## FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

Issued: 10/1/04

To: New York Independent System Operator Docket No. ER04-1138-000

RE: Tariff Revisions to Clarify Exemptions from Balancing Rules and Under Generation Penalties and to Enhance Bid-Cost Protections

On August 18, 2004, the New York Independent System Operator (NYISO) submitted for filing revisions to its Open Access Transmission Tariff (OATT)<sup>1</sup> and Market Administration and Control Area Services Tariff (Services Tariff)<sup>2</sup> to revise the exception from special balancing rules for certain generators and to revise its Services Tariff to eliminate penalty exemptions for certain generators. The NYISO further proposes to revise an accepted but not yet effective provision to extend bid cost protections for certain generators. The revisions are proposed to become effective on the later of 60 days after filing or the effective date of NYISO's Real-Time Scheduling software improvements.

Pursuant to authority delegated to the Director, Division of Tariffs and Market Development - East, under 18 C.F.R. 375.307, the NYISO's filing is accepted as requested on the effective date of NYISO's Real-Time Scheduling software improvements.

Notice of the filing was published in the Federal Register with interventions, comments, or protests due on or before September 8, 2004. Under 18 C.F.R. 385.210, interventions are timely if made within the time prescribed by the Secretary. Under 18 C.F.R. 385.214, the filing of a timely motion to intervene makes the movant a party to the proceeding, if no answer in opposition is filed within fifteen days. The filing of a timely notice of intervention makes a State Commission a party to the proceeding. No adverse comments or protests were received.

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

<sup>1</sup>New York Independent System Operator, Inc., FERC Electric Tariff, Original Volume No. 1: Third Revised Sheet No. 472.

<sup>2</sup> New York Independent System Operator, Inc., FERC Electric Tariff, Original Volume No. 2: Fifth Revised Sheet No. 101, Second Revised Sheet No. 106.01, First Revised Sheet No. 281A, and Fourth Revised Sheet No. 355.

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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 NYISO.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. 385.713.

Sincerely,

Rossell Glasgow, Jr., Acting Director Division of Tariffs and Market Development – East

cc: All Parties