
For Immediate Release:

February 4, 2010

NYISO Hosts Transmission Congestion Study Forum *Public session to review Congestion Assessment and Resource Integration Study*

Rensselaer, NY – On February 18, 2010, the New York Independent System Operator (NYISO) will host a forum to present the results of its Congestion Assessment and Resource Integration Study (CARIS). The meeting will be held from 10am to noon at the Peter A.A. Berle Conference Center at the NYISO's Corporate Center in Rensselaer.

CARIS presents an economic analysis of transmission congestion on New York's bulk power system and the potential costs and benefits of relieving the congestion. The study, issued in January, was developed with extensive stakeholder input, and is part of the NYISO's comprehensive planning process, recently expanded to address economic as well as reliability issues affecting the electric system.

Transmission congestion results from physical limits on how much power high-voltage power lines can reliably carry. Congestion adds to the costs of electricity by limiting the ability of lower-cost power to be transmitted to consumers. Solutions to congestion may include building or upgrading transmission, building a less expensive power source in closer proximity to an area needing supplies, or by reducing the demand for power.

The NYISO will present the study in this forum to provide transparency and to allow stakeholders and the general public an opportunity to ask questions regarding the methodology and results of the study. Following stakeholder reviews, the NYISO Board of Directors approved publication of the study for consideration by all New York stakeholders, including parties interested in developing potential projects.

The study results identify the three most congested parts of New York's bulk power system based upon historic data as well as estimates of future congestion. The NYISO developed and reviewed generic solutions involving generation, transmission, and demand response projects for each of the three congested areas.

During the next phase of the process, developers are invited to propose specific transmission projects to address congestion on New York's bulk power system. The NYISO will perform a benefit/cost analysis for each specific proposed transmission project.

If a project developer seeks regulated cost recovery under the NYISO tariff, the cost of an economic upgrade will be allocated based on a "beneficiaries pay" model. Transmission project beneficiaries are determined first by NYISO load zone and then are allocated to all load-serving entities in each zone on a load-ratio share basis.

The economic cost allocation and cost recovery mechanism under the NYISO tariff will apply only if a super-majority of a project's beneficiaries – 80 percent of the weighted votes cast – agree that an economic project should proceed. If so, then all of the entities that economically benefit from the project will bear the costs of the project in proportion to their benefits.

-more-

The full 70-page study and appendices are available for download from the NYISO website (www.nyiso.com)

The CARIS public forum is free of charge, but registration must be received by February 17 to participate in person. The proceedings will also be available via the web. Interested attendees can register online by clicking the “RSVP here” link on the NYISO Committee Calendar located at: <http://www.nyiso.com/public/committees/calendar/index.jsp>

###

For more information, please contact:

Ken Klapp (518) 356-6253 / kklapp@nyiso.com

Howard Masto (518) 786-6488 / howard.masto@mastopr.com

The New York Independent System Operator (NYISO) 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 planning for the state’s bulk electricity system.