

April 3, 2006

F. Mitchell Davidson
Senior Vice President
FPL Energy
P.O. Box 1400
Juno Beach, Florida 33408-0420

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Dear Mr. Davidson:

I am writing on behalf of the NYISO to confirm our discussions during the March 29, 2006 meeting regarding the effects on the Seabrook Nuclear Power Plant of the operational need to reduce the single largest contingency in New England because of transmission constraints in PJM or the New York Control Area. As both the presence of senior operations management from all three organizations and the analysis done by NYISO Operations Planning demonstrates, this is a subject to which we are applying significant attention and resources.

Safety and reliability are always the primary concerns of those of us who are responsible for operating bulk power systems including nuclear power plants. The procedures that call for reducing power at contingencies above 1200 MW in New England are the result of a long standing collaborative process among PJM, New England, and New York and are based on the immutable laws of physics, good utility practice, and well-established reliability principles.

Senior operations management from ISO-NE and NYISO were at the meeting to answer FPL's technical questions, and clarify both the electrical relationship of New England to the rest of the Eastern Interconnection and the basis for the requests to reduce power at Seabrook under specific conditions on the transmission system. We hope that enhanced clarity and the commitment of both New York and New England to continue working with FPL will lead to a satisfactory resolution among the parties.

The NYISO will continue to review the preliminary results of the analysis presented to the group and will shortly provide FPL with an updated projection on whether or not there is an expectation of fewer requests for Seabrook to reduce power. New York and New England will continue to cooperate in looking for ways to further enhance reliability including a review of the existing and preliminary results that are the basis for requesting Seabrook and other contingencies above 1200 MW to reduce power as well as continuing to analyze whether 1200 MW is the appropriate limit during certain system conditions.

Hopefully, it was made clear that the vast majority of time (over 95 percent) a limit greater than 1200 MW is in place, thus permitting Seabrook and other large units to operate above 1200 MW.

We believe that we made substantial progress at our meeting and are available for additional meetings by teleconference or in person as needed.

Very truly yours,

A handwritten signature in cursive script that reads "Michael C. Calimano" with a stylized initial "MC" at the end.

Michael C. Calimano
Vice President Operations and Reliability

cc: Daniel L. Larcamp, Chief of Staff, FERC
Shelton M. Cannon, Director Office of Markets Tariffs, and Rates, FERC
Anna Cochrane, Director Division of Tariffs and Market Development-East
Joseph McClelland, Director Division of Reliability
Sam Collins, Regional Administrator U.S. NRC
Stephen Whitley, Senior Vice President ISO-NE