



Justin Atkins
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December 6, 2019

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: *New York State Electric & Gas Corporation*
Docket No. ER20-____-000
Filing of Executed Utility Services Agreement

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Part 35 of the regulations of the Federal Energy Regulatory Commission (“Commission”),² New York State Electric & Gas Corporation (“NYSEG”), an indirect subsidiary of Avangrid, Inc., hereby submits for filing a Utility Services Agreement (“Utility Services Agreement”) by and between NYSEG³ and NextEra Energy Transmission of New York, Inc. (“NEETNY”).⁴ The Utility Services Agreement is designated as Service Agreement No. 2497 under the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”).

For the reasons set forth below, NYSEG respectfully requests that the Commission accept the Utility Services Agreement for filing effective November 11, 2019.

I. COMMUNICATIONS

All communications and service related to this filing should be directed to:

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¹ 16 U.S.C. § 824d.

² 18 C.F.R. Pt. 35.

³ NYSEG is an indirect subsidiary of Avangrid, Inc.

⁴ NEETNY is a wholly-owned direct subsidiary of NextEra Energy Transmission, LLC.



II. BACKGROUND AND DESCRIPTION OF THE UTILITY SERVICES AGREEMENT

NYSEG is a public utility subject to the Commission's jurisdiction that own transmission facilities under the operational control of the NYISO. NEETNY is incorporated under the Transportation Corporation Laws of New York and was formed to develop, construct, finance, own, operate, and maintain high-voltage electric transmission facilities in the NYISO region as a portfolio.

NEETNY was selected by the NYISO as the developer of the Empire State Line Project (the "ESL Project"), a Public Policy Transmission Project pursuant to Attachment Y of the NYISO OATT, on October 17, 2017. As part of the ESL Project, NEETNY is pursuing the construction of a 20 Mile 345 Kilovolt Transmission line located in the Town of Royalton, Niagara County and the Towns of Alden, Newstead, Lancaster and Elma in Erie County, along sections of an existing NYSEG right-of-way in Case 18-T-0499. To accommodate the ESL project, NYSEG or its affiliates or contractors will perform certain services for NEETNY, including but not limited to, services set forth in Exhibit A to the Utility Services Agreement.

On November 11, 2019, NYSEG and NEETNY executed the Utility Services Agreement. NYSEG projects that the work to be performed under the Utility Services Agreement will be completed on or before July 1, 2022 ("Termination Date"), the in-service date of the ESL Project, unless terminated earlier in accordance with the terms of the Utility Services Agreement.

Pursuant to the Utility Services Agreement, NEETNY has agreed to pay for or reimburse NYSEG for all costs and expenses NYSEG and/or its affiliates incur in connection with the performance of the scope of work set forth in Exhibit A of the Utility Services Agreement. The Utility Services Agreement sets forth the terms and conditions of this work and certain related commitments by NEETNY. The Utility Services Agreement includes provisions addressing the performance of the work, liability and indemnification, insurance, regulatory and governmental approvals, and various standard provisions for utility services and reimbursement agreements.

NYSEG is performing these services at actual costs (defined as "Compensation and Payment – Reimbursable Costs") as set forth in Paragraph 4(a) of the Utility Services Agreement. The Commission should find the price of the services to be performed pursuant to the Utility Services Agreement to be just and reasonable because NYSEG will perform these services at actual cost (*i.e.*, its out-of-pocket expenses), and does not include any return on investment, carrying charge, or any other amount to be collected for profit.

III. REQUESTED EFFECTIVE DATE AND WAIVER

NYSEG respectfully requests that the Commission grant waiver of the 60-day notice requirement and accept the Utility Services Agreement with an effective date of November 11, 2019. Good cause exists to grant waiver. The Commission previously has granted waiver of the 60-day prior notice requirement where an agreement was filed within 30 days of the commencement of service. In addition, granting waiver is appropriate because it will ensure that the effective date of the Utility Services Agreement aligns with that agreed upon by the Parties. Granting the proposed effective date will have no adverse effect on NEETNY, and will have no adverse effect on NYSEG or its customers.

To the extent necessary, NYSEG requests a waiver of any Commission regulation or requirement not otherwise satisfied by this filing in order to permit acceptance of the Utility Services Agreement, effective as requested.

IV. SERVICE

A copy of this filing will be served on NEETNY and the NYISO.

V. CONTENTS OF FILING

In accordance with the Commission's eTariff regulations and other filing requirements,⁵ in addition to this transmittal letter this filing consists of the Utility Services Agreement.

VI. CONCLUSION

For the foregoing reasons, NYSEG respectfully requests that the Commission accept the Utility Services Agreement with an effective date of November 11, 2019.

Respectfully submitted,

/s/ Justin Atkins

Counsel to New York State Electric & Gas Corporation

⁵ *Id.* § 35.7.