

97 FERC ¶ 61, 198
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

November 20, 2001

New York Independent System Operator, Inc.
Docket No. ER01-3147-000

Hunton & Williams
Attn: Mr. Ted J. Murphy
Attorney for New York Independent System Operator, Inc.
1900 K Street, N.W.
Washington, D.C. 20006-1109

Dear Mr. Murphy:

By letter dated September 28, 2001, you submitted for filing with the Commission, on behalf of New York Independent System Operator, Inc. (NYISO), revisions to NYISO's Open Access Transmission Tariff (OATT) and Control Area Services Tariff (Services Tariff) to implement multi-hour block transactions for import, export and wheels-through transactions when bidding into the Day Ahead Market. Your submittal is accepted for filing, effective December 1, 2001, as requested.

Notice of the filing was published in the Federal Register, 66 Fed. Reg. 51,653 (2001), with comments, protests, or interventions due on or before October 19, 2001. Pursuant to 18 C.F.R. § 385.214 (2001), the filing of a timely motion to intervene makes the movant a party to the proceeding, provided that no answer in opposition is filed within 15 days. The following entities have filed timely, unopposed motions to intervene: Enron Power Marketing, Inc, Dynegy Power Marketing, Inc., KeySpan-Ravenswood, Inc., the Member Systems, and NRG Companies. Given the lack of undue prejudice and the parties' interests, we also find good cause to grant pursuant to 18 C.F.R. 385.214(d) (2000) the unopposed, untimely motion to intervene filed by Reliant Resources, Inc.

Member Systems notes a potential for circumvention of bid caps because multi-hour bidding allows bidders to tie purchase of power in hours in which the power is needed to meet scheduled load to purchase of power at high prices in other hours when it is not needed. Member Systems relies on NYISO's market monitoring to detect such behavior and institute proceedings to mitigate such behavior if it is detected. We note our direction to NYISO in New York Independent System Operator, Inc., 92 ¶ 61,073 (2000), reh'g denied, 97 ¶ 61,154 (2001) "...to monitor for instances where generators may be

engaging in behavior that would allow them to circumvent the bid cap we have imposed. In such instances, NYISO should make a filing with the Commission to propose tariff language that would prevent such behavior."

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, contract, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; 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 New York Independent System Operator, Inc.

By direction of the Commission.

Linwood A. Watson, Jr.,
Acting Secretary.