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Attorney

April 16, 2021

VIA eTARIFF

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**RE: *New York State Electric & Gas Corporation*
NYSEG – Northland Power E&P Agreement, Service Agreement No. 2616
Docket No. ER21- -000**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”)¹ and part 35 of the Federal Energy Regulatory Commission’s (“Commission”) regulations,² New York State Electric & Gas Corporation (“NYSEG”), hereby respectfully submits for filing an Engineering & Procurement Agreement (“E&P Agreement”) by and between NYSEG and Bluestone Wind, LLC³ (“Bluestone Wind”) whereby NYSEG will provide oversight of the engineering and procurement of certain facilities necessary for the interconnection (“E&P Services”) of Bluestone Wind’s electric generation facility (“Wind Project”). For the

¹ 16 U.S.C. § 824d (2018).

² 18 C.F.R. § 35 (2019).

³ Bluestone Wind, LLC, is a wholly owned subsidiary of Northland Power Inc.

reasons set forth herein, NYSEG respectfully requests the Commission accept this E&P Agreement effective April 16, 2021.

I. BACKGROUND AND REASON FOR FILING

NYSEG is an electric transmission, and electric and gas distribution public utility organized and operating under the laws of the State of New York and a wholly owned indirect subsidiary of Avangrid Networks, Inc. NYSEG serves retail and wholesale customers across more than forty percent of upstate New York, and owns approximately 65 megawatts of generation, consisting primarily of hydroelectric generation. NYSEG is a Transmission Owner in the New York Control Area under the terms of the Independent System Operator – Transmission Owner Agreement by and among the New York Transmission Owners and the New York Independent System Operator, Inc. (“NYISO”).⁴ NYSEG owns facilities used in the provision of transmission and interconnection services under NYISO’s Open Access Transmission Tariff (“NYISO OATT”).⁵

Bluestone Wind is an electric generation development company organized under the laws of Delaware and a wholly owned subsidiary of Northland Power Inc. Bluestone Wind is proposing to interconnect the Wind Project at NYSEG’s new Bluestone

⁴ The NYISO is submitting this filing in FERC’s e-Tariff system on NYSEG’s behalf solely in the NYISO’s role as the Tariff Administrator.

⁵ Capitalized terms used but not defined in this filing are intended to have the same meaning given such terms in the NYISO OATT.

Substation. The Wind Project is a 124 MW wind-powered electric generating facility that will be constructed in the towns of Sanford and Windsor, Broome County, New York.

Consistent with the NYISO OATT, NYSEG and Bluestone Wind have entered into an E&P Agreement to facilitate NYSEG's performance of E&P Services for certain long-lead items in connection with the Wind Project prior to entering into an interconnection agreement.⁶ The Wind Project will interconnect to NYSEG's transmission system at a newly constructed substation located on NYSEG's 954 line between Stilesville and Afton substations. NYSEG, Bluestone Wind, and the NYISO are engaged in negotiations regarding a Standard Large Generator Interconnection Agreement that is set forth in Appendix 3 of Attachment X to the NYISO OATT.

II. DESCRIPTION OF THE E&P AGREEMENT

NYSEG expects E&P Services to be performed as set forth in paragraph 3.1 and Attachment A of the E&P Agreement, unless terminated earlier in accordance with the terms of the E&P Agreement. Pursuant to the E&P Agreement, Bluestone Wind will provide all information, documents and technical data required and deemed necessary by NYSEG to perform the oversight of E&P Services as outlined in Attachment A of the E&P

⁶ Section 30.9 of Attachment X to the NYISO OATT provides that prior to execution of a Standard Large Generator Interconnection Agreement, a Developer (in this case, Bluestone Wind) may, in order to advance the implementation of its interconnection, request and the Connecting Transmission Owner (in this case, NYSEG) shall offer the Developer, an E&P Agreement that authorizes the Connecting Transmission Owner to begin E&P Services of long lead-time items necessary to accommodate the Developer's interconnection to the Connecting Transmission Owner's transmission system.

Agreement. The E&P Agreement sets forth the terms and conditions of the E&P Services and certain related commitments by Bluestone Wind. The E&P Agreement includes provisions addressing the performance of the E&P Services, confidentiality, liability and indemnification, and various provisions that are standard in most utility engineering and procurement agreements.

NYSEG is performing oversight of these E&P Services at its actual cost as set forth in Paragraph 4.1 of the E&P Agreement. The estimated cost is \$400,000 (paragraph 4.1(a)), with the payment of \$400,000 due on the date of execution of the E&P Agreement (paragraph 4.1(b)). No payment of security is required, and NYSEG has arranged for a payment schedule so that NYSEG will not be required to perform oversight of E&P Services until payments pursuant to that payment schedule have been received. The process for compensation of “Additional Costs” shall be calculated in accordance with paragraph 4 of the E&P Agreement. The Commission should find the price of NYSEG oversight of the E&P Services to be just and reasonable because NYSEG will perform these services at actual cost, and is not seeking to recover any (1) rate of return, (2) carrying charge, or (3) any other amount under the E&P Agreement as a profit.

III. EFFECTIVE DATE AND REQUEST FOR WAIVER

NYSEG respectfully requests that the Commission grant waiver of its 60-day prior notice requirements and accept the E&P Agreement with an effective date of April 16, 2021. Good cause exists to grant waiver. The Commission previously has granted waiver of the 60-day prior notice requirement “when all affected parties have had sufficient

notice.”⁷ In addition, granting waiver is appropriate because it will ensure that NYSEG is able to expedite E&P Services to assist Bluestone Wind achieve timely interconnection of its Wind Project. Granting the proposed effective date will have no adverse effect on Bluestone Wind, NYSEG nor NYSEG’s customers.

To the extent necessary, NYSEG respectfully requests the Commission grant waiver of any filing requirements contained in 18 C.F.R. § 35 not met by this filing to permit the E&P Agreement to become effective on the requested effective date.

IV. CONTENTS OF FILING

This filing consists of the following:

- This transmittal letter;
- An executed copy of the E&P Agreement.

V. COMMUNICATIONS

All correspondence and communications regarding this proceeding should be directed to:

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⁷ See *California Indep. Sys. Operator Corp.*, 111 FERC ¶ 61,073 at P 26 (2005).

VI. PERSONS OF WHOM THIS FILING IS BEING SERVED

A copy of this filing has been served electronically on the following individuals
from Northland Power Inc. and the NYISO:

Northland Power Inc.
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VII. CONCLUSION

NYSEG respectfully requests the Commission accept this E&P Agreement for filing without condition or modification to take effect as of April 16, 2021 and grant other such relief requested herein as necessary. Should you have any questions, do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ Nicholas J. Cicale

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Dated: April 16, 2021
Southbury, Connecticut