

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

New York Public Service Commission,)
New York Power Authority, and)
New York State Energy Research)
and Development Authority)
)
v.)
)
)
New York Independent System Operator, Inc.)

Docket No. EL15-64-000

**MOTION FOR EXTENSION OF TIME OF
NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.**

In accordance with Rules 212 and 2008 of the Commission’s Rules of Practice and Procedure,¹ the New York Independent System Operator, Inc. (“NYISO”) respectfully requests that the Commission grant a 45 day extension of the compliance filing deadline in this proceeding. The filing is currently due on January 7, 2016 and would be filed no later than February 21, 2016 if the requested extension is granted.

The Commission’s October 9, 2015 order (“October Order”)² directed the NYISO to make a compliance filing to revise its buyer-side capacity market power mitigation rules (“BSM Rules”) to exempt certain narrowly defined renewable and self-supply resources from Offer Floor³ mitigation. As discussed below, the NYISO has been working diligently to develop and file a compliance proposal since the issuance of the October Order. It has become apparent that

¹ 18 C.F.R. §§ 385.212 and 2008 (2015).

² *New York Pub. Serv. Comm’n et al. v. New York Indep. Sys. Operator, Inc.*, 153 FERC ¶ 61,022 (2015).

³ Capitalized terms not otherwise defined herein shall have the meaning set forth in the NYISO’s Market Administration and Control Area Services Tariff.

more time is needed for it to finalize its work, provide a further opportunity for stakeholders to provide input, and to consider that input.

There is “good cause” for granting the requested extension. As discussed below, the NYISO believes that there would be no harm in granting an extension because, to its knowledge, there are no resources in Class Year 2015 that would be eligible for exemption from the BSM Rules given the parameters set out by the Commission in the October Order.

The NYISO respectfully requests that the Commission adopt the standard five day notice period for extension requests⁴ and act expeditiously to grant the extension no later than December 16 so that the NYISO will know with certainty when its compliance filing is due.

I. Communications

Communications and correspondence regarding this filing should be directed to:

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II. The Development of the NYISO’s BSM Compliance Proposal to Date

The October Order directed the NYISO to file “a compliance filing, within 90 days of the date of this order, to revise its buyer-side market power mitigation rules to

⁴ 18 C.F.R. § 385.213(d)(1)(i).

⁵ The NYISO respectfully requests waiver of the requirements of Rule 18 C.F.R. § 385.203(b)(3) (2015) to permit service on more than two persons.

exempt a narrowly defined set of renewable and self-supply resources that have limited or no incentive and ability to exercise buyer-side market power to artificially suppress ICAP market prices.”⁶ Specifically, the NYISO was directed to revise the BSM rules to exempt renewable resources “that are both purely intermittent and that have relatively low capacity factors and high development costs because these resources have limited or no incentive and ability to artificially suppress capacity prices,”⁷ and self-supply resources “whose ICAP portfolios are consistent with reasonably anticipated levels of their future ICAP obligations.”⁸ The Commission also stated that it “expect[s] NYISO to work with its stakeholders in developing this compliance filing.”⁹

The NYISO commenced work on a compliance proposal promptly after the issuance of the October Order. It began identifying specific parameters resources must meet in order to be exempt from BSM rules and the required rules by which the exemption would be administered. The NYISO has made two presentations to stakeholders to date, one on November 18, 2015, and another on December 2, 2015, in which it discussed issues and potential parameters with stakeholders and obtained their input. The NYISO is continuing to develop a proposal and will need further meetings to obtain additional stakeholder input, including on draft tariff language.

III. Request for Extension of Compliance Filing Deadline

The NYISO understands the importance that the Commission places on timely compliance with its orders. Nevertheless, it has become apparent that it will not be practicable to complete the compliance obligation in this proceeding by January 7, including obtaining and

⁶ October Order P 10.

⁷ October Order P 51.

⁸ October Order P 62.

⁹ October Order at P 10.

fully considering stakeholder input as it develops the filing. Accordingly, the NYISO is seeking additional time to fully develop and vet compliance revisions while also meeting its other obligations to the Commission.

Completing work on the substance of the exemption proposals and considering stakeholder input will require more analysis and review than can reasonably be completed by January 7. This is particularly true in light of other upcoming capacity market compliance obligations.¹⁰ Additional meetings to obtain stakeholder input would also be challenging in that time period due to the upcoming holidays.

At the December 2, 2015 joint meeting of the Installed Capacity Working Group and Market Issues Working Group, several stakeholders (including generator, load, and transmission owner sectors) expressed that additional time to review and provide input on, during the development of, the NYISO's tariff proposal, would be desirable. None of the numerous stakeholders participating in the December 2, 2015 working group meeting expressed opposition to a 45 day extension of time. The NYISO believes that a 45 day extension will provide sufficient time for it to complete the development of a fully vetted compliance filing. The Complainants¹¹ authorized the NYISO to state that they do not oppose a 45 day extension of time.

No party should be prejudiced if the extension is granted. To the NYISO's knowledge, there are no resources in the current Class Year that would be eligible for an exemption pursuant to the parameters set forth in the October Order.

¹⁰ These obligations include a filing on December 16, 2015 in Docket No EL13-62 in response to the Division of Electric Power Regulation's November 16, 2015 letter, and the filing by December 21, 2015 of the NYISO's Annual Installed Capacity Report

¹¹ The Complainants are the New York Public Service Commission, the New York Power Authority, and the New York State Energy Research and Development Authority.

Rule 2008 authorizes the Commission to extend any deadline, including one imposed by a compliance directive, before it expires if a requesting party demonstrates that there is “good cause” to do so. For the reasons set forth above, the NYISO respectfully submits that there is good cause to grant the 45 day extension of time that it has requested.

IV. Conclusion

WHEREFORE, for the foregoing reasons, the NYISO respectfully requests that the Commission grant a 45 day extension to the compliance filing deadline in the above-captioned proceeding so that the NYISO may submit its compliance tariff revisions no later than February 21, 2016. The NYISO also respectfully requests that the Commission issue an order granting the requested extension by no later than December 16, 2015.

Respectfully submitted,

/s/ Ted J. Murphy

Ted J. Murphy
Counsel for the New York Independent System
Operator, Inc.

December 7, 2015

cc: Michael Bardee
Anna Cochrane
Kurt Longo
Max Minzner
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 7th day of December 2015.

/s/ Joy A. Zimmerlin

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