

**For Immediate Release:**

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## **NYISO Receives Unqualified SAS 70 Audit Opinion for the Seventh Consecutive Year**

***Independent audit certifies the NYISO's financial transaction controls***

**Rensselaer, NY** – The New York Independent System Operator (NYISO) received an unqualified SAS (Statement on Auditing Standards) 70 Type 2 audit opinion for the seventh consecutive year.

The independent audit by KPMG LLP scrutinized the controls related to the NYISO's settlement processes and systems for bidding, accounting, billing, and settlements of market transactions. It found that the NYISO's controls were complete, accurate, and in accordance with the standards established by the American Institute of Certified Public Accountants (AICPA).

"The NYISO's record of consistently obtaining unqualified audit opinions highlights our commitment to excellence in the operation of the bulk electricity grid and administration of the wholesale electricity markets in New York State," said Stephen G. Whitley, the NYISO's President and CEO.

The NYISO operates on a 24-hour, seven-day-a-week basis, coordinating the supply of electricity from approximately 450 electricity generating units serving New Yorkers through an 11,000-mile transmission grid.

Transactions in the NYISO's wholesale electricity markets totaled more than \$11 billion in 2008. There are 5.5 million prices and schedules generated every month by the NYISO's market systems.

The NYISO, a not-for-profit corporation, voluntarily submits to the annual audit to provide the assurance of a thorough assessment to Market Participants and their financial auditors that the NYISO's controls are accurately presented, suitably designed, and operating effectively. The audit that was just completed covers the period from November 16, 2007 through November 15, 2008.

The audit found only one exception, relating to erroneous data inputs associated with certain Phase Angle Regulators (PARs) in January 2008 in its administration of the Day-Ahead Market (DAM). The NYISO has since implemented enhanced controls and procedures, as well as new capabilities for investigating operational events that affect market performance and daily monitoring of important market metrics.

SAS 70, *Service Organizations*, is an auditing standard developed by the AICPA. The SAS 70 audit report includes the auditor's opinion on the fairness of the presentation of the service organization's description of its controls and the suitability of the design of those controls. As a Type 2 audit report, it also included the auditor's opinion on whether specific controls were operating effectively during the period under review.

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The New York Independent System Operator (NYISO) – [www.nyiso.com](http://www.nyiso.com) – is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and conducts comprehensive reliability and resource planning for the state's bulk electricity system.