## UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

New York Independent System Operator, Inc.	)	
and	)	Docket No. ER19-2282-00_
PJM Interconnection, L.L.C.	)	

# MOTION FOR EXTENSION OF COMPLIANCE FILING DEADLINE OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. AND PJM INTERCONNECTION, L.L.C.

Pursuant to Rules 212 and 2008 of the Rules of Practice and Procedure promulgated by the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. §§ 385.212 and 385.2008, the New York Independent System Operator, Inc. and PJM Interconnection, L.L.C. (collectively, the "RTOs") respectfully request that the Commission grant a 90 day extension of the compliance filing deadline for implementing revisions to the Market-to-Market ("M2M") Entitlement rules in their Joint Operating Agreement ("JOA").<sup>1</sup>

The August 28, 2019 Letter Order ("August Order") issued in this proceeding accepted the RTOs' proposed revisions to the M2M Entitlement rules filing with a flexible effective date between December 1, 2019 and January 31, 2020.<sup>2</sup> The flexible effective date that the RTOs requested permits them to implement the proposed revisions following

<sup>&</sup>lt;sup>1</sup> The RTOs' JOA is set forth in Section 35 of the New York Independent System Operator's ("NYISO's") Open Access Transmission Tariff ("OATT"). The M2M Coordination Process is in Section 35.23 of the NYISO's OATT. The rules for developing M2M Entitlements are in sub-section 6 of the M2M Coordination Process.

<sup>&</sup>lt;sup>2</sup> August Order at 2.

two weeks prior notice to the Commission and to their stakeholders. The revised effective date would be no later than April 30, 2020, if the requested extension is granted.

The vast majority of the JOA revisions proposed in the RTOs' June 28, 2019 filing, including all of the JOA revisions that were necessary to address the temporary waiver that the Commission granted to the RTOs in Docket No. ER18-2442-000,<sup>3</sup> became effective on September 16, 2019 and have been implemented by the RTOs. The only JOA changes that have not yet been implemented are improvements to the administration and determination of M2M Entitlements. The additional software the New York ISO ("NYISO") requires to implement M2M Entitlements under the new rules is scheduled to be deployed this month. The requirement to use the most recent (2017 through 2019) power flow and shift factor data to perform their first M2M Entitlements update is the reason additional time is needed to implement the new M2M Entitlement rules.<sup>4</sup> A complete set of 2019 data only became available on January 1, 2020. There is good cause for the Commission to grant the requested brief delay in order to permit the RTOs to develop and implement new M2M Entitlement values that incorporate the most recent data available.

#### I. REQUEST FOR EXTENSION OF COMPLIANCE FILING DEADLINE

Pursuant to Rule 2008 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2008, the Commission may extend a compliance filing deadline it has imposed "for good cause, upon a motion made before the expiration of the period

<sup>&</sup>lt;sup>3</sup> See Order Granting Request for Waiver, 165 FERC ¶ 61,149 (2018).

<sup>&</sup>lt;sup>4</sup> The revisions to OATT Section 35.23, sub-section 6.1, that were accepted in the August Order require the RTOs to use "generator output, load, and interchange schedules *from the most recently completed three calendar years*" to determine M2M Entitlements. Emphasis added.

prescribed or previously extended." The RTOs submit that there is good cause to grant this extension request.

On June 28, 2019, the RTOs filed proposed revisions to their JOA that included improvements to simplify the determination of updated M2M Entitlements. The RTOs explained the streamlined calculation method that each RTO will employ to develop revised M2M Entitlements for each M2M Redispatch Flowgate on an annual basis.<sup>5</sup> The RTOs each develop, and then compare their M2M Entitlement calculations in order to reach agreement on the updated M2M Entitlement values in accordance with sub-sections 6.1 and 6.2 of the revised M2M Entitlement rules that were accepted in the August Order. In this case, the RTOs need to complete the process of comparing data for the years 2017 through 2019 and reach agreement on a set of M2M Entitlements before they will be ready to implement all of the JOA revisions that were accepted in the August Order. The RTOs have already agreed that the currently effective M2M Entitlement values need to be revised in the 2020 update.

The RTOs originally requested additional time and a flexible effective date to implement the proposed revisions to the M2M Entitlement provisions of the JOA because the NYISO required additional time to develop and test the software necessary for it to implement the proposed M2M Entitlement improvements.<sup>6</sup> The NYISO's software improvement to effectuate updated entitlement values in real-time operations is scheduled to be timely deployed to production in January 2020. NYISO's software is not expected to delay implementation.

<sup>&</sup>lt;sup>5</sup> See the RTOs June 28, 2019 filing letter in this Docket at 9-10.

<sup>&</sup>lt;sup>6</sup> See the RTOs June 28, 2019 filing letter in this Docket at 15-16.

To comply with the new requirement that the RTOs use "generator output, load, and interchange schedules from the most recently completed three calendar years" the RTOs intend to use power flow and shift factor data from 2017-2019 to perform their first update under the new rules. This requires a brief implementation delay because final data for 2019 only became available on January 1, 2020. The RTOs must gather and each must carefully review the new data to develop appropriate M2M Entitlement values. Significant discrepancies with or differences between the RTOs' data or calculations must be addressed or explained, and a mutually agreed upon set of updated M2M Entitlement values developed.

The RTOs request a 90 day extension to delay the effective date of the revisions to the M2M Entitlement rules in the RTOs' JOA beyond January 31, 2020. Consistent with the mechanics of the flexible effective date accepted in the August Order, the NYISO proposes to submit a compliance filing at least two weeks prior to the RTOs' proposed effective date which will specify the date on which these revisions will take effect. The RTOs are unable to establish a specific effective date until after the 2019 market flow and shift factor data has been exchanged and reviewed, and M2M Entitlement values have been agreed upon.

There is good cause for the Commission to grant the requested brief delay in order to permit the RTOs to develop and implement new M2M Entitlement values that incorporate the most recent data available (2017-2019).

<sup>&</sup>lt;sup>7</sup> See the pending revisions to OATT Section 35.23, sub-section 6.1, that were proposed in the RTOs' June 28 filing and accepted in the August Order.

#### II. SERVICE

#### A. NYISO Service

This filing will be posted on the NYISO's website at www.nyiso.com. In addition, the NYISO will email an electronic copy of this filing to 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.

#### B. PJM Service

PJM Interconnection, L.L.C. ("PJM") will serve a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations, PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <a href="http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx">http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx</a> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region9 alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the FERC's eLibrary website located at the following link: <a href="http://www.ferc.gov/docs-filing/elibrary.asp">http://www.ferc.gov/docs-filing/elibrary.asp</a> in accordance with the Commission's regulations and Order No. 714.

<sup>&</sup>lt;sup>8</sup> See 18C.F.R §§ 35.2(e) and 385.2010(f)(3).

<sup>&</sup>lt;sup>9</sup> PJM already maintains, updates and regularly uses e-mail lists for all PJM Members and affected state commissions.

#### III. CONCLUSION

For the foregoing reasons, the RTOs respectfully requests that the Commission grant a 90 day extension of time beyond January 31, 2020 for the RTOs to implement the revisions to the M2M Entitlement rules in the JOA.

Respectfully submitted,

#### /s/ Alex M. Schnell

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#### CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 16<sup>th</sup> day of January 2020.

/s/ Mohsana Akter

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