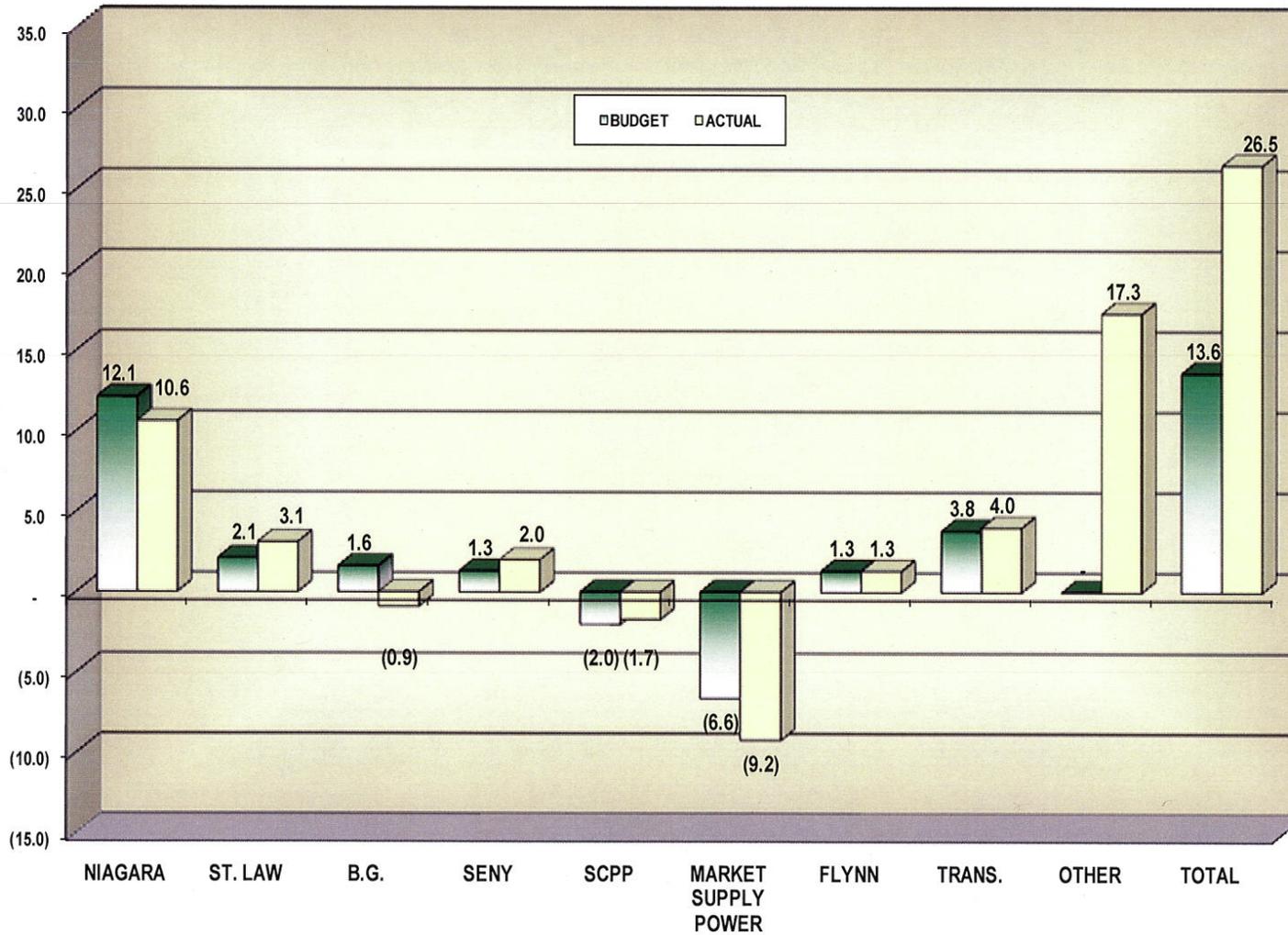


NEW YORK POWER AUTHORITY

REPORT OF THE CHIEF FINANCIAL OFFICER

FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2008

# Net Revenues By Facility November 2008 (\$ in millions)



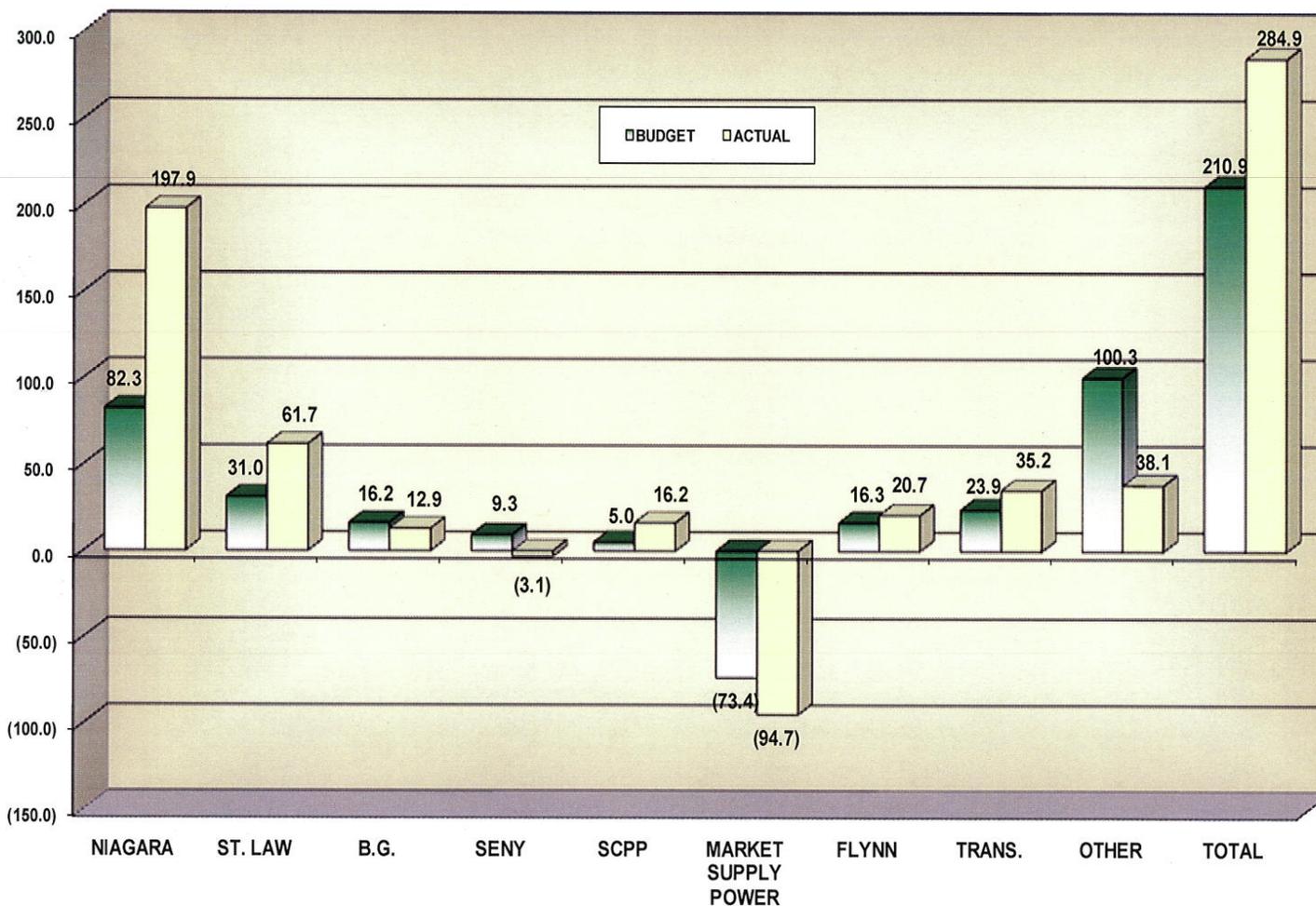
Major Factors	Better (Worse)
<b>MSP</b> Higher P4J rebates due to higher market energy prices.	(2.6)
<b>Blenheim-Gilboa</b> Lower volumes and prices on market based sales	(2.5)
<b>Niagara</b> Higher production (market-based sales) offset by higher purchased power & congestion.	(1.5)
<b>St. Lawrence</b> Primarily lower purchased power (15% higher production).	1.0
<b>Other</b> Primarily MTM gain on investments* (21.4), partially offset by accrued contributions to NYS (4.5).	17.3
<b>Misc.</b>	1.2
<b>TOTAL</b>	<b>12.9</b>

\*Primarily due to a significant decline in market interest rates increasing the value of our holdings. Agency securities increased in value as the Federal Reserve announced intent to purchase such securities on the open market.

# Net Revenues By Facility

## Eleven Months Ended November 30, 2008

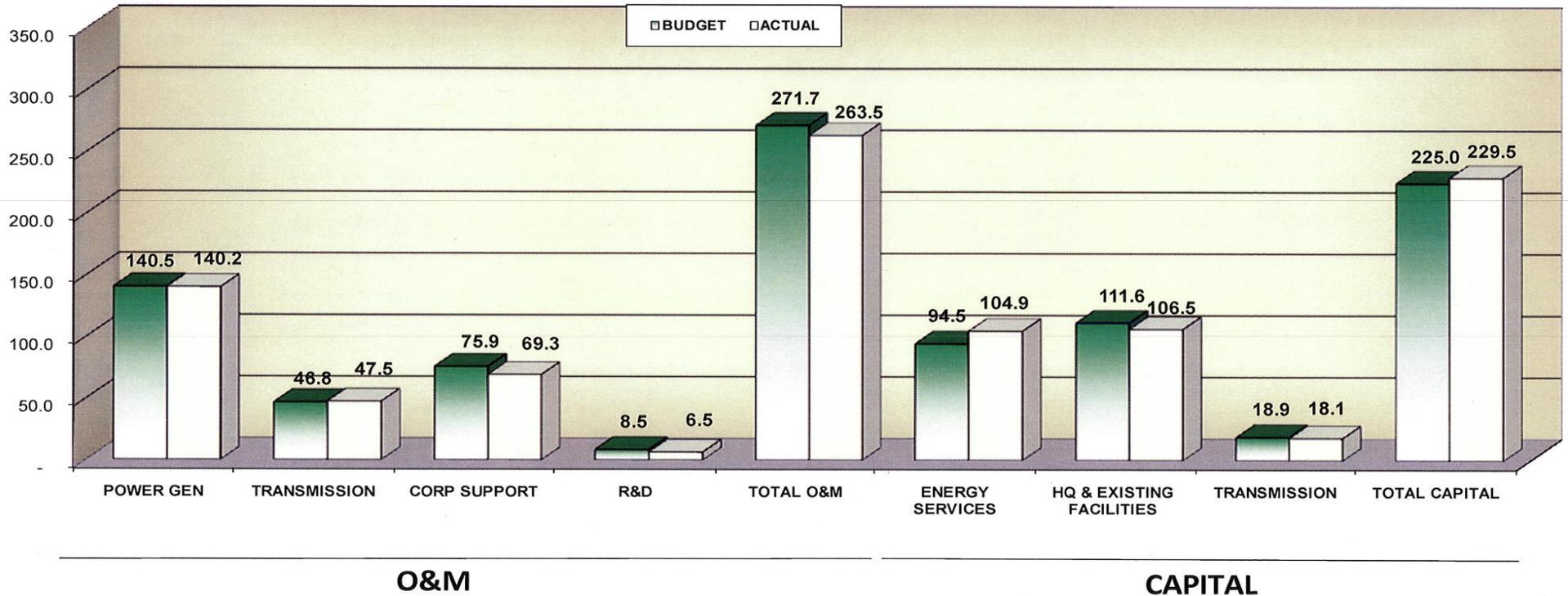
(\$ in millions)



Major Factors	Better (Worse)
<b>Niagara</b> Higher revenues due to higher production (15%).	115.6
<b>St. Lawrence</b> Higher market based sales & lower PP (22% higher production).	30.7
<b>SENY</b> Loss on 500MW compressor (18.5) partially offset by lower depreciation.	(12.4)
<b>SCPP's</b> Higher spark spreads on market-based sales.	11.2
<b>MSP</b> Settlements and mark-to market loss on ESCB & P4J rebate swaps.	(21.3)
<b>Transmission</b> Primarily FACTS congestion rents.	11.3
<b>Misc.</b> Primarily additional accrued contribution to NYS (55).	(61.1)
<b>TOTAL</b>	<b>74.0</b>

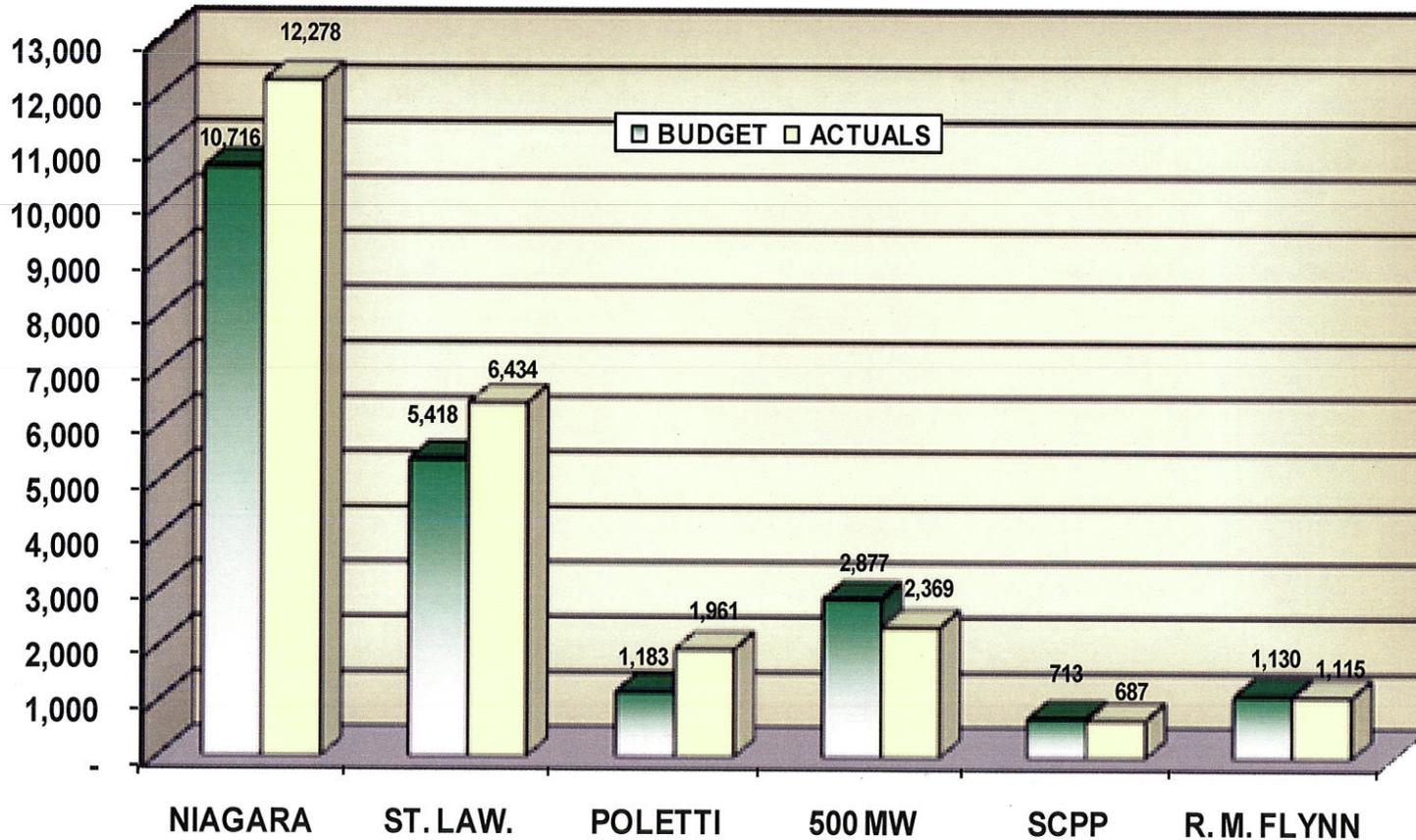
# O&M and CAPITAL EXPENDITURES

## For The Eleven Months Ended November 30, 2008 (\$ in millions)



- Through November, O&M expenses were \$8.2 lower than the budget.
- YTD Power Generation expenditures were slightly lower primarily due to delays in non-recurring projects at Niagara & BG and less than expected contractor expenses for recurring maintenance at Poletti. These positives were substantially offset by higher than anticipated spending at the 500MW facility due to unplanned major repairs to the compressors and generators.
- Corporate Support expenses were under budget by \$6.6 due mostly to under spending for ERAC and ERM consultants, IT communications, software, and CSS building maintenance and contract services.
- The underrun in Research & Development & other expenses included less than expected spending for renewable and emerging technology and power generation technology programs.
- Higher capital expenditures due to accelerated activity in energy services (governmental service projects) were partially offset by underruns at HQ and existing facilities resulting from delays.

# GENERATION YTD November 2008 (MWH in thousands)

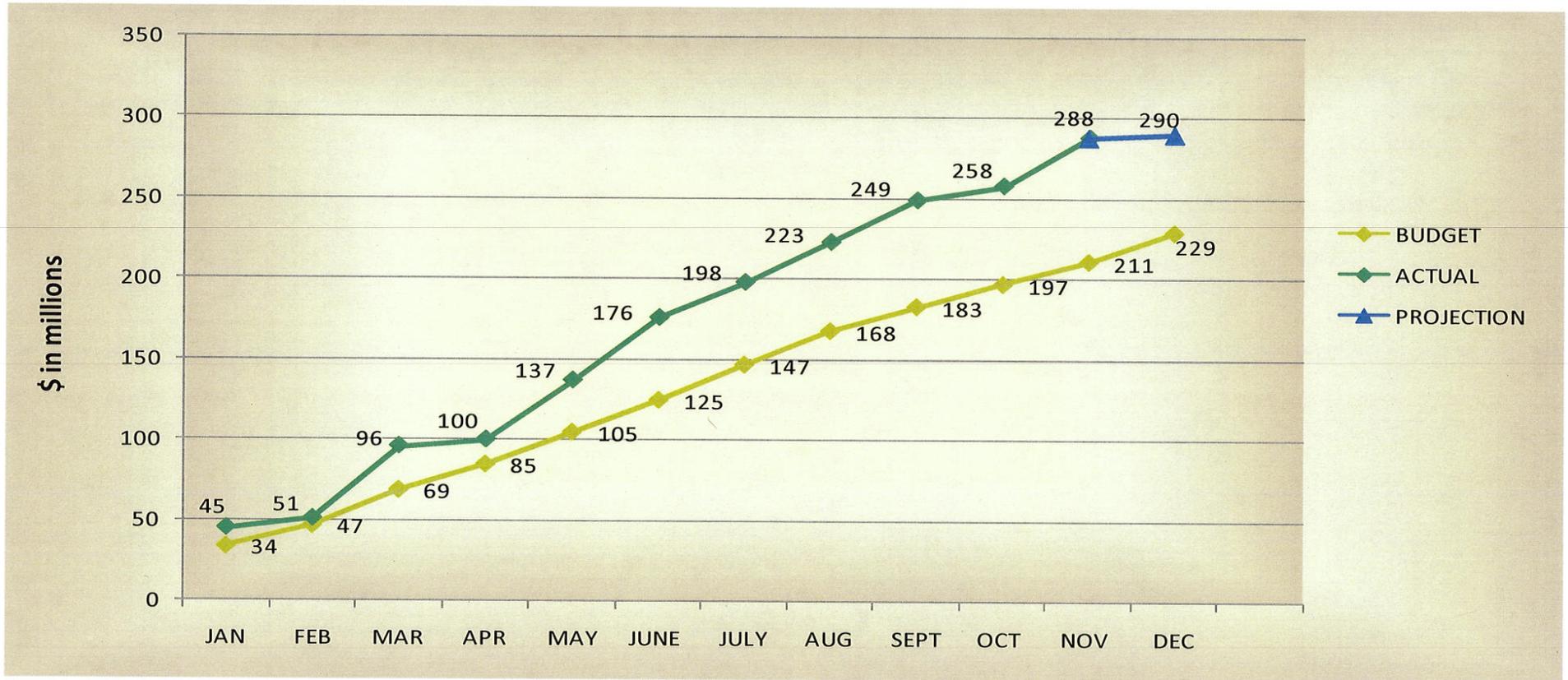


GENERATION  
MONTH OF NOVEMBER 2008

	BUDGET	ACTUAL	%
NIAGARA	1,099	1,223	11%
ST. LAW	478	549	15%
POLETTI	59	148	151%
500MW	218	293	34%
SCPP	43	11	-74%
FLYNN	96	107	11%
BG	(37)	(31)	-16%
SM. HYDRO	18	16	-11%
<b>Total</b>	<b>1,974</b>	<b>2,316</b>	<b>17%</b>

Production for November was 17% higher than anticipated resulting in year-to-date generation (24,772 gwh) which was 13% higher than budgeted (21,851 gwh). YTD generation was higher at Niagara (15%), St. Lawrence (19%) and Poletti (66%) partially offset by lower production at all other facilities.

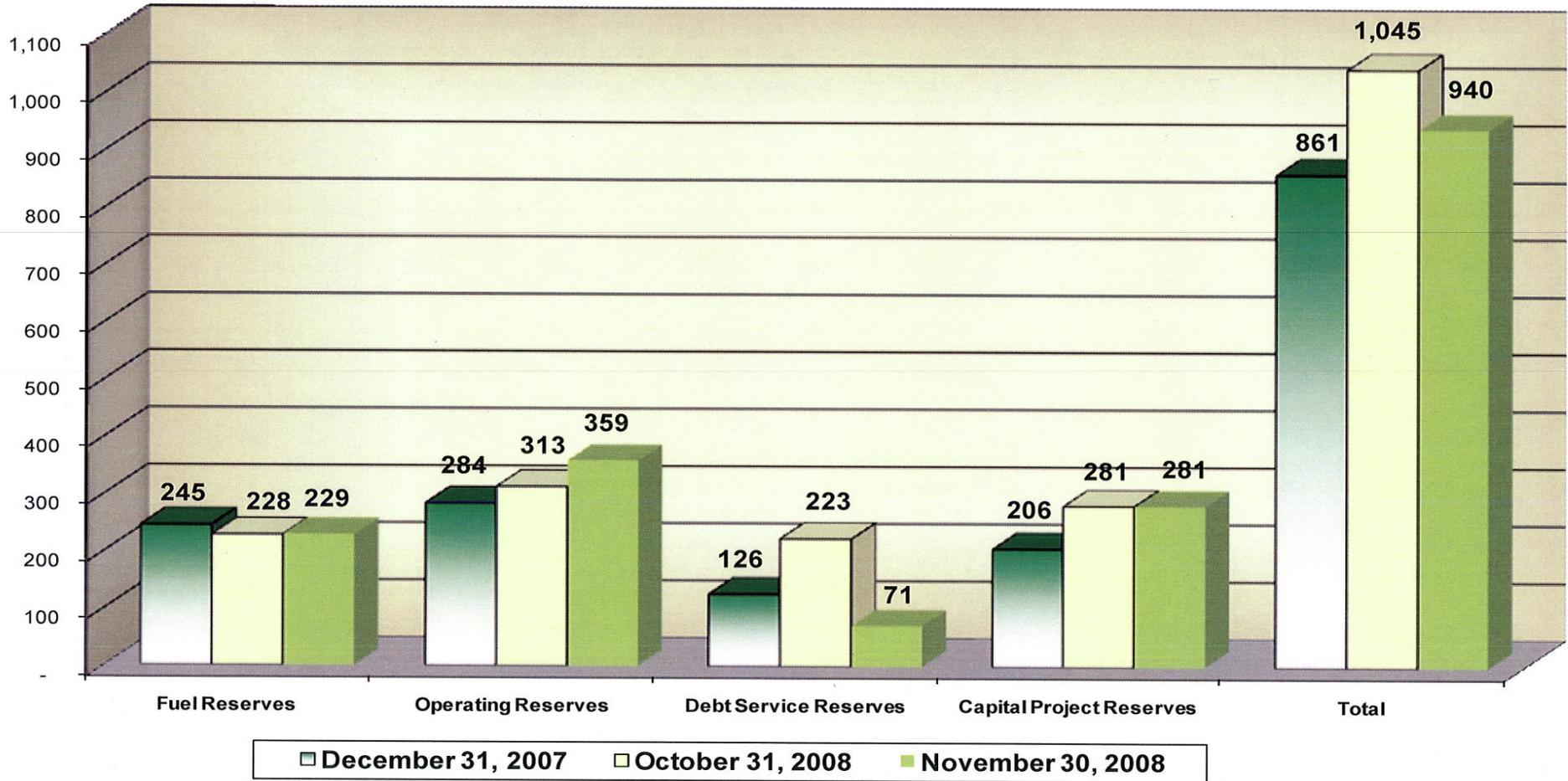
# Net Revenue Projection Year ended December 31, 2008 (\$ in millions)



**Major Assumptions:**

- Water flow estimates are up due to more snow and increased rainfall compared to forecast. This overall increase in hydro flows will increase net revenues at Niagara (by \$118) and St Lawrence (by \$37).
- Increased energy prices result in a \$22 increase in the projected deficit for the MSP segment. Part of this increased deficit is the movement of Power for Jobs customers to rebate payments.
- Assumes no additional payment to NY State General Fund for 2008.
- High water flow scenario (20.6 twhr's) would yield net revenues of \$312. Low water flow scenario (20 twhr's) would yield \$280.
- Assumes mark-to-market adjustment on investments to be zero by year end.

## Operating Fund As of November 30, 2008 (\$ in millions)



- The November Operating Reserves increase was due, in part, to the annual Entergy payment of \$20 million received on November 21<sup>st</sup>.
- The November Debt Service Reserve decreased as a result of the November 15<sup>th</sup> Debt Service Principal and Interest payments on NYPA bonds in the amount of \$111 million and the retirement of the OPEB Taxable Commercial Paper Series 3 in the amount of \$55 million.



New York Power Authority  
Financial Reports  
For The Eleven Months ended November 30, 2008

<b>NET REVENUES</b>				
<i>(in \$ millions)</i>				
	<u>Annual Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance (Actual vs Budget)</u>
<b>Operating Revenue</b>				
Customer	\$2,001.3	\$1,887.1	\$1,837.3	\$49.7
Market-Based Power Sales	723.8	929.3	667.9	261.3
Ancillary Services	60.2	63.4	54.8	8.6
NTAC and Other	92.6	91.1	84.9	6.2
	<u>876.6</u>	<u>1,083.8</u>	<u>807.6</u>	<u>276.2</u>
	<b>2,877.9</b>	<b>2,970.8</b>	<b>2,644.9</b>	<b>325.9</b>
<b>Operating Expenses</b>				
Purchased Power	1,055.2	1,024.5	974.2	50.3
Fuel Consumed - Oil & Gas	542.8	575.6	496.3	79.3
Ancillary Services	91.1	127.9	83.5	44.4
Wheeling	384.3	358.4	356.0	2.4
Operations & Maintenance	295.0	263.5	271.7	(8.2)
Depreciation & Amortization	175.4	159.8	162.4	(2.6)
Contributions to State General Fund	25.0	77.9	22.9	55.0
Other Expenses	115.9	140.8	106.2	34.6
Allocation to Capital	(8.0)	(7.9)	(7.4)	(.5)
	<u>2,676.7</u>	<u>2,720.5</u>	<u>2,465.9</u>	<u>254.6</u>
<b>Net Operating Revenues</b>	<b>201.2</b>	<b>250.3</b>	<b>179.0</b>	<b>71.3</b>
<b>Investment Income</b>				
Post Nuclear Sale Income	90.7	89.2	89.2	-
Interest Income	53.7	42.8	49.2	(6.4)
Mark to Market Investments	12.0	7.8	12.0	(4.2)
	<u>156.4</u>	<u>139.9</u>	<u>150.4</u>	<u>(10.5)</u>
<b>Interest and Other Expenses</b>	<b>128.9</b>	<b>105.3</b>	<b>118.5</b>	<b>(13.2)</b>
<b>Net Revenues</b>	<b><u>\$228.7</u></b>	<b><u>\$284.9</u></b>	<b><u>\$210.9</u></b>	<b><u>\$74.0</u></b>

**New York Power Authority  
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For The Eleven Months ended November 30, 2008**

**COMPARATIVE STATEMENT OF NET ASSETS**

*(in \$ millions)*

	<u>November 2008</u>	<u>December 2007</u>	<u>Net Change</u>
<b>ASSETS:</b>			
Electric Plant In Service, Less Accumulated Depreciation	\$3,369.8	\$3,449.8	(\$80.1)
Construction Work In Progress	143.1	124.5	18.5
Net Utility Plant	3,512.8	3,574.3	(61.5)
Restricted Funds	84.8	93.7	(8.8)
Construction Funds	234.1	261.2	(27.1)
Investment in Decommissioning Trust Fund	810.9	979.3	(168.4)
Current Assets:			
Cash	.1	.1	-
Investments in Government Securities	950.3	861.4	88.9
Interest Receivable on Investments	6.7	20.1	(13.3)
Receivable-Customers	153.0	175.4	-
Materials & Supplies - Plant & General	84.4	75.6	8.8
- Fuel	40.5	33.8	6.7
Prepayments and Other	180.1	44.3	135.8
Notes Receivable - Nuclear Sale	180.8	193.5	(12.8)
Deferred Charges and Other Assets	451.2	478.6	(27.4)
<b>TOTAL ASSETS</b>	<b><u>\$6,689.7</u></b>	<b><u>\$6,791.3</u></b>	<b><u>(\$101.6)</u></b>
<b>LIABILITIES AND OTHER CREDITS:</b>			
Long-term Debt			
Bonds	1,709.2	1,869.2	(160.0)
Notes	144.0	150.0	(6.0)
Short-term Notes Payable	268.3	268.5	(.2)
Accounts Payable and Accrued Liabilities	799.8	846.2	(46.3)
Spent Nuclear Fuel Disposal	215.3	211.3	4.0
Decommissioning of Nuclear Plants	810.9	979.3	(168.4)
Deferred Revenue	188.9	198.4	(9.5)
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b><u>4,136.4</u></b>	<b><u>4,522.9</u></b>	<b><u>(386.5)</u></b>
<b>ACCUMULATED NET REVENUES - JANUARY 1</b>	<b>2,268.4</b>	<b>2,033.6</b>	<b>234.8</b>
<b>NET REVENUES</b>	<b>284.9</b>	<b>234.8</b>	<b>50.1</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b><u>\$6,689.7</u></b>	<b><u>\$6,791.3</u></b>	<b><u>(\$101.6)</u></b>