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NYISO Anticipates Sufficient Electricity Supply for Summer 2009

Economic downturn and energy efficiency initiatives reducing demand

Rensselaer, N.Y. – The New York Independent System Operator (NYISO) reported today that electricity supplies in New York State should be adequate to meet expected demand this summer.

The NYISO forecasts that New York's summer 2009 peak usage will reach 33,452 megawatts (MW). While the forecast is 3.1% (1,020 MW) higher than the 2008 summer peak of 32,432 MW, it is 1.05% (357 MW) lower than the NYISO forecast for 2008 summer peak usage and 1.40% (487 MW) lower than the record system peak of 33,939 MW recorded on August 2, 2006.

"New York State is well prepared for summer electricity demand," said NYISO President and CEO Stephen G. Whitley. "Sufficient generating capacity and demand side resources are expected to be available to manage forecasted peak usage."

"Extreme weather is the dominant factor when it comes to producing very high demand for electricity. Heat waves, causing increased power use by air conditioning and cooling systems, could produce peak loads this summer to rival those of recent years," Whitley explained. "However, overall electricity consumption is trending lower as a result of the economic slowdown and New York State's vigorous energy efficiency initiatives."

The NYISO anticipates that installed generating capacity of 38,547 MW will be in place to meet projected demand. Since March 2008, additional generating capacity totaling 909 MW has been installed, of which 569 MW is from wind power. Total wind power capacity in New York is now 1,275 MW, of which 10% (or 127 MW) is assumed to be available during peak summer demand periods. In addition, demand response resources are available to provide over 2,000 MW of load relief if necessary. Demand response programs provide incentives for electricity customers to reduce their power use during times of peak demand.

The longer-term usage trend anticipates slower growth in peak demand, as well as overall energy use. Over the coming ten-year period, the NYISO expects peak demand to increase by 0.68% annually, and overall energy use to grow by 0.59%. The current forecasts are significant reductions from the NYISO's 2008 estimates, which predicted an annual increase in peak demand of 0.94% and increases in overall energy use of 1.18% per year.

Peak loads are measurements of the average total electric demand by consumers for a one-hour period. One megawatt of electricity can serve 800 to 1,000 homes.

More information is available from the NYISO presentation, *2009 Summer Outlook*, available for download from the NYISO website (www.nyiso.com).

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The New York Independent System Operator (NYISO) – 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 conducts reliability and resource planning for the state's bulk electricity system.