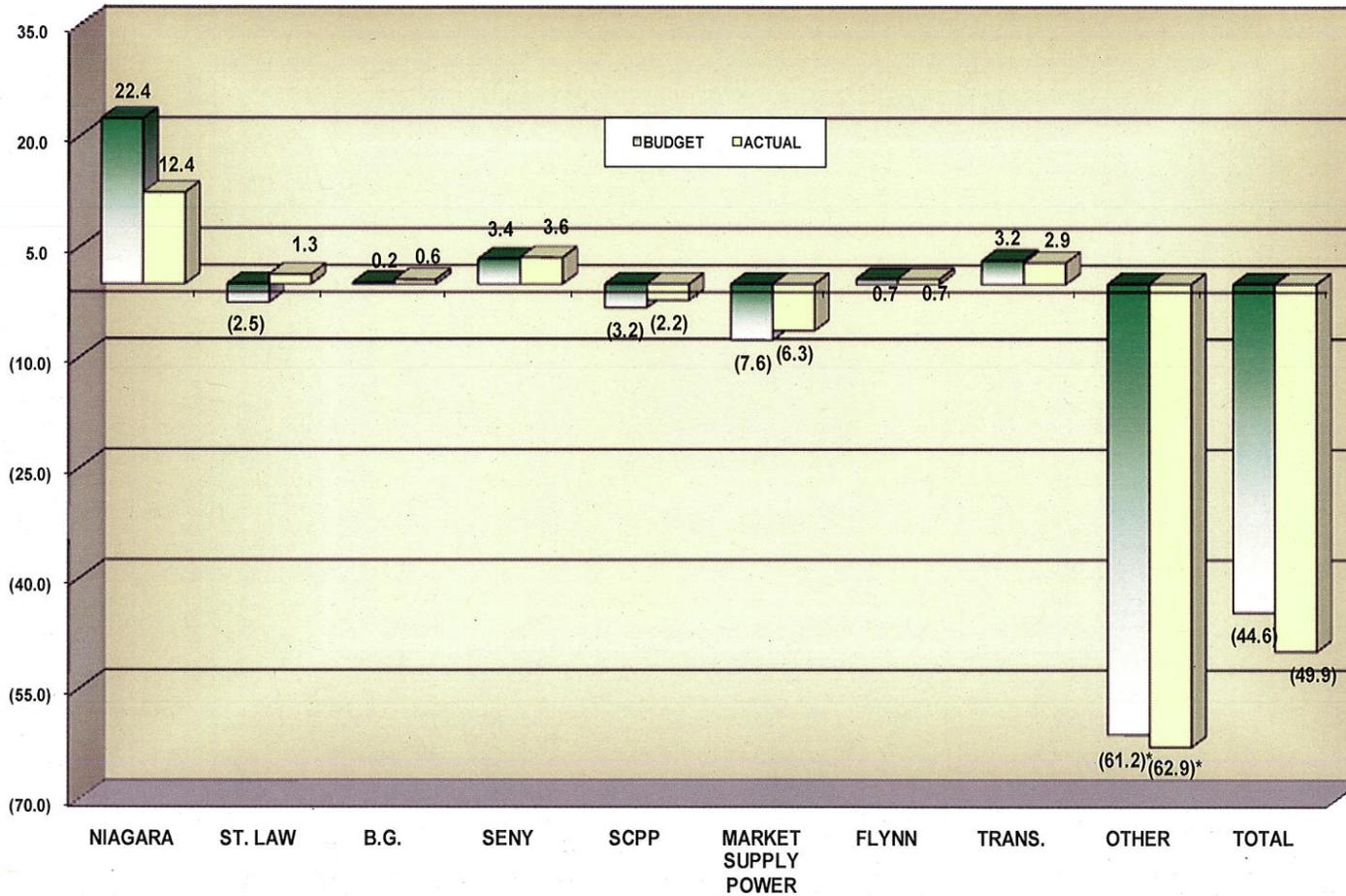


NEW YORK POWER AUTHORITY

REPORT OF THE CHIEF FINANCIAL OFFICER

FOR THE MONTH ENDED JANUARY 31, 2009

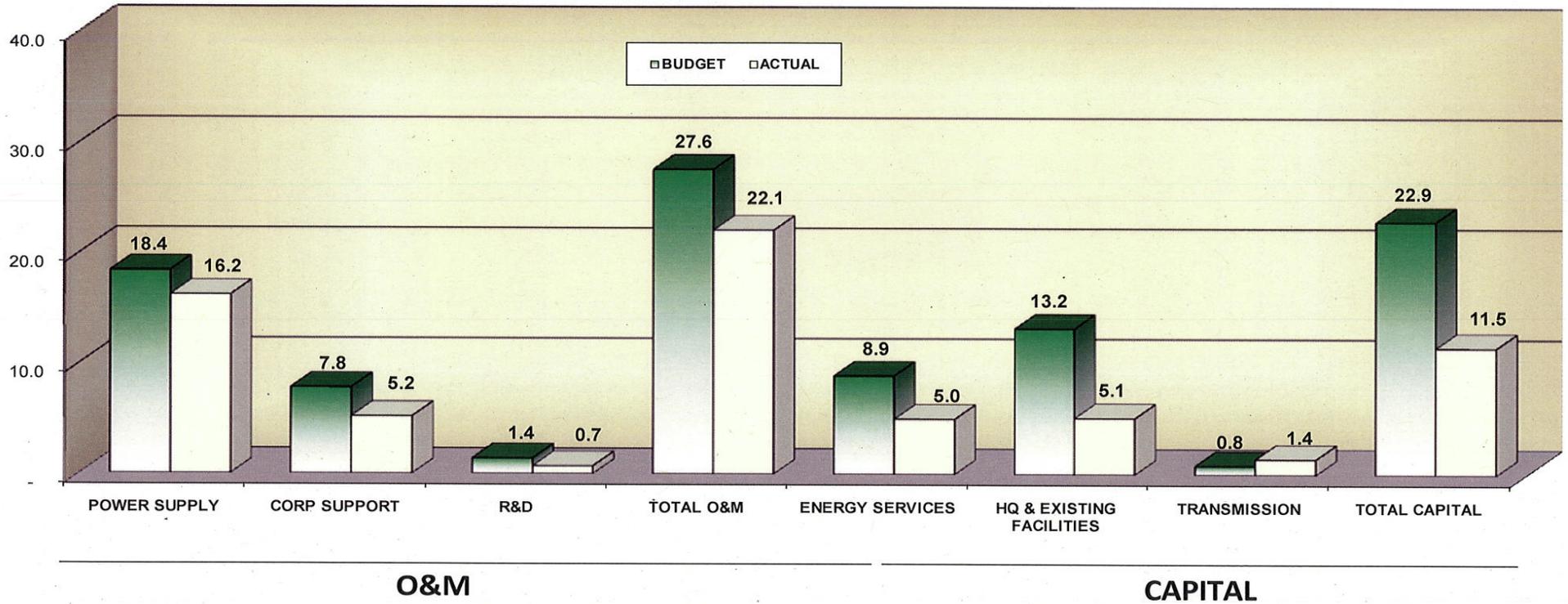
Net Revenues By Facility January 2009 (\$ in millions)



Major Factors	Better (Worse)
NIAGARA Lower market-based sales (5% lower production), partially offset by higher customer revenues.	(10.0)
St. Lawrence Higher market based sales & lower Purchased Power (11% higher production).	3.8
SCPP'S Lower O&M (budget assumed Jan outage).	1.0
MSP Higher revenues.	1.3
Other Primarily higher MTM loss on investments. (higher market interest rates).	(1.7)
Misc.	0.3
TOTAL	(5.3)

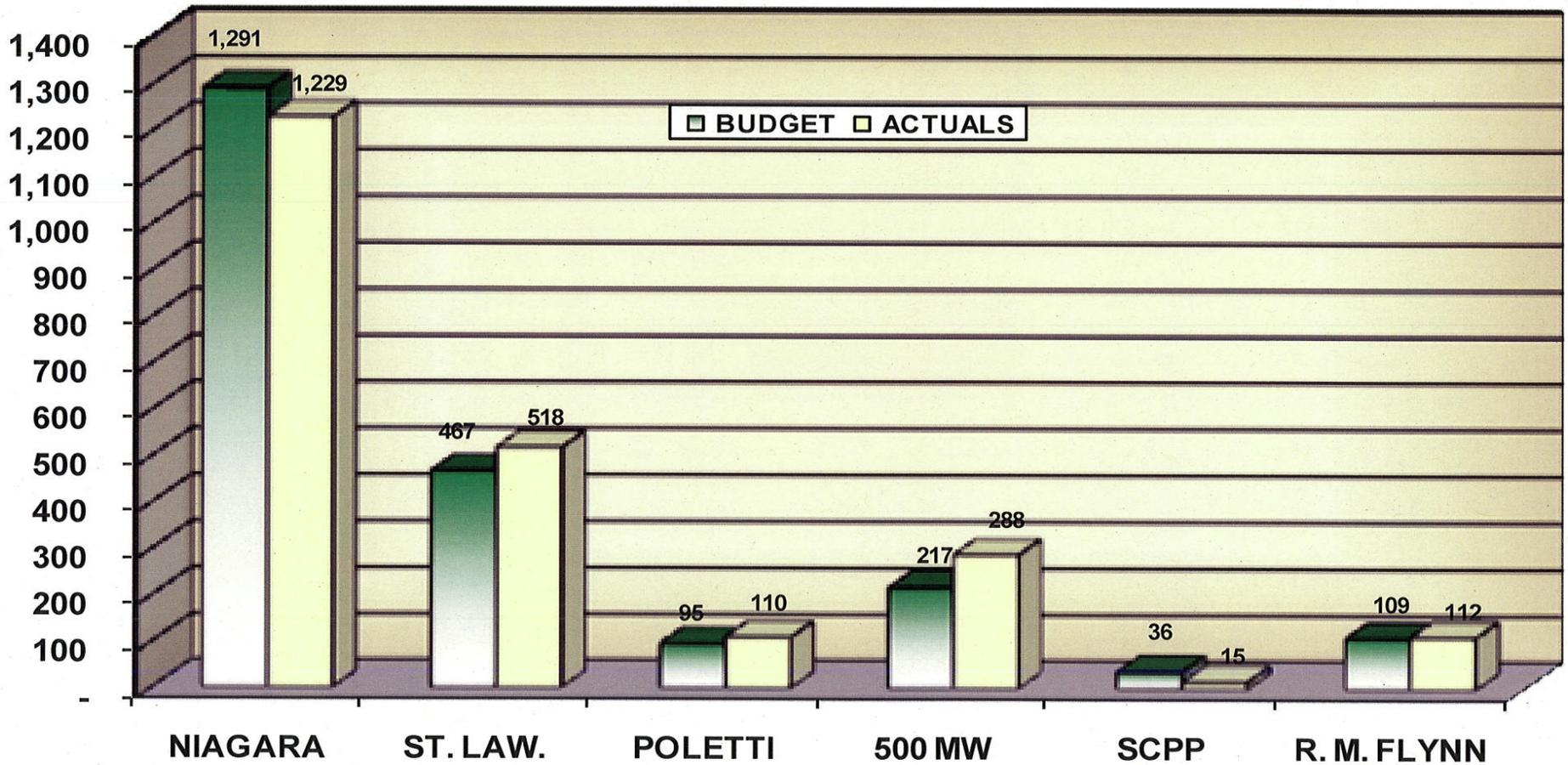
* Includes \$70 million contribution to NY State (Actual & Budget).

O&M and CAPITAL EXPENDITURES January 2009 (\$ in millions)



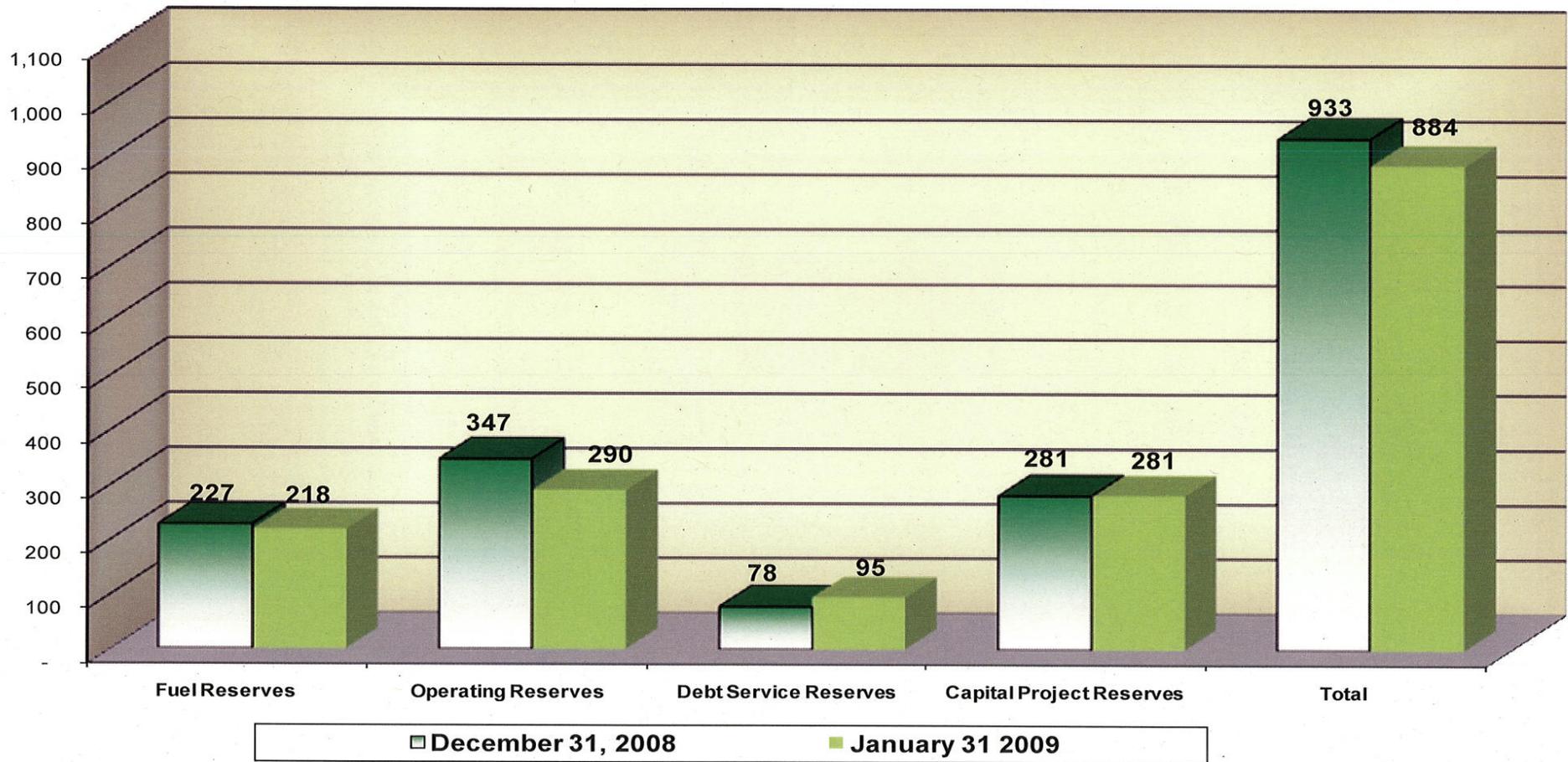
- For January, O&M expenses were \$5.5 lower than the budget.
- Power Supply expenditures were \$2.2 lower primarily due to a timing difference for the mini overhaul at the Kent facility (SCPP's).
- Corporate Support expenses were under budget by \$2.6 due mostly to under spending for communications and IT computer hardware and software.
- Lower capital expenditures at HQ and Existing Facilities were primarily due to delays in various projects such as the 500MW spare GSU Transformer and the St. Lawrence LEM and Breaker Replacement. Energy Services expenditures were under budget due to temporary timing differences related to the Governmental Energy Services Projects and NYPA Energy Services Programs.
- Under the Expenditures Authorization Procedure, the President has authorized new expenditures on budgeted capital projects of \$2.9 million for 2009. (Niagara- LPGP Unit #1 Rewind).

GENERATION January 2009 (MWH in thousands)



Production for January (2,267 gwh) was 3% higher than anticipated (2,198 gwh). Generation was higher at the 500MW plant (33%), St. Lawrence (11%) and Poletti (16%) partially offset by lower production at Niagara (5%).

Operating Fund As of January 31, 2009



Fuel Reserves include \$215.5 million for Nuclear Spent Fuel and \$2.0 million for Energy Hedging Reserve Fund.

The decrease in the January operating reserve balance resulted primarily from the \$119 million voluntary contribution to NY State partially offset by the receipt of a \$72 million payment from Entergy, related to the Value Sharing Agreements.

**New York Power Authority
Financial Reports
For The Month Ended January 31, 2009**

NET REVENUES

(in \$ millions)

	<u>Annual Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable/ (Unfavorable)</u>
Operating Revenues				
Customer	\$2,081.9	\$189.6	\$180.0	\$9.6
Market-Based Power Sales	805.4	63.5	60.1	3.4
Ancillary Services	62.3	4.3	6.1	(1.8)
NTAC and Other	88.0	7.1	8.4	(1.3)
	<u>955.7</u>	<u>75.0</u>	<u>74.6</u>	<u>.3</u>
	3,037.6	264.6	254.7	9.9
Operating Expenses				
Purchased Power	1,060.3	109.9	94.4	(15.5)
Fuel Consumed - Oil & Gas	516.5	52.1	48.4	(3.6)
Ancillary Services	95.8	6.7	8.1	1.4
Wheeling	441.6	31.3	30.5	(.8)
Operations & Maintenance	304.6	22.1	27.6	5.5
Depreciation & Amortization	160.7	13.4	13.4	-
Other Expenses	115.0	9.7	10.5	.7
Allocation to Capital	(10.4)	(.5)	(.8)	(.3)
	<u>2,684.0</u>	<u>244.8</u>	<u>232.1</u>	<u>(12.7)</u>
Net Operating Revenues	353.6	19.8	22.6	(2.7)
Non Operating Revenues				
Post Nuclear Sale Income	89.8	8.7	8.7	-
Investment Income	43.9	3.6	3.3	.4
Mark to Market Investments	(3.7)	(3.9)	(.3)	(3.6)
	<u>130.0</u>	<u>8.4</u>	<u>11.7</u>	<u>(3.2)</u>
Non Operating Expenses				
Contribution to State	70.0	70.0	70.0	-
Interest and Other Expenses	105.7	8.1	8.9	(.8)
	<u>175.7</u>	<u>78.1</u>	<u>78.9</u>	<u>(.8)</u>
Net Income (Loss)	<u><u>\$307.9</u></u>	<u><u>(\$49.9)</u></u>	<u><u>(\$44.6)</u></u>	<u><u>(\$5.2)</u></u>

**New York Power Authority
Financial Reports
For The Month Ended January 31, 2009**

COMPARATIVE STATEMENT OF NET ASSETS

(in \$ millions)

	<u>January 2009</u>	<u>December 2008</u>	<u>Net Change</u>
ASSETS:			
Electric Plant In Service, Less Accumulated Depreciation	\$3,359.6	\$3,370.6	(\$11.0)
Construction Work In Progress	163.7	157.6	6.2
Net Utility Plant	<u>3,523.4</u>	<u>3,528.2</u>	<u>(4.9)</u>
Restricted Funds	100.4	99.8	.6
Construction Funds	208.7	215.2	(6.5)
Investment in Decommissioning Trust Fund	814.3	811.8	2.5
Current Assets:			
Cash	.1	.1	-
Investments in Government Securities	905.1	961.1	(56.0)
Interest Receivable on Investments	8.5	7.1	1.4
Receivable-Customers	208.1	159.0	-
Materials & Supplies - Plant & General	82.6	84.5	(1.9)
- Fuel	36.2	38.6	(2.4)
Prepayments and Other	206.4	188.6	17.8
Notes Receivable - Nuclear Sale	118.9	182.2	(63.3)
Deferred Charges and Other Assets	<u>501.8</u>	<u>503.3</u>	<u>(1.5)</u>
TOTAL ASSETS	<u>\$6,714.5</u>	<u>\$6,779.5</u>	<u>(\$64.9)</u>
LIABILITIES AND OTHER CREDITS:			
Long-term Debt			
Bonds	1,701.8	1,702.0	(.2)
Notes	144.0	144.0	-
Short-term Notes Payable	271.6	272.5	(1.0)
Accounts Payable and Accrued Liabilities	920.7	924.8	(4.1)
Spent Nuclear Fuel Disposal	215.5	215.5	-
Decommissioning of Nuclear Plants	814.3	811.8	2.5
Deferred Revenue	<u>140.1</u>	<u>142.0</u>	<u>(1.9)</u>
TOTAL LIABILITIES AND OTHER CREDITS	<u>4,207.9</u>	<u>4,212.6</u>	<u>(4.7)</u>
ACCUMULATED NET REVENUES - JANUARY 1	2,556.5	2,268.4	288.1
NET REVENUES	<u>(49.9)</u>	<u>298.5</u>	<u>(348.3)</u>
TOTAL LIABILITIES AND CAPITAL	<u>\$6,714.5</u>	<u>\$6,779.5</u>	<u>(\$64.9)</u>

**New York Power Authority
Financial Reports
For The Year Ended December 31, 2008**

NET REVENUES

(in \$ millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable/ (Unfavorable)</u>
Operating Revenues			
Customer	\$2,031.6	\$2,001.3	\$30.3
Market-Based Power Sales	986.3	723.8	262.5
Ancillary Services	67.2	60.2	7.0
NTAC and Other	100.0	92.6	7.3
	<u>1,153.4</u>	<u>876.6</u>	<u>276.8</u>
	3,185.0	2,877.9	307.1
Operating Expenses			
Purchased Power	1,104.4	1,055.2	(49.2)
Fuel Consumed - Oil & Gas	615.1	542.8	(72.3)
Ancillary Services	136.3	91.1	(45.2)
Wheeling	388.4	384.3	(4.1)
Operations & Maintenance	294.4	295.0	.6
Depreciation & Amortization	173.1	175.4	2.3
Contributions to State (P4J Related)	25.0	25.0	-
Other Expenses	149.1	115.9	(33.2)
Allocation to Capital	(9.3)	(8.0)	1.3
	<u>2,876.5</u>	<u>2,676.7</u>	<u>(199.7)</u>
Net Operating Revenues	308.5	201.2	107.3
Non Operating Revenues			
Post Nuclear Sale Income	90.7	90.7	-
Interest Income	49.1	53.7	(4.6)
Mark to Market Investments	24.5	12.0	12.5
	<u>164.2</u>	<u>156.4</u>	<u>7.8</u>
Non Operating Expenses			
Contribution to State	60.0	-	(60.0)
Interest and Other Expenses	114.3	128.9	14.6
	<u>174.3</u>	<u>128.9</u>	<u>(45.4)</u>
Net Income	<u><u>\$298.5</u></u>	<u><u>\$228.7</u></u>	<u><u>\$69.7</u></u>

Final net revenues for the year ended December 31, 2008 amounted to \$299 which was in line with preliminary figures reported last month. Lower sales revenues were offset by lower operating expenses resulting from a true-up of prior estimates.