

For Immediate Release:
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NYISO Unveils \$74 Million Smart Grid Initiative, Breaks Ground on New Power Control Center

Rensselaer, N.Y. – Dozens of federal, state and local government officials and energy industry representatives, including U.S. Sen. Charles Schumer and U.S. Rep. Paul Tonko, were on hand today as the [New York Independent System Operator \(NYISO\)](#) unveiled details of a \$74 million smart grid initiative, which is being supported by a U.S. Department of Energy Smart Grid Investment Grant of more than \$37 million.

In addition to announcing details of the new smart grid initiative, the NYISO also held a groundbreaking ceremony to mark the start of construction of its new \$35.5 million primary power control center. The new facility is being built adjacent to the NYISO's headquarters building in Rensselaer County, near Albany.

The 64,000-square-foot control center at the NYISO's Krey Boulevard site will serve as the primary operational nerve center for the non-profit NYISO, which oversees New York's bulk electricity grid and wholesale electricity markets. The new facility is being developed to replace the NYISO's existing, 42-year-old Carman Road control center in the town of Guiderland in western Albany County. That facility's systems will be upgraded, allowing the NYISO to meet the requirement of having a fully functional primary and backup control center.

"Today, we're not just breaking ground on a state-of-the-art facility, we're flipping on an economic light switch for the Capital Region," said Senator Schumer. "This project is going to support hundreds of construction jobs, 20 new jobs when all is said and done, and will help update our energy grid to spur even more economic development across upstate New York. This is a great day for the Capital Region and the NYISO."

Completion of the smart grid and control center projects will allow the NYISO to better fulfill its core mission of maintaining reliability of the state's bulk power system and operating economically efficient wholesale markets. For example, the new control facility is designed to meet 21st century grid reliability requirements through the use of the latest control technologies and state-of-the-art visual displays designed to improve the NYISO's ability to receive, process and monitor changing conditions throughout the region.

"This groundbreaking marks the first step in building a new foundation for New York's energy infrastructure that will lead us to incorporating smart grid technologies and renewable energy sources into our power delivery system," said Congressman Paul Tonko. "The federal investment we see here today will create new jobs and improve the electric grid's efficiency and reliability for all New Yorkers."

In April 2011, the New York State Public Service Commission approved NYISO's request to borrow up to \$45 million to build its new control center and modernize the Guiderland facility.

"Our new control center will serve as a solid foundation for establishing a smarter, more reliable electric grid that is vital to the state's economic future," said Stephen G. Whitley, the NYISO's president and CEO. "The project will help New York state achieve a number of key energy goals, including enabling the increased integration of renewable energy supplies, cultivating innovative energy storage technologies, addressing the

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growing complexity of modern electric grid operations and effectively implementing the broader regional markets initiative that will provide New York with approximately \$190 million in annual savings.”

“Electricity is the lifeblood of the economy and these investments are at the heart of New York’s power grid. As we strive to make the grid smarter and the supply of power more reliable, we are sustaining and enhancing the economic health of the Empire State,” said Robert Hiney, chairman of the NYISO Board of Directors.

The NYISO’s control center construction and modernization initiative will require several hundred construction jobs and create more than 20 new permanent jobs. Construction of the new control center is expected to be completed in 2014, while the overhaul of the Guilderland facility is set to be finished by 2012.

The combination of the new control center and renovation of the existing Carman Road facility will ensure the NYISO’s compliance with the North American Electric Reliability Corporation’s proposed reliability standard that would require a fully redundant alternate control center.

Smart Grid Projects to Boost Energy Efficiency, Saving Millions of Dollars

The NYISO is working with individual utilities around the state to implement the new \$74 million smart grid initiative, which involves the installation of capacitor banks and phasor measurement units (PMUs) on the bulk transmission system throughout the state.

The capacitor banks will improve the efficiency of the state’s bulk transmission system by reducing the amount of electricity that is lost when carried over long distances on the bulk transmission system, thus reducing electricity costs in New York State approximately \$9 million per year.

The installation of PMUs and integration of the data provided will improve grid operators’ visualization capabilities and situational awareness. Eventually, the NYISO’s PMU network will connect with PMU networks in New England, the mid-Atlantic, the Midwest and Ontario, Canada, to create a broader situational awareness throughout the eastern United States and Canada. The PMU initiative may help to avoid future disturbances like the 2003 Northeast regional blackout.

New York’s bulk electricity grid, consisting of hundreds of generating units and thousands of miles of high-voltage transmission lines, requires the constant balancing of electricity supplies to meet consumer needs, on a moment-to-moment basis, 24 hours a day, 365 days a year.

The NYISO-administered marketplace for wholesale electricity includes ongoing auctions that bring together buyers and sellers of energy and related products and services. Transactions in the NYISO’s wholesale electricity markets totaled roughly \$6 billion in 2010.

Additional Quotes Regarding NYISO’s Smart Grid and Control Center Projects

U.S. Senator Kirsten Gillibrand: “A smart electric grid is the foundation for the clean energy economy we need for long term strength. Breaking ground on the new NYISO control center in the Capital Region will help to modernize New York’s energy grid, making our businesses and homes more energy efficient, our state more competitive in a global marketplace, and creating new construction jobs immediately.”

Congressman Chris Gibson: “As we look to expand the production of economically viable, clean, safe, and accessible power in New York, it is essential that we ensure our state has a reliable grid that can handle our growing electricity needs. This will allow families and businesses to access the energy they need. This is a key area my Energy Advisory Council has identified as an impediment to current growth in New York, particularly in the Capital Region. I applaud the investment NYISO is making in our state’s future by constructing this new control center, which will bring both construction jobs in the short-term and having lasting long-term benefits for energy consumers.”

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Patricia Hoffman, Assistant Secretary for the Office of Electricity Delivery and Energy Reliability at the Department of Energy: “Situational awareness plays a crucial role in improving the reliability and resiliency of the grid. DOE funding of this NYISO project and others is allowing independent system operators, transmission companies and other utilities across the U.S. to install over 800 networked PMUs. As a result, system operators and utilities are getting more accurate and timely picture of the status of the grid, allowing them to respond more quickly and effectively when disruptions do occur.”

Ron Canestrari, Majority Leader, NYS Assembly: "This is great news for the Capital District and the State. It's an additional investment in our energy needs and takes us to a higher level with our power system for the future."

State Senator George Maziarz, Chairman of the NYS Senate Energy and Telecommunications Committee: “Today’s announcements set the stage for a new era of efficiency in our transmission network. Most people don’t think about the infrastructure necessary to keep the lights on and the refrigerator running, but this facility will be of central importance to our state’s energy needs. Like the accompanying Smart Grid investments, it will make a difference in the lives of all New Yorkers.”

Kathleen M. Jimino, Rensselaer County Executive: “The key to our local economic recovery is job creation, and this project not only creates the jobs our residents seek but the work that will be done at this facility will help ensure that the electricity needed for current business to grow and new businesses to locate here will be available,”

Linda Hillman, President of the Rensselaer County Regional Chamber of Commerce: “NYISO’s investment in this advanced electric grid is further demonstration that New York continues to be an innovative leader in the high-tech sector. This state-of-the-art control center is essential to the advancement of Smart Grid initiatives, renewable energy resources, and the innovative storage technologies being offered by the Rensselaer County based business, Beacon Power. Up-to-date facilities are essential to our ability to maintain leadership and remain competitive among prospective private development opportunities. This investment also equates to job growth and that, of course, is the key to sustainable economic development. We applaud NYISO for their commitment to the future of New York State.”

Josephine Ashworth, Town of North Greenbush Supervisor: “The Town of North Greenbush welcomes the NYISO’s new control center project. As part of the continuing growth of our community, this project will add an economic boost in the way of construction jobs over the next three years. In addition, the NYISO will eventually add 20 permanent jobs in town. This, combined with the fact that the work of the NYISO is integral to the safety and security of our State, makes us very pleased the NYISO is expanding its presence in North Greenbush.”

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For background material, please go to the [NYISO website](#) for:

- [Fact Sheet – About the NYISO](#)
- [Fact Sheet – NYISO Control Center Project](#)
- [Fact Sheet – NYISO: By the Numbers](#)
- [Artist Rendering – NYISO Control Center Project](#)

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