

II. Motion to Intervene

The NYISO is the independent body responsible for providing open-access transmission service, maintaining reliability, and administering competitive wholesale electricity markets in New York State. This proceeding involves a technical conference to discuss local market power issues, including but not limited to the appropriate pricing of Reliability Must Run (“RMR”) contracts. In its Order the Commission explained that the Technical Conference will “focus on broad general principles for pricing must run units and the general framework the Commission should use to address this issue” and explained that “mitigation within specific regions can vary depending on market design choices and should take into account regional market differences.” Order at P. 2. The stated purpose of the conference is to “provide a useful regulatory framework for reviewing various regional proposals for treatment of must-run generating facilities” and to assist the Commission in its performance of its statutory responsibilities. *Id.*

At the Commission’s January 22, 2004 Open Meeting Chairman Wood explained that the scope of the conference includes “local market power mitigation, basically the load pocket RMR host of issues.” January 22, 2004 Open Meeting Transcript at 42. The NYISO has market-specific mitigation measures in place to address the exercise of market power reliability must-run and other units in load pockets located in the New York Control Area (“NYCA”), and has related market design and mitigation measures pending before the Commission. These measures could be affected by the Commission’s determination regarding the appropriate method of accomplishing local market power mitigation. The Commission’s action in this proceeding could affect the NYISO’s existing and proposed mitigation measures and adversely impact the New York markets the NYISO administers. Thus the NYISO has a direct and substantial interest

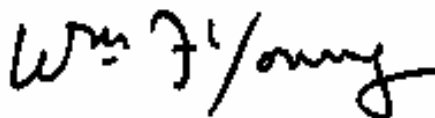
in this proceeding. This interest cannot be adequately represented by any other party, and the NYISO should therefore be permitted to intervene herein.

III. Conclusion

The NYISO respectfully asks that the Commission grant its motion to intervene in this proceeding.

Respectfully submitted,

NEW YORK INDEPENDENT
SYSTEM OPERATOR, INC.

A handwritten signature in black ink, appearing to read "Wm F Young".

Counsel for
New York Independent System Operator, Inc.

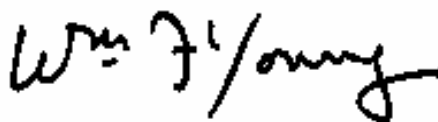
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February 3, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each party designated on the official service list compiled by the Secretary in Docket Nos. PL02-8-000 and EL03-236-000, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2003).

Dated at Washington, DC this 3rd day of February, 2004.



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