

November 13, 2012

By Electronic Filing

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

Re: New York Independent System Operator, Inc., Docket No. ER11-2547-00_, 15-Minute Variable Scheduling at the PJM Interconnection, LLC Interface Linden VFT Proxy Generator Bus Compliance Filing

Dear Secretary Bose:

On December 28, 2010, the New York Independent System Operator, Inc. ("NYISO") filed proposed tariff revisions to allow the NYISO to implement more frequent transaction scheduling at the borders of the New York Control Area ("NYCA"), enabling system operators to utilize transmission between New York and its neighbors more efficiently ("December 28, 2010 Filing"). In accordance with the Commission's March 14, 2011 *Order Conditionally Accepting Proposed Tariff Revisions and Granting Waiver*¹ the NYISO submitted a compliance filing on April 13, 2011 ("April 13, 2011 Filing"), which was accepted by the Commission in a letter order dated July 21, 2011 ("July 21, 2011 Order").

The April 13, 2011 Filing included proposed Tariff² changes specifying each NYCA Proxy Generator Bus³ and identifying the scheduling frequencies available for Transactions at

¹ New York Independent System Operator, Inc., 134 FERC ¶ 61,186 (2011).

² Capitalized terms not specifically defined herein have the meaning set forth in the NYISO's Market Administration and Control Area Services Tariff ("Services Tariff") or in its Open Access Transmission Tariff ("OATT").

³ Each "Proxy Generator Bus," as that term is defined in the NYISO's Tariffs, is reflected in the NYISO's software, and in the compliance revisions submitted herewith, as a twinned pair of an import (gen) and export (load) bus.

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each of the Proxy Generator Buses. The April 13, 2011 Filing also included an advisory timetable for the phased implementation of variable scheduling at those Proxy Generator Buses. In its April 13, 2011 Filing the NYISO committed to submit a compliance filing prior to implementation of variable scheduling at a Proxy Generator Bus and to notify Market Participants of the availability of this feature as the implementation plan progressed. As anticipated in the April 13, 2011 Filing, PJM Interconnection, LLC ("PJM") has confirmed that it is prepared to proceed with 15-minute variable scheduling at the Linden VFT Proxy Generator Bus.

Consistent with the NYISO's April 13, 2011 Filing and the Commission's July 21, 2011 Order, the NYISO is hereby notifying the Commission and Market Participants that the NYISO and PJM intend to implement 15-minute variable scheduling at the Linden VFT Proxy Generator Bus on November 28, 2012. The Tariff changes submitted with this compliance filing, to become effective with the November 28, 2012 implementation, update the table in Services Tariff Section 4.4.4 accepted by the Commission's July 21, 2011 Order. This updated table specifically provides that 'variably scheduled' will be an available scheduling frequency in addition to 'hourly scheduled' for the Linden VFT Proxy Generator Bus.

Also, in accordance with the commitments made in the April 13, 2011 Filing, the NYISO hereby provides two weeks notice of its proposal to "go live" with 15-minute variable scheduling on November 28, 2012 at the Linden VFT Proxy Generator Bus.

The timing of the NYISO's implementation of 15-minute variable scheduling could be impacted by system conditions. If the NYISO determines operating conditions are not favorable for implementation of 15-minute variable scheduling at the Linden VFT Proxy Generator Bus, it will notify the Commission and Market Participants as soon as practicable. The NYISO will include a revised "go live" date with any such notification.

I. DOCUMENTS SUBMITTED

- 1. This filing letter;
- 2. A clean version of the proposed revisions to the NYISO's Services Tariff ("Attachment I"); and
- 3. A backline version of the proposed revisions to the NYISO's Services Tariff ("Attachment II").

II. SERVICE LIST

The NYISO will send an electronic link to this filing to the official representative of each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, to all parties listed on the Commission's official service list in Docket No. ER11-2547-001 and to the electric utility regulatory agency of New Jersey. In addition, the complete filing will be posted on the NYISO's website at <u>www.nyiso.com</u>.

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III. CONCLUSION

The NYISO respectfully submits this compliance filing, consistent with the April 13, 2011 Filing and July 21, 2011 Order, to notify the Commission that the NYISO intends to implement 15-minute variable scheduling at the PJM Linden VFT Proxy Generator Bus on November 28, 2012 as reflected in Market Services Tariff Section 4.4.4.

Respectfully submitted,

/s/ James H. Sweeney

James H. Sweeney New York Independent System Operator, Inc.

cc: Travis Allen Michael Bardee Gregory Berson Anna Cochrane Jignasa Gadani Morris Margolis Michael McLaughlin Joseph McClelland Daniel Nowak