

PAYMENT CALENDAR CHANGES

Notice of Implementation

Market Participants:

Pursuant to the FERC order dated August 16, 1999, which accepted Amendment No. 17 to the ISO Tariff, the ISO hereby gives notice that effective October 1, 1999, the ISO will implement all but one component of its new Payment Calendar.

As provided in Amendment No. 17, the ISO proposed the following changes to the Payment Calendar: 1) Meter data due to the ISO at T + 31 Business Days; 2) Preliminary Statements published at T + 38 Business Days; 3) Disputes due to ISO at T + 46 Business Days; 4) Final Statements published at T + 51 Business Days; and 5) Payments due at T + 56 Business Days (from the last day of the trade month). All of the proposed changes to the Payment Calendar required changes to the ISO's software and processes. All of the necessary software/process modifications have now been completed except for the software changes related to the ISO's MDAS. MDAS changes are proceeding, but due to the ISO's Y2K software deployment freeze, the ISO will not be able to make the Meter data deadline any earlier than February 1, 2000. The ISO Tariff requirement for the submission of Meter data to the ISO will remain at T + 41 Calendar Days. However, in order to afford Market Participants more time to submit meter data, the ISO is hereby granting a class exemption, pursuant to Metering Protocol Section 13.2(d). The class exemption is temporary and is effective until the MDAS-related software has been implemented. The ISO will issue a subsequent notice to Market Participants at least seven days in advance of when the MDAS-related software changes are to go into effect.

Pursuant to the FERC order, the proposed Payment Calendar changes are to become effective the later of September 1, 1999 or seven days after the ISO posts notice on the ISO Home Page that the modified software is ready for use. Therefore, the ISO will today post notice on the ISO Home Page that the Payment Calendar changes, except for the MDAS-related change, will become effective as of October 1, 1999.