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FOR IMMEDIATE RELEASE

Northeast ISO's Announce Selection of Consultants to Perform a Feasibility Study for a Regional Day-Ahead Wholesale Electric Market

October 26, 2000, Albany, NY... Three northeast Independent System Operators (ISO), ISO New England Inc. (ISO-NE), the New York ISO (NYISO) and the Ontario Independent Electric Market Operator (IMO) announced today that they have selected a joint consulting team of LECG and KEMA Consulting to perform a feasibility study for a regional day-ahead wholesale electric market. The LECG/KEMA team was selected after a collaborative evaluation process that included market participants and staff from the three sponsoring organizations.

This study about to be undertaken by the LECG/KEMA team will recognize the substantial work already completed by ISO-NE, the IMO and the NYISO in setting up their existing markets, and will examine issues such as market rules, market timing and products being offered to determine if a supplemental regional marketplace would improve overall market efficiencies and effectiveness. Last year the northeast ISO's agreed to address areas of mutual interest and pledged to focus on the issue of broader and more seamless markets. In addition, the Federal Energy Regulatory Commission's (FERC) Order 2000 calls for the formation of Regional Transmission Organizations (RTOs), and FERC has indicated that it favors larger regional ISO markets in order to reduce or eliminate so-called "seams" issues that currently exist between markets.

The development of a regional day-ahead market would be comprised of three phases. If the feasibility study proves there are advantages for the creation of a regional marketplace, two additional phases would then be undertaken. The second phase would be to perform a comprehensive system reliability study encompassing the entire region. Finally, the third phase would produce functional specifications based on the outcomes of the first two phases. Completion of the first phase, as awarded to the LECG/KEMA team, is expected in early May 2001.

ISO New England Inc. is the Independent System Operator for the six-state New England region. Established in July 1997, it is responsible for the secure and reliable operation of the region's bulk electric power grid, administering the market-based wholesale energy and ancillary services markets in New England and administering the NEPOOL Open Access Transmission Tariff. The region has approximately 25,000 megawatts of generating capacity. ISO New England is located in Holyoke, Massachusetts.

The New York ISO began operation on November 18, 1999. It ensures the reliable, safe and efficient operation of New York State's major transmission system and administers an open, competitive and non-discriminatory wholesale market for electricity. The New York control area has a generating capacity of over 35,636 megawatts. The New York ISO is located just west of Albany, in the Town of Guilderland, New York.

The Independent Electricity Market Operator (IMO) is responsible for overseeing the operation of the Ontario bulk power system and will administer the competitive wholesale electricity market for the province when it opens next year. Ontario has a generating capacity of approximately 30,000 megawatts. The IMO is a not-for-profit, non-share capital corporation created by the Ontario Government through the 1998 Energy Competition Act. The IMO is headquartered in Toronto, Ontario.