

April 18, 2006

By Hand Delivery

The Honorable Magalie R. Salas, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

Compliance Filing of the *New York Independent System Operator, Inc.* in Docket Nos. EL06-57-000 and ER06-291-001

Dear Ms. Salas:

Pursuant to the Commission's April 3, 2006, order¹ in the above-captioned proceeding, the New York Independent System Operator, Inc. ("NYISO") respectfully submits this compliance filing. As directed, the NYISO is deleting from Rate Schedule 2 of the Market Administration and Control Area Services Tariff ("Services Tariff") the reference to the future submission by the NYISO of a study conducted by an independent consultant and the language that subjected the VSS rate to potential revision back to January 1, 2006. As also directed in the Commission's Order, the NYISO is eliminating the sunset provision from Services Tariff Rate Schedule 2, making the VSS rate permanent.

I. <u>Documents Submitted</u>

This filing consists of the following documents:

- 1. This filing letter;
- 2. Clean tariff sheet reflecting the changes discussed herein (Attachment I);
- 3. Redlined tariff sheet reflecting the same (Attachment II); and
- 4. A Certificate of Service.

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¹ New York Independent System Operator, Inc., Order Extending Voltage Support Services Rates and Denying Rehearing, Docket Nos. EL06-57-000 and ER06-291-001, 115 FERC ¶ 61,005 (April 3, 2006).

II. Copies of Correspondence

Copies of correspondence concerning this filing should be served on:

Robert E. Fernandez, General Counsel and Secretary Elaine Robinson, Director of Regulatory Affairs

Carl F. Patka, Senior Attorney

New York Independent System Operator, Inc.

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III. Service List

The NYISO will serve the official service list compiled by the Secretary in this proceeding. The NYISO will also electronically serve a copy of this filing on the official representative of each of its customers, on each participant in its stakeholder committees, as well as on the New York Public Service Commission and the electric utility regulatory agencies of New Jersey and Pennsylvania.

IV. Description of Proposed Tariff Changes

To comply with Paragraph 31 of the Commission's April 3 Order, the NYISO proposes to amend the first paragraph of Rate Schedule 2 in the Services Tariff to eliminate the reference to a study to have been conducted by an independent consultant and the reference to retroactive adjustments to payments made under this rate schedule in the event that a revised rate methodology is made retroactive to January 1, 2006. Also in compliance with Paragraph 31 of the Order, and as proposed in the NYISO's March 3, 2006 filing, the NYISO has eliminated the sunset provision, thereby making the VSS rate permanent.

V. Conclusion

WHEREFORE, the New York Independent System Operator, Inc. respectfully requests that the Commission accept this compliance filing.

Respectfully submitted, NEW YORK INDEPENDENT SYSTEM OPERATOR, INC

/s/ Carl F. Patka

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cc: Shelton M. Cannon Anna Cochrane Connie Caldwell Michael A. Bardee Kathleen E. Nieman Dean Wight

Certificate of Service

I hereby certify that I have on this day caused this compliance filing to be served upon each party on the official service list compiled by the Secretary. I have also caused to be served electronically a copy of this filing on the official representative of each of its customers, on each participant in its stakeholder committees, and caused paper copies of this filing to be served on the New York State Public Service Commission, and on the electric utility regulatory agencies of New Jersey and Pennsylvania.

Dated at Albany, New York this 18th day of April 2006.

/s/ Carl F. Patka

Carl F. Patka Senior Attorney New York Independent System Operator 10 Krey Boulevard Rensselaer, New York 12144



