



For Immediate Release

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ISO New England and New York Independent System Operator Boards Approve Creation of Northeast Regional Transmission Organization

Will Delay NERTO Filing Until FERC's Standard Market Design NOPR is Issued

Holyoke, MA/Guilderland, NY – June 18, 2002 – ISO New England Inc. and the New York ISO jointly announce today that their Boards of Directors have approved the filing with the Federal Energy Regulatory Commission (FERC) of their joint proposal for the creation of a Northeast Regional Transmission Organization (NERTO). The ISOs proposal was developed over the last six months with extensive stakeholder input and was presented last week to both the New England Power Pool Participants Committee and the New York Management Committee.

The ISOs also announce that, at the request of the Chairman of the FERC, their Boards decided to delay the NERTO filing until August, 2002. The decision to delay the filing until August was pursuant to the request of the Chairman of the FERC to allow the FERC time to work with interested parties on Northeast seams issues and to address many of the substantive issues presented in the filing through the Standard Market Design Notice of Proposed Rulemaking expected in late July.

ISO New England and the New York ISO will continue to work on the elimination of seams consistent with the implementation plan presented to the FERC on June 12. This plan calls for the elimination of the remaining seams and the implementation of Standard Market Design in New England and New York during 2003.

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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 more than 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 \$5.2 billion. # # #