

**LEBOEUF, LAMB, GREENE & MACRAE,  
L.L.P.**  
1875 CONNECTICUT AVENUE  
SUITE 1200  
WASHINGTON, DC 20009

**HUNTON & WILLIAMS**  
1900 K STREET, NW  
SUITE 1200  
WASHINGTON, DC 20006

November 12, 1999

**VIA HAND DELIVERY**

The Honorable David P. Boergers  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: Central Hudson Gas & Electric Corp., et al. Docket Nos. ER97-1523-000, OA97-470-000, and ER97-4234-000 (not consolidated)

Dear Secretary Boergers:

Pursuant to Section 205 of the Federal Power Act ("FPA"), Part 35 of the Commission's Regulations and the Commission's October 28, 1999 Order in these proceedings,<sup>1</sup> the Member Systems of the New York Power Pool ("Member Systems")<sup>2</sup> and the New York Independent System Operator ("NYISO" or "ISO") hereby submit revised tariff sheets containing proposed revisions to the New York ISO Open Access Transmission Tariff ("OATT") and the ISO Services Tariff.

---

<sup>1</sup> Central Hudson Gas & Electric Corp., et al., 89 FERC ¶ 61,110 (1999) ("October 28 Order")

<sup>2</sup> The Member Systems include Central Hudson Gas & Electric Corporation ("Central Hudson"), Consolidated Edison Company of New York, Inc. ("Con Edison"), Long Island Power Authority, New York State Electric & Gas Corporation ("NYSEG"), Niagara Mohawk Power Corporation ("Niagara Mohawk"), Orange and Rockland Utilities, Inc. ("O&R"), Power Authority of the State of New York ("NYPA"), and Rochester Gas and Electric Corporation ("RG&E").

## I. BACKGROUND

On June 30, 1998, the Commission conditionally authorized the establishment of an ISO by the Member Systems in order to restructure the New York State wholesale electric industry.<sup>3</sup> On January 27, 1999, the Commission conditionally accepted the proposed New York Independent System Operator Tariff and the proposed ISO market rules.<sup>4</sup> In compliance with the Commission's January 27 Order, on April 30, 1999, the Member Systems' submitted revised tariff sheets for the ISO OATT and ISO Service Tariff.<sup>5</sup>

In the July 29 Order, the Commission, among other things, accepted the April 30 Filing subject to certain modifications. On September 1, 1999, the Member Systems submitted a filing that was intended to make corrections to the ISO OATT and ISO Services Tariff.<sup>6</sup> In its October 28 Order, the Commission found that a number of the proposed changes were beyond the scope of the April 30 Filing. The Commission rejected the September 1 filing without prejudice to refileing.

By this filing, the Member Systems and the NYISO hereby submit the previously rejected as well as certain additional tariff sheets that contain revisions to the ISO OATT and ISO Services Tariff essential for the commencement of NYISO operations. Parts II and III describe the nature and basis of the changes proposed herein. Part II identifies those provisions which require clarification or modifications to ensure the efficient and effective transition to an ISO. Part III identifies provisions which require typographical, grammatical or stylistic changes. The NYISO is scheduled to commence on November 18, 1999. The Member Systems and the NYISO, therefore, request waiver of the Commission's regulations so that the proposed tariff sheets be made effective November 18, 1999, or the date that the NYISO commences operation, in accordance with Part IV below.

---

<sup>3</sup> Central Hudson Gas & Electric Corp., et al., 83 FERC ¶ 61,352 (1998), denied and granted in part, 87 FERC ¶ 61,135 (1999).

<sup>4</sup> Central Hudson Gas & Electric Corp., et al., 86 FERC ¶ 61,062 ("January 27 Order"), reh'g denied and granted in part, 88 FERC ¶ 61,138 (1999) ("July 29 Order").

<sup>5</sup> "Filing in Compliance with the Commission's Order of January 27, 1999 Regarding the Comprehensive Proposal to Restructure the New York Wholesale Market" ("April 30 Filing" or "Compliance Filing").

<sup>6</sup> On July 12, 1999, the Member Systems previously submitted certain corrections to the ISO OATT and ISO Services Tariff, which were accepted for filing on November 10, 1999.

## II. PROPOSED CLARIFICATIONS AND MODIFICATIONS

### A. ISO OATT

#### **First Revised Sheet No. 2 Superseding Original Sheet No. 2 and Original Sheet No. 2A.**

Section 1.3d1. Because a provision was added in the April 30, 1999 Compliance Filing pertaining to Back-up Operation, a definition of that term is being added as a new section 1.3d1, "Back-up Operation."

#### **First Revised Sheet No. 4 Superseding Original Sheet No. 4.**

Section 1.5d. In the last line, the phrase "and are paid to Primary Holders" has been deleted because it was inadvertently included in the definition of "Congestion Rent," which was intended to apply to both the Real-Time or Day-Ahead Markets. Corresponding changes are made throughout the ISO OATT as discussed below to clarify whether the defined terms are used in reference to either the Real-Time or Day-Ahead Markets.

#### **First Revised Sheet No. 5 Superseding Original Sheet No. 5.**

Section 1.5e. In the second and third lines the phrase "in the Day-Ahead Market for Energy" has been added for clarity, because TCCs only apply in the Day-Ahead Market.

#### **First Revised Sheet No. 8 Superseding Original Sheet No. 8.**

Section 1.11d. The phrases "in the Day-Ahead Market for Energy" and "Day-Ahead" have been added for clarity, because TCCs only apply in the Day-Ahead Market.

Also, on the last line, the term "last" is inserted before Centralized TCC Auction. This change recognizes that there will be multiple auctions and specifies that the intended reference is to the last Centralized TCC Auction that was held.

**First Revised Sheet No. 9 Superseding Original Sheet No. 9.** Section 1.11g. The definition of Exports was expanded to include bilateral transactions, recognizing that there are two sources of energy (e.g., LBMP and bilateral transactions) from which exports may be made.

#### **First Revised Sheet No. 11 Superseding Original Sheet No. 11.**

Section 1.14i limited Incremental TCCs to Network Upgrades. This section has been revised to correct an inadvertent omission by clarifying that Incremental TCCs may result due to Network Upgrades as well as from Direct Assignment Facilities.

**First Revised Sheet No. 23 Superseding Original Sheet No. 23.**

Section 1.36a. The definition of Primary Holder was modified to be consistent with Attachment M because the ISO always settles with the Primary Holder. The term "customer" was revised to refer to the term "Transmission Customer." Also, on the next to last line, the term "Day-Ahead" was inserted for clarity because TCC Congestion Rents are always settled Day-Ahead. Finally, on the last line the phrase "or Primary Holder" has been added to be consistent with Attachments M and N because the ISO pays the Primary Holders the Congestion Rent.

Section 1.36b. In the last sentence, the phrase "or Primary Holders who released the TCCs into the Auction" has been added to be consistent with Attachments K and M of the ISO OATT.

**First Revised Sheet No. 28 Superseding Original Sheet No. 28.**

Section 1.44e. On the second line the phrase "in the Day-Ahead Market for Energy" has been inserted after Congestion Rents for clarity, because TCCs only apply in the Day-Ahead Market.

**First Revised Sheet No. 40 Superseding Original Sheet No. 40.** Section 7A.0.

Language has been added to clarify that excess congestion rents from the Real-Time Market, where TCCs are not a consideration, will be applied to offset Scheduling, System Control and Dispatch Service Costs. Excess congestion rents from the Day-Ahead Market will revert back to the Transmission Owners because they are Primary Holders of TCCs.

**Second Revised Sheet No. 48 Superseding First Revised Sheet No. 48**

Section 7.1(i) has been revised to clarify that the ISO invoices to Transmission Customers will be submitted only by electronic means via the ISO's Bid/Post System. This has always been the intent, because the entire NYISO process is done electronically, including the daily scheduling of transactions. The process has always assumed that invoices would be submitted electronically. The billing invoice will simply be a part of the same software necessary for any entity to engage in transactions for the transmission of energy. Considering that all transactions for the transmission of energy will be scheduled through the Bid/Post System, no extra expense will be incurred by a Transmission Customer because all entities engaged in energy transactions that will receive bills will also have had to install software necessary to interact with the ISO. The preparation of a paper bill would impose unnecessary additional costs on the NYISO. Further, this clarification does not change the billing process. It merely explains how the billing process is implemented.

**First Revised Sheet No. 49 Superseding Original Sheet No. 49.**

Section 6.4 of the ISO OATT filed December 19, 1997 provided that a customer had 12 months to challenge the accuracy of Settlement information from the month such Settlement information was received. This provision was inadvertently and incorrectly modified in the April 30, 1999 filing in Section 7.2A to provide a 24-month period to challenge the accuracy of Settlement information. The language is being corrected to provide as originally proposed that a customer has 12 months from the month in which Settlement information is received to challenge its accuracy.

**First Revised Sheet No. 50 Superseding Original Sheet No. 50.**

Section 7.3 of the ISO OATT which deals with Customer Default presents a significant risk to the NYISO's financial strength. This provision currently enables a customer who disputes a bill to pay the amount of the bill under dispute directly into an independent escrow account. The NYISO understands that customers in other ISOs have invoked the escrow provisions and, thereby, created significant cash flow problems for the ISO. From the NYISO's financial perspective, the inability to use these escrowed funds to pay the market is tantamount to not being paid at all. The provision is being changed to require the payment of disputed amounts during the pendency of the dispute. The Member Systems and the NYISO submit that this change is consistent with, or superior to, the *Pro Forma* Tariff. In Pennsylvania-New Jersey-Maryland Interconnection, et al., 81 FERC ¶ 61,257 at 62,274 (1997), reh'g granted, the Commission refused to require the use of an escrow account in connection with a disputed charge. There the Commission recognized that "[i]f funds were escrowed during billing disputes, PJM-OI would have no means to pay its obligations during the pendency of the dispute." This change is necessary to reflect the fact that the ISO requires these funds to pay its suppliers.

**First Revised Sheet No. 51 Superseding Original Sheet No. 51.**

Section 7.3A. Language is clarified to provide that the Stranded Investment Recovery Charge will be collected from both Network Customers and Point-to-Point Transmission Service Customers.

**First Revised Sheet No. 57 Superseding Original Sheet No. 57 and Original Sheet No. 57A.** Section 11A.0 adds the requirement that Customers file a list of all their Affiliates with the ISO upon application for service under the Tariff. It also requires the list to be updated. This information is needed by the ISO in order to fulfill its Code of Conduct responsibilities. See Code of Conduct, Attachment F to the ISO OATT.

**First Revised Sheet No. 64 Superseding Original Sheet No. 64.**

II. Point-To-Point Transmission Service, Preamble. The word "Day-Ahead" has been inserted for clarity, because TCCs only apply in the Day-Ahead Market.

**First Revised Sheet No. 65 Superseding Original Sheet No. 65.**

Section 13.2. The word "equal" has been removed from the last sentence to be consistent with the *Pro Forma* Tariff and to correct an error.

**First Revised Sheet No. 70 Superseding Original Sheet No. 70.**

Section 13.8 (ii). The following phrase has been added to the carryover part of Section 13.8(ii) at the end of the partial sentence at the top of the page: "between each Point of Receipt and corresponding Point of Delivery," because a transaction cannot be scheduled in increments of less than 1 MW or 1,000 kW between a specific Point of Receipt and a specific Point of Delivery.

**First Revised Sheet No. 73 Superseding Original Sheet No. 73.**

Section 14.6 (ii). The following phrase has been added to the end of the third sentence: "between each Point of Receipt and corresponding Point of Delivery," because a transaction cannot be scheduled in increments of less than 1 MW or 1,000 kW between a specific Point of Receipt and a specific Point of Delivery.

**First Revised Sheet No. 77 Superseding Original Sheet No. 77.**

Section 15.7. The last sentence has been modified for clarity to read: "The Transmission Customer is responsible for losses associated with all Transmission Service in accordance with Schedules 7-8 and as calculated in Attachment J."

**First Revised Sheet No. 97 Superseding Original Sheet No. 97 and Original Sheet No. 97A.**

Section 22.1. At the end of the first paragraph, a sentence has been inserted to clarify that the Transmission Customer is responsible for all charges applicable to the new secondary receipt or delivery point in place of the charges applicable to the original receipt or delivery point. This change simply clarifies the responsibility of Transmission Customers for charges associated with new secondary receipt or delivery points. As it is clearly stated in the tariff sheet, the change does not introduce additional charges: it simply establishes that the only TSC payable is the TSC for the actual point of delivery.

**Second Revised Sheet No. 144 Superseding First Revised Sheet No. 144.**

Schedule 1. Section 4A. This change is made to clarify that capital requirements include working capital and carrying costs on ISO assets, capital requirements and debt. This change recognizes that working capital is another essential aspect of maintaining financial viability.

Because the NYISO acts as a clearinghouse to settle all market transactions on a monthly basis, the NYISO collects funds from customers and, in turn, pays suppliers with the collected funds. There are a number of uncertainties that can create an imbalance in the NYISO's monthly cash flow requirements. These uncertainties include, but are not limited to, the levels of congestion charges and the total market dollar volume, each of which can vary from month to month.

The actual amounts of these varying charges should be recovered in the month subsequent to their actual occurrence, unless a billing dispute is not resolved promptly. Payment of these charges, however, to the suppliers will be made in the current month. This timing difference between the collection of charges and the payments due suppliers may result in a shortage of funds available to pay suppliers for the current month.

It is the intent of the NYISO to maintain a reasonable level of working capital to meet its basic financial obligation to its market participants. The level of working capital will be reviewed in detail over the first few months of operations, and will be adjusted to reflect actual cash flow experience. Currently, the NYISO anticipates needing working capital of approximately \$15,000,000, which represents approximately 5% of the projected monthly cash flows.

**Second Revised Sheet No. 145 Superseding First Revised Sheet No. 145.**

Schedule 1. Section 5. The word "Day-Ahead" has been inserted before "Congestion Rent" to clarify the intended reference to Day-Ahead Congestion Rent.

**First Revised Sheet No. 150 Superseding Original Sheet No. 150.**

Schedule 2. Section 2.1. The multiplier has been changed from "Energy wheeled" to "Energy scheduled." This change is necessary because all settlements with external parties are based on scheduled transactions.

**First Revised Sheet No. 228 Superseding Original Sheet No. 228.**

Attachment H. Section 2.1. In the term "CRN," on the first line, the word "Day-Ahead" was inserted before "Congestion Rents" to clarify the intended reference to Day-Ahead Congestion Rent.

**First Revised Sheet No. 244 Superseding Original Sheet No. 244.**

Attachment J, Section 2.0. The language was modified to make it clear that the reference to "Generators" is to Generators taking service under the ISO OATT.

**First Revised Sheet No. 249 Superseding Original Sheet No. 249.** Attachment J.

Attachment J. Section 6.0. The language was modified to remove the reference to "Import," because external generators may purchase replacement energy and, therefore, there would be no Curtailment of an Import schedule.

**Original Sheet No. 249A.** Attachment J. Section 6.0. Language was added to clarify the procedure to set the amount of Transmission Service scheduled hour-ahead in the BME for certain Generators. This language provides accounting procedures for three classes of units to allow them to sell all energy actually produced through a bilateral contract; thus, exempting them from the standard requirements for bilateral contracts which is that they are generally scheduled hour-ahead.

**First Revised Sheet No. 259 Superseding Original Sheet No. 259.**

Attachment K. Section 2.5 has been corrected to remove references to "Direct Sale of Existing Transmission Capacity for Native Load" since such capacity will be sold only through the Auction process, and not by Direct Sale.

**First Revised Sheet No. 263 Superseding Original Sheet No. 263.**

Attachment K. Sections 4.2 and 4.3. The word "Day-Ahead" was inserted before "Congestion Rent" for clarity, since TCCs only apply in the Day-Ahead Market.

**First Revised Sheet No. 266 Superseding Original Sheet No. 266.**

Attachment K. Section 7.0. In the fifth line from the top, the word "estimated" was inserted before "Congestion Rents" for clarity, consistent with the formula for the calculation of the LTPP.

**First Revised Sheet No. 282 Superseding Original Sheet No. 282.** Attachment M.

Section 1.0. In the second paragraph, a sentence has been added to clarify that the simultaneous feasibility test will only include those Residual TCCs that have been sold through prior Auctions or through a Direct Sale. This modification takes into account the fact that TCCs sold in a prior auction are valid in a subsequent auction.

**First Revised Sheet No. 291 Superseding Original Sheet No. 291.**



Attachment M. Section 7.0. In the third line from the bottom, the word "Day-Ahead" was inserted before "Congestion Rent," because TCCs only apply in a Day-Ahead Market.

**First Revised Sheet No. 300 Superseding Original Sheet No. 300.**

Attachment M. Section 9.1. In the fifth line from the top, the word "Day-Ahead" has been added before "Congestion Rent" for clarity, because TCCs only apply in the Day-Ahead Market.

**First Revised Sheet No. 317B Superseding Substitute Original Sheet No. 317B.**

Attachment N. Section 2.0. The heading has been clarified by inserting a parenthetical after "TCCs" which states "excluding ETCNL." This change is necessary because the definition of Grandfathered TCCs includes ETCNL.

**First Revised Sheet No. 319 Superseding Original Sheet No. 319.**

Attachment N. Section 3.4. The equation has been corrected in accordance with the Member Systems' Answer to Motions to Intervene of the Member Systems, submitted on March 4, 1998, as requested by the NYPSC.

**First Revised Sheet No. 320 Superseding Original Sheet No. 320 and Original Sheet No. 320A.**

Attachment N. Section 3.5. Consistent with the NYISO objective to maximize the Transmission Congestion Contracts ("TCCs") available to market participants, the Member Systems, correct in this filing, the formula used to allocate certain TCC auction revenues among the Transmission Owners.

The proposed revision will clarify that Transmission Owners that release Residual TCCs or Existing Transmission Capacity for Native Load ("ETCNL") for reconfiguration and sale through the Centralized TCC Auction shall not incur a payment obligation to other Transmission Owners if the market clearing prices of associated TCCs are negative. This correction to the tariff language reflects the allocation process the NYISO will implement and has been incorporated into the ISO software and procedures. It applies only to the allocation of such revenues among the Transmission Owners and has no negative effect on the rights of Market Participants.

**B. ISO SERVICES TARIFF**

**First Revised Sheet No. 4 Superseding Original Sheet No. 4 and Original Sheet No.**

**4A.**

Section 2.9a. The definition of "Back-up Operation" has been modified to conform to the ISO OATT Section 10A.0. These provisions are essential for both tariffs since the implementation of Back-up Operation, if necessary, would apply to the entire NYS Power System.

**First Revised Sheet No. 8 Superseding Original Sheet No. 8.**

Section 2.28. In the last line, the phrase "and are paid to Primary Holders" has been deleted because it was inadvertently included in the definition of "Congestion Rent," which was intended to apply generally to both the Real-Time or Day-Ahead Markets. Corresponding changes are made throughout the ISO Services Tariff as discussed below to clarify whether the defined terms are used in reference to either the Real-Time or Day-Ahead Markets.

Section 2.29. The phrase "in the Day-Ahead Market for Energy" has been added in two places for clarity in the place of existing terms, since TCCs only apply in the Day-Ahead Market.

**First Revised Sheet No. 12 Superseding Original Sheet No. 12.**

Section 2.50. The phrases "in the Day-Ahead Market for Energy" and "Day-Ahead" have been added for clarity, because TCCs only apply in the Day-Ahead Market.

Also, on the last line, the term "last" is inserted before Centralized TCC Auction. This change recognizes that there will be multiple auctions and specifies that the intended reference is to the last Centralized TCC Auction that was held.

**First Revised Sheet No. 13 Superseding Original Sheet No. 13.**

Section 2.53. The definition of Exports was expanded to include bilateral transactions, recognizing that there are two sources of energy (e.g., LBMP and bilateral transactions) from which exports may be made.

**First Revised Sheet Nos. 32 and 33 Superseding Original Sheet Nos. 32 and 33.**

Section 2.147. The definition of Primary Holder was modified to be consistent with Attachment M, since the ISO always settles with the Primary Holder. Also, on the next to last line, the term "Day-Ahead" was inserted for clarity since TCC Congestion Rents are always settled Day-Ahead. Finally, on the last line the phrase "Primary Holder" has been added to be consistent with Attachments M and N, since the ISO pays the Primary Holders the Congestion Rent.

Section 2.148. In the last sentence, the phrase "or Primary Holders who released the TCCs into the Auction" has been added to be consistent with Attachments K and M of the ISO

OATT.

**First Revised Sheet No. 40 Superseding Original Sheet No. 40.**

Section 2.182. The phrase "in the Day-Ahead Market for Energy" has been added to the definition of "Transmission Congestion Contract (TCCs)" for clarity, because TCCs only apply in the Day-Ahead Market.

**First Revised Sheet No. 59 Superseding Original Sheet No. 59 and Original Sheet No. 59A.**

Section 4.18. A section has been inserted for clarification. This language provides accounting procedures for three classes of units to allow them to sell all energy actually produced through a bilateral contract; thus, exempting them from the standard requirements for bilateral contracts which are generally scheduled hour-ahead.

**First Revised Sheet No. 63 Superseding Original Sheet No. 63.**

Section 4.23. The sentence beginning "The Generator's Ancillary Service margin is equal to the revenue it receives for providing these Ancillary Services less its Bid to provide these services, if any" has been changed to specify that "The Generator's Ancillary Service margin is equal to the revenue it would have received for providing these Ancillary Services prior to any reductions based on a failure to provide these services less its Bid to provide these services, if any." This change was intended to clarify that the Minimum Generation and Start-up provisions do not insulate generators that are receiving revenue from the consequences of poor performance.

**First Revised Sheet No. 74 Superseding Original Sheet No. 74.**

Section 5.10.1. A sentence has been added to provide that LSEs must demonstrate to the ISO that they met their respective Installed Capacity requirements prior to each Capability Period.

**First Revised Sheet Nos. 75-77 Superseding Original Sheet Nos. 75-77.**

Sections 5.10.1-5.10.2. A modification is proposed to Original Sheets Nos. 75-77 of the ISO Services Tariff. The purpose of the change is to ensure the calculation of the LSE ICAP as an annual requirement applicable to both capability periods. Two alternative calculations are used to determine the ICAP responsibility of an LSE. The higher of the two calculations determines the ICAP responsibility. The first calculation derives the LSE's energy usage coincident with the Transmission District peak load hour. In some cases, an LSE's load may be low at the time of the Transmission District peak load hour, but higher at other times during the capability period. In such cases, an alternative calculation is made which is more reflective of actual average usage during the

capability period. The alternative calculation measures the average energy use per hour over the capability period..

When this is done, the LSEs within the TD have the same requirement for both the Winter and the Summer Capability Period, assuming no customers switch loads. Thus, an LSE in a summer peaking TD would use the greater of its load at the time of the TD Summer Peak or, the average consumption over the Summer Capability Period, as its adjusted load. In the Winter, this same Summer-peaking LSE would have that same adjusted load number.

Similarly, in winter peaking TD areas, the LSE loads and the average consumption would reflect the load and the energy consumption for the winter TD peak hour and Winter Capability Period, respectively. Thus, the LSE annual requirement, based on the TD peak hour or associated TD-peaking Capability Period, is preserved whether the peak load hour is used or the alternative average energy consumption method is used.

**First Revised Sheet No. 82 Superseding Original Sheet No. 82.**

Section 5.13. A section has been inserted to clarify the deadline for the purchase of additional Installed Capacity in order for it to count towards an LSE's Installed Capacity requirement, for purposes of assessing deficiency penalties.

**Second Revised Sheet No. 87 Superseding First Revised Sheet No. 87**

Section 7.2A. This section has been revised to clarify that the ISO invoices to Transmission Customers will be submitted only by electronic means via the ISO's Bid/Post System. This has always been the intent, because the entire NYISO process is done electronically, including the daily reporting of transactions. The process has always assumed that invoices would be submitted electronically. The billing invoice will simply be a part of the software necessary for any entity to engage in energy transactions. Considering that all transactions for the transmission of energy will be scheduled through the Bid/Post System, no extra expense will be incurred by a Transmission Customer because all entities engaged in energy transmission transactions that will receive bills will also have had to install software necessary to interact with the ISO. The preparation of a paper bill would impose unnecessary additional costs on the NYISO. Further, this clarification does not change the billing process. It merely explains how the billing process is implemented. This change is consistent with the proposed change to ISO OATT Sheet No. 48.

**First Revised Sheet No. 96 Superseding Original Sheet No. 96 and Original Sheet No. 96A.**

Section 9.2. This section adds the requirement that Customers file a list of all their Affiliates with the ISO upon application for service under the Tariff. It also requires the list to be updated. The ISO requires this information in order to fulfill its responsibilities concerning the enforcement of the relevant provisions of the Code of Conduct, Attachment F to the ISO OATT.

**First Revised Sheet No. 136 Superseding Original Sheet No. 136 and Original Sheet No. 136A.**

Schedule 3. Section 4.2 (i)- (iii). Certain words were inadvertently omitted from the discussion of regulation penalties for non-regulating generators, that were originally included in the December 1997 Filing and intended to remain in the text of this provision. The following insertions (noted with underlined text) have been made to the discussion of the following penalty: "Generators that sell Energy through the LBMP Markets or supply Bilateral Transactions that serve Load in the NYCA, but do not provide Regulation Service, shall pay to the ISO a charge for Regulation Service equivalent to the following:

Generator Charge = Energy Difference x MCP x Length of SCD Interval / 60 minutes, where Energy Difference (in MW) is the absolute difference between the actual Energy supplied by the Generator and the Energy required by the SCD Base Point Signals, whether positive or negative, averaged over each SCD interval; MCP is the Market-Clearing Price (\$/MW) which applies to the SCD interval for which Regulation Service in the Real-Time Market, or the Day-Ahead Market if no Real-Time Market applies. In cases in which the Energy Difference that would be calculated using the procedure described above is less than a tolerance level to be defined by the NYISO, the NYISO shall set the Energy Difference for that SCD interval equal to zero."

The April 30 Filing added provisions under regulation and reserves to provide that if a mid-hour purchase were made that the clearing price would be for the MWs purchased for each portion of the hour and not a clearing price set as the max price for all supplemental purchases. To implement the process, as defined in April, will require extensive coding changes and will serve no purpose. Accordingly, (1) the only time that a purchase would be required in mid- hour is if a unit with a reserve or regulation contract de-rates or trips offline; (2) if this were to occur, the dispatcher would determine if a purchase were required. System conditions and latent reserve on the system would normally dictate that an additional purchase would not be required; (3) if conditions did warrant a purchase, the dispatcher would in most instances be purchasing emergency energy; (4) if the dispatcher makes a purchase, he would, in most instances, make the purchase to start at the top of the hour.

The fact is that mid-hour purchases will be done on a very limited basis. The ISO cannot publish a clearing price under these conditions until late the next day. This is due to the fact that the billing program would need to calculate a price which is time and contract amount weighted. Currently, the MIS calculates the clearing price by stacking the bids, as defined in the January filing. The MIS would need information on which the supplier failed to supply and then do the weighing. This is information that the billing obtains from the real time system which is not now available to the MIS.

Section 4.2. A section has been added to clarify an exemption from Regulation charges.

**First Revised Sheet No. 145 Superseding Original Sheet No. 145 and Original Sheet No. 145A.**

Schedule 4. Section 4.0. The procedure used to calculate Lost Opportunity Cost Payments has been clarified, such that if a Class A Supplier's energy output has been reduced to an uneconomic level because it was selected to provide Spinning Reserve, it will receive lost opportunity cost payments. This section also is clarified to explain that the prices apply to the SCD interval.

**First Revised Sheet Nos. 150 and 151 Superseding Original Sheet Nos. 150 and 151.**

Schedule 4. Section 5.0. In the paragraphs beginning "If a Supplier scheduled Day-Ahead to provide Operating Reserve....," the sentences starting and ending with "This reduction shall be calculated using a supply ratio....while it was a Supplier of Operating Reserve will determine payments to that Supplier" have been stricken. These sentences were unnecessary due to language appearing in subparagraph (4) in the next paragraph.

**First Revised Sheet No. 151 Superseding Original Sheet No. 151.**

Schedule 4. Section 5.0(4). The term "lowest" has been replaced with the term "average," to correct an error. The term "average" was included in the deleted text referenced above.

**First Revised Sheet No. 170 Superseding Original Sheet No. 170.**

Attachment B. Section 1.0, item 8. The language has been corrected to accurately describe the software. It is not possible to enter the Self-Supply amount in the Bid box, rather, Self-Supply will be accomplished by over subscribing to bilateral transactions and selling the excess Energy at Real-Time LBMP at the Load bus location.

**First Revised Sheet No. 171 Superseding Original Sheet No. 171.**

Attachment B. Section 2.2. The language was modified to make it clear that reference is made to Generators taking service under the ISO OATT.

**First Revised Sheet Nos. 173, 174 Superseding Original Sheet Nos. 173, 174 and Original Sheet Nos. 173A, 174A.**

Attachment B. Section 2.6. Language has been added to clarify charges in the event that a Transmission Customer does not take service under the ISO Services Tariff. In response to concerns raised in protests that the ISO Services Tariff should also reference the allowable deviation in the ISO OATT Tariff to avoid ambiguity between the two tariffs. The Member Systems have agreed to amend the ISO Services Tariff to provide the cross reference requested.

**First Revised Sheet No. 176 Superseding Original Sheet No. 176 and Original Sheet No. 176A.**

Attachment B. Section 2.7 (i)-(iii). The language was modified to exclude the reference to "Import." Language also was added to clarify the procedure to set the amount of Transmission Service scheduled hour-ahead in the BME for certain Generators. This language provides accounting procedures for three classes of units to allow them to sell all energy actually produced through a bilateral contract; thus, exempting them from the standard requirements for bilateral contracts which are generally scheduled hour-ahead.

**First Revised Sheet No. 205 Superseding Original Sheet No. 205 and Original Sheet No. 205A.** Attachment B. Sections 3.3 and 3.4. The formula is being corrected to reflect an error in the Interface MW-Mile formula, as pointed out by the NYPSC.

**First Revised Sheet No. 206 Superseding Original Sheet No. 206 and Original Sheet No. 206A.**

Attachment B. Section 3.5. Consistent with the NYISO objective to maximize the Transmission Congestion Contracts ("TCCs") available to market participants, the Member Systems, correct in this filing, the formula used to allocate certain TCC auction revenues among the Transmission Owners.

The proposed revision will clarify that Transmission Owners that release Residual TCCs or Existing Transmission Capacity for Native Load ("ETCNL") for reconfiguration and sale through the Centralized TCC Auction shall not incur a payment obligation to other Transmission Owners if the market clearing prices of associated TCCs are negative. This correction to the tariff language reflects the allocation process the NYISO will implement and has been incorporated

into the ISO software and procedures. It applies only to the allocation of such revenues among the Transmission Owners and has no negative effect on the rights of Market Participants.

**First Revised Sheet No. 207 Superseding Original Sheet No. 207 and Original Sheet No. 207A.**

Attachment B. In Part VI, Sections 1.0 and 2.0, "Congestion Component" has been replaced with "Congestion Component of the Day-Ahead LBMP." The phrase "(i) the Congestion Components at the POWs minus the Congestion Components at the POIs multiplied by the Energy associated with the POWs and POIs in the LBMP Markets" has been replaced with "(i) the Day-Ahead Congestion Component at each POW multiplied by the Energy associated with the POW in the Day-Ahead LBMP Market minus the Day-Ahead Congestion Component at each POI multiplied by the Energy associated with the POI in the Day-Ahead LBMP Market." The reference to "Attachment J" to the ISO OATT is incorrect and has been modified to refer to "Attachment B" of the ISO Services Tariff. In the last line, "Congestion Component" has been replaced with "Day-Ahead Congestion Component." These changes are necessary because TCCs are settled in the Day-Ahead Market. The modifications also correct the formula and denote the proper tariff and attachment designations.

**III. PROPOSED TYPOGRAPHICAL, GRAMMATICAL AND STYLISTIC MODIFICATIONS**

The Member Systems and the NYISO have identified a number of minor corrections that need to be made to the tariff sheets of the ISO OATT and the ISO Services Tariff, which were filed as part of the April 30 Compliance Filing. These corrections, described below, are intended to clarify the language or to correct minor typographical or grammatical errors or to make stylistic changes for clarity.

**A. ISO OATT**

**First Revised Sheet No. 2 Superseding Original Sheet No. 2.**

Section 1.3b. The section has been modified grammatically to read: "A measure of time that a generating facility, ..."

**First Revised Sheet No. 5 Superseding Original Sheet No. 5.**

Section 1.7a. In the next to last line, the term Tariff has been replaced with "ISO Services" Tariff for clarity.

**First Revised Sheet No. 9 Superseding Original Sheet No. 9.**



Section 1.13. A typographical error was corrected on the second line to change "is a schedule" to "is scheduled."

**First Revised Sheet No. 12 Superseding Original Sheet No. 12.**

Section 1.14o. The words "at which it" following "NYCA" have been removed as unnecessary.

**First Revised Sheet No. 14 Superseding Original Sheet No. 14.**

Section 1.17f. The section has been modified to read: "A determination by ..."

**First Revised Sheet No. 15 Superseding Original Sheet No. 15.**

Section 1.18f. The section has been modified to read: "and/or purchases s ..."

**First Revised Sheet No. 16 Superseding Original Sheet No. 16.**

Section 1.19a. The definition of "Native Load TCCs" has been removed. The definition was inadvertently left in the tariff even though it no longer is applicable after the April 30 Filing. Any similar references to Native Load TCCs in the filing letter are also inapplicable.

**First Revised Sheet No. 23 Superseding Original Sheet No. 23.**

Section 1.36a. The reference to Direct Customer has been deleted because that term was eliminated in the OATT after the April 30 Filing.

**First Revised Sheet No. 25 Superseding Original Sheet No. 25.**

Section 1.39c. In the sixth to the last line, "expire" was changed to "expires."  
On the fifth to the last line, in two places the word "are" was changed to "is."

**First Revised Sheet No. 28 Superseding Original Sheet No. 28.**

Section 1.44a. The term "Owner" has been changed to "Owners."

**First Revised Sheet No. 30 Superseding Original Sheet No. 30.**

Section 1.48. The section has been modified to insert a comma after "Point-To-Point."

**First Revised Sheet No. 57 Superseding Original Sheet No. 57.**

Section 11.0 "Standards and Poor's" has been replaced with "Standard and Poor's."

**First Revised Sheet No. 59 Superseding Original Sheet No. 59.**

Section 12.2. The partial paragraph at the top of the page has been modified to read: "past or present."

**First Revised Sheet No. 71 Superseding Original Sheet No. 71.**

Section 14.2. The word "real-time" has been added before "Congestion Rents" for clarity and to use the appropriate defined term.

**First Revised Sheet No. 72 Superseding Original Sheet No. 72.**

Section 14.6 (i). The section has been changed to read: "Schedules ..."

**First Revised Sheet No. 74 Superseding Original Sheet No. 74.**

Section 14.7. In the second to last line, the term "Congestion charges" has been modified to "real-time Congestion Rents" for clarity and to use the appropriate defined term.

**First Revised Sheet No. 133 Superseding Original Sheet No. 133.**

IV. Special Provisions for Retail Access, Preamble, second line on the page. The word "under" that appeared before "established" has been removed.

**First Revised Sheet No. 137 Superseding Original Sheet No. 137.**

Section 37.0A. The word "the" that appeared before Central Hudson has been removed.

**First Revised Sheet No. 138 Superseding Original Sheet No. 138.**

Section 37.0B, fourth line. The reference to "Consolidated Edison's Rate Schedule FERC No. 3" has been replaced with "Consolidated Edison's Rate Schedule FERC No. 1, Attachments K and L", and the word "as" at the end of the fourth line has been removed.

**First Revised Sheet No. 140 Superseding Original Sheet No. 140.**

Section 37.0F, first line. The word "retain" has been replaced with "retail" to correct a typographical error.

**First Revised Sheet No. 148 Superseding Original Sheet No. 148.**

Schedule 2, Section 1.0. The proper reference should be Section 1.1 of Rate Schedule 2 in the ISO Services Tariff. The section is modified accordingly.

**First Revised Sheet No. 187 Superseding Original Sheet No. 187.**

Attachment C. Defined terms have been capitalized.

**First Revised Sheet No. 227 Superseding Original Sheet No. 227.**

Attachment H. Section 2.1. In the term "ECR," on the second and third lines, the parenthetical after "Excess Congestion Rents" was removed because the term is already defined.

**First Revised Sheet No. 260 Superseding Original Sheet No. 260.**

Attachment K. Section 3.1. In the fifth line from the bottom, the term "real-time" is inserted before "Congestion Rents" for clarity and to use the proper defined term. Additionally other typographical corrections were made to delete inadvertent capitalizations of certain terms.

**First Revised Sheet No. 265 Superseding Original Sheet No. 265.**

Attachment K. Section 7.0 . "LTP" was changed to "LTPP" in the first and third lines.

**First Revised Sheet No. 266 Superseding Original Sheet No. 266.**

Attachment K. Section 7.0. In the fourth line from the top, "T-fund" was changed to "T-Fund."

**First Revised Sheet No. 300 Superseding Original Sheet No. 300.**

Attachment M. Section 9.2 The Term "Optimum" has been corrected to be "Optimal" before "Power Flows."

**Original Sheet No. 320 B.**

Attachment N. The term "Mwh" was changed to "MWh."

**B. ISO SERVICES TARIFF**

**First Revised Sheet No. 2 Superseding Original Sheet No. 2.**

Section 2.3. The expression "shall have mean" has been replaced with "shall mean."

**First Revised Sheet No. 2 Superseding Original Sheet No. 2.**

Section 2.1. The first usage of the acronym "LSE" has been replaced by the full capitalized term.

**First Revised Sheet Nos. 4A, 9, 34, 170, 172, 174, 175 Superseding Original Sheet Nos. 4A, 9, 34, 170, 172, 174, 175.**

The defined term "Non-Firm Point-to-Point Transmission Service" has been capitalized.

**First Revised Sheet Nos. 9, 13, 16, 35, 131, 132, 150, 177, 178, 181, 184, 185, 187, 188, 189, 195, 198, 199, 218 Superseding Original Sheet Nos. 9, 13, 16, 35, 131, 132, 150, 177, 178, 181, 184, 185, 187, 188, 189, 195, 198, 199, 218.**

The defined term "Capacity" has been capitalized.

**First Revised Sheet Nos. 10, 213, 217, 218, 219, 220 Superseding Original Sheet Nos. 10, 213, 217, 218, 219, 220.**

The defined term "Bid" has been capitalized.

**First Revised Sheet Nos. 13, 80 Superseding Original Sheet Nos. 13, 80.**

The defined term "Interconnection" has been capitalized.

**First Revised Sheet No. 13 Superseding Original Sheet No. 13.**

Section 2.51. On the first line, the header, "Existing Transmission Capacity for Native Load" was replaced with "Existing Transmission Capacity for Native Load ("ETCNL")."

**First Revised Sheet No. 14 Superseding Original Sheet No. 14.**

Section 2.57. The reference to "this Tariff" was corrected to refer to the ISO OATT.

**First Revised Sheet No. 15 Superseding Original Sheet No. 15.**

Section 2.63. The definition of "Government Bonds" has been removed from the Services Tariff because the term is not used.

**First Revised Sheet No. 16 Superseding Original Sheet No. 16.**

Section 2.65. A typographical correction in the second reference to "TWA" has been made.

**First Revised Sheet No. 19 Superseding Original Sheet No. 19 and Original Sheet No. 19A.**

Section 2.80a. The definition of "Investor-Owned Transmission Owners," as this term is defined in the ISO OATT, has been included.

**First Revised Sheet Nos. 20, 139, 164, 219, 220 Superseding Original Sheet Nos. 20, 139, 164, 219, 220.**

The defined term "Load" has been capitalized.

**First Revised Sheet No. 24 Superseding Original Sheet No. 24 and Original Sheet No. 24A.** Section 2.107a. The definition of "Native Load Customers" as defined in the ISO OATT has been included .

**First Revised Sheet Nos. 26, 39, 213, 214 Superseding Original Sheet Nos. 26, 39, 213, 214.**

The defined term "Generator" has been capitalized.

**First Revised Sheet No. 27 Superseding Original Sheet No. 27 and Original Sheet No. 27A.**

Section 2.122a. The definition of "NYPA Transmission Adjustment Charge ('NTAC')," as this term is defined in the ISO OATT, has been included.

**First Revised Sheet No. 28 Superseding Original Sheet No. 28 and Original Sheet No. 28A.** 2.128a. The definition of "Operating Committee" as per the ISO OATT has been included.

**First Revised Sheet Nos. 32 and 33 Superseding Original Sheet Nos. 32 and 33.**

Section 2.147. On the second line, "Primary" has been replaced with "Primary Holder."

Section 2.148. Changes have been made for clarity to capitalize defined terms and to add the term "Transmission" before "Customer" and to add references to the ISO OATT.

**First Revised Sheet No. 35 Superseding Original Sheet No. 35 and Original Sheet No. 35A.** Section 2.160. A reference to the ISO OATT was added. In the sixth to the last line, "expire" was changed to "expires."

On the fifth to the last line, in two places the word "are" was changed to "is."

Section 2.159a. The definition of "Residual Adjustment," as this term is defined in the ISO OATT has been included.

Section 2.160. "RTC" has been spelled out as "Residual Transmission Capacity."

Section 2.160a. The definition of "Residual Transmission Capacity," as this term is defined in the ISO OATT, has been included.

**First Revised Sheet No. 36 Superseding Original Sheet No. 36.**

Section 2.163. The definition of "Second Contingency Design and Operation" has been removed from the ISO Services Tariff because the term is not used.

The definition of "Secondary Holders" has been included, as this term is defined in the ISO OATT.

**First Revised Sheet Nos. 39, 111, 168, 184 Superseding Original Sheet Nos. 39, 111, 168, 184.**

The defined term "Transmission Service" has been capitalized.

**First Revised Sheet No. 41 Superseding Original Sheet No. 41.**

Section 2.186a. The definition of "Transmission Facility Agreement," as this term is defined in the ISO OATT, has been included.

**Original Sheet No. 41A.**

Section 2.186b. The definition of "Transmission Fund (T-Fund)," as the term is defined in the ISO OATT, has been included.

**First Revised Sheet No. 53 Superseding Original Sheet No. 53.**

Section 4.10. On line 13 of the full paragraph, "start-up and minimum Generation Bid" has been replaced with "Minimum Generation and Start-Up Bid."

The defined term "Imports" has been capitalized and a typographical error has been corrected.

**First Revised Sheet Nos. 57, 163 Superseding Original Sheet Nos. 57, 163.**

The defined term "Constraint" has been capitalized.

**First Revised Sheet No. 59 Superseding Original Sheet No. 59 and Original Sheet No. 59A.**

Section 4.18. "Real-Time Settlement" has been replaced with "Real-Time Market Settlement" because "Real-Time Settlement" is not a defined term.

**First Revised Sheet Nos. 70, 92, 175 Superseding Original Sheet Nos. 70, 92, 175.** The defined term "Transactions" has been capitalized.

**First Revised Sheet Nos. 70, 218, 220 Superseding Original Sheet Nos. 70, 218, 220.** The defined term "Energy" has been capitalized.

**First Revised Sheet Nos. 70, 73 Superseding Original Sheet Nos. 70, 73.** The defined term "Internal" has been capitalized.

**First Revised Sheet No. 73 Superseding Original Sheet No. 73.**

Section 5.10.1. "Availability Standards" has been changed to "Generator Availability standards" in all three usages.

**First Revised Sheet Nos. 73, 142, 168 Superseding Original Sheet Nos. 73, 142, 168.** The defined term "External" has been capitalized.

**First Revised Sheet No. 97 Superseding Original Sheet No. 97.** Section 9.4. At the end of line 7 of the first paragraph, "pursuant to Article 7 and compliance" was replaced with "pursuant to Article 7 and in compliance."

**First Revised Sheet No. 120 Superseding Original Sheet No. 120.**

Section 2.0. The defined term "Power Factor" has been capitalized and "form" has been changed to "from."

**First Revised Sheet No. 122 Superseding Original Sheet No. 122.**

Section 2.0. "Lost-Opportunity" has been replaced with "Lost Opportunity." In the last line of the first paragraph, "lost opportunity payments" has been replaced with "Lost Opportunity Cost payments."

**First Revised Sheet No. 125 Superseding Original Sheet No. 125.**

Section 2.0. The defined term "Contingency" has been capitalized.

**First Revised Sheet Nos. 125, 213 Superseding Original Sheet Nos. 125, 213.**

The defined term "Reactive Power" has been capitalized.

**First Revised Sheet No. 133 Superseding Original Sheet No. 133.**

Section 4.0. Unnecessary tabs or spaces in the first paragraph have been removed.

**First Revised Sheet No. 135 Superseding Original Sheet No. 135.**

In the third line of the second paragraph of Section 4.1, "thirty" has been replaced with "thirty."

**First Revised Sheet Nos. 139, 210, 217 Superseding Original Sheet Nos. 139, 210, 217.**

The defined term "Supplier" has been capitalized.

**First Revised Sheet No. 139 Superseding Original Sheet No. 139.**

Rate Schedule 4. Section 2.3. The defined term "Control" has been capitalized. The term "Operational" was inserted before the term "Control."

**First Revised Sheet No. 142 Superseding Original Sheet No. 142.**

Rate Schedule 4. Section 3.2. The word "schedule" in the first full paragraph was replaced with "scheduled."

**First Revised Sheet No. 144 Superseding Original Sheet No. 144.**

Section 4.0. "Real-Time Availability Prices" has been replaced with "Real-Time Availability prices."

**First Revised Sheet No. 147 Superseding Original Sheet No. 147.**

Schedule 4. Section 4.0. The term "Real-Time Settlement" has been replaced with "Real-Time Market Settlement," which is the correct defined term used in the Tariff.

**First Revised Sheet No. 163 Superseding Original Sheet No. 163.**

Attachment B. Section 5.0. The term "Real-Time" was capitalized.

**First Revised Sheet No. 169 Superseding Original Sheet No. 169 and Original Sheet No. 169A.**

Section 5.0. At the end of the first paragraph, "Mwh" has been replaced with "MWh" and another typographical correction was made.

**First Revised Sheet Nos. 172, 181 Superseding Original Sheet Nos. 172, 181.**

The defined term "Customer" has been capitalized.

**First Revised Sheet No. 172 Superseding Original Sheet No. 172 and Original Sheet No. 172A.**

Section 2.4(iv). The term "Real-Time Congestion Rents" has been modified to "real-time Congestion Rents" for clarity and to use the appropriate defined term.

**First Revised Sheet No. 177 Superseding Original Sheet No. 177.**

Section 2.0. The term "Multiple Round Auction" has been capitalized.

**First Revised Sheet Nos. 177, 188, 191 Superseding Original Sheet Nos. 177, 188, 191.**

The defined term "Transfer Capability" has been capitalized.

**First Revised Sheet No. 178 Superseding Original Sheet No. 178.**

Section 2.0. In the sixth line, "those" has been replaced with "their" and another typographical correction was made.

**First Revised Sheet No. 181 Superseding Original Sheet No. 181.** Section 4.0. In the second line, "twwenty" has been replaced with "twenty."

**First Revised Sheet No. 184 Superseding Original Sheet 184.** Section 7.0. In the sixth line, "Initial Auction" has been replaced with "Transitional Auction."

**First Revised Sheet No. 185 Superseding Original Sheet 185.** Sections 8.3 and 8.5. Various typographical corrections were made.

**First Revised Sheet Nos. 186, 188, 194 and 198 Superseding Original Sheets 186, 188, 194 and 198.** The term "peak" has been replaced with "On-Peak."

**First Revised Sheet Nos. 186, 188, 194 and 198 Superseding Original Sheets 186, 188, 194 and 198.** The defined term "Off-Peak" has been capitalized.

**First Revised Sheet No. 191 Superseding Original Sheet 191.** Section 9.2. "Optimum Power Flows" has been replaced with "Optimal Power Flows."

**First Revised Sheet No. 204 Superseding Original Sheet No. 204 and Original Sheet No. 204A.**

Sections 2.0 and 3.2. "Centralized Auction" has been replaced with "Centralized TCC Auction." "Transmission Providers" has been replaced with "Transmission Owners."



**Original Sheet No. 206A.** Section 3.6. “Mwh” has been replaced with “MWh.”

**First Revised Sheet No. 208 Superseding Original Sheet No. 208.**

Section 2.0. The reference to “Section 3 below” was incorrect and has been replaced with “Attachment N of the ISO OATT.”

Section 3.0. The reference to “Attachment K” in the last line is incorrect and has been replaced with “Attachment N of the ISO OATT.” “NTAC” has been spelled out as “NYPA Transmission Adjustment Charge (NTAC).”

**First Revised Sheet No. 210 Superseding Original Sheet No. 210.**

Section 3.0. In the middle of the final paragraph, “sevice” has been replaced with “service.”

**First Revised Sheet No. 211 Superseding Original Sheet No. 211.** In the first full paragraph, “contrained” has been replaced with “constrained.”

**First Revised Sheet No. 217 Superseding Original Sheet No. 217.** In the third column of the table, “rquired” has been replaced with “required.”

**First Revised Sheet No. 217 Superseding Original Sheet No. 217.** The defined term Self-Supply has been capitalized.

#### **IV. EFFECTIVE DATE AND WAIVER OF NOTICE REQUIREMENT**

In its July 29 Order, the Commission accepted for filing, subject to modifications, the ISO OATT and ISO Services Tariff, effective on September 1, 1999, or upon ISO start-up. The ISO start-up is scheduled to occur on November 18, 1999. Thus, the Member Systems and the NYISO request that the tariff sheets included in Appendix A be accepted by the Commission, to become

effective on November 18, 1999, or the start-up date of the ISO. The Member Systems and the NYISO request Commission waiver of the 60-day notice requirement in order to allow the ISO OATT and the ISO Services Tariff to become effective on that date. Consistent with the Joint Filing made on November 10, 1999, with respect to the effective date for changing the amortization period for the recovery of start-up costs on ISO OATT Sheet No. 145, the Member Systems and the NYISO request an effective date of January 1, 2000, for that change only, assuming that by that date the NYISO has commenced operations and successfully completed an initial operating period. Waiver is consistent with Commission policies because it will facilitate the smooth transition to an efficient and effective ISO structure in New York State. The Member Systems and the NYISO respectfully request that the Commission grant any and all waivers of its Regulations that it deems necessary to allow the tariff sheets to be effective on that date.

#### **V. ADDITIONAL SUPPORTING INFORMATION**

35.13(b)(1) The following material and documents are hereby submitted:

1. This transmittal letter;
2. The revised tariff sheets (Appendix A);
3. A highlighted/strikeout version of the revised tariff sheets (Appendix B);
4. A form of notice suitable for publication in the Federal Register;
5. A computer diskette containing the proposed Federal Register Notice; and
6. A computer diskette containing the revised tariff sheets.

In accordance with Section 35.7 of the Commission's Regulations, the Member Systems and the ISO are submitting an original and six (6) copies of items 1-4.

35.13(b)(2) The Member Systems and the NYISO respectfully request an effective date of November 18, 1999, in accordance with IV, above. However, consistent with the Joint Filing made on November 10, 1999, the Member Systems and the NYISO request an effective date of January 1, 2000, for one change reflected in ISO OATT Sheet No. 145, as described in Part IV above.

- 35.13(b)(3) A copy of this filing has been served upon all persons on the official service list of the above captioned proceedings, in accordance with IV, below.
- 35.13(b)(4) A description of the changes to be effected by this filing is contained in this transmittal letter.
- 35.13(b)(5) The reasons for the changes to be effected by this filing are contained in this transmittal letter.
- 35.13(b)(6) The requisite agreement of all Member Systems and the NYISO for the changes effected by this filing is evidenced by the fact that this is a joint filing.
- 35.13(b)(7) The Member Systems and the NYISO have no knowledge of any relevant expenses or costs of service that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices.
- 35.13(b)(8) A draft form of notice concerning this filing that is suitable for publication in the Federal Register has been enclosed pursuant to Section 35.8 of the Commission's Regulations. A computer diskette containing such draft notice is also attached.
- 35.13(c)(1) The resulting changes, if any, in sales, services and revenues cannot be reasonably forecasted and no comparison with earlier sales, services and revenues is possible.
- 35.13(c)(2) The Member Systems and the NYISO do not jointly provide services under other rate schedules that are similar to the wholesale for resale and transmission services jointly provided under the ISO OATT and the ISO Services Tariff. Individual Member Systems continue to provide transmission services under their respective *Pro Forma* tariffs on file with the Commission and each of such Member Systems has or will file any necessary amendments to their individual tariffs to conform with the ISO OATT and ISO Services Tariff.
- 35.31(c)(3) No specifically assignable facilities have been or will be installed or modified in order to supply service under the changes effected by this filing.

## VI. COMPANY CONTACTS

The names and mailing addresses of those persons to whom correspondence and communications concerning this filing should be addressed are as follows:<sup>7</sup>

### NEW YORK POWER POOL

William J. Balet  
New York Power Pool  
3890 Carman Road  
Schenectady, NY 12303

Paul L. Gioia, Esq.  
LeBoeuf, Lamb, Greene &  
MacRae, L.L.P.  
One Commerce Plaza  
Suite 2020  
99 Washington Avenue  
Albany, NY 12210

John Buechler  
ISO Project Manager  
New York Power Pool  
3890 Carman Road  
Schenectady, NY 12303

Elias G. Farrah, Esq.  
Andrea J. Chambers, Esq.  
LeBoeuf, Lamb, Greene &  
MacRae, L.L.P.  
1875 Connecticut Avenue  
Suite 1200  
Washington, D.C. 20009

### NEW YORK ISO

William J. Museler  
President  
New York Independent System  
Operator, Inc.  
c/o New York Power Pool  
3890 Carman Road  
Schenectady, NY 12303

Arnold H. Quint, Esq.  
Hunton & Williams  
1900 K Street, N.W.  
Washington, D.C. 20006

---

<sup>7</sup> The Member Systems and the ISO request waiver of Rule 2010(c), 18 C.F.R. Section 385.2010(c), in order to permit designation of more than one additional parties on the service list. The Member Systems and the ISO submit that waiver is appropriate in this case due to the joint nature of this filing.

The Honorable David P. Boergers  
November 12, 1999  
Page 29

**CENTRAL HUDSON GAS & ELECTRIC CORPORATION**

John W. Watzka  
Central Hudson Gas  
& Electric Corporation  
284 South Avenue  
Poughkeepsie, NY 12601

Raymond B. Wuslich, Esq.  
Winston & Strawn  
1400 L Street, N.W.  
Washington, D.C. 20005-3502

**CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.**

William L. Jaeger  
Consolidated Edison Company  
of New York, Inc.  
4 Irving Place  
New York, NY 10003

Neil H. Butterklee, Esq.  
Consolidated Edison Company  
of New York, Inc.  
4 Irving Place  
New York, NY 10003

**LIPA**

Richard J. Bolbrock  
Vice President-Power Markets  
333 Earle Ovington Blvd.  
Suite 403  
Uniondale, NY 11553

David P. Yaffe, Esq.  
Van Ness Feldman, P.C.  
1050 Thomas Jefferson Street, N.W.  
7th Floor  
Washington, D.C. 20007

**NEW YORK STATE ELECTRIC & GAS CORPORATION**

Denis E. Wickham  
New York State Electric  
& Gas Corp.  
P.O. Box 5224  
Binghamton, NY 13902

Stuart A. Caplan, Esq.  
Huber Lawrence & Abell  
605 Third Avenue  
New York, NY 10158

**NEW YORK STATE POWER AUTHORITY**

H. Kenneth Haase  
New York Power Authority

Edgar K. Byham, Esq.  
New York Power Authority

The Honorable David P. Boergers  
November 12, 1999  
Page 30

1633 Broadway  
New York, NY 10019

1633 Broadway  
New York, NY 10019

**NIAGARA MOHAWK POWER CORPORATION**

Clement E. Nadeau  
Niagara Mohawk Power  
Corporation  
Erie Boulevard West  
Syracuse, NY 13202

George M. Pond, Esq.  
Niagara Mohawk Power  
Corporation  
111 Washington Avenue  
Albany, NY 12210

**ORANGE AND ROCKLAND UTILITIES, INC.**

Philip R. Nannery  
Orange and Rockland  
Utilities, Inc.  
One Blue Hill Plaza  
Pearl River, NY 10965

John L. Carley, Esq.  
Orange and Rockland  
Utilities, Inc.  
One Blue Hill Plaza  
Pearl River, NY 10965

**ROCHESTER GAS AND ELECTRIC CORPORATION**

Richard D. Sperduto  
Rochester Gas and Electric  
Corporation  
89 East Avenue  
Rochester, NY 14649

Elizabeth W. Whittle, Esq.  
Nixon Peabody, LLP  
One Thomas Circle, N.W.  
Suite 700  
Washington, D.C. 20005

**VII. CERTIFICATE OF SERVICE**

A copy hereof, together with all enclosures except for the computer diskettes, is being served upon each person on the official service list for this proceeding.

Respectfully submitted,

Paul L. Gioia

The Honorable David P. Boergers  
November 12, 1999  
Page 31

Elias G. Farrah  
Andrea J. Chambers  
Rebecca J. Michael  
Sônia Mendonça

Of Counsel to the Member Systems of the New York  
Power Pool

Arnold H. Quint

Of Counsel to the New York Independent System  
Operator, Inc.

Enclosures

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

Central Hudson Gas & Electric  
Corporation  
Consolidated Edison Company of  
New York, Inc.

LIPA  
New York State Electric & Gas  
Corporation  
Niagara Mohawk Power Corporation  
Orange and Rockland Utilities, Inc.  
Rochester Gas and Electric  
Corporation  
New York Power Pool

Docket Nos. ER97-1523-000,  
ER97-4234-000 and  
OA97-470-000

New York Independent System Operator

**NOTICE OF FILING**

Take notice that the Member Systems of the New York Power Pool and the New York Independent System Operator, Inc., on November 12, 1999, tendered for filing, pursuant to Section 205 of the FPA and Part 35 of the Commission's regulations, proposed revised tariff sheets that contain revisions to the ISO OATT and ISO Services Tariff. The Member Systems and the NYISO submit that the proposed changes are essential for the commencement of NYISO operations and request an effective date of November 18, 1999, with one exception as noted.

Any person desiring to be heard or to protest such application should file a petition to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 211 and 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. §§ 385.211 and 385.214. All petitions or protests should be filed on or before \_\_\_\_\_, 1999. Protests will be considered by the Commission in determining 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 petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.