

February 12, 2026

Submitted Electronically

Honorable Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
888 First Street N.E.
Washington, D.C. 20426

Re: New York Independent System Operator, Inc., Response to the Commission Staff's January 16, 2026, Letter, Submission of Revised Tariff Records, and Request for Expedited Action by March 16, 2026, for Waiver of Notice Period, and for an Abbreviated Comment Period, Docket No. ER26-570-001

Dear Secretary Reese:

The New York Independent System Operator, Inc. ("NYISO") respectfully submits this response ("Response") to the January 16, 2026 letter issued by Ms. Leanne Khammal, Acting Director, Division of Electric Power Regulation – East in this proceeding (the "January 16 Letter"). The January 16 Letter requested additional information concerning the NYISO's November 21, 2025, *Proposed Tariff Revisions Implementing Champlain Hudson Power Express Merchant Transmission Facility* ("November Filing") under Section 205 of the Federal Power Act ("FPA"). Specifically, the January 16 Letter directed the NYISO to address questions regarding the proposed NYISO Open Access Transmission Tariff ("OATT") revisions concerning: (i) the limited purpose Open Access Same-Time Information System ("OASIS") to be administered by the Champlain Hudson Power Express Merchant Transmission Facility (the "MTF"); and (ii) reassignments of transmission capacity reservations on the MTF.

This Response demonstrates that the NYISO's proposed OASIS and capacity reassignment tariff provisions concerning the MTF fully satisfy the Commission's "consistent with or superior to" standard. The Commission should therefore accept the November Filing, including the minor amendments proposed here to correct the NYISO's inadvertent omission of certain defined tariff terms and references to them that were meant to be included in the November Filing. In the alternative, if the Commission determines that the November Filing does not fully satisfy the "consistent with or superior to" standard, then the NYISO requests that the Commission accept the November Filing while granting waivers of any individual OASIS, North American Energy Standards Board ("NAESB") Wholesale Electric Quadrant ("WEQ") Standards, or reassignment requirements that the Commission believes the NYISO has not fully satisfied.

The NYISO also asks that the Commission **take expedited action** and issue an order accepting the November Filing **no later than 30 calendar days from the date of this Response, i.e., by March 16, 2026**. The NYISO further requests that the Commission **waive the standard notice period** to allow the NYISO's proposed tariff revisions to become effective **on March 16,**

2026. Finally, the NYISO asks that the Commission establish an abbreviated 10-day comment period commensurate with the requested timeline for Commission action. There is good cause for the Commission to take these steps so that the NYISO will have clear tariff authorization to schedule test energy on the MTF. The NYISO now expects that test energy scheduling will be ready to begin in late March. Timely test energy scheduling is essential to implementing the MTF in the NYISO-administered Energy¹ Market by the MTF's planned May 1, 2026 commercial start date. Not being ready to schedule test energy when Hydro-Quebec's transmission function ("HQT") and CHPE LLC (the "MTF Provider") are ready to do so risks delaying the substantial economic and reliability benefits that the MTF is expected to bring to New York and the ability of the MTF to commence commercial operation and start service for MTF Reservation holders. Further, no party protested the November Filing, including the original proposed effective date, and the NYISO has sought to expeditiously address the questions in the January 16 Letter by making this filing.

I. Introduction

The MTF will be implemented as a unidirectional transmission facility over which MTF Reservation holders can submit Bids to the NYISO to schedule Imports into the New York Control Area ("NYCA") from Quebec. Energy will be delivered at the Astoria Annex Substation in New York City and will be paid the Locational Based Marginal Price ("LBMP") that the NYISO develops for the Proxy Generator Bus representing that electrical location (the "Astoria Proxy Bus").

As explained in the November Filing and in proposed new Sections 41.3.1.5 through 41.3.1.7 of the NYISO's OATT, a key distinction with regard to Energy Market administration of the MTF is that the MTF Provider will administer MTF Reservations,² while the NYISO will schedule transmission service over the MTF as part of the NYISO's full operational control of the MTF. The NYISO will economically evaluate Bids submitted by MTF Reservation holders to Import Energy to the NYCA and schedule Import transactions that will contribute to achieving a least production cost solution.³ Because the NYISO will schedule Import Energy transactions based on its economic evaluation of *all* submitted Bids (including Bids submitted by NYCA Generators and Bids submitted at other external interfaces), holding a valid MTF Reservation will *not* guarantee that a request for transmission service on the MTF will be scheduled by the NYISO. The NYISO will also be responsible for curtailing scheduled Import transactions on the MTF when necessary to address unanticipated events.⁴ So, MTF Reservations will be administered by the MTF Provider, but requests for transmission service will be granted, limited, or denied by the NYISO. Attachment I to this Response presents a simplified, illustrative

¹ Capitalized terms that are not defined in this response have the meaning assigned to them in Section 1 of the NYISO's OATT, or in Section 41.1 of the proposed revisions to the OATT submitted as part of the November Filing (including the inadvertently omitted definitions included in the Attachments hereto).

² See proposed OATT Sections 41.3.1.4, 41.3.1.5.

³ See proposed OATT Sections 41.3.1.6., 41.3.1.7.

⁴ See proposed OATT Section 41.3.1.8.

example of how MTF Reservations will be implemented in the NYISO's Day-Ahead and Real-Time Markets.

This Response clarifies and provides additional details regarding the MTF Provider's and the NYISO's roles under the OATT revisions proposed in the November Filing. Proposed Section 41 of the NYISO's OATT focuses on MTF Reservations and other topics specific to the MTF. However, it does not limit the application of the NYISO's other Tariff rules. All of the NYISO's Commission-accepted Tariff rules may apply to entities that seek to schedule Energy Imports on the MTF. For example, the fact that Installed Capacity ("ICAP") is being sold to the NYCA over the MTF will not excuse a Market Participant from complying with the rules in Sections 5.11 and 5.12 of the NYISO's Market Administration and Control Area Services Tariff ("Services Tariff") that apply to External ICAP Suppliers. The NYISO's own Tariff and other regulatory responsibilities for the MTF are not expected to be significantly different from its responsibilities at other External Interfaces. The NYISO's operators will approve e-Tags and check-out MTF transactions with HQT's operators and, when necessary, will instruct the MTF to take actions that are needed to protect reliability. In the November Filing, the NYISO did not address these responsibilities or duties in the proposed OATT Section 41 rules because they are already covered by existing Tariff rules or reliability requirements. The MTF provider is not expected to assume duties that the NYISO will perform.

The November Filing proposed that the MTF Provider operate a limited purpose OASIS on which the information that is necessary to administer "physical" MTF Reservations will be posted. Proposed rules governing the limited-purpose OASIS have been added to Section 41 of the NYISO's OATT. "Physical" transmission service reservations are used to fund the construction of merchant transmission facilities like the MTF because holding physical rights guarantees the purchaser the right to use the line; and/or to sell-off rights that it does not intend to use. Physical transmission rights are different from the NYISO's Commission-accepted "financial" reservation regime that (a) bundles transmission service with Energy purchases and deliveries, and (b) does not allow Market Participants to reserve and hold transfer capability, but rather makes the capability of its transmission system available for scheduling each day in its Day-Ahead and Real-Time Markets.⁵ The NYISO's financial reservation system is beneficial because it enables the NYISO to efficiently use the full capability of the transmission system to arrive at a least production cost solution to serve NYCA Load using available Resources.⁶ The Commission has repeatedly found the NYISO's financial reservation model to be just and reasonable.⁷

⁵ See Section 3.1.8 of the OATT for information about how transmission service is scheduled in the NYCA.

⁶ See *Regional Transmission Organizations*, Order No. 2000, 65 Fed. Reg. 809 (Jan. 6, 2000), FERC Stats. & Regs. ¶ 31,089 at pg. 31,126 (2000) (holding that systems based on locational prices and financial rights "provide a sound framework for efficient congestion management"), *order on reh'g*, Order No. 2000-A, 65 Fed. Reg. 12,088 (Feb. 25, 2000), FERC Stats. & Regs. ¶ 31,092 (2000), *aff'd*, *Public Utility District No. 1 of Snohomish County, Washington v. FERC*, 272 F.3d 607 (D.C. Cir. 2001).

⁷ See *N.Y. Indep. Sys. Operator, Inc.*, 125 FERC ¶ 61,274 (2008) (confirming that the NYISO's financial reservation model was consistent with or superior to the physical reservation requirements of Order No. 890's *pro forma* OATT.); *N.Y. Indep. Sys. Operator, Inc.*, 123 FERC ¶ 61,134 (2008) (stating same).

The rules that the NYISO proposed in Section 41 of its OATT do not implement a “pure” physical scheduling rights regime, as contemplated by the Commission’s *pro forma* OATT and many of the NAESB WEQ standards. Instead, the NYISO, with input from the MTF Provider, HQT, and the Initial MTF Reservation Holder (“HQUS,” an affiliate of HQT), developed a hybrid design under which a valid MTF Reservation is required to submit a Bid to the NYISO for economic evaluation, and the total quantity of MTF Reservations available is limited to the (1,250 MW) physical capability of the line.⁸ This compromise gave the Initial MTF Reservation Holder (which currently holds all of the MTF Reservations) the ability to ensure it will be able to use the line to the extent economically feasible, and it enables the NYISO to employ its economic scheduling rules to evaluate Bids on the MTF and arrive at a least production cost solution to meet NYCA Load. As the NYISO explains below, this hybrid solution, when applied to the MTF’s single direct current (“DC”) transmission path with one Point of Receipt and one Point of Delivery, avoids the need for much of the complexity that was designed into the Commission’s OASIS rules and, particularly, into the NAESB WEQ standards. The NAESB WEQ implementation rules were developed to implement a complex, integrated alternating current (“AC”) transmission system over which a variety of different resource types and Imports can serve Load and Exports at a variety of locations. The NYISO had the luxury of tailoring its proposed OATT Section 41 rules to address the (relatively speaking) simple configuration of the MTF. Various NAESB WEQ standards are not needed to reliably and safely implement the MTF or are inapplicable to it because they involve functions that the MTF Provider will not perform. Attachments II and III to this Response address in detail both how the OASIS regulations set forth in Part 37 of the Commission’s regulations and NAESB WEQ standards adopted by Part 38 of the Commission’s regulations apply, and do not apply, to the MTF Provider and MTF Provider OASIS.

The proposed limited delegation of OASIS responsibility to the MTF Provider is necessary because the NYISO employs a purely financial transmission reservation process and would have to develop an entirely new suite of software capability to implement physical reservations on the MTF. The OASIS and related administrative responsibilities the NYISO proposes to assign to the MTF Provider in proposed Section 41 of its OATT are not capable of being performed by any of the NYISO’s existing scheduling systems. If the NYISO were to develop the necessary new functionality, the capability would *only* be used for physical transmission reservations associated with Imports over the MTF.

The MTF is needed to address reliability needs in New York City. The NYISO first selected the MTF as a permanent solution to New York City reliability needs in its November 20, 2023, *Short-Term Reliability Process Report: 2025 Near-Term Reliability Need Solution*

⁸ There are two instances where derates may limit the quantity of MTF Reservations available to less than the full capability of the MTF. See proposed OATT Sections.

Selection (“Solution Selection Report”).⁹ In that Report the NYISO described the reliability need that it was seeking solutions to address:

The 2023 Quarter 2 STAR¹⁰ found a Near-Term Reliability Need (“Need”) beginning in summer 2025 within New York City primarily driven by a combination of forecasted increases in peak demand and the assumed unavailability of certain generation in New York City affected by the “Peaker Rule.”¹¹ Specifically, the New York City zone (Zone J) would be deficient by as much as 446 MW for a duration of nine hours on the peak day during expected weather conditions when accounting for forecasted economic growth and policy-driven increases in demand.

...

The Need is based on a deficient transmission security margin that accounts for expected generator availability, transmission limitations, and updated demand forecasts using data published in the 2023 Load & Capacity Data Report (“Gold Book”). The transmission security margin represents the balance between demand for electricity and the power supply available from generation and transmission to serve that demand. This assessment recognizes that there is uncertainty in the demand forecast due to uncertainties in key assumptions including population and economic growth, the proliferation of energy efficiency, the installation of behind-the-meter renewable energy resources, and electric vehicle adoption and charging patterns....

After considering several alternative solutions (none of which were found to be viable and sufficient solutions), the NYISO identified the MTF as a preferred, permanent solution to the identified reliability need:

Permanent Solution

The Champlain Hudson Power Express (“CHPE”) project, planned to enter service in spring 2026, is a 1,250 MW HVDC underground and submarine cable from the Hertel substation in Quebec to the Astoria Annex 345 kV substation in New York City (Zone J). The project will deliver power from the Hydro Quebec control area to Zone J during the summer, but the facility is not expected to provide any capacity in the winter.

⁹ Link to Solution Selection Report: <https://www.nyiso.com/documents/20142/15930753/2023-Q2-Short-Term-Reliability-Process-Report.pdf/cb826e3-e31d-157d-89a0-d2d11f600699>.

¹⁰ Link to NYISO’s 2023 Quarter 2 Short-Term Assessment of Reliability (“STAR”): <https://www.nyiso.com/documents/20142/16004172/2023-Q2-STAR-Report-Final.pdf/5671e9f7-e996-653a-6a0e-9e12d2e41740>

¹¹ In 2019, the New York State Department of Environmental Conservation (“DEC”) adopted a regulation to limit nitrogen oxides (NOx) emissions from simple-cycle combustion turbines, referred to as the “Peaker Rule.” See DEC Peaker Rule: Subpart 227-3 Ozone Season Oxides of Nitrogen (Nox) Emission Limits for Simple Cycle and Regenerative Combustion Turbines, available at, <https://dec.ny.gov/regulatory/regulations/chapter-iii>.

CHPE has met all major milestones to be included in the NYISO reliability plans, starting with the 2022 RNA. The project completed the NYISO interconnection process as a member of Class Year 2021 in queue positions Q#631 and Q#887. In November 2021, NYSERDA finalized contracts with CHPE as a result of New York State’s Tier 4 Renewable Energy Credit (REC) program. CHPE has received all major necessary permits and several segments of the project are now under construction.¹²

The MTF is needed to help ensure reliable service to New York City Loads, particularly in the summer months. Because the MTF Provider OASIS will administer a limited set of physical scheduling requirements, the NYISO is able to modify the existing systems it uses to interface with operators of other merchant transmission lines: with ISO New England Inc. (“ISO-NE”) for the Cross-Sound Cable (“CSC”), and with PJM Interconnection, LLC (“PJM”) for the Neptune, Hudson Transmission Partners, and Linden VFT Scheduled Lines. Leveraging these existing systems, the NYISO does not have to create and integrate entirely new functionality for the MTF. Absent the limited delegation of responsibility to the MTF Provider, it would not be possible for the NYISO to implement the MTF in the NYISO’s Energy Market by May 1, 2026, in time for the upcoming summer season.

II. Response to the January 16 Letter’s Questions

A. The NYISO’s Proposed Tariff Revisions Establishing a Limited Purpose MTF Provider OASIS Fully Satisfy the “Consistent with or Superior to” Standard

The January 16 Letter asked the following questions as part of Question One concerning the NYISO’s proposal to establish a limited purpose OASIS to be administered by the MTF Provider:

Where NYISO’s OASIS posting requirements in section 2.4 do not apply to CHPE’s OASIS in section 41.1, please explain how having a separate CHPE OASIS is consistent with or superior to the Commission’s OASIS posting requirements established by Order Nos. 888, 889, and 890 and Parts 37 and 38 of the Commission’s regulations. Alternatively, explain whether waiver is sought of the requirements for the CHPE OASIS and why. In your response, please address the following:

- i) The proposed CHPE OASIS provisions do not include the requirement from the *pro forma* OATT that transmission providers “post on OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction,

¹² Solution Selection Report at 7.

and (iii) are not otherwise included in this Tariff. The Transmission Provider shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained.” Please explain how this deviation is consistent with or superior to the Commission’s *pro forma* OATT.

- ii) The *pro forma* OATT OASIS provisions state that terms and conditions of OASIS and standards of conduct are in 18 C.F.R. Parts 37 and 38. CHPE’s OASIS provisions do not contain this language. Please explain how this deviation is consistent with or superior to the Commission’s *pro forma* OATT.¹³

Section 4 of the *pro forma* OATT incorporates the terms of the Commission’s Part 37 OASIS regulations. Section 2.4 of the NYISO’s OATT contains very similar provisions. The NYISO’s proposed revisions governing the separate MTF Provider OASIS fully satisfy the “consistent with or superior to” standard with respect to *pro forma* OATT Section 4. The NYISO itself has obtained waivers from most OASIS requirements¹⁴ and many NAESB WEQ standards,¹⁵ because they are not applicable to the NYISO’s financial reservation transmission model.

As explained above, the NYISO will continue to perform the vast majority of the tasks and responsibilities addressed in Parts 37 and 38 of the Commission’s regulations.¹⁶ The MTF Provider should not be assigned compliance obligations for responsibilities that the NYISO performs consistent with its Commission-accepted Tariff rules and Commission accepted set of

¹³ January 16 Letter at 2-3.

¹⁴ See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, 133 FERC ¶ 61,208 (2010); 130 FERC ¶ 61,104 (2010) (granting NYISO’s request for waiver of numerous OASIS posting requirements under Part 37 of the Commission’s regulations generally because they are rules for physical reservation systems and therefore are not applicable to NYISO’s financial transmission reservation system). Specifically, the NYISO currently has waivers from the following Part 37 requirements: (i) 37.2(b) (Purpose); (ii) 37.6(a)(1) (to the extent that it requires the NYISO to post information relating to transmission services as contemplated in the *pro forma* OATT); (iii) 37.6(a)(4); (iv) 37.6(a)(5) (partial waiver to the extent that it requires posting of information related to historical transmission service requests); (v) 37.6(b)(1), 37.6(b)(2)(i-ii), and 37.6(b)(3)(i-iii) (with respect to the NYISO’s internal interfaces to the extent necessary); (vi) 37.6(c)(1) (posting prices and summary of the terms and conditions associated with offered transmission products); (vii) 37.6(c)(2) (to the extent that it requires posting information related to transmission services as contemplated in the *pro forma* OATT); (viii) 37.6(c)(3) (posting of discount offers); (ix) 37.6(c)(4) (posting of various information related to specific transactions, including price, quantity, delivery/receipt points, length and type of service, and other information); (x) 37.6(c)(5) (posting of resale offers of transmission capacity); (xi) 37.6(d)(1) (posting of ancillary services required to be provided or offered under the *pro forma* tariff); (xii) 37.6(d)(2, 4), (xiii) 37.6(d)(3) (posting of information associated with specific ancillary services transactions, including date/time the agreement was entered into, price, quantity, length, and type of service, etc.); (xiv) 37.6(d)(5) (posting by entities offering ancillary services if required to be offered by the transmission provider); (xv) 37.6(e)(1) (posting of all requests for transmission and ancillary services offered by the transmission provider, including requests for discounts); (xvi) 37.6(e)(2, 3); (xvii) 37.6(f), (xviii) 37.6(g)(1-4), (xix) 37.6(i)(1-4), and (xx) 37.6(j)(1, 2).

¹⁵ See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, 185 FERC ¶ 61,067 (2023).

¹⁶ See 18 C.F.R. Pt. 37; 18 C.F.R. Pt. 38.

OASIS and NAESB commitments and waivers. Below, the NYISO explains that the MTF Provider's OASIS-related responsibility is limited to managing the MTF Reservations that determine who can submit Bids to the NYISO for economic evaluation and possible scheduling on the MTF. The MTF Provider will *not* grant transmission service in New York; only the NYISO will schedule and curtail transmission service. Holding a valid MTF Reservation does *not* guarantee that a Bid to import Energy to New York on the MTF will be scheduled by the NYISO.

As discussed below in Sections II.A.2 and .3, the NYISO's proposed OATT Section 41 provisions require the MTF Provider to match, or to surpass, what Parts 37 and 38 require with respect to the MTF Provider OASIS's limited functions. Many OASIS regulations and NAESB standards are inapplicable to the MTF given its characteristics and limited role. Many of the requirements that would apply to a traditional Transmission Provider operating a networked grid are performed by the NYISO, not by the MTF Provider.

1. The NYISO Consents to Clarifying OATT Section 41 by Adding *Pro Forma* OATT References to OASIS Regulations and NAESB WEQ Standards That Are Applicable to the MTF Provider

As an initial matter, the NYISO has no objection to clarifying Section 41 of its OATT to include MTF-specific language tracking the *pro forma* OATT language expressly referenced by subparts "i" and "ii" of Question One. The NYISO has always understood that the limited purpose of the MTF Provider OASIS would comply with all applicable requirements of the *pro forma* OATT, which incorporates by reference 18 C.F.R. Parts 37 and 38, and related NAESB WEQ standards. The proposed definition of "MTF Provider OASIS" in Section 41.1 states that "[t]he MTF Provider OASIS will satisfy all FERC requirements for the transmission path associated with the MTF." The omission of the *pro forma* language in the November Filing regarding the OASIS regulations and NAESB WEQ standards was not intended to excuse the MTF Provider from applicable regulatory obligations.

Accordingly, the NYISO consents to the Commission conditioning its acceptance of the November Filing on the NYISO submitting a compliance filing to add appropriate *pro forma* language to Section 41 of its OATT that tracks the *pro forma* OATT language expressly referenced by subparts "i" and "ii" of Question One as applied to the MTF. Because such a condition would be consistent with the NYISO's original intent and would not make material changes to the NYISO's proposal, the NYISO believes that the Commission has ample authority to adopt such a condition or conditions.¹⁷

Specifically, the NYISO's compliance filing could revise proposed Section 41 to state that the MTF Provider would "post on [its] OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service,

¹⁷ See *NRG Power Mktg., LLC v. FERC*, 862 F.3d 108 at 114-15 (D.C. Cir. 2017) (*NRG*) (discussing the Commission's authority to propose modifications to a utility's FPA section 205 rate proposal).

(ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. The MTF Provider shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained.”

In addition, the NYISO’s compliance filing could revise proposed Section 41 to recite that “Terms and conditions regarding Open Access Same-Time Information System and Standards of Conduct are set forth in 18 C.F.R. Part 37 (Open Access Same-Time Information System and Standards of Conduct for Public Utilities) and 18 C.F.R. Part 38 of the Commission’s regulations (Business Practice Standards and Communication Protocols for Public Utilities) (herein after referred to as “Business Practices”).” The NYISO could also add language listing the WEQ Version 4.0 standards and incorporating them by reference “to the extent that the requirements therein apply to the MTF Provider.” The Commission has repeatedly accepted such language in orders addressing the CSC’s compliance with the NAESB WEQ standards¹⁸ and the NYISO believes that precedent could be adopted to address the MTF Provider’s obligations.

2. The November Filing Supports a Finding that the MTF Provider OASIS Proposal Is “Consistent with or Superior to” All Regulatory Requirements Incorporated into the *Pro Forma* OATT

The November Filing did not reference the “consistent with or superior to” standard, but it made several points that are responsive to Question One. First, the November Filing explained why establishing a separate MTF Provider OASIS was justified given the MTF’s characteristics and the realities of integrating the MTF with the NYISO’s systems. The NYISO explained that “the MTF Provider would operate a limited purpose OASIS on which the information that is necessary to administer ‘physical’ MTF Reservations will be posted.”¹⁹ This is because:

[T]he NYISO employs a purely financial transmission reservation process and would have to develop an entirely new suite of software capability to implement physical reservations on the MTF. The OASIS and related administrative responsibilities the NYISO proposes to assign to the MTF Provider in Section 41 of its OATT are not capable of being performed by any of the NYISO’s existing scheduling systems. If the NYISO were to develop the necessary new functionality, the capability would **only** be used for physical transmission reservations associated with Imports over the MTF.²⁰

The November Filing also noted that the NYISO’s proposed MTF Provider OASIS rules were modeled on, and comparable to, the Commission-accepted OASIS arrangements for the

¹⁸ See, e.g. *Cross-Sound Cable Company, LLC*, 126 FERC ¶ 61,297 at P 10 (2009) (“Based on these factors, Cross-Sound indicates that it has inserted conditional language indicating that “to the extent that these requirements therein apply to Cross-Sound Cable.”).

¹⁹ November Filing at 7.

²⁰ *Id.* (emphasis in original).

CSC under Schedule 18 of the ISO-NE OATT. The CSC is an undersea, DC merchant transmission line between Connecticut and Long Island that is operated by CSC, LLC, subject to the operational control of ISO-NE, and interconnects with the NYISO's system. The CSC is similar in many ways to the MTF and the Commission's acceptance of ISO-NE's CSC OASIS provisions provides precedent for accepting the MTF Provider OASIS in OATT Section 41. Both are DC transmission facilities that bridge two Balancing Authority Areas, and both are limited to a single scheduling path. As addressed in greater detail below, the Commission has recognized that the simplicity of the CSC's implementation means that some Part 37 and Part 38 requirements are not applicable to the CSC.²¹

Even setting aside the similar regulatory posture of the CSC and the MTF, there is ample practical justification for the NYISO's approach. As the November Filing explained, there are substantial cost and timing reasons for having a separate, limited purpose MTF Provider OASIS:

[I]ncorporating the MTF Provider OASIS web pages into NYISO's existing hardware and software infrastructure would require not just development of the new OASIS functionality, but also significant modifications to the NYISO's existing systems to accommodate the introduction of an OASIS that employs "physical" scheduling rights, including fundamental design adjustments to the NYISO's market systems, software and compliance protocols. The changes to the NYISO's existing systems and software that would be necessary to enable the NYISO to implement physical transmission scheduling rights present risks of extended development cycles and potential impacts to ongoing NYISO commitments and operations.²²

The Commission's OASIS regulations expressly contemplate that multiple transmission providers may share responsibility for performing OASIS functions.²³ The NYISO's proposed division of OASIS responsibilities should not cause any concern under the "consistent with or superior to" standard.

Section III.F of the November Filing's transmittal letter described the "additional monitoring capabilities that will enhance the NYISO's ability to effectively oversee the MTF . . ." ²⁴ The MTF Provider will be subject to oversight by the NYISO's Market Monitoring and Analysis Department and its independent Market Monitoring Unit ("MMU").²⁵ Independent

²¹ A difference between the CSC and MTF arrangements is that the web page for CSC transmission reservations is hosted on ISO-NE's OASIS, whereas the MTF Provider's website will be separate from the NYISO's OASIS.

²² November Filing at 7.

²³ 18 C.F.R. § 37.5(a) ("Each Transmission Provider is required to provide for the operation of an OASIS, either individually or jointly with other Transmission Providers, in accordance with the requirements of this Part.").

²⁴ *Id.*

²⁵ *See, e.g.*, proposed OATT Sections 41.5.9, 41.6, 41.15, 41.16, which enhance the NYISO's and the MMU's ability to monitor the MTF Provider and MTF users.

monitoring of OASIS administration is not required by the Commission's regulations. The fact that the MTF Provider OASIS will be subject to such oversight is an important way in which the NYISO's proposal will provide superior transparency and customer protection compared to the *pro forma* OATT's incorporation of Part 37.

Finally, the Commission should weigh the fact that the proposed OATT Section 41 revisions were approved unanimously and without abstentions by the NYISO's stakeholders,²⁶ that no party has raised any concerns regarding the transparency or functionality of the MTF Provider OASIS in this proceeding (or any other matter), and that the proposed OATT Section 41 provisions are modeled closely on tariff arrangements for merchant transmission lines in ISO-NE and PJM that were previously accepted by the Commission.

3. Additional Support for a Finding that the MTF Provider OASIS Proposal Is "Consistent with or Superior to" Part 37's Requirements

The Commission's OASIS regulations are clear that their purpose is to "ensure that potential customers of open access transmission service receive access to information that will enable them to obtain transmission service on a non-discriminatory basis from any Transmission Provider."²⁷ The NYISO's MTF Provider OASIS proposal will achieve this objective in a manner that reflects the characteristics of the MTF and is appropriate given the division of OASIS responsibilities between the MTF Provider and the NYISO.

Specifically, the MTF is a unidirectional DC path that is not comparable to traditional utility AC transmission networks because its interaction with other components of the electric grid occur at its Point of Receipt and its Point of Delivery. The MTF Provider's regulatory responsibilities are limited to administering MTF Reservations. For all other functions, the NYISO already complies with or has obtained waiver of the Commission's Part 37 (and, as explained below, Part 38 regulatory requirements). Thus, there is no reason to require the MTF Provider, or the NYISO, to incur the expense that would be required to set up an MTF Provider OASIS that satisfied all of the standard Part 37 (and applicable Part 38 requirements).

As set forth below, the proposed MTF Provider OASIS rules in OATT Section 41 expressly or impliedly address all *pro forma* OATT-incorporated OASIS requirements that are applicable to the MTF. As a whole, the proposed MTF Provider OASIS rules provide comparable, or in some cases, greater transparency and functionality than the *pro forma* requirements. The Commission should therefore find that the November Filing's MTF Provider OASIS provisions satisfy the "consistent with or superior to" standard.

The NYISO's proposed definition of "MTF Provider OASIS" in OATT Section 41.1 states that "[t]he MTF Provider OASIS will satisfy all FERC requirements for the transmission path associated with the MTF and MTF Reservations will be offered to qualified Transmission

²⁶ See November Filing at 24.

²⁷ 18 C.F.R. § 37.2(a).

Customers on the MTF Provider OASIS.” That definition also specifies that the MTF Provider will be “responsible for administering and maintaining the MTF Provider OASIS, administering MTF Reservations, and operating the MTF consistent with the Operating Agreement between the MTF Provider and ISO, the ISO’s Tariffs and applicable reliability standards and rules.” The MTF Provider OASIS is being developed by Open Access Technologies, Inc. (“OATI”). It will employ very similar communications and implementation standards to OASIS sites that implement “physical” reservations in a manner that more closely corresponds to the *pro forma* OATT requirements, and to the NAESB WEQ standards that were developed to implement the Commission’s *pro forma* requirements. OATI is modifying its standard implementation only to reflect (a) the limited functions that the MTF Provider will perform under the proposed OATT Section 41 rules, and (b) the simple, linear configuration and operation of the MTF’s transmission facilities.²⁸

Thus, in general, the MTF Provider will have the ability to comply with the Part 37 requirements that are relevant to its limited Transmission Provider responsibilities and that are not being performed for it by the NYISO. The NYISO summarizes the application of certain Part 37 requirements relevant to the MTF Provider OASIS in Attachment II. The information in Attachment II provides additional detail on the MTF Provider OASIS arrangements, clarifies which Part 37 requirements the MTF Provider will satisfy and which are not relevant to the MTF, and builds additional record support for accepting the November Filing. To the extent that a particular requirement under Part 37 is not addressed in Attachment II, the MTF Provider OASIS, and/or the MTF Provider’s posted Business Practices, will satisfy it and thus no further explanation is necessary.²⁹

4. Support for a Finding that the NYISO’s Proposed Tariff Revisions Are Consistent with or Superior to Part 38’s Requirements

Section 2.17 of the NYISO OATT and Section 5.1.2 of the NYISO Services Tariff each list the NAESB WEQ standards that apply to the NYISO, along with the NAESB standards that the NYISO has obtained waivers of, often on multiple occasions. Many of the NYISO’s waivers are based on its use of a financial reservation transmission model. The NYISO is not taking the position that the NYISO’s waivers automatically apply to the MTF Provider for the same reasons that they apply to the NYISO. However, the MTF Provider should not be required to assume compliance directives for responsibilities that the NYISO already performs and that the MTF Provider will not perform. As with the Part 37 regulations, the MTF Provider will comply with those NAESB WEQ standards that are applicable and relevant to the limited services that it provides and the limited functions that it performs. However, as discussed below, given the relatively limited nature of services offered on the MTF and the simple, limited configuration of

²⁸ As explained above, the MTF will have one Point of Delivery and one Point of Receipt. Because it is a DC line that will link two asynchronously operated AC systems, its interaction with those AC systems occurs at the Hertel substation in Quebec and the Astoria Annex substation in New York City.

²⁹ The NYISO consulted with CHPE LLC, who has confirmed this statement.

the MTF’s DC transmission facilities, various WEQ standards are not applicable or relevant to the MTF Provider for MTF-specific reasons.

As an initial matter, the MTF Provider is not subject to, and is not required to seek waiver of, NAESB standards that are facially inapplicable to Transmission Providers.³⁰ Those standards include: (i) WEQ-004 and WEQ-025 which apply to Transmission Service Providers but not to Transmission Providers; (ii) WEQ-005, WEQ-006, and WEQ-007, which only apply to Reliability Coordinators and Balancing Authorities; (iii) WEQ-015 and WEQ-021, which apply only to Independent System Operators (“ISOs”) and Regional Transmission Organizations (“RTOs”); and (iv) WEQ-025, which only applies to Transmission and Distribution Service Providers (“TDSPs”). The MTF Provider is a “Transmission Provider” and an “Observer” but not a Transmission Service Provider, Reliability Coordinator, Balancing Authority, ISO, RTO, or TDSP for purposes of the NAESB WEQ standards.³¹

In addition, the WEQ standards generally state that an entity is not obligated to implement particular NAESB requirements if its tariff does not contain the provision that a particular NAESB standard is implementing. Because of the relatively narrow scope of services available on the MTF, many WEQ standards will not apply to the MTF Provider for this reason.

The Commission has routinely granted requests for waivers of NAESB WEQ or similar NAESB natural gas standards in analogous circumstances. For example, the Commission agreed with certain natural gas pipelines that a waiver of standards related to pooling services was warranted when it was infeasible for the pipelines to provide them.³² The Commission has also granted waivers of NAESB standards related to services that individual pipelines did not provide.³³ The Commission has granted numerous NAESB waivers over the years to ISO-NE, the California Independent System Operator Corporation, and others, in addition to the NYISO, when those entities explained how services that they provided differed from *pro forma* OATT services.³⁴

³⁰ Order No. 676-H Rehearing Order, 151 FERC ¶ 61,046 at P 20 (2015).

³¹ The Commission has previously applied this rule to the CSC and to other non-ISO/RTO Transmission Providers. See, e.g., *Participating Transmission Owners Administrative Committee*, 151 FERC ¶ 61,154 at PP 33-35 (2015).

³² See, e.g., *Standards for Business Practices of Interstate Natural Gas Pipelines*, 133 FERC ¶ 61,096 at P 11 (2010) (“We grant waiver of the NAESB WGC Version 1.9 Standards relating to pooling based on these pipelines’ representations that it is currently infeasible to provide pooling services.”).

³³ See, e.g., *id.* at P 12; *Standards for Business Practices of Interstate Natural Gas Pipelines*, 133 FERC ¶ 61,185 at P 28 (2010).

³⁴ See, e.g., *ISO New England, Inc.*, 185 FERC ¶ 61,070 at PP 6, 9-10 (2023) (granting renewed waivers of WEQ-001 standards “because ISO-NE’s regional transmission service is significantly different from the network integration and point-to-point transmission services under the Commission’s *pro forma* OATT, which are the basis for the NAESB standards”); *Cal. Indep. Sys. Operator Corp.*, 192 FERC ¶ 61,241 at P 11 (2025).

Similarly, the Commission clarified in Order No. 676 that, “[a] public utility whose OASIS is administered by an ISO or RTO may comply with the requirement to include the OASIS standards in its OATT by adding a provision to its OATT stating that the ISO or RTO will be performing these functions on its behalf.”³⁵ The NYISO already satisfies many WEQ standards on behalf of its Transmission Owner members that own integrated transmission networks. The NYISO will do the same for the MTF Provider with respect to many WEQ standards.

Further, the Commission has found that waivers of NAESB WEQ standards that address services or functions that an entity does not provide are not required in circumstances like this. For example, the CSC is a merchant transmission facility that performs functions similar to the MTF. CSC, LLC is a Transmission Provider like the MTF Provider will be. The Commission has held that the CSC need not seek waivers of WEQ Standards that are not applicable to the services that it performs even if they otherwise apply to Transmission Providers. In 2015, the Commission denied renewals of previously granted WEQ waivers to CSC, LLC and other Transmission Providers operating under the ISO-NE Tariff because:

The Filing Parties are transmission providers, so the standards apply to them, and they are required to implement the standards once they perform the relevant business practices (even if they currently do not perform those practices). By denying the waivers, we ensure that the applicant (here, Filing Parties) begins performing the relevant business practices when they become applicable, without the administrative burden of being responsible for submitting a filing to amend its tariff.³⁶

ISO-NE implemented this directive for CSC by adding Attachment Z to Schedule 18 of the ISO-NE OATT. Attachment Z lists all currently effective NAESB WEQ standards and states that they are “incorporated by reference to the extent that the requirements therein apply to Cross-Sound Cable.” The NYISO would consent to adding identical language to OATT Section 41 to align NAESB-related compliance related provisions for the MTF with those that have been in place for the CSC since 2015.³⁷

The NYISO proposes to submit such language in a compliance filing if the Commission gave it a compliance directive in an order accepting the November Filing. The NYISO does not believe that such a directive would implicate *NRG*’s limitations on the Commission’s authority to condition Section 205 filings. Adding the Attachment Z language to OATT Section 41 would be in the nature of a compliance filing because the NYISO submits its own updates and revisions to Section 2.17 of the NYISO OATT and Section 5.1.2 of the NYISO Services Tariff as

³⁵ 115 FERC ¶ 61,102 at P 83 (2006).

³⁶ See 151 FERC ¶ 61,154 at P 32.

³⁷ The NYISO consulted with CHPE LLC and has been authorized by CHPE LLC to state that it also consents to adding identical language to Section 41 to align NAESB-related compliance related provisions for the MTF with those that have been in place for the CSC since 2015.

compliance filings, not Section 205 filings.³⁸ To the extent that *NRG* is implicated, the NYISO believes that the Commission has authority to impose such a condition because it would be consistent with the NYISO's intent at the time that it made the November Filing regarding the MTF's obligation to comply with applicable Part 38 requirements, does not materially alter the filing, and is limited in scope. For the avoidance of any possible doubt, the NYISO consents to the Commission imposing such a condition in an order accepting the November Filing.

For the Commission's information, the NYISO describes the application of certain relevant Part 38 requirements to the MTF Provider in Attachment III. The discussion therein explains why various WEQ standards are inapplicable to the MTF Provider and thus provides additional record support for the Commission to accept the November Filing's proposed tariff revisions as consistent with or superior to the *pro forma* OATT. To the extent that a particular requirement under Part 38 is not addressed in Attachment III, the MTF Provider OASIS, and/or the MTF Provider's posted Business Practices, will satisfy it and thus no further explanation is necessary.³⁹

B. The NYISO's Proposed Tariff Revisions Addressing Transmission Capacity Assignments on the MTF Fully Satisfy the "Consistent with or Superior to" Standard

The January 16 Letter's Question Two reads:

Proposed sections 41.8.1, 41.8.2, 41.8.3, and 41.18 provide procedures for the sale, assignment or transfer of physical transmission rights on the MTF. Please explain how the proposed language is consistent with or superior to the Commission's *pro forma* OATT provisions on capacity reassignment.

The NYISO eliminated its tariff provisions governing the resale and transfer of physical point-to-point transmission reservations in 2009. The Commissions accepted the NYISO's explanation that those provisions were "not relevant to the NYISO's system of financial reservations of transmission service" and that no NYISO transmission customer had made use of them to assign physical transmission capacity to another customer in the NYISO's entire history up to that time.⁴⁰ The NYISO is not relying on those findings to support the capacity reassignment rules that it proposed for the MTF in the November Filing, which instead are designed to address the fact that the MTF provides physical transmission capacity. It is important to remember, however, that the MTF Provider is *only* responsible for administering MTF Reservations. Under the proposed OATT Section 41 rules, the NYISO grants all transmission service in the NYCA based on its economic evaluation of Bids to arrive at a least production cost solution, including Bids to schedule Imports on the MTF.

³⁸ See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, NAESB Compliance Filing, Docket No. ER25-2680 (pending). See also *N.Y. Indep. System Operator, Inc.*, 185 FERC ¶ 61,067 (2023).

³⁹ The NYISO consulted with CHPE LLC, who has confirmed this statement.

⁴⁰ See *N.Y. Indep. Sys. Operator, Inc., et al.*, Letter Order, Docket No. ER09-984-000 (June 5, 2009).

In addition to accepting the prior elimination of tariff provisions governing the resale and transfer of physical point-to-point transmission reservations, the Commission accepted revisions to the NYISO's Tariffs eliminating non-firm transmission service in 2014.⁴¹ Non-firm transmission service will not be available on the MTF and is not available on any other New York State Transmission Facility.⁴²

The November Filing did not specifically address how proposed new OATT Sections 41.8.1, 41.8.2, 41.8.3, and 41.18 compared to the Commission's *pro forma* transmission capacity reassignment provisions. The NYISO clarifies here that those provisions are modeled closely on the physical reservation capacity reassignment provisions that the Commission accepted for the CSC.⁴³ The MTF and CSC rules are very similar to the reassignment rules set forth in Section 23 of the *pro forma* OATT. The limited differences reflect the characteristics of a single DC scheduling path merchant transmission facility, compared to the more complex integrated AC transmission networks the *pro forma* rules were developed to accommodate.

Specifically, proposed OATT Sections 41.8.1, 41.8.2, 41.8.3, and 41.18 closely mirror the CSC provisions included in Schedule 18 of the ISO-NE OATT, which have been accepted by the Commission.⁴⁴ The OATT Section 41 and CSC provisions both closely mirror the *pro forma* OATT. Specifically, proposed OATT Section 41.8.1 and *pro forma* OATT Section 23.1 provide for a Transmission Customer to sell, assign, or transfer all or a portion of its rights under a service agreement, but only to an Eligible Customer. Section 23.2 of the *pro forma* OATT places limitations on the assignment or transfer of service, and proposed OATT Section 41.8.2 includes similar limitations. Importantly, proposed OATT Section 41.8.3 reflects essentially the same requirement contained in *pro forma* OATT Section 23.3 that sales or assignments must be posted on the MTF Provider OASIS on or before the date the reassigned service commences. Proposed OATT Section 41.8.3 also provides for the posting of MTF Reservations available for resale on the MTF Provider OASIS, which tracks Section 23.3 of the *pro forma* OATT.

The Commission explained that provisions in Schedule 18 to the ISO-NE OATT addressing the CSC that differ from the ISO-NE Tariff must be shown to be "consistent with or superior to" the existing provisions of the ISO-NE Tariff.⁴⁵ Proposed Sections 41.8.1, 41.8.2,

⁴¹ See *N.Y. Indep. Sys. Operator, Inc.*, 149 FERC ¶ 61,020 (2014) (accepting NYISO's proposal to remove its form of non-firm point-to-point transmission service for External transactions); *N.Y. Indep. Sys. Operator, Inc.*, Docket No. ER11-2459-000 (Feb. 10, 2011) (same with respect to Internal transactions); NYISO OATT Section 3.2.

⁴² See Attachments II and III to this Response for additional discussion of the inapplicability to the NYISO of specific OASIS regulations and NAESB WEQ standards addressing non-firm transmission service.

⁴³ The NYISO previously explained that the entirety of OATT Section 41 was based "in large" part on the Commission-accepted CSC rules set for in Schedule 18 to the ISO-NE OATT. See November Filing at 2. The NYISO is confirming here that OATT Section 41's proposed reassignment provisions are based on the accepted CSC rules.

⁴⁴ *Cross-Sound Cable Co., LLC*, 106 FERC ¶ 61,116 at P 22 (2004), *order on reh'g*, 109 FERC ¶ 61,233 (2004); See ISO-NE OATT Schedule 18, Sections 9.1, 9.2, 9.3 and 18.

⁴⁵ 99 FERC ¶ 61,338 at n.6.

41.8.3, and 41.18 of the NYISO's OATT are necessary to facilitate the integration of the MTF into the NYCA. As explained in Section I of this Response, the proposed rules achieve a compromise between the NYISO, the MTF Provider, the Initial MTF Reservation Holder, and HQT as to a hybrid financial/physical solution that will enable the NYISO to continue to grant transmission service using financial reservations and economic evaluation of Bids to import Energy on the MTF to develop a least production cost solution, while providing MTF Reservation holders the ability to sell Capacity and Energy to New York consistent with the NYISO's tariffs, and for HQUS to meet its contractual obligations to provide Energy to New York City. The NYISO's stakeholders unanimously voted to allow the proposed OATT Section 41 rules to be submitted to the Commission under Section 205 of the FPA.⁴⁶ The broadly supported, negotiated compromise that resulted in proposed OATT Sections 41.8.1, 41.8.2, 41.8.3, and 41.18 demonstrates that applying the proposed rules to the MTF would be consistent with or superior to the existing provisions of the NYISO OATT.

III. Alternative Requests for Waivers of Individual OASIS Regulations and NAESB WEQ Standards

For the reasons specified above, the Commission should find the proposed revisions to Section 41 of the NYISO OATT to be "consistent with or superior to" the *pro forma* OATT because the MTF Provider will match or surpass the applicable Part 37 and Part 38 requirements which are incorporated by reference into the *pro forma* OATT. The Commission should therefore accept the November Filing with the minor conditions described above in Section II.A.1 of this Response and the ministerial amendments that are addressed below in Section IV of this Response.

In the alternative, if the Commission decides that the NYISO's proposed tariff revisions do not fully satisfy the "consistent with or superior to" standard, then the NYISO respectfully requests waivers of any individual OASIS regulations or NAESB WEQ standard at issue. The January 16 Letter suggested that the NYISO could make an alternative waiver request. Specifically, if the Commission concludes that any of the individual Part 37 requirements or Part 38 standards have not been satisfied, then there would still be good cause for waiving any such individual requirements based on the NYISO's "consistent with or superior to" and/or applicability arguments made for each such requirement. That is, if there is some reason why the Commission does not accept an argument for the purposes that they are offered in Section II of this Response, then those arguments would still provide good cause for granting individual waivers. Granting any individual waivers and accepting the November Filing would avoid delaying implementation of the MTF when the NYISO's proposal is otherwise fully compliant

⁴⁶ Link to Final Motions from the NYISO's September 24, 2025 Management Committee meeting: <https://www.nyiso.com/documents/20142/53962361/092425%20mc%20final%20motions.pdf/f8a5b89c-c6fb-9c1b-d133-2c7982dae585>

with all regulatory requirements and will ensure transparency and protection of customers as explained herein and in the November Filing.⁴⁷

IV. Proposed Tariff Amendments

Footnote 13 of the January 16 Letter contains the Commission's standard requirement that the NYISO include at least one revised tariff sheet with this response. The NYISO is attaching revised tariff corrections to include two defined terms that were discussed in the November Filing but that were inadvertently omitted from its proposed revisions to Section 1 of the NYISO OATT and Section 2 of the NYISO Services Tariff. The two terms are "Champlain Hudson Power Express Merchant Transmission" and "MTF Reservation." They were described in the NYISO's transmittal letter⁴⁸ for the November Filing and thus are not discussed further here. The NYISO is also submitting corrections to incorporate proposed modifications to a pair of other tariff definitions, "Qualified Non-Generator Voltage Support Resource" and "Real-Time Scheduling Window," that were described in the NYISO's transmittal letter but inadvertently omitted from the November Filing.

Like the rest of the November Filing, these omitted tariff revisions were approved unanimously with no abstentions by the NYISO's stakeholders and by its independent Board of Directors. There is thus no question that the NYISO is authorized to submit the corrections now.

V. Request for Expedited Commission Action by March 16, 2026

The NYISO respectfully requests that the Commission act expeditiously to issue an order accepting the November Filing, as amended and further supported by this response, within 30 calendar days, i.e., by March 16, 2026.⁴⁹ Expedited action is necessary to avoid delaying the many economic and reliability benefits that the MTF is expected to bring to New York and the ability of CHPE to commence commercial operation and provide service to customers. The NYISO also asks that the Commission establish an abbreviated 10-day comment period commensurate with the requested expedited timeline for Commission action.

In particular, the NYISO's Short Term Assessment of Reliability for the Fourth Quarter of 2025 recently reiterated that the MTF is necessary to address identified near-term reliability needs in New York City.⁵⁰ If a Commission order is issued by March 16, 2026, it will provide sufficient time and regulatory certainty for the NYISO and other affected entities to complete the

⁴⁷ The NYISO is authorized to state that CHPE LLC would support any necessary request(s) for waivers of individual OASIS regulations or NAESB WEQ standards.

⁴⁸ See November Filing at 21.

⁴⁹ The 30th calendar day after this filing is March 14, 2026, a Saturday. The NYISO is therefore asking for Commission action by March 16.

⁵⁰ See Short-Term Assessment of Reliability: 2025 Quarter 4 at 23 (Jan. 13, 2026), <https://www.nyiso.com/documents/20142/16004172/2025-Q4-STAR-Report-Final.pdf/7ee427bd-df7f-2808-ad58-2cac68daa90d>.

work necessary to implement the MTF in the NYISO's Energy Market by May 1, 2026. Commission action by the requested date importantly will allow the scheduling of test energy in late March, which is itself a prerequisite to timely meeting the May 1, 2026 date.

VI. Request for March 16, 2026 Effective Date

The NYISO originally requested a January 21, 2026, effective date for the November Filing's proposed tariff revisions. The NYISO now asks that the Commission make the November Filing's proposed tariff revisions, as amended and further supported by this response, effective on March 16, the same date the NYISO has asked the Commission to act by.

In accordance with 18 C.F.R. § 35.11, there is good cause to waive the standard 60-day notice period in this instance. As noted in the November Filing, NYISO, HQT, and CHPE plan to schedule test energy over the MTF in late March, which is a prerequisite that must be met before the MTF's implementation in the NYISO Energy Market is complete on or after May 1, 2026. Scheduling test energy is a necessary part of the complex, sequential preparations that must be completed before the MTF can commence operations. At the time of the November Filing, the NYISO anticipated that test energy might be scheduled as early as February, although the NYISO emphasized that the exact starting date would be dependent upon a variety of conditions many of which are outside of the NYISO's control. Test energy is currently anticipated to be scheduled by late March. If the NYISO's proposed tariff revisions are made effective by March 16, 2026, it would ensure that they would be on file to govern the scheduling of test energy. The NYISO would thus be able to schedule test energy consistent with the FPA's requirements, while continuing to work in regular order towards a May 1, 2026 implementation date for the MTF.

VII. Documents Submitted

The NYISO submits the following documents with this response:

- “Simplified, Illustrative Example of How the NYISO’s Proposed OATT Section 41 Rules and the NYISO’s Exiting Tariff Would Implement MTF Reservations in the NYISO’s Day-Ahead and Real-Time Markets” (Attachment I);
- “Applicability of the Part 37 OASIS Regulations to the MTF Provider” (Attachment II);
- “Applicability of the NAESB Standards Incorporated Into Part 38 of the Commission’s Regulations to the MTF Provider” (Attachment III);
- A clean version of the NYISO’s proposed OATT Amendments (Attachment IV);
- A blacklined version of the NYISO’s proposed OATT Amendments (Attachment V);
- A clean version of the NYISO’s proposed Services Tariff Amendments (Attachment VI); and
- A redlined version of the NYISO’s proposed Services Tariff Amendments (Attachment VII).

VIII. Service

This filing will be posted on the NYISO’s website at www.nyiso.com. In addition, the NYISO will e-mail an electronic link to this filing to the official representative of each of its customers and to each participant on its stakeholder committees. In addition, the NYISO will send an electronic copy of this filing to the New York Public Service Commission and to the New Jersey Board of Public Utilities.

IX. Conclusion

For the reasons set forth above, the NYISO respectfully requests that the Commission accept the November Filing, including the limited amendments included herein, without further conditions or modifications within 30 calendar days, i.e., no later than March 16, 2026, make them effective on March 16, 2026, and establish an abbreviated 10-day comment period. To the extent that the Commission conditions its acceptance of the November Filing on the NYISO making the clarifications specified in Sections II.A.1 and .4 above, or similar clarifications, the NYISO consents to submitting a compliance filing to adopt such clarifications after the Commission accepts the November Filing.

Respectfully Submitted,

/s/ Ted J. Murphy

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February 12, 2026

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Tessa Talebi

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 this proceeding 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 12th day of February 2026.

/s/ Alexander Morse

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