



NEWS RELEASE

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FERC Approves Coordinated Transaction Scheduling for PJM and NYISO

Both Regions to Benefit from Efficiencies and Reduced Wholesale Costs

March 13, 2014—The Federal Energy Regulatory Commission (FERC) has approved tariff revisions for the New York Independent System Operator (NYISO) and the PJM Interconnection that will improve scheduling of wholesale electricity sales between the two regions and reduce costs for consumers in New York and the PJM region.

The FERC's approval of Coordinated Transaction Scheduling (CTS) will enable PJM and the NYISO to make more efficient use of the transmission lines that connect the two regions. CTS will improve scheduling efficiency, maximize transmission utilization and reduce counter-intuitive interregional transmission schedules by explicitly incorporating projected price differences between the NYISO and PJM markets into interregional scheduling decisions. CTS is expected to provide substantial benefits to consumers in both PJM and New York. 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 PJM.

Technical enhancements include increasing the frequency of scheduling energy transactions over the transmission network between the two regions and implementing software changes to enable the two grid operators to coordinate their selection of the most economic transactions available. These changes have the potential for production cost savings ranging from \$9 million/year to \$26 million/year.

"Over the past year, PJM and New York market participants successfully guided the CTS proposal through each region's stakeholder process. The result of these collaborative efforts is enhanced grid operations throughout New York and the Mid-Atlantic and savings for consumers across the regions," said Stephen G. Whitley, NYISO president and CEO.

"We appreciate the cooperative relationship we continue to have with the NYISO that allows both organizations to implement coordination arrangements that increase grid efficiency and produce savings for customers," said Terry Boston, president and CEO of PJM.

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CTS is among the Broader Regional Markets initiatives that the NYISO, PJM and other regions have undertaken to improve interregional scheduling practices and power flows. Initiatives the NYISO and PJM already have completed to improve market efficiency at their common border include implementing intra-hour transaction scheduling and coordinating their operations to cost-effectively solve transmission system constraints.

Implementation of CTS is scheduled for November of 2014.

***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.*

***About PJM:** PJM Interconnection, founded in 1927, ensures the reliability of the high-voltage electric power system serving 61 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes 62,556 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. Visit PJM at www.pjm.com.*

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