162 FERC ¶ 61,069 FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, DC 20426

January 29, 2018

In Reply Refer To: New York Independent System Operator, Inc. Docket No. ER08-1281-013

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

Attention: James H. Sweeney

Dear Mr. Sweeney:

On March 27, 2017, New York Independent System Operator, Inc. (NYISO) filed a motion to terminate its obligation to submit annual informational filings on NYISO's implementation of interface pricing and congestion management/market-to-market coordination initiatives with its neighboring Regional Transmission Organizations (RTOs)/Independent System Operators (ISOs): PJM Interconnection, LLC (PJM), the Midcontinent Independent System Operator, Inc. (MISO), and the Ontario Independent Electricity System Operator.¹

In compliance with the Commission's directive, NYISO states that it submitted *Broader Regional Markets Informational Reports* from March 2014 through March 2017, the last of which was filed on March 20, 2017. NYISO states that it and its neighboring

¹ *N.Y. Indep. Sys. Operator, Inc.*, 133 FERC ¶ 61,276, at P 33 & ordering para. D (2010) (requiring NYISO to submit informational reports, in collaboration with its neighboring RTOs/ISOs, the North American Electric Reliability Corporation, and other market participants, commencing one year after the implementation of interface pricing reform and congestion management/market-to-market coordination); *N.Y. Indep. Sys. Operator, Inc.*, 147 FERC ¶ 61,175 (2014) (modifying the reporting requirement from semiannually).

RTOs/ISOs have completed the initiatives contemplated in Docket No. ER08-1281. NYISO also notes that the collective set of market solutions discussed in its informational reports has generally resulted in decreased loop flows around Lake Erie. Among these solutions are: (1) congestion management/market-to-market coordination between NYISO and PJM, which facilitates price convergence at the market boundaries and a more efficient economic dispatch solution to manage real-time transmission constraints; (2) scheduling of inter-balancing authority transactions on a more frequent basis than hourly schedules; and (3) Coordinated Transaction Scheduling between NYISO, PJM, and MISO, which enables market participants to access least-cost power across regions, while minimizing counterintuitive power flows.² Additionally, NYISO states that the cost of generating electricity—which it notes is relevant to the value of alleviating incremental transmission congestion—is low, and may remain so for some time. Finally, NYISO states that although it and the neighboring RTOs/ISOs decided in 2016 not to pursue a buy-through of congestion, should that solution become necessary in the future, a new proceeding will be initiated to present a proposal for the Commission's consideration.3

- Notice of NYISO's filing was published in the *Federal Register*, 82 Fed. Reg. 50,125 (2017), with interventions and protests due on or before November 14, 2017. None was received.
- We agree with NYISO that the interface pricing and congestion management/market-to-market coordination initiatives contemplated in Docket No. ER08-1281 have been successfully implemented. There is no further need to require an annual informational report, and therefore NYISO's motion to terminate the reporting requirement in this docket is granted.

By direction of the Commission

Nathaniel J. Davis, Sr., Deputy Secretary.

² NYISO, Fourth Broader Regional Markets Informational Report, Docket No. ER08-1281-000, at 2-4 (filed March 20, 2017).

³ NYISO Transmittal at 2-3.