



November 14, 2019

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

Re: New York State Electric & Gas Corporation
Docket No. ER20- -000
Filing of Executed Engineering Fees Reimbursement Agreement

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Part 35 of the regulations of the Federal Energy Regulatory Commission (“Commission”),² New York State Electric & Gas Corporation (“NYSEG”)³ and Greenidge Generation LLC (“Greenidge”, and together with NYSEG the “Parties”) hereby jointly submit for filing an Engineering Fees Reimbursement Agreement (“Reimbursement Agreement”) by and between NYSEG and Greenidge. The Reimbursement Agreement is designated as Service Agreement No. 2492 under the New York Independent System Operator Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”).

For the reasons set forth below, the Parties respectfully request that the Commission accept the Reimbursement Agreement for filing effective October 18, 2019.

I. BACKGROUND AND DESCRIPTION OF THE REIMBURSEMENT AGREEMENT

NYSEG is a public utility subject to the Commission’s jurisdiction that owns transmission facilities under the operational control of the NYISO. Greenidge is a merchant generator engaged serving wholesale markets in New York State under market based rate authority.

Greenidge is the owner of Greenidge Station, a 106 MW naturally gas fired facility, which is connected to NYSEG-owned electric facility that provides an interconnection to the wider transmission grid operated by the NYISO pursuant to a Large Generation Interconnection Agreement by and among Greenidge, NYSEG and the NYISO dated October 21, 2016.

¹ 16 U.S.C. § 824d (2012).

² 18 C.F.R. Pt. 35 (2016).

³ NYSEG is an indirect subsidiary of Avangrid, Inc.

Greenidge is pursuing the development of an onsite data processing facility utilizing power generated at the Greenidge facility (the “Project”), and in connection with the Project, has created an isolation plan (the “Plan”) for the behind the meter net generation. NYSEG’s engineers will review and analyze the Plan to assess its potential impacts on the New York State Transmission System.

Pursuant to the Reimbursement Agreement, Greenidge has agreed to pay for or reimburse NYSEG for the costs and expenses NYSEG incurs during NYSEG engineers' review and analysis of the Plan. The Reimbursement Agreement sets forth the terms and conditions of this work and certain related commitments by Greenidge. The Reimbursement Agreement includes provisions addressing the review and analysis of the Plan, providing copies of the Plan, clarifying questions and identifying issues and concerns about the proposed design of the Plan and the reimbursement of costs and expenses incurred by NYSEG.

NYSEG will bill Greenidge for all Appropriate Fees as set forth in Article I of the Reimbursement Agreement for costs and expenses incurred in the review and certification of the Plan. The Commission should find the price of the services to be performed pursuant to the Reimbursement Agreement to be just and reasonable because NYSEG will perform these services at actual cost (i.e., its out-of-pocket expenses), and does not include any return on investment, carrying charge, or any other amount to be collected for profit.

II. CEII

Pursuant to the Commission’s regulations at 18 C.F.R. § 388.112 and 18 C.F.R. § 388.113, the Parties request that the one-line diagrams included as Figures 1 and 2 in Exhibit A of the Reimbursement Agreement be protected from disclosure as Critical Energy Infrastructure Information (“CEII”). The diagrams contain detailed, one-line schematics of how onsite load is prevented from drawing power from the NYSEG grid and the behind-the-meter metering scheme that, if disclosed, could pose a threat to the security and the reliability of the New York State bulk power system. The diagrams provide more than simply the general location of critical infrastructure. Unlike publicly available maps of power transmission lines and generation and substation facilities, the schematics show the exact nature and specific location of facilities used to maintain the reliability of the New York State bulk power system.

The diagrams, in the Parties’ assessment, reveal such critical information related to the facilities depicted therein that, if disclosed, could be useful to a person seeking to disable the power grid. Therefore, the disclosure of these CEII diagrams would pose a threat to the reliability of the New York State bulk power system and the health and safety of New York residents. Moreover, the information revealed in this schematic reveals CEII, which the Commission has determined to be exempt from mandatory disclosure under 5 U.S.C. § 552(b)(7)(F). The diagrams have been omitted from the Public version of the Reimbursement Agreement included in this filing. The diagrams are included only in the CEII version of the Interconnection Agreement in the filing.

III. REQUESTED EFFECTIVE DATE AND WAIVER

The Parties respectfully request that the Commission grant waiver of the 60-day notice requirement and accept the Reimbursement Agreement effective October 18, 2019. Good cause exists to grant waiver. The Commission previously has granted waiver of the 60-day prior notice requirement where an agreement was filed within 30 days of the commencement of service.⁴ In addition, granting waiver is appropriate because it will ensure that the effective date of the Reimbursement Agreement aligns with that agreed upon by the Parties. Granting the proposed effective date will have no adverse effect on Greenidge, and will have no adverse effect on NYSEG or its customers.

To the extent necessary, the Parties request a waiver of any Commission regulation or requirement not otherwise satisfied by this filing in order to permit acceptance of the Reimbursement Agreement, effective as requested.

IV. COMMUNICATIONS

The individuals indicated below are designated for service under Rule 2010 of FERC's Rules of Practice and Procedure. Please direct all correspondence and communications regarding this filing to:⁵

Justin Atkins
Counsel
Avangrid Service Company
One City Center 5th Floor
Portland, ME 04101
207.629.1293
Justin.atkins@avangrid.com

Timothy J. Lynch
Director - Electric Transmission Services
New York State Electric & Gas
Corporation
18 Link Drive, PO Box 5224
Binghamton, NY 13902
585.484.6352
tjlynch@nyseg.com

George Pond
Barclay Damon LLP
Counsel for Greenidge Generation LLC
80 State Street
Albany, NY 12207
518.429.4232
GPond@barclaydamon.com

⁴ See, e.g., *Ameren Illinois Co.*, Docket No. ER15-370-000 (Dec. 15, 2014) (unpublished letter order); *S. Cal. Edison Co.*, Docket No. ER15-76-000 (Nov. 17, 2014) (unpublished letter order); *MidAmerican Energy Co.*, Docket No. ER13-2399-000 (Nov. 6, 2013) (unpublished letter order).

⁵ The Parties respectfully request waiver of 18 C.F.R. § 385.203(b)(3) to allow more than two persons to be added to the service list in this proceeding.

V. SERVICE

A copy of this filing will be served on Greenidge and the NYISO.

VI. CONTENTS OF FILING

In accordance with the Commission's eTariff regulations and other filing requirements,⁶ in addition to this transmittal letter this filing consists of:

- the public version of the Reimbursement Agreement; and
- the CEII version of the Reimbursement Agreement.

VII. CONCLUSION

For the foregoing reasons, the Parties respectfully request that the Commission accept the Reimbursement Agreement with an effective date of October 18, 2019.

Respectfully submitted,

/s/ Justin Atkins
Justin Atkins

Counsel to New York State Electric &
Gas Corporation

/s/ George Pond
George Pond

Counsel for Greenidge Generation LLC

⁶ 18 C.F.R. § 35.7.