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VIA ELECTRONIC FILING

February 22, 2023

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

**Re: New York Independent System Operator, Inc.
New York Power Authority
Docket No. ER23-491-000**

Dear Secretary Bose:

Pursuant to Sections 205 and 219 of the Federal Power Act (“FPA”)¹ and Part 35 of the Federal Energy Regulatory Commission’s (the “Commission”) regulations,² and the Commission’s January 23, 2023 order,³ the New York Power Authority (“NYPA”) respectfully submits this compliance filing to meet the Commission’s directives to make the proposed tariff language consistent with NYPA’s February⁴ and November⁵ Transmittal Letters describing proposed revisions to Attachment H to the NYISO Open Access Transmission Tariff (“OATT”).⁶ The Commission directed a compliance filing to i) revise the definition of Third Party Costs under Section 14.2.3.2.10.A.3 of Attachment H to the NYISO OATT to reflect the accepted definition in the February Transmittal Letter, ii) include a reference noting the incentives are bound by the upper end of the zone of reasonableness as discussed in the Commission’s July 5, 2022 order⁷ (see proposed Section 14.2.3.2.10.D of Attachment H to the NYISO OATT), and iii) define

¹ 16 U.S.C. § 824d (2022).

² 18 C.F.R. pt. 35 (2022).

³ *N.Y. Indep. Sys. Operator, Inc. and N.Y. Power Auth.*, 182 FERC ¶ 61,028 (2023) (“January Order”).

⁴ Revision to NYPA Formula Rate, Transmittal Letter, Docket No. ER22-1014-000 (Feb. 10, 2022) (“February Transmittal Letter”).

⁵ Proposed Amendments to New York Power Authority Formula Rate, Transmittal Letter, Docket No. ER23-491-000 (Nov. 23, 2022) (“November Transmittal Letter”).

⁶ See *N.Y. Indep. Sys. Operator, Inc.*, NYISO Tariffs, NYISO OATT, § 14 (attach. H), §§ 14.2.3.1-14.2.3.2 (7.0.0). The New York Independent System Operator, Inc. (“NYISO”) submits this filing on behalf of NYPA solely in its role as the administrator for the NYISO OATT. The burden of demonstrating that the proposed tariff revisions are just and reasonable rests with NYPA, the sponsoring party. Capitalized terms not defined herein shall have the meaning set forth in the NYISO OATT, including Section 14.2.3.2 (i.e., NYPA’s Formula Rate Protocols).

⁷ *N.Y. Indep. Sys. Operator, Inc. and N.Y. Power Auth.*, 180 FERC ¶ 61,004 (2022).

“Performance-Based ROE Incentives” as a standalone term (see proposed Section 14.2.3.2.10.A.6 of Attachment H to the NYISO OATT).

NYPA includes as attachments to this letter revised provisions in compliance with the Commission’s January Order as follows:

- Attachment A – Clean version of the proposed revisions to the NYISO OATT and;
- Attachment B – Redline version of the proposed revisions to the NYISO OATT.

NYPA has confirmed with the NYISO that a complete copy of this filing will be posted on the NYISO’s website at www.nyiso.com. The NYISO has also informed NYPA that it will send an electronic link to this filing to the official representative of each of its customers and each participant on its stakeholder committees. Such NYISO market participants include the Interested Parties maintained on the NYPA Exploder List.

To the extent necessary to permit these tariff modifications to become effective as requested herein, NYPA requests that the Commission waive any and all requirements under Part 35 of the Commission’s regulations (and any other applicable regulations). It is the established practice of the Commission to exempt non-jurisdictional municipal utilities such as NYPA from paying applicable filing fees and from compliance with Section 35.13 of the Commission’s regulations.⁸ Accordingly, NYPA’s request for exemption from such filing requirements is appropriate.

NYPA respectfully asks the Commission to accept this compliance filing and the revised tariff provisions as satisfying the Commission’s conditions set forth in the January Order, with an effective date of January 24, 2023 as prescribed by the Commission.

Respectfully submitted,

/s/ Gary D. Bachman
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Attachments A-B

⁸ See, e.g., *id.* at P 55.

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission, I hereby certify that I have this day caused the foregoing documents to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, DC, this 22nd day of February 2023.

/s/ Xena Burwell
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