



May 3, 2012

VIA ELECTRONIC FILING

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**RE: Niagara Mohawk Power Corporation
Docket No. ER12-_____
Interconnection Agreement between Niagara Mohawk Power Corporation
and Selkirk Cogen Partners, L.P.**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ Part 35 of the Commission’s regulations,² and Order No. 714,³ Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk”) submits for Commission acceptance an amended Interconnection Agreement (“IA” or “Agreement”) between Niagara Mohawk and Selkirk Cogen Partners, L.P. (“Selkirk”) (collectively, the “Parties”). The Agreement, designated as Amended and Restated Service Agreement No. 1488 under the NYISO’s FERC Electric Tariff Original Volume No. 1, governs the interconnection of the Selkirk generation facility (the “Facility”) to Niagara Mohawk’s transmission system. The Parties have amended the original Agreement to extend the term of service for five additional years.

I. Background

Niagara Mohawk is a public utility that owns transmission and distribution facilities in New York. Niagara Mohawk’s New York transmission facilities have been placed under the operational control of the New York Independent System Operator, Inc. (“NYISO”).

The Selkirk cogeneration project is a 79 MW natural gas fired, combined cycle facility consisting of a gas turbine with an associated heat recovery steam generator with supplemental firing and a non-condensing steam turbine generator. The Commission certified the Facility as a qualifying facility (“QF”) on September 28, 1989 in Docket No. QF89-274-000, and the Facility has received subsequent recertifications under other subdockets of QF89-274.⁴

1 16 U.S.C. § 824d.

2 18 C.F.R. Part 35.

3 Electronic Tariff Filings, FERC Stats. & Regs. ¶ 31,276 (2008).

4 Selkirk filed its most recent notice of self-certification on August 4, 2011 in Docket No. QF89-274-024.

Niagara Mohawk filed the original Agreement with Selkirk on October 30, 2009, acknowledging its refund obligations for failing to file the agreement at an earlier date. The Commission accepted the filing in a December 9, 2009 letter order in Docket No. ER10-189-000. The Agreement was accepted as a historic interconnection agreement with terms differing from the current NYISO *pro forma* large generator interconnection agreement. Because the Parties do not propose increasing capacity or any other material modifications to the characteristics of the existing generating facility, the standard interconnection rules promulgated in Order No. 2003 do not apply.⁵

II. The Amendments

The amended Agreement is substantially the same as the Agreement previously accepted by the Commission. The Parties have revised the cover page and certain terms to extend the term of service for five additional years. Revised Section 12.3 of the Agreement removes certain provisions relating to National Grid's rights to reimbursement from Selkirk for tax contests. Section 16.4 adds a provision for continued service in the event of a billing dispute, under certain conditions. Section 16.6 adds provisions to detail National Grid's rights of disconnection on the event of termination. In addition, the Parties have made certain revisions to update terms and remove outdated schedules, along with certain other ministerial changes.

III. Effective Date and Request for Waiver

Niagara Mohawk respectfully request waiver of the 60-day notice requirement contained in Section 35.3 of the Commission's regulations to permit the Agreement to become effective on April 1, 2012. Good cause exists for the Commission to grant this waiver as no prejudice will result to any party and waiver is consistent with the standard set forth by the Commission in *Central Hudson*.⁶ Granting this effective date will ensure continuity of service to Selkirk. Niagara Mohawk requests a waiver of any Commission requirements not specifically addressed herein necessary to allow the Agreement to become effective as of April 1, 2012.

⁵ *New England Power Company*, 109 FERC ¶ 61,364 (2004) at P 13; *see also Jersey Central Power & Light Company*, 110 FERC ¶ 61,273 at P 11 (2005) (“because the revision to the existing interconnection agreement does not ‘increase the capacity of a generating unit in the PJM Region,’ PJM’s interconnection procedures in its OATT...do not apply”).

⁶ *See Central Hudson Gas & Electric Corp.*, 60 FERC ¶ 61,106 at 61,338, *reh’g denied*, 61 FERC ¶ 61,089 (1992).

IV. Communications and Service

Communications and correspondence with respect to this matter should be addressed to the following individuals, and the following should be included on the official service list for this proceeding:⁷

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V. Documents Submitted in This Filing

1. This transmittal letter
2. Marked version of Agreement, showing proposed amendments and formatted as required under Order No. 714
3. Clean version of Agreement

VI. Conclusion

For the reasons stated herein, Niagara Mohawk respectfully requests that the Commission accept the Agreement, effective April, 1, 2012.

Copies of this filing have been served on Selkirk, the New York State Public Service Commission, and the NYISO.

⁷ Niagara Mohawk requests waiver of 18 C.F.R. § 385.203(b) to allow four persons to be added to the service list in this proceeding.

Respectfully submitted,

/s/ Amanda C. Downey

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