



For Immediate Release

FERC Approves Coordinated Transaction Scheduling Between New York ISO and ISO New England

Efficiency Gains Expected to Reduce Wholesale Electricity Costs in Both Regions

Rensselaer, N.Y., and Holyoke, MA.—April 19, 2012—The Federal Energy Regulatory Commission (FERC) today approved tariff revisions for the New York Independent System Operator (NYISO) and ISO New England Inc. that will improve scheduling of wholesale electricity sales between the two regions and reduce costs for consumers in New York and New England.

FERC's approval of Coordinated Transaction Scheduling (CTS) will enable ISO New England and the NYISO to make more efficient use of the transmission lines that connect the two regions. Currently, rules governing wholesale energy transactions between New York and New England can create market inefficiencies. The implementation of CTS will improve the ability of market participants to access the lowest-cost source of power within the two regions and lower the combined cost of operating the power systems in New York and New England.

Enhancements include increasing the frequency of scheduling energy transactions over the transmission network between regions, implementing software changes to enable the two ISOs to coordinate selection of the most economic transactions and eliminating several fees that impede efficient trade between regions. These changes have the potential to save millions of dollars annually, enabling the two ISOs to displace higher-cost generation with lower-cost generation, wherever the lower-cost supply is located. A study of external transactions from 2008 to 2010 showed that CTS could result in annual savings in the range of \$60 million in New England and \$66 million in New York.

“ISO New England and the New York ISO have a longstanding history of cooperation, and FERC's approval today is due to the diligent work on CTS by staff from both ISOs, as well as market participants on both sides of the border,” said Gordon van Welie, president and CEO of ISO New England Inc. “Improving the ability for market participants to trade between regions not only increases competition, but also improves the utilization of the interconnections. The anticipated result will be lower wholesale costs.”

In the past year, New England and New York market participants successfully guided the CTS proposal through each region's stakeholder process.

“The NYISO has worked very closely with ISO New England and other neighboring electric systems as part of ongoing efforts to optimize resources, improve energy transaction scheduling and mend market seams between the region's power systems,” said Stephen G. Whitley, president and CEO of the NYISO. “FERC's approval of these new market rules is another important step in the Broader Regional Markets initiative, and the

resulting improvements in scheduling efficiency and system flexibility will benefit consumers in both regions.”

Both the NYISO and ISO New England will embark on a major initiative to update the software for scheduling energy transactions between regions.

About ISO New England: Created in 1997, ISO New England is the independent, not-for-profit corporation responsible for reliably operating New England’s bulk electric power generation and transmission system, overseeing and ensuring the fair administration of the region’s wholesale energy markets, and managing comprehensive regional electric power planning.

About NYISO: 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.

For ISO New England, contact:

Ellen Foley	(413) 535-4139
Marcia Blomberg	(413) 540-4555
Lacey Ryan	(413) 540-4483

For New York ISO, contact:

Dave Flanagan	(518) 356-7325
Ken Klapp	(518) 356-6253