NEWS RELEASE



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Energy Executives, DOE and PSC Highlight NY Smart Grid Initiative

NEW YORK—October 24, 2012—Executives from the New York Independent System Operator (NYISO) and New York state's electric utilities were joined by officials from the U.S. Department of Energy (DOE) and the New York State Public Service Commission (PSC) today to highlight the benefits of a statewide \$75 million smart grid initiative, which the DOE supported with a Smart Grid Investment Grant of more than \$37 million.

The smart grid initiative will improve the efficiency of New York's bulk grid, which consists of hundreds of generating units and thousands of miles of high-voltage transmission lines. Completion of the smart grid projects will allow the NYISO to better fulfill its core mission of maintaining reliability of the state's bulk power system and operating economically efficient wholesale markets.

In addition to the NYISO—which oversees the state's bulk transmission grid—other utilities and transmission owners participating in the smart grid initiative include Con Edison; National Grid; Orange and Rockland; Rochester Gas and Electric; Central Hudson Gas & Electric; New York State Electric & Gas; the New York Power Authority; and the Long Island Power Authority.

The DOE provided smart grid grants to independent system operators, transmission companies and other utilities across the United States to install more than 800 networked phasor measurement units (PMUs) to help the country avoid future disturbances like the 2003 Northeast regional blackout.

The smart grid technology being implemented as part of this grant will modernize the electric grid by adding PMUs for measuring and reporting system conditions and providing enhanced voltage stability through the installation of capacitor banks in key areas. As the grant recipient and administrator for the project, the NYISO worked with the PSC and each utility to deploy this equipment in their respective operating regions of the state.

"Electricity is the lifeblood of our state's economy and the transmission grid is its circulatory system," said Stephen G. Whitley, the NYISO's president and CEO. "These smart grid investments will enhance the efficient flow of power and promote a robust, reliable electric system that will support the Empire State's economic growth for decades to come. I thank the U.S. Department of Energy, the New York State Public Service Commission and all of New York's transmission owners for their hard work and enthusiastic cooperation in this important effort."

Garry Brown, chairman of the New York State PSC, said: "As the state regulator, the PSC wants to ensure that the potential investments required for the smart grid will enhance the reliability of our electric transmission and distribution systems, maximize New York's economic competitiveness and continue to maintain just and reasonable rates."

The capacitor banks being installed at 234 locations around the state are designed to improve the efficiency of the bulk transmission system by reducing the amount of electricity that is lost when carried over long distances, thus reducing electricity costs in New York by approximately \$7.6 million per year.

Meanwhile, the data provided by the 39 PMUs installed as part of a statewide network will improve grid operators' ability to detect irregularities, predict problems and take corrective action to maintain reliability of

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.

electric service to New York state customers. The technology will relay system conditions at a rate of 60 times per second—360 times faster than previously available.

The NYISO's PMU network will eventually connect with PMU networks in New England, the mid-Atlantic, the Midwest and Ontario, Canada, to create broader situational awareness of grid conditions throughout the eastern United States and Canada.

Please click on the links below for quotes from each utility president and CEO and utility specific information about various smart grid related projects:

Central Hudson Gas & Electric

Con Edison

Long Island Power Authority

National Grid

New York Power Authority

New York State Electric & Gas

Orange and Rockland

Rochester Gas and Electric Corporation

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