



Con Edison Supports PSC's Call For Major Reforms of New York's Electricity Marketplace

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NEW YORK, Dec. 14 /PRNewswire/ -- Consolidated Edison Company of New York, Inc. (Con Edison) (NYSE: ED) applauded today's report from the New York Public Service Commission (PSC) calling for wide-ranging reforms by the New York Independent System Operator (NYISO) to permit the development of a competitive electricity marketplace and to protect customers from soaring prices.

The PSC's recommendations echo many of those proposed by Con Edison last September, when it called on the Federal Energy Regulatory Commission (FERC) to institute market reforms aimed at preventing unreasonably high energy prices and ensuring that customers are protected from any market abuses by power generators.

"We are pleased that the PSC strongly endorses the need for major reforms in the rules and procedures of the NYISO marketplace in order to correct market flaws and eliminate the gaming of the market by generators seeking to take advantage of such flaws," said Joan S. Freilich, Con Edison's executive vice president and chief financial officer. "Con Edison has worked diligently to reduce the electricity delivery charges to help lower our customers' bills and we urge the NYISO and the FERC to expeditiously implement the reforms needed to ensure a truly competitive marketplace."

In its September 2000 filing with the FERC, Con Edison noted that "opportunities exist today within the bidding rules for suppliers to abuse market power at the expense of customers, especially in tightly constrained areas such as New York City." The PSC report acknowledges that the NYISO must be able to take strong mitigation measures, including retroactively correcting wholesale electricity prices where appropriate.

The NYISO is responsible for administering the wholesale energy markets in New York State. In order to provide electricity to New York City and Westchester County, Con Edison purchases the majority of its power from the NYISO -- a result of energy deregulation.

Con Edison is a subsidiary of Consolidated Edison, Inc., one of the nation's largest investor-owned energy companies, with approximately \$9 billion in annual revenues and \$16 billion in assets. The utility provides electric, gas and steam service to more than three million customers in New York City and Westchester County, New York. For additional financial, operations and customer service information, visit Con Edison's web site at <http://www.coned.com> (<http://www.coned.com>). SOURCE Consolidated Edison Company of New York, Inc.

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