
**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): January 19, 2006

ALLIANCE DATA SYSTEMS CORPORATION

(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation)

001-15749
(Commission
File Number)

31-1429215
(IRS Employer
Identification No.)

**17655 WATERVIEW PARKWAY
DALLAS, TEXAS 75252**
(Address and Zip Code of Principal Executive Offices)

(972) 348-5100
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K 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
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
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ITEM 7.01. Regulation FD Disclosure

On January 19, 2006, Alliance Data Systems Corporation issued a press release announcing a ten-year agreement to provide a comprehensive customer care solution for Green Mountain Energy Company. A copy of this press release is attached hereto as Exhibit 99.1.

ITEM 9.01. Financial Statements and Exhibits

(c) Exhibits

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
99.1	Press release dated January 19, 2006 announcing a ten-year agreement with Green Mountain Energy Company.

SIGNATURES

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

Alliance Data Systems Corporation

Date: January 19, 2006

By: /s/ Edward J. Heffernan

Edward J. Heffernan
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

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According to Heidi Schrab, director of operations for Green Mountain Energy, the choice to work with Alliance Data was multi-faceted. “The decision was an important one since we knew we had to find a partner that shares our commitment to maintaining and building upon our high standards for quality and efficiency in customer care – while also reducing expenses,” said Schrab. “Utilizing Alliance Data’s expertise and existing IT infrastructure, Green Mountain will have access to new tools and capabilities to enhance our customer care experience without the additional up-front investment in IT upgrades that we would otherwise have to make.”

“Alliance Data worked closely with Green Mountain to fully evaluate their overall billing and customer care processes, and as a result, we were able to deliver a solution geared toward improving and streamlining business process operations,” said Dwayne Tucker, president of Utility Services for Alliance Data. “Additionally, our scalable platform is capable of accommodating any future growth and expansion Green Mountain plans into other markets. We are excited to partner with Green Mountain and look forward to supporting them in providing quality products and services that consistently represent exceptional value.”

About Alliance Data

Alliance Data 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 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 7,500 associates at 35 locations in the United States and Canada. For more information about the company, visit its web site, www.AllianceDataSystems.com.

About Green Mountain Energy

Founded in 1997 to change the way power is made, Green Mountain Energy Company is one of the nation’s leading retail providers of cleaner electricity products, offering residential, business, institutional and governmental customers the choice to support cleaner electricity generated from sources such as wind, solar, water, geothermal, biomass and natural gas. The company is based in Austin, Texas. For more information, visit www.greenmountain.com.

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.

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