FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKETS AND RELIABILITY

In Reply Refer To: ISO New England, Inc. Docket No. ER07-921-000 6/21/07

Raymond W. Hepper Vice President and Assistant General Counsel ISO New England Inc. One Sullivan Road Holyoke, MA 01040-2841

Reference: Revised Tariff Sheets

Dear Mr. Hepper:

Pursuant to the authority delegated to the Director, Division of Tariffs and Market Development-East under 18 C.F.R. § 375.307, your submittal is accepted for filing effective July 1, 2007, as requested.

On May 18, 2007, the ISO New England Inc. (ISO-NE), filed pursuant to section 205 of the Federal Power Act, a rate schedule in the form of an agreement reached by the ISO-NE and various ISO-NE market participants concerning the classification of Mirant Canal, LLC's Canal Electric Generating Units 1 and 2 (Canal Units) and accompanying tariff sheets. The rate schedule and accompanying tariff sheets address classification and cost assignment issues regarding the out-of-merit operation of the Canal Units. Please be advised that the filed agreement does not comply with Order No.614. Accordingly, the agreement must be refiled within 30 days of the date of this order to comply with Order No. 614.

Notice of the filing was published in the Federal Register, with comments, protests

¹ 16 U.S.C. § 824(d) (2000).

² The tariff sheets are listed in the appendix.

³ Designation of Electric Rate Schedule Sheets, Order No. 614, FERC Stats. & Regs., Regulations Preambles 1996-2000 ¶ 31,096 at 31,501-02 (2000) (Order No. 614).

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and interventions due on or before June 4, 2007. No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This acceptance for filing shall not be construed as constituting approval of any service, 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 ISO-NE.

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 D. Gasteiger, Director Division of Tariffs & Market Development – East

cc: All Parties

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Appendix

ISO New England Inc.
FERC Electric Tariff No. 3
Section III – Market Rule 1 – Standard Market Design
Appendix F – Net Commitment Period Compensation Accounting
Charges for NCPC

Third Revised Sheet No. 8064 Third Revised Sheet No. 8065 Original Sheet No. 8066A Original Sheet No. 8066B Original Sheet No. 8066C