

## **Studies Find Competitive Energy Markets Provide Greatest Benefits**

*Uniform clearing price within competitive markets promotes efficiency, new investment*

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### **Studies Find Competitive Energy Markets Provide Greatest Benefits**

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**Albany, N.Y., 3/3/09** - The Independent Power Producers of New York, Inc. (IPPNY) today expressed their strong support of the COMPETE Coalition's efforts to promote the latest findings regarding competitive U.S. electricity markets. Earlier today, the COMPETE Coalition unveiled two new studies that refute recent criticism of the single clearing price auction and the relative benefits of long term contracts. Both studies, *Single Clearing Price in Electricity Markets* by Ross Baldick, University of Texas at Austin and *Market Misperceptions and Regrets about Past Business Decisions*, by Roy Shanker, a long-time expert consultant in the electric utility sector, reject unsupported arguments that pay-as-bid would result in lower electricity prices.

"These studies further support IPPNY's position that New York State must maintain and enhance its commitment to policies that foster the continued evolution and implementation of competitive energy markets," said IPPNY President Gavin Donohue. "I applaud the COMPETE Coalition for their initiative and efforts to expose this critical information, especially in light of recent policy proposals that would have detrimental effects on New York State's electricity consumers."

The COMPETE Coalition is an organization that helps to serve the national interest by advocating policies which promote reliable, low-cost electric power through competitive U.S. electricity markets. *Contracting and Investment: A Cross-Industry Assessment*, by Robert Stoddard, vice president, CRA International, is a third paper presented today that addresses misperceptions about electricity markets and reveals the critical benefits of single clearing price auctions. The papers released today, as well as overviews by the authors, are available at the COMPETE Coalition's Web site [at www.competecoalition.com](http://www.competecoalition.com).

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*The Independent Power Producers of New York, Inc. (IPPNY) is an Albany-based trade association representing the competitive power supply industry in New York State. IPPNY Members generate over 75 percent of New York's electricity using a wide variety of generating technologies and fuels including hydro, nuclear, wind, coal, oil, natural gas and biomass.*