for www.nyiso.com's home page alerts (system alerts, system load, scarcity pricing) are being updated to reflect SMD2 data sources.

A709 Reserve Pickup Reporting

- Project to be deployed internally with SMD2. QA testing and integration testing complete.
- Application to be monitored internally for 30 days prior to external rollout.

NYISO Projects Portfolio Status Report November 2004

A577 SMD2 Integration

- The EAI interfaces supporting the Price Verification, Load Forecast, preMGF and DA Operating Plan processes are supporting parallel operations.
- The first phase of the EAI monitoring solution has been deployed to the SMD2 production environments, and will be used to support parallel operations. Documentation to support the training of Computer Operators is being developed, with training scheduled for January 2005. Design and development activities for the second phase (post SMD2) of the EAI monitoring solution are underway.

A729 MIS / BAS Cluster and Site Failover

- Failover includes hardware mirror for MIS/LF & BAS/HIST, DataGuard for MIS/LF & Oracle Forms failover.
- All Production and QA systems configured for dataguard.
- Project is complete. Failover testing is being conducted by the SMD2 team.

A690 Grouped Units

- QA Testing in Legacy Environment Complete.
- Legacy deployment cancelled.
- Legacy testing complete. Testing in progress in SMD environment. MP training to be scheduled in January.

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 StatusA600 – Open Billing Issues Status			
Number of Open Issues Needing Work	11/24/2004	10/27/2004	5/26/2004
Total Goal 7 Issues	7	6	2
Total Non-Goal 7 Issues	4	3	5
Total Issues	11	9	7

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

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.

NYISO Projects Portfolio Status Report November 2004

- 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.

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.

A689 Store Intermediate Billing Calculation Data

- The project is currently on hold.

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.

A619 Controllable Tie Lines Scheduling & Pricing

- Design phase completed on 12/1/2004. Development phase in progress.
- On target to deploy after SMD2 for summer 2005.

A707 Process to Enhance the Settlement Cycle

- Project requirements are currently being defined.

A675 Billing Simulator

- Major Accomplishment this week was completion of testing for Use Case 53 Day Ahead Margin Assurance.
- Code Readiness V1.0 - Operational on hardware located at the PCC - bugs identified during testing are being addressed by the NYISO Team QA Testing - On-going approximately 90% complete
- Final Bill - The Project has primarily been focusing on readiness for Final Bill support.
- DSS Interface- The team has started to work with the DSS team to do complete integration testing in an effort to get the 6-10pm prod runtime restriction lifted. In addition we have been working with Michele Armstrong/Brian Dougherty to tune the Billing Simulator performance. Target completion is 11/15

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- SMD2 readiness - Discussion have begun and it is believed that the impact on the phase one use cases will be minimal. Matt Tunny will be formalizing the scope of the work, target completion 11/15.

A708 Consolidate NYISO Offices

- A Present Worth Analysis of the proposed new building is being conducted with USI.
- An Executive Summary and financial presentation is in the final stages of review with Executive Management.
- A final decision is expected after the January Board Meeting.

A724 PCC Modifications – Security

- The Phase III work (outer perimeter security) has been approved and is underway. The asphalt for the additional parking on the South side of the PCC is scheduled to be laid on 12/10 - 12/11.
- The new Digital Messaging System (Target Vision) has been installed and is operational.
- Phase II work (Guard House and Lobby) was completed on 11/2/04. The lobby was opened for business on 11/2. A "Grand Opening" ceremony was held 11/18/04.

A734 Guard Deployment – 24 x 7

- Security stations have been set up at all four NYSIO facilities.
- Guards have been deployed at all facilities.
- With the completion and opening of the Guard House at the PCC on 11/16/04, the security system has been rolled out to all four NYISO facilities.
- The project is now in the closing phase.

A737 Migration to New Facility

- Advisory committees have been identified to break down the work of the migration and develop a detailed plan.
- Work has been put on hold pending the decision/priority of where the new facility will be located.

A739 Capital Improvements at PCC in Guilderland

- A preliminary report has been written identifying possible modifications to be made.

A649 Oracle Financials 9i Upgrade

- This project includes upgrading the Oracle Financials application to 11i, upgrading the database to 9i, and moving application & data to new hardware.
- Approval received for proceeding with the project, targeting Q1 2005 production implementation.
- Solution Beacon consultant was onsite for 4 weeks completing the first test upgrade. Test upgrade #2 is in progress.

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- User testing to begin 12/15.

A732 Oracle Forms Upgrade to 6i

- FRS approved.
- Project deployed on 11/09/04

A658 Facilitated Checkout

- ISO-NE checkout service deployed to production in late May (now available for NYISO production use).
- ISO-NE now using NYISO checkout service in production checkout application with excellent reviews.
- IMO and HQ plan to have checkout service in production by mid-July.
- Project team working with NYISO Operations to identify a convenient time to deploy Facilitated Checkout display to the NYISO control room (possibly June or July timeframe).

A543 UCAP Market Automation

- Scope changes reviewed and approved. Integration testing in progress. UAT by Resource Reliability in progress.
- Deployment targeted for July 2005.

A541 TCC Online Auction Automation

- Project to resume after TCC audit.

A706 Develop a Virtual Regional Dispatch

- Scope and project requirements/deliverables are not yet defined.

A664 DSS Enhancements V

- Continue implementing changes to load data to staging area multiple times per day
- Continue to work on Business Objects 6i upgrade
- Continue working on SMD2 testing including trial deployments. Working on subzone J & K disaggregation as part of SMD 2 deployment.
- Continue working on Requirements for Sign Convention
- Finalizing DSS 2005 planning
- Continue to support Final Bills Closed out
- Continue to support DSS production system
- Storage is a potential issue. We are expecting to have 16 terrabyte of storage configured the first two weeks of January.

A699 MDEX Enhancements

- Scope and requirements have yet to be fully defined.

**NYISO Projects Portfolio
Status Report
November 2004**

A704 Dialogic Communicator Implementation

- 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.

A740 Documentum - IT Implementation

- Documentum was deployed to SMD and CTS on 9/23/04.
- Loading the SMD2 documents into the Documentum Database was completed 11/10/2004.

A703 SW Development Lifecycle Tools

- Bearing Point was contracted to perform an assessment of SW development lifecycle.

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.

Project ID	Project Description	Priority	Next Deployment	Project Manager	Project Sponsor	Estim Level	Remaining Hours	2005											
								Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1 -- Priority Projects																			
A725	2004 SAS 70 Type 2 Audit	Exempt		RUBIN	BUDD	N/A	N/A												
A573	SMD 2.0 Internal NYISO System Implementation	1	02/01/05	SMITH	CALIMANO & KING	2	6,030												
A574	SMD 2.0 ABB System Impementation Support	1	02/01/05	MILLS	CALIMANO & KING	2	14,860												
A697	AutoSys Replacement	1	Deploy w/ SMD	VETTER	FELL	3	402												
A696	SDAC Replacement	1	Deploy w/ SMD	VETTER	FELL	3	609												
A667	Scarcity Pricing in SMD	1	Deploy w/ SMD	RINALDI	KING	2	109												
A710	SMD Web Environment	1		MILLER	FELL	2	337												
A709	Reserve Pickup Reporting	1	Deploy w/ SMD	RINALDI	CALIMANO	3	278												
A577	SMD 2.0 Integration	1		MILLER	FELL	2	315												
A690	Grouped Units	2	Deploy w/ SMD	RINALDI	DAVIS	2	104												
A600	Open Billing Issues	2		DUFFY	DAVIS	1	2,357												
A630	Automate the Voltage Support Service Corrections	2		JURCZYNSKI	DAVIS	N/A	N/A												
A687	Automate Local Black Start Calculation	2		JURCZYNSKI	DAVIS	N/A	N/A												
A636	85/15 Rate Schedule 1 Split - Phase 1	2		JURCZYNSKI	DAVIS	N/A	N/A												
A689	Store Intermediate Billing Calculation Data	2		JURCZYNSKI	DAVIS	N/A	N/A												
A676	Automate DAM Congestion Shortfall Calculation	2		JURCZYNSKI	DAVIS	N/A	N/A												
A619	Controllable Tie Lines Scheduling and Pricing	3		FITTS	CALIMANO	2	5,293												
A707	Process to Enhance the Settlement Cycle	4		JURCZYNSKI	DAVIS	N/A	N/A												
A675	Billing Simulator	5		PELUSO	FELL	1	878												
A708	New NYISO Facility	6		FARNEY	RAGOGNA	N/A	N/A												
A724	PCC Modifications - Security	6	Deployed	FARNEY	RAGOGNA	2	307												
A734	Guard Deployment - 24 x 7	6	Deployed	FARNEY	RAGOGNA	2	23												

Legend
12-B
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	2005																			
								Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb					
2 -- Studies & Training																											
A680	Annual (2003) New York Area Transmission Review	1		COREY	BROWN	2	N/A																				
A037	NYISO/TO Baseline Plan Study - 2001	2		COREY	BROWN	2	N/A																				
A591	Calpine (was SkyGen) Waterford	3	11/02/04	COREY	BROWN	2	N/A																				
A208	NYSEG Solutions So. Glens Falls Expansion (Reimbursable)	4		COREY	BROWN	2	N/A																				
A679	SIS for Liberty Proposed Transmission Expansion	5	04/17/05	COREY	BROWN	2	N/A																				
A682	NYISO Transmission Planning Process	6	01/28/05	COREY	BROWN	2	N/A																				
A692	NYISO-NYSERDA Wind Generation Integration Study	7	01/06/05	COREY	BROWN	2	N/A																				
A726	SRIS for the East Coast Power Linden Gen Expansion Project	8	05/31/05	COREY	BROWN	2	N/A																				
A727	SRIS for the East Coast Power Linden VFT Inter-Tie Project	9	05/31/05	COREY	BROWN	2	N/A																				
A742	SRIS - NM-NGrid Leeds-Pleasant Vly Prj.(Reimbursable)	10	01/03/05	COREY	BROWN	2	N/A																				
A744	SRIS for the Invenergy High Sheldon Windfarm Project	11	01/03/05	COREY	BROWN	2	N/A																				
A745	SRIS for the Summer 2004 Mobile Gen. (Reimbursable)	12	01/03/05	COREY	BROWN	2	N/A																				
A746	SRIS for the ConEd Mott Haven Subst. (Reimbursable)	13	01/03/05	COREY	BROWN	2	N/A																				
A750	Interconnection Request/Invenergy Canisteo Hills	14		COREY	BROWN	2	N/A																				
A751	Interconnection Req/Invenergy-Stamford Wind Proj (RMBP)	15		COREY	BROWN	2	N/A																				
A752	Interconnection Request/AREC-Fairfield Wind Proj (RMBP)	16		COREY	BROWN	2	N/A																				
A753	Interconnection Req/Orion Energy NYII(Mont. Co)(RMBP)	17		COREY	BROWN	2	N/A																				

Legend
12-B
Estimate Level

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 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	2005											
								Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
A754	Interconnection Req/Orion Energy NYI(Herkimer Co)(RMBP)	18		COREY	BROWN	2	N/A	[Green bar]											
A755	Interconnection Req/Orion Energy NYIII(Clinton Co)(RMBP)	19		COREY	BROWN	2	N/A	[Green bar]											
A756	Interconnection Request/AREC - Burke Wind Project (RMBP)	20		COREY	BROWN	2	N/A	[Green bar]											
A758	SRIS-Gotham Power Zerga -Bronx I Project [NEW]	21		COREY	BROWN	2	N/A	[Green bar]											
A759	SRIS - Caithness Bellport Project [NEW]	22		COREY	BROWN	2	N/A	[Green bar]											
A760	SRIS - River Hill Project [NEW]	23		COREY	BROWN	2	N/A	[Green bar]											
A761	Interconnection Req- Pegasus TransCo Niagara Reinforce [NEW]	24		COREY	BROWN	2	N/A	[Green bar]											
A762	Interconnection Req - UPC Wind Canandaigua Wind Farm [NEW]	25		COREY	BROWN	2	N/A	[Green bar]											
A763	Interconnection Req - NY Windpower West Hill Windfarm [NEW]	26		COREY	BROWN	2	N/A	[Green bar]											
A621	Restoration Sensitivity Studies	N/A		WALDELE	CALIMANO	N/A	N/A	[White bar]											
A645	Operations Reactive Study	N/A		WALDELE	CALIMANO	N/A	N/A	[White bar]											
A672	Quebec - New York Interconnection Limit Analysis	N/A		WALDELE	CALIMANO	N/A	N/A	[White bar]											
A673	Athens Generation In-Service Operating Study	N/A		WALDELE	CALIMANO	N/A	N/A	[White bar]											

Legend	12-B	Estimate Level	Duration Based Schedule 
		1 - Class 100 Estimate Based on Concept of Operations	Resource Limited Schedule 
		2 - Class 50 Estimate Based on Functional Requirements Specification	Deployment Milestone 
		3 - Class 10 Estimate Based on Detailed Design	Estimated FRS Completion 
		* - Estimate Through Identified Deployments Only	