

August 28, 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 Proposed Tariff Amendments to Clarify Calculation of Re-Dispatching Costs Caused by Storm Watch Events; Docket No. ER26-____-000*

Dear Ms. Reese:

In accordance with Section 205 of the Federal Power Act¹ and Part 35 of the regulations of the Federal Energy Regulatory Commission (“Commission”), the New York Independent System Operator, Inc. (“NYISO”) submits proposed revisions to its Market Administration and Control Area Services Tariff (“Services Tariff”) to clarify the Storm Watch Costs² calculation process during actual or anticipated severe weather conditions.

The NYISO Management Committee unanimously approved the proposed revisions on June 24, 2026. The NYISO respectfully requests that the proposed revisions be permitted to take effect on October 28, 2026 (*i.e.*, the day following the end of the statutory 60-day notice period).

I. List of Documents Submitted

The NYISO submits the following documents with this filing letter:

1. A clean version of the proposed revisions to the Services Tariff (“Attachment I”); and
2. A blacklined version of the proposed revisions to the Services Tariff

¹ 16 U.S.C. § 824d.

² 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 Open Access Transmission Tariff (“OATT”).

(“Attachment II”).

II. Background and Justification

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.”³ The NYISO refers to these operational conditions as thunderstorm alerts (“TSAs”) or Storm Watch events.

Consolidated Edison determines when to enter Storm Watch conditions and the NYISO applies the necessary transmission constraint set to operate as if the first contingency has already occurred. As a result of actual or anticipated severe weather conditions, the transmission system is redispatched to reliably support Load Zone J (*i.e.*, the New York City area) by increasing local generation and adjusting reserve requirements.

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 Island, and the backing down of cheaper generation in upstate New York, results in higher costs.⁴

These actions result in redispatch and congestion costs, referred to as Storm Watch Costs, which are allocated to and collected from customers in Load Zone J. Storm Watch Costs are then credited to all loads in the New York Control Area (“NYCA”).

The revisions proposed in this docket clarify the NYISO’s calculation of Storm Watch Costs previously accepted by the Commission in Docket Nos. ER26-2430, ER03-1050, and ER97-1523. During review of the NYISO’s Storm Watch Cost calculation procedure and discussions with NYISO stakeholders throughout late 2025 and the first half of 2026, the NYISO identified the need to clarify how flows from the Real-Time Market are described in the Services Tariff.

The Services Tariff currently states that the Storm Watch Cost calculation relies on “actual real-time flow across the [applicable] constraint.” Functionally, this language has always

³ See New York State Reliability Council Reliability Rules & Compliance Manual, Reliability Rule G.1.

⁴ *New York Independent System Operator Inc.*, 102 FERC ¶ 61,284 (2003) at P. 3.

meant the real-time flow across the applicable constraint based on scheduled flows determined by the Real-Time Market software. Therefore, the NYISO proposes to replace actual with scheduled in the Services Tariff. The proposed change provides that Storm Watch Costs will be calculated based on “the scheduled Day-Ahead flow across the constraint minus the scheduled real-time flow across the constraint.” The proposed revision will not change how the NYISO calculates Storm Watch Costs; it clarifies the text of the tariff and improves alignment of the language with the administration of the Storm Watch Cost procedure following a thorough review of the procedure and discussions with NYISO stakeholders.

III. Description of Proposed Revisions to the Services Tariff

The tariff revisions proposed in this filing modify Services Tariff Section 4.1.8. The NYISO proposes to remove the reference to “actual” when describing real-time flow and instead to reference “scheduled” real-time flow. This change will more clearly describe the Real-Time Market values that are utilized in the Storm Watch Cost calculation.

IV. Effective Date

The NYISO respectfully requests that the proposed revisions become effective on October 28, 2026 (*i.e.*, the day following the end of the statutory 60-day notice period).

V. Stakeholder Approval

The Management Committee unanimously approved the proposed revisions on June 24, 2026. The NYISO Board of Directors approved the proposed tariff revisions on July 22, 2026.

VI. Correspondence

All communications and correspondence concerning this filing should be directed to:

Robert E. Fernandez, Executive Vice President, General Counsel & Chief Compliance Officer

Karen G. Gach, Deputy General Counsel

Stephanie Amann, Senior Manager of Regulatory & Government Affairs

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VII. Service

The NYISO will send an electronic link to this filing to the official representative of each of its customers, and each participant on its stakeholder committees. The NYISO will send an electronic copy of this filing to the New York State Public Service Commission and the New Jersey Board of Public Utilities. The NYISO will also post a complete copy of this filing on its website at www.nyiso.com.

VIII. Conclusion

The NYISO respectfully requests that the Commission accept the tariff revisions proposed in this filing without modification, with an effective date of October 28, 2026.

Respectfully submitted,

/s/ James H. Sweeney

James H. Sweeney, Senior Attorney

New York Independent System Operator, Inc.

cc: Janel Burdick	Travis LaHue
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