UNITED STATES OF AMERICA 99 FERC ¶ 61,147 FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman; William L. Massey, Linda Breathitt, And Nora Mead Brownell.

New York Independent System Operator

Docket No. ER01-3155-002, ER01-1385-010, and EL01-45-009

INTERIM ORDER EXTENDING AUTOMATED MITIGATION PROCEDURES AND PENALTY PROVISIONS

(Issued May 1, 2002)

In this order, the Commission extends the New York Independent System Operator's (NYISO) existing Automated Mitigation Procedures (AMP) and penalty provisions until May 31, 2002. The Commission's action here will benefit customers by ensuring continuity and regulatory certainty after April 30, 2002, the date on which NYISO's current AMP and penalty provisions would otherwise expire.

Background

On September 28, 2001, in Docket Nos. ER01-3155-000, NYISO filed a request to extend its AMP to October 31, 2002, and on October 5, 2001, in Docket Nos. ER01-1385-001 and EL01-45-001, Consolidated Edison Company of New York, Inc. (ConEd), filed a request for extension of its expanded in-city mitigation authority. In its orders addressing these filings,¹ the Commission, among other things, required NYISO to submit, on or before March 1, 2002, a proposal for a comprehensive approach to market mitigation, to be effective May 1, 2002. The Commission also required that Con Ed's localized mitigation measures, which were administrated by NYISO, be incorporated into the NYISO proposal and tariff. On February 28, 2002, and again on March 8, 2002, NYISO requested extensions of the date on which it was to file its comprehensive mitigation filing. The requests were granted, which changed the required filing date from March 1, 2002 to March 20, 2002.

¹New York Independent System Operator, Inc., 97 FERC ¶ 61,242 (2001), and Consolidated Edison Company of New York, Inc., 97 FERC ¶ 61,241 (2001).

Docket No. ER01-3155-002, <u>et al</u>. - 2 -

NYISO's Filling

On March 20, 2002, NYISO filed its comprehensive mitigation compliance filing. The proposal extends and enhances the current market mitigation measures, incorporates the Con Ed measures into the NYISO plan, and addresses a number of questions posed by the Commission in the November 27 orders. In addition, if the Commission does not act on NYISO's comprehensive proposal on or before April 30, 2002, the date on which NYISO's current AMP authorization expires, NYISO requests the Commission to grant an extension of that AMP authorization pending review by the Commission of its comprehensive proposal. In a motion filed April 18, 2002, NYISO clarifies that it seeks, pending review of the comprehensive proposal, extension of certain penalty provisions which also would otherwise expire on April 30, 2002.

Discussion

As a result of the extension of the date on which NYISO had to make its comprehensive filing, and the time required to give due consideration to NYISO's proposal and intervenors' comments, it is not possible for the Commission to act upon the merits of NYISO's comprehensive proposal by the April 30, 2002 expiration of the current AMP. We find it desirable to maintain continuity of the NYISO markets and provide certainty to NYISO's market participants. Accordingly, we will extend NYISO's current AMP and penalty provisions until May 31, 2002.

The Commission orders:

NYISO's existing AMP and penalty procedures are extended until May 31, 2002.

By the Commission.

(S E A L)

Linwood A. Watson, Jr., Deputy Secretary.