



CALPINE

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October 20, 2006

Ms. Karen Antion
Chair, NYISO Board of Directors
c/o Mr. Mark S. Lynch
President and CEO
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144

Re: Calpine's letter in Support of Notice of Appeal of Management Committee's September 29, 2006 approval of Motion #4 recommending adoption of proposed In-City installed capacity market monitoring and mitigation measures

To Ms. Antion:

Calpine supports the Notice of Appeal of Management Committee's September 29, 2006 approval of Motion #4 as filed by IPPNY on October 16, 2006 in the above referenced matter. A copy of the enclosed letter has been delivered today to Ray Stalter, of the NYISO staff, for circulation to all members of the Management Committee via electronic mail.

Very truly yours,

/s/Richard A. Kanoff
Richard A. Kanoff
Regional Counsel
Calpine Corporation

Cc: Ray Stalter, via email