

August 16, 2018

By Electronic Delivery

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

Re: *New York Independent System Operator, Inc.*, Compliance Filing
Docket No. ER17-2327-001

Dear Secretary Bose:

The New York Independent System Operator, Inc. (“NYISO”) hereby submits this compliance filing to remove language from its Open Access Transmission Tariff (“OATT”)¹ as directed by the Federal Energy Regulatory Commission (“Commission”) in its July 25, 2018, *Order Granting Clarification and Directing Compliance* in the above-captioned proceeding.²

I. BACKGROUND

On August 18, 2017, the NYISO filed, pursuant to Section 205 of the Federal Power Act, proposed revisions to Section 6.10 and Attachment Y of its OATT to establish a mechanism for the recovery of the costs of any regulated transmission project that is eligible for cost allocation and recovery in the NYISO’s Comprehensive System Planning Process.³ The Commission accepted the tariff revisions on October 17, 2017, having rejected the concerns raised by the New York Transmission Owners⁴ regarding the addition of “to the extent permitted by the Commission in accordance with its regulations on abandoned plant recovery” to Section 31.2.8.2 of Attachment Y to the OATT, due to a lack of explanation of their position.⁵

¹ Capitalized terms not otherwise defined herein have the meaning set forth in Section 1 of the NYISO OATT.

² *New York Indep. Sys. Operator, Inc.*, 164 FERC ¶ 61,052 (July 25, 2018) (“July 25 Order”).

³ *New York Indep. Sys. Operator, Inc.*, Proposed Revisions Regarding Cost Recovery for Regulated Transmission Facilities, Docket No. ER17-2327-000 (August 18, 2017).

⁴ The New York Transmission Owners include Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York Power Authority, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., Power Supply Long Island, and Rochester Gas and Electric Corporation.

⁵ *New York Indep. Sys. Operator, Inc.*, 161 ¶ 61,045, at P 9 (October 17, 2017) (“October 17 Order”).

The New York Transmission Owners' subsequently sought clarification or, in the alternative, rehearing of the October 17, 2017 order.⁶ In its July 25 Order, the Commission granted clarification and found that the added provision does not alter a New York Transmission Owner's ability under the OATT and the agreement between the NYISO and the New York Transmission Owners on the comprehensive planning process for reliability needs ("the Reliability Agreement") to seek and obtain, as permitted by the Commission, full cost recovery for a regulated backstop solution when the project is abandoned under certain circumstances set forth in Section 31.2.8.2.1 of Attachment Y to the OATT.⁷ Given this clarification, the Commission directed the NYISO to remove the phrase "on abandoned plant recovery" from Sections 31.2.8.2.1, 31.2.8.2.2, 31.2.8.2.5, and 31.2.8.2.6 of Attachment Y.⁸

II. DESCRIPTION OF TARIFF REVISIONS

In accordance with the July 25 Order, the NYISO submits Sections 31.2.8.2.1, 31.2.8.2.2, 31.2.8.2.5, and 31.2.8.2.6 of Attachment Y to the OATT removing the language as directed by Commission.

III. DOCUMENTS SUBMITTED

The NYISO respectfully submits the following documents with this filing letter:

1. A clean version of OATT Section 31.2.8-31.2.13 ("Attachment I"); and
2. A redline version of OATT Section 31.2.8-31.2.13 ("Attachment II").

IV. COMMUNICATIONS

Communications and correspondence regarding this filing should be directed to:

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⁶ *New York Indep. Sys. Operator, Inc.*, Request for Clarification or, in the Alternative, Rehearing of the New York Transmission Owners, Docket no. ER17-2327-001 (November 16, 2017).

⁷ July 25 Order at P 8.

⁸ *Id.* at P 14.

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* Persons designated to receive service

V. EFFECTIVE DATE

The NYISO respectfully requests that the Commission grant an October 18, 2017, effective date for the tariff revisions set forth in this compliance filing, which is the same effective date that the Commission accepted in the October 17 Order for the tariff revisions originally proposed in the above-captioned proceeding.

VI. SERVICE

The NYISO will send an electronic link to this filing to the official representative of each party to this proceeding, 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, the complete filing will be posted on the NYISO's website at www.nyiso.com.

VII. CONCLUSION

The NYISO respectfully requests that the Commission accept this compliance filing, with an effective date of October 18, 2017.

Respectfully submitted,

/s/ Carl F. Patka

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