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January 16, 2026

VIA E-FILING

Ms. Debbie-Anne Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: Central Hudson Gas & Electric Corporation, New York Independent System
Operator, Inc., Docket No. ER26-____-000

Dear Secretary Reese:

On June 26, 2025, as amended on September 18, 2025, Central Hudson Gas & Electric Corporation (“Central Hudson”) filed, pursuant to section 205 of the Federal Power Act (“FPA”),¹ revisions to its transmission formula rate under Attachment 1 to Rate Schedule 12 of the New York Independent System Operator, Inc. (“NYISO”) Open Access Transmission Tariff (“OATT”).² On November 17, 2025, the Federal Energy Regulatory Commission (“the Commission” or “FERC”) issued an Order Accepting Proposed Tariff Revisions, Subject to Condition, and Establishing a Show Cause Proceeding (“Order”).³ In the Order, the Commission accepted Central Hudson’s filing, subject to conditions, effective as of August 26, 2025,⁴ and a compliance filing to be filed with the Commission within 30 days of the Order, which compliance filing Central Hudson made on December 12, 2025. Also in the Order, the Commission initiated a show cause proceeding pursuant to section 206 of the FPA and directed Central Hudson, within 60 days of the date of the Order, to either: (1) show cause as to why the formula rate protocols under Attachment 1 to Rate Schedule 12 of the NYISO OATT (“Hurley Avenue Protocols”) remain just and reasonable and not unduly discriminatory or preferential; or (2) explain what changes to the Hurley Avenue Protocols it believes would remedy the identified concerns if the Commission were to determine that the Hurley Avenue Protocols have, in fact, become unjust and unreasonable or unduly discriminatory or preferential and, therefore, Central

¹ 16 U.S.C. § 824d.

² Filing, Transmittal Letter at 1.

³ 193 FERC § 61,126.

⁴ Ibid at 1.

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Hudson would proceed to establish replacement formula rate protocols.⁵ In this filing, pursuant to Section 205 of the FPA, Central Hudson tenders revised Hurley Avenue Protocols that address the Commission’s concerns raised in the Order.⁶ Simultaneously with this filing, Central Hudson is filing in Docket Nos. ER25-2636 and EL26-22 a request to hold that proceeding in abeyance pending the Commission’s consideration of the Hurley Avenue Protocols proposed herein.

I. Commission Concerns with the Hurley Avenue Protocols Contained in the November 17, 2025 Order

In its Order, the Commission described its concerns regarding the Hurley Avenue Protocols:

1. Scope of Participation – The Commission found that the Hurley Avenue Protocols may unintentionally limit the ability of certain interested parties to obtain information about annual updates from Central Hudson. While the Hurley Avenue Protocols allow interested parties to submit comments, they do not define the term “interested party.” Without such a definition, the Hurley Avenue Protocols may not provide sufficient clarity and may provide Central Hudson with the sole discretion to determine who is an interested party;⁷
2. Transparency – the Commission had the following concerns:
 - a. The Hurley Avenue Protocols may not provide interested parties with the information necessary to understand and evaluate the implementation of the formula rate for either the correctness of inputs and calculations or the reasonableness and prudence of the costs to be recovered in the formula rate;⁸
 - b. The Hurley Avenue Protocols only provide that interested parties may submit comments to Central Hudson during its annual update process and that Central Hudson will submit an informational filing to the Commission that reflects “to the extent necessary” any changes in response to comments. The Hurley Avenue Protocols do not provide adequate time for stakeholder engagement and the Hurley Avenue Protocols fail to: (i) establish interested parties’ rights to request documentation; (ii) delineate a specific time period for interested parties to review information after the

⁵ Ibid.

⁶ The NYISO submits this filing in its role as Tariff Administrator for the NYISO OATT. The burden of demonstrating that the revisions proposed in this filing are just and reasonable rests with Central Hudson, the sponsoring party. The NYISO takes no position on any substantive aspect of this filing at this time.

⁷ 193 FERC § 61,126 at P. 30 and 31.

⁸ Ibid at P. 32.

- draft Annual Update Filing is posted on NYISO's website, and (iii) obligate Central Hudson to respond to interested parties' comments;⁹
- c. The Hurley Avenue Protocols do not address the required information to be included in informational filings in sufficient detail;¹⁰
 - d. The Hurley Avenue Protocols do not address interested parties' ability to challenge Central Hudson's accounting practices and do not require accounting change disclosures, which demonstrates a failure to ensure the appropriate level of transparency regarding the financial and cost information from which the formula rate's charges are developed;¹¹
 - e. The Hurley Avenue Protocols do not explicitly include a provision that allows interested parties to obtain, upon request, information on procurement methods and cost control methodologies used by Central Hudson;¹²
 - f. The Hurley Avenue Protocols do not address affiliate transactions and associated cost allocation;¹³
 - g. The Hurley Avenue Protocols do not provide for an annual meeting (nor the related notice requirement) and make no mention of posting information on OASIS, as required by the Commission;¹⁴ and
 - h. The Hurley Avenue Protocols do not address reorganizations or mergers – the identification of any reorganization or merger transactions and explain the effect of the accounting for such transactions on inputs to the formula rate.¹⁵
3. Challenge Procedures – The Commission noted that the Hurley Avenue Protocols do not contain informal challenge procedures to the level of specificity required nor do they contain the clarity that formal challenges are filed pursuant to the protocols and not Section 206 nor that formal challenges need to be filed in the informational filing docket. The Hurley Avenue Protocols also do not contain the filing requirements for an interested party to make a challenge. Last, the Commission has held that “a transmission owner's formula rate protocols must not impede the statutory rights of the Commission or other interested parties to initiate complaint proceedings pursuant to section 206 of the FPA.” Because the Hurley Avenue Protocols do not contain any challenge procedures, it is unclear if any

⁹ Ibid.

¹⁰ Ibid at P. 34.

¹¹ Ibid at P. 35-36.

¹² Ibid at P. 37.

¹³ Ibid at P. 38.

¹⁴ Ibid at P. 39-40.

¹⁵ Ibid at P. 41.

interested parties' or the Commission's statutory rights to initiate complaint proceedings are impeded.¹⁶

II. Central Hudson's Proposed Changes to Hurley Avenue Protocols:

Attachment A to this filing contains a clean version of the revised Hurley Avenue Protocols while Attachment B contains a redlined version. The revised Hurley Avenue Protocols address the Commission's concerns expressed in the Order and described above:

1. Scope of Participation – Revised protocols include a definition of Interested Parties in Section 2.o.
2. Transparency:
Revised protocols:
 - a. Define what information must be provided at the Publication Date for the Actual Annual Transmission Revenue Requirement (“Actual ATRR”) and Annual True-up Adjustment (Section 4.g) and for the Projected Annual Transmission Revenue Requirement (“Projected ATRR”) (Section 4.h);
 - b. Establishes interested parties' rights to request documentation (Section 6.a); (ii) delineate a specific period for interested parties to review information after the Annual Update and Annual True-up Adjustment are posted on NYISO's website (Section 2.t); and (iii) obligate Central Hudson to respond to interested parties' comments (Section 6.c and 8.b);
 - c. Specifies the required information to be included by Central Hudson in informational filings in sufficient detail (Section 7);
 - d. Requires Central Hudson to disclose changes in accounting (Section 4.g.vi and Section 4.h.iv) and provide that interested parties may challenge Central Hudson's accounting practices (Section 6.a.i, and Section 8.c.iii);
 - e. Allows interested parties to obtain, upon request, information on procurement methods and cost control methodologies used by Central Hudson (Section 6.a.ix);
 - f. Requires Central Hudson to provide information on affiliate transactions (Section 4.g.x);
 - g. State that Central Hudson will post its Informational Filing on its OASIS (Section 7) and that Central Hudson will hold an annual stakeholder

¹⁶ Ibid at 42-44.

- meeting to present, explain and answer questions concerning the Annual True-up Adjustment for the prior Rate Year and the Annual Update for the upcoming Rate Year. Central Hudson will provide the opportunity for remote participation at the Annual Stakeholder Meeting (Section 4.e); and
- h. Require that Central Hudson will identify any reorganization or merger transaction during the previous Rate Year and explain the effect of the accounting for such transaction(s) on inputs to the Formula Rate (Section 4.g.viii and Section 4 h.vi.).
3. Challenges Procedures – Revised protocols contain informal challenge procedures (Section 8) and clarify that formal challenges are filed pursuant to the protocols and not Section 206 and that formal challenges need to be filed in the informational filing docket (Section 8.g). Additionally, Central Hudson makes it clear that the Hurley Avenue Protocols do not impede the statutory rights of Interested Parties to initiate complaint proceedings pursuant to section 206 of the FPA (Section 8.j). Central Hudson also defines the filing requirements for an interested party to make an informal or formal challenge (Section 8.c).

III. List of Filing Documents

Attachment A – Clean version of the proposed revisions to the Hurley Avenue Protocols contained in Section 6.12.5.2.2 of Attachment 1 to Rate Schedule 12 of the NYISO OATT.

Attachment B – Redlined version of the proposed revisions to the Hurley Avenue Protocols contained in Section 6.12.5.2.2 of Attachment 1 to Rate Schedule 12 of the NYISO OATT.

IV. Conclusion

The proposed Hurley Avenue Protocols address the concerns in the Order and are consistent with the Commission’s requirements from the MISO proceedings,¹⁷ as well with protocols accepted by FERC for other entities with formula rates incorporated into NYISO’s OATT, including Central Hudson’s Rate

¹⁷ *Midwest Indep. Transmission Sys. Operator, Inc.*, 139 FERC ¶ 61,127 (2012), *order on investigation*, 143 FERC ¶ 61,149 (2013) (MISO Investigation Order), *order on reh’g*, 146 FERC ¶ 61,209, *order on compliance*, 146 FERC ¶ 61,212 (2014) (MISO Compliance Order), *order on reh’g*, 150 FERC ¶ 61,024, *order on compliance*, 150 FERC ¶ 61,025 (2015) (MISO Compliance Order II) (collectively, MISO Protocol Orders). To address whether MISO’s *pro forma* formula rate protocols and the formula rate protocols of individual transmission owners were sufficient to ensure just and reasonable rates, the Commission established paper hearing procedures.

Mechanism for the Recovery of CLCPA Eligible Projects.¹⁸ For the reasons set forth here, Central Hudson requests that the Commission approve these tariff revisions as filed with an effective date of March 18, 2026.

Respectfully submitted,

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cc: Parties on the service list compiled by the Secretary in Docket No. ER25-2636

¹⁸ NYISO OATT, 6.19.9-6.19.9.2.1 OATT Schedule 19 Attachment 4

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused a copy of the foregoing document to be served upon all parties designated on the official service list in these proceedings in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure.

Dated at Poughkeepsie, New York, this 16th day of January, 2026.

Respectfully submitted,

/s/ Christopher R. Sharp

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