



For Immediate Release

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ISO New England and New York ISO Vote to File Northeast Regional Transmission Organization Proposal

Holyoke, MA/Guilderland, NY – August 21, 2002 – The Boards of Directors from ISO New England Inc. and the New York ISO today announced they will file their joint proposal to create the Northeast Regional Transmission Organization (NERTO) with the Federal Energy Regulatory Commission (FERC) within the next few days.

At recent Board meetings, both ISOs reaffirmed their June decision to create the NERTO and establish a single wholesale electricity marketplace based on a standard market design. The NERTO proposal was developed over the course of several months with extensive stakeholder input and represents the best practices of both organizations.

The combined New England and New York market for the seven Northeast states would serve 33 million people with a combined peak electrical load of approximately 56,000 megawatts and include the Northeast cities of New York, Albany Boston, Hartford, Providence, Buffalo, Syracuse, Portland, Montpelier, Concord and Springfield.

ISO New England and the New York ISO also continue to work on the elimination of seams consistent with the Northeast Power Markets Seams Action Plan presented to the FERC on July 17, 2002. In addition, the NERTO proposal contemplates the continued harmonization of the NERTO market with that of the Independent Market Operator of Ontario (IMO) and closer coordination with TransEnergie and the Canadian Maritime Provinces.

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ISO New England Inc. is the not-for-profit corporation responsible for the day-to-day reliable operation of New England's bulk generation and transmission systems with an installed capacity of almost 28,000 megawatts. In addition to operating the bulk power grid, ISO New England is the administrator of the region's wholesale electricity marketplace and the Open Access Transmission Tariff on behalf of the New England Power Pool.

The New York Independent System Operator (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 \$5.6 billion.