

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

**Midwest Independent Transmission System
Operator, Inc. and
International Transmission Company d/b/a
*ITCTransmission***

Docket No. ER11-1844-____

**ANSWER OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.
IN SUPPORT OF THE NEW YORK TRANSMISSION OWNERS**

Pursuant to Rules 202 and 213(a)(3) of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (the “Commission”),¹ the New York Independent System Operator, Inc. (the “NYISO”) file this Answer in support of the answer filed on January 11, 2012, by the New York Transmission Owners (“NYTOs”) in the above-captioned proceeding.²

The NYISO supports the NYTOs assertion that a Commission ruling on its legal authority to accept ITC’s cost allocation proposal is not likely to improve the prospects of settling this proceeding.

The NYISO agrees with the NYTOs that ITC’s proposal to allocate the costs of its PARs to other regions is inconsistent with the policy decisions the Commission made in Order No. 1000. The NYISO also agrees with the NYTOs that the Commission has never permitted

¹ 18 C.F.R. §§ 385.202 & 385.213(a)(3) (2011).

² Request for Leave to Answer and Answer of the New York Transmission Owners, Docket Nos. ER11-1844, *et al.* (January 11, 2012) (“NYTO Answer”).

one region to construct facilities, and later impose a portion of the cost of those facilities on another region that did not agree to construct or pay for the facilities.

Respectfully submitted,

NEW YORK INDEPENDENT SYSTEM
OPERATOR, INC.

/s/ James H. Sweeney

Robert E. Fernandez, General Counsel

Alex M. Schnell

James H. Sweeney, Attorney

New York Independent System Operator, Inc.

Dated: January 12, 2012

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 12th day of January, 2012.

/s/ Joy A. Zimmerlin

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