

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

3/3/05

In Reply Refer To:
New York Independent System
Operator, Inc.
Docket No. EL02-125-003

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

Attention: New York Independent System Operator, Inc.

Reference: Revisions to Attachment S of Open Access Transmission Tariff

Dear Mr. Fernandez:

On January 21, 2005, New York Independent System Operator, Inc. (“NYISO”) submitted revisions to its interconnection cost allocation rules contained in Attachment S to the NYISO Open Access Transmission Tariff. This was pursuant to the Commission’s December 22, 2004 letter order, which accepted the NYISO’s October 15, 2004 compliance filing in this docket and directed NYISO to file these revisions.

The October 15, 2004 compliance filing implemented the terms of a settlement agreement in this docket. The settlement and the revised Attachment S establish a role for an independent expert as a reviewer of “generic” solutions to reliability shortfalls that are identified by the NYISO in the course of preparing its cost allocation studies. NYISO states that these revisions clarify the expert’s role in this process.

Notice of the filing was published in the Federal Register with comments, protests, or interventions due on or before February 11, 2005. No comments, protests or interventions were filed.

Pursuant to the authority delegated to the Director, Division Tariffs and Rates - East, under 18 C.F.R. § 375.307, the Commission hereby accepts the revisions as filed, effective October 25, 2004.

This acceptance for filing shall not be construed as constituting approval of any service, rate, charge, classification, or any rule, regulation, contract, 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 action is without prejudice to any findings or orders which have been or 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