

August 1, 2014

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. ER14-Notice of Cancellation of Service Agreement No. 1953

Dear Secretary Bose:

Pursuant to Section 35.15 of the Federal Energy Regulatory Commission's ("Commission") regulations, 1 Niagara Mohawk Power Corporation d/b/a National Grid ("Niagara Mohawk") submits for Commission acceptance this Notice of Cancellation of the Cost Reimbursement Agreement ("Reimbursement Agreement") between Niagara Mohawk and Erie Boulevard Hydropower, L.P. ("Erie") designated as Service Agreement No. 1953 under the New York Independent System Operator, Inc.'s ("NYISO") Open Access Transmission Tariff ("OATT").

Niagara Mohawk respectfully requests that the Commission accept this Notice of Cancellation effective October 1, 2014.

I. **Background and Justification for Cancellation**

The Reimbursement Agreement was filed with the Commission and accepted in Docket No. ER13-888, effective November 9, 2012 as requested by Niagara Mohawk.² The Reimbursement Agreement included provisions under which Erie agreed to reimburse Niagara Mohawk for the actual costs and expenses incurred in connection with work performed by Niagara Mohawk to expedite the interconnection process for Erie's expanded Stewarts Bridge Hydropower Generation Plant ("Plant").

Niagara Mohawk and Erie also agreed to a provision that would affect the implementation of the new interconnection agreement for the Plant once it was finalized. Specifically, under Section 2.2 of the Reimbursement Agreement, Niagara Mohawk

¹⁸ C.F.R. § 35.15.

See Commission Letter Order, Docket No. ER13-888-000 (Mar. 8, 2013).

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would have no further obligation to perform work under the Reimbursement Agreement upon the date the Commission accepted the new interconnection agreement.³ Further, Section 2.2 states that the Reimbursement Agreement will terminate upon final payment by Erie of all reimbursable costs incurred by Niagara Mohawk during the term of the Reimbursement Agreement.

The new interconnection agreement was filed in Docket No. ER13-1390. On June 14, 2013, the Commission issued a letter order accepting the interconnection agreement effective April 17, 2013, as requested by parties to the interconnection agreement.

On May 8, 2013, Erie made final payment of all reimbursable costs incurred by Niagara Mohawk pursuant to the Reimbursement Agreement.

II. **Effective Date**

Niagara Mohawk requests that the Commission accept this Notice of Cancellation effective October 1, 2014. As noted above, Erie has already made final payment of all reimbursable costs incurred by Niagara Mohawk pursuant to the Reimbursement Agreement, so the Reimbursement Agreement has already expired by its own terms.

III. Communication

Communications and correspondence regarding this filing should be addressed to the following individuals:

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See transmittal letter for Reimbursement Agreement filing in Docket No. ER13-888 at 2. The transmittal letter also explained that, under Section 7.5 of the Reimbursement Agreement, any remaining balance of prepayments made to Niagara Mohawk by Erie under the Reimbursement Agreement would be applied to invoices charged to Erie under the new interconnection agreement. In addition, Section 7.5 of the Reimbursement Agreement provides that Niagara Mohawk will adjust the security to be provided under the new interconnection agreement to reflect such prepayments. Id. at 2-3.

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> Waltham, MA 02451 Tel: (781) 907-2422 bill.malee@nationalgrid.com

IV. Service

Niagara Mohawk has served this filing on Erie, the NYISO, and the New York Public Service Commission.

V. Conclusion

For the reasons stated above, Niagara Mohawk requests that the Commission accept this Notice of Cancellation of the Reimbursement Agreement effective as of October 1, 2014.

Respectfully submitted

/s/ Amanda C. Downey

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