

NEWS RELEASE



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FOR IMMEDIATE RELEASE

New York Independent System Operator Issues Wholesale Electric Market Report

August 30, 2000, Albany, NY... With growing interest in the price of wholesale electricity, The New York Independent System Operator (NYISO) is introducing the first weekly "Wholesale Electric Report". The report displays average wholesale electricity prices for energy traded in the NYISO's Day-Ahead Market in each of New York's eleven zones.

Most of the State's electricity is consumed by business and industry, which operates at an optimum Monday – Friday. Lower loads are experienced on the weekends and therefore prices are also generally lower on Sundays and Saturdays. Differences between zonal prices are caused by congestion in the transmission system and losses that occur when electricity is transmitted. The prices quoted are for cents per kilowatt-hour on the Day-Ahead Market, which covers about 95% of the NYISO's wholesale electricity market. The prices are load weighted to reflect the price relative to the amount of energy sold at that price.

A lower volume market, the Real Time Market, accounts for normally less than 5% of the electricity traded on the NYISO markets, and is not represented here. While the attached graph is an indicator of energy prices for the period reported, it is important to note that there are other, relatively small charges, such as those for ancillary services that contribute to the final wholesale cost of electricity.

Finally, approximately 50% of all electricity traded in New York State is accomplished on a bilateral basis between buyers and seller. The prices and resulting total cost of that power is unknown to the NYISO and is not reflected here.

Formed as part of the restructuring of New York State's electric industry, the NYISO is responsible for operating the bulk power system in New York State and administering the state's competitive wholesale electricity market.

-30-

(Attachment) See Page 2

Editor's note: This chart can be downloaded from the NYISO website:
www.nyiso.com/markets/weekly_pricing_report.htm