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FILE NO: 55430.000042

July 23, 2004

BY HAND

The Honorable Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Docket Nos. ER97-1523-080 *et al.*

Dear Ms. Salas:

Pursuant to the Commission's letter-order dated April 13, 2004 in Docket Nos. ER97-1523-080 *et al.*, the New York Independent System Operator, Inc. ("NYISO") has made refunds to Sithe Independence Power Partners, L.P. ("Sithe"). Refunds, in the principal amount of \$5,008,410.20, plus interest calculated according to 18 C.F.R. § 35.19a(a)(2), were made to Sithe on May 20, 2004 and June 21, 2004.

A report of the refund, showing both the principal amount and the interest calculation, is attached hereto.

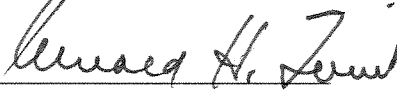
This report should have been filed on July 21, 2004. The NYISO hereby requests leave to file this report two days out of time because of the press of numerous other matters. No party is harmed by this delay in that refunds were paid timely to Sithe and a copy of the refund calculation was shared with Sithe three weeks ago.



The Honorable Magalie R. Salas
July 23, 2004
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Respectfully submitted,

NEW YORK INDEPENDENT
SYSTEM OPERATOR, INC.

By 

Arnold H. Quint
Counsel for

New York Independent System Operator, Inc.

Enclosures: Refund Report
Draft *Federal Register* Notice

cc: Daniel L. Larcamp
Alice M. Fernandez
Connie N. Caldwell
Michael A. Bardee
All parties in Docket No. ER97-1523-080 *et al.*

Calculation of Sithe Refund In Accordance With
FERC Order Issued on April 13, 2004

Total Interest	Total Payment to Sithe
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Pay Date of 5/20/2004

Nov-99		
Orig Due Date	12/20/99	
\$ 248,888.66	\$ 80,153.38	\$ 329,042.04

Dec-99		
Orig Due Date	01/20/00	
\$ 240,402.20	\$ 74,678.36	\$ 315,080.56

Jan-00		
Orig Due Date	02/21/00	
\$ 695,613.69	\$ 209,718.67	\$ 905,332.36

Feb-00		
Orig Due Date	03/20/00	
\$ 709,673.50	\$ 208,274.47	\$ 917,947.97

Mar-00		
Orig Due Date	04/20/00	
\$ 393,360.85	\$ 111,925.66	\$ 505,286.51

<u>\$ 2,287,938.90</u>	<u>\$ 684,750.53</u>	<u>\$ 2,972,689.43</u>	Total paid to Sithe on 5/20/2004
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Pay Date of 6/21/2004

Apr-00		
Orig Due Date	05/22/00	
\$ 252,415.69	\$ 70,600.35	\$ 323,016.04

May-00		
Orig Due Date	06/20/00	
\$ 481,885.22	\$ 130,718.44	\$ 612,603.66

Jun-00		
Orig Due Date	07/20/00	
\$ 823,392.19	\$ 216,039.22	\$ 1,039,431.41

Jul-00		
Orig Due Date	08/21/00	
\$ 485,482.79	\$ 122,734.98	\$ 608,217.77

Aug-00		
Orig Due Date	09/20/00	
\$ 677,295.42	\$ 165,152.52	\$ 842,447.94

<u>\$ 2,720,471.31</u>	<u>\$ 705,245.51</u>	<u>\$ 3,425,716.82</u>	Total paid to Sithe on 6/21/2004
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Total for Entire payout		
\$ 5,008,410.21	\$ 1,389,996.04	<u>\$ 6,398,406.25</u>
		Actual payout to Sithe

Total
Interest

Pay Date of 5/20/2004

May '04 Invoice

<u>Principle</u>	<u>Interest</u>	<u>Total:</u>
Nov-99		
Orig Due Date	12/20/99	
\$ 248,888.66	\$ 80,153.38	\$ 329,042.04
Dec-99		
Orig Due Date	01/20/00	
\$ 240,402.20	\$ 74,678.36	\$ 315,080.56
Jan-00		
Orig Due Date	02/21/00	
\$ 695,613.69	\$ 209,718.67	\$ 905,332.36
Feb-00		
Orig Due Date	03/20/00	
\$ 709,673.50	\$ 208,274.47	\$ 917,947.97
Mar-00		
Orig Due Date	04/20/00	
\$ 393,360.85	\$ 111,925.66	\$ 505,286.51
\$ 2,287,938.90	\$ 684,750.53	\$ 2,972,689.43

Pay Date of 6/21/2004

June '04 Invoice

<u>Principle</u>	<u>Interest</u>	<u>Total:</u>
Apr-00		
Orig Due Date	05/22/00	
\$ 252,415.69	\$ 70,600.35	\$ 323,016.04
May-00		
Orig Due Date	06/20/00	
\$ 481,885.22	\$ 130,718.44	\$ 612,603.66
Jun-00		
Orig Due Date	07/20/00	
\$ 823,392.19	\$ 216,039.22	\$ 1,039,431.41
Jul-00		
Orig Due Date	08/21/00	
\$ 485,482.79	\$ 122,734.98	\$ 608,217.77
Aug-00		
Orig Due Date	09/20/00	
\$ 677,295.42	\$ 165,152.52	\$ 842,447.94
\$ 2,720,471.31	\$ 705,245.51	\$ 3,425,716.82
		\$ 6,398,406.25

	4th Q 1999	1st Q 2000	2nd Q 2000	3rd Q 2000	4th Q 2000	1st Q 2001	2nd Q 2001	3rd Q 2001	4th Q 2001
	7.94% compound	8.29% compound	8.58% compound	9.02% compound	9.50% compound	9.50% compound	9.02% compound	7.79% compound	6.80% compound

Pay Date of 5/20/2004

Nov-99	11 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	12/20/99								
\$	248,888.66	\$	5,142.31	\$	254,626.53	\$	5,431.89	\$	260,058.42
Dec-99	71 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	01/20/00								
\$	240,402.20	\$	3,866.07	\$	244,268.27	\$	5,210.92	\$	249,479.20
Jan-00	39 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	02/21/00								
\$	695,613.69	\$	6,144.78	\$	701,758.47	\$	14,970.46	\$	716,728.93
Feb-00	11 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	03/20/00								
\$	709,673.50	\$	1,768.17	\$	711,441.67	\$	15,177.03	\$	726,618.71
March	71 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	04/20/00								
\$	393,360.85	\$	6,547.20	\$	399,908.05	\$	9,067.20	\$	408,975.28

Pay Date of 6/21/2004

Apr-00	39 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	05/22/00								
\$	252,415.69	\$	2,307.74	\$	254,723.43	\$	5,775.40	\$	260,498.83
May-00	10 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	06/20/00								
\$	481,885.22	\$	1,129.67	\$	483,014.89	\$	10,951.50	\$	493,966.39
Jun-00	72 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	07/20/00								
\$	823,392.19	\$	14,610.49	\$	838,002.68	\$	20,011.32	\$	853,014.00
Jul-00	40 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	08/21/00								
\$	485,482.79	\$	4,795.85	\$	490,268.64	\$	11,707.51	\$	501,976.15
Aug-00	10 days	91 days	91 days	92 days	90 days	91 days	92 days	92 days	92 days
Orig Due Date	09/20/00								
\$	677,295.42	\$	1,669.18	\$	678,964.60	\$	16,219.53	\$	695,178.13

													leaf year		Total							
													1st Q 2004		2nd Q 2004							
													4% compound		4% compound							
													Interest									
1st Q 2002	2nd Q 2002	3rd Q 2002	4th Q 2002	1st Q 2003	2nd Q 2003	3rd Q 2003	4th Q 2003	1st Q 2004	2nd Q 2004	3rd Q 2004	4th Q 2004	5th Q 2004	6th Q 2004	7th Q 2004	8th Q 2004	9th Q 2004	10th Q 2004	11th Q 2004	12th Q 2004	Total		
5.64% compound	4.78% compound	4.75% compound	4.75% compound	4.62% compound	4.25% compound	4.25% compound	4.07% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	4% compound	Interest		
90 days	90 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	12/20/09		
\$ 4,109.84	\$ 299,636.28	\$ 3,570.84	\$ 303,207.12	\$ 3,630.18	\$ 306,837.30	\$ 3,673.64	\$ 310,510.94	\$ 3,537.27	\$ 314,048.22	\$ 3,327.62	\$ 317,375.64	\$ 3,399.83	\$ 320,775.67	\$ 3,230.72	\$ 324,066.39	\$ 3,222.96	\$ 327,289.35	\$ 1,752.70	\$ 329,042.04	\$ 80,153.38		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	01/20/00		
\$ 3,035.46	\$ 286,922.50	\$ 3,419.33	\$ 290,341.83	\$ 3,476.15	\$ 293,817.98	\$ 3,517.77	\$ 297,335.75	\$ 3,337.18	\$ 300,722.93	\$ 3,186.43	\$ 303,909.36	\$ 3,255.58	\$ 307,164.94	\$ 3,151.09	\$ 310,316.03	\$ 3,086.20	\$ 313,402.23	\$ 1,678.33	\$ 315,080.56	\$ 74,678.36		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	02/21/00		
\$ 11,465.47	\$ 835,912.98	\$ 9,961.79	\$ 845,874.77	\$ 10,127.32	\$ 856,002.10	\$ 10,248.57	\$ 866,250.67	\$ 9,868.14	\$ 876,118.81	\$ 9,283.26	\$ 885,402.06	\$ 9,484.72	\$ 894,886.78	\$ 9,180.31	\$ 904,067.10	\$ 8,991.27	\$ 913,058.36	\$ 4,889.60	\$ 917,947.97	\$ 208,274.47		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	03/20/00		
\$ 11,307.89	\$ 824,424.80	\$ 9,824.88	\$ 834,249.69	\$ 9,968.14	\$ 844,237.83	\$ 10,107.72	\$ 854,345.55	\$ 9,732.62	\$ 864,078.07	\$ 9,165.68	\$ 873,233.74	\$ 9,354.37	\$ 882,588.11	\$ 9,054.14	\$ 891,642.26	\$ 8,867.70	\$ 900,509.96	\$ 4,822.40	\$ 905,332.36	\$ 209,718.67		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	04/20/00		
\$ 11,465.47	\$ 835,912.98	\$ 9,961.79	\$ 845,874.77	\$ 10,127.32	\$ 856,002.10	\$ 10,248.57	\$ 866,250.67	\$ 9,868.14	\$ 876,118.81	\$ 9,283.26	\$ 885,402.06	\$ 9,484.72	\$ 894,886.78	\$ 9,180.31	\$ 904,067.10	\$ 8,991.27	\$ 913,058.36	\$ 4,889.60	\$ 917,947.97	\$ 208,274.47		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	05/20/00		
\$ 6,311.19	\$ 460,130.17	\$ 5,483.49	\$ 465,613.66	\$ 5,574.61	\$ 471,188.26	\$ 5,641.35	\$ 476,829.61	\$ 5,431.94	\$ 482,261.55	\$ 5,109.99	\$ 487,371.54	\$ 5,220.88	\$ 492,592.43	\$ 5,053.32	\$ 497,645.75	\$ 4,949.26	\$ 502,595.01	\$ 2,691.49	\$ 505,286.51	\$ 114,925.66		
													Total For May 2004 Payouts		\$ 684,750.53							
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	06/22/00		
\$ 4,020.69	\$ 293,129.12	\$ 3,493.30	\$ 296,622.41	\$ 3,551.34	\$ 300,173.76	\$ 3,593.86	\$ 303,767.62	\$ 3,460.45	\$ 307,228.07	\$ 3,265.35	\$ 310,463.43	\$ 3,326.00	\$ 313,809.43	\$ 3,219.25	\$ 317,028.68	\$ 3,162.96	\$ 320,181.64	\$ 2,889.39	\$ 323,076.04	\$ 70,660.35		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	06/22/00		
\$ 7,625.09	\$ 555,922.76	\$ 6,625.08	\$ 562,547.84	\$ 6,735.16	\$ 569,283.00	\$ 6,815.80	\$ 576,098.80	\$ 6,562.79	\$ 582,661.59	\$ 6,173.82	\$ 588,835.41	\$ 6,307.80	\$ 595,143.21	\$ 6,105.35	\$ 601,248.56	\$ 5,979.63	\$ 607,228.19	\$ 5,375.46	\$ 612,603.66	\$ 130,718.44		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	07/20/00		
\$ 12,937.83	\$ 943,258.46	\$ 11,241.06	\$ 954,499.52	\$ 11,427.84	\$ 965,927.36	\$ 11,564.66	\$ 977,492.03	\$ 11,131.37	\$ 988,627.40	\$ 10,475.39	\$ 999,102.79	\$ 10,702.72	\$ 1,009,805.51	\$ 10,359.22	\$ 1,020,164.73	\$ 10,145.90	\$ 1,030,310.63	\$ 9,120.78	\$ 1,039,431.41	\$ 216,039.22		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	08/21/00		
\$ 7,570.50	\$ 551,942.68	\$ 6,577.64	\$ 558,520.33	\$ 6,686.94	\$ 565,207.27	\$ 6,767.00	\$ 571,974.27	\$ 6,515.81	\$ 578,490.07	\$ 6,129.62	\$ 584,619.69	\$ 6,262.64	\$ 590,882.33	\$ 6,061.64	\$ 596,943.97	\$ 5,936.82	\$ 602,880.79	\$ 5,336.98	\$ 608,217.77	\$ 122,734.98		
90 days	91 days	92 days	92 days	90 days	91 days	92 days	92 days	91 days	92 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	92 days	91 days	09/20/00		
\$ 10,485.97	\$ 764,500.80	\$ 9,110.76	\$ 773,611.56	\$ 9,262.14	\$ 782,873.70	\$ 9,373.04	\$ 792,246.74	\$ 9,025.10	\$ 801,271.84	\$ 8,490.19	\$ 809,762.03	\$ 8,674.44	\$ 818,436.46	\$ 8,396.04	\$ 826,832.50	\$ 8,223.14	\$ 835,055.64	\$ 7,392.30	\$ 842,447.94	\$ 165,152.82		
													Total For June 2004 Payouts		\$ 705,245.51							

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

New York Independent System Operator, Inc.) Docket Nos. ER97-1523-080 *et al.*

NOTICE OF FILING

Take notice that on July 23, 2004, the New York Independent System Operator, Inc. (“NYISO”) filed a refund report.

The NYISO has served a copy of this filing on all parties in the above-referenced docket number.

Any person desiring to be heard or to protest this filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission’s Rules of Practice and Procedure (18 CFR §§ 385.211 and 385.214). Protests will be considered by the Commission to determine the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. All such motions or protests should be filed on or before the comment date, and, to the extent applicable, must be served on the applicant and on any other person designed on the official service list. This filing is available for review at the Commission or may be viewed on the Commission’s website at www.ferc.gov, using the FERRIS link. Enter the docket number excluding the last three digits in the docket number filed to access the document. For assistance, call (202) 502-8222 or TTY, (202) 208-1659. Protests and interventions may be filed electronically via the Internet in lieu of paper. *See*, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission’s website under the “e-filing” link. The Commission strongly encourages electronic filings.

Comment Date:

Magalie R. Salas, Esq.
Secretary

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2004).

Dated at Washington, DC this 23rd day of July, 2004.

By: _____

A handwritten signature in cursive script, appearing to read "Arnold H. Quint", written over a horizontal line.

Arnold H. Quint
Hunton & Williams LLP
1900 K Street, NW
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