

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
New York Independent System
Operator, Inc. and New York
Transmission Owners
Docket No. ER14-2573-000

Issued: 10/6/14

Sara B. Keegan
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144

Elias G. Farrah
Winston & Strawn LLP
1700 K Street, NW
Washington, DC 20006-3817

Reference: Order No. 792 Compliance Filing

Dear Ms. Keegan, Mr. Farrah:

On August 1, 2014, the New York Independent System Operator, Inc. (NYISO) and the New York Transmission Owners (NYTOs)¹ (together, the Filing Parties) submitted revisions to the Small Generator Interconnection Procedures (SGIP) and Small Generator Interconnection Agreement (SGIA) set forth in the NYISO Open Access

¹ The NYTOs are Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Long Island Lighting Company d/b/a LIPA (“LIPA”), New York Power Authority (“NYPA”), New York State Electric & Gas Corp., Niagara Mohawk Power Corp. d/b/a National Grid, Rochester Gas & Electric Corp., and Orange & Rockland Utilities, Inc. Filing Parties state that LIPA and NYPA, as transmission owners not subject to the Commission’s jurisdiction under section 205 of the Federal Power Act, have voluntarily participated in the development of this filing.

Transmission Tariff (Tariff), to comply with Order Nos. 792 and 792-A.² Filing Parties state that they propose revisions to Attachment Z of the NYISO Tariff to incorporate the *pro forma* revisions set forth in Order No. 792 with a limited number of variations.

Order No. 792 established a default fee of \$300 for the Transmission Provider to prepare the pre-application report.³ However, Order No. 792 also provided that the Transmission Provider could propose an alternative fixed cost-based fee supported by cost justification.⁴ Filing Parties state that they have determined that \$1000 is a more accurate representation of their actual costs to complete the pre-application report.⁵

Please be advised that the filing is deficient and that additional information is necessary to process the filing. In order to evaluate Filing Parties' proposal, please provide the following information:

- 1) Filing Parties state that the three test projects they selected had already been studied by the Connecting Transmission Owner and/or the NYISO and took approximately four hours to complete with "actual costs ranging from \$660 to \$750."⁶ Filing Parties then determined that approximately 7 hours would be more likely the amount of time needed to collect such information for projects not previously evaluated.
 - a. Please explain why approximately seven hours total (with a range of \$962.50 to \$1,155) is an appropriate estimate to complete a report for an unstudied project. In your explanation, please describe the steps taken to compile the pre-application information for each test project, consisting only of readily available information. Also, does NYISO expect to undertake similar steps for future projects?

² *Small Generator Interconnection Agreements and Procedures*, Order No. 792, 78 Fed. Reg. 73,240 (Nov. 22, 2013), 145 FERC ¶ 61,159 (2013), *clarifying*, Order No. 792-A, 146 FERC ¶ 61,214 (2014) (Order No. 792).

³ Order No. 792 at P 46.

⁴ *Id.*

⁵ Filing Parties August 1, 2014 Filing at 6.

⁶ *Id.* at 7.

- 2) Please provide a detailed explanation of how the three sample projects Filing Parties chose for cost justification purposes are representative of future projects for which Filing Parties will complete pre-application reports.

This letter is issued pursuant to delegated authority, 18 C.F.R. § 375.307 (a) (1)(v) and is interlocutory. This letter is not subject to rehearing pursuant to 18 C.F.R. § 385.713. Filing Parties must respond to this letter within 15 days of the date of this letter by making an amendment filing in accordance with the Commission's electronic tariff requirements.⁷ Please also email an additional electronic copy of the response to Mr. Christopher Mahon at christopher.mahon@ferc.gov.

Failure to respond to this deficiency letter within the time period specified may result in an order rejecting your filing. Until receipt of the amendment filing, a filing date will not be assigned to your filing.

Sincerely,

Jignasa Gadani, Director
Division of Electric Power
Regulation - East

⁷ *Electronic Tariff Filings*, 130 FERC ¶ 61,047 (2010).