



Charles River Associates Selected to Study New York Energy Infrastructure

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Focus Will Be on New Power Plants and Fuel Supply Diversity in New York State

BOSTON, Oct 2, 2001 (BUSINESS WIRE) -- Charles River Associates Incorporated (Nasdaq: CRAI), an internationally known leader in providing economic, financial, and management consulting services, today announced that the firm has been selected by both the New York State Energy Research and Development Authority (NYSERDA) and the New York Independent System Operator (NYISO) to analyze the interactions between the natural gas and electricity systems within the state.

"This contract with NYSERDA and NYISO to analyze the infrastructure of New York's energy system illustrates the sophisticated analysis capabilities of CRA's growing Energy & Utility Restructuring practice," said James C. Burrows, CRA's president and CEO. "We believe that this will demonstrate the benefits of assessing supply and demand in light of the recent power shortages in California."

CRA will develop a computer modeling system of the electricity and natural gas infrastructure serving New York in order to assess current operations and a range of conditions that might affect overall fuel supply and service in the region. Natural gas has become the fuel of choice for use in new power plants because of its pricing and minimal environmental effects, but utilities and grid operators must understand the implications of increased gas use for fuel supply reliability and diversity. In addition to current demand, virtually all of the 23 proposed new power plants seeking siting approval in New York are expected to be fueled by natural gas. Accordingly, CRA's study will consider the following questions:

- Are gas delivery capabilities adequate to meet current heating demands and the growing demand for electricity?
- If power generators switch to oil products for a period of time, how will petroleum markets be affected?
- Will existing pipelines be able to handle the increased flow of gas required by the proposed power plants?
- How will increased reliance on natural gas affect both the diversity of fuels used to generate power in New York and the effort to bring competition to the electricity marketplace?

As NYSERDA President William Flynn observed, "This study represents an important piece of research to the state as we go about updating the Energy Plan and evaluating the transition to a competitive market for electricity." Flynn's counterpart at NYISO, William Museler, echoed this opinion when he stated, "This study is intended to assess the risk of natural gas demand outpacing supply and provide us with the information we need to effectively manage our fuel supplies long into the future."

Charles River Associates, an economics, finance, and business consulting firm, works with businesses, law firms, accounting firms, and governments in providing a wide range of services. CRA combines economic and financial analysis with expertise in litigation and regulation support, business strategy and planning, market and demand forecasting, policy analysis, and engineering and technology management. CRA is distinguished by a corporate philosophy of providing responsive, top-quality consulting; an interdisciplinary team approach; unsurpassed economic, financial, and other analytic skills; and pragmatic business insights. In addition to its corporate headquarters in Boston and international offices in London, Melbourne, Mexico City, Toronto, and Wellington, CRA also has U.S. offices in Berkeley/Oakland, College Station, Los Angeles, Palo Alto, Salt Lake City, and Washington, D.C. More information about the Company can be found on its Web site at www.crai.com.

Statements in this press release concerning CRA's contract with the NYSERDA and NYISO are "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of risk factors and uncertainties. Information contained in these forward-looking statements is inherently uncertain, and actual performance and results may differ materially. Such factors that could cause actual results to differ materially from any forward-looking statements made by the Company include, among others, the Company's performance under the contract, dependence on key personnel, attracting and retaining qualified consultants, dependence on outside experts, intense competition, and professional liability. Further information on factors that could affect the Company's financial results is included in the Company's filings with the Securities and Exchange Commission.

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