

VIA OVERNIGHT UNITED PARCEL SERVICE COURIER

March 30, 2006

Honorable John W. Boston
Chairman of the NYISO Board of Directors
c/o Mr. Mark S. Lynch
President and CEO
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, New York 12144

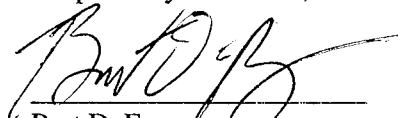
RE: Notice of Appeal of the Operating Committee's Decision to Reject

Dear Chairman Boston:

Pursuant to the Procedural Rules of Appeals to the NYISO Board and the Board's March 28, 2006 invitation requesting expedited comments by March 31, Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid") hereby submits three copies of its notice of appeal of an action taken during the March 28, 2006 NYISO Operating Committee meeting. National Grid appeals the NYISO Operating Committee's decision to reject Amendment #89.01a to Motion #89.01, addressing the proposed revision of the Locational Installed Capacity Requirements ("LCRs") for Zone J and K that satisfy reliability criteria and are consistent with the LCRs associated with the Free Flowing Equivalent Installed Reserve Margin ("IRM") and the proposed establishment of a Statewide Installed Capacity ("ICAP") Requirement for the 2006-2007 Capability Year that corresponds to the Free Flowing Equivalent IRM. A copy of this appeal has been electronically transmitted to the NYISO staff for purposes of service to all members of the Management Committee. National Grid reiterates its understanding of the February 2, 2006 Order of the Federal Energy Regulatory Commission in docket number EL-06-01-000 that requires us to take this appeal in order to protect our rights in that proceeding. However, National Grid anticipates that, for the reasons outlined in the Board's March 28 written decision denying National Grid's March 7 appeal, the Board may not deem additional proceedings appropriate at this time. Accordingly, National Grid respectfully requests that the Board take notice of this appeal and issue an appropriate disposition.

If you have any questions, please contact me at (315) 428-5136.

Respectfully submitted,



Bart D. Franey
Principal Analyst
Niagara Mohawk Power Corporation d/b/a National Grid

cc: Roxane Maywalt
Colin Owyang