



For Immediate Release
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NEW YORK REGIONAL INTERCONNECT INC. ANNOUNCES PROPOSED NEW ENERGY TRANSMISSION LINE

Project to be a solution to state's electric transmission resource needs

(Albany, N.Y.) – In an effort to help solve New York State's electric transmission constraints, New York Regional Interconnect Inc. (NYRI), headquartered in Albany, announced today that it intends to file an application with the state's Public Service Commission to build a 200-mile high voltage direct current (HVDC) transmission line from Utica to Orange County.

"This proposed project, which is called the New York Regional Interconnection, will transport electricity from areas where the power grid currently has a surplus of power resources to areas of the State where there is a need for new power sources," according to William G. (Bill) May, project manager for NYRI. "Currently, New York State has bottlenecks in its electric power transmission system that make it expensive and difficult to get power to the lower Hudson Valley."

Much of the electrical generation in New York State is located in the north and west of the state, requiring transmission facilities to get this generation capacity to areas throughout the state, especially to the heavily populated southeastern New York area.

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"Constraints have developed that significantly limit the ability to efficiently move electricity from areas of the state where it is produced to those areas that need it," said May. "There has not been a significant investment in transmission infrastructure within New York State in nearly 20 years. It's time we invest in this important component of our infrastructure."

This proposed transmission line, which will total more than a \$1 billion investment, will be privately funded.

NYRI proposes to develop, construct and operate an HVDC transmission line extending from the Edic Substation in the Town of Marcy in Oneida County to the Rock Tavern Substation in the Town of New Windsor in Orange County, a distance of approximately 200 miles.

The proposed routing of the transmission line utilizes or is adjacent to existing railroad and energy rights-of-way for more than 95 percent of the project distance; therefore, NYRI intends to utilize, with limited improvements, the existing access on these rights-of-way.

Article VII of the New York State Public Service Law sets forth a review process for the consideration of any application to construct and operate a major utility transmission facility. The law requires that an applicant apply for a Certificate of Environmental Compatibility and Public Need and meet the Article VII requirements before constructing any such facility. NYRI plans to submit its Article VII application to the New York State Public Service Commission later in the spring of 2006.

"After receiving our Article VII certificate and all other regulatory approvals, we anticipate starting construction in the spring of 2008," said May. The construction phase is expected to take approximately two and a half years. NYRI expects to be fully operational and benefiting New York's energy consumers by 2011.

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"NYRI is confident that New Yorkers will benefit from this project in several ways," said May. "First, overall electric prices in the state will be reduced as transmission bottlenecks are eased. Also, the electric transmission system will be more reliable, which will not only improve security and our quality of life, but will also likely spur increased business development throughout the state."

In addition, NYRI predicts that air quality in the state will improve as the increased flow of electricity allows newer technologies (including renewable energy such as wind power) to offset the production of older, less efficient power plants. Further, the New York Regional Interconnection will create additional opportunities for developers to develop more clean energy projects that will benefit the environment and the economy.

Additional property tax revenues will be generated and hundreds of construction jobs will be created. Once the project is completed, additional permanent operations and maintenance positions will be created.

"At NYRI, our singular purpose is to develop and construct transmission assets that provide full unrestricted access to New York's energy markets," said May. "This project will enhance reliability and offer facilities that will improve market efficiencies and provide more choices for consumers and ratepayers."

For more information about the project, call 877-394-6974 (877-FYI-NYRI) or visit www.nyri.us.

NOTE: A CONFERENCE CALL FOR ACCREDITED MEDIA MEMBERS WILL BE HELD ON THURSDAY, 3/30/06 at 3:30 P.M. WITH NYRI OFFICIALS.

PLEASE CALL (518) 935-1040 FOR CALL-IN DETAILS.