
FOR IMMEDIATE RELEASE**NEW YORK INDEPENDENT SYSTEM OPERATOR
FINDS THAT NEW YORK CITY FACES ELECTRICITY SHORTAGE**

February 14, 2001, Guilderland, NY...The Operating Committee of the New York Independent System Operator (NYISO), the entity charged with administration of the newly deregulated wholesale electricity markets and operation of the bulk power grid in New York State, today found that additional capacity must be sited in New York City if it expects to be able to meet applicable reliability standards for electricity this summer. This conclusion was reached after evaluating expected demand for power in the city with expected supply, and is contained in the NYISO's "Locational Installed Capacity Requirements Study ("Study")."

The NYISO is charged with the responsibility to review areas of the State where transmission capacity may be so limited that electric capacity must be situated in the area to meet demand reliably. The State has historically had two such transmission-constrained areas -- New York City and Long Island. This year's Study confirmed that these areas remain constrained. It also found that unless proposed capacity additions are actually put into service by this summer, New York City will be short of the amount of capacity needed locally to meet this coming summer's demand reliably.

With New York City's load expected to reach 10,535 MW this summer, 8,428 MW of capacity in the city are required to meet demand reliably. Today, New York City has 8,132 MW of capacity on line in the city. An additional 296 MW of capacity, or a similar reduction in electricity demand, is necessary to meet applicable reliability targets. The NYISO forecasts that even more capacity will be needed after the summer of 2001 to serve load reliably unless demand growth abates. A similar shortfall exists on Long Island where capacity falls short of requirements by 131 MW.

"Formed as a part of the deregulation of the New York State Electric industry, the NYISO is dedicated to the development and rapid evolution of efficient and non-discriminatory competitive power markets while maintaining superior regional reliability of the NYS power grid."