

NEWS RELEASE



FOR IMMEDIATE RELEASE

July 12, 2001

Contact:

Steven C. Sullivan 518-356-7605

Ken Klapp 518-356-6253

NYISO ANNOUNCES MITIGATION ACTION

GUILDERLAND, NEW YORK—The New York Independent System Operator (“NYISO”) announced today that mitigation took place in the Real-Time Market at 1:42 p.m. on Tuesday, July 10, 2001 in conformance with the Federal Energy Regulatory Commission (FERC) approved Market Mitigation Plan.

The NYISO market power mitigation measures (“Mitigation Measures”) are intended to provide the means for the NYISO to mitigate the market effects of any conduct that would substantially distort competitive outcomes in the New York Electric Markets administered by the NYISO, while avoiding unnecessary interference with competitive price signals. Consistent with the provisions of the Plan, these Mitigation Measures are intended to minimize interference with open and competitive markets and thus to permit, to the maximum extent practicable, price levels to be determined by competitive forces under the prevailing market conditions. To that end, the Mitigation Measures authorize the mitigation only of specific conduct that exceeds well-defined thresholds.

Because of market confidentiality rules, the NYISO is prohibited from providing any additional information about the action or the identity of the company that was mitigated. However, the NYISO has agreed to provide the basic information listed above any time mitigation occurs. This process of reporting mitigation is being instituted at the request of the NYISO’s market participants.

###

The New York Independent System Operator (“NYISO”)—www.nyiso.com-- is a not-for-profit corporation established in 1999 to facilitate the restructuring of New York State’s electric industry. Based in New York’s Capital Region, in addition to administering the State’s wholesale energy markets, the NYISO operates the State’s high voltage electric transmission system. Last year, the NYISO’s market volume exceeded \$5.2 billion, more than all of the other Northeast markets combined.