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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):

January 10, 2008

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))
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**Item 7.01 Regulation FD Disclosure.**

On January 10, 2008, Alliance Data Systems Corporation issued a press release announcing a multi-year utility services extension agreement with The City of Austin. 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 January 10, 2008 announcing a multi-year utility services extension agreement with The City of Austin.

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.

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**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

*January 10, 2008*

By: *Edward J. Heffernan*

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*Name: Edward J. Heffernan*

*Title: Executive Vice President and Chief Financial Officer*

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated January 10, 2008 announcing a multi-year utility services extension agreement with The City of Austin.

Contact: **Alliance Data**

**Ed Heffernan — Analysts/Investors**

972.348.5191

[Ed.Heffernan@alliancedata.com](mailto:Ed.Heffernan@alliancedata.com)

**Shelley Whiddon – Media**

972.348.4310

[Shelley.Whiddon@alliancedata.com](mailto:Shelley.Whiddon@alliancedata.com)

**City of Austin**

**Ed Clark – media**

512.322.6514

## **ALLIANCE DATA SIGNS MULTI-YEAR UTILITY SERVICES EXTENSION AGREEMENT WITH CITY OF AUSTIN**

**DALLAS, Texas (Jan. 10, 2008)** — Alliance Data Systems Corporation (NYSE: ADS), a leading provider of loyalty and marketing solutions derived from transaction-rich data, today announced it has signed a multi-year extension agreement with The City of Austin. The City of Austin operates the nation's 10<sup>th</sup>-largest community-owned electric utility, providing electric, water and waste water services, and is a top-10 client in Alliance Data's Utility Services business. The City of Austin provides services to more than 420,000 residential, commercial, industrial and institutional customers located in the city of Austin, and throughout Travis County and a small portion of neighboring Williamson County.

Under the terms of the agreement, Alliance Data will continue to provide customer information system (CIS) application hosting and management, bill print and mail services, online customer care, and electronic bill presentment and payment. The City of Austin has been a client of Alliance Data since 1998.

"We continuously strive to take a progressive approach to our utility operations, and it is critical that we have a partner like Alliance Data that understands our business and has the capacity to support our strategic plans," said Andres Carvallo, chief information officer for The City of Austin. "Alliance Data has been a highly reliable and effective partner for nearly a decade, and we are pleased to extend our relationship with them."

"The City of Austin has consistently demonstrated a pioneering approach with regard to adopting innovative technologies and processes that improve their utility's business operations," said Jeff Shorter, president of Alliance Data's Utility Services. "By bringing to bear our significant industry expertise, experience and solutions, Alliance Data will continue to deliver the right offering that augments The City of Austin's innovation strategy. We are proud of our longstanding relationship with them and are confident in our ability to continue providing solutions that support their business needs."

### **About Alliance Data**

Alliance Data (NYSE: ADS) is a leading provider of marketing, loyalty and transaction services, managing over 120 million consumer relationships for some of North America's most recognizable companies. Using transaction-rich data, Alliance Data creates and manages customized solutions that change consumer behavior and that enable its clients to create and enhance customer loyalty to build stronger, mutually beneficial relationships with their customers. Headquartered in Dallas, Alliance Data employs over 9,000 associates at more than 60 locations worldwide. Alliance Data's brands include AIR MILES®, North America's premier coalition loyalty program, and Epsilon®, a leading provider of multi-channel, data-driven technologies and marketing services. For more information about the company, visit its web site, [www.AllianceData.com](http://www.AllianceData.com).

### **Alliance Data's Safe Harbor Statement/Forward Looking Statements**

This 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. These risks, uncertainties and assumptions include those made with respect to and any developments related to the company's proposed merger with Aladdin Merger Sub, Inc., an affiliate of The Blackstone Group, announced on May 17, 2007. The company cannot provide any assurance that the proposed merger transaction will be completed. 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.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Alliance Data Systems Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the company's Annual

Report on Form 10-K for the most recently ended fiscal year. Risk factors may be updated in Item 1A in each of the company's Quarterly Reports on Form 10-Q for each quarterly period subsequent to the company's most recent Form 10-K.

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