

For Immediate Release:

May 10, 2012

NYISO 'Power Trends' Examines State of the Grid

Rensselaer, N.Y.—The New York Independent System Operator (NYISO) today issued its annual review of the forces and factors affecting New York state's electric system, "[*Power Trends 2012: State of the Grid.*](#)"

"The state of the grid is good, and the near-term outlook for New York's electric system is positive. However, a complex array of factors affecting future supply and demand requires close attention. *Power Trends 2012* is intended to enhance understanding and promote awareness of the issues facing New York's energy future," said Stephen G. Whitley, NYISO president and CEO.

The issues that face the electric system are complex, dynamic and frequently interrelated. Economic, political and technological factors are changing the industry in a number of ways. *Power Trends 2012* includes discussion of several key energy issues, including:

- **Natural Gas**—The significantly increased availability of natural gas already has begun to transform the electric power industry. Power produced from natural gas in New York state grew from 27,000 gigawatt-hours (GWh) in 2004 to more than 50,000 GWh in 2011. The abundance of these resources has had a dramatic impact on prices. In turn, this has changed the landscape for power generation, system planning and grid operations.
- **Aging Infrastructure**—With various components of New York's power system requiring upgrading or replacement, efforts are underway to address this pressing concern. Much of the state's power system infrastructure is a legacy from a different time, and the strategies for addressing aging infrastructure are aimed at supporting current and future needs. A recent study by the owners of New York's transmission facilities found that nearly 4,700 circuit-miles of the state's 11,000 circuit-miles of transmission lines will require replacement within the next 30 years, at an estimated cost of \$25 billion.
- **Policy Coordination**—Governmental policy plays a significant role in shaping the electric power industry. Current initiatives include efforts to upgrade and expand high-voltage transmission facilities, protect and enhance environmental quality, improve energy efficiency, promote renewable power resources and close a nuclear facility in the downstate New York region. The cumulative effect of these initiatives has the potential to impact power system reliability as well as electricity market dynamics. New York state's energy planning process provides a valuable venue for coordination of policy considerations.
- **Regional Collaboration**—New York state has long played a central role in the electric power system serving the Northeast. Recent, ongoing efforts to optimize resources, mend seams between the region's power systems and plan with a regional, collaborative focus have strengthened the state's connections with its neighbors. Among the improvements being achieved by a "Broader Regional Markets" initiative are measures reducing the need to use more expensive local power if less costly power is available from a neighboring grid operator and shortening the time commitment for moving power into and out of the state, which allows faster responses to changing conditions.

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.

The NYISO produced "[Power Trends 2012](#)" in tandem with its "[2012 Load and Capacity Data Report](#)," also known as the "[Gold Book](#)." Published annually by the NYISO, the "[Gold Book](#)" presents up-to-date transmission and generation data and load forecasts for the 2012–2022 period. Copies of the reports are available from the NYISO website www.nyiso.com.

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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

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New York Independent System Operator. 10 Krey Boulevard. Rensselaer, NY 12144