

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

New York Independent System
Operator, Inc.
Docket No. ER13-298-000

Issued: 1/4/13

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

Attention: James Sweeney, Attorney

Reference: Proposed Amendments to Market Power Mitigation Measures

Dear Mr. Sweeney:

On November 2, 2012, you filed, on behalf of the New York Independent System Operator, Inc. (NYISO), proposed amendments to its Market Administration and Control Area Services Tariff (Services Tariff) that provide for the incremental removal of the \$2.52 reference level cap¹ on 10-Minute Non-Synchronized reserves and the bid limit of \$0/MWh² on New York City (NYC) Day-Ahead Market (DAM) Spinning Reserves after evaluation of the impact of these changes on market power and price convergence between the DAM and Real-Time Market (RTM) by the Market Monitoring Unit (MMU). In this filing, NYISO proposes to implement the first step in the process by increasing the reference level cap on 10-Minute Non-Synchronized reserves to \$5.00/MWh and the bid limit on NYC DAM Spinning Reserves to \$5.00/MWh or less. NYISO also proposes to submit further informational compliance filings to change and/or eliminate the reference level cap and bid limits altogether following evaluation of the competitiveness of the markets by the MMU as the limits are increased.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation - East, under 18 C.F.R. § 375.307, your submittal is accepted for filing,

¹ Services Tariff § 23.3.1.4.5.

² Services Tariff § 23.5.3.3.

effective January 22, 2012, as requested.

The filing was noticed on November 5, 2012, with comments, interventions, and protests due on or before November 23, 2012. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2012)), to the extent that any timely filed motions to intervene and any motion to intervene out-of-time were filed before the issuance date of this order, such interventions are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; 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 NYISO.

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,

Jignasa Gadani, Director
Division of Electric Power
Regulation - East

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. ER13-298-000

Issued: 1/8/13

James Sweeney
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144

Reference: Errata to Letter Order Issued on January 4, 2013 Regarding Amendments to
Market Power Mitigation Measures

Dear Mr. Sweeney:

On January 4, 2013, the Commission issued a delegated letter order in the above captioned docket accepting revisions to the New York Independent System Operator's Services Tariff. The letter order inadvertently granted an effective date of January 22, 2012. This errata notice corrects the effective date to read January 22, 2013.

Sincerely,

Jignasa Gadani, Director
Division of Electric Power
Regulation - East