

**For Immediate Release:**  
January 17, 2007

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## **NYISO Passes Audit Again**

*KPMG certifies the NYISO's Bid-to-Bill process in unqualified opinion.*

Rensselaer, NY – For the fifth straight time, the New York Independent System Operator (NYISO) has passed its SAS 70 Type 2 audit.

In the report, auditor KPMG, LLP, found that the controls the NYISO has in place over its “Bid-to-Bill” process were complete, accurate and in accordance with the standards established by the American Institute of Certified Public Accountants.

The Bid-to-Bill process oversees all marketplace activities, including the registration and billing of Market Participants, the posting of market results, and the NYISO’s issuance of invoices and collections.

“In our opinion, the controls, as described, are suitably designed to provide reasonable assurance that the specified control objectives would be achieved if the described controls were complied with satisfactorily and Market Participants and sub-service organizations applied the controls contemplated in the design of the NYISO’s controls,” the audit read.

Mark S. Lynch, the NYISO’s President and CEO, said he was pleased with the audit and praised NYISO employees for a job well done.

“This makes five positive audits in a row for the NYISO,” said Mr. Lynch. “Everyone at the NYISO contributed to this achievement, which underscores our commitment to running an efficient and reliable energy marketplace.”

The audit covers the period from Nov. 16, 2005 through Nov. 15, 2006.

The NYISO, which oversees New York’s bulk electrical grid and administers its electric markets, voluntarily undertook the rigorous audit to instill confidence in Market Participants and their financial auditors’ that New York’s energy markets are being operated fairly and accurately.

Type 2 audits are far-reaching, intensive audits, requiring the NYISO to maintain Bid-to-Bill controls over a period of time. To compile the audit, KPMG interviewed a broad range of employees, scrutinized NYISO procedures and carefully tested its policies to determine that the controls the NYISO has in place are effective.

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*The New York Independent System Operator (NYISO) – [www.nyiso.com](http://www.nyiso.com) – is a federally regulated, 501(c) 3 nonprofit corporation established in 1999 to facilitate the restructuring of New York’s electric industry. The NYISO operates the state’s high-voltage electric transmission system and administers the state’s wholesale energy markets. The NYISO’s market volume was \$8.6 billion in 2006.*