

November 15, 2016

By Electronic Delivery

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

Re: Filing of an Executed Large Generator Interconnection Agreement Among the New York Independent System Operator, Inc., New York State Electric & Gas Corporation, and Greenidge Generation LLC; Request for Waiver of the 60-Day Notice Period; Docket No. ER17-____-000

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Section 35.12 of the Commission's regulations,² the New York Independent System Operator, Inc. ("NYISO") and New York State Electric & Gas Corporation ("NYSEG") (together, the "Joint Filing Parties") hereby tender for filing an executed Large Generator Interconnection Agreement entered into by the NYISO, NYSEG, as the Connecting Transmission Owner, and Greenidge Generation LLC ("Greenidge"), as the Developer (the "Interconnection Agreement").³ The Interconnection Agreement is labeled as Service Agreement No. 2305 under the NYISO's Open Access Transmission Tariff ("OATT").

The Joint Filing Parties respectfully request that the Commission accept the Interconnection Agreement for filing. With limited non-conforming exceptions, the justification for which are described in Part I of this letter, the Interconnection Agreement conforms to the NYISO's *pro forma* Large Generator Interconnection Agreement ("Pro Forma LGIA") that is contained in Attachment X to the OATT. Further, as described in Part II of this letter, the Joint Filing Parties respectfully request a waiver of the Commission's prior notice requirements⁴ to make the Interconnection Agreement effective as of October 31, 2016, which is the date of its execution.

¹ 16 U.S.C. § 824d (2016).

² 18 C.F.R. § 35.12 (2016).

³ Capitalized terms that are not otherwise defined in this filing letter shall have the meaning specified in Attachments S or X of the NYISO OATT, and if not defined therein, in the NYISO OATT and NYISO Market Administration and Control Area Services Tariff.

⁴ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

I. Discussion

A. Background

Greenidge is restarting Unit #4 of the Greenidge plant in Dresden, New York (“Facility”). The Facility will be powered by natural gas and biomass. The Facility will have a net output of 106.3 MW. Additional details regarding the Facility can be found in Appendix C of the Interconnection Agreement.

The Facility will interconnect to certain transmission facilities of NYSEG that are part of the New York State Transmission System. The Point of Interconnection is the point where NYSEG’s 115 kV cable circuit from its Isolating Switch B4-76 connects to the existing NYSEG 115 kV Greenidge Substation between Switch B4-74 and B4-78. Figure A-1 of Appendix A of the Interconnection Agreement provides a one-line diagram showing the Point of Interconnection.

B. The Interconnection Agreement Closely Conforms to the Pro Forma LGIA Contained in Attachment X of the NYISO OATT

The Interconnection Agreement was executed on October 31, 2016, by the NYISO, NYSEG, and Greenidge. The Interconnection Agreement closely follows the language in the Pro Forma LGIA contained in Attachment X of the NYISO OATT. However, the Interconnection Agreement does contain limited variations from the Pro Forma LGIA that are described in this Part I.B. These variations are necessary because of the unique circumstances of Greenidge’s project. The Joint Filing Parties submit that these changes specified below satisfy the Commission’s standard for variations from the Pro Forma LGIA, because unique circumstances exist that require a non-conforming agreement.⁵ Therefore, the Joint Filing Parties respectfully request that the Commission accept the Interconnection Agreement with these limited non-conforming changes.

1. Modifications to Address Execution of Greenidge Interconnection Agreement Prior to Completion of Class Year Study

Greenidge has elected to seek both Energy Resource Interconnection Service (“ERIS”) and Capacity Resource Interconnection Service (“CRIS”). Greenidge is participating in the current Class Year Interconnection Facilities Study (“Class Year Study”), which is still underway. The Class Year Study identifies required System Upgrade Facilities for the reliable interconnection of all of the facilities in the Class Year and determines whether any System Deliverability Upgrades are required for the Facility to be fully deliverable at its requested level of CRIS.

⁵ See, e.g., *PJM Interconnection, LLC*, 111 FERC ¶ 61,163 at PP 10-11, *reh’g denied*, 112 FERC ¶ 61,282 (2005).

Since the Class Year Study was not completed at the time the parties executed the Greenidge Interconnection Agreement, the parties modified Section 4.1.1 of the Interconnection Agreement to provide that the NYISO's provision of ERIS and CRIS are subject to the requirements in Section 7 of Appendix A of the Interconnection Agreement. Section 7 of Appendix A provides that if the Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and System Deliverability Upgrades identified in the Class Year Study differ in any material way from the facilities described in the Interconnection Agreement, the parties will amend the Interconnection Agreement to incorporate the results of the Class Year Study. Section 7 of Appendix A further provides that Greenidge will be responsible for providing NYSEG with any difference between the Security it provided NYSEG contemporaneously with the execution of the Interconnection Agreement for its estimated share of the required System Upgrade Facilities for Class Year 2015 and the final share determined in the Class Year Study.⁶ Finally, Section 7 of Appendix A provides that Greenidge may not supply Unforced Capacity to the New York Control Area from the Facility until it has complied with the deliverability requirements set forth in Attachment S of the OATT, including acceptance of any cost allocation for System Deliverability Upgrades and the posting of associated security or payments. The Commission has previously accepted these types of changes to the Pro Forma LGIA where, as here, the Developer was participating in a pending Class Year Study at the time the Interconnection Agreement was executed.⁷

2. Modifications to Address Limited Operation of the Facility Prior to Completion of Certain Upgrade Facilities

The parties have determined that certain Connecting Transmission Owner's Attachment Facilities, System Upgrade Facilities, and other required upgrade facilities will not be completed prior to the Commercial Operation Date of the Facility. Consistent with Section 5.9 of the Pro Forma LGIA, the parties will perform certain operating studies and will permit Greenidge to operate the Facility in accordance with the requirements of these studies. The description of the studies and the work required to provide for limited operation are described in Section 3 of Appendix C of the Interconnection Agreement. Accordingly, the parties have modified Section 4.1.1 of the Interconnection Agreement to provide that the NYISO's provision of ERIS and CRIS are subject to the limited operations requirements in Section 3 of Appendix C.

3. Non-Inclusion of Pending Compliance Revisions to Pro Forma LGIA

With the agreement of all parties, the NYISO circulated the final version of the Interconnection Agreement on October 10, 2016 for the parties' execution. Prior to all parties'

⁶ If the final Security amount determined in the Class Year Study is less than the Security provided by the Greenidge, NYSEG will return the excess Security amount to Greenidge.

⁷ See, e.g., *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER11-2199-000 (December 28, 2010) (accepting revisions to CRIS requirements in Pro Forma LGIA to reflect the timing of the execution of the interconnection agreement).

execution of the Interconnection Agreement, the NYISO filed revisions to the Pro Forma LGIA⁸ to comply with the Commission's Order No. 827.⁹ Order No. 827 directed revisions to the Pro Forma LGIA to require reactive power capability from non-synchronous generators. In response to Order No. 827, the NYISO proposed conforming revisions to the power factor requirements in Section 9.5.1 and Appendix G of the Pro Forma LGIA and requested that the revisions become effective on October 13, 2016. The proposed tariff revisions are currently pending at the Commission.

The Joint Filing Parties respectfully request that the Commission accept the Interconnection Agreement without these pending revisions to the Pro Forma LGIA that were filed by the NYISO after the parties began execution of the Interconnection Agreement. The absence of these provisions will not impact the design of the Facility, which is a synchronous generator.

II. Proposed Effective Date and Request for Wavier of the 60-Day Notice Period

The Joint Filing Parties request an effective date of October 31, 2016, for the Interconnection Agreement, which is the date of its execution. The Joint Filing Parties respectfully request that the Commission waive its prior notice requirement to permit the requested effective date. The Commission has previously permitted interconnection agreements to become effective upon the date of execution.¹⁰

III. Communications and Correspondence

Communications regarding this filing should be directed to:

For the NYISO¹¹

Robert E. Fernandez, General Counsel
Karen Georgenson Gach, Deputy General
Counsel

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⁸ See *New York Independent System Operator, Inc.*, Compliance Filing, Docket No. ER17-61-000 (October 12, 2016).

⁹ *Reactive Power Requirements for Non-Synchronous Generation*, Order No. 827, 81 Fed. Reg. 40,793 (June 23, 2016), 155 FERC ¶ 61,277 (2016).

¹⁰ See, e.g., *New York Independent System Operator, Inc. and New York State Electric & Gas Corporation*, Docket No. ER11-2953-000 (April 7, 2011) (accepting interconnection agreement effective as of date of execution); see also *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-985-000 (June 26, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority, Letter Order*, Docket No. ER08-861-000 (May 27, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority, Letter Order*, Docket No. ER08-699-000 (May 16, 2008) (same).

¹¹ The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2014) to permit service on counsel in both Washington, D.C. and Richmond, VA.

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IV. Documents Submitted

The NYISO submits the following documents with this filing letter:

- a clean version of the Interconnection Agreement (Attachment I);
- a blacklined version of the Interconnection Agreement showing the changes from the body of the Pro Forma LGIA (Attachment II); and
- the signature pages for the Interconnection Agreement (Attachment III).

V. Service

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, and to the New Jersey Board of Public Utilities. In addition, a complete copy of the documents included with this filing will be posted on the NYISO's website at www.nyiso.com.

VI. Conclusion

Wherefore, the Joint Filing Parties respectfully request that the Commission accept the Interconnection Agreement for filing with an effective date of October 31, 2016.

Respectfully submitted,

/s/ Sara B. Keegan

Sara B. Keegan
Counsel for the
New York Independent System Operator, Inc.

/s/ Jeffrey A. Rosenbloom

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Counsel for
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