

September 16, 2014

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, New York 12223

**Re: Final Verified Report of Construction Loan Costs and Expenses
CASE 12-E-0168 – Petition of the New York Independent System Operator, Inc. for
Authorization to Incur Indebtedness for a Term in Excess of Twelve Months.**

Dear Ms. Burgess,

The Public Service Commission of the State of New York issued an order on July 12, 2012, in the above-referenced proceeding authorizing the NYISO's request to enter into a 19-year unsecured loan with KeyBank and Citizens Bank for up to \$45,000,000 for the purpose of renovations and construction at the NYISO's Krey Boulevard and Carman Road facilities.

Ordering Clause 1 (b) of the July 12th order requires the NYISO to submit an update of the verified report pursuant to Ordering Clause 1 (a), every four months for all costs and expenses associated with the credit facility.

Also pursuant to Order Clause 1 (c) of the July 12th order the NYISO is required to submit a final verified report that provides the details of all costs and expense drawn down on the credit facility within four months after the close of the 24-month drawdown period which was July 18, 2014.

This final verified report is hereby submitted to complete the NYISO's obligations under Ordering Clause 1 of the July 12th order.

1. NYISO incurred \$284,955 in total costs and expenses related to this credit facility, of which \$282,622 was previously reported in our letter dated June 14, 2014, as follows:

<u>Type of Fees</u>	<u>\$ Amount</u>	<u>Payee</u>
Commitment and administration fee	\$225,500	KeyBank N.A.
Agent counsel fees	\$37,823	Phillips Lytle LLP
Draw fees	\$12,000	KeyBank N.A.
Construction monitoring services	\$9,350	Northeast Construction Monitoring Services
Title insurance charges and fees	\$282	Chicago Title Insurance Company
TOTAL COSTS	\$284,955	

2. As of the close of the 24-month draw period, there was a total of \$44,987,377 of principal borrowings drawn on this credit facility.

Please contact me with any questions at 518-356-6185 or chussey@nyiso.com.

New York Independent System Operator, Inc.

I, Cheryl Hussey, do hereby affirm that the contents of this document are true to the best of my knowledge.

Signed: /s/ Cheryl Hussey
Cheryl Hussey, Vice President & CFO

Date: September 16, 2014