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July 19, 2006

VIA E-MAIL AND U.S. MAIL

Mr. Mark S. Lynch
President & CEO
NYISO
3890 Carman Road
Schenectady, NY 12303

Re: Installed Capacity Withholding in New York City

Dear Mr. Lynch:

I am writing on behalf of our client, Multiple Intervenors. Multiple Intervenors is an association of fifty-four of the largest consumers of electricity in New York State. Five of Multiple Intervenors' members are members of the NYISO and actively participate in NYISO governance through the End Users Sector.

We are in receipt of a letter dated July 14, 2006 from Ms. Teresa A. Santiago, Chairperson and Executive Director of the New York State Consumer Protection Board. In the letter, Chairperson Santiago highlights some disturbing behavior that may include the exercise of market power by a participant in the NYISO installed capacity markets. As Chairperson Santiago points out, this exercise of market power appears to have resulted in higher installed capacity prices for all New York consumers. Chairperson Santiago closes by requesting that you personally oversee an expedited formal investigation of the installed capacity market by the NYISO Market Monitoring Unit.

Multiple Intervenors supports CPB's request. Like CPB, Multiple Intervenors has participated in the recent NYISO meetings that have addressed the withholding of ICAP resources. Based on those meetings, the alleged economic withholding seems to be fairly well demonstrated, as has the economic harm to consumers in the form of higher electricity prices. And, the economic harm is repeated every month that the exercise of market power goes unchecked. Despite this, NYISO staff seems to have taken a hands-off approach.

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New York consumers should not be forced to pay prices that are unnecessarily high due to the exercise of market power. For the reasons set forth above, Multiple Intervenors supports CPB's call for an immediate investigation by the NYISO Market Monitoring Unit and would appreciate receiving a copy of your response to Chairperson Santiago's letter. This request is without prejudice to Multiple Intervenors seeking additional redress in other forums.

Please call me if you have any questions.

Very truly yours,

COUCH WHITE, LLP

s/Robert M. Loughney

Robert M. Loughney

RML/slg

cc: Mr. Raj Addepalli (via e-mail)
Mr. Tariq Niazi (via e-mail)

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