

June 14, 2012

**By Electronic Delivery**

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

Re: Filing of an Executed Amended and Restated Small Generator Interconnection Agreement Among the New York Independent System Operator, Inc., Niagara Mohawk Power Corporation d/b/a National Grid, and Albany Energy LLC and Request for Waiver of the 60-Day Notice Period, Docket No. ER12-\_\_\_\_-000

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act<sup>1</sup> and Section 35.12 of the Commission's Regulations,<sup>2</sup> the New York Independent System Operator, Inc. ("NYISO") and Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid") (collectively, the "Joint Filing Parties") hereby tender for filing an executed Amended and Restated Small Generator Interconnection Agreement ("Amended Agreement") as Service Agreement No. 1168 among the NYISO, National Grid as the Transmission Owner, and Albany Energy LLC ("Albany Energy") as the Interconnection Customer.<sup>3</sup>

The Joint Filing Parties respectfully request that the Commission accept the Amended Agreement for filing. Further, as described in Part III of this letter, the Joint Filing Parties respectfully request a waiver of the Commission's prior notice requirements to make the Amended Agreement effective as of May 2, 2012.

**I. Background**

The Amended Agreement supersedes a Small Generator Interconnection Agreement ("SGIA") among the parties that was filed in Docket No. ER08-427-000, as Service Agreement No. 1168 ("Original Agreement"). The Original Agreement was accepted by the Commission on February 28, 2008.<sup>4</sup> The Original Agreement stated that Albany Energy's landfill recovery generation facility ("Facility") would consist of two generating units with a

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<sup>1</sup> 16 U.S.C. § 824d (2011).

<sup>2</sup> 18 C.F.R. § 35.12 (2011).

<sup>3</sup> Capitalized terms not otherwise defined in this letter have the meaning set forth in Attachments S, X and Z of the NYISO's Open Access Transmission Tariff ("OATT").

<sup>4</sup> *New York Independent System Operator, Inc. and Niagara Mohawk Power Corporation d/b/a National Grid*, Order, Docket No. ER08-427-000 (issued February 28, 2008).

combined capacity of 1.9 MW, associated breakers, and appurtenant equipment and a third generating unit with capacity of 950 kW, with a total generating capacity of 2.85 MW.<sup>5</sup> The Original Agreement also specified that the Point of Interconnection would be the tap point on the Connecting Transmission Owner's 34.5 kV Karner-Patroon Line #5.

## **II. Discussion of Changes**

Since the filing of the Original Agreement, Albany Energy proposed to expand the Facility from 2.85 MW to 9.2 MW ("New Facility"). The proposed expansion was evaluated through the NYISO interconnection process. As a result of the proposed expansion, the equipment and Milestones specified in the Original Agreement require modification. The Joint Filing Parties therefore submit this Amended Agreement to reflect the modifications to the Original Agreement.

Specifically, the Amended Agreement modifies the SGIA as follows:

- The body and attachments to the Amended Agreement reflect modifications to the Original Agreement required by the current *pro forma* SGIA, certain provisions of which were not in existence at the time the Original Agreement was executed;
- The body of the Amended Agreement reflects the following modifications to the body of the Original Agreement: (1) change in the Developer's name from MM Albany Energy LLC to Albany Energy LLC; (2) a new effective date - the date of execution of the Amended Agreement; (3) changes to reflect that this is the "Amended and Restated" version of the Interconnection Agreement; and (4) ministerial corrections to correct outdated contact information for individuals referenced in the Notice provisions and incorrect tariff section numbers referenced in the *pro forma* SGIA;
- Section 1.3.1 of the body of the Amended Agreement has been modified to incorporate a reference to Attachment 5 in order to clarify that with respect to Capacity Resource Interconnection Service ("CRIS"), the Interconnection Customer elected not to have the additional capacity created by the uprate evaluated for deliverability in the Class Year Facilities Study process and, therefore, the New Facility's CRIS will remain 2.5 MW unless and/or until the CRIS value is modified pursuant to applicable provisions of the NYISO's OATT;
- Attachment 2 has been modified to reflect the expansion of the Facility, from 2.85 MW to 9.2 MW including: (1) additional technical detail for the existing generators and appurtenant equipment (*e.g.*, reactive power capability and winding configurations); (2) a clear demarcation of existing versus new facilities and equipment; (3) design and construction requirements for the expansion of the existing facility (*i.e.*, the New Facility); (4) a description of the phases of the interconnection of the New Facility; (5) details regarding the generator lead

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<sup>5</sup> Additional details regarding the interconnection are found in Attachment 2 of the Amended Agreement.

relocation modifications; and (6) a cost estimate for work related to the Connecting Transmission Owner's Interconnection Facilities and modifications thereto required by the expansion;

- Attachment 3 has been modified to reflect an updated one-line diagrams;
- Attachment 4 has been modified to reflect updated Milestones associated with the Existing Facility and to add Milestones associated with the New Facility;
- Attachment 5 has been modified primarily to reflect (1) changes and updates to the Connecting Transmission Owner's Electric System Bulletins referenced in the Original Agreement; and (2) that the New Facility's Capacity Resource Interconnection Service will continue to be 2.5 MW unless and/or until the CRIS value is modified pursuant to applicable provisions of the NYISO's OATT;<sup>6</sup> and
- Attachment 6 has been modified to reflect that there are no Distribution Upgrades for the New Facility; and to provide a description of and cost estimate for System Upgrade Facilities required for the New Facility.

The blacklined Amended Agreement attached to this filing shows all of these changes that were made to the currently effective Original Agreement. The Joint Filing Parties respectfully request that the Commission accept this Amended Agreement.

### **III. Proposed Effective Date and Request for Wavier of the 60-Day Notice Period**

The Joint Filing Parties request an effective date of May 2, 2012 for the Amended Agreement, which is the date of execution. The Joint Filing Parties respectfully request that the Commission waive its prior notice requirement in order to permit the requested effective date. The Commission has previously permitted interconnection agreements to become effective upon the date of execution.<sup>7</sup>

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<sup>6</sup> Attachment 5 has also been modified to provide that (1) the Interconnection Customer will comply with requirements set forth in the Amended Agreement; (2) the Interconnection Customer will be responsible for correcting certain system performance issues that may arise in day-to-day operations of the New Facility; and (3) that the Amended Agreement does not guarantee delivery of New Facility's full capability to the transmission system. The Parties are working to further revise the Amended Agreement to revise or delete these provisions, which include an inapplicable reference to an Interim Constrained Operation Period. Toward that end, the Parties anticipate executing and filing a second amendment to reflect such changes in the future.

<sup>7</sup> See, e.g., *New York Independent System Operator, Inc. and New York State Electric & Gas Corporation*, Docket No. ER11-2953-000 (April 7, 2011) (accepting interconnection agreement effective as of date of execution); see also *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-985-000 (June 26, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority, Letter Order*, Docket No. ER08-861-000 (May 27, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority, Letter Order*, Docket No. ER08-699-000 (May 16, 2008) (same).

#### **IV. Communications and Correspondence**

Communications regarding this filing should be directed to:

##### **For the NYISO**

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#### **V. Documents Submitted**

The NYISO submits the following documents: •

this filing letter;

- a clean version of the Amended Agreement (Attachment I); and
- a blacklined version showing the changes between the Original Agreement and the Amended Agreement (Attachment II).

**VI. Service**

The NYISO will send an electronic link to this filing to the official representative of 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. In addition, a complete copy of the Public documents included with this filing will be posted on the NYISO's website at [www.nyiso.com](http://www.nyiso.com).

**VII. Conclusion**

Wherefore, the NYISO respectfully requests that the Commission accept the Amended Agreement effective as of May 2, 2012.

Respectfully submitted,

/s/ Sara B. Keegan

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/s/Amanda C. Downey

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