

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Office of Markets, Tariffs and Rates

New York Independent System Operator, Inc.
Docket No. ER03-836-005

Issued: January 14, 2005

New York Independent System Operator, Inc.
290 Washington Avenue Extension
Albany, NY 12203

Attention: Alex M. Schnell
Attorney

Reference: Third Periodic Report on the NYISO's 10 Minute Non-Synchronous
Reserve Market

Dear Mr. Schnell:

New York Independent System Operator, Inc.'s (NYISO) submittal satisfactorily complies with the Commission's July 1, 2003 Order¹, and is accepted for informational purposes.

On July 8, 2004, you filed, on behalf of the NYISO, the third quarterly report on the current status of the NYISO's 10 Minute Non-Synchronous Reserve Market (NSR Market). The July 1 Order accepted changes to the NSR Market mitigation measures, and required the NYISO to submit quarterly reports on the competitiveness of the NSR Market. The third quarterly report concludes that the market was workably competitive during the period from July 8, 2003, through June 30, 2004.

This filing was noticed on July 13, 2004, with comments due on July 29, 2004. No protests or adverse comments were filed.

¹ *New York Independent System Operator, Inc.*, 104 FERC ¶ 61,002 (2003) (July 1 Order).

This action is taken pursuant to the authority delegated to the Director, Division Tariffs and Market Development - East under 18 C.F.R. § 375.307.

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.

Sincerely,

Anna V. Cochrane, Director
Division of Tariffs and Market
Development - East