

For Immediate Release:

January 25, 2011

NYISO Controls Pass Audit for Ninth Straight Year

Independent Audit Certifies NYISO Financial Transaction Controls

Rensselaer, N.Y.— The New York Independent System Operator (NYISO) has received an unqualified Statement on Auditing Standards (SAS) 70 Type II audit opinion for the ninth consecutive year.

“The NYISO’s record of consistently obtaining unqualified audit opinions highlights our commitment to excellence in the operation of the bulk electricity grid and administration of the wholesale electricity markets in New York State,” said Stephen G. Whitley, the NYISO’s president and CEO.

The SAS 70 Type II audit, conducted by KPMG LLP, scrutinized the controls related to the NYISO’s Settlement Processes and Systems for bidding, accounting, billing and settlements of energy, regulation, capacity, transmission, reserves and related market transactions. The audit covers the period from November 16, 2009, through November 15, 2010.

The NYISO, a not-for-profit corporation that operates New York’s bulk electricity grid and wholesale electricity markets, voluntarily submits to the annual audit to provide the assurance of a thorough assessment to market participants and their financial auditors that the NYISO’s controls are accurately presented, suitably designed and operating effectively.

New York’s bulk electricity grid, consisting of hundreds of generating units and thousands of miles of high-voltage transmission lines, requires the constant balancing of electricity supplies to meet consumer needs, on a moment-to-moment basis, 24 hours a day, 365 days a year.

The NYISO-administered marketplace for wholesale electricity includes ongoing auctions that bring together buyers and sellers of energy and related products and services. Transactions in the NYISO’s wholesale electricity markets totaled approximately \$7 billion in 2010.

SAS 70, Service Organizations, is a widely recognized auditing standard developed by the American Institute of Certified Public Accountants. The SAS 70 audit report includes the auditor’s opinion on the fairness of the presentation of the service organization’s description of its controls and the suitability of the design of those controls. As a Type 2 audit report, it also included the auditor’s opinion on whether specific controls were operating effectively during the period under review.

###

For more information, please contact:

David Flanagan (518) 356-7325 [office]/(518) 727-1569 [mobile]/dflanagan@nyiso.com

Ken Klapp (518) 356-6253 [office]/(518) 461-3564 [mobile]/kklapp@nyiso.com