

January 29, 2013

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

**Re: Niagara Mohawk Power Corporation, d/b/a National Grid
Docket No. ER13-___-000
Amended and Restated Special Protection System Engineering,
Construction, and Implementation Agreement with New Athens
Generating Company, LLC**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ and Part 35 of the Federal Energy Regulatory Commission’s (“Commission”) regulations,² Niagara Mohawk Power Corporation d/b/a/ National Grid (“National Grid”) submits an Amended and Restated Special Protection System Engineering, Construction, and Implementation Agreement (“Amended and Restated Agreement”) between National Grid and New Athens Generating Company, LLC (“Athens”). The Amended and Restated Agreement is an undisputed agreement under which National Grid will engineer, construct, and implement a redundant Special Protection System (“SPS”) configuration on the transmission system owned by National Grid, in order to improve the deliverability of Athens’s electric generating facility located in Athens, New York.

The Amended and Restated Agreement is intended to replace and supersede an existing Special Protection System Engineering, Construction, and Implementation Agreement between National Grid and Athens on file with the Commission (“Original Agreement”). The Amended and Restated Agreement is designated as First Revised Service Agreement No. 923 under the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”), FERC Electric Tariff, Original Volume No. 1.

National Grid respectfully requests acceptance of the Amended and Restated Agreement effective as of March 31, 2013.

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35.

I. Background

National Grid is a public utility with a transmission system in the State of New York. Athens is a generating company that owns and operates an electric generating facility with a capacity of approximately 1,080 megawatts located in Athens, New York (“Athens Plant”). The Athens Plant is interconnected to the transmission system owned by National Grid.

National Grid and Athens are parties to the Original Agreement, which is the Special Protection System Engineering, Construction, and Implementation Agreement that was filed and accepted in Docket No. ER07-318.³ The purpose of the Original Agreement was to improve the deliverability of the Athens Plant through the implementation of a temporary SPS on the transmission system owned by National Grid. The Original Agreement was intended to be in effect until the parties could agree on an additional deliverability solution. The Commission accepted the Original Agreement effective as of December 14, 2006, as requested by National Grid.⁴

Subsequently, the parties have negotiated the Amended and Restated Agreement in order to implement a modified and enhanced solution to the deliverability of the Athens Plant - namely, the implementation of a redundant SPS configuration.

II. Description of the Amended and Restated Agreement and Filing Requirements

As shown in the black-lined document provided in Attachment B to this filing that sets forth the differences between the Original Agreement and the Amended and Restated Agreement, many of the provisions in the Original Agreement have been retained or have been made subject to only minor changes in the Amended and Restated Agreement. These provisions concern matters such as invoices and payments, defaults and remedies, insurance, indemnification, and limitation of liability, force majeure, compliance with law, permits, and approvals, dispute resolution, and representations and warranties.⁵

The Amended and Restated Agreement modifies the Original Agreement primarily to set forth the engineering, construction, and implementation services that National Grid will provide to Athens for a redundant SPS configuration on the transmission system owned by National Grid. Pursuant to the Amended and Restated Agreement, National Grid will perform an engineering study (the Redundant SPS Configuration Study) and will design, construct, test, and implement the redundant SPS configuration.⁶

Athens will pay National Grid for the actual costs incurred in connection with the services provided under the Amended and Restated Agreement.⁷ The Commission should find

³ The Original Agreement is designated as Original Service Agreement No. 923 under the NYISO OATT.

⁴ See Commission Letter Order, Docket Nos. ER07-318-000 and ER07-318-001 (Apr. 19, 2007).

⁵ Amended and Restated Agreement, Section 4.2, and Articles 6 and 8-12.

⁶ *Id.*, Article 3.

⁷ *Id.*, Article 4.

the price of the services to be performed pursuant to the Amended and Restated Agreement to be just and reasonable because National Grid will perform these services at actual cost.

III. Effective Date

National Grid respectfully requests that the Commission make this Amended and Restated Agreement effective as of March 31, 2013.

IV. Documents Enclosed

In addition to this filing letter, attached are the following documents:

- i. Amended and Restated Agreement (First Revised Service Agreement No. 923 under the NYISO OATT), provided in clean format (Attachment A)
- ii. Black-lined revisions showing the differences between the Original Agreement and the Amended and Restated Agreement (Attachment B)

V. Communications and Service

Communications regarding this filing should be addressed to the following individuals, whose names should be entered on the official service list maintained by the Secretary for this proceeding:⁸

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⁸ National Grid requests waiver of 18 C.F.R. § 385.203(b) to allow four persons to be added to the service list in this proceeding.

Copies of this filing have been served on Athens, the NYISO, and the New York State Public Service Commission.

VI. Conclusion

For the reasons stated herein, National Grid respectfully requests that the Commission accept the Amended and Restated Agreement effective as of March 31, 2013.

Respectfully submitted,

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