

Public Service Commission

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New York Continues Role as National Leader in Energy Competition

Albany, NY – 7/20/00 – A national independent monitoring group has once again determined that New York is one of two states that continue to lead the entire country in establishing customer choice in a competitive electric industry. The July update of an assessment originally announced in February by the Center for the Advancement of Energy Markets (Center) assigned New York a score of 64, well above the national average score of 21.

The study, called the Retail Energy Deregulation Index 2000 (RED Index), is a 100-page report reflecting the Center's monitoring efforts in the 50 states and the District of Columbia to allow consumers to shop for their electricity. The Center is an independent, nonprofit group whose mission is to promote the effective transition from the monopoly model of electric regulation in this country to the competitive or Acustomer choice@ model.

AThe July update of the RED Index strengthens the view of experts around the country that New York is moving very effectively to bring the benefits of competitive energy choices to its residents, businesses and industries," Maureen O. Helmer, Chairman of the State Public Service Commission, stated. "While the Commission is pleased with the recognition that years of hard work to advance competition is paying off here in New York, we cannot rest. We realize that the transition to a competitive model is a marathon, not a sprint. Many complex issues remain, and we will continue our efforts to ensure that the market develops in the best interests for all New Yorkers.@

In determining the rankings of the 50 states and the District of Columbia for the RED Index 2000, the Center examined 18 attributes in evaluating the success of a state=s transition from the monopoly model to the customer choice model. The Center assigned numerical scores to each attribute to develop a composite score for each state. A composite RED Index score of 0 represents the monopoly model while a score of 100 represents complete and effective implementation of the policies that the Center believes are the necessary foundation of the competitive model. Among the 18 attributes that the Center evaluates are: a state's deregulation plan, divestiture of generation, competitive standards, uniform business rules, the wholesale market model, distributed resources interconnection, stranded cost implementation, billing and metering.

Pennsylvania and New York achieved a near statistical dead-heat tie at the top of the July update rankings with scores of 65 and 64, respectively. In the February rankings, the two states received scores of 58 and 54, respectively. The only other state to achieve a July update ranking in the 60s was Maine with a score of 61. States that received composite rankings in the 50s were Massachusetts (54), Texas (53), and Maryland and Nevada (each with 52). More information about the Center=s study and rankings can be obtained at <http://www.caem.org>.