
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

June 15, 2006

Alliance Data Systems Corporation

(Exact name of registrant as specified in its charter)

Delaware

001-15749

31-1429215

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

17655 Waterview Parkway, Dallas, Texas

75252

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(972) 348-5100

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 7.01 Regulation FD Disclosure.

On June 15, 2006, Alliance Data Systems Corporation issued a press release announcing that The Great Atlantic & Pacific Company of Canada ("A&P Canada"), a wholly-owned subsidiary of METRO Inc., signed a renewal agreement as a Sponsor in Alliance Data's Canadian AIR MILES® Reward Program. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release dated June 15, 2006 announcing a renewal agreement with A&P Canada.

Note: The information contained in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alliance Data Systems Corporation

June 15, 2006

By: *Edward J. Heffernan*

Name: Edward J. Heffernan

Title: Executive Vice President and Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated June 15, 2006 announcing a renewal agreement with A&P Canada.

Contact: **Alliance Data**

Ed Heffernan

Analysts/Investors

972.348.5191

eheff@alldata.net

Shelley Whiddon – Media

972.348.4310

swhiddon@alldata.net

ALLIANCE DATA SIGNS RENEWAL WITH CANADIAN GROCER A&P CANADA

Agreement Extends Long-Standing Relationship with Alliance Data's Canadian Loyalty Program

DALLAS, Texas (June 15, 2006) — Alliance Data Systems Corporation (NYSE: ADS), a leading provider of transaction services, marketing services and credit services, announced that The Great Atlantic & Pacific Company of Canada (A&P Canada), a wholly-owned subsidiary of METRO Inc., signed a renewal agreement as a Sponsor in Alliance Data's Canadian AIR MILES[®] Reward Program. A top-10 AIR MILES Sponsor, A&P Canada operates 235 stores throughout Ontario under the A&P, Dominion, Food Basics, The Barn, and Ultra Food & Drug banners. A&P Canada is the second-largest food retailer in Ontario, with a 24-percent market share in the province.

The AIR MILES Reward Program is Canada's premier coalition loyalty program with approximately two-thirds of Canadian households as active Collectors. AIR MILES Collectors earn reward miles at more than 100 leading brand-name Sponsors representing thousands of retail and service locations across Canada. AIR MILES reward miles can be redeemed for more than 800 different rewards, such as travel, movie passes, entertainment attractions, electronic merchandise and more.

John Scullion, president of Alliance Data's Loyalty and Marketing Services, said, "A&P Canada has been a part of the AIR MILES Reward Program since 1998. The extension of this relationship follows on the heels of our renewal agreements in 2005 and 2006 with our other regional grocers. Together, these agreements solidify our long-term penetration in the grocery segment, and represent coast-to-coast coverage for the AIR MILES Reward Program."

About Alliance Data

Alliance Data (NYSE: ADS) is a leading provider of transaction services, credit services and marketing services, managing over 105 million consumer relationships for some of North America's most recognizable companies. Alliance Data creates and manages customized solutions that change consumer behavior and that enable its clients to build stronger, mutually beneficial relationships with their customers. Headquartered in Dallas, Alliance Data employs approximately 8,000 associates at more than 40 locations worldwide. For more information about the company, visit its web site, www.AllianceDataSystems.com.

About A&P Canada

Serving Canadians since 1927, The Great Atlantic & Pacific Company of Canada is a wholly owned subsidiary of METRO INC. and operates more than 235 grocery stores under the A&P, Dominion, Ultra Food and Drug, The Barn, Loeb and Food Basics banners throughout Ontario. For more information, visit www.apcanada.ca.

Alliance Data's Safe Harbor Statement/Forward Looking Statements

This news release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to us or our management. When we make forward-looking statements, we are basing them on our management's beliefs and assumptions, using information currently available to us. Although we believe that the expectations reflected in the forward-looking statements are reasonable, these forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed in our filings with the Securities and Exchange Commission.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Any forward-looking statements contained in this news release reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We have no intention, and disclaim any obligation, to update or revise any forward-looking statements, whether as a result of new information, future results or otherwise.