

Cooperation Among Electric Grid Operators Helping to Meet High Demand for Power

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CARMEL, Ind., GUILDERLAND, N.Y., HOLYOKE, Mass., VALLEY FORGE, Pa., and LITTLE ROCK, Ark. – Mid-way through a hot, humid summer, electric grid operators across much of the country have managed increased demand for power by coordinating their efforts to ensure reliability and maintain system performance.

Grid operators responsible for managing the flow of wholesale power across the Eastern Interconnection – an area that stretches from the Rockies to New England and from Arkansas to Manitoba – have all reported record levels of electricity usage during this summer's extreme heat and high humidity.

Thus far, their systems have met demand with few problems, although some organizations have asked consumers to conserve power during periods of peak usage. The grid managers credit coordinated efforts with their own members and with other independent system operators, or ISOs, for their continued ability to meet high demand and to maintain system performance and reliability.

Their experiences so far this summer in successfully meeting high demand for power should prove valuable throughout the remainder of the season, they added, as well as in preparations to meet future demands on their respective systems.

During daily conference calls, representatives of grid operators along the Eastern Interconnection discuss the day's outlook and share data regarding projected peak demand for power within each system. In addition, numerous operating agreements between ISOs have improved coordination, particularly at seams along the borders of neighboring systems.

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Under the agreements, the ISOs share critical operating data relating to the management of reliability and relief of congestion within their respective systems. The ISOs also share day-today planning data to ensure that each grid operator can recognize and manage the effects of its operations on adjoining systems.

Improved coordination among ISOs also creates opportunities to import or export power from one system to another, as needed, to meet demand for power.

Grid operators across the Eastern Interconnection have reported new peak demands for power usage throughout the summer's extended heat wave. (Peak demand is the highest amount of electricity used by consumers in a one-hour period. Peak demand is typically reached in the late afternoon, when electricity usage is at its highest.)

- PJM Interconnection, which operates the power grid for all or parts of 13 states and the District of Columbia, announced on July 26 that it had successfully met a peak demand for about 135,000 megawatts (MW), a new record. PJM's previous record peak demand was 130,574 MW, reached on July 18.
- On August 3, the Midwest Independent Transmission System Operator, Inc. (Midwest ISO), which manages the power grid for all or parts of 15 states and the Canadian province of Manitoba, successfully met a demand within its reliability footprint of 131,434 MW, topping the previous peak of 131,188 MW set on August 2.
- The New York Independent System Operator (NYISO) announced on July 26 that, for the second straight week, high heat and humidity drove statewide electricity usage to record levels. NYISO officials recorded a peak load of 32,075 MW on July 26, breaking the previous week's record of 31,741 MW.
- ISO New England, Inc., (ISO-NE) which operates the bulk power grid serving the New England region, announced it had reached an all-time high on July 27, topping out at 26,922 MW. The previous record, of 26,749 MW, had been set on July 19. Prior to 2005, New England's record was 25,348 MW, set in 2002.
- Southwest Power Pool, Inc. (SPP), which manages the power grid in all or part of seven southwestern states, has experienced high demand this summer as well. Non-coincidental peak for July 22 was 38,852 MW, surpassing the previous day's peak of 38,612 MW. With the unusually high demand levels in the northeast, SPP has actually seen transmission patterns moving south to north, which is atypical for the summer months.

One megawatt is enough electricity to power about 800 homes, according to national averages.

All told, NYISO, SPP, ISO-NE, PJM and the Midwest ISO supply wholesale power to approximately 142 million people, roughly 48 percent of the U.S. population.

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About PJM

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PJM Interconnection ensures the reliability of the high-voltage electric power system serving 51 million people in all or parts of Delaware, Indiana, Illinois, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid; administers a competitive wholesale electricity market, the world's largest; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. Visit PJM at www.pjm.com.

About Midwest ISO

The Midwest ISO manages one of the world's largest energy markets using security constrained economic dispatch of electricity. In addition, the organization administers Day-Ahead, Real-Time and Financial Transmission Rights markets as well as Locational Marginal Pricing at over 1,400 nodal locations. Consistent with FERC Order No. 2000 and its Midwest Markets Tariff, the Midwest ISO utilizes a market-based platform for grid congestion management. The Midwest ISO was approved as the nation's first RTO in 2001. Membership in the organization is voluntary. The Midwest ISO acts in close cooperation with the 15 states and the province of Manitoba, where it operates 97,000 miles of transmission lines. The non-profit organization was founded in 1998, is governed by an independent Board of Directors, and is headquartered in Carmel, Indiana with an operations center in St. Paul, Minnesota. Visit Midwest ISO at www.midwestiso.org or www.midwestmarket.org.

About ISO New England

For eight years, ISO New England Inc. has been the not-for-profit corporation responsible for the day-to-day reliable operation of New England's bulk power generation and transmission system with an installed capacity of 32,000 megawatts; oversight and fair administration of the region's \$7.25 billion wholesale electricity marketplace, comprised of more than 260 market participants; and management of a comprehensive regional bulk power system planning process.

About NYISO

The New York Independent System Operator (NYISO) – www.nyiso.com – is a not-for-profit corporation established in 1999 to facilitate the restructuring of New York State's electric industry. Based in New York's Capital Region, in addition to administering the state's wholesale energy markets, the NYISO operates the state's high voltage electric transmission system. The NYISO's market volume was \$7.3 billion in 2004.

About SPP

Southwest Power Pool, Inc. has served as a regional reliability council of the North American Electric Reliability Council (NERC) since its founding in 1968, and was designated a regional transmission organization (RTO) by the Federal Energy Regulatory Commission (FERC) in October 2004. Since 1997, SPP has provided independent security coordination and tariff administration, pursuant to a FERC approved tariff, across its service area with over 33,000 miles of transmission lines and a gross plant investment approaching \$4 billion. SPP is a group of 45 electric utilities serving more than 4 million customers across all or parts of eight southwestern states. This membership is comprised of investor owned utilities, municipal systems, generation and transmission cooperatives, state authorities, wholesale generators, and power marketers.