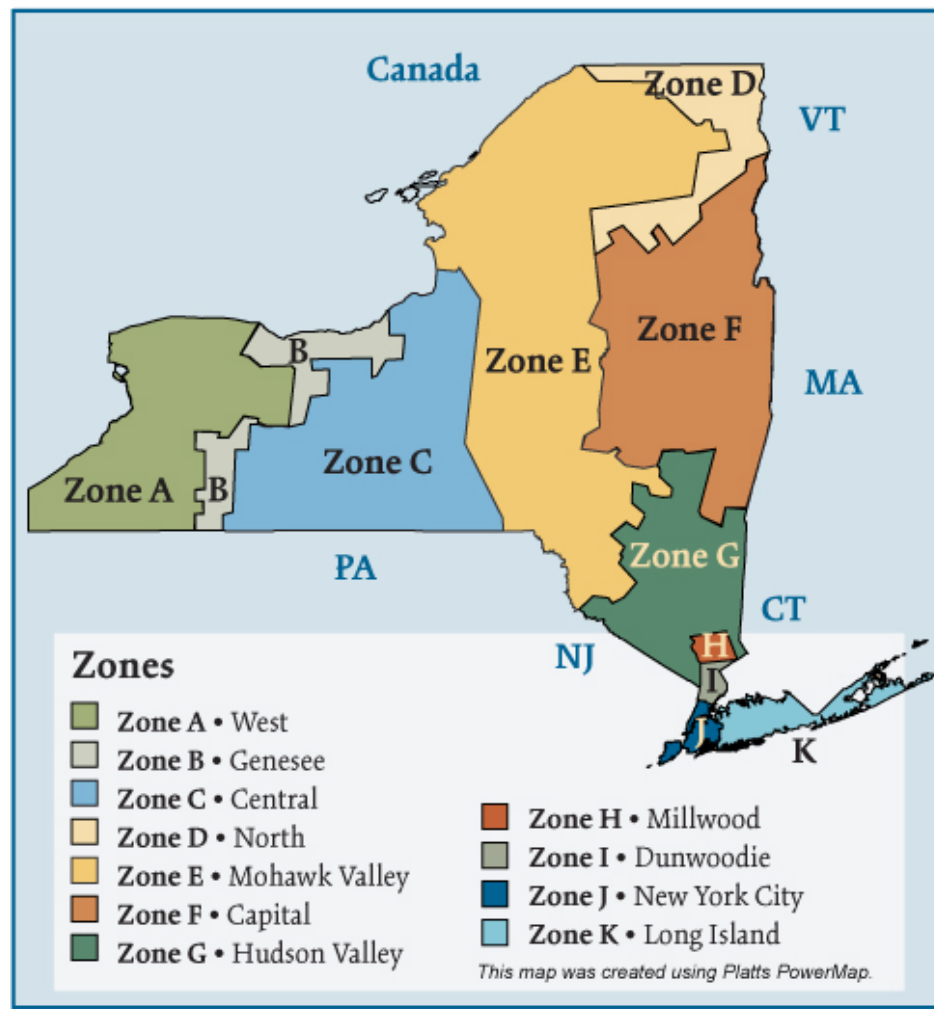


New York (NYISO) Electric Regions



New York Electric Market: Overview and Focal Points

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

Overview

Geography

State covered: New York

Reliability region: New York ISO (NYISO) sub-region of the Northeast Power Coordinating Council (NPCC)

Balancing authority: NYISO

Zones: Capital (Zone F), Central (Zone C), Dunwoodie (Zone I), Genesee (Zone B), Hudson Valley (Zone G), Long Island (Zone K), Millwood (Zone H), Mohawk Valley (Zone E), New York City (Zone J), North (Zone D), West (Zone A)

RTO/ISO

NYISO (established 1999) operates the region's power grid and wholesale electric markets:

- Energy market: two-settlement (day ahead and real-time) spot market with locational marginal pricing,
- Regional and locational capacity market, and
- Financial transmission rights market.

[NYISO 2008 State of the Markets Report](#)

Market Monitor:

Nicole Bouchez – Manager, Internal Market Monitor, New York ISO

David Patton – Independent Market Advisor, Potomac Economics, LTD.

New York Electric Market: Overview and Focal Points

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

RTO/ISO (continued)

Also, market participants trade electricity bilaterally through brokers, the Intercontinental Exchange (ICE) and the New York Mercantile Exchange's (Nymex) ClearPort, using Zone A (West) as a pricing point.

Generation/Supply

Marginal fuel type: natural gas

Generating capacity (summer 2006): 39,704 MW

Capacity reserve (summer 2006): 5,765 MW

Reserve margin (summer 2006): 17%

The New York City metropolitan area (NYC) and Long Island (LI) are areas of concentrated demand. Both localities have requirements for installed generating capacity that are more stringent than the rest of the region, to ensure reliability of service.

Demand

All time peak demand: 33,939 MW (set August 2, 2006)

In summer of 2006, demand reached record levels on several occasions due to extremely hot weather.

Peak demand growth: 5.6 % (2006-2005)

Summer Peak Demand (MW) 28,433 (2004), 32,075 (2005), 33,939 (2006) (Source: NYISO)

Load pockets: Zone J New York City and Zone K Long Island

Updated August 3, 2007

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New York Electric Market: Overview and Focal Points

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Prices

Annual Average Day-Ahead Price

Zone J New York City

2004: \$63.16/MWh

2005: \$93.77/MWh

2006: \$70.90/MWh

Zone K Long Island

2004: \$63.20/MWh

2005: \$99.32/MWh

2006: \$86.15/MWh

Prices increased in 2005 as a result of disturbances to the natural gas market. Prices declined in 2006 as natural gas storage levels remained above historical ranges throughout the injection season (April through October).

Supply and Demand Statistics for NYISO

Supply Demand Statistics			
	2004	2005	2006
Summer Generating Capacity (MW)	38,111	37,548	39,704
Summer Peak Demand (MW)	28,433	32,075	33,939
Summer Reserves (MW)	9,678	5,473	5,765
Summer Reserve Margin	34%	17%	17%
Annual Load (GWh)	160,211	167,208	166,893
Annual Net Generation (GWh)	147,170	153,264	NA

Source: Derived from FERC staff discussions with NYISO.

Updated February 2, 2007

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Annual Average Bilateral Prices

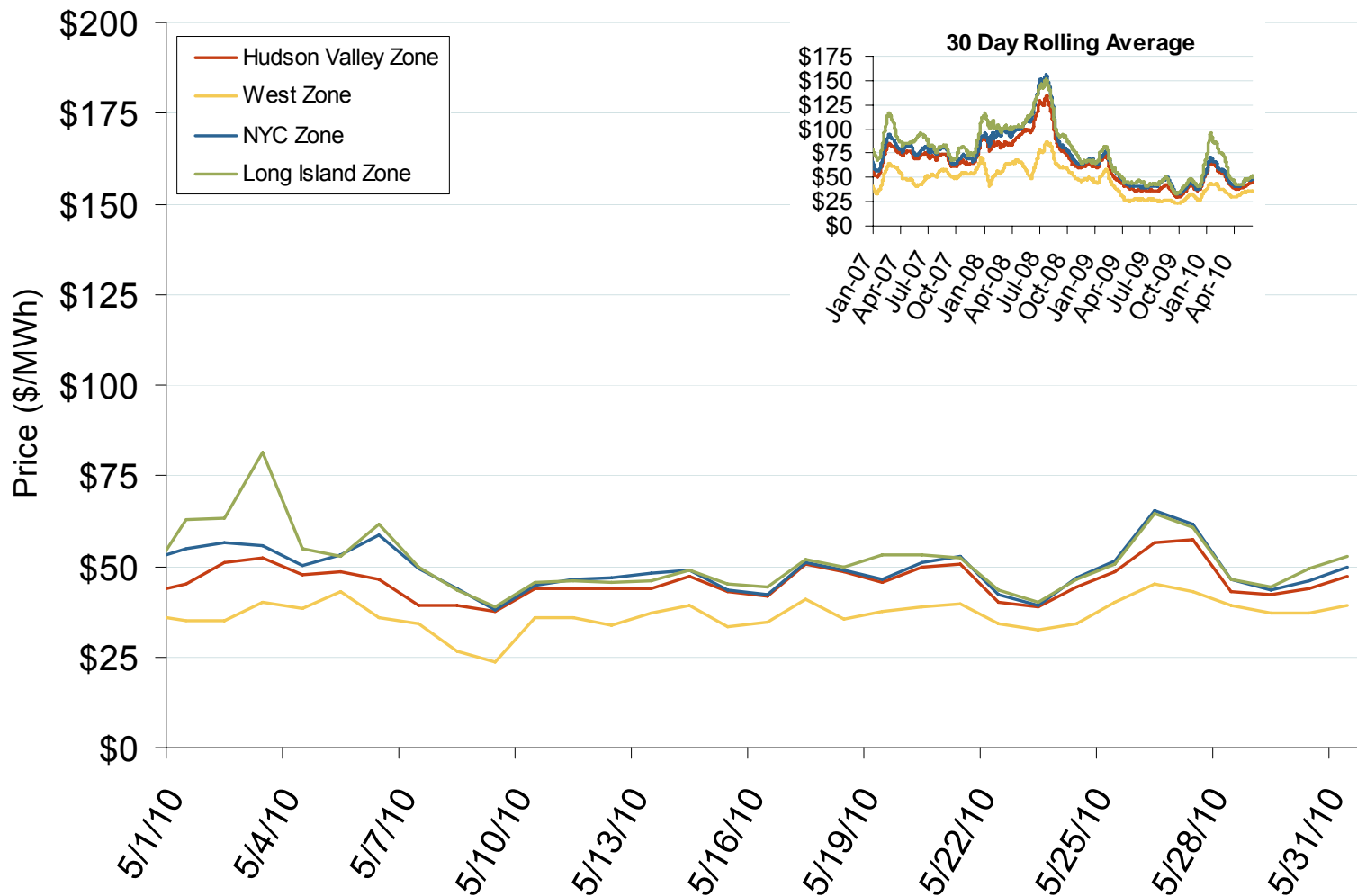
Annual Average Day Ahead On Peak Prices (\$/MWh)						
	2005	2006	2007	2008	2009	5-Year Avg
Mass Hub	\$89.87	\$69.85	\$77.39	\$91.55	\$46.24	\$74.97
Ny Zone G	\$92.46	\$75.95	\$83.51	\$100.99	\$49.80	\$80.53
NY Zone J	\$110.03	\$85.96	\$94.15	\$112.63	\$55.77	\$91.69
NY Zone A	\$76.04	\$58.70	\$64.02	\$68.34	\$35.54	\$60.51
PJM West	\$76.64	\$61.90	\$71.15	\$83.70	\$44.60	\$67.59

Source: Derived from *Platts* data.

Updated January 8, 2010

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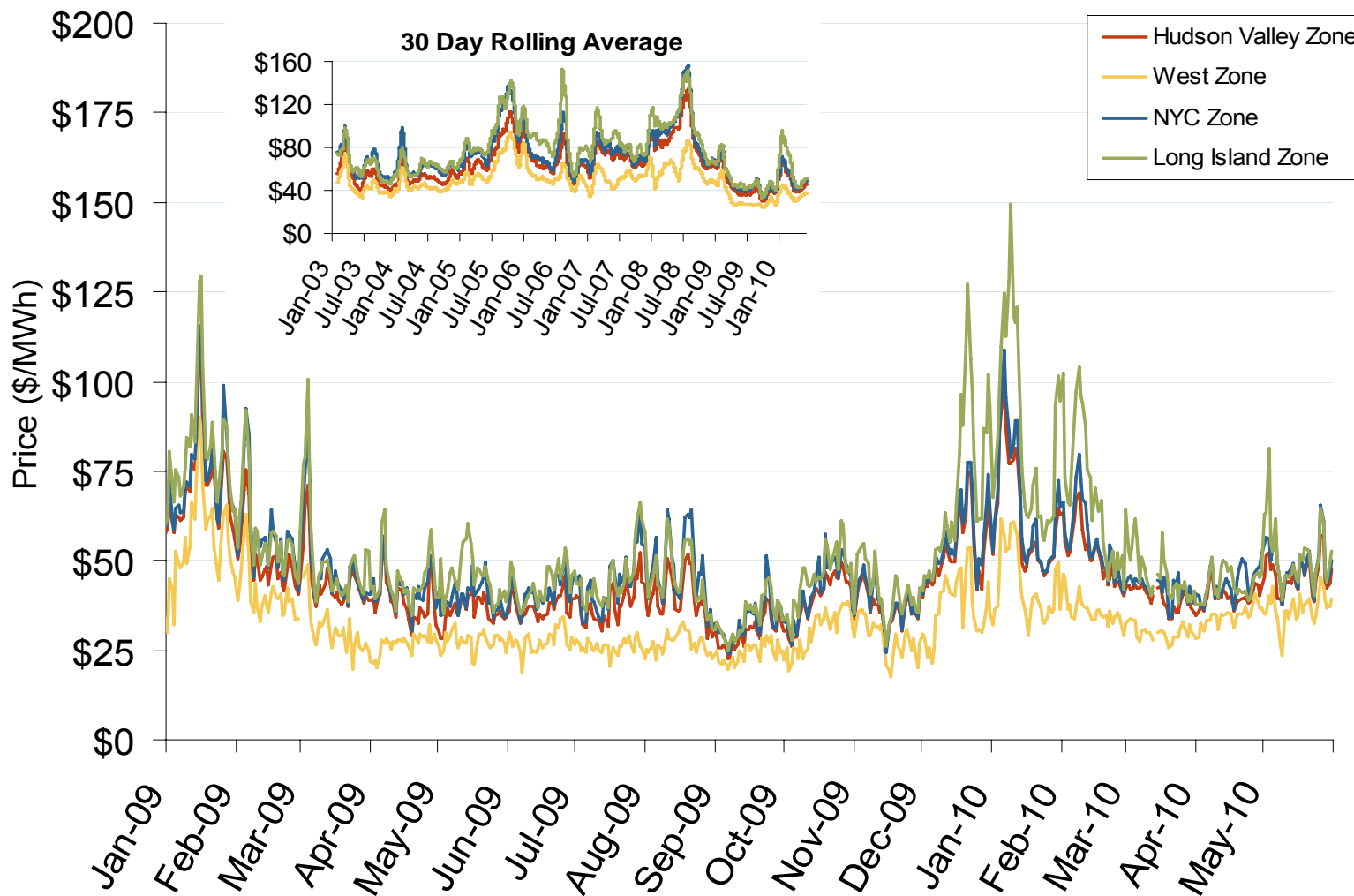
Daily Average of NYISO Day-Ahead Prices - All Hours



Source: Derived by *Bloomberg* from NYISO data as reported by *Bloomberg*.

Updated June 7, 2010

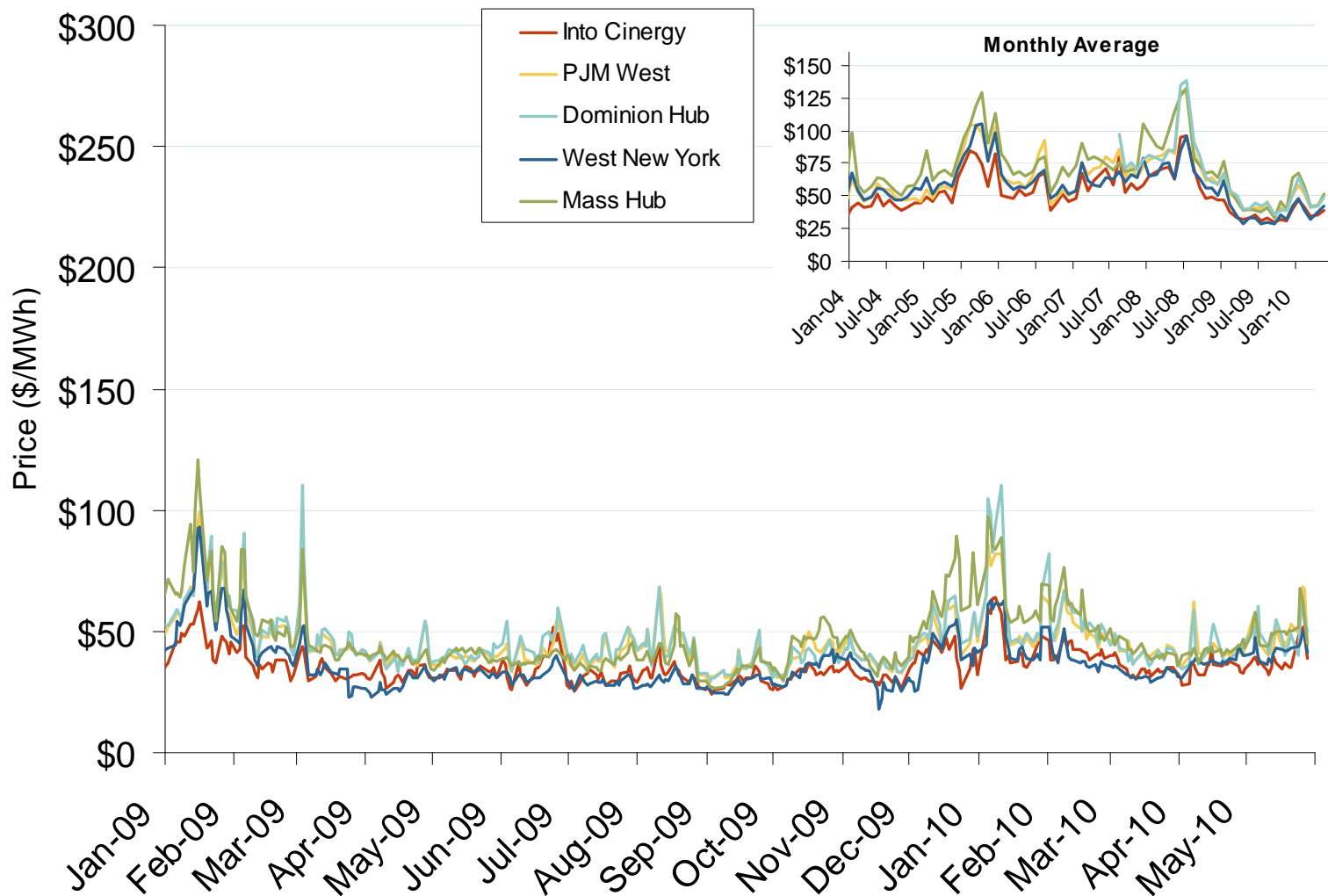
Daily Average of NYISO Day-Ahead Prices - All Hours



Source: Derived by Bloomberg from NYISO data as reported by Bloomberg.

Updated June 7, 2010

Eastern Daily Bilateral Day-Ahead On-Peak Prices

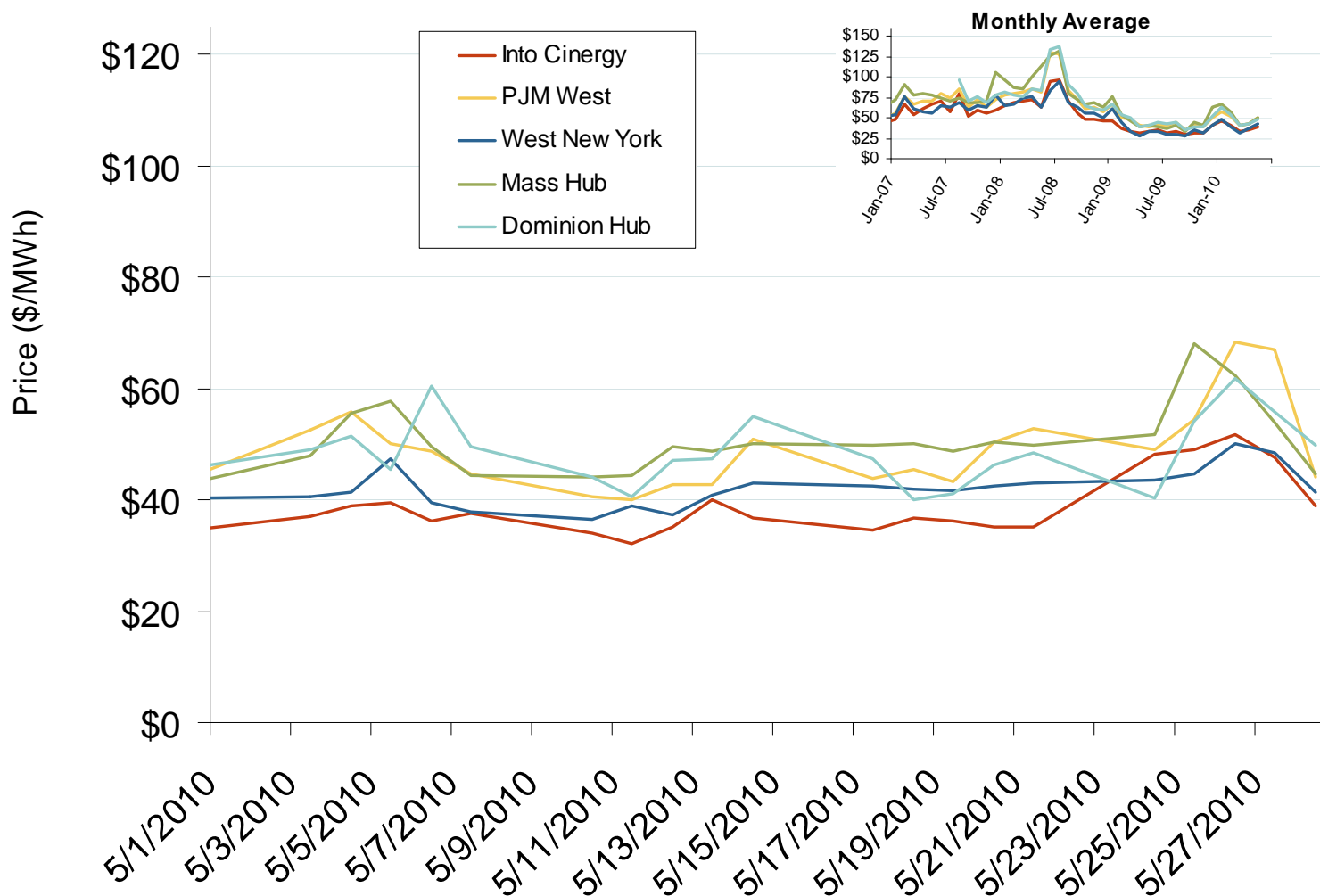


Source: Derived from *Platts* data.

Updated June 7, 2010

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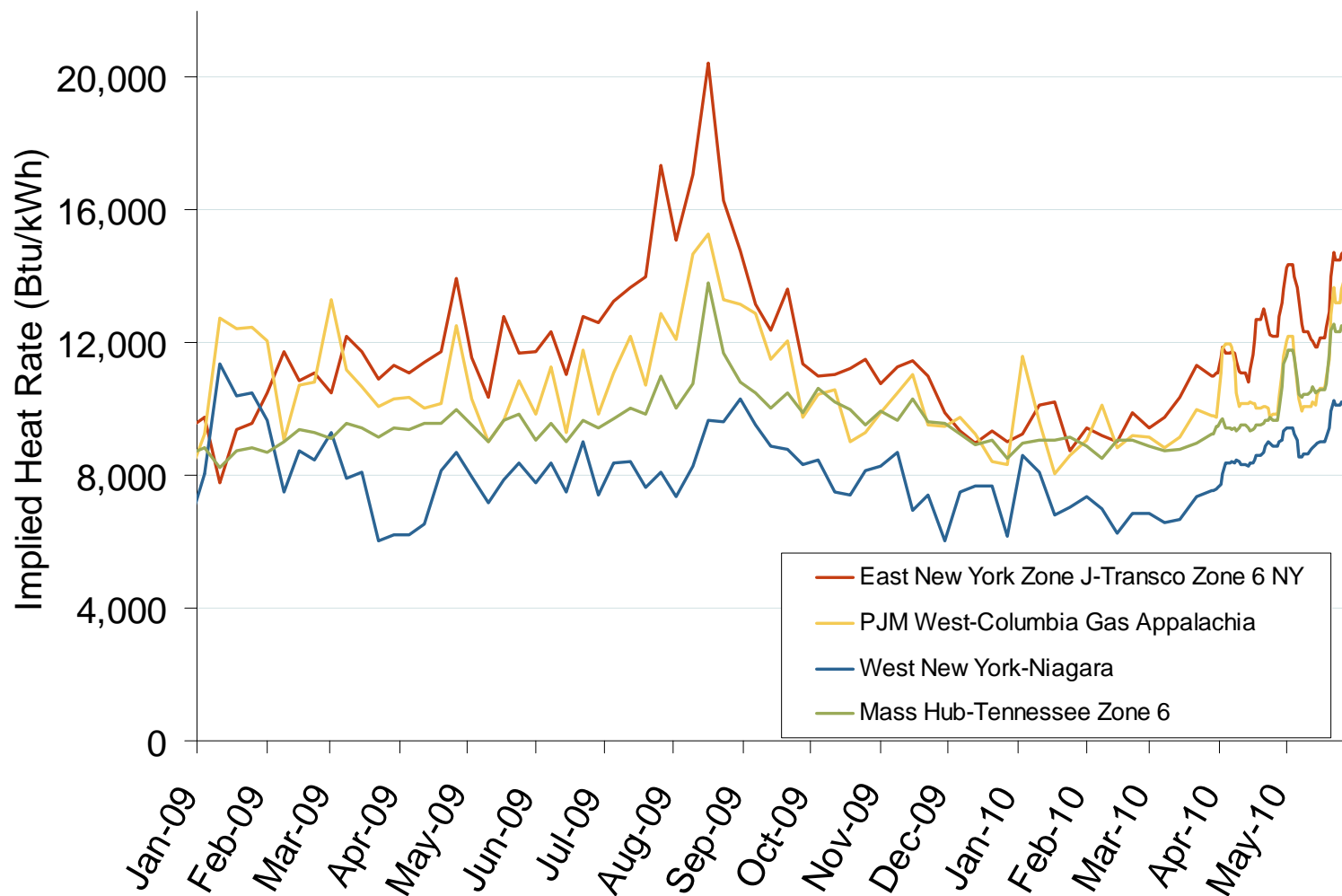
Eastern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

Updated June 7, 2010

Implied Heat Rates at Eastern Trading Points Weekly Averages

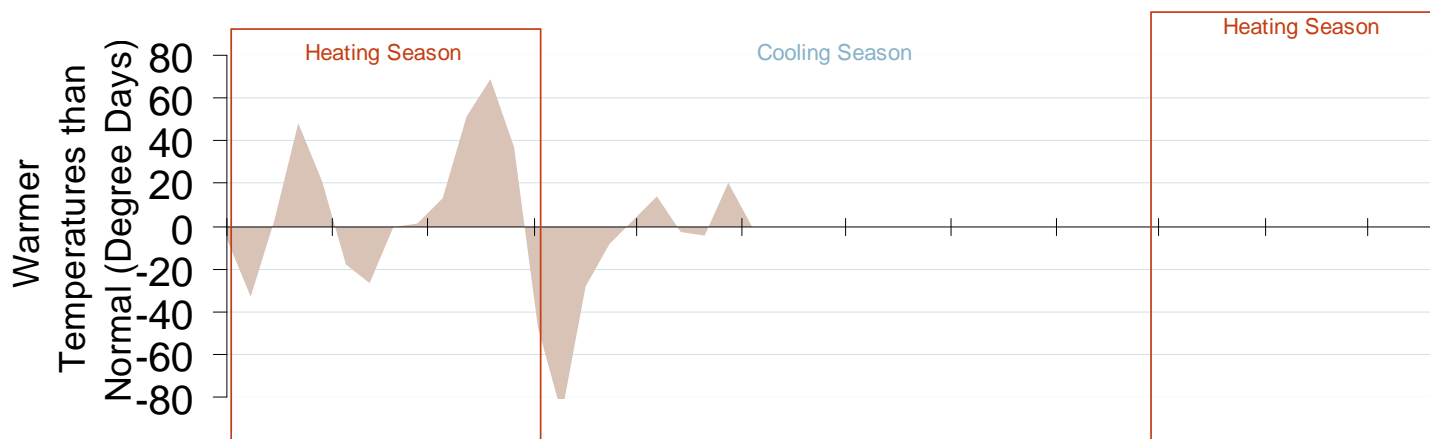
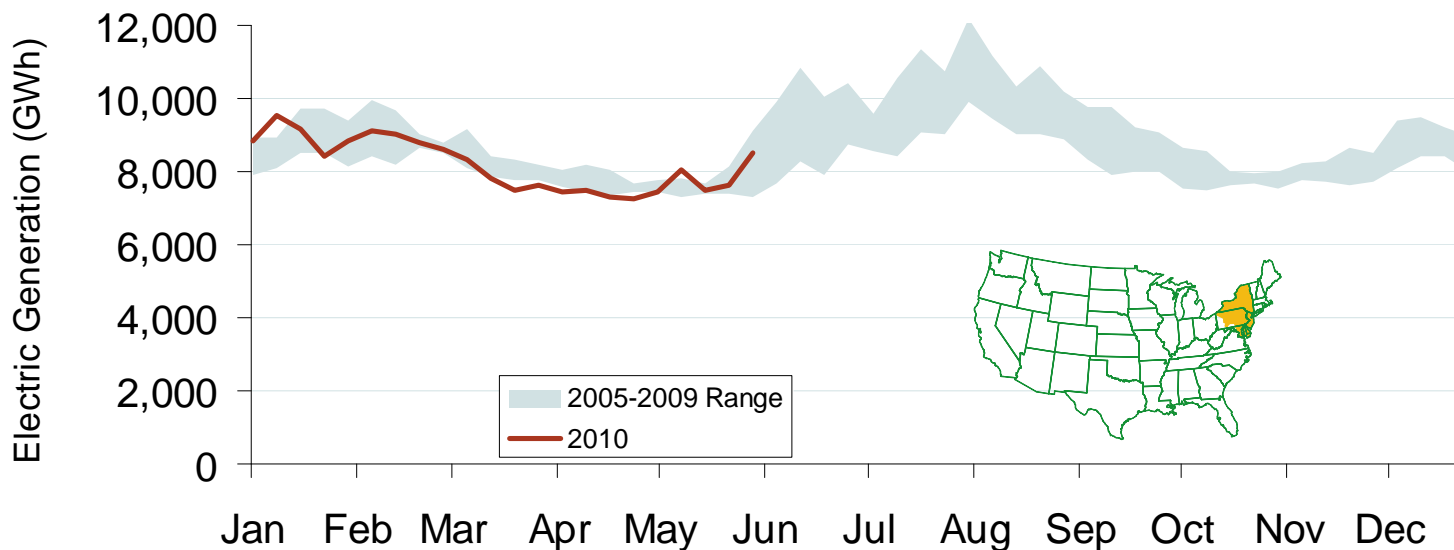


Source: Derived from *Platts* on-peak electric and natural gas price data.

Updated June 7, 2010

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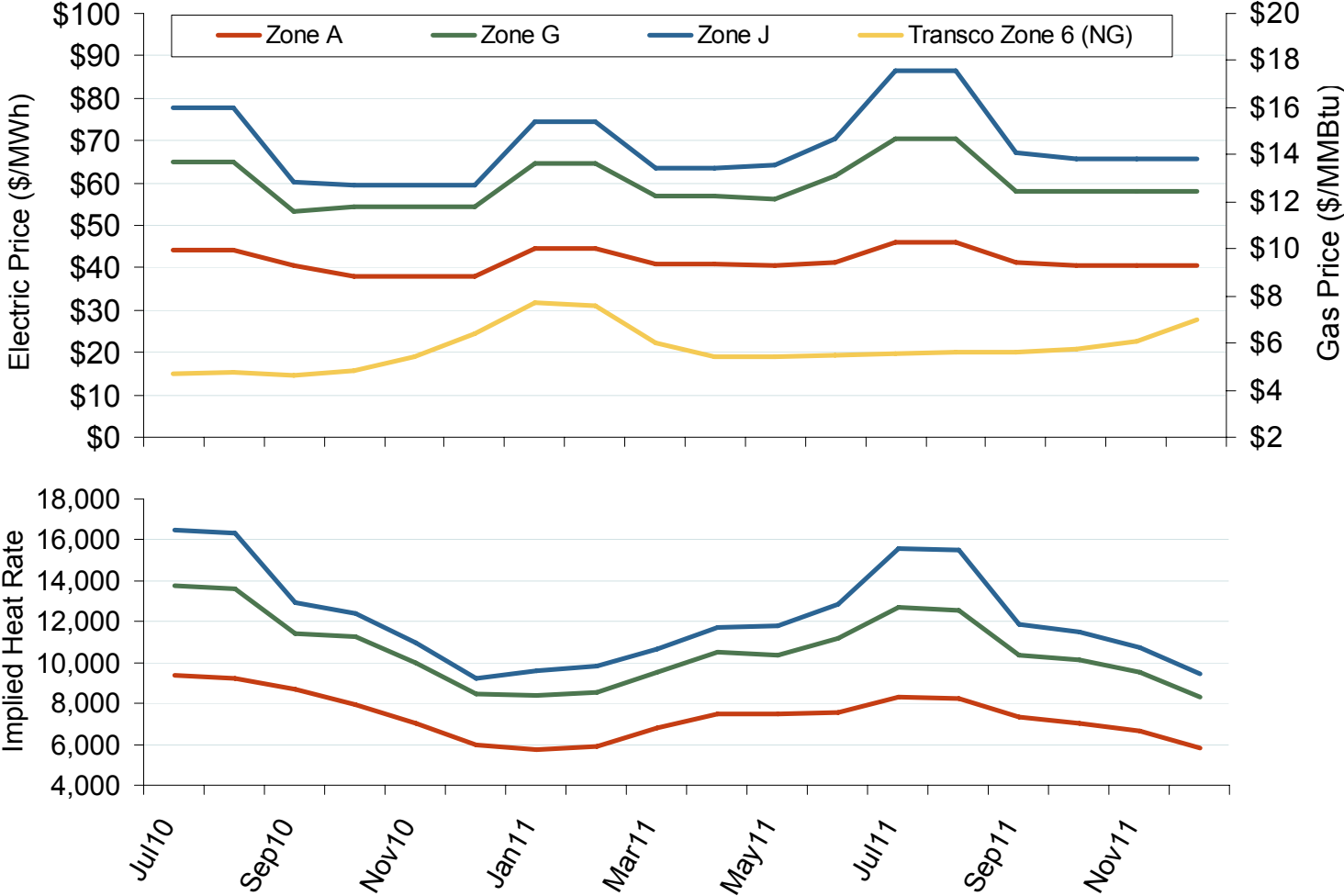
Weekly Electric Generation Output and Temperatures Mid Atlantic Region



Source: Derived from *EI* and NOAA data.

Updated June 7, 2010

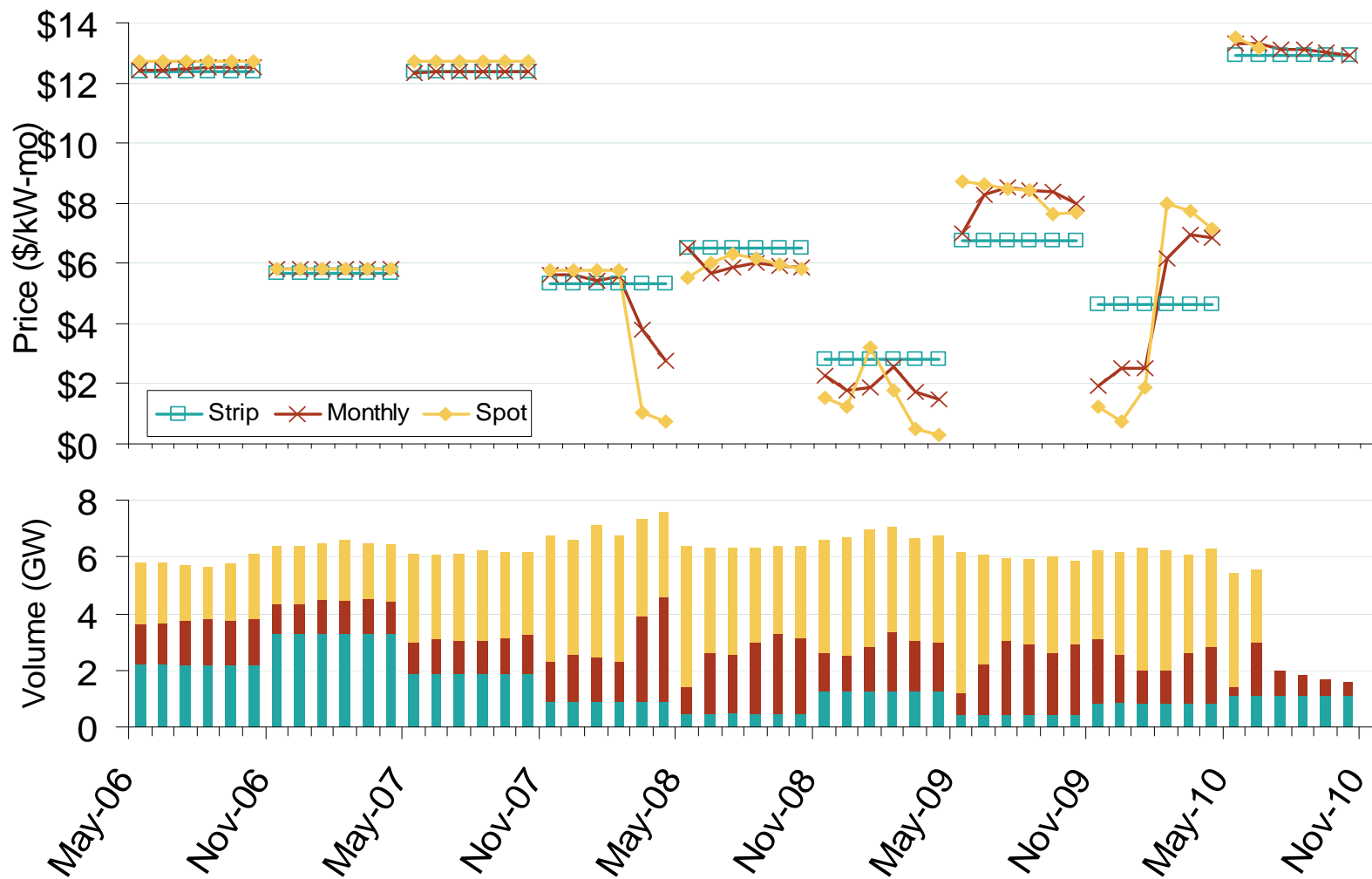
New York Electric Forward Price Curves and Implied Heat Rates



Source: Derived from Nymex data.

Updated June 7, 2010

Weighted Average ICAP Clearing Prices and Volumes: New York City

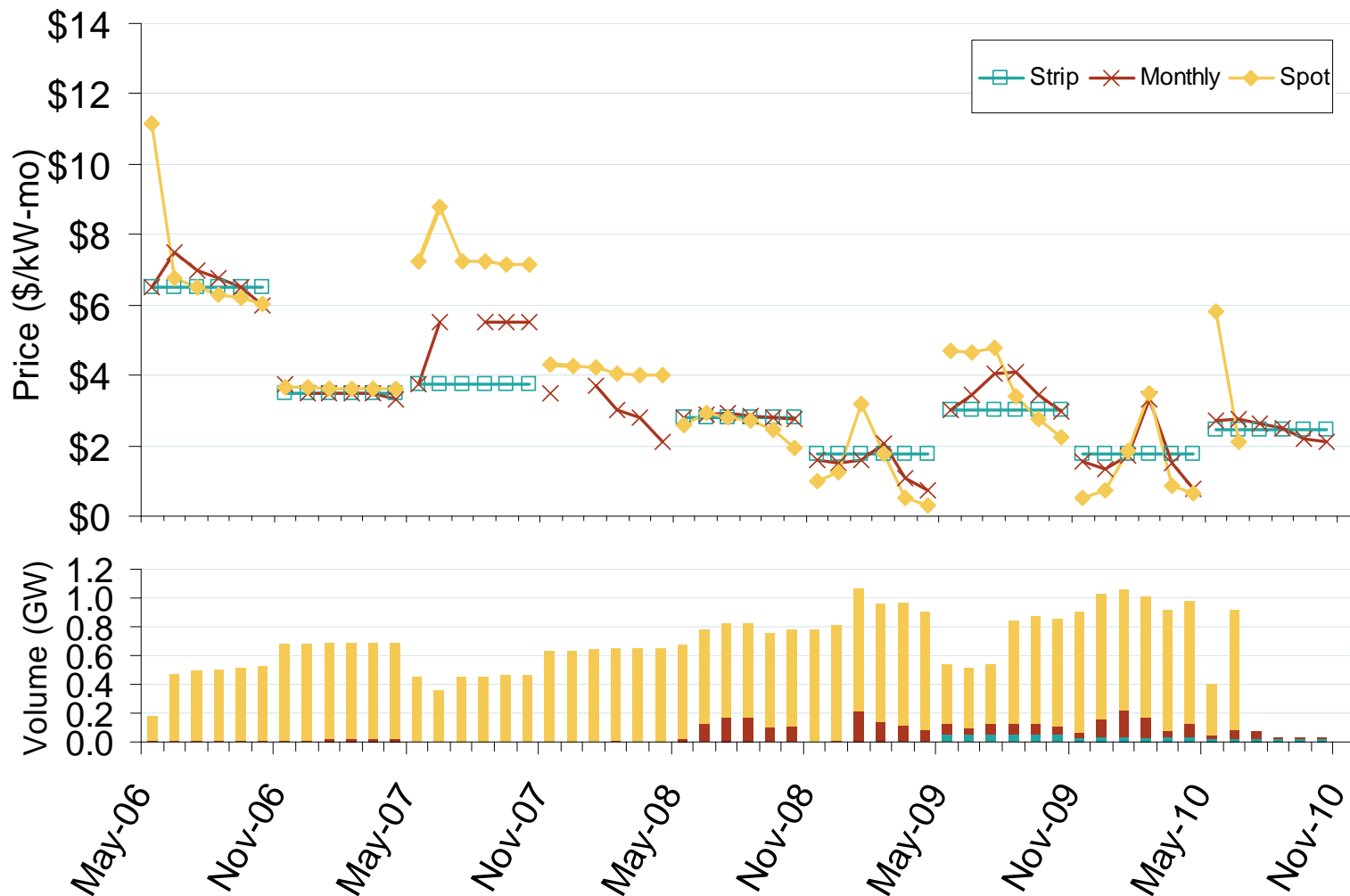


Source: Derived from NYISO data.

Updated June 7, 2010

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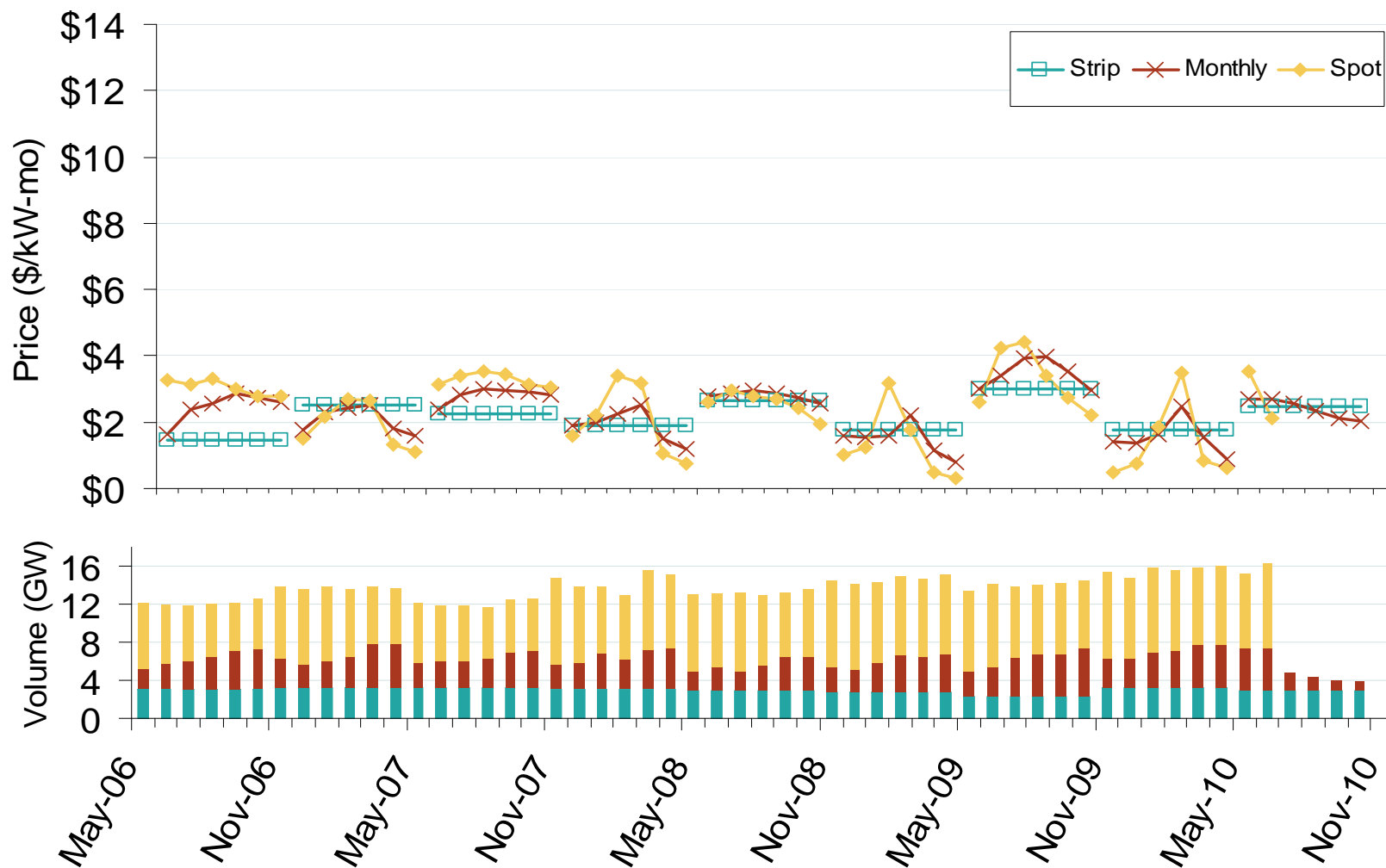
Weighted Average ICAP Clearing Prices and Volumes: Long Island



Source: Derived from NYISO data.

Updated June 7, 2010

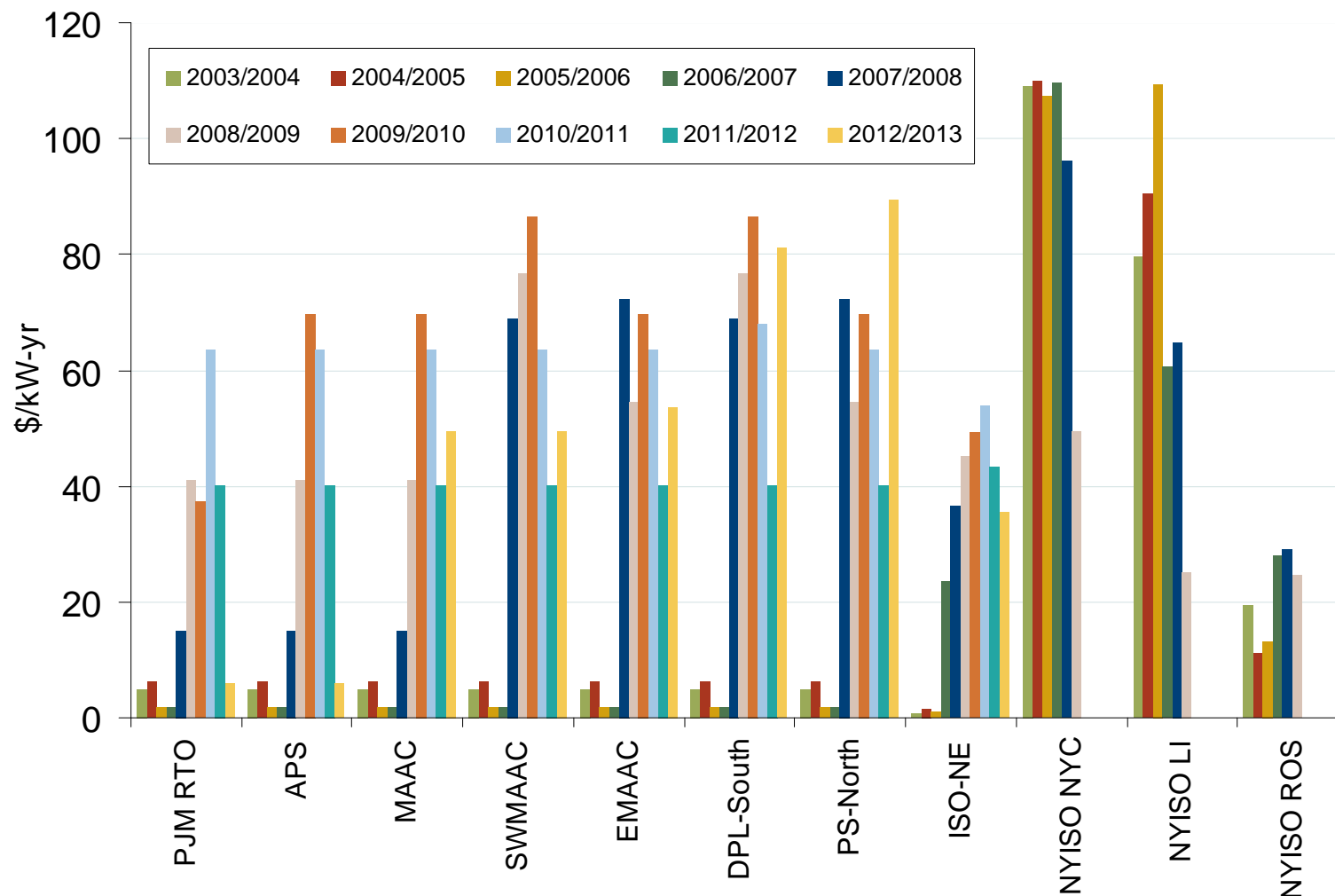
Weighted Average ICAP Clearing Prices and Volumes: Rest of New York State



Source: Derived from NYISO data.

Updated June 7, 2010

PJM, NYISO and ISO-NE Capacity Auction Prices



Note: PJM values are for Base Residual Auctions only.

ISO-NE results are based on preliminary FCM auction before pro-rationing and EAS adjustment.

Source: Derived from PJM, NYISO and ISO-NE data

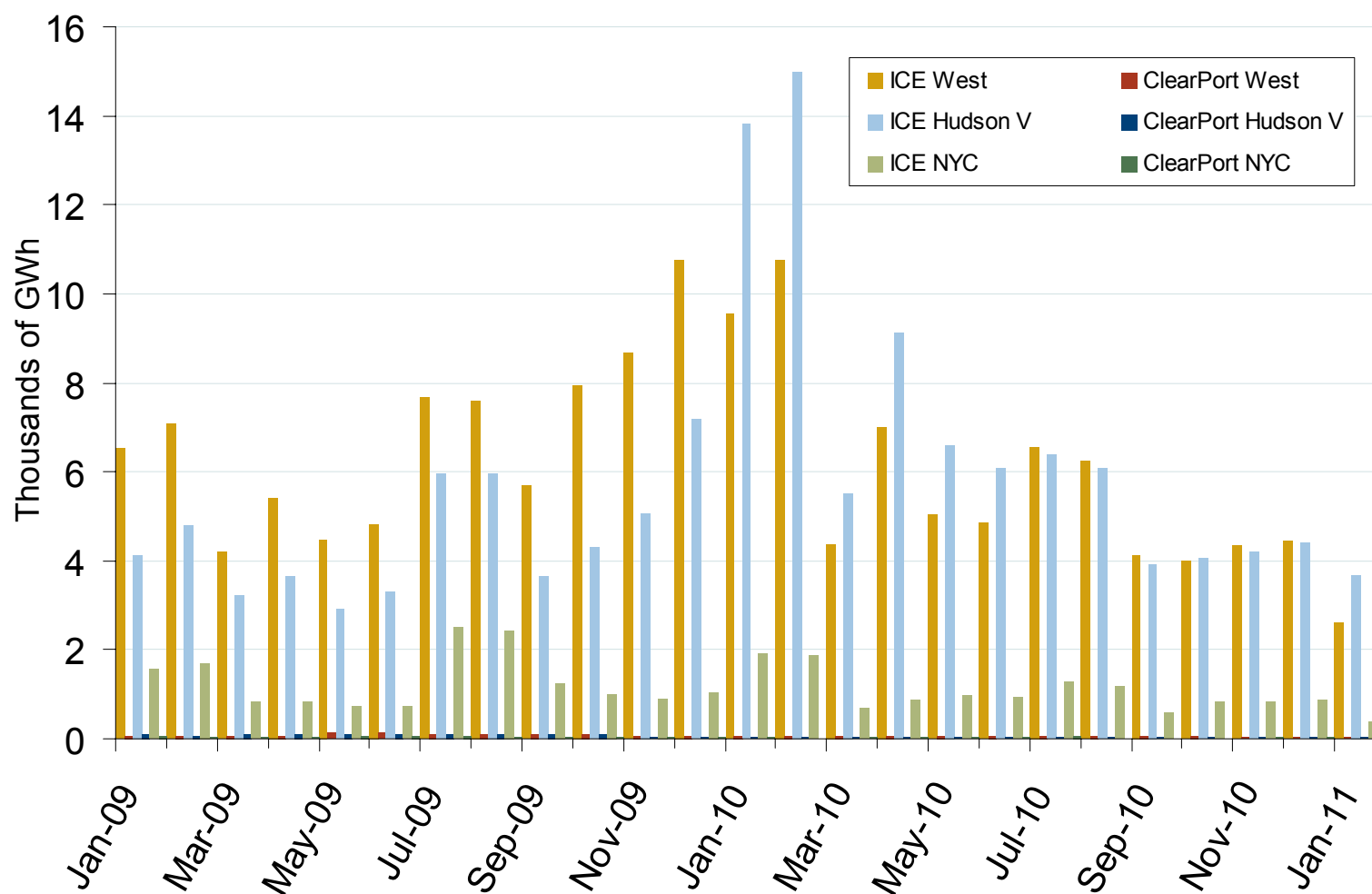
Updated October 7, 2009

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New York Electric Market: Financial Market Volumes

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Various New York Swap Volumes



Source: Derived from ICE and Nymex ClearPort data. ICE on-peak swaps (financial) volume are for zones A, G and J and include monthly, dual monthly, quarterly, and calendar year contracts traded for each month. Nymex ClearPort on-peak swaps (financial) volume are for zones A, G and J and are traded by month.

Updated June 7, 2010

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