

**For Immediate Release:**

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## **NYISO Implements New Credit Management System** ***Selects ROME Corporation CreditRisk system***

Rensselaer, NY – The New York Independent System Operator (NYISO) will implement a new Credit Management System (CMS) to automate and integrate credit requirements and processes for all of its wholesale electricity markets.

“The financial integrity of the wholesale electricity markets administered by the NYISO requires the credit-worthiness of all market participants. We continually strive to balance rigorous protections against default with the need to avoid unreasonable barriers to market entry,” said Karen Antion, NYISO Board Chair and interim CEO.

The NYISO, under tariff provisions regulated by the Federal Energy Regulatory Commission (FERC), establishes credit requirements applicable to market participants and the basis for allocating payment default amounts to market participants. If a market participant defaults on its payment obligations to the NYISO, other market participants are liable for a portion of the default obligation not covered by the defaulting market participant.

“The new multi-market CMS will provide the NYISO with an accurate, near real-time credit risk assessment, in total and by individual market participant. It will also equip each market participant with a user-friendly interface and enhanced information to manage its credit position,” explained Mary McGarvey, NYISO Vice President and Chief Financial Officer.

The NYISO selected ROME Corporation, a provider of enterprise risk management solutions for the energy marketplace, to supply its new CMS.

The NYISO initiated discussions with market participants on an automated and integrated credit management system at an October 18, 2007 technical conference. Extensive discussions were held with market participants in various venues, including a March 27, 2008 technical conference on Transmission Congestion Contracts and Credit.

The 24-month project will integrate credit management for market participants across the following NYISO markets:

- Transmission Congestion Contracts
- Virtual Transactions
- Energy
- Ancillary Services
- Installed Capacity (ICAP)

In a related development, the FERC on April 28, 2008 approved the NYISO’s revised credit requirements for holding Transmission Congestion Contracts. In the order, FERC stated, “...the Commission believes that the NYISO’s proposal is an improvement over its current collateral requirement and should better protect Market Participants against the risk of default. The NYISO should continue to monitor its credit requirements to ensure they balance the protection of its Market Participants against the risk of default while not unduly impeding market liquidity.”

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The New York Independent System Operator (NYISO) – [www.nyiso.com](http://www.nyiso.com) – is a not-for-profit corporation that began operations in 1999. The NYISO operates New York’s bulk electricity grid, administers the state’s wholesale electricity markets, and performs comprehensive reliability planning for the state’s bulk electricity system.