

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

H.Q. Energy Services (U.S.), Inc.)	Docket Nos.	EL01-19-004
v.)		EL01-19-005
New York Independent System Operator, Inc.)		EL01-19-006
)		
PSEG Energy Resources & Trade LLC)		EL02-16-004
v.)		EL02-16-005
New York Independent System Operator, Inc.)		EL02-16-006

**RESPONSE OF NEW YORK INDEPENDENT SYSTEM OPERATOR, INC
TO REQUEST FOR CLARIFICATION, OR, IN THE ALTERNATIVE,
REHEARING OF KEYSpan-RAVENSWOOD, LLC**

Pursuant to Rules 212 and 213 of the Commission's Rules of Practice and Procedure, the New York Independent System Operator, Inc. ("NYISO") files this response to the November 29, 2005 Request for Clarification, or, in the Alternative, Rehearing of Keyspan-Ravenswood, LLC ("Keyspan Filing") in the above dockets.

Response

The NYISO confirms that, as indicated in its June 2, 2005 refund report filing in these dockets ("Refund Report"), a stay not having been granted, refunds and related payments for May 8 and 9, 2000 were determined on the basis of the prices in the Refund Report, and included on the bills distributed to the NYISO market participants on July 20, 2005.

The NYISO accordingly concurs with Keyspan that further refunds or payments, if any, in these dockets should await the outcome of the proceedings specified in the Commission's November 21, 2005 Order Denying Rehearing, Granting Clarification, and

Setting Refunds for Hearing (“Rehearing Order”).¹ It would impose an undue burden on the NYISO’s resources to undo the refunds issued in reliance on the Commission’s prior order, and then re-impose some or all of the refunds at the conclusion of the pending proceedings resulting from the Rehearing Order. Moreover, as pointed out in the Keyspan Filing, the time value of any refunds will be compensated by interest payments, in accordance with the Rehearing Order. Finally, the market participants have made several requests for refund-related data in the pending settlement proceedings. Undoing the refunds would require the NYISO to divert billing and settlement resources from responding to these requests.

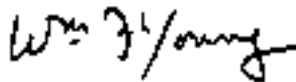
Statement of Issues

Whether or not the amounts already refunded by the NYISO should be returned or adjusted, if at all, until further order of the Commission.

Conclusion

The Commission should issue the clarification, or in the alternative grant rehearing, as requested in the Keyspan Filing.

Respectfully submitted,



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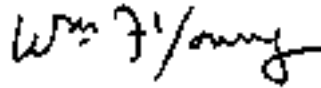
Dated: December 7, 2005

¹ *HQ Energy Services, Inc. v. New York Independent System Operator, Inc.*, 113 FERC ¶ 61,184 (2005).

CERTIFICATE OF SERVICE

I hereby certify that I have this day 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 Washington, DC this 7th day of December, 2005.

A handwritten signature in black ink, appearing to read "Wm F Young", written over a horizontal line.

William F. Young

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