

Rate Schedule 1

March, 2000

Summary Statement:

The Rate Schedule 1 calculation for the month of March, 2000 is a credit of \$.71 per Megawatt-Hour; i.e. \$.71 per Megawatt-Hour will be returned to the market in March.

Explanation of Calculation:

Due to an overestimate of funds required to cover uncertainties associated with bid production cost guarantees and other monthly billing variances, the NYISO ended the month of February with a funds flow surplus of \$ 9,900,093.

The surplus of \$9,900,093 is allocated over an estimated load of 13,970,948 Megawatt-Hours for the month of March, resulting in a credit or return to the market of \$.71 per Megawatt-Hour.

Based upon the actual billing results for January 2000 and February 2000, the NYISO has adjusted its forecasted Rate Schedule 1 requirements, for the month of March, in an effort to mitigate future Rate Schedule 1 rebates. The NYISO will continue to adjust its rate Schedule 1 forecasting methodology, as it gains actual billing experience, with a goal of stabilizing RateSchedule 1 to the degree practical.

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.