

Rate Schedule 1

April, 2000

Summary Statement:

The rate Schedule 1 calculation for the month of April, 2000 is \$. 29 per Megawatt-Hour.

1. Cost Components

	<u>Dollars</u>
Cash balance @ 3/31/00 -----	23,207,438
Provision for November Rebilling -----	(5,216,544)
Provision for April Billing Variables -----	4,600,000
NYISO April Operating Budget -----	(5,032,000)
April Amortization of NYISO Start-Up Costs -----	(914,000)
April NYISO Operating Agreements -----	(200,000)
Provision for December rebilling -----	(5,000,000)
Subtotal	\$11,444,894
Working Capital Requirement	\$15,000,000
Working Capital Shortfall	\$ 3,555,106

2. Rate Derivation : The \$3,555,106 is allocated over an estimated load of 12,395,562 Megawatt-Hours for April, resulting in a rate of \$.29 per Megawatt-Hour.

Explanation of Calculation:

- The \$5,216,544 provision for November rebilling reflects the net cash flow that will result from the November rebilling that was issued on April 11.
- The \$4,600,000 provision for April billing variables is an estimate of the cash expected from certain monthly billing variables, such as bid production cost guarantees. The provision for this amount varies each month, based upon historical experience.
- The \$5,032,000 represents 1/12 of the NYISO's first year operating budget.
- The \$914,000 charge for amortization of NYISO start-up costs reflects the recovery of some \$52.6 million plus interest, over a 60 month period, to reimburse the NYPP Member Systems for costs incurred to create the NYISO. The \$52.6 million is an estimate, and is currently under review by FERC. FERC has, however approved the amortization of these costs at this time.
- The \$200,000 for NYISO Operating Agreements is to cover charges associated with the Con Ed Ramapo Par Agreement, the Rochester Station 80 Agreement and the NYISO/PJM Overuse Agreement.
- The \$5,000,000 provision for December rebilling reflects an estimate of the expected cash flow associated with the December rebilling which is schedule to be issued at the end of April.

The NYISO staff extends its gratitude to all market participants for their continued support and confidence in the New York market, and continued prompt payment of invoices.