

May 23, 2005

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

**Re: Proposed Tariff Revisions Enabling Generic Implementation of  
Scheduled Lines and Implementing the Cross-Sound Cable as a  
Scheduled Line of the New York Independent System Operator, Inc.  
Docket No. ER05-727-000**

Dear Secretary Salas:

On March 25, 2005 the New York Independent System Operator (“NYISO”) filed proposed tariff revisions in which it sought authority to implement the Cross-Sound Cable as the NYISO’s first Scheduled Line. On page three of its transmittal letter the NYISO committed to “provide at least two weeks notice to the Commission, to ISO-NE and to all Market Participants before it implements the new market rules and implements the Cross-Sound Scheduled Line as its first Scheduled Line.” In compliance with its earlier commitment, on May 10, 2005, the NYISO provided notice that it expected to be able to implement its software on May 24, 2005 and to begin accepting third-party schedules shortly thereafter, on June 1, 2005.

The NYISO has subsequently determined that an additional week is needed before its software is deployed. The NYISO still expects to deploy the software necessary to implement the Cross-Sound Cable as a Scheduled Line in steps. On or about May 31, 2005, the NYISO will permit the Long Island Power Authority (“LIPA”) to begin bidding Real-Time transactions at the proxy bus that is associated with the Cross-Sound Scheduled Line. Next, the NYISO will permit LIPA to submit Day-Ahead bids at the proxy bus. During the time period when the NYISO is only permitting LIPA to submit bids (and has available as backup the capability to accept LIPA’s generator and load bids for the Cross-Sound Cable), the NYISO has asked Cross-Sound Cable, LLC (“CSC, LLC”) and the New England Independent System Operator (“ISO-NE”) not to enable entities other than LIPA to obtain Advance Reservations for the use of the Cross-Sound Scheduled Line from the CSC, LLC node of the ISO-NE OASIS.

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Pending Commission acceptance of its proposed tariff revisions, on or after June 8, 2005 the NYISO expects that it will be ready to open the Cross-Sound Scheduled Line to bidding by third parties. The NYISO hereby re-commits to provide additional notice to the Commission, to ISO-NE and to its Market Participants at least two days before it is ready to begin evaluating the submission of proposed External Transactions by third parties.

Respectfully submitted,

/s/ Alex M. Schnell  
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Alex M. Schnell  
New York Independent System Operator, Inc.

cc: Daniel L. Larcamp  
Anna Cochrane  
Connie N. Caldwell  
Michael A. Bardee

**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 23<sup>rd</sup> day of May, 2005.

/s/ Alex M. Schnell  
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Albany, NY 12203