

Wind Fact Sheet #6: Where will Noble's power go?

Noble Environmental Power, LLC



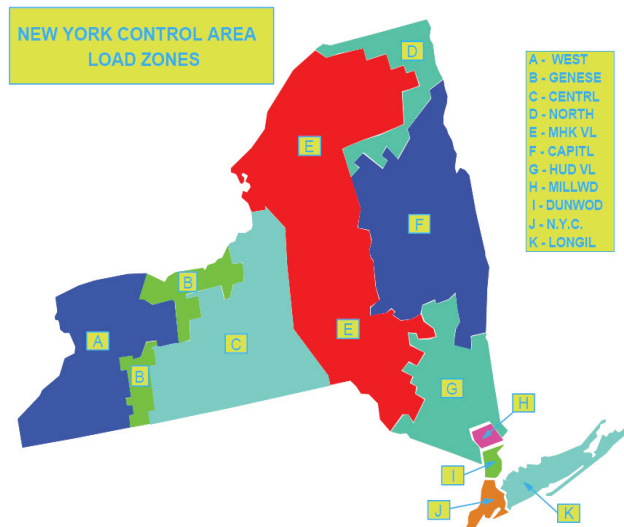
Myth: The power that Noble's Windparks will generate will all flow downstate to New York City. Local residents will not reap any benefits from having this electricity created in their own backyard.

Fact: Electricity produced from any generating source flows to the closest point of demand. **This means that the electricity produced from Noble's Windparks will be used to meet local demand first.** Any extra electricity will then be transmitted elsewhere, depending on where it is needed. Because the price of wind power is unaffected by changes in fuel prices, (think of how volatile natural gas prices have been), the fact that wind power is introduced to the region means local electricity prices will be stabilized.

So how does this work?

The United States is covered by a series of interconnected regional power grids; electricity flows between the grids through transmission lines. New York is one of the few states that has its own grid, which then interconnects with the national grid. New York's grid is administered by the New York Independent System Operator (NYISO), which is a non-profit organization formed to ensure a safe and reliable transmission system and to facilitate New York's competitive markets without bias. The primary role of the ISO is to balance the supply and demand for electricity in the state of New York.

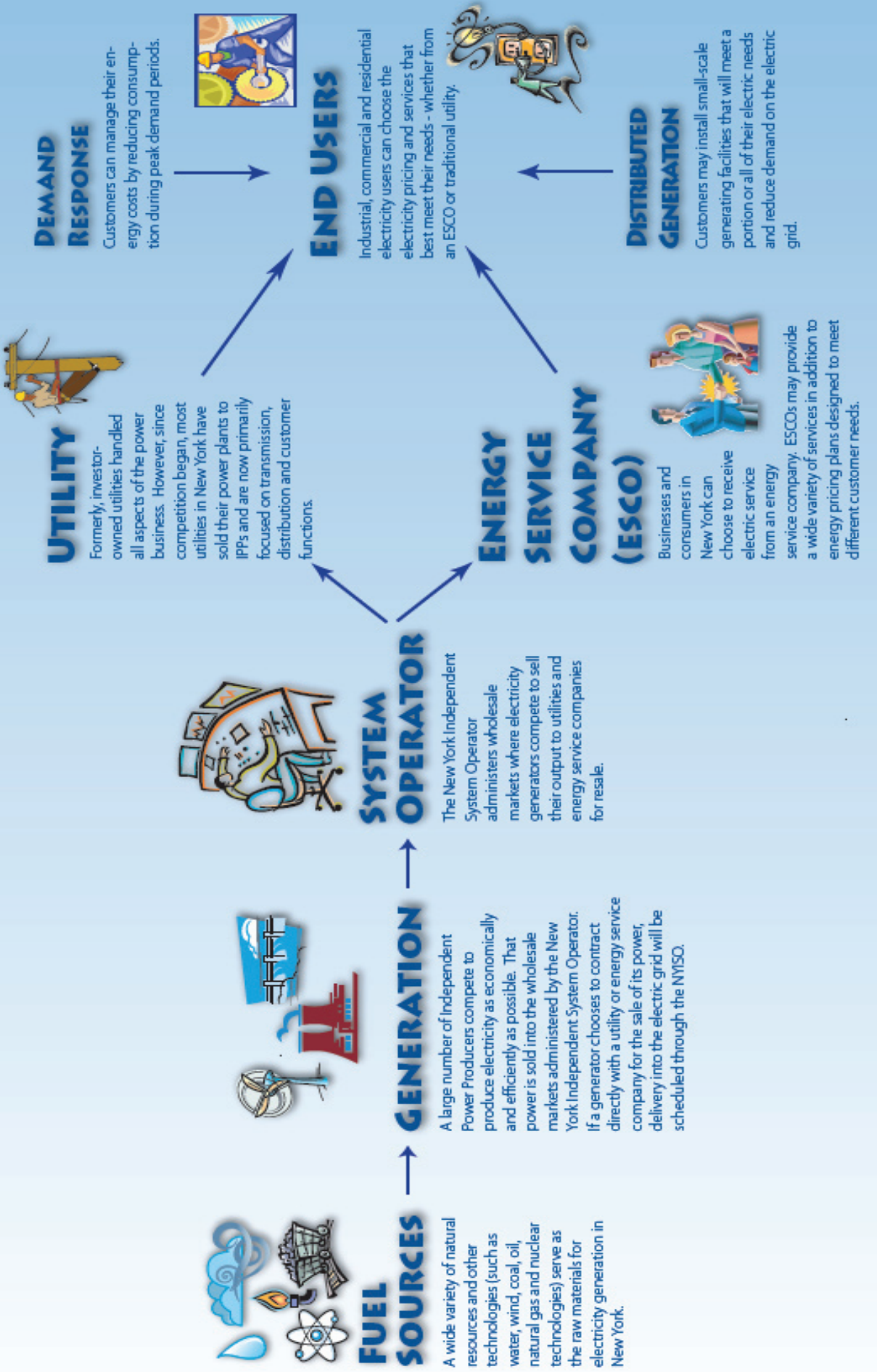
This balance is achieved primarily through the use of zones. New York state is split up into various zones. Some zones *make* more electricity than they need; other zones *use* more electricity than they produce. The ISO sets electricity prices in the different zones to send price signals to the market. The market responds by delivering more or less electricity to each zone. For example, it is obvious that New York City uses a lot more electricity than it produces. So, electricity prices there are highest to send a signal to the market to send electricity to New York City. Does this mean that electricity from other zones goes to New York City? You bet. But FIRST, the local generation that Noble's Windparks provide is used to meet local demand. This is because electricity produced goes to the closest point of demand; afterwards, the extra is routed elsewhere.



NY ISO zone map, http://www.nyiso.com/public/webdocs/market_data/zone_maps_graphs/nyca_zonemaps.pdf

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