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Contact:

Ken Klapp (518) 356-6253

NYISO: Power Plant Emission Rates Improve *Double-digit declines in past decade*

Rensselaer, N.Y. – The New York Independent System Operator (NYISO) reported today that significant reductions in greenhouse gas emission rates, along with increased power plant efficiency and wholesale electricity cost savings, have occurred since New York's wholesale electricity markets began operating in late 1999.

Based on data from the United States Environmental Protection Agency (USEPA), the rate of power plant emissions of Sulfur Dioxide (SO₂), Nitrogen Oxides (NO_x), and Carbon Dioxide (CO₂) sharply declined between 1999 and 2008 in New York State.

SO₂ rates have seen the most dramatic decline, dropping 77% over the ten-year period. CO₂ rates dropped by 28%, while NO_x rates dropped by 61%.

The emission rates of New York State's electricity generation rank among the lowest in the continental United States. New York's CO₂ emissions rate ranks 10th, its NO_x emission rate ranks 12th, and its SO₂ emission rate ranks 13th lowest.

The emission reductions have occurred as more than 7,000 MW of new, more efficient, less polluting generation has come into service in New York State. Over 1,200 MW of the new power capacity is emission-free electricity generated by wind power projects.

"Competition in wholesale electricity markets has encouraged power producers to invest in cleaner generation, increase the use of renewable resources - such as wind - and make operating changes to improve the overall efficiency of New York State's fleet of power plants," said Stephen G. Whitley, President and CEO of the NYISO.

The system-wide "heat rate" for fossil-fueled power plants in New York State has also declined by 21% in the past decade. The heat rate is the amount of heat (measured in BTUs) required to produce a single kilowatt-hour of electricity. The heat comes in the form of fuel, so the lower the heat rate the less fuel is required to produce the same amount of electricity.

"Wholesale electricity markets serve environmental and economic goals by providing a competitive advantage for more efficient, lower emission, less costly generation," Whitley said.

As the NYISO previously reported, market forces have also yielded significant economic benefits. In 2008, New York State's wholesale electricity prices, adjusted for fuel costs, were 18% lower than prices in 2000 when the markets began operating in New York, a \$2.23 Billion reduction in wholesale electricity costs on a current annual basis.

The average cost of wholesale electricity in New York State was \$45.63 per megawatt-hour (MWh) in March 2009, the lowest level since November 2003 when costs averaged \$43.40/MWh. March 2009 prices were 38% below the January 2009 average of \$73.28/MWh.

More information on the reduction in power plant emissions and improvements in power plant efficiency is available in the NYISO briefing paper, *New York State Power Plant Emissions: 1999 – 2008*. The document is available for download on 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 comprehensive reliability and resource planning for the state's bulk electricity system.