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## **NYISO Issues *Power Trends 2009***

***Report outlines economic, environmental, and energy challenges facing New York State***

**Rensselaer, N.Y.** – The New York Independent System Operator (NYISO) today released *Power Trends 2009*, its annual analysis of factors influencing New York State’s bulk power grid and wholesale electricity markets.

The report notes that the bulk power grid is operating reliably and the wholesale electricity markets are attracting resources efficiently. However, *Power Trends 2009* considers an uncertain energy future, given the complex array of economic and environmental challenges facing New York State and the nation.

“*Power Trends 2009* outlines the steps needed to continue to provide an efficient, economical, and environmentally sound electric system in the years ahead,” said Stephen G. Whitley, NYISO President and CEO.

Based on current NYISO projections, the state’s wholesale electric power system will continue to meet accepted reliability standards through 2018. Yet, *Power Trends 2009* reports several foreseeable risks to the economics and reliability of the system, including:

- ***The impact of the global financial crisis on investment in new resources.***
- ***The short-term dampening of demand for electricity during the current recession may mask the need to address expected future growth.***
- ***The potentially competing effects of new environmental standards and the desire for lower electricity prices.***
- ***The state’s dependence on oil and natural gas to produce electricity, making it vulnerable to fuel price spikes and potentially threatening system reliability.***
- ***An aging fleet of power plants and transmission lines, causing potential environmental, price and reliability concerns.***

The report notes the need for ongoing efforts to balance economic, environmental, and energy challenges. It outlines actions to:

- ***Reduce the Growth in Electricity Use*** with the planned implementation of Governor David Paterson’s “45 x15” program and continued development of demand response programs.
- ***Facilitate investment in power system infrastructure*** by identifying upgrades to improve the overall reliability and efficiency of New York’s high-voltage transmission network and renewing New York’s power plant-siting law.

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- **Encourage renewable development to diversify power system resources** by determining where to site and how best to finance the construction of new transmission lines to bring the benefits of renewable resources to all New York power consumers. Continued implementation of wind management programs to foster the full integration of wind power into the daily operation of the wholesale power system. (New York currently has more than 1,000 MW of wind in operation and over 8,000 MW of wind project proposals being studied for interconnection to the grid.) Exploration of initiatives to import additional Canadian hydropower and promote further development of in-state green power resources.
- **Encourage the development and deployment of Smart Grid technology** with the establishment of national Smart Grid standards and protocols and implementing the New York State Public Service Commission's Advanced Metering Infrastructure program to more accurately measure and manage electricity use. This has the potential of adding significant flexibility to the system that will help to balance the new intermittent renewable resources such as wind.
- **Implement potential market enhancements to attract investment** with evaluation of a Forward Capacity Market and continued market design improvements to enable full use of New York's wind power potential and new technologies such as flywheels, battery storage systems, and distributed renewable generation.

Copies of *Power Trends 2009* are available to download from the NYISO website ([www.nyiso.com](http://www.nyiso.com)).

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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 conducts comprehensive reliability and resource planning for the state's bulk electricity system.