

For Immediate Release:

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Regional Power Market Efficiencies May Save \$368 Million *Savings Associated with New York Estimated at \$211 Million a Year*

Rensselaer, N.Y.—The Independent Market Monitor of the New York Independent System Operator (NYISO) has announced that a preliminary analysis of the benefits of the “Broader Regional Markets” initiative estimates regional annual savings of at least \$368 million. Estimated savings associated with New York are \$211 million a year.

The analysis, conducted by the Independent Market Monitor Dr. David Patton of Potomac Economics, examined several of the “Broader Regional Markets” proposals to improve coordination of power transactions between regional grid operators.

The NYISO, in conjunction with grid operators serving the Mid-Atlantic, Midwest and New England regions of the United States and the Canadian province of Ontario, proposed a series of “Broader Regional Markets” initiatives to the Federal Energy Regulatory Commission (FERC) in January 2010.

“This analysis offers further evidence that improving the flow of power among the grid operators will enhance the benefits of markets throughout the region,” said Stephen Whitley, NYISO president & CEO.

The analysis of benefits focused on coordinated congestion management, “buy through” of congestion and the improved utilization of external interfaces.

- Market-to-market coordination would increase the level of collaboration in congestion management between system operators in the region.
- Buy-through of congestion would require that the congestion cost of a transaction be charged based on the physical flow of power, unlike the current settlement determination that is based only on the contract path.
- Inter-regional transaction coordination would lower total system operating costs as transaction schedules more quickly adjust to market-to-market pricing patterns.

“Progressive collaboration among power systems, such as the ‘Broader Regional Markets’ initiative, will offer additional benefits. It can help us take full advantage of wind power and other variable renewable resources. Enhanced coordination will strengthen the ability of grid operators to adjust to the dynamic changes in system conditions, such as the ebb and flow of wind power,” Whitley said.

The Independent Market Monitor’s analysis can be found on the NYISO website at the following link: [Preliminary Results of Analysis of the Broader Regional Markets Initiatives](#)

The topic of “Broader Regional Markets” will be discussed in detail at the NYISO’s symposium on April 27, 2010, in Albany, N.Y. Information on the symposium can be found on the NYISO website at the following link: [Planning the Sustainable Grid of the Future](#)

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The New York Independent System Operator (NYISO) is a not-for-profit corporation responsible for operating the state’s bulk electricity grid, administering New York’s competitive wholesale electricity markets, conducting comprehensive long-term planning for the state’s electric power system, and advancing the technological infrastructure of the electric system serving the Empire State.