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FILE NO: 55430.000072

October 25, 2010

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First St. NE
Washington, DC 20426

**Re: *New York Independent System Operator, Inc.*, Order No. 739 Compliance Filing
Docket No. ER11-____-000, ER09-984-000**

Dear Ms. Bose:

The New York Independent System Operator, Inc. (“NYISO”), files this letter in response to the Federal Energy Regulatory Commission’s Order No. 739, the Final Rule on Promoting Competitive Markets for Capacity Reassignment.¹ Order No. 739 lifted the price cap for all reassignments of electric transmission capacity effective October 1, 2010 and required entities to revise section 23 of their Open Access Transmission Tariff (“OATT”) by October 25, 2010.

The NYISO’s OATT does not contain the *pro forma* OATT section 23 on capacity reassignments. The NYISO filed to remove section 23 and Attachment A-1 on April 10, 2009 and the Commission accepted the NYISO’s filing on June 5, 2009.² The NYISO submits this letter to explain that the NYISO OATT does not have the *pro forma* OATT provisions on capacity reassignments, and therefore no modifications are required.

Communications and Correspondence

All communications and correspondence in this proceeding should be directed to:

Robert E. Fernandez, General Counsel
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¹ *Promoting a Competitive Market for Capacity Reassignment*, 132 FERC ¶ 61,238 (2010).

² *New York Independent System Operator Inc.*, Letter Order, Docket No. ER09-984-000 (issued 06/05/2009).



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Service

The NYISO will send an electronic link to this filing to the official representative of each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, and to the electric utility regulatory agency of New Jersey. In addition, the complete filing will be posted on the NYISO's website at www.nyiso.com. This is in accordance with 18 C.F.R. § 35.2(e).

Conclusion

The NYISO respectfully requests that the Commission accept this filing for the reasons specified herein.

Respectfully submitted,

/s/Ted J. Murphy

Ted J. Murphy

Counsel to

the New York Independent System Operator, Inc.