FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

New York Independent System Operator, Inc. Docket No. ER12-2622-000

Issued: 11/1/12

Whiteman Osterman & Hanna One Commerce Plaza Albany, NY 12260

Attention: Elizabeth A. Grisaru Counsel to the New York Independent System Operator, Inc.

Reference: Compliance with Order No. 719

Dear Ms. Grisaru:

On September 13, 2012, you submitted on behalf of the New York Independent System Operator, Inc. (NYISO), revisions to its Market Administration and Control Area Services Tariff (Services Tariff) to enable aggregators of small demand response resources (ARCs) to participate in NYISO's operating reserves and regulation services markets. You state that these revisions are intended to comply with the Commission's directives in paragraph 97 of Order No. 719¹ and paragraph 42 of the Commission's Order on NYISO's compliance filing.² These revisions update the definitions, resource obligations and schedules, for the Demand Side Ancillary Services Program (DSASP) to incorporate ARCs as eligible participants.

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, effective April 1, 2013, as requested.

The filing was noticed on September 14, 2012, with comments, interventions and protests due on or before October 4, 2012. On September 14, 2012 an intervention was filed by Viridity Energy, Inc. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2012)), to the

¹ Wholesale Competition in Regions with Organized Electric Markets, Order No. 719, 125 FERC 61,071 (2008) at P 97.

² New York Independent System Operator, Inc., 129 FERC 61,164 (2009) at P 42.

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