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**FOR IMMEDIATE RELEASE**

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## **NYISO TO PARTICIPATE IN FERC RTO PROCESS**

### **-NYISO Board Advocates A Prudent Approach-**

GUILDERLAND, NY– The New York Independent System Operator Board of Directors (NYISO Board) at its July 17 meeting, authorized the NYISO to participate in the Federal Energy Regulatory Commission’s (FERC) Northeast “mediation discussions” on forming a single Regional Transmission Organization (RTO). The Board has long advocated forming a larger regional market, and New York has been a leader in those ongoing regional coordination efforts. The Board expressed a commitment to work with FERC towards forming a single Northeast RTO, but cautioned that the process must be a careful and thoughtful one in order to avoid the mistakes that have occurred elsewhere in the country.

The FERC orders, which were released on Thursday and Friday following the FERC’s July 11 session, rejected the NYISO’s application to become a Regional Transmission Organization and instead mandated that the New York market operator participate in “mediation discussions” with Pennsylvania, New Jersey, Maryland Interconnection (PJM), the Independent System Operator of New England (ISO-NE) and Alleghany Power to form a single, fully-integrated RTO.

“We have already been hard at work with the other two Northeast ISO’s identifying best practices and harmonizing our market rules to reduce barriers to trading between the individual markets. These efforts have sought to harness the economies of scale of larger markets, in the most expedient manner while maintaining the reliability and integrity of the individual systems,” said William Museler, the NYISO’s President and Chief Executive Officer.

Museler pointed to a number of initiatives that have evolved out of a collaborative planning process among the three Northeast ISOs as evidence that the Northeast is already making good progress in this area. He cited a study of a regional Day-Ahead market for the Northeast, agreements for reserve sharing, an interregional congestion management re-dispatch mechanism and an ongoing effort to identify “best practices,” as clear indications of advancement in the area of regional market integrations. “ We welcome the FERC mediation process as a way to accelerate the resolution of these important issues,” said Museler.

Museler emphasized that the geographic region covered by the Northeast ISOs is unparalleled in terms of political and economic significance. A single Northeastern RTO (including the IMO of Ontario) would serve a combined load of more than 141,000 MW, contain over 38,000 miles of transmission lines and include a population of over 60.2 million. Within this region are the major metropolitan areas of New York, Philadelphia, Boston, Toronto and Washington, D.C. This is an area that contains the Capital of the most powerful nation in the world along with the world center of finance and communications. Never before has a single transmission operator covered an area with such significance to the United States and the world economy.

“Given the problems we’ve seen with California, we should be very careful to ensure that the significant decisions we make while advancing toward a single RTO are made in a thoughtful and deliberate manner, and are in the public interest,” said Museler.

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*The NYISO is a not-for-profit corporation established in 1999 to facilitate the restructuring of New York State’s electric industry. 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 (including energy, ancillary services, ICAP and TCC auctions) exceeded \$5.2 billion, more than all of the other Northeast markets combined.*