

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

New York Independent System Operator, Inc.	)))	Docket No. EL26-69-000
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**MOTION FOR ABEYANCE OF THE NEW YORK INDEPENDENT SYSTEM
OPERATOR, INC., REQUEST FOR SHORTENED COMMENT PERIOD
AND REQUEST FOR EXPEDITED ACTION**

In accordance with Rule 212 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), the New York Independent System Operator, Inc. (“NYISO”) submits this motion in response to the Commission’s June 18, 2026 order, in the above-captioned docket.¹ That order directed the NYISO to show cause by August 17, 2026, why the existing NYISO Tariffs² remain just and reasonable and not unduly discriminatory without modifications related to transmission and interconnection services for large loads (“Show Cause Order” or “Order”). The NYISO respectfully requests that the Commission hold this proceeding in abeyance for the maximum period permitted by the Show Cause Order, i.e., for 90 days, until November 16, 2026. Granting abeyance would enable the NYISO to pursue a Federal Power Act (“FPA”) section 205³ filing through the NYISO’s governance process to address the issues raised in the Order.⁴ The requested abeyance will also allow the NYISO to coordinate with the transmission owning Commission-jurisdictional utilities in New York State (the “New York TOs”) regarding any issues that may be subject to their reserved section 205

¹ *N.Y. Indep. Sys. Operator, Inc.*, 195 FERC ¶ 61,216 (2026).

² The Show Cause Order used the term “NYISO Tariff” to refer to the NYISO’s Open Access Transmission Tariff (“OATT”). However, the issues raised by the Show Cause Order, and the reforms that the NYISO intends to propose in response to it, also implicate the NYISO’s Market Administration and Control Area Services Tariff. In this motion, the NYISO uses the term “NYISO Tariffs” to refer to both documents.

³ 16 U.S.C. § 824d.

⁴ *See* Show Cause Order, 195 FERC ¶ 61,216 at P 42 (discussing requests for abeyance).

filing rights.⁵ As the Order states, the NYISO and/or the New York TOs “may elect to address some or all of the issues discussed in this order by proposing revisions to the Tariff pursuant to their applicable FPA section 205 filing rights. We strongly encourage this.”⁶

The NYISO respectfully requests that the Commission act on this motion by August 13, 2026, to provide the NYISO with regulatory certainty. Without an abeyance, the NYISO’s response to the Show Cause Order would be due on August 17, 2026. Consistent with the Commission’s procedural rules and the need for expedited action, the NYISO respectfully requests that the Commission limit the answer period to five calendar days.⁷

I. Background

The Commission has determined that there are “a host of urgent challenges associated with providing the transmission service needed to serve the ongoing influx of large loads while

⁵ The Show Cause Order states that it will “consider [abeyance] requests from NYISO and/or the Transmission Owners.” *Id.* The NYISO believes that if the Commission grants the NYISO’s request for a 90-day abeyance of all of the Show Cause Order’s requirements then such an abeyance could also encompass any issues for which the New York TOs may have a filing obligation. The NYISO understands that the New York TOs are concurrently filing their own request for abeyance. The NYISO welcomes and shares the New York TOs’ commitment to coordinate with the NYISO in an expedited effort to address the Show Cause Order’s directives. However, the NYISO is not yet prepared to take a position on any of the specific assertions in the New York TOs’ abeyance request.

⁶ Show Cause Order, 195 FERC ¶ 61,216 at P 41; *see also id.* at P 8 (Swett, Chairman, concurring) (“To be clear, we very much encourage 205 submissions encapsulating the principles we articulate in the 206s, and with all due deliberate haste.”); *id.* at P 16 (Rosner, Comm’r, concurring) (“As a potential next step, today’s orders invite RTO/ISOs to respond by submitting proposals under FPA section 205. I cannot encourage this enough.”); *id.* at P 4 (See, Comm’r, concurring) (“Recognizing the value in region-specific approaches, we are directing individual action in each of the RTO/ISO regions and encouraging—strongly—proposals under section 205 of the Federal Power Act from transmission providers or other entities that are molded to their unique system needs.”); *id.* at P 3 (Chang, Comm’r, concurring) (“The Commission also invites each region to submit FPA section 205 filings that can address each issue identified in the orders, thereby resolving the Commission’s concerns.”); *id.* at P 5 (LaCerte, Comm’r, concurring) (“By inviting you to proceed under FPA section 205, we are giving you significant perks: the benefits of first wielder of the pen and the relatively capacious standard under FPA section 205 that allows us to accept a potentially broad range of proposals provided they are shown to be just and reasonable and not unduly discriminatory or preferential.”).

⁷ *See* 18 C.F.R. § 385.213(d)(1)(i) (“If a motion requests an extension of time or a shortened time period for action, then answers to the motion to extend or shorten the time period shall be made within 5 days after the motion is filed, unless otherwise ordered.”).

maintaining reliability and affordability.”⁸ It therefore issued show cause orders to each of the six jurisdictional Independent System Operators and Regional Transmission Organizations (“ISOs/RTOs”) and the jurisdictional transmission owners in their regions. As it did for each ISO/RTO, the Commission instituted this proceeding pursuant to section 206 of the FPA. It has directed the NYISO⁹ and, to the extent applicable, the New York TOs, within 60 days, to either (1) show cause as to why the NYISO Tariffs remain just and reasonable and not unduly discriminatory or preferential without various changes pertaining to large loads and co-located arrangements or (2) explain what changes to the NYISO Tariffs would remedy the identified concerns if the Commission were to determine that the NYISO Tariffs have become unjust and unreasonable and to establish a replacement rate.¹⁰

The Commission expressed concerns that large loads are not efficiently integrated onto the transmission system; present a number of unique operational and reliability challenges; and create questions as to how to ensure that the rates, terms, and conditions of transmission service remain just and reasonable.¹¹ The Commission called for reforms to expedite large load interconnection, establish efficient transmission service application and study processes, prevent cost-shifting and increase transparency, accommodate co-location agreements and behind-the-meter generation, potentially create new transmission services for flexible large loads, and institute a process for studying generating facilities that serve electrically proximate and co-

⁸ Show Cause Order, 195 FERC ¶ 61,216 at P 1.

⁹ The Show Cause Order also directed the NYISO to submit, within 30 days an informational report describing how the NYISO intends to ensure that adequate generation will be available to serve existing and new large loads. *Id.* at P 39. The NYISO submitted its informational report on July 20, 2026.

¹⁰ *Id.* at P 3.

¹¹ *Id.*

located large loads.¹² In particular, the Commission: (i) recognized that the NYISO has an existing load interconnection process but expressed concern that its procedures are only partially set forth in the NYISO Tariffs;¹³ (ii) preliminarily found that the NYISO Tariffs lack sufficiently clear and consistent provisions establishing the application process and study procedures that will be used for large loads while indicating that the “NYISO may [] elect to propose Tariff revisions establishing such an application process, fee, and requirements[.];”¹⁴ and (iii) directed the NYISO to explain whether the NYISO Tariffs remain just and reasonable even though they allow “netting of behind the meter generation from gross load for purposes of determining Transmission Service Charges for Host Loads configured in a Behind-the-Meter Net Generation (“BTM:NG”) Resource arrangement or propose Tariff revisions.”¹⁵

The Show Cause Order, and each of the Commissioners, strongly endorsed the submission of section 205 filings as a more effective means of addressing the issues raised in the Show Cause Order,¹⁶ and recognized that additional time may be needed to do so.¹⁷ The Commission accordingly stated that it would consider a request from the NYISO to hold, for up to 90 days, all or certain aspects of this proceeding in abeyance, while the NYISO works through the stakeholder processes to develop a section 205 filing.¹⁸ The Show Cause Order emphasized that a successful abeyance request should “include both (1) a robust description of the content of

¹² See News Release, FERC, FERC Launches Aggressive Targeted Action to Speed Large Load Integration (Jun. 18, 2026), <https://www.ferc.gov/news-events/news/ferc-launches-aggressive-targeted-action-speed-large-load-integration>.

¹³ Show Cause Order, 195 FERC ¶ 61,216 at P 64.

¹⁴ *Id.* at P 65.

¹⁵ *Id.* at P 110.

¹⁶ See *supra* at n. 6.

¹⁷ See Show Cause Order at P 42.

¹⁸ *Id.*

a potential future filing under FPA section 205 and (2) a reasoned and specific explanation of when such a filing is expected to be made.”¹⁹ The following sections address these directives.

II. The NYISO Should Be Granted a 90-Day Abeyance to Pursue a Section 205 Filing Through Its Shared Governance Process to Address the Show Cause Order in a Manner Tailored to the NYISO Region

The NYISO recognizes that the concerns raised in the Show Cause Order are critically important and must be of the utmost priority. The NYISO has determined that a number of its existing Tariff provisions and related rules should be expanded or clarified to address the Show Cause Order’s preliminary findings. However, the NYISO believes that the best approach is to engage the NYISO’s stakeholder process and pursue a FPA section 205 filing to address these issues, rather than through making narrative responses to section 206 compliance directives. An abeyance is justified in the NYISO’s case for the reasons described below.

First, this proceeding involves numerous, complex, and consequential issues. The NYISO is working diligently to formulate a comprehensive section 205 proposal to address them in a manner that recognizes New York’s regional differences. This includes developing a load integration process that builds on the existing division of responsibilities between the NYISO and the New York TOs.²⁰ Granting the requested abeyance will give the NYISO time to more fully respond to the Show Cause Order’s many directives with the benefit of stakeholders’ perspectives and expertise. Incorporating that input will minimize disagreements and narrow the scope of any future litigation. Thus, instead of delaying the introduction of enhancements, an abeyance would likely lead to them being adopted and implemented more expeditiously.

¹⁹ *Id.*

²⁰ See Show Cause Order at P 58 (confirming that the Commission does not seek to alter the allocation of rights and responsibilities between the NYISO and the New York TOs).

The NYISO has already made progress towards developing rules and procedures that advance and better effect the integration of large loads. An abeyance would afford the NYISO a reasonable opportunity to finish its work. The NYISO’s efforts began before the issuance of the Show Cause Order. In February 2026, the NYISO shared information regarding its “Reliability Planning & Large Load Integration” project to “improve the current load interconnection process to further address bulk system reliability concerns and speed up the overall load interconnection process to provide solutions for the unique issues presented by these types of large load projects and accelerated timelines for project development and in-service dates.”²¹ Furthermore, beginning in February 2026, the NYISO made stakeholder presentations regarding its “Flexible Load Models – Large Loads” and “DER Market Enhancements” projects which sought to “incentivize large loads to participate in NYISO’s markets as flexible Resources”²² and to improve market access to “animate load in the NYISO markets,”²³ respectively. At that time, the NYISO planned to make a section 205 filing by the end of 2026.

The NYISO has already built on its earlier work to develop an extensive proposal to address the expanded set of issues raised by the Show Cause Order. The NYISO presented an overview of its evolving post-Show Cause Order proposals at the July 23, 2026 meeting of its Electric System Planning Working Group (“ESPWG”), Transmission Planning Advisory

²¹ See NYISO, TPAS/ESPWG, *Load Interconnection Process: Challenges and Considerations* Slide 3 (Feb. 3, 2026), https://www.nyiso.com/documents/20142/56802634/04_Load_interconnection_reform_2-3-26_TPAS_final.pdf/063ff31f-a5ad-0494-707d-3275f007d23a.

²² See, e.g., NYISO, ICAPWG/MIWG, *Flexible Load Models – Large Loads* Slide 6 (Feb. 24, 2026), <https://www.nyiso.com/documents/20142/57218179/flexible%20large%20loads%20022426%20icap.pdf/8ec9d774-a5ce-eae2-93e2-ddc298f07781> (highlighting the importance of three inter-related large load project efforts – Reliability Planning and Large Load Integration, Flexible Load Models – Large Loads, and DER Market Enhancements projects).

²³ See, e.g., NYISO, ICAPWG/MIWG, *DER Market Enhancements* Slide 4 (Feb. 24, 2026), https://www.nyiso.com/documents/20142/57218179/DER%20Market%20Enhancements%20kick%20off_021726%20ICAPWG_MIWG_final.pdf/c3c77fa7-f00a-7b5f-fe1d-598d2b466071.

Subcommittee (“TPAS”), and Installed Capacity Working Group (“ICAPWG”) (“July 23 Stakeholder Presentation”). A link to the July 23 Stakeholder Presentation is provided for informational purposes.²⁴ The proposals described therein are preliminary and will continue to develop. Nevertheless, the July 23 Stakeholder Presentation demonstrates the substantial progress that has been made to date.

As the presentation describes, the NYISO plans to create a new large load study process that would replace and improve upon its existing load interconnection rules. The NYISO and New York TOs would collaborate to complete large load integration studies within expedited time periods. The NYISO would make firm and non-firm variants of its existing financial reservation transmission service available to transmission customers serving large loads subject to certain necessary transmission security and resource adequacy requirements. This approach would, for example, make large loads eligible to take non-firm withdrawal service to the extent their ability to be flexible mitigates their impact on the system.

The NYISO also presented a framework for and will develop detailed NYISO Tariff provisions governing or addressing co-located load arrangements, the treatment of proximate generators, operating requirements, the Commission’s cost-shifting and transparency concerns, and a host of other related market design matters. For example, for co-located load arrangements, the NYISO intends to propose sunseting its BTM:NG program and replacing it with a new co-located resource participation model that treats load and generation as separate

²⁴ A link to the July 23 ESPWG /TPAS presentation, updated on July 29 to include minor corrections, is posted at:
https://www.nyiso.com/documents/20142/58620525/04_FERC%20Large%20Load%20Show%20Cause%20Order%20-%20ESPWG.pdf/3b66b965-05ad-51e6-a4c5-c9846ecada4c.

and distinct market entities.²⁵ And the NYISO will adopt transition rules to avoid disrupting existing commercial arrangements.

Second, the abeyance will allow the NYISO to structure and refine its proposals in a manner that preserves the long-standing independent entity variations that have benefited the NYISO region. Granting an abeyance will facilitate leveraging the NYISO’s “financial” reservation transmission service model to maximize the benefits to flexible large loads and other customers. For example, the NYISO’s firm reservation transmission service enables transmission customers to benefit from the use of the system in the same manner as *pro forma* Network Integration Transmission Service without the restrictions associated with traditional Network Load or Network Resource designations.²⁶ In addition, the NYISO does not require, or accept, physical transmission reservations for internal transactions. The Commission has frequently recognized that the NYISO’s use of this model, along with other regional differences, are just and reasonable under the “consistent with or superior to” and “independent entity variation” standards.²⁷ The NYISO strongly believes that its financial reservation model

²⁵ See July 23 Presentation at Slide 77.

²⁶ See, e.g., Cent. Hudson Gas & Elec. Corp. *et al.* Compliance Filing vol. 1, Docket No. ER97-1523-000, at 27-28 (filed Apr. 30, 1999). The transmission service offered by the NYISO is fundamentally similar to that provided by the California Independent System Operator Corporation (“CAISO”). The Commission’s Show Cause Order for the CAISO acknowledged that it “does not offer traditional Order No. 888 network and point-to-point transmission services, offers no firm, long-term transmission reservations of capacity, and does not provide a formal application process for transmission service.” *Cal. Indep. Sys. Operator Corp.*, 195 FERC ¶ 61,214 at P 19 (2026).

²⁷ See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, 195 FERC ¶ 61,028, at P 29 (2026) (finding “that NYISO’s proposed revisions are consistent with or superior to the *pro forma* OATT” in connection with new market rules for operations, scheduling, and management of transmission service for the Champlain Hudson Power Express Merchant Transmission Facility); *N.Y. Indep. Sys. Operator, Inc.*, 183 FERC ¶ 61,036, at P 12 (2023) (“[W]e find that NYISO’s proposed definition is consistent with or superior to the *pro forma* OATT Attachment M Transmission Line Rating definition.”); *N.Y. Indep. Sys. Operator, Inc.*, 148 FERC ¶ 61,181, at P 9 (2014) (accepting NYISO’s proposal as “consistent with or superior to the language specified in Order No. 784”); *N.Y. Indep. Sys. Operator, Inc.*, 146 FERC ¶ 61,208, at PP 19, 31 (2014) (finding NYISO’s proposed tariff revisions as meeting both the “consistent with or superior to” and “independent entity variation” standards for tariff revisions to comply with the requirements of Order No. 764); *N.Y. Indep. Sys. Operator, Inc.*, 125 FERC ¶ 61,274, at P 13 (2008) (recognizing “that NYISO’s proposed deviations from the *pro forma* OATT reflect the actual market design used by NYISO, and find the deviations to be consistent with or superior to the *pro forma* OATT” in connection with NYISO’s Order No. 890-A compliance filing); *N.Y. Indep. Sys. Operator, Inc.*, 123 FERC ¶ 61,134, at P 37 (2008) (same with respect to NYISO’s Order No. 890

continues to be the best approach for New York and intends that the reforms advanced in this proceeding will work within that framework.

Similarly, the NYISO has long had distinct interconnection procedures that were designed to address NYISO-specific circumstances. These procedures were recently revised in compliance with Order No. 2023 but continue to reflect important regional variations.²⁸ The NYISO OATT has also included separate load interconnection procedures since 1999 that are coordinated with state-jurisdictional processes. The NYISO intends to propose numerous enhancements to both sets of procedures that will respond to the Show Cause Order while still accounting for reliability, operational and policy factors that are unique to New York.

Third, a 90-day abeyance is reasonable in the NYISO's case because it will facilitate the NYISO's ability to obtain approval from its stakeholder Management Committee before making a section 205 filing.²⁹ Given the NYISO's shared governance structure, it would be appropriate to grant a 90-day abeyance to help the NYISO build consensus support for a section 205 filing. Even if stakeholders do not ultimately approve a proposal that fully addresses every aspect of the Show Cause Order, taking additional time to incorporate their input is all but certain to improve the quality of the NYISO's response, to reduce the number of disputed issues, and to increase the likelihood of legally durable solutions.

compliance filing); *N.Y. Indep. Sys. Operator, Inc.*, 114 FERC ¶ 61,271 (2006) (“We will accept the proposed changes because, as applied to New York, they are both “consistent with or superior to” the terms in the pro forma LGIP and LGIA and they reflect regional needs.”); *N.Y. Indep. Sys. Operator, Inc.*, 97 FERC ¶ 61,118, 61,574 (2001) (finding, in connection with Attachment S to the OATT, “that the proposed cost allocation rules, as modified, are reasonable and are consistent with or superior to the pro forma tariff”); *Cent. Hudson Gas & Elec. Corp.*, 88 FERC ¶ 61,138, 61,382 (1999) (concluding that “the Member Systems have complied with the requirement to provide long-term service” and finding “that the service offered by the ISO is consistent with or superior to that offered under the *pro forma* tariff”).

²⁸ See *N.Y. Indep. Sys. Operator, Inc.*, 196 FERC ¶ 61,073 (2026).

²⁹ See ISO Agreement, art. 19.

Finally, the NYISO is a single-state entity whose operational boundaries coincide with the area subject to the retail rate and resource adequacy jurisdiction of the New York State Public Service Commission (“NYPSC”). The NYPSC has previously indicated that it intends to play a substantial role in addressing large load interconnection issues that fall within its purview.³⁰ Among other things, the NYPSC has an ongoing proceeding to “review interconnection processes, cost-allocation mechanisms and tariff structures relating to the integration of large loads with the State’s transmission and distribution systems.”³¹ The NYISO will need to consider the implications of the regulatory structures that the NYPSC is developing as the NYISO devises its section 205 proposal. Granting the requested abeyance will facilitate these efforts and would be consistent with the Commission’s clearly stated respect for cooperative federalism.³²

III. The NYISO’s Plans for Developing and Submitting its Section 205 Proposal

The NYISO asked stakeholders for written feedback on the July 23 Stakeholder Presentation by July 27, 2026, and reviewed their submissions. It is apparent that stakeholders endorse an abeyance and are prepared to work collaboratively and quickly to help refine the NYISO’s proposal. The NYISO is already adopting changes to the July 23 version of its proposal based on stakeholder recommendations and expects its plans to improve through multiple iterations as it incorporates stakeholder feedback and makes further additions of its own.

³⁰ See Notice of Intervention and Preliminary Comments of the NYPSC, Docket No. EL26-29-000 (Jul. 9, 2026); Comments of the NYPSC, Docket No. RM26-4-000 (Nov. 21, 2025).

³¹ See Proceeding on Motion of the Commission to Address Interconnection Reforms for Large Loads, Case No. 26-E-0045.

³² See, e.g., Show Cause Order at P 76 (“[T]he Commission’s objective in this proceeding is to respect the cooperative federalism approach established under the FPA.”)

If the Commission grants the requested abeyance, the NYISO will move forward with an intensive stakeholder process “with all due deliberate haste.”³³ The NYISO anticipates holding regular stakeholder meetings, as frequently as weekly, to develop a comprehensive filing, including drafting and reviewing revisions to the NYISO Tariffs. The next meeting to discuss these proposals is scheduled for August 13, 2026.

The NYISO will work towards approval by the stakeholder Business Issues Committee and Operating Committee in October, currently scheduled for October 14 and 15, 2026, respectively. The final section 205 proposal would then be brought before the Management Committee currently scheduled for October 28, 2026, and finally to the independent Board of Directors. Provided that Management Committee and Board approvals are secured, the NYISO will submit a section 205 proposal on November 16, 2026, along with a Show Cause Order response to the extent necessary.

IV. Request for Expedited Action by August 13 and for Shortened Comment Period

The NYISO respectfully requests that the Commission act on this motion by August 13, 2026. Without an abeyance, the NYISO’s response to the Show Cause Order would be due on August 17, 2026. Action by or before August 13, 2026 would provide NYISO with regulatory certainty regarding the timing of its response to the Show Cause Order and allow the NYISO to focus its time and resources on completing an expedited effort to prepare a comprehensive section 205 filing.

³³ Show Cause Order, 195 FERC ¶ 61,216 at P 16 (Swett, Chairman, concurring).

Consistent with the Commission's rules governing responses to procedural motions and with the need for expedited action, the NYISO respectfully requests that the Commission limit the time for answers to five calendar days.³⁴

V. Conclusion

For the foregoing reasons, the NYISO respectfully requests that the Commission issue an order by August 13, 2026, holding this proceeding in abeyance for 90 days until November 16, 2026.

Respectfully submitted,

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³⁴ See 18 C.F.R. § 385.213(d)(1)(i).

³⁵ To the extent necessary, the NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) to allow more than two individuals to be designated for service on the official service list in this proceeding.

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 3rd day of August 2026.

/s/ Alexander Morse

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