

July 6, 2005

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Fourth Biweekly Informational Report of the New York Independent System Operator, Inc. Addressing Price Corrections and Software Corrections; Docket No. ER04-230-009

Dear Secretary Salas:

On May 9, 2005 the Commission issued an Order in the above docket granting two temporary revisions to the Temporary Extraordinary Procedures (“TEP”) contained in Attachment E to the New York Independent System Operator Inc.’s (“NYISO’s”) Market Services Tariff and Attachment Q to the NYISO’s Open Access Transmission Tariff (“OATT”). In its Order, the Commission required the NYISO to “file biweekly reports with the Commission, for informational purposes only, on the use of the TEP and on both the status of the software corrections and the status of testing the adequacy of price determinations.” This is the NYISO’s fourth biweekly informational report; it covers the period from June 1 through June 29, 2005. Because the Commission was not able to accept e-filings yesterday afternoon, this filing is being made one day out-of-time.

Use of the TEP

As the attached Price Correction and Reservation Summary charts graphically indicate, the NYISO reserved prices for 334 hours from June 1st through the 29th. The NYISO corrected prices in 197 hours from June 1st through the 22nd.¹

Testing of Adequacy of Price Determinations

For the period June 10 through June 22, 2005 the NYISO has fully complied with the ten-day price correction posting deadline authorized by the Commission. Due to a large number of price corrections associated with an Out-of-Merit (“OOM”) issue that is described below, price corrections for 7 of the 12 days required more than five days to post.

¹ The Price Correction and Reservation Summary chart was prepared on June 30, 2005 and reflects price reservation activity through June 29th and price correction activity through June 22nd.

Status of Software Corrections

In its First Biweekly Informational Report Addressing Price Corrections and Software Corrections, the NYISO identified a pricing anomaly that it discovered in its Real-Time Dispatch – Corrective Action Mode software. The NYISO deployed a fix for this anomaly on July 1, 2005.

Recently, the NYISO identified another issue:

- When a Combustion Turbine (“CT”) is dispatched OOM, the unit should be flagged as a “block loaded” generator that is not ordinarily eligible to set price. Instead, the OOM committed CTs are being incorrectly flagged as flexible and eligible to set price. The NYISO is investigating a software correction for this issue, but does not have a projected in-service date for the correction yet.

Please contact either of the undersigned if you have questions regarding this letter or the attached charts.

Respectfully submitted,

/s/ Alex M. Schnell

Mollie Lampi, Assistant General Counsel
Alex M. Schnell
New York Independent System Operator, Inc.

cc: Daniel L. Larcamp
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Price Correction and Reservation Summary
June 1 through June 29, 2005 (prepared on June 30, 2005)

Key

	reserved
	reserved and corrected
	reserved and released

June	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	Hours Reserved	Hours With Corrections	Hours Released			
6/1/2005																									10	9	1			
6/2/2005																										5	4	1		
6/3/2005																										7	0	7		
6/4/2005																										14	11	3		
6/5/2005																										10	2	8		
6/6/2005																										21	18	3		
6/7/2005																										24	24	0		
6/8/2005																										21	13	8		
6/9/2005																										8	3	5		
6/10/2005																										9	6	3		
6/11/2005																										5	3	2		
6/12/2005																										3	1	2		
6/13/2005																										18	8	10		
6/14/2005																										24	1	23		
6/15/2005																										19	16	3		
6/16/2005																										24	24	0		
6/17/2005																										17	17	0		
6/18/2005																										4	2	2		
6/19/2005																										8	1	7		
6/20/2005																										5	1	4		
6/21/2005																										18	17	1		
6/22/2005																										17	16	1		
6/23/2005																										2	0	0		
6/24/2005																										2	0	0		
6/25/2005																										5	0	0		
6/26/2005																										7	0	0		
6/27/2005																										6	0	0		
6/28/2005																										10	0	0		
6/29/2005																										11	0	0		
6/30/2005																										0	0	0		
Monthly Totals																										334	197	94	Total	
																											11.1	6.6	3.1	Average
																											24	24	23	Max
																											0	0	0	Min

Certificate of Service

I hereby certify that I have this day electronically served the foregoing document upon each person designated on the official service lists compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated at Albany, New York this 6th day of July, 2005.

/s/ Alex M. Schnell _____
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