

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
New York Independent System Operator, Inc.
Docket No. ER08-1411-000
9/25/08

New York Independent System Operator, Inc.
10 Krey Blvd.
Rensselaer, NY 12144

Attention: Mollie Lampi, Assistant General Counsel
New York Independent System Operator, Inc.

Reference: Tariff Revisions

Dear Ms. Lampi:

On August 15, 2008, the New York Independent System Operator, Inc. (NYISO) filed revised tariff sheets¹ to revise its Market Administration and Control Area Services Tariff (Services Tariff) and its Open Access Transmission Tariff (OATT) to improve NYISO's implementation of its existing margin restoration payment rules. Specifically, NYISO's proposes to move from manually settling margin restoration payments to an automated system. NYISO's revised tariff sheets are accepted, effective November 1, 2008 as requested.

NYISO's filing revises its Tariffs to: (1) refer to the NYISO's technical manuals and procedures as establishing rules for determining generators' maximum eligibility for margin restoration payments, instead of individual transmission owner procedures; (2) establish that NYISO will provide data to transmission owners regarding margin restoration payment requests in their subzones; (3) clarify that margin restoration payments are available to generators in Long Island as well as New York City; and (4) change the cost allocation from a monthly to a daily calculation. NYISO asserts that these changes will not only improve the efficiency of its settlement process, but also make the data used in the payment calculation transparent by making it visible to all

¹ Second Revised Sheet No. 233A.01 to FERC Electric Tariff, Original Volume No. 1, and Fourth Revised Sheet No. 87.02 and First Revised Sheet No. 87.03 to FERC Electric Tariff, Original Volume No. 2.

affected parties. NYISO states that this proposal was unanimously approved by its Market Participants at the June 27, 2008 Management Committee meeting.

Public notice of NYISO's filing was issued on August 21, 2008, with Interventions and protests due on or before September 5, 2008. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2008), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. No protests or adverse comments 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 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 Gasteiger, Director
Division of Tariffs and Market
Development - East

cc: Public File
All Parties