

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
New York Independent System Operator, Inc.
Docket No. ER17-1310-000

May 24, 2017

New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, New York 12144

Attention: Carl F. Patka
Assistant General Counsel

Reference: Proposed Regional Cost Allocation Methodology for an Identified Public
Policy Transmission Need

Dear Mr. Patka:

On March 27, 2017, the New York Independent System Operator, Inc. (NYISO), on behalf of the New York Public Service Commission, submitted revisions to its Open Access Transmission Tariff (Tariff) to implement a regional cost allocation methodology for an identified Public Policy Transmission Need.

As described in further detail below, please be advised that NYISO's submittal is deficient and that additional information is required by the Commission in order to process the filing. Please provide the information requested below:

1. NYISO states that it made the current section 205 filing pursuant to section 31.5.5.4.1 of NYISO's Tariff. That section states: "[i]f the Public Policy Requirement that results in the identification by the NYPSC of a Public Policy Transmission Need prescribes the use of a particular cost allocation and recovery methodology, then the [NY]ISO shall file that methodology with the Commission within 60 days of the issuance by the NYPSC of its identification of a Public Policy Transmission Need."¹ However, section 2.10 of the Tariff provides:

¹ NYISO OATT § 31.5.5.4.1.

“[n]otwithstanding any other provision in this Tariff, this Tariff may be modified only as follows: any proposed amendment to this Tariff must be submitted to both the ISO Management Committee and the ISO Board; if both the ISO Board and the ISO Management Committee agree to an amendment of this Tariff, the ISO shall file the proposed amendment with the Commission pursuant to Section 205 of the FPA; if the ISO Board and the ISO Management Committee do not agree on a proposed amendment of this Tariff, this Tariff shall not be subject to change pursuant to Section 205 of the FPA. Nothing herein is intended to limit the rights of the ISO or any person under Section 206 of the FPA.”²

- a. Please explain whether NYISO interprets section 2.10 as applying to filings made under section 31.5.5.4.1. Please provide the basis for that interpretation.
- b. To the extent that NYISO interprets section 2.10 to apply to filings made under section 31.5.5.4.1 of the Tariff, please explain how section 2.10 was followed prior to making this filing.

This letter is issued pursuant to 18 C.F.R. § 375.307 (2016) and is interlocutory. This letter is not subject to rehearing pursuant to 18 C.F.R. § 385.713 (2016), and a response to this letter must be filed within 45 days of the date of this letter by making an amendment filing in accordance with the Commission’s electronic tariff requirements. For your response, please use Type of Filing Code 180, Deficiency Filing.³ In addition, submit an electronic version of your response to Mr. James Brennan at James.Brennan@ferc.gov. [mailto:](mailto:James.Brennan@ferc.gov)The information requested in this letter will constitute an amendment to your filing and a new filing date will be established.⁴

Failure to respond to this letter within the time period specified may result in a further order rejecting your filing.

Sincerely,

² NYISO OATT § 2.10, Tariff Modifications (emphasis added).

³ *Electronic Tariff Filings*, 130 FERC ¶ 61,047, at P 3-8 (2010) (an amendment filing must include at least one tariff record even though a tariff revision might not otherwise be needed).

⁴ *See Duke Power Co.*, 57 FERC ¶ 61,215 (1991).

Kurt M. Longo, Director
Division of Electric Power
Regulation - East