FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKETS AND RELIABILITY

In Reply Refer To: Letter Order Pursuant to §§ 375.307(f)(1) and (f)(3) New York Independent System Operator, Inc. Docket No. ER05-1507-002

Issued: September 20, 2006

Whiteman Osterman & Hanna LLP One Commerce Plaza Albany, NY 12260

Attention: Michael Whiteman, Esquire

Reference: Revised Tariff Sheets – Compliance Filing

Dear Ladies and Gentlemen:

On August 21, 2006, you submitted, on behalf of the New York Independent System Operator, Inc. (NYISO), revised tariff sheets¹ in compliance with the Commission's July 21, 2006 Order (July 21 Order). NYISO revised section 8.4 of its Market Administration and Control Area Services Tariff to require a written statement from non-New York State purchasers that they are not registered or required to be registered with the New York State Department of Taxation and Finance for sales tax purposes. The tariff sheets satisfactorily comply with the requirements of the July 21 Order and are accepted, effective February 1, 2006, as proposed.

Notice of the filing was issued on August 25, 2006 with comments, protests, or interventions due on or before September 11, 2006. None were filed.

This acceptance for filing shall not be construed as constituting approval of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or

¹ Eighth Revised Sheet No. 204 and First Revised Sheet No. 204.00 to FERC Electric Tariff, Original Volume No. 2.

² New York Independent System Operator, Inc., 116 FERC ¶ 61,079 (2006).

service provided for in 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 acceptance 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 your company.

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,

Larry D. Gasteiger, Director Division of Tariffs and Market Development - East

cc: Public File All Parties