

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

New York Independent System Operator, Inc.	)	Docket Nos. ER13-2016-000;
	)	ER12-1653-___
	)	
	)	

**NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. REQUEST  
FOR EXTENSION OF LIMITED TARIFF WAIVER, SHORTENED  
COMMENT PERIOD, AND EXPEDITED COMMISSION ACTION**

Pursuant to Rules 207(a)(5) and 212 of the Federal Energy Regulatory Commission (“Commission” or “FERC”) Rules of Practice and Procedure, 18 C.F.R. §§ 385.207(a)(5) and 385.212, the New York Independent System Operator, Inc. (“NYISO”) respectfully requests a twenty-two day extension (from October 23, 2013 to November 14, 2013) of the temporary, limited waiver that the Commission granted in *New York Indep. Sys. Operator, Inc.*, 144 FERC ¶ 61,147 (2013). The temporary, limited waiver of Sections 23.3.3.3.1.1 and 23.3.3.3.1.2 of the NYISO’s Market Power Mitigation Measures (“Mitigation Measures”)<sup>1</sup> permitted the NYISO to employ an extended timeline to incorporate Regulation Capacity and Regulation Movement bids into its application of Real-Time Guarantee Payment (“RTGP”) mitigation, and authorized temporary, alternative screening and consultation measures: (a) to permit NYISO to manually screen real-time Regulation Capacity and Regulation Movement bids for the exercise of market power until the necessary software upgrades are completed; and (b) to

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<sup>1</sup> Section 23 of (Attachment H to) the NYISO’s Market Services Tariff sets forth the NYISO’s Market Power Mitigation Measures.

provide market parties adequate time and opportunity to consult and explain the basis for conduct-failing real-time Regulation Capacity and/or Regulation Movement bids.<sup>2</sup>

Consistent with the NYISO's July 23, 2013 waiver request,<sup>3</sup> the NYISO has developed and quality assurance tested software that will permit the NYISO to: (1) perform RTGP conduct and impact testing of Regulation Movement and Regulation Capacity Bids, (2) reflect the application of RTGP mitigation to Regulation Movement and Regulation Capacity Bids in posted settlement results, and (3) provide notice to affected Market Parties that RTGP mitigation has been applied, within the deadlines specified in Sections 23.3.3.3.1.1 and 23.3.3.3.1.2 of the NYISO's Market Power Mitigation Measures. The RTGP mitigation software is complete and is ready to be deployed. However, the RTGP mitigation software was developed as one component of a larger, bundled package of software improvements that the NYISO intended to deploy in October.

The NYISO's quality assurance testing revealed a configuration issue with another application included in the bundled software package that was scheduled for deployment to production in October. As a result, the NYISO must delay the complete software deployment that was scheduled to occur on or before October 23, 2013. The software package will now be deployed no later than November 14, 2013; although the NYISO still hopes to deploy the package of improvements by the end of October 2013. Since the RTGP mitigation software was developed in conjunction with the rest of the software bundle, the various pieces of software share settlements application components

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<sup>2</sup> *New York Indep. Sys. Operator, Inc.*, 144 FERC ¶ 61,147 at P 4 (2013).

<sup>3</sup> *New York Independent System Operator, Inc.*, Request for Limited Tariff Waiver, Shortened Comment Period, and Expedited Commission Action, Docket No. ER13-2016-000 (July 23, 2013).

and database components that prevent the individual deployment of distinct software functions. The NYISO cannot strip the RTGP mitigation software from the bundled deployment and deploy it separately without writing some new code and going through multiple additional rounds of quality assurance testing that would impact the expected deployment date of both the RTGP mitigation software improvements and the other software improvements that are schedule for deployment by November 14, 2013.

For the foregoing reasons, the NYISO respectfully requests that the Commission extend the authorized tariff waiver period to November 14, 2013. During the requested extension period, the NYISO will continue utilizing the manual screening process described in Section III of its July 23, 2013 waiver request to address conduct-failing Regulation Conduct and Regulation Movement Bids submitted by entities that were scheduled to provide Regulation Service and that received a BPCG for the relevant Real-Time Market day.<sup>4</sup>

The NYISO will implement the RTGP mitigation software improvements as soon as they are deployed to production. The NYISO renews its commitment to provide notice to the Commission and to its Market Participants at least one week prior to implementing the software improvements that are necessary to incorporate Regulation Capacity and Regulation Movement Bids and reference levels into the NYISO's RTGP mitigation software.<sup>5</sup>

The NYISO respectfully requests that the Commission grant the Extension Request by no later than October 21, 2013. To meet this expedited schedule, the NYISO

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<sup>4</sup> *Id.* at pp. 7-11.

<sup>5</sup> *See Id.* at p. 4; *New York Indep. Sys. Operator, Inc.*, 144 FERC ¶ 61,147 at P 6 (2013).

respectfully requests that the Commission immediately issue notice of this Extension Request and provide, in accordance with its Rule 210(b),<sup>6</sup> for a shortened comment period of ten days. Expedited action is necessary because the NYISO cannot timely comply with the notice requirements in its Mitigation Measures when applying RTGP mitigation to accepted Regulation Capacity and Regulation Movement Bids until the new software is deployed into production. The NYISO will be out-of-compliance with the requirements of its Tariffs after October 23, 2013 if the Commission does not act to extend the waiver period. Expedited Commission action on this Extension Request will also provide the NYISO and its Regulation Suppliers certainty regarding how guarantee payment consultation and mitigation of Regulation Capacity Bids and Regulation Movement Bids will be conducted during the requested extension period.

For the reasons stated above, the NYISO requests that the Commission act expeditiously to extend the previously granted waiver of the RTGP impact testing/mitigation and notice requirements set forth in Sections 23.3.3.3.1.1 and 23.3.3.3.1.2 of its Mitigation Measures through November 14, 2013.

Respectfully submitted,

/s/ James H. Sweeney

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James H. Sweeney, Attorney

New York Independent System Operator, Inc.

Dated: October 4, 2013

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<sup>6</sup> 18 C.F.R. § 385.210(b).

### **CERTIFICATE OF SERVICE**

I hereby certify that I this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Rensselaer, New York this 4<sup>th</sup> day of October 2013.

/s/ Mohsana Akter

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