

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

**Helix Ravenswood, LLC
Ravenswood Development, LLC**

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Docket No. ER20-323-000

**MOTION TO INTERVENE AND COMMENTS OF
THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.**

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure,¹ the New York Independent System Operator, Inc. (“NYISO”) moves to intervene and submits comments in the above-captioned proceeding. Although the NYISO does not oppose or support the requested waiver, it offers these observations for the Commission’s consideration in its determination regarding the relief requested.

I. Background

This proceeding involves a waiver requested by Helix Ravenswood, LLC and Ravenswood Development, LLC (collectively, “Ravenswood”) related to the retention of capacity rights by a subset of Ravenswood’s deactivated generation facilities.² Ravenswood is requesting this waiver to facilitate its proposed transfer of those rights to its proposed energy storage facility (“New Project”). Ravenswood submitted an

¹ 18 C.F.R. §§ 385.212 and 385.213 (2019).

² *Helix Ravenswood, LLC and Ravenswood Development, LLC*, Request for Limited Tariff Waiver, Docket No. ER20-323-000 (November 5, 2019) (“waiver request”).

Interconnection Request³ for the New Project on March 9, 2018. Upon completion of a System Reliability Impact Study, Ravenswood elected to proceed to a Class Year Interconnection Facilities Study (“Class Year Study”).⁴ Having satisfied the eligibility and entry requirements for the Class Year Study, Ravenswood’s New Project became a member of Class Year 2019.

Class Year 2019, which commenced on August 9, 2019, has a record number of participants with 91 projects, representing 8,893 MW of new capacity. This includes 31 proposed new energy storage projects and 50 wind and solar projects (including 1,768 MW of offshore wind).⁵ 453 MW of that proposed storage (including Ravenswood’s New Project) is proposing to interconnect in New York City (Zone J), which is the zone where Ravenswood’s project proposes to locate.

The capacity rights Ravenswood seeks to retain correspond to the facilities’ Capacity Resource Interconnection Service (“CRIS”). CRIS is the level of interconnection service provided by the NYISO to Developers that satisfy the NYISO Deliverability Interconnection Standard or that are otherwise eligible to receive CRIS in

³ Capitalized terms that are not otherwise defined herein shall have the meaning specified in the NYISO’s Open Access Transmission Tariff (“OATT”) or the Market Administration and Control Area Services Tariff (“Services Tariff”).

⁴ The Class Year Study is the final study in the NYISO’s Large Facility Interconnection Procedures. It is a detailed study that evaluates the cumulative impact of a group of projects that have completed similar milestones—a “Class Year” of projects. The Class Year Study identifies the upgrade facilities needed to reliably interconnect all the projects in a Class Year. Each Class Year Study allocates the cost of System Upgrade Facilities (“SUFs”) and System Deliverability Upgrades (“SDUs”) identified in the study among the projects in the Class Year in accordance with the cost allocation methodologies set forth in OATT Attachment S.

⁵ The remaining Class Year projects include a 1,000 MW HVDC transmission project, three combined cycle projects (totaling 1,288 MW), three small methane projects (totaling 13 MW), a 10.5 MW hydroelectric project, and an 8 MW diesel project.

accordance with Attachment S of the NYISO OATT.⁶ Such service is one of the eligibility requirements for participation as a NYISO Installed Capacity Supplier.⁷

The CRIS that is the subject of the waiver request is currently in an inactive state. Ravenswood deactivated seven units⁸ on April 1, 2018 placing such units in an ICAP Ineligible Forced Outage (“IIFO”) status.⁹ A deactivated facility in an IIFO state is ineligible to participate in the Installed Capacity market. Once a facility ceases participation in the Installed Capacity market, the facility is deemed “CRIS-inactive” on the last day of the month in which it last participated in the Installed Capacity market.¹⁰ If a facility remains CRIS-inactive for three (3) years, its CRIS will terminate.¹¹ For the seven deactivated Ravenswood units, such 3-year period expires on March 31 2021.¹²

⁶ The Ravenswood units at issue in the waiver request obtained CRIS through a “grandfathering” provision used to assign CRIS to facilities already in service when the Deliverability Interconnection Standard was implemented. *See* OATT Attachment S, Section 25.9.3.3.

⁷ While some projects in the Class Year Study are requesting both Energy Resource Interconnection Service (“ERIS”) and CRIS, some are “CRIS-only” projects that are existing units seeking CRIS (or increases to their existing CRIS) or projects not subject to the NYISO’s interconnection procedures that seek CRIS in order to participate in the NYISO’s Installed Capacity market.

⁸ The Ravenswood units placed into IIFO were GTs 2-1, 2-2, 2-3, 2-4, 3-1, 3-2 and 3-4.

⁹ ICAP Ineligible Forced Outage is defined in Services Tariff Section 2.9 as follows: “The outage state of a Market Participant’s Generator after: i) the expiration or termination of its Forced Outage pursuant to the provisions in Section 5.18.1.6 of this Services Tariff, which Forced Outage started on or after May 1, 2015; ii) the Market Participant voluntarily reclassified its Forced Outage pursuant to the provisions in Section 5.18.2.1 of this Services Tariff, which Forced Outage started on or after May 1, 2015; or iii) substantial actions have been taken, such as dismantling or disabling essential equipment, which actions are inconsistent with an intention to return the Generator to operation and the Energy market. A Generator in an ICAP Ineligible Forced Outage is subject to the return-to-service provisions in Section 5.18.4 of this Services Tariff and is ineligible to participate in the Installed Capacity market.”

¹⁰ *See* Services Tariff Section 2.9 and OATT Attachment S, Section 25.9.3.1.

¹¹ *See* OATT Attachment S, Section 25.9.3.1.

¹² The date a unit becomes “CRIS-inactive” is tied to its last offer in the Installed Capacity market, not the date it formally deactivates. For these units, they ceased offering into the Installed Capacity market prior to the units’ deactivation.

Ravenswood seeks to retain part of its inactive CRIS (129 MW) from four of the seven deactivated IIFO facilities¹³ (such four facilities referred to herein as the “IIFO units”) such that it may transfer such CRIS to its New Project. Ravenswood requests to toll the 3-year CRIS expiration rule for the IIFO units for a minimum of 20 months – the later of 20 months or the completion of all upgrades and interconnection work required to place the New Project in service.

CRIS may be transferred from an existing facility that is deactivating and exiting the market to another facility, existing or new.¹⁴ A CRIS transfer that is proposed between facilities at different electrical locations is subject to a deliverability evaluation in a Class Year Study that is performed separately and prior to completion of the deliverability evaluation of the remaining collective Class Year CRIS projects. Ravenswood has requested a deliverability evaluation in Class Year 2019 for its contemplated CRIS transfer from the IIFO units to the New Project, which is a different electrical location. The NYISO anticipates that the evaluation of such CRIS transfer will be completed by January 2020.

The longstanding 3-year CRIS expiration rule represents a reasonable balancing of interests, allowing existing resources some level of flexibility to return to service or transfer their rights while not establishing unnecessary barriers to entry for new resources. Existing resources in an outage state may retain their CRIS despite it being inactive for three (3) years; however, beyond that time, continued retention of the CRIS

¹³ The four units with inactive CRIS that Ravenswood seeks to retain are GT2-4 (PTID 24247), GT3-1 (PTID 24248), GT3-2 (PTID 24249), and GT3-4 (PTID 24251). The partial CRIS Ravenswood seeks to retain for each of these units is as follows: 28 MW from PTID 24247, 40.5 MW from PTID 24248, 38.1 MW from PTID 24249, and 22.4 MW from PTID 24251, for a total of 129 MW of CRIS Rights.

¹⁴ OATT Attachment S, Sections 25.9.4 and 25.9.5.

may prevent new resources from being able to satisfy the deliverability standard. In that case, a new resource would need to pay for potentially costly System Deliverability Upgrades in order to obtain CRIS.

Relatively recently, the NYISO introduced an option for extension of the 3-year rule for certain units in an IIFO or Mothball Outage. This extension is available to facilities that have adequate, detailed plans to return to service but only extends expiration for an additional 120 days. This tariff provision explicitly prohibits extension of CRIS if such extension is only for the purpose of a CRIS transfer.¹⁵

II. Motion to Intervene

The NYISO is the independent body responsible for providing open access transmission service, maintaining reliability, and administering competitive wholesale markets for electricity, capacity, and ancillary services in New York State. Additionally, the NYISO administers the interconnection process pursuant to its Commission-approved tariffs. In this proceeding, Ravenswood is requesting waiver of a requirement of the CRIS procedures established by the NYISO OATT. The NYISO, therefore, has a unique interest in this proceeding that cannot be adequately represented by any other entity and, therefore, requests that the Commission permit the NYISO to intervene with all the rights of a party.

III. Comments

The NYISO understands Ravenswood's waiver request as requesting (1) that the Commission waive OATT Attachment S, Section 25.9.3.1 under which the CRIS Rights for the Ravenswood facility will terminate on March 31, 2021 and allow Ravenswood to

¹⁵ See Services Tariff Section 5.18.2.3.2 (providing that the tolling of CRIS rights under Section 5.18.2.3.2 does not apply to transfers of CRIS rights).

retain 129 MW of the IIFO units' CRIS to the later of December 31, 2022 or Con Edison's completion of the necessary interconnection steps for the New Project to become operational; and (2) that the Commission (to the extent it deems it necessary) waive Services Tariff Section 5.18.2.3.1 under which the IIFO units' IIFO status expires on March 31, 2021 and allow the IIFO units to remain in IIFO status pending transfer of their CRIS.

NYISO recognizes that the Commission evaluates a waiver request based on the specific facts and circumstances of the request, and upon a number of factors, including (i) whether the requestor is acting in good faith; (ii) whether the request will remedy a concrete problem; (iii) whether the request is of limited scope; and (iv) whether the waiver, if granted, will have undesirable consequences such as harming third parties.¹⁶ The Commission's evaluation of a waiver request is highly dependent on the specifics of a particular request, and the Commission has recognized, therefore, that the granting of a waiver request is not precedent for granting future waiver requests.¹⁷ The Commission has further recognized that waiver of tariff requirements should not be construed as having any impact on the applicability of the same requirements to other projects.¹⁸ It is important that the Commission continue to reinforce the importance of tariffs and manual

¹⁶ See *PJM Interconnection, L.L.C. and Trans-Allegheny Interstate Line Company*, 144 FERC ¶ 61,060 at P17 (2013); *Air Energy TCI, Inc.*, 143 FERC ¶ 61,172 at P16 (2013); *Hudson Transmission Partner, LLC*, 131 FERC ¶ 61,157 at P10 (2010).

¹⁷ See *PJM Interconnection, L.L.C. and Trans-Allegheny Interstate Line Company*, 144 FERC ¶ 61,060 at P17 (noting that the granting of the requested waiver "is based on the specific facts and circumstances of the request"); see also, *Air Energy TCI, Inc.*, 143 FERC ¶ 61,172 at P16 (2013) (noting that "our grant of waiver is limited to the facts and circumstances of the case before us").

¹⁸ See *Air Energy TCI, Inc.*, 143 FERC ¶ 61,172 at P16 (2013) (noting that despite granting the requested waiver, "we do not intend that NYISO's regulatory milestones be taken lightly."); *Innovative Energy Systems, LLC*, 131 FERC ¶ 61,066 at P7 (2010) (noting that despite granting the requested waiver, "we emphasize the importance of meeting financial security deadlines and note that in the future, we expect parties to arrange for deposits to be submitted in sufficient time to meet the requirements of their tariffs.").

deadlines that enhance certainty and transparency in the NYISO's administration of the interconnection process.

The NYISO offers the following comments regarding Ravenswood's waiver request and respectfully requests that the Commission consider these comments in its decision on the merits of the waiver request.

A. Options for Ravenswood to Obtain CRIS for the New Project

Under existing NYISO processes, there are multiple paths available for Ravenswood to obtain CRIS other than the waiver requested herein. A CRIS transfer to the new facility from the IIFO units is only one option available to Ravenswood to obtain CRIS for the new facility. Ravenswood can also request CRIS in the current Class Year Study in which the New Project is already a member. Indeed, Ravenswood has already submitted a CRIS request in the current Class Year Study for such an evaluation of the New Project in the event it does not proceed with the CRIS transfer.¹⁹ Obtaining CRIS through that approach does not require the New Project to be in-service by March 31, 2021; rather, the facility need only go in-service within four (4) years of completion of the Class Year Study.²⁰ Based on the anticipated Class Year 2019 schedule, that 4-year deadline would be no earlier than mid to late 2024.

In addition, if the CRIS transfer proceeds, but the New Project is not in-service before the CRIS expires, the New Project may request CRIS in a subsequent Class Year or through a new expedited deliverability study just approved by the NYISO's

¹⁹ If the Class Year 2019 deliverability test shows that the proposed CRIS transfer is fully or partially deliverable, the New Project will be given five business days to notify the NYISO as to whether the CRIS transfer transaction is final or not. If the proposed transaction is not finalized within five (5) Business Days of the NYISO's deliverability evaluation of the transfer, the New Project may have its 129 MW CRIS request evaluated in the collective deliverability evaluation performed for all of the Class Year 2019 CRIS requests.

²⁰ See OATT Attachment X Section 30.4.4.5.1

Management Committee. The NYISO anticipates that tariff revisions for the proposed expedited deliverability study will be filed with the Commission in December 2019, pending NYISO Board approval. If accepted, the first such study will commence in the first quarter of 2020, providing an expedited option to the New Project to obtain CRIS if the IIFO units' CRIS expires before it is in-service.

These alternative paths available to Ravenswood to obtain CRIS for the New Project can alleviate the need for the instant waiver request to extend the IIFO units' CRIS for such an extended period of time – the later of 20 months or the completion of all upgrades and interconnection work required to place the New Project in-service.

In addition, it may be premature to consider a waiver request under the assumption that the New Project will require upgrades that cannot be constructed in time for the New Project to be in service by March 31, 2021. The NYISO has not yet determined whether the transfer is deliverable. As noted above, that study will be completed under the first part of the Class Year study, expected to be completed by January 2020.

Further, once the construction schedule is finalized, the project can take certain steps before the Class Year Study is completed to accelerate the construction of required upgrades. The first of these steps is proceeding with an engineering and procurement agreement with the Connecting Transmission Owner and/or requesting the NYISO tender an Interconnection Agreement. The Interconnection Agreement can potentially be finalized as early as completion of the local design studies in the Class Year.²¹ Two

²¹ See OATT Attachment X, Section 30.11.4.

Class Year 2019 projects have already elected this accelerated path. Additionally, a Developer can request a Limited Operations study to evaluate the possibility of going in-service prior to completion of all System Upgrade Facilities.²² This is an option projects have elected in the past and that has allowed them to go in-service before completion of their Class Year Study. Ravenswood has not yet elected to proceed on such an accelerated schedule, but has submitted its waiver request with the anticipation that even with the options available to it, it will not be able to get the New Project in service prior to expiration of the IIFO units' CRIS.²³

B. Impact on Other Projects

At this time, it is uncertain whether the waiver, if granted, would have adverse impact on other projects. Generally, direct harm from extended retention of CRIS could occur if the modeling of that CRIS in deliverability studies for proposed projects causes those projects to be undeliverable (when they otherwise would have been deliverable). If determined to be undeliverable, proposed projects are required to pay for System Deliverability Upgrades in order to obtain CRIS. This impact is more likely to occur if a proposed project is proposing to locate in the same deliverability “source” area as the resource retaining its CRIS.

²² See OATT Attachment X, Section 30.9 (allowing Developer to request an engineering and procurement agreement to begin engineering and procurement of long lead time items); OATT Attachment X, Section 30.11.4 (allowing Developer to request and finalize an Interconnection Agreement prior to completion of the Class Year Study); OATT Attachment X, Section 30.12.3 (allowing Developer to request operating studies to determine the extent to which the facility may operate prior to the completion of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities).

²³ See OATT Attachment X, Section 30.9 (allowing Developer to request an engineering and procurement agreement to begin engineering and procurement of long lead-time items); OATT Attachment X, Section 30.11.4 (allowing Developer to request and finalize an Interconnection Agreement prior to completion of the Class Year Study); OATT Attachment X, Section 30.12.3 (allowing Developer to request operating studies to determine the extent to which the facility may operate prior to the completion of the Connecting Transmission Owner's Attachment Facilities or System Upgrade Facilities).

Currently, there are no other projects in Class Year 2019 or the interconnection queue that are proposing to connect in the same deliverability source area as the New Project – the Rainey substation. However, it is possible that such projects could enter the interconnection queue or request CRIS-only evaluations and be ready to have their CRIS requests evaluated in the next Class Year Study. The duration of Ravenswood’s requested CRIS extension raises the potential that other proposed projects could be impacted by the requested waiver.

C. Scope of the Waiver Request

The NYISO is seeing a considerable influx of new generation projects in its interconnection queue, particularly energy storage and other renewable projects. This trend of new generation proposals correlates with New York’s clean energy goals and requires an open and fair process for the interconnection of new generation. NYISO is committed to fostering the interconnection of energy storage and renewable resources and has proposed a number of reforms over the last two years that make the interconnection process more efficient for resources seeking to connect in New York. The NYISO is concerned that the extended nature of the waiver request could act as a barrier to entry for future projects seeking to interconnect in the same area as the Ravenswood IIFO units.

Contributing to the NYISO’s concern is the fact that the request is being made so far in advance of the CRIS actually expiring and that the request is to delay expiration by such an extended, and open-ended, time frame. Specifically, Ravenswood requests that it have until the later of December 31, 2022 or Con Edison's completion of the necessary interconnection steps for the New Project to become operational. The request is for a minimum of 20 months beyond the March 31, 2021 CRIS expiration date. This is nearly

double the requested extension the Commission granted in a previous waiver of the same tariff provision.²⁴ As mentioned above, the NYISO has not yet determined whether the CRIS is transferable to the New Project.

The broad scope of the requested waiver may also raise questions regarding the applicability of the same tariff requirements to other projects. This is particularly true given that the NYISO is seeing more retired units or units in long-term outage states with CRIS set to expire in the near future. It is not clear what unique circumstances exist here that warrant a waiver of the generally applicable requirements. The tariff provisions regarding the retention of CRIS rights are intended to provide certainty, which is eroded when such provisions are waived.

D. Ravenswood’s Request for an Extension of the IIFO State

The requested waiver appears, perhaps inadvertently, to contemplate or request an extension of the IIFO state for the IIFO units, in addition to the request to extend the expiration date for CRIS. A unit that remains in an IIFO retains its interconnection rights (ERIS) and would be able to return to service without being studied in the interconnection process. This aspect of Ravenswood’s request is not necessary to achieve the stated purpose of the waiver request.

Specifically, Ravenswood indicates that because Services Tariff Section 5.18.2.3.1 provides, “a Generator’s [IIFO] shall expire if: 1) its CRIS rights have expired; . . .” and that “[a] Generator shall be Retired if its [IIFO] expires,” that a Commission

²⁴ *Dunkirk Power, LLC*, 147 FERC ¶ 61,146 (2014) (Commission granted limited waiver of NYISO OATT, Attachment S, Section 25.9.3.1, extending time to retain existing interconnection rights for an additional twelve months). The unit ultimately did not return to service within the extended time frame provided by the waiver, and the interconnection rights expired.

order granting the waiver request should be construed as extending the time within which the IIFO units can remain in that outage state.²⁵ The NYISO disagrees with Ravenswood's assertion that, "[b]y the express language of the tariff, the [IIFO units] will remain in IIFO status pending transfer of their CRIS Rights if this waiver requested is granted." The rationale provided for extending the IIFO units' CRIS rights does not require or support maintaining the IIFO units' other interconnection rights for 20 months or more.²⁶ The objective of Ravenswood's waiver request is the ability to transfer 129 MW of the IIFO units' CRIS to the New Project. That can be accomplished without extending the IIFO status of the IIFO units.

Therefore, if the Commission grants the waiver request, the NYISO requests that the Commission's order make clear that the extension granted applies only to the 129 MW of CRIS from the IIFO units and not all interconnection rights for the IIFO units. The IIFO units will become Retired under the applicable tariff requirements, including the timeline that would apply absent any waiver.

IV. Communications and Correspondence

All communications and service with regard to this filing should be directed to:

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²⁵ See Waiver Request at n.2.

²⁶ Ravenswood requests that the CRIS rights for the IIFO units be extended to at least December 31, 2022 and longer, if construction of all required upgrades has not been completed.

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* Persons designated for receipt of service.

V. Conclusion

WHEREFORE, for the foregoing reasons, the NYISO respectfully requests that the Commission (i) grant this motion to intervene, and (ii) consider these comments in making its decision on Ravenswood's waiver request.

Respectfully submitted,

/s/ Sara B. Keegan

Sara B. Keegan
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November 26, 2019

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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 these proceedings 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 26th day of November, 2019.

/s/ John C. Cutting

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