FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To: Letter Order Pursuant to § 375.307 New York Independent System Operator, Inc. Docket No. ER09-1596-000

Issued: 9/24/09

Whiteman Osterman & Hanna One Commerce Plaza Albany, NY 12260

Attention: Elizabeth A. Grisaru, Esq.

Attorney for New York Independent System Operator, Inc.

Reference: Section 205 Filing

Dear Ms. Grisaru:

On August 17, 2009, you submitted on behalf of the New York Independent System Operator, Inc. (NYISO) revised tariff sheets¹ to its Market Administration and Control Area Services Tariff and its Open Access Transmission Tariff. The revisions include: (1) extending the minimum run time evaluation for combined cycle gas turbines (CCGTs) in real-time market to two hours while simultaneously requiring CCGT offers for two-hour time horizons; and (2) modifying the Hour Ahead Market software to prohibit the owner of a CCGT electing in the real-time market—two-hour minimum—from increasing a bid already submitted for the second hour. NYISO states that these enhancements will add economic resources to the real-time market by eliminating existing constraints on CCGT owners' ability to manage their costs through their bids. The tariff sheets are accepted effective, as requested.

Public notice of the filing was published in the Federal Register with comments, protests, or interventions due on or before August 18, 2009. Comments in support were

¹ See Appendix for a list of revised tariff sheets.

filed by the PSEG Companies. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2009)). Any opposed or untimely motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification or any rule, regulation or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or any which may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your company.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713 (2009).

Sincerely,

Daniel J. Nowak, Acting Director Division of Tariffs and Market Development – East

APPENDIX

New York Independent System Operator, Inc. FERC Electric Tariff Original Volume No. 2

Tariff Sheet(s) Accepted Effective October 16, 2009

Tenth Revised Sheet No. 5A Sixth Revised Sheet No. 62 Third Revised Sheet No. 62A Second Revised Sheet No. 62B Sixth Revised Sheet No. 97.00A Third Revised Sheet No. 97.00C Sixth Revised Sheet No. 97.00C Fourth Revised Sheet No. 430