

June 15, 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.’s Supplemental Filing Related to Proposed Tariff Amendments to Enhance Settlements of Re-Dispatching Costs Caused by Storm Watch Events; Docket No. ER26-2430-000.*

Dear Ms. Reese:

The New York Independent System Operator, Inc. (“NYISO”) submits this letter to supplement its May 1, 2026 filing in this docket, which proposed revisions to its Market Administration and Control Area Services Tariff (“Services Tariff”) and its Open Access Transmission Tariff (“OATT”). The revisions proposed in this docket improve and clarify the NYISO’s allocation of Storm Watch Costs¹ previously accepted by the Commission in Docket Nos. ER03-1050 and ER97-1523.

As described in the NYISO’s May 1, 2026 filing, the New York State Reliability Council, L.L.C. (“NYSRC”) Reliability Rules & Compliance Manual requires Consolidated Edison Company of New York, Inc. (“Consolidated Edison”) to operate its transmission system “as if the first contingency has already occurred on its northern transmission system when thunderstorms are within one hour of the system or are actually being experienced.”² The NYISO refers to these operational conditions as thunderstorm alerts (“TSAs”) or Storm Watch events.

When a Storm Watch event is triggered,

the NYISO operates the downstate portion of New York State’s bulk power system as if a first contingency has occurred. This requires the NYISO to reduce the real-time transfer capability on the Con Edison overhead system and to increase the generation running both in New York City and Long Island. The running of more expensive generation in both New York City and Long

¹ Storm Watch Costs are defined and described in Services Tariff Section 4.1.8 as the re-dispatching costs incurred as a result of reductions in Transfer Capability caused by Storm Watch events. Capitalized terms not otherwise defined herein shall have the meaning specified in the Services Tariff or OATT.

² See New York State Reliability Council Reliability Rules & Compliance Manual, Reliability Rule G.1.

Island, and the backing down of cheaper generation in upstate New York, results in higher costs.³

In 2003, the Commission directed the NYISO to revise its procedures for allocating the costs associated with Storm Watch events.⁴ Later that same year, the Commission accepted Services Tariff revisions to allocate Storm Watch Costs to New York City load (*i.e.*, Load Zone J) and to reduce the pool of real-time balancing costs that would otherwise be recovered on a state-wide basis.⁵ The accepted cost allocation methodology enabled the NYISO to comply with the Commission's directive by identifying costs attributable to the Storm Watch event and assigning those costs directly to the Load Serving Entities (LSEs) serving New York City (*i.e.*, Transmission Customers in Load Zone J). This approach, as accepted by the Commission, benefits New York State customers by assuring that the costs of the Storm Watch events are assigned to those entities who benefit from the NYSRC rule.⁶

The Services Tariff and OATT revisions proposed in this docket will allow Storm Watch Costs to be calculated at the hourly level and billed on customers' weekly invoices, consistent with other Energy market settlements. The proposed revisions also clarify the longstanding practice, established in the 2003 FERC orders discussed above, of charging the Storm Watch Costs to Transmission Customers in Load Zone J and crediting the payments collected to all Transmission Customers in the New York Control Area.

The NYISO respectfully reiterates the request in its May 1, 2026 filing that the Commission accept the proposed tariff revisions without modification, with an effective date of July 1, 2026.

Respectfully submitted,

/s/ James H. Sweeney

James H. Sweeney, Senior Attorney
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³ *New York Independent System Operator Inc.*, 102 FERC ¶ 61,284 (2003) at P. 3.

⁴ *New York Independent System Operator Inc.*, 102 FERC ¶ 61,284 (2003).

⁵ *New York Independent System Operator Inc.*, 104 FERC ¶ 61,233 (2003).

⁶ *New York Independent System Operator Inc.*, 102 FERC ¶ 61,284 (2003) at P. 1.

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 15th day of June 2026.

/s/ Alexander Morse

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